

LA PLATA ELECTRIC ASSOCIATION, INC.
Durango, Colorado
2015 ANNUAL MEETING

The 76th annual meeting of the members of La Plata Electric Association, Inc. was held at Pagosa Springs High School on Saturday May 20, 2015. President Rendon called the meeting to order at 10:43 A.M. and welcomed the membership to Pagosa Springs High School. He introduced American Legion Post 108 Color Guard who presented the United States and Colorado flags and sang the National Anthem. The membership joined in the Pledge of Allegiance and a prayer that was led by American Legion Post 108 Color Guard.

Agenda

President Rendon asked for a motion to approve the meeting agenda.

Motion: Member Mark Garcia moved to accept the agenda as presented, motion seconded and passed without dissent.

Motion: Member Natalie Woodruff moved to accept the May 22, 2014 meeting minutes as presented, motion seconded and passed without dissent.

Attendance report

President Rendon reported that 185 had registered prior to the meeting and a quorum was established.

Appointment

President Rendon appointed Laura Rome as Secretary and Barry Spear, LPEA Attorney, as parliamentarian for the meeting.

Official Notice of Meeting and Standing Rules and Procedures

LPEA Attorney Spear confirmed the annual meeting notice was posted pursuant to the LPEA bylaws 45 days prior to the meeting. Attorney Spear requested for a motion to waive the reading of the annual meeting notice and adopting the Standing Rules and Procedures.

Motion: Member Dick White moved to waive the reading of the annual meeting notice and to adopt the Standing Rules and Procedures; motion was seconded and passed without dissent.

Attorney Barry Spear read Standing Rules and Procedures for the meeting and announced if members had not voted by mail to make sure they voted before the polls were closed. Attorney Spear reported the independent third party Tiffany Parker, La Plata County Clerk, was tallying the votes.

President Introduces Board of Director Incumbents and candidates

President Rendon introduced the current LPEA Board: Robert Formwalt, Mark Garcia, and Bob Lynch from District 1; Jerry McCaw, Tom Compton, and Davin Montoya from District 2; Jeff Berman, Britt Bassett, and Michael Rendon from District 3; and Jack Turner, Heather Erb, and Joe Wheeling from District 4. President Rendon introduced the candidates that ran for election: In District 1, candidate Nick Kazarinoff ran against incumbent, Robert Formwalt. In District 2, Kohler McInnis and Gregg Dubit ran against incumbent, Jerry McCaw. In District 3, candidate Jim Wotkyns ran against incumbent, Britt Bassett. In District 4, Karen Barger ran against incumbent Heather Erb. President Rendon asked if any of the candidates would like a chance to address the membership.

Close Voting Box

President Rendon confirmed everyone had an opportunity to vote and announced the ballot boxes would be closed. The ballot boxes were then closed. President Rendon announced that the election results would be revealed at the end of the meeting.

Introduction of Guests

President Rendon recognized La Plata County, City of Durango, and Southern Ute Tribal dignitaries, and former LPEA and Round Up Board members; Rendon thanked LPEA volunteers, community volunteers, and the Southern Ute Veterans Association, and LPEA scholarship students.

LPEA Board President Report

President Michael Rendon gave the Board of Directors report.

LPEA Financial Report

Treasurer Mark Garcia gave the financial report.

LPEA Report

President Rendon introduced CEO, Mike Dreyspring. Dreyspring's CEO report touched on the industry, LPEA financial performance for 2015, the Tri-State rate case settlement and pending LPEA change, solar project development and long range plans for transmission development in Archuleta County.

Round Up Report

Round Up Board Member Bruce Keuning gave the Round Up report.

CREA Report

President Rendon introduced Director Berman, who has been the LPEA representative to the Colorado Rural Electric Association (CREA) for two years. Mr. Berman discussed the value CREA provides in fostering dialogue with sister cooperatives statewide, some of the challenges with differing opinions on legislation and regulatory requirements, his work on the CREA building committee and in crafting CREA positions. Berman noted Tri-State's acknowledgment they can meet the 20% renewable energy standard in part given cheaper renewable energy and quantification of integration costs. He discussed the potential for stranded costs in shutting down coal power plants versus the higher cost of maintaining them as they age.

Berman discussed the National Rural Electric Cooperative's plans to fight the Clean Power Plan, historically questionable arguments that it will cause harm to reliability and cost billions of dollars, and CREA's currently more measured approach. He questioned Tri-State's understanding of roof-top solar's cost, the potential impact of battery storage on their business model, and the need to adapt by integrating cheaper renewable energy. Berman described his belief that it is a Directors' duty of care to continue questioning in order to ensure safe, reliable, clean electrical services at a low and stable cost for all. He thanked the members for the opportunity to serve as the LPEA representative to CREA.

Tri-State Generation and Transmission Report

President Rendon introduced LPEA Delegate, Joe Wheeling, who gave the Tri-State report.

Attorney Spear with Maynes, Bradford, Shipps and Sheftel.

President Rendon introduced Attorney Spear, who gave the Attorney report. Attorney Spear reported on the PUC Case where LPEA had challenged the fairness of Tri-State's 2013 wholesale rate under Colorado law. The Tri-State rate was an all energy rate which kept the electricity charge the same all the time notwithstanding the demand and removed incentives for energy conservation and efficiency, while creating an across the board increase to the cost of electricity for the members of LPEA. Settlement had been reached in the case in 2015 and its terms included (i) an interim rate for LPEA members which LPEA staff endorsed; (ii) rate principles where Tri-State agreed to conduct a cost of service study for 2016 to establish the support for an equitable rate based on demand and energy; (iii) an expanded rate committee, which had only been comprised of TS board members, to include an independent rate consultant and representatives of the member-cooperatives; and (iv) two new policies establishing for the first time a dispute resolution process for members to address Tri-State issues. Other legal matters for the year included working with the board and staff to develop policies and contracts for the participants of the Community Solar Gardens and providing some assistance to the board in helping to select the new CEO Mike Dreyspring.

Unfinished Business

President Rendon asked for any unfinished business items. There was none.

Board of Directors Election Results

President Rendon introduced Tiffany Parker from La Plata County Clerk's Office to announce the Board of Director election results. Ms. Parker announced the 7,209 ballots were received and the winning results were as follows:

District 1: Bob Formwalt

District 2: Kohler McInnis

District 3: Britt Bassett

District 4: Karen Barger

Door Prize Drawing/Announcement of Winners in Auditorium

New Business

President Rendon asked if there were any members that had questions for the speaker panel which included; President Michael Rendon, LPEA Treasurer Mark Garcia, CEO Mike Dreyspring, Attorney Barry Spear. All questions were addressed by the speaker panel.

President Rendon requested a motion to adjourn the meeting

Motion: Member at large moved to adjourn the meeting; motion seconded and passed without dissent.

The 2015 Annual meeting adjourned at 1:10 P.M.

Respectfully submitted by Laura Rome, (initial draft of minutes submitted by Laura Rome; completed by Mike Dreyspring, CEO).



Approved by: _____
Jeff Berman, Secretary



Michael Rendon, President