

LA PLATA ELECTRIC ASSOCIATION, INC.
Power Supply Committee Minutes of Meeting
Thursday, September 6, 2018
Durango, Colorado

I. CALL TO ORDER

The Power Supply Committee of the La Plata Electric Association Board of Directors was held Thursday, September 6, 2018 at the headquarters building in Durango, Colorado. Committee Chairman Bassett called the meeting to order at 10:05 a.m. and addressed the agenda. The following Committee members were in attendance:

COMMITTEE DIRECTORS:

Britt Bassett, Committee Chairman
Kohler McInnis
Tim Wheeler
Jack Turner, CREA Liaison
CEO Dreyspring

LPEA STAFF:

Shay Denning, General Counsel
C. E. Charistopoulos, Executive Assistant

EXCUSED ABSENCE: Dan Harms, Manager of Rates, Technology, and Energy

GUESTS: The following guests were in attendance: Guinn Unger, Bob Lynch, Jeff Bork.

I. APPROVAL OF AGENDA

Committee Chairman Bassett addressed the September 6, 2018 Power Supply Committee (PSC) meeting agenda and advised that a discussion of the role of Jack Turner as the CREA Liaison to the PSC was necessary to include with discussion item 3.1, the Road Map for Committee Work.

Motion: Director McInnis moved to approve the September 6, 2018 PSC meeting agenda with the approved modifications. Motion seconded and carried without dissent.

II. EVACUATION PROTOCOL

CEO Dreyspring reviewed the emergency evacuation procedures.

III. COMMITTEE DISCUSSION AND POSSIBLE ACTION

ROADMAP FOR COMMITTEE WORK – CEO Dreyspring used the analogy of a *Road Map* to help bring structure to this process. A discussion on the PSC *Destination* was held which resulted in pointing out how the LPEA Mission Statement applies. The destination is to gather the facts to determine steps that might be taken to lower rates and be environmentally responsible while maintaining safe and reliable power. There was consensus that a buyout was not a destination but may be a tool depending on the facts that are gathered.

Continuing with the road map analogy, a discussion was completed considering *Off Ramps*, *Road Signs* and *Detours* the committee will consider.

Committee Chair Bassett pointed to the PSC Charter approved by the Board as another guiding document and it was agreed that the PSC will pursue parallel paths with two RFPs.

Attorney Denning discussed the parameters of Executive Session conversations and the Committee agreed that Board members and LPEA Staff could attend PSC Executive Sessions.

Discussion ensued on confidentiality, member access to information, and Committee minutes. Committee Member Wheeler suggested that the public minutes should reflect results and the monthly Committee reports to the Board of Directors should discuss process along with further details. There was consensus in the PSC to follow that suggestion.

ROLE OF JACK TURNER AS COMMITTEE LIAISON TO CREA – Following a brief discussion, there was PSC consensus that a Committee Liaison will afford the opportunity to leverage relationships with other cooperatives that have a similar interest in these issues. Committee Liaison Turner will be a non-voting Committee resource, perform specific tasks as assigned by the Committee and the CEO, and receive a per diem for meeting attendance and any additional travel that may be directed by the PSC.

Committee Liaison Turner discussed the upcoming opportunities he will have to hold informal discussions with other CREA members on these issues.

PROCESS TO COMPLETE AND DISTRIBUTE RFPs – The Committee will set an RFP schedule that includes keeping the Board well informed and keep the work on track to meet the end of March 2019 deadline set in the Charter. Work is expected between meetings to meet this schedule, starting with refining the draft RFPs to ready them for release. Board President Lynch advised that the Board had approved that the PSC direct how the \$75,000 budget is to be used, but any additional Committee expenditures beyond this must be brought to the Board for approval.

POSSIBLE SITE VISITS FOR COMMITTEE – The possibility of in-person or teleconference meetings with other cooperatives with similar interests was discussed. Committee Member McInnis suggested, and consensus was reached, that a meeting should also be held with San Miguel to understand their announcement to not investigate contract options.

FUTURE MEETINGS – Chairman Bassett proposed PSC meetings be held the first and third Thursday of each month from 10:00 a.m. to noon. If a guest speaker attends, meetings may start

at 9:00 a.m. Discussion on time commitments included the need for a balanced representation to ensure credibility. As Kohler McInnis may not have adequate time available, President Lynch will query other Directors to determine if an alternate is available.

It was noted that Jasen Bronec, CEO of DMEA, will address the Green Business Round Table on November 14, 2018, the same day as the LPEA Board meeting and the day preceding a PSC meeting. A request will be made to see if he might stay over to meet with the PSC the next morning.

It was noted that Guzman Energy will be speaking on *The Wholesale Power Market* at a couple of upcoming events. They will be invited to speak on that subject at the next PSC meeting.

IV. EXECUTIVE SESSION

Motion: CEO Dreyspring moved to enter into Executive Session to discuss language for the contract valuation RFP and the power supply RFP. Motion seconded and carried without dissent.

The Committee remained in executive Session from 12:28 p.m. to 1:01 p.m.

V. ADJOURN

CEO Dreyspring, Attorney Denning, and the Committee reviewed items for follow up. The next PSC meeting is scheduled for Thursday, September 20, 10:00 a.m. to 12:00 p.m. If a guest speaker is available, the next meeting would start at 9:00 a.m.

There being no further business, the Power Supply Committee of the La Plata Electric Association, Board of Directors meeting adjourned at 1:07 p.m.

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



Britt Bassett, Committee Chairman