

LA PLATA ELECTRIC ASSOCIATION, INC.  
Committee of the Whole Minutes of Meeting  
Monday, October 15, 2018  
Durango, Colorado

**I. CALL TO ORDER**

The Committee of the Whole meeting of La Plata Electric Association, Inc. was held Monday, October 15, 2018 at the headquarters building in Durango, Colorado. President Lynch called the meeting to order at 9:00 a.m., with the following Directors present:

Mike Alley	Bob Lynch, President	Kirsten Skeeahan
Britt Bassett, Vice President	Doug Lyon	
Dan Huntington, Secretary	Kohler McInnis	Guinn Unger
	Davin Montoya	Tim Wheeler, Treasurer

**LPEA STAFF:**

Mike Dreyspring, Chief Executive Officer  
Dan Harms, Manager of Energy Rates and Technology  
Dennis Svanes, Chief Financial Officer  
Nadine Ontiveros, Manager of HR  
Ron Meier, Manager of Engineering and Member Relations  
Justin Talbot, Manager of Operations  
Jerry Wills, District Manager, Pagosa Springs  
C. E. Charistopoulos, Executive Assistant  
Shay Denning, LPEA General Counsel

**EXCUSED ABSENCE:** Jack Turner Director was absent, Landis arrived at 12:30 p.m.

**GUESTS** (from sign in sheet): The following guests were present: Betsy Romere, Jeff Bork, H.L. Riegle, Lori Schell, Eric Gold.

**REVIEW GOOGLE DOC FOR DEFINING CEO ROLE** – President Lynch discussed the collaborative process of the CEO Search Committee (Executive Committee) to work with Directors and Senior Staff on defining a broad scope of candidate capabilities, characteristics, and deliverables; as well as, the parallel path of selecting a search firm to assist with recruiting. The Committee will review all resources and make a recommendation to the Board in November. CEO, Mike Dreyspring is set to retire September 6, 2019.

**TRI-STATE POLICY 118 CONCEPT UPDATE** – Dan Harms reviewed the whitepaper written for Tri-State that presents key concepts for member specified generation under Tri-State Policy 118 Member System Participative Generation and explores specific concepts whereby member systems could specify the generation resources that serve them without negatively impacting non-participating member systems. Discussion ensued on the Tri-State Policy 115 Member System Distributed Generation Review Committee, transmission assets, and LPEA’s Power Supply Committee research into

alternative power supply. Harm's concepts were met with general favor among the Board. Harms will determine whether doing a project under Tri-State Policy 118 is possible after the next Tri-State Policy 115 Review Committee meeting and report back.

**RESIDENTIAL RATE ANALYSIS REVIEW** – Dan Harms recapped rate discussions that have taken place since August on LPEA Policy 214 Rate Design Strategic Goals, AMI data utilization, the NISC billing system, and how to address the Tri-State energy demand charge and structuring a residential rate around fixed charges that account for 50% of a member bill.

Harms discussed options for transitioning to a Time of Use (TOU) rate in 2020, and the need for an upward adjustment to the 2019 TOU rate to recover losses from the expiration of the discounted Tri-State All Energy Rate. Harms proposed a decrease to the Street Light tariff due to savings from LED retrofits; as well as, changing the buyback rate to a wholesale energy rate (from average wholesale cost) and increasing the residential solar array sizing allowance to 150% (from 120%) for residential Net Meter accounts. The Board will take action on tariff changes in November that will take effect on January 1, 2019.

**STRATEGIC PLAN UPDATE** – Ron Meier reviewed the current status of the LPEA Strategic Plan, revised and adopted by the Board of Directors in August of 2018. The new format includes a revised set of Strategic Initiatives concentrating on Power Supply and Delivery, Member Engagement, Leadership and Organizational Development, Distribution Utility of the Future, Local Economic Development, and Operational Excellence, and is published on the LPEA website. Staff is working on a draft of measurable Operational Goals to meet the Strategic Initiatives and a reporting methodology that reflects Strategic Plan goals. Staff will provide ongoing status updates and present the finished products for Board input at a later date.

## **IX. DIRECTOR REPORTS**

**TRI-STATE** – Director McInnis attended the October Tri-State Board meeting in the absence of Director Skeehan. Of note, McInnis reported on legislative items of concern to Tri-State that were addressed in the External Affairs Committee: Colorado Proposition 112 (buffer zones for oil and gas), Amendment 74 (private property fair market value), and the Wyoming Industrial Energy Consumers (creating a competitive wholesale and retail electric market in Wyoming). The Policy 115 Review Subcommittee gave a detailed report showing that the cost to keep the 5% allowance on Distributed Generation in place was a lot less than anticipated.

Director Skeehan addressed the retirement announcement for Tri-State CEO, Mike McInnes, who will remain until the new CEO is in place. Candidates will be screened through January, and finalists interviewed in February.

**FASTTRACK COMMUNICATIONS** – Director Wheeler reported that FastTrack Communications Revenue is 7.29% above budget and had a strong month in September. The 2019 Budget was approved; as well as, a Financial Investment Advisor who will implement investment strategies in compliance with Board Policy.

**POWER SUPPLY COMMITTEE** – Committee Chairman Bassett reported on the September 27 and October 11 Power Supply Committee (PSC) meeting discussions, touching on the RFP for Analysis of the Wholesale Power Market and the RFP for Valuation of LPEA Current Wholesale Power Contract, action timelines, and next steps. The Committee is planning site visits with key interests and will present an expense budget to the Board for approval at the October 17 Board meeting. October 18, RMI will video-conference with the Committee to discuss their report on Tri-State; and November 15, Jasen Bronec of DMEA will meet with the PSC at 9:00 a.m.

**WESTERN UNITED** – Director McInnes addressed the written report included in the Board packet and advised that the next Board meeting will take place at the end of October.

**4CORE** – Director Landis reported that Program Manager, Liz Baker is managing the CARE program, the 2018 Solar Home tour was a successful fundraiser, Lawrence Labs is assisting with service program offerings, and a strategic retreat is planned for November.

There being no further business, the LPEA Committee of the Whole meeting adjourned at 1:54 p.m.

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

  
\_\_\_\_\_  
Bob Lynch, President

  
\_\_\_\_\_  
Dan Huntington, Secretary