



BUSINESS OPERATIONS – APRIL 10, 2015

ARPA Board Authorizes the Sale of 4 Mega-Watt Combustion Turbine Generator: In early 2000, ARPA purchased a 4 Mega-Watt Solar Mercury 50 combustion turbine generator that was installed on the property of Lamar Light and Power. The generator was primarily used for peaking purposes. In 2005, the generator was forced off-line due to equipment problems. The Mercury 50 was a prototype and given the historic performance of the unit, the Board determined it would not pursue repair due to prohibitive cost. There now appears to be an opportunity for a possible sale of the unit. The ARPA Board, at its meeting on March 26, authorized the General Manager to sell the asset via sealed bid.

Summary of February 2015 Financial and Operating Statements: Total revenues for February were 1% less than budget and the total Cost of Goods Sold, which includes purchased power, transmission, and wind turbine costs are under budget by 4%. Sixty-eight percent of the energy supplied to ARPA members was from Twin Eagle Resource Management, and 25% of the power supply mix was provided from ARPA's federal hydro-power allocation. The wind provided 7% of the power supply needs for February. The blended rate from all sources (contract power, hydropower and wind generation) for February was about 39% lower than the blended rate in February 2014. The month of February showed an increase in member sales over 2014. Year to date net revenues are \$191,375.

ARPA Scholarship Program: In 2000, the Arkansas River Power Authority Board of Directors established a College Scholarship Program. The Program is administered through our member municipalities of Holly, La Junta, Lamar, Las Animas, Springfield, and Trinidad. The scholarship is awarded to one high school senior in each member municipality. The total scholarship award is \$1,000 funded equally between ARPA and the member municipality. Application forms, scholarship requirements, and eligibility criteria are available either through the counseling offices of the participating high schools or at the local office of the electric utility. To be eligible, a student must reside with a family that receives electric service from one of the ARPA member municipalities. The ARPA Scholarship Program is an effort to give something back to the community by encouraging the higher education aspirations of our local students. Scholarships will be awarded at area high school graduations.

Supplemental Environmental Project: The Supplemental Environmental Project (SEP) ARPA began early in 2014 to convert lighting in libraries and community facilities to low usage LED lighting, is progressing nicely. The first phase of the project encompassed converting lighting in the libraries in Holly, La Junta, Lamar, Las Animas and Trinidad to LED's. In Springfield, the Baca County Resource Center was converted, and in Holly, both the Municipal Community Room and the Senior and Community Center were converted. Facilities slated for the second phase of the project includes the Senior Center in La Junta and the South Central Council of Governments Early Learning Center in Trinidad. *Comments from the LED conversions have been very positive and the energy savings for those facilities will be significant.*

Next ARPA Meeting: The next ARPA board meeting is scheduled for Thursday, April 30, 2015, beginning at 9:00 a.m. at the Holiday Inn Express, 27994 US Hwy 50-Frontage Road in La Junta. ARPA board meetings are open to the public.