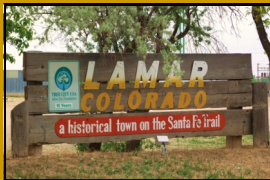




MEMBERS
HOLLY
LA JUNTA
LAMAR
LAS ANIMAS
SPRINGFIELD
TRINIDAD



Partners In Power

November 2015

EPA Published Final Rule For Clean Power Plan

On August 3 President Obama unveiled details of his administration's much-anticipated final rule aimed at curbing carbon dioxide emissions from existing power plants. The EPA proposes to regulate CO2 emissions from

"ARPA believes that the CPP will drive electric rates higher."

existing electric generating units under Section 111(d) of the Clean Air Act. The "Clean Power Plan" (CPP) will require Colorado to reduce its carbon emissions levels by 40% from 2012 levels by 2030. The final rule establishes an 8-year interim compliance period that begins in 2022 with a glide path for

meeting interim CO2 emission performance rates by the 2030 deadline.

The Colorado Department of Public Health and Environment (CDPHE) is charged with developing and implementing the State Implementation Plan

(SIP) for Colorado and is currently holding stakeholder meetings to receive comments on the Plan. ARPA believes the CPP will drive electric rates higher and impact the availability of affordable power supply in the future. ARPA intends on formally commenting on the Plan in the upcoming meetings and to work closely with other Public Power

entities in the state and CDPHE during the Plan development process.



Colorado Joins Lawsuit Against EPA

Stating that the Clean Power Plan is an "unprecedented attempt to expand the Federal government's regulatory control over the states' energy economy," Colorado's Attorney General, Cynthia Coffman, filed a lawsuit against the EPA and its Clean Power Plan.

Colorado joined a coalition of other states and industry groups in the legal challenge.

ARPA Board Engages Financial Advisor

In June, ARPA entered into an agreement with Public Financial Management (PFM) for financial advisor services. PFM will act as ARPA's Independent Registered Municipal Advisor (IRMA) and provide independent financial advice and serve solely the interest of ARPA. PFM presented an analysis of ARPA's existing debt to the Board at its September meeting, and refinancing strate-

gies that would reduce the Authority's debt service expense. The ARPA Board authorized staff to continue evaluating the refinancing opportunities with PFM and to report back at future meetings.

Public Financial Management, Inc. was founded in 1975 on the principle of providing sound independent financial advice to local, state, regional government and non-profit clients.

ARPA Operating Committee Safety Training

The ARPA Operating Committee recently scheduled its annual Pole Top and Bucket Truck Rescue training. The rescue training is provided annually and gives the ARPA member's utility crews a chance to work together and gain valuable safety training.

The Operating Committee also recently approved a 3-year contract for transformer and switchgear oil testing.

The Operating Committee consists of the electric superintendent or utility manager of each ARPA member city who is responsible for the day to day operations of the electric utility.

ARPA Board Continues to Develop its Strategic Plan



Ruth Marks

Senior Manager
Organizational Development
Tri-State Generation & Transmission

At its Annual Meeting last April 30, the ARPA Board

engaged in a strategic planning work session that was facilitated by Ruth Marks, Senior Manager of Organizational Development for Tri-State Generation and Transmission.

The Board identified several focus areas for its long and short term planning including the impact its debt has on member's rates, the potential that regulatory impositions may have on future power markets, and

the impact that loss of load and member sales will have on the Authority and its members. The Board also focused on the need to develop strategic partnerships with other public power and power supply entities, and the need to build reserves while maintaining stable power rates.

The Board intends on finalizing and implementing the Plan in 2016.

The ARPA Board Continues to Evaluate Distributed Generation

Distributed Generation (DG) can be defined as small, grid connected power generating devices that are typically renewable energy sources such as hydro, solar panels, and wind power. They are "behind the meter" and owned by the customer rather than the utility. ARPA's member utility systems are seeing an unprecedented interest in the installation of DG systems within their service territories, as are electric utilities nationwide. The ARPA Board believes the level of interest will only

continue to grow, which emphasizes the need for a comprehensive approach to the issues including policies on how to address DG installations.

