



BUSINESS OPERATIONS – APRIL 2021

Las Animas Municipal Light & Power Honored With National Award For Outstanding Safety Practices:



Las Animas Municipal Light & Power has earned the American Public Power Association’s Safety Award of Excellence for safe operating practices in 2020. The utility earned a first place award in the category for utilities with 15,000–29,999 worker-hours of annual worker exposure. Utilities that receive an APPA Safety Award have demonstrated that they have made the health and safety of their employees a core value. Designing and maintaining a top-notch utility safety program takes a lot of hard work and commitment.

“Las Animas Municipal Light & Power values employee safety above all else,” stated Ron Clodfelter, Superintendent of Las Animas Municipal Light & Power. “We all recognize the importance of going home to our families each day; this is what drives our dedication to safety.” Well Done and Congratulations!

ARPA Power Supply Contracts Protect it from Electric Market Price Spikes: As the news continues to describe the cost impact to electric ratepayers caused by the February Polar Vortex, ratepayers served by ARPA’s six Members can rest easy. ARPA’s power supply was not affected by the high market prices that occurred during the February cold snap. Some Colorado utilities are reporting costs for February that include a “Fuel Cost Adjustment” of over 11 cents/kWh added to their bills. A second Colorado utility filed a report with the Colorado PUC that its customers could face a \$552 surcharge to pay for the price spikes that occurred. The Colorado Attorney General is calling on the Federal Energy Regulatory Commission to investigate “windfall” profits that were made from the market spikes. ARPA’s power supply comes from three sources; wind generation, federal hydro-power allocations, and a purchase power contract that includes set pricing through 2024. This approach for power supply eliminates the risk of market price spikes and provided ARPA the opportunity to not only maintain stable rates, but to reduce rates by 2% in 2019 and 3.6% in 2021. ARPA continues to provide a dependable and competitively priced supply of wholesale electric power to its Members.

Update on the Dismantling of the LRP: The demolition of the Lamar Repowering Project is progressing. The baghouse demolition is complete as is the air-cooled condenser, main pipe rack, and a handful of buildings and enclosures. The demolition activities to the boiler are ongoing in anticipation of its complete demolition scheduled for later this spring. The utility structure and conveyor tube across Maple Street is scheduled for removal early in April. Maple Street will be closed for short periods of time during the removal process. The demolition completion date of early summer continues to remain on schedule.

Summary of February 2021 Financial and Operating Statements: During the month of February, revenue from power sales were better than budget by 5.1% and total cost of goods sold were over budget by 5.9%. Net Revenues from Operation for the month were \$299,314. Year to Date revenues from power sales are right on budget and cost of goods sold are 1% over budget. Net revenues from Operation YTD are \$611,832. Member Energy sales for February were 5.2% better than budget and 0.8% less than February 2020. Member Sales YTD are 0.6% better than budget and 1.8% less than 2020.

Next ARPA Meeting: The next regularly scheduled meeting of the ARPA Board of Directors is Thursday, April 29, 2021. The meeting is scheduled to be held by GoToMeeting and conference call. The meeting notice and agenda will be posted on the ARPA website www.arpapower.org at least 24-hours in advance of the meeting.