



BUSINESS OPERATIONS – APRIL 10, 2014

PLEASE COME JOIN US. ARPA Annual Meeting

ARPA's Annual Meeting will be held at 10:00 a.m. on Thursday, April 24 in La Junta. Please join the ARPA Board and staff to gain insight and to receive an update on the electric industry and board governance with guest speakers Tami Tanoue, General Counsel, CIRSA and Rob Wolaver, Energy Resources, Tri-State Generation and Transmission. All City Council & Utility Board Members, as well as the general public, are welcome. **Please RSVP to Arvenia @ 719-336-3496 or amorris@arpapower.org.**

Twin Eagle Power Supply Agreement - The Board of Directors at their meeting on March 27th approved an extension to its Partial Requirements Agreement with Twin Eagle Resource Management, LLC. The Amendment extends the term of the Agreement from January 31, 2022 through January 31, 2025. Twin Eagle will provide power supply, scheduling, and transmission services to the Authority beginning February 1, 2015. ARPA has not increased its base electric rates since 2011 and the pricing in this agreement will allow ARPA the ability to continue to provide stable electric rates for the foreseeable future.

Summary of February 2014 financial and operating statements - Total revenues for February exceeded budget projections by 2.9%. The total Cost of Goods Sold which includes purchased power, transmission, and wind turbine costs are well over budget due to the elevated cost of market power which was 80% higher this year than last year. This high market power was due to the volatility of natural gas prices from early January through the middle of March. The remainder of the power supply and general operating expenses, including ARPA's federal hydro-power allocation, was on or close to budget.

Supplemental Environmental Project Update – It appears there will be ample funds for the first phase of the community facilities lighting conversion that ARPA is funding. The first phase of the LED lighting conversion includes the libraries in ARPA's member cities. Savings from the library lighting conversions is estimated to reduce members lighting costs by over 40% and save over \$15,000 annually. Information is being collected for additional facility conversions such as community centers and senior centers.

Members Training – ARPA is sponsoring a training session for its member's line workers on bucket truck/pole top (hurt man) rescue in April. The training will be held in La Junta and provides an opportunity for the line crews from ARPA's members to work together and receive valuable life-safety training. Approximately twenty-five line crew personnel from the member cities will be attending the training.

The American Public Power Association offers a range of training opportunities through webinars that are convenient and affordable. A phone and a computer with Internet access are all that's needed to participate. The following are webinars offered in April that may be of particular interest:

Electric Utility 101: Distribution Systems;
Accounting and Financing Series: Determining Revenue Requirements for Your Utility;
Utility Governance Series: Industry Issues and Challenges Facing Public Power Governing Boards.

If you are interested in learning more about these webinars **contact Arvenia (719-336-3496).**