

LA PLATA ELECTRIC ASSOCIATION, INC.  
Board of Directors Meeting Minutes  
<https://lpea.coop/lpea-board-directors-resources>  
Wednesday, November 20, 2024  
In-person with Electronic Attendance Option  
LPEA Headquarters | Durango, Colorado

**CALL TO ORDER (9:01 a.m.)**

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. convened in person on Wednesday, November 20, 2024, with an electronic attendance option. President Compton called the meeting to order at 9:01 a.m., beginning with a safety moment and noting the attendance of the following directors:

Ted Compton, President	Joe Lewandowski	Nicole Pitcher, Secretary
Dan Huntington	David Luschen	Kirsten Skeeahan
Rachel Landis, Vice President	Kohler McInnis	Tim Wheeler, Treasurer
John Lee, Jr.	Holly Metzler	John Witchel (Electronic)

**LPEA STAFF**

Chris Hansen, Chief Executive Officer  
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  
Graham Smith, General Counsel  
Jerry Sutherlin, VP of Operations  
Janelle Thunstrom, Executive Assistant  
Drew Timmerman, VP of Information Technology

**EXCUSED ABSENCE**

None

**IN-PERSON ATTENDEES**

Richard Ballantine, Tyler Brown, Richard Reynolds, Emelie Frojen, David Henry, and Steve Harris

**WEBINAR ATTENDEES**

Kathy Fackler, Brian Rogers, Robert Finneseth, Dusty Mars, and Emelie Frojen

**APPROVAL OF THE AGENDA (9:03 a.m.)**

President Compton addressed the agenda for the LPEA board meeting on November 20, 2024.

**Motion:** Director McInnis moved to approve the amended November 20, 2024, LPEA board meeting agenda to remove item VI., C., Round Up Board Foundation Appointments. Motion seconded and carried without dissent.

## **MEMBER COMMENTS AND CONCERNS (9:05 a.m.)**

Attorney Smith outlined the ground rules for public commentary. Public comments were made in person and by members attending electronically. President Compton acknowledged receipt of a written comment and stated that comments would be made part of the meeting record.

## **CEO WELCOME AND INTRODUCTION (9:18 a.m.)**

President Compton welcomed Chris Hansen as LPEA's new CEO.

CEO Hansen formally introduced himself to the membership, sharing a brief overview of his professional background, leadership experience, and key accomplishments. He expressed his enthusiasm for leading the organization and outlined his initial focus areas and vision for the company's growth and success.

## **CONSENT BOARD ITEMS (9:20 a.m.)**

President Compton addressed the Consent Board Items.

**Motion:** Director McInnis moved to approve the following Consent Board Items: November Board of Directors COW minutes as presented, accepting new members, Capital Credits to estates, the retirement of monthly write-offs, director travel and training requests and Resolution 2024 – 13; Capital Credit Retirement. Motion was seconded and carried without dissent.

**Motion:** Director Wheeler moved to approve the October Board of Directors minutes as amended with clarification on the La Plata County Tri-State Lawsuit description and documentation of abstention votes in the Election of Officers section. Motion seconded and carried 8 – 4 with Directors Compton, Huntington, Lewandowski, Luschen, McInnis, Metzler, Wheeler, and Witchel in favor and Directors Landis, Lee, Pitcher, and Skeehan opposed.

## **CEO AND STAFF REPORTS**

### **DIVISION DASHBOARDS (9:31 a.m.)**

CEO Hansen reported on the monthly board dashboard, which was made public prior to the board meeting. The dashboard reports progress in meeting the targets listed in the 2024 Operational Plan.

VP Berry delivered an analysis of October's financial performance. LPEA continues to maintain a healthy balance sheet and cash position, with all but one of the board's financial goals being met in October. Cash reserves were approximately \$2 million under the targeted level, attributed mainly to our quarterly debt payment and spending on capital projects. LPEA reported a negative operating margin of \$200,907 in October 2024, compared to a budgeted negative operating margin of \$218,416. This resulted in a net positive budget variance of \$17,509. In October, our gross margins were 3% or \$104,672 above budget, controllable expenses were 8% or \$165,064 over budget, and other expenses were 6% or \$77,901 under budget. Revenue was \$37,254 under budget, and the cost of power was 3% or \$141,926 under budget, resulting in gross margins of \$3,299,386, which was 3%, or \$104,672 over budget. Residential sales were 3% below budget, commercial sales were 5% above budget, and industrial sales were 7% below budget. Both kWh sales and kWh purchased for October were 3% under budget.

