

**ARKANSAS RIVER POWER AUTHORITY**  
**Board of Directors Meeting Minutes**  
May 26, 2022

The Board of Directors of the Arkansas River Power Authority (ARPA) met at the Otero Junior College Student Center, 2001 San Juan, La Junta, CO., on Thursday, May 26, 2022. Following appropriate notice, President Sutherland called the meeting to order at 10:00 AM.

ARPA Board Members present:

HOLLY: Blaine Ice

LA JUNTA: Gary Cranson  
P. Lorenz Sutherland

LAMAR: Roger Stagner

LAS ANIMAS: Ron Clodfelter

SPRINGFIELD: Jay Suhler

TRINIDAD: Carlos Lopez

ARPA Staff present:

Rick Rigel, General Manager  
Aarin Ritter, Finance/Accounting Manager

ARPA Legal Counsel present:

Ryan Tharp, Fairfield and Woods, PC<sup>1</sup>

Others (guests) present:

Rick Klein, City Manager, City of La Junta<sup>2</sup>  
Bill Jackson, Asst. City Manager, City of La Junta<sup>3</sup>  
John Krajewski, Consultant, JK Energy Consulting<sup>4</sup>  
Ronny Farmer, rfarmer, llc.<sup>5</sup>

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<sup>1</sup> Joined the meeting by ZOOM at 10:45 AM

<sup>2</sup> Left the meeting at 11:18 AM

<sup>3</sup> Left the meeting at 11:18 AM

<sup>4</sup> Attended the meeting by ZOOM from 11:15 AM - 11:26 AM

<sup>5</sup> Attended the meeting from 10:00 AM – 10:35 AM

**ROLL CALL:** President Sutherland called the meeting to order at 10:00 AM. Roll call was circulated. Guests were those listed on page 1. Board Members Stwalley, Hourieh and Tanner were absent.

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

**APPROVAL OF AGENDA:** The agenda was approved with one modification. The presentation of the 2021 audited financial statement was moved to follow public comment.

**APPROVAL OF THE MINUTES: a. FEBRUARY 24, 2022 REGULAR MEETING.** The minutes of the February 24 regular meeting were approved unanimously by motion from Board Member Suhler, second by Board Member Stagner.

**PUBLIC COMMENT:** None.

**PRESENTATION OF THE 2021 AUDITED FINANCIAL STATEMENT:** Ronny Farmer, rfarmer, llc presented the 2021 audit. Following presentation and discussion of the 2021 Audit, Board Member Lopez moved adoption of the following resolution:

**RESOLUTION NO. 01-22. ACCEPTANCE OF THE 2021 AUDIT**

**RESOLVED, THAT THE 2021 FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020 AS PREPARED BY RFARMER, LLC A CERTIFIED PUBLIC ACCOUNTING FIRM IS HEREBY ACCEPTED AS PRESENTED TO THE BOARD OF DIRECTORS ON MAY 26, 2022.** Board Member Suhler seconded the motion to adopt Resolution No. 01-22, passed unanimously. **Resolution No. 01-22** is appended to these minutes.

**EXECUTIVE SESSION CRS § 24-6-402 (4)(b) and (e): a. General Manager's Contract Review. b. Power Supply Contract Negotiations.** President Sutherland announced that the matters to be discussed in Executive Session would include General Manager's Contract Review and Power Supply Contract Negotiations. The specific subsections of CRS § 24-6-402(4) authorizing this matter to be conducted in Executive Session are as follows:

- Under subsection (f), for discussion of a personnel matter; and
- Under subsection (e), for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators.

At 10:37 AM. Board Member Stagner moved to go into Executive Session to discuss the topics as stated, seconded by Board Member Cranson. The motion was approved unanimously. The Executive Session was concluded at 11:08 AM.

**FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. 2022 1<sup>st</sup> Quarter Financial Review.** Finance Manager Aarin Ritter presented the 1<sup>st</sup> quarter financial statement. **b. April 2022 Financial Statement.** Finance Manager Ritter presented the April 2022 financial statement. Board Member Cranson moved to accept the April financial statement and approve outstanding bills, seconded by Board Member

Suhler. The motion was approved unanimously. **c. Projected Year End Financials.** General Manager Rigel provided the end of year financial projections.

**OPERATING REPORT:** Aarin Ritter presented the Operating Report to the Board for April 2022. **a. Wind Report.** General Manager Rigel presented the Wind Report to the Board for April 2022.

**OPERATING COMMITTEE REPORT:** The General Manager presented a review of the items discussed at the Operating Committee meeting that was held on May 19.

