



ARKANSAS RIVER POWER AUTHORITY | eNews
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ARPA Board Authorizes Filing of a Lawsuit Against the City of Trinidad, Cites Breach of Fiduciary Duties

The Arkansas River Power Authority (ARPA) authorized its legal counsel to file a lawsuit against the City of Trinidad at a special board meeting held on August 7, 2012. The Complaint asserts that Trinidad breached its fiduciary duties and acted in bad faith assisting the environmental group WildEarth Guardians (WEG) with its lawsuit against ARPA. Emails and other documents uncovered by ARPA revealed that Trinidad has been providing WEG information and sharing litigation strategy with the WEG counsel since October of 2011. ARPA demanded that Trinidad cease its assistance to WEG and notified Trinidad that it intended to file a lawsuit for a breach of fiduciary duties if the cooperation with the environmental group did not immediately stop. However Trinidad never responded to this demand, and has continued to conspire with WEG to the detriment of all the ARPA member communities, which includes Lamar, Holly, La Junta, Las Animas, Springfield and Trinidad.

Trinidad has been in a lawsuit with ARPA over the costs of the Lamar Repowering Project. In its lawsuit, Trinidad complained that ARPA has been sued in two separate lawsuits by WEG. Nevertheless, Trinidad's city representatives have allowed its legal counsel to continue to communicate and provide legal assistance to WEG in an effort to aid WEG in its efforts against ARPA.

"As an organizing member of ARPA, Trinidad owes certain fiduciary responsibilities to ARPA," said ARPA General Manager Rick Rigel. "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. Representatives of WEG have been 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." "You have to look no further than the New Elk coal mine located in the Trinidad area for evidence of WEG's efforts as the mine recently ceased operations and has laid off well over 200 workers over the past few weeks."

"WEG clearly has an agenda that includes closing as many coal fired power plants as possible and to obstruct new ones from coming on-line" Rigel went on to say. "Trinidad's attorney's actions are not only harming ARPA but the Trinidad community as well."

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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