



## BUSINESS OPERATIONS – March 2023

**ARPA Board Holds its Annual Election of Officers:** The ARPA Board of Directors held its annual officer elections at its meeting on February 23. The Board elected Lorenz Sutherland (La Junta), President; Ron Clodfelter (Las Animas), Vice President; Gary Cranson (La Junta), Treasurer; and ARPA staff member, Arvenia Morris, Secretary. Mr. Sutherland has been on the ARPA Board of Directors since October 2014 and has served as president since April 2021. Mr. Clodfelter was appointed to the Board in 2010 and was first elected Vice President in February 2022. Mr. Cranson has been on the ARPA Board since February 2017 and was first elected Treasurer of the Board in May 2019.

**ARPA Board Reviews Power Supply Options:** John Krajewski of JK Energy Consulting presented the Board with an analysis of various options for future power supply that centered around renewable energy resources. The options included replacing the ARPA/Lamar wind turbines with larger units, an operational assessment of the existing wind turbines that included an economic evaluation for extending the life of the turbines, and participation in a sizable wind/solar renewable energy project. The addition of the renewable resources to ARPA's power supply portfolio, will allow it to position itself to meet the State's Roadmap to Renewable Energy.

**Standard & Poor's Ratings Services ("S&P") Affirms ARPA's Credit Rating:** S&P Global Ratings affirmed its 'BBB' long-term and underlying rating on Arkansas River Power Authority's outstanding electric revenue bonds. The outlook is stable. The rating reflects ARPA's strengths based upon its member relations, a decline in debt service requirements, a purchase power agreement that will provide power at a competitive rate through January 2025, followed by a fixed-rate, long-term contract extending through 2043 at similarly competitive rates. Click to view the full [Standard & Poor's Rating Report](#).

**ARPA Board College Scholarship Funding:** The ARPA Board of Directors, in conjunction with its members, established the College Scholarship Program in 2000. The Program is administered through ARPA's member municipalities of Holly, La Junta, Lamar, Las Animas, Springfield and Trinidad. The scholarship is awarded to one high school senior in each of the high schools served by ARPA members. Application forms, scholarship requirements, and eligibility criteria are available either through the counselor's office of the member high schools or at the local office of the electric utility.

**Summary of January 2023 Financial and Operating Statements:** During the month of January, revenue from power sales were 1.5% better than budget and total cost of goods sold were slightly over budget (0.7%). Net Revenue for the month was \$304,451. Member Energy sales were 2.5% better than budget and 2.6% better than January 2022.

**ARPA Board Receives Report on Financial Compliance:** Aarin Ritter, Finance Manager for ARPA, provided the annual Financial Compliance Report to the ARPA Board at its February meeting. Ms. Ritter reported that the Authority is in full compliance with its Bond Covenants including fully funding its Bond Accounts, meeting its Debt Service Coverage Ratio, and the posting of its ongoing financial disclosures, including the quarterly financial reports, on the Municipal Securities Rulemaking Board website- EMMA. ARPA's financial disclosures can be found at <https://dataport.emma.msrb.org>.

**Next ARPA Meeting:** The next regularly scheduled meeting of the ARPA Board of Directors is Thursday, May 25, 2023. The meeting will be held in La Junta at the Otero Junior College Student Center, 2001 San Juan. The meeting notice and agenda will be posted on ARPA's website ([arpapower.org](http://arpapower.org)) under [Public Notices](#) and will also be posted in a designated location in each of the member cities at least 24 hours in advance of the meeting. ARPA board meetings are open to the public.