Challenges related to DG installations are many including the impact it has on utility worker safety. Cer-

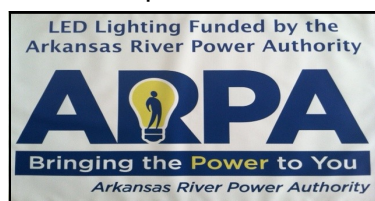
tain interconnection procedures must be followed to ensure safe working conditions for utility personnel.

The ARPA Board of Directors will continue to evaluate the opportunities distributed generation presents and act in the best interest of its rate payers.

DG systems typically result in excess generation that is generated back to the "grid" (utilities' distribution systems). This essentially sets in motion a process whereby at certain times of the day, the utility is now purchasing power from its customer rather than providing power.

LED Lighting Project A Great Success!

Over the past few months



ARPA has held several LED lighting ceremonies at different community facilities in the ARPA member cities. Lighting ceremonies in Holly at its Senior and Community Center and Public Library were the latest events. Ceremonies have

also been held in the Baca County Resource Center (Springfield), Woodruff Memorial Library (La Junta), Las Animas-Bent County Library (Las Animas); Lamar Public Library (Lamar), the Carnegie Public Library, COG Early Learning Center and the Harry Sayre Senior Center (Trinidad). In addition, lighting has been converted

at the La Junta Senior Center and a lighting conversion is scheduled for the Bent County Community Facility in Las Animas. ARPA estimates energy savings at the ten facilities already converted will be over \$22,000 annually. The LED conversion project is scheduled to be completed in the spring of 2016.

"We are grateful for the LED lighting conversion. It will go a long way to help reduce our overall operating costs." ... Deb Hartman, Director, COG



ARPA Welcomes New Board Member—Beritt Odom, Springfield



Beritt Odom was appointed by the Town of Springfield in July to represent Springfield on the ARPA Board of Directors. Beritt has worked for municipalities for over 13 years, beginning as the billing clerk for the City of Florence. Following her stint as the billing clerk she became a Department of Local Affairs intern for the City of Florence while she worked towards

her Master’s Degree in Political Science with an emphasis in Public Administration and Policy from University of Colorado. Following the internship she secured a position as the Community Development Director for the City of Monte Vista. For the past 9 years she worked for the City of Pueblo in the

Planning Department, where she managed and facilitated capital projects, oversaw development and redevelopment projects. She was hired to serve as the Town Manager for Springfield in June. Her husband is a Baca County native and was excited at the prospect of coming home. Beritt says, “I was excited to move to a small town once again and enjoy the rural life and the tranquility that Springfield has to offer.”



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A.W. Hill, **La Junta**

Lorenz Sutherland, **La Junta**

Houssin Hourieh, **Lamar**

John Sutherland, **Lamar**

Ron Clodfelter, **Las Animas**

Darwin Hansen, **Springfield**

Beritt Odom, **Springfield**

Pat Fletcher, **Trinidad**

ARPA Staff:

Rick Rigel
General Manager

Arvenia Morris
*Office Manager and
Sec. to Board*

Aarin Ritter
*Manager of Finance
and Accounting*

ARPA Welcomes New Holly Administrator

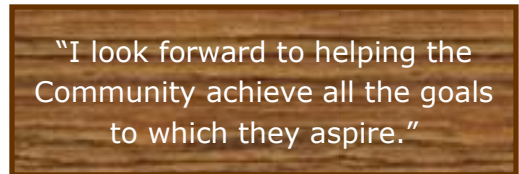
Jerry L’Estrange was hired as the Holly administrator this past



August and was appointed to represent Holly on the ARPA Operating Committee. Jerry hails from Illinois where he received a Master’s Degree in Education. He came to

Colorado in the mid 70’s to teach in Basalt, Colorado. He began his career in Town Administration in the early 80’s in Basalt and has since worked in various cities in Colorado, most recently, B u e n a Vista. Jerry says, “the best thing about living in SE Colorado is the open space,

weather and community involvement. The great people of Holly, with their traditional values and neighborly attitudes have made me feel welcome and I look forward to helping the Community



achieve all the goals to which they aspire.”