











ARKANSAS RIVER POWER AUTHORITY | eNews May 2, 2012

ARPA Files Notice of Intent to Sue Trinidad Over Breach of Fiduciary Duties

The Arkansas River Power Authority (ARPA) notified the City of Trinidad April 30 it intends to file a lawsuit against Trinidad for a breach of fiduciary duties. ARPA recently discovered that Trinidad legal counsel has been assisting the environmental group Wildearth Guardians (WEG) with its lawsuit against ARPA.

Although Trinidad has complained that ARPA has been sued in two separate lawsuits by WEG, it now appears that Trinidad's representatives have been communicating and providing legal assistance to WEG in those lawsuits. Among other things, it appears that Trinidad and WEG have been sharing documents, information and legal theories in order to advance WEG's claims against ARPA.

"Trinidad's attorney's actions are not only harming ARPA but the Trinidad community," said ARPA General Manager Rick Rigel. "As an organizing member of ARPA, Trinidad owes certain fiduciary responsibilities to ARPA. It is evident that Trinidad has breached those duties over the last several months with their communications with WEG's legal counsel".

"This effort by Trinidad is not only detrimental to the ARPA members, but contrary to the well being of Trinidad's energy economy" said Rigel.

In a recent article, officials from WEG were quoted as saying their future vision does not include coal and their web-site claims successes in the retirement of coal fired power plants and that they have "kept coal plants from coming on-line in the west, especially in Colorado".

"They clearly have an agenda that includes closing as many coal fired power plants as possible and to obstruct new ones from coming on-line" said Rigel.

"If WEG is successful in its efforts it may have a dramatic effect on coal mining and processing jobs in the Trinidad area," Rigel said. "The Trinidad law firm is aiding the very entity that wishes to do harm to Trinidad's local economy and the jobs it creates."

WEG has readily acknowledged that the solutions they seek regarding the ARPA power plant in Lamar "could cost millions of dollars". If Trinidad's legal counsel successfully helps WEG prevail it will be the rate payers of Trinidad and the ARPA members who will bear the burden of the expenses.

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.

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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