CEO Hansen and staff members answered questions about the topics discussed in the dashboard and appendix reports.

## **CEO WELCOME AND INTRODUCTION (10:28 a.m.)**

Director Landis provided an update on the CEO onboarding and integration process, highlighting the steps taken to ensure a smooth transition and alignment with the organization's goals. She emphasized fostering collaboration between the CEO and the Board to drive strategic initiatives forward. There will be a future integration meeting with the board and CEO.

## **BOARD ACTION AGENDA (10:33 a.m.)**

### **FINANCE AND AUDIT COMMITTEE UPDATE (10:33 a.m.)**

Committee Chair Wheeler addressed his written Finance and Audit Committee (FAC) report, noting that the committee had two recommendations coming from the Committee meeting. He asked for any questions and directed the board to the Google Docs Drive folder for further details.

**Motion:** Director Wheeler, as chair of the FAC, recommends that the full board approve the proposed redlined edits to [Policy 304](#) (On-Bill Financing for Energy Efficiency and Beneficial Electrification). The motion passed unanimously.

**Motion:** Director Wheeler, as chair of the FAC, recommends that the full board approve Resolution 2024 – 14; 2025 Budget. The motion passed unanimously.

### **COMMITTEE ON POLICIES UPDATE (11:00 a.m.)**

Committee Chair Pitcher updated the board based on her written report on the Committee on Policies (COP) meeting. She noted that at the upcoming meeting on December 16, 2024, the committee will review Policy 103, along with an additional policy to be identified prior to that meeting.

### **ATTORNEY UPDATE ON FERC ACTIONS (11:02 a.m.)**

Matthew Larson, Outside Counsel for LPEA, could not advise on the status of the cases related to Tri-State's wholesale electric rates and exit fee at the Federal Energy Regulatory Commission (FERC) and related matters due to unforeseen travel changes and extended his apologies.

Attorney Smith provided updates on several ongoing legal matters. Regarding the contract termination appeal in the 10th Circuit Court of Appeals, the FERC brief is due by the end of January 2025, with subsequent filings anticipated through mid-March. Oral arguments are expected in late summer or fall of 2025. United Power, Mountain Parks, and Tri-State are participating in joint proceedings.

Additionally, settlement discussions regarding the administrative sleeving fee are ongoing, with the next conference scheduled for January 23, 2025. Updates on the Tri-State rate case were also shared, noting that FERC has subjected the entire formula rate to review. A unified approach among the parties (LPEA, United Power, and Mountain Parks), emphasizing the balance sheet methodology, remains central to LPEA's strategy. Further details on these matters were reserved for the executive session.

### **EXECUTIVE SESSION (11:11 a.m.)**

President Compton requested a motion to move into an executive session to discuss an update on FERC and related actions, and a power supply progress.

**Motion:** Director Landis moved to enter an executive session to discuss an update on FERC and related actions, power supply progress, an additional LPEA legal matter, and an individual member issue. Motion seconded and carried without dissent.

The board remained in executive session from 11:11 a.m. to 1:18 p.m.

**BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (1:18 p.m.)**

A motion was introduced following the executive session.

**Motion:** Director Wheeler moved to approve [Resolution 2024 – 15; Resolution of Necessity](#). Motion seconded and carried without dissent.

**REPORTS**

**ATTORNEY REPORT (1:21 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 October meeting and took all questions.

**DIRECTOR REPORTS (1:21 p.m.)**

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

**ADJOURN (1:30 p.m.)**

There being no further business, the LPEA Board of Directors' meeting adjourned at 1:30 p.m. Recorded by J.P. Thunstrom and approved by:



Ted Compton, President



Nicole Pitcher, Secretary