



BUSINESS OPERATIONS – November 10, 2015

ARPA Hears Update on the Clean Power Plan (CPP): Virgil Cochran, regulatory compliance manager for the Lamar Utilities Board briefed the ARPA Board on recent developments regarding President Obama’s plan to reduce carbon dioxide emissions from existing power plants. The “Clean Power Plan” (CPP) will require Colorado to reduce its carbon emission levels by 40%, from 2012 levels, by 2030. Virgil is representing ARPA’s interest in the plan development and both he, and ARPA’s General Manager Rick Rigel, recently attended the first in a series of CPP stakeholder meetings. Virgil also attended a CPP workshop held at the National Renewable Energy Laboratory (NREL) headquartered in Golden. At the conference, representatives from the state reviewed elements of a Federal Implementation Plan (FIP) that Colorado utilities will have to abide by if a State plan is not adopted. The FIP favors a carbon trading (cap and trade) program as a tool to use for the CPP. The Colorado Department of Public Health and Environment (CDPHE) is the state agency charged with developing the state’s policy. ARPA will continue to monitor the development of the State’s plan and to work with utilities statewide and CDPHE in the development of Colorado’s State Plan.

2016 Budget: The proposed 2016 Budget is currently available for public inspection at the City Clerk’s office in the ARPA member cities. Any interested elector in an ARPA member community or electricity consumer of an ARPA member may register objections to the proposed Budget prior to its final adoption. The ARPA Board of Directors will hold a public hearing on the proposed Budget at the Otero Junior College Student Center, 2001 San Juan, La Junta, CO., on Thursday, December 10, 2015. Any public comment or questions concerning the proposed 2016 Budget should be directed to Rick Rigel at 719-336-3496, or by email at arpa@arpapower.org.

ARPA Operating Committee Discusses Mutual Aid and Distributed Generation: The ARPA Operating Committee finalized a Mutual Aid Agreement that they will present to their respective governing boards for approval. The purpose of Mutual Aid is to provide a method whereby utilities that have sustained damages from natural or man-made events could obtain emergency assistance, from other utilities, in the form of personnel, equipment, materials, and other associated services. The objective is to provide rapid, short-term deployment of emergency services to restore the critical operations of an affected utility. Further, the Operating Committee received preliminary results of a solar analysis of *proposed* small and large scale solar projects located within the ARPA member communities. ARPA’s member utilities are seeing an increased interest for distributed generation projects, such as solar. The solar analysis will help the Authority, and its members, plan for both the financial impact and operational issues that DG could present.

Summary of September 2015 Financial and Operating Statements: Total revenues for September were better than budget by 12.7%. Net revenues of \$1.97 million year to date are 20% better than budget, with sales running 2% better than budget. Year to date combined generation for the five ARPA/LUB wind turbine generators is down over 15% compared to the same time last year.