

LA PLATA ELECTRIC ASSOCIATION, INC.
Power Supply Committee Minutes of Meeting
Thursday, January 3, 2019
Durango, Colorado

CALL TO ORDER

The Power Supply Committee of the La Plata Electric Association Board of Directors was held Thursday, January 3, 2019 at the headquarters building in Durango, Colorado. Committee Chairman Bassett called the meeting to order at 9:05 a.m. The following Committee members were in attendance:

COMMITTEE MEMBERS:

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

LPEA STAFF:

C. E. Charistopoulos, Executive Assistant

APPROVAL OF AGENDA

Committee Chairman Bassett addressed the January 3, 2019 Power Supply Committee (PSC) meeting agenda, noting that he would like to introduce all guests and visitors from San Miguel Power Association (SMPA) immediately following the approval of the agenda.

Motion: CEO Dreyspring moved to approve the January 3, 2019 PSC meeting agenda as modified. Motion seconded and carried without dissent.

GUESTS: The following guests introduced themselves: Guinn Unger, LPEA Director; Andrew Heinle, Tenaska Power Services; Bill Mertz, SMPA CFO; Wiley Freeman, SMPA Manager Member Services; Dan Hunt, member; Dave Alexander, SMPA Director; Nadine Ontiveros, LPEA Manager HR; Debbie Cokes, SMPA Director; Brad Zaporski, SMPA GM; Bill Riley, SMPA Manager of Engineering; Rube Felicelli, SMPA Board President; Charis Charistopoulos, LPEA Executive Assistant. Guests from the sign in sheet: Larry Zauberis and Katie Pellicore.

APPROVAL OF DECEMBER 6 AND DECEMBER 20, 2018 PSC MEETING MINUTES

Committee Chairman Bassett addressed the December 6 and December 20, 2018 PSC meeting minutes. Committee member Wheeler advised of two corrections to the December 20 meeting minutes.

Motion: Committee member Wheeler moved to approve the December 6 and December 20, 2018 PSC meeting minutes with approved modifications. Motion seconded and carried without dissent.

WORKING SESSION WITH ENERGY STRATEGIES

Committee members discussed status and progress on the Wholesale Market Analysis with Caitlin Liotiris of Energy Strategies. Liotiris is analyzing transmission and ancillary services and will begin building production cost modelling based on base, mid, and aggressive case renewable portfolio mix scenarios with and without RTO generation. The PSC will follow up with Liotiris after the January 17, 2019 PSC meeting. Currently Energy Strategies plans for formal presentations to the PSC on March 7, and the LPEA Board of Directors March 20.

COMMITTEE DISCUSSION AND POSSIBLE ACTION

REVIEW OF DISTRIBUTED GENERATION – Committee members discussed next steps and a two-week deadline to determine ratios for the base, mid, and aggressive case scenarios of production cost modelling for the renewable generation mix.

UPDATE ON CONSULTANT PROJECTS – Dan Harms highlighted discussion points with Enchantment-Rio regarding point to point transmission and network service needs and coordination. CEO Dreyspring advised that the contract with Enchantment-Rio is executed; and the contract with Energy Strategies is being finalized for execution on January 4.

DISCUSSION OF OTHER CO-OP ACTIVITIES RELATED TO POWER SUPPLY – Committee members discussed the status of DMEA’s filing with the CO PUC disputing Tri-State’s exit fee calculation. Discussion was held on the PUC timeline as posted in their response to Tri-State’s request for delay.. The PSC will discuss filing an Amicus Brief for DMEA with the LPEA Board of Directors at the January 16 LPEA Board meeting. The PSC took questions from guests and visitors from SMPA. CEO Dreyspring is looking into the possibility of meeting with United Power.

PSC BUDGET REVIEW – Committee members discussed proposed travel and practical considerations for work emphasis within the consultant proposals. CEO Dreyspring will draft a memo to the Board of Directors addressing the cost of PSC work that is necessary to completing the work of the PSC on behalf of the cooperative, and PSC Chairman Bassett will provide a current summary of PSC resource needs based on the unforeseen nature of exploratory research into alternative power supply and WESC valuation for presentation at the January 16 LPEA Board meeting.

POSSIBLE SITE VISITS OR OTHER MEETINGS FOR COMMITTEE – Committee members discussed other organizations and cooperatives that the PSC may have an interest in meeting with either via teleconferences or site visits.

FUTURE MEETINGS – Committee Chairman Bassett confirmed upcoming PSC meetings will take place on January 17th, and February 7th from 9:00 a.m. to 12:00 p.m.

ATTORNEY UPDATE and EXECUTIVE SESSION

Attorney Denning was not in attendance and an executive session did not take place.

There being no further business, the Power Supply Committee of the La Plata Electric Association, Board of Directors meeting adjourned at 11:48 a.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