

**ARKANSAS RIVER POWER AUTHORITY**  
**Board of Directors Meeting Minutes**  
May 25, 2023

The Board of Directors of the Arkansas River Power Authority (ARPA) met at the Otero College Student Center, 2001 San Juan, La Junta, CO., on Thursday, May 25, 2023. Following appropriate notice, President Sutherland called the meeting to order at 10:04 AM.

ARPA Board Members present:

HOLLY: Randy Holland  
Blaine Ice

LA JUNTA: Gary Cranson  
P. Lorenz Sutherland

LAMAR: Houssin Hourieh

LAS ANIMAS: Ron Clodfelter  
Rick Stwalley

SPRINGFIELD: Heath Piper  
Jay Suhler

TRINIDAD: Carlos Lopez  
Frank Shew

ARPA Staff present:

Rick Rigel, General Manager  
Aarin Ritter, Finance/Accounting Manager  
Arvenia Morris, Office Manager

ARPA Legal Counsel present:

Ryan Tharp, Fairfield and Woods, PC

Others (guests) present:

Lynn Wright, Electric Superintendent, Las Animas Municipal Light and Power  
Ed Vela, City Council, City of La Junta  
Ronny Farmer, rfarmer,llc, Lamar<sup>1</sup>  
Gregory Kolomitz, Kolomitz and Company<sup>2</sup>

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<sup>1</sup> Left the meeting at 10:54 AM

<sup>2</sup> Left the meeting at 10:32 AM

**ROLL CALL:** President Sutherland called the meeting to order at 10:04 AM. Roll call was circulated. Board Member Lopez introduced Frank Shew as the new representative for the City of Trinidad. Frank is a member of the Trinidad City Council and previously served on the ARPA Board of Directors from 2010-2013. Board Member Stagner was absent. President Sutherland introduced and welcomed to the meeting, Greg Kolomitz, speaking for Three Corners Connector, a Grid United Transmission Project.

**QUORUM:** A quorum of the Board was present and voting at the meeting.

**APPROVAL OF AGENDA:** The agenda was approved as printed.

**APPROVAL OF THE MINUTES: a. FEBRUARY 23 REGULAR MEETING.** The minutes of the February 23, 2023 regular meeting were approved as printed.

**PUBLIC COMMENT:** None.

**THREE CORNERS CONNECTOR (Grid United Transmission Project-Report by Percheron.** Greg Kolomitz provided an update on the Three Corners Transmission project. This is a project being developed by Grid United. It is a 300-mile 525 kilovolt high voltage direct current (HVDC) transmission line that will connect existing electric systems near Pueblo, Colorado, and Guymon, Oklahoma, providing a link between the eastern and western U.S. electric grids.

**PRESENTATION OF THE 2022 AUDITED FINANCIAL STATEMENT:** Ronny Farmer, rfarmer, llc presented the 2022 audit. Following presentation and discussion of the 2022 Audit, Board Member Hourieh moved adoption of the following resolution:

**RESOLUTION NO. 02-23. ACCEPTANCE OF THE 2022 AUDIT**

**RESOLVED, THAT THE 2022 FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022, AND 2021 AS PREPARED BY RFARMER, LLC A CERTIFIED PUBLIC ACCOUNTING FIRM IS HEREBY ACCEPTED AS PRESENTED TO THE BOARD OF DIRECTORS ON MAY 25, 2023.** Board Member Lopez seconded the motion to adopt Resolution No. 02-23, passed unanimously. **Resolution No. 02-23** is appended to these minutes.

**FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. 2023 1<sup>st</sup> Quarter Financial Review.** Finance Manager Ritter presented the 2023 1<sup>st</sup> Quarter Financial Review. **b. April 2023 Financial Statement.** Finance Manager Ritter presented the April 2023 financial statement. Board Member Suhler moved to accept the April financial statement and approve outstanding bills, seconded by Board Member Ice. The motion was approved unanimously. **c. Projected Year End Financials.** General Manager Rigel provided the end-of-year financial projections. **d. Report on Bond Fund Investments.** General Manager Rigel provided a report on the four-year “ladder” of treasury investments that were set up in July 2021, through UMB (bond trustee), for ARPA’s restricted bond funds. The treasuries all have annual maturity dates of July 31, with the first one coming due this July 31 and every year thereafter through 2026.

**OPERATING REPORT:** Aarin Ritter presented the Operating Report for April 2023. **a. Wind Report.** Arvenia Morris presented the Wind Report for April 2023. **b.**

**Report on T4 Gearbox Failure.** The General Manager reported that ARPA's Prowers County turbine (T4) tripped offline due to excessive vibration. Renew Energy Maintenance performed a borescope inspection and found that the gearbox high speed bearing is in failure mode. LUB is in the process of getting quotes for a new gear box. ARPA has filed a claim through CIRSA for property coverage; however, it is not expected this will qualify as "property damage" with CIRSA. ARPA has also been in contact with Chubb Insurance regarding Equipment Breakdown coverage.