**2022 INTEGRATED RESOURCE PLAN.** John Krajewski, JK Energy Consulting, LLC presented the 2022 Integrated Resource Plan for the Board's comment and approval. No members of the public attended the presentation or provided public comment. The Board has been fully versed in the IRP, and members of the public have been provided ample opportunity to make comments on the Plan. Following the formal presentation of the 2022 IRP, Board Member Clodfelter moved to adopt the following resolution:

**RESOLUTION NO. 02-22: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER POWER AUTHORITY APPROVING AN INTEGRATED RESOURCE PLAN AND DIRECTING ITS SUBMITTAL TO THE WESTERN AREA POWER ADMINISTRATION**

Board Member Lopez seconded the motion to adopt **Resolution No. 02-22**, passed unanimously. **Resolution No. 02-22** is appended to these minutes.

**GENERAL MANAGER REPORT:** **a. Update on Tri-State Transmission Rate Filing.** Tri-State (TSGT) filed its proposed Open Access Transmission Tariff (OATT) Settlement with FERC on October 22, 2021. ARPA was considered a "Settling Party" to the Settlement, which was then formally approved by FERC in mid-April of this year. ARPA received refunds associated with the Settlement for the billing period of March 25, 2020, through September 30, 2021. ARPA has begun the process of validating the FERC approved refund amount to ensure it is per the Settlement Agreement. **b. Billing Dispute with PSCo.** The General Manager updated the Board on a billing dispute with Public Service Company of Colorado regarding Point-to-Point (PTP) transmission costs due to an outage on Tri-State's 230 kV network transmission system in November and December 2021. **c. Update on WAPA Activities.** Western Area Power Administration-Colorado River Storage Projects (WAPA-CRSP). The Lamar Utilities Board CRSP allocation has been reduced in excess of 30% due to ongoing drought conditions at Lake Mead and Lake Powell and the Glen Canyon dam hydro-generation. Western Area Power Administration-Loveland Area Projects (WAPA-LAP). WAPA-LAP has committed to joining the SPP RTO. WAPA-LAP is publishing the results of its Power Repayment Study and will implement a drought adder of 18% beginning January 1, 2023. Loveland Area Customer Association (LACA). The Board received an update on current activities of LACA. Western States Power Corporation (WSPC). The Board received an update on current activities of WSPC. **d. Miscellaneous.** CAMU Legislative Report. The General

Manager briefed the Board on legislative bills from the 2022 legislative session. The report included information on HB22-1013, HB22-1244, and a Resource Adequacy Bill which was ultimately not introduced in this year's session. Industry News/Developments. Xcel Energy has received PUC approval to retire Comanche 3 by 2031. United Power served notice of its intent to withdraw from Tri-State on May 1, 2024. Continued drought conditions in the west have resulted in increased power supply costs and may impact future generation from hydro-facilities.

**NEW BUSINESS:** **a. Consider Approval of Environmental Attributes Management Agreement.** The General Manager presented the Environmental Attributes Management Agreement with Guzman Energy to the Board. The Agreement provides that Guzman Energy will manage the marketing of ARPA's Environmental Attributes including becoming ARPA's "Authorized Representative" in WREGIS (the entity responsible for tracking environmental attributes). Board Member Suhler moved to approve the agreement, seconded by Board Member Clodfelter, passed unanimously. **b. Consider Adopting Revised Renewable Distributed Generation Policy (Board of Directors Policy No.4).** The Board received a copy of the policy with the proposed changes shown in redline. The General Manager reviewed the changes with the Board. Board Member Clodfelter moved to adopt the Revised Renewable Distributed Generation Policy, seconded by Board Member Suhler, passed unanimously. The Board expressed interest in receiving updates on the number of installations in the member municipalities. **c. Consider General Manager's Contract Extension.** Board Member Lopez moved to approve the Second Amendment to the General Manager's contract, seconded by Board Member Suhler. Motion passed with Board Member Stagner voting against.

**UNFINISHED BUSINESS:** None.

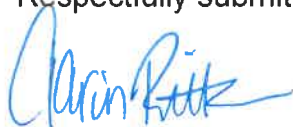
**PLANNING AND COMMUNICATION:** **a. ARPA Scholarship Program.** There were eight high school seniors who were awarded scholarships for the academic year 2022-2023. The scholarships of \$1,000 are funded equally between ARPA and the member municipality. **b. APPA National Conference – June 10-15.** The APPA National Conference will be held in Nashville, Tennessee on June 10-15.

**MEMBER CITIES' REPORTS:** None.

**NEXT MEETING DATE:** The next regularly scheduled meeting of the Board of Directors is August 25, 2022 in La Junta at the Otero Junior College Student Center.

