

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, November 16, 2022
Zoom Webinar

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, November 16, 2022, via Zoom webinar. President Witchel called the meeting to order at 9:05 a.m. with the following directors present:

Ted Compton	John Lee	Holly Metzler
Dan Huntington, Secretary	Joe Lewandowski	Kirsten Skeeahan
Rachel Landis	Kohler McInnis	Tim Wheeler, Vice President
Bob Lynch	Sue McWilliams, Treasurer	John Witchel, President

LPEA STAFF

Jessica Matlock, Chief Executive Officer
Garrett Hammer, Pagosa District Manager
Dan Harms, Executive VP of Grid Solutions and Special Projects
Elizabeth Howe, VP of Administrative Services
Hillary Knox, VP of Member Experience
Karl Ramsey, VP of Finance
Graham Smith, General Counsel
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE

None

WEBINAR ATTENDEES

Emelie Frojen and Lori Schell

APPROVAL OF AGENDA (9:06 a.m.)

President Witchel addressed the November 16, 2022, LPEA board meeting agenda.

Motion: Director Landis moved to approve the November 16, 2022, LPEA board meeting agenda as amended.
Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS (9:06 a.m.)

Attorney Smith gave an overview of the ground rules for public commentary.

There was no public comment.

CONSENT BOARD ITEMS (9:07 a.m.)

President Witchel addressed the Consent Board Items.

Director Landis moved to approve the Consent Board Items: the October Board of Directors and Committee of the Whole meeting minutes as presented, accepting new members, the retirement of Capital Credits to estates, monthly write-offs, director travel and training requests, director expenses, and director expenditures. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:08 a.m.)

CEO Matlock reported on key performance indicators for safety, reliability, finance, communications and outreach, beneficial electrification, and information technology. The division dashboard was made public prior to the board meeting. CEO Matlock and staff members took questions and suggestions related to the discussed topics within the report.

FINANCE REPORT UPDATE (9:45 a.m.)

VP of Finance Ramsey addressed the October 2022 financials. All financial goals were met in October, except for operating cash. Ramsey explained that a \$2.5m quarterly debt payment was made on October 31, 2022, which temporarily put LPEA's cash reserves below the board's target. However, as the target was reached three days later, staff decided not to incur extra interest expenses by utilizing LPEA's line of credit to stay under the target. Operating margins were \$217k over budget due to higher gross margins (revenue less cost of power) and lower expenses. Both residential and industrial sales were above forecast, and controllable costs were \$96k under budget. Ramsey took questions from board members on the October financials.

FINANCE AND AUDIT COMMITTEE UPDATE (9:49 a.m.)

Committee Chair McWilliams referenced her written report for the FAC meeting held on Thursday, November 10, 2022.

Motion: Director Compton moved to approve [Resolution 2022 – 10; 2023 Budget](#). Motion seconded and carried without dissent.

COMMITTEE ON POLICIES UPDATE (9:59 a.m.)

Committee Chair Compton gave an update on the committee's future recommendations for proposed amendments to [Policy 103](#) and the [Line Extension Policy](#). Committee Chair Compton and Attorney Smith took questions and comments from other directors regarding the COP report.

RESOLUTIONS AND MOTIONS (10:12 a.m.)

Referring to the November master memo, President Witchel addressed board motion and resolution actions. LPEA staff took all questions in relation to their subject in the memo.

Motion: Director Huntington moved to distribute \$110,000 from the Local Renewable Generation Fund to pay for a portion of the interconnection between the Sunnyside Solar Garden Project and the Sunnyside substation. Motion seconded and carried 11-1 with Directors Compton, Huntington, Landis, Lee, Lewandowski, Lynch, Metzler, McInnis, McWilliams, Wheeler, and Witchel in favor and Director Skeeahan opposed.

Motion: Director Wheeler moved to approve the issuance of capital projects 300-140, 300-144, 300-164, 300-166, 300-170, and 300-172 to Ward Electric Company to be constructed in conformance with approved budgets. Motion seconded and carried without dissent. Director Lee was excused as absent from this portion of the meeting and did not participate in the vote.

Motion: Director Wheeler moved to approve [Resolution 2022 – 11; Independent Third-Party Appointment](#). Motion seconded and carried without dissent. Director Lee was excused as absent from this portion of the meeting and did not participate in the vote.

REPORTS

ATTORNEY REPORT (10:50 a.m.)

Referring to the written report in the board packet, Attorney Smith highlighted the work done for LPEA staff and board members since the October meeting. Attorney Smith took questions from board members.

ATTORNEY UPDATE ON FERC ACTIONS (10:51 a.m.)

Matthew Larson, Outside Counsel for LPEA, advised on the status of the cases related to Tri-State's wholesale electric rates and exit fee at the Federal Energy Regulatory Commission (FERC). Attorney Larson took all questions from board members.

EXECUTIVE SESSION (10:55 a.m.)

President Witchel requested a motion to move into an executive session to discuss an attorney update on the FERC actions and confidential matters pertaining to the attorney report.

Motion: Director Landis moved to enter an executive session to discuss an attorney update on the FERC actions and confidential matters pertaining to the attorney report. Motion seconded and carried without dissent.

The board remained in executive session from 10:55 a.m. to 11:37 a.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (11:37 a.m.)

None

REPORTS

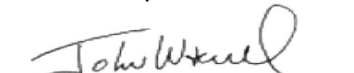
DIRECTOR REPORTS – (11:38 a.m.)

Directors referred to written and verbal reports in the board packet and took questions and suggestions from board members and staff.


ADJOURN (12:40 p.m.)

There being no further business, the LPEA Board of Directors' meeting adjourned at 12:40 p.m.

Recorded by J.P. Thunstrom and approved by:



John Witchel, President



Dan Huntington, Secretary