

Power demand could outstrip supply in 2008

Becky Ginos – Jan. 8, 2008

KAYSVILLE — The demand for power in Utah continues to grow faster than the state's generating capacity — and that means new challenges won't be far behind. "Utah will be negative on energy resources as early as this year," said Steve Rush, regional community manager at Rocky Mountain Power. Once that happens, additional electric power would have to be purchased from outside sources, resulting in less control over rates and availability.

"Fuel costs are increasing dramatically," he emphasized.

This was the lead topic as the Legislative Affairs Committee met in preparation for the upcoming 2008 Legislative session.

"Resources are all more expensive and with the political environment, coal-fired plants are not on the table," Rush said.

With recent concerns over coal-fired power plants and clean air, Gov. Jon Huntsman has put a hold on further construction, so other solutions must be found.

"Solar is a nice [topic of] conversation but expensive," Rush continued. "We support clean air efforts and we are willing to build what Utahns want." But Rush said they don't want a mandate dictating specifically what has to be done. Because Utah is involved in a multi-state effort on energy, Rush is concerned that all costs and benefits be weighed before making decisions that could have a negative impact on Utah.

"Many people who are suggesting options don't want to discuss the cost," said Rush. "We just want everyone to understand the timeline, capabilities and costs — then how to get there."

Rush asked for backing from the committee because the business community understands the uncertainty of such financial decisions.

Commissioner Louenda Downs made a motion to draft a statement in support of Rocky Mountain Power's position and the committee agreed.

"No one cares about power until they turn on the switch and it's not there," said Committee Chairman Chris Dallin. "There is a need for more capacity, and I feel good about the direction the committee is taking."

Dallin said the purpose of the committee is to strategize about what is best for the community. "We want to create high-minded public policy so that Davis County is a better place to live and work."

The next topic considered was transportation. Justin Jones and Mick Crandall from UTA gave the committee a presentation on costs and future needs. With the loss of food tax revenue, UTA asked the committee for support to increase taxes to offset the deficit.

“Over time, the amount one county pays balances out between what you pay and the service you get,” said Jones. “Commuter rail cost way more than Davis County paid out in transit taxes over the past several years. We took advantage of the whole revenue stream to build it.”

Several committee members questioned whether UTA was implementing other strategies to cut costs, and Jones assured them they were.

“We are trying to get more riders and working on more efficient fuel use,” Jones said. “But in reducing operating costs, we will have to cut back on personnel.”

After some discussion over the challenges posed by transportation, Dallin turned to Chamber Subcommittee Chair Gary Petersen, who has been asked to oversee the issue.

“This will be a tax increase no matter how it is printed,” said Peterson.

“We have to have the public’s best interest at heart. Whatever we do the commission will have to answer for it.”

Petersen and the committee agreed his subcommittee would meet with UTA and make a detailed recommendation at the next meeting, Jan. 23.

Health care was also on the agenda, but the committee decided to wait on that topic until there was more concrete information on how the bill would read.

The committee plans to meet on a regular basis throughout the Legislative session working on bills vital to Davis County.

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