**OPERATING COMMITTEE REPORT:** The General Manager presented a review of the items discussed at the Operating Committee meeting that was held on May 18. Topics of discussion included the status of the number of rooftop solar additions in their communities, a discussion on ARPA/Members renewable distributed generation reimbursement policy, review of distribution system planning scope of services, the potential for microgrid grant applications, and discussion on EV charging stations. *DG Policy Amendment 1*. The General Manager provided a review of the Distributed Generation Policy Amendment 1 that was adopted July 1, 2022. **a. Consider Approving Contract with CLPE for Distribution System Planning Services.** ARPA Staff and the Operating Committee interviewed several engineering firms that provide technical assistance for distribution system planning services. The Operating Committee recommended negotiating an agreement with City Light and Power Engineering (CLPE) to provide that service. The General Manager reviewed the planning services scope of work in CLPE's proposal. Once the grant application for federal and state funding becomes available, ARPA will apply for grant funds for the technical assistance costs. The General Manager proposed funding alternatives in the event the grant application is not funded or if grant funds received are less than requested. Board Member Clodfelter moved to proceed in accordance with ARPA potential funding for technical services for distribution planning, seconded by Board Member Hourieh, motion passed unanimously.

**GENERAL MANAGER REPORT:** **a. Update on Power Supply Portfolio Options.** ARPA staff recently met with Guzman Energy to review options for 20% of the power supply through renewables per ARPA's power supply contract that begins in February 2025. Participation in a large solar project may be an option. The Board directed the General Manager to continue discussion with Guzman Energy to fulfill the 20% allocation of renewable energy. **b. Update on Black Hills Transmission Rate Filing.** General Manager Rigel provided an update on Black Hill's recent filing with the Federal Energy Regulatory Commission (FERC) requesting an increase in its OATT (Open Access Transmission Tariff). Another settlement conference is scheduled for June 1<sup>st</sup>. **c. Update on State Legislation – CAMU Report.** The General Manager provided an update on state legislation bills that CAMU monitored during this year's Legislative session. HB23-1039 – Resource Adequacy will require ARPA to make an annual report to its Board of Directors on behalf of it and its Members; SB23-198 requires utilities to file a Clean Energy Plan; HB23-1282 was defeated but would have added utilities to the Consumer Protection Act; and, HB23-1247 – Requirement that the Colorado Energy Office conduct studies to assess advanced Energy Solutions in Rural Colorado. **e.**

**Update on WAPA Activities.** The Board received an update on Western Area Power Administration activities. WAPA is projecting there will be increased hydro for the Lamar CRSP allocation for the summer season. WAPA issued a federal register notice that it is considering joining the SPP RTO market. **e. Miscellaneous.** Tri-State will begin the breaker replacement at the La Junta substation. Tri-State's S&P credit rating was lowered to BBB with a negative outlook. Xcel Energy's participation in Western Imbalance Service has eliminated energy imbalance billing from the ARPA invoice.

**NEW BUSINESS:** None.

**UNFINISHED BUSINESS:** None.

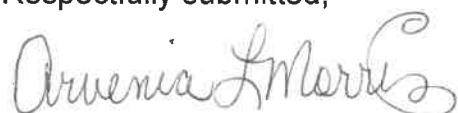
**PLANNING AND COMMUNICATION:** **a. ARPA Scholarship Program.** There were eight high school seniors who were awarded scholarships for the academic year 2023-2024. The scholarships of \$1,400 are funded equally between ARPA and the member municipality.

**MEMBER CITIES' REPORTS:** *ARPA:* Jay Suhler was featured on Guzman Energy's April 19 *Customer Spotlight* on Facebook. *Lamar:* LUB Superintendent Hourieh reported the Lamar Utilities Board lost 20 poles in a fire on Highway 196. There was a 2nd fire on the east side of Fort Lyon a few weeks later that burned in an area that was mostly steel poles.

**NEXT MEETING DATE:** The next regularly scheduled meeting of the Board of Directors is August 31, 2023, in La Junta at the Otero College Student Center.

**ADJOURN:** The May 25, 2023 meeting of the Board of Directors was adjourned at 12:46 PM.

Respectfully submitted,



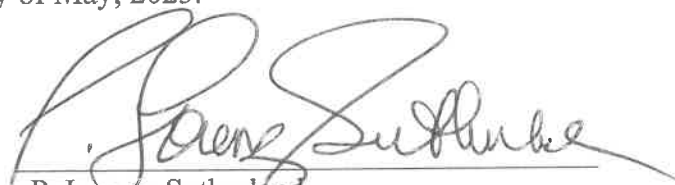
Arvenia L. Morris  
Secretary of the Board

**RESOLUTION NO. 02-23**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER  
POWER AUTHORITY TO ACCEPT AUDITED FINANCIALS FOR YEARS ENDED  
DECEMBER 31, 2022 and 2021**

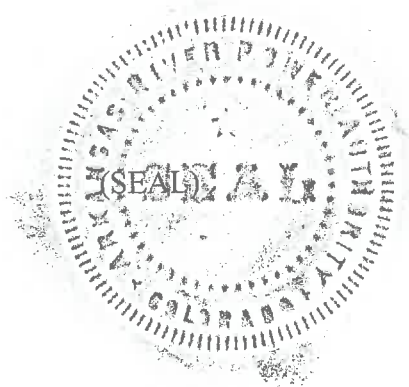
NOW, THEREFORE, the Board of Directors of the Arkansas River Power Authority  
Hereby resolves to accept the Financial Statements for the years ended December 31, 2022, and  
2021 as prepared by rfarmer, llc a certified public accounting and consulting firm.

Approved by the Board of Directors on this 25<sup>th</sup> day of May, 2023.



P. Lorenz Sutherland  
President  
Board of Directors  
Arkansas River Power Authority

I, Arvenia L. Morris, the duly appointed secretary of the Arkansas River Power Authority, do  
hereby certify that the foregoing is a true and correct copy of Resolution No. 02-23 adopted by the  
Board of Directors of the Arkansas River Power Authority at a regularly scheduled meeting on  
May 25, 2023, at which a quorum of the Board was present and voting.



Arvenia L. Morris