

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, September 20, 2023
Zoom Webinar
LPEA Headquarters | Durango, Colorado

CALL TO ORDER (9:03 a.m.)

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, September 20, 2023, via Zoom webinar. President Compton called the meeting to order at 9:03 a.m. with the following directors present:

Ted Compton, President
Dan Huntington
Rachel Landis
John Lee, Jr., Secretary

Joe Lewandowski
David Luschen
Kohler McInnis
Holly Metzler

Nicole Pitcher
Kirsten Skeehan, Vice President
Tim Wheeler, Treasurer

LPEA STAFF

Amanda Anderson, Strategic Communications Officer
Patrick Berry, VP of Finance
Dan Harms, Executive VP of Grid Solutions and Special Projects
Elizabeth Howe, VP of Business Services
Jessica Matlock, Chief Executive Officer
Graham Smith, General Counsel
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE

Director John Witchel

WEBINAR ATTENDEES

Emelie Frojen and Elizabeth Romere

APPROVAL OF THE AGENDA (9:04 a.m.)

President Compton addressed the September 20, 2023, LPEA board meeting agenda.

Motion: Director Wheeler moved to approve the September 20, 2023, LPEA board meeting agenda as amended to remove section V., A.,1 (Motion to approve Net Metering and Qualifying Facilities Rate Tariffs) and add an update on the Broadband partnerships in the executive session. Motion seconded and carried without dissent. Director Lee was not present for the vote.

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 Compton addressed the Consent Board Items. Director McInnis asked to remove the director's travel & training requests.

Motion: Director McInnis moved to approve the remaining Consent Board Items: the August Board of Directors minutes as presented, special board meeting minutes, accepting new members, Capital Credits to estates, the retirement of monthly write-offs, director expenses, and director expenditures. Motion seconded and carried without dissent.

Motion: Director Landis moved to approve Director McInnis' travel and training request after further discussion regarding changes to [Policy 109](#). Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:11 a.m.)

Chief Executive Officer (CEO) Matlock reported on the monthly board dashboard. The dashboard reports on progress in meeting the targets listed in the [2023 Operational Plan](#). The dashboard was made public prior to the board meeting.

VP of Finance Berry reported that all key performance indicators besides the cash reserves were met for the month of August. The cash reserves were below the board's target, due to timing variance of cash flow. We were above the cash reserves target by the time of the board meeting.

CEO Matlock and staff members took questions about the discussed topics in the dashboard and appendix reports.

BOARD ACTION AGENDA (9:53 a.m.)

FINANCE AND AUDIT COMMITTEE UPDATE (9:53 a.m.)

Committee Chair Wheeler addressed his written FAC report which included a review of the preliminary financials YTD through August. Committee Chair Wheeler also reported that various budget scenarios and strategies were discussed in the executive session of the FAC.

COMMITTEE ON POLICIES UPDATE (9:54 a.m.)

Committee Chair Lee gave a verbal update and addressed Attorney Smith's written board memo. The Committee on Policies reviewed Policies [105](#) (including Exhibit A), [106](#), and [107](#). A final, red-lined draft version was sent to the board for review prior to the board meeting. Committee Chair Lee, President Compton, and Attorney Smith took all questions and suggestions from board members.

Motion: Director Wheeler moved to adopt the changes to Policy 106, Policy 107, and Exhibit A to Policy 105. Motion seconded and carried without dissent.

ATTORNEY UPDATE ON FERC ACTIONS (10:40 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).

There are two ongoing cases at FERC that relate to the Contract Termination Payment (CTP).

The first case concerns the CTP formula itself; the second case concerns a withdrawal agreement that Tri-State attempted to file after the commencement of the CTP tariff case.

In the withdrawal agreement case, FERC rejected that filing. Tri-State has appealed in the Court of Appeals for the D.C. Circuit. That appeal is pending. Tri-State also filed a motion for reconsideration at FERC. That motion was denied. So only the appeal is still pending.

In the CTP case, there is no decision yet. It is not on the agenda for the next FERC open meeting. It remains unclear as to when that will be on the agenda. There have been some letters and motion practices in front of FERC trying to implore FERC to issue a final decision, but nothing has yet to occur.

Additionally, Tri-State and United Power filed an unexecuted withdrawal agreement with FERC that is now pending. If approved, it will set the terms of how the actual exit payment is dealt with and other matters related to a member's withdrawal.

Attorney Larson took all questions from board members.

EXECUTIVE SESSION (10:46 a.m.)

President Compton requested a motion to move into an executive session to discuss an update on FERC actions, an update on the Three-Pronged Strategy, an employee matter, and an update on broadband partnerships.

Motion: Director McInnis moved to enter an executive session to discuss an update on FERC actions, an update on the Three-Pronged Strategy, an employee matter, and an update on broadband partnerships. Motion seconded and carried without dissent.

Director McInnis recused himself from the portion of the executive session addressing the FERC actions and the Three-Pronged Strategy update because of a possible conflict with his role as a Tri-State board representative but joined after these conversations.

The board remained in executive session from 10:50 a.m. to 12:55 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (12:55 p.m.)

No action was taken.

2024 BOARD MEETING SCHEDULE AND BOARD ELECTION TIMELINE (1:01 p.m.)

CEO Matlock addressed the board election timeline and the 2024 board meeting schedule.

Motion: Director Wheeler moved to set the 2024 Annual Meeting for May 22, 2024. Motion seconded and carried without dissent.

Motion: Director Wheeler moved to approve [Resolution 2023-11; 2024 LPEA Board of Directors Meeting Dates](#) as presented. Motion seconded.

Motion to Amend: Director Skeeahan moved to amend Resolution 2023-11 to have the October 2024 meeting in person instead of virtually. Motion seconded and failed 3 – 6 with Directors McInnis, Skeeahan, and Landis in favor and Directors Compton, Lee, Lewandowski, Luschen, Metzler, Pitcher, and Wheeler opposed. Director Huntington abstained.

Main Motion Resumed: Director Wheeler moved to approve Resolution 2023-11; 2024 LPEA Board of Directors Meeting Dates. Motion seconded and carried 9 – 2 with Directors Compton, Huntington, Lee, Lewandowski, Luschen, McInnis, Metzler, Pitcher, and Skeeahan in favor and Directors Landis and Wheeler opposed.

REPORTS

ATTORNEY REPORT (1:48 p.m.)

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

DIRECTOR REPORTS (1:51 p.m.)

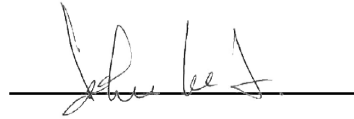
Directors referred to written and verbal reports in the board packet and took questions and suggestions from board members and staff.

ADJOURN (2:29 p.m.)

There being no further business, the LPEA Board of Directors' meeting adjourned at 2:29 p.m.
Recorded by J.P. Thunstrom and approved by:



Ted Compton, President



John Lee, Jr., Secretary