

LA PLATA ELECTRIC ASSOCIATION, INC.
Power Supply Committee Minutes of Meeting
Thursday, October 18, 2018
Durango, Colorado

I. CALL TO ORDER

The Power Supply Committee of the La Plata Electric Association Board of Directors was held Thursday, October 18, 2018 at the headquarters building in Durango, Colorado. Committee Chairman Bassett called the meeting to order at 12:56 p.m. The following Committee members were in attendance:

COMMITTEE DIRECTORS:

Britt Bassett, Committee Chairman
Kohler McInnis
Tim Wheeler
Jack Turner, CREA Liaison
Mike Dreyspring, CEO
Dan Harms, Manager of Rates, Technology, and Energy Policy

LPEA STAFF:

C. E. Charistopoulos, Executive Assistant
Ron Meier, Manager of Engineering and Member Relations
Shay Denning, General Counsel

EXCUSED ABSENCE: None.

GUESTS: The following guests were in attendance: Harry Riegle, Sarah Ferrell, Guinn Unger, Larry Zauberis, Cory Kerns.

I. APPROVAL OF AGENDA

Committee Chairman Bassett addressed the October 18, 2018 Power Supply Committee (PSC) meeting agenda.

Motion: CEO Dreyspring moved to approve the October 18, 2018 PSC meeting agenda. Motion seconded and carried without dissent.

II. APPROVAL OF OCTOBER 4, 2018 POWER SUPPLY COMMITTEE MEETING

MINUTES – Committee Chairman Bassett addressed the October 4, 2018 PSC meeting minutes.

Motion: Director McInnis moved to approve the October 4, 2018 PSC meeting minutes. Motion seconded and carried without dissent.

III. RMI VIDEOCONFERENCE PRESENTATION AND DISCUSSION

The Committee members participated in a video conference presentation with Alex Engle and Mark Dyson of Rocky Mountain Institute to discuss their recently released report entitled "A Low-Cost Energy Future for Western Cooperatives." The discussion included the changing energy landscape and renewables, cost-savings opportunities available to Tri-State and its member cooperatives by switching to a lower cost energy supply, various scenarios that reduce rate increase risk by exiting high-cost legacy assets, and the advantages of collective action between wholesale energy providers and members to enable an equitable and efficient transition towards a cost-effective energy supply.

IV. COMMITTEE DISCUSSION AND POSSIBLE ACTION

STATUS OF TRI-STATE LETTER TO LPEA REGARDING POWER SUPPLY

DISCUSSIONS – The Committee members discussed a letter from Tri-State acknowledging LPEA's possible future discussions with potential power suppliers. The delivery of this letter, and the text in it, was agreed to by Tri-State as part of the PUC case settlement in 2014. The letter received from Tri-State contained revisions to the text of the original agreement. CEO Dreyspring will respond with redline changes as discussed with the Board of Directors and Committee members and will address the letter with Tri-State in person on October 19.

STATUS OF RFPS – Committee members discussed the status of 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. November 9 is the proposal delivery deadline, and November 21 is the proposal selection deadline.

POSSIBLE SITE VISITS OR OTHER MEETINGS FOR COMMITTEE – A group of Committee members will travel to Taos, NM for a meeting with Kit Carson Energy Cooperative (KCEC) on November 5. CEO Dreyspring and Committee Liaison, Jack Turner are coordinating other future meetings and will discuss options at the next PSC meeting.

FUTURE MEETINGS – Committee Chairman Bassett confirmed upcoming PSC meetings will take place November 1, at 10:00 a.m. and November 15, at 9:00 a.m. in the LPEA Board room. Bassett advised that Jasen Bronec of DMEA will be a guest speaker at the November 15 meeting.

V. ATTORNEY UPDATE

Attorney Denning had nothing to report and took questions on whether KCEC will request a non-disclosure agreement as part of the planned site visit.

VI. EXECUTIVE SESSION

Motion: CEO Dreyspring moved to enter Executive Session to discuss the Tri-State Indenture. Motion seconded and carried without dissent.
The Committee remained in executive Session from 3:20 p.m. 3:45 p.m.

V. ADJOURN.

There being no further business, the Power Supply Committee of the La Plata Electric Association, Board of Directors meeting adjourned at 3:46 p.m.

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

A handwritten signature in black ink, appearing to read "Britt Bassett". The signature is written in a cursive, flowing style.

Britt Bassett, Committee Chairman