

LA PLATA ELECTRIC ASSOCIATION, INC.
Committee of the Whole Minutes of Meeting
Monday, October,16 2017
Durango, Colorado

I. CALL TO ORDER

The Committee of the Whole meeting of La Plata Electric Association, Inc. was held Monday, October 16, 2017 at the headquarters building in Durango, Colorado. President Montoya called the meeting to order at 9:01 a.m., with the following Directors present:

Mike Alley	Dan Huntington	Kohler McInnis
Karen Barger, Secretary		Davin Montoya, President
Britt Bassett	Bob Lynch, Vice President	Jack Turner
		Guinn Unger

LPEA STAFF:

Mike Dreyspring, Chief Executive Officer
Dennis Svanes, Chief Financial Officer
Dan Harms, Manager of Rates, Technology and Energy Policy
Ron Meier, Manager of Engineering, Member Relations and Marketing
Justin Talbot, Manager of Operations
C. E. Charistopoulos, Executive Assistant
Shay Denning, LPEA General Counsel
Ryne Waggoner, Staff Engineer

EXCUSED ABSENCE: Linda Looman, Manager of HR and Customer Service, Rachel Landis, Doug Lyon, Treasurer, and Bob Formwalt. It was noted that Jack Turner arrived at 9:25 a.m., and Davin Montoya left at 12:55 p.m. Vice President Lynch chaired the meeting in the absence of Director Montoya.

GUESTS (from sign in sheet): The following guests were present: Betsy Romere.

DRAFT BYLAWS CHANGES – Attorney Denning presented and discussed proposed revisions to Articles 1, 2, 3.7, 4, 5, 7, 10, 11, 16 of the LPEA Bylaws with updated verbiage to reflect conventional language, while affecting no substantive change to the items. Directors had substantial discussion of Article III - Directors, Section II – Qualifications and Tenure, and Article 15 – Amendments. Attorney Denning was directed to return in November with Board recommended modifications for further discussion. Denning invited Directors to take time for further consideration over the coming weeks, and to forward any additional recommendations to her, as well as, the full Board, by email prior to her presentation.

CEO Dreyspring will visit with a member who requested a Bylaws change to Article XV – Amendments, that would reduce the petition requirement from 10% to 5% of member signatures

required to bring a Bylaws change to vote, and share the Board's decision against addressing the change at this time.

2018 CAPITAL PROJECTS BUDGET – Ryne Waggoner presented an overview of the 2018 Capital Projects in Transmission, Distribution, System Improvements, New Service, and Service Improvement Projects. Discussion ensued on large variances between the Capital Projects Budget and the Actual historical costs. Ron Meier advised that it is best to characterize the Budget as more of a Forecast that takes into consideration worst-case scenarios from a budget standpoint, and a best-case scenario from a project standpoint. A resolution to adopt the 2018 Financial Forecast and Capital Projects Budget will take place in November.

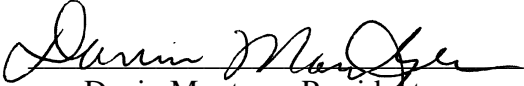
ADDITIONAL WEEKEND & HOLIDAY PROGRAMMING FOR TIME OF USE – Director Bassett expressed an interest in exploring additional TOU programming for member convenience. Dan Harms explained that the Tri-State Saturday peak presents a huge financial risk to the revenue neutral rate structure if uncontrolled demand was to be introduced on a Saturday. Because the peak demand charge would be spread across fewer hours, the weekday on-peak schedule would have to offset the weekend demand load, and that change would make TOU unproductive. Additional holiday programming is an option and will be discussed further. The Board gave direction for Harms to present rate scenarios for revising Saturday off-peak hours at the next Board meeting, and agreed that interval data could be shared with Director Bassett in accordance with the non-disclosure conditions within Policy 117 Member Request for Cooperative Information.

REVIEW REGULATORY AFFAIRS O&I – Ron Meier discussed the Strategic Statement of the overhauled draft of the former Regulatory Compliance O&I standards, which now states that *LPEA will monitor and participate in regulatory processes that can impact the success of the cooperative*. The new Regulatory Affairs O&I includes three Milestones with Targeted Completion Dates to *Review and revise LPEA's Internal Compliance Program, Finalize review of LPEA's registration level with NERC, and Modify and add necessary Policy, Guidelines, and Procedures related to new registration level*. Meier and Staff took all questions. Discussion ensued on the importance of participating in the legislative process on state and federal levels with CREA and NRECA, and LPEA's in-house legislative tracking.

REVIEW TECHNOLOGY DEVELOPMENT AND DEPLOYMENT O&I – Dan Harms advised that this item will be presented in November.

There being no further business, the LPEA Committee of the Whole meeting adjourned at 1:08 p.m.

Recorded by C.E. Charistopoulos, and approved by:


Davin Montoya, President


Karen Barger, Secretary