



BUSINESS OPERATIONS - November 2023

ARPA Board Conducts Strategic Planning Process. It's widely recognized that the electric industry across the nation, but especially in Colorado is undergoing a significant transition. The advent of rooftop solar installations, Electric Vehicle charging stations, the effort to operate the grid with renewables, and the development of an electric market in the west are but just a few examples of the changing landscape for electric utilities. For ARPA, there is an additional transition that will begin in February 2025. ARPA will begin a new power supply contract with Guzman Energy. The contract will provide power supply, scheduling, and transmission services to the Authority. With this change comes predictable fixed wholesale power pricing that ARPA believes will result in significant savings for its power supply costs. In addition, the contract allows ARPA to self-supply 20% of its resources with renewable energy. The ARPA Board has begun a strategic planning effort to evaluate the opportunities that may be realized with this change and identify the best options to manage future rates for its members.

Harvesting the Wind in Prowers County. ARPA's (T-4) wind turbine, one of 4 turbines, located south and east of Lamar, has been sitting idle for the last few months due to equipment failure. ARPA is in the process of reviewing bids and work schedules for replacement of the gear box on the wind turbine. T-4 will soon be back to harvesting the wind and producing renewable generation in the not-too-distant future. Wind generation provides approximately 8% of ARPA's power supply resources.

Notice of Proposed Budget – 2024 Budget Available for Public Inspection. The 2024 Budget is currently available for public inspection in the city clerk's office in each of the member communities. The hearing on the 2024 proposed budget is scheduled for December 7, 2023 at 10:15 AM at the Otero College Student Center, 2001 San Juan, La Junta, CO. Any interested elector in an ARPA member community may register objections to the proposed budget prior to its final adoption. Any public comments to the proposed budget should be directed to ARPA's General Manager at (719) 336-3496 or to arpa@arpapower.org. The 2024 Proposed Budget is available on the ARPA [website](#).

Summary of September 2023 Financial and Operating Statements. During the month of September, revenue from power sales were 0.6% better than budget and total cost of goods sold (COGS) were under budget 7.7%. Net Operating Revenue for the month was \$600,891. YTD revenues from power sales are under budget by 3.3% and COGS are 7.5% under budget. Net revenues YTD are well above budget at \$3.38 million.

Next ARPA Meeting. The next regularly scheduled meeting of the ARPA Board of Directors is Thursday, December 7, 2023. The meeting will be held in La Junta at the Otero College Student Center, 2001 San Juan. The meeting notice and agenda will be posted on ARPA's website (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.**