**ADJOURN:** The May 26, 2022 meeting of the Board of Directors was adjourned at 12:41 PM.

Respectfully submitted,



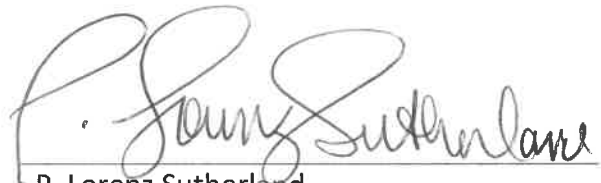
Aarin Ritter  
Finance and Accounting Manager

RESOLUTION NO. 01 -22

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER POWER AUTHORITY  
TO ACCEPT AUDITED FINANCIALS FOR YEARS ENDED DECEMBER 31, 2021 and 2020**

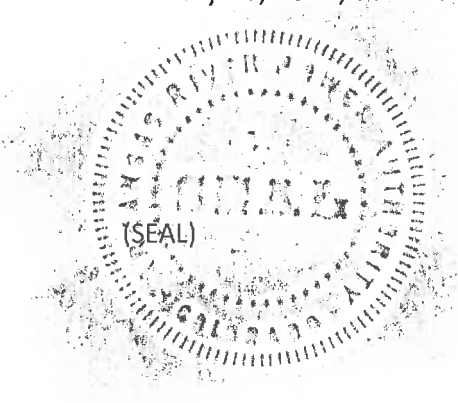
NOW, THEREFORE, the Board of Directors of the Arkansas River Power Authority Hereby resolves to accept the Financial Statements for the years ended December 31, 2021, and 2020 as prepared by rfarmer, llc a certified public accounting and consulting firm.

Approved by the Board of Directors on this 26<sup>th</sup> day of May, 2022.



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. - 22 adopted by the Board of Directors of the Arkansas River Power Authority at a regularly scheduled meeting on May 26, 2022, at which a quorum of the Board was present and voting.



Arvenia L. Morris

RESOLUTION NO. 02-22

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER POWER AUTHORITY  
APPROVING AN INTEGRATED RESOURCE PLAN AND DIRECTING ITS SUBMITTAL TO THE  
WESTERN AREA POWER ADMINISTRATION**

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**WHEREAS**, the chief purpose of the Arkansas River Power Authority (ARPA or "Authority"), an intergovernmental entity and political subdivision of the State of Colorado, is to provide the wholesale electric requirements of its member municipalities, each of whom furnish retail electric service in their local communities. ARPA's members are the Colorado municipalities of Holly, Lamar, La Junta, Las Animas, Springfield and Trinidad.

**WHEREAS**, the Authority obtains a portion of its wholesale power requirements from the Western Area Power Administration ("Western") under long term, firm power contracts. ARPA receives federal hydropower from Western produced at both the Loveland Area Projects and the Colorado River Storage Projects. Under provisions of the 1992 Energy Policy Act ("EPA Act"), firm power customers of Western are obligated to periodically prepare an Integrated Resource Plan ("IRP"), taking into account certain criteria set forth in this statutory enactment. Western has issued certain rules implementing this EPA Act requirement. These rules require the Authority to submit an IRP to Western every five years, with progress reports submitted annually.

**WHEREAS**, ARPA has prepared its sixth IRP ("2022 IRP") since the enactment of the EPA Act in compliance with Western's implementing rules.

**WHEREAS**, the 2022 IRP incorporates a public participation plan, the purpose of which is to provide information to the public in the ARPA member communities on the IRP and seek public input.

**WHEREAS**, ARPA was advised by Western in written correspondence dated July 17, 2006 that approval of the IRP is required by the ARPA Board of Directors but is not required by each of ARPA's individual member governing bodies.

**WHEREAS**, ARPA entered into a contract with a consulting firm to draft the 2022 IRP which was presented to the public and the Authority's Board of Directors at their meeting on February 24, 2022.

**WHEREAS**, A final draft of the 2022 IRP was provided to the Authority's Board of Directors at their meeting on May 26, 2022 for review, final comment and approval.

**WHEREAS**, the Board of Directors of the Authority, now being fully briefed on the proposed 2022 IRP and being fully advised, hereby takes the following action:

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER POWER AUTHORITY:**

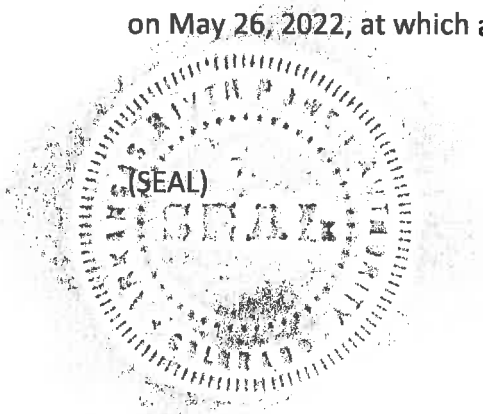
1. The Integrated Resource Plan for the Arkansas River Power Authority, dated May 26, 2022, is hereby approved.
2. The 2022 IRP as hereby approved shall be submitted to the Western Area Power Administration.
3. Management of the Authority shall periodically advise the Board on the status of the action plan items incorporated in the approved 2022 IRP.
4. The Board of Directors reserves the right to modify the 2022 IRP to take into account changed circumstances and operational and economic considerations.

Approved by the Board of Directors on this 26th day of May 2022.



P. Lorenz Sutherland  
President, Board of Directors

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*-22 adopted by the Board of Directors of the Arkansas River Power Authority at a regularly scheduled meeting on May 26, 2022, at which a quorum of the Board was present and voting.



Arvenia L. Morris