











## ARKANSAS RIVER POWER AUTHORITY | eNews May 2, 2012

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## ARPA Unsuccessful in Resolving Dispute with City of Trinidad

Representatives of the Arkansas River Power Authority (ARPA) recently participated in mediation in an effort to resolve a lawsuit filed by the City of Trinidad, in which Trinidad seeks to leave the organization.

"We came to the mediation in good faith and offered several proposals to try and resolve the dispute," said ARPA General Manager Rick Rigel. After a day and a half of discussions, however, Trinidad broke off negotiations and left the mediation. "We were disappointed that Trinidad's representatives chose to walk out."

At the center of the dispute is ARPA's Lamar Repowering Project, a power plant located in Lamar, Colorado, which has cost more than was initially anticipated to construct. Trinidad had voted to approve the project as well as all of the financing to construct it. Trinidad later filed this lawsuit seeking to avoid its obligations to ARPA, leaving the costs of the plant to the other members of ARPA.

"We believe we have a very strong position in this lawsuit, and we are prepared to go to trial if we have to," Rigel said. "Nevertheless, we are willing to leave the door open for additional discussions with Trinidad."

The Arkansas River Power Authority is a joint action agency formed in 1979 to provide reliable wholesale electricity to the Colorado communities of Holly, La Junta, Lamar, Las Animas, Springfield and Trinidad.

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ARPA | eNews is an electronic newsletter designed to keep member communities and the public up to date on developments associated with the Arkansas River Power Authority. Please forward it to anyone you think would be interested. Contact Arvenia Morris at amorris@arpapower.org to subscribe or unsubscribe.

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