

LA PLATA ELECTRIC ASSOCIATION, INC.  
Power Supply Committee Minutes of Meeting  
Thursday, November 1, 2018  
Durango, Colorado

**I. CALL TO ORDER**

The Power Supply Committee of the La Plata Electric Association Board of Directors was held Thursday, November 1, 2018 at the headquarters building in Durango, Colorado. Committee Chairman Bassett called the meeting to order at 10:03 a.m. The following Committee members were in attendance:

**COMMITTEE DIRECTORS:**

Britt Bassett, Committee Chairman  
Kohler McInnis  
Tim Wheeler  
Jack Turner, CREA Liaison  
Mike Dreyspring, CEO  
Dan Harms, Manager of Rates, Technology, and Energy Policy

**LPEA STAFF:**

C. E. Charistopoulos, Executive Assistant  
Ron Meier, Manager of Engineering and Member Relations  
Shay Denning, General Counsel

**EXCUSED ABSENCE:** None.

**GUESTS:** The following guests were in attendance: Harry Riegle, Guinn Unger, Katie Pellicore, Dan Hunt, Linda Hunt.

**I. APPROVAL OF AGENDA**

Committee Chairman Bassett addressed the November 1, 2018 Power Supply Committee (PSC) meeting agenda.

**Motion:** CEO Dreyspring moved to approve the November 1, 2018 PSC meeting agenda. Motion seconded and carried without dissent.

**II. APPROVAL OF OCTOBER 18, 2018 POWER SUPPLY COMMITTEE MEETING MINUTES** – Committee Chairman Bassett addressed the October 18, 2018 PSC meeting minutes.

**Motion:** Director McInnis moved to approve the October 18, 2018 PSC meeting minutes. Motion seconded and carried without dissent.

### **III. COMMITTEE DISCUSSION AND POSSIBLE ACTION**

#### **STATUS OF TRI-STATE LETTER TO LPEA REGARDING POWER SUPPLY**

**DISCUSSIONS** – Committee Chairman Bassett recapped the letter LPEA received from Tri-State regarding exploration of alternative power supply providers, as authorized by the terms of the 2014 Colorado Public Utilities Commission (PUC) settlement. The Committee took a conference call with Tri-State CEO Mike McInnes, General Counsel Ken Reif, and CFO Pat Bridges regarding the letter and to generally review Tri-State’s debt position. The Committee noted substantial changes in the letter provided by Tri-State compared to the original language provided in the PUC settlement documents. Tri-State indicated that, while it was willing to provide a letter formally authorizing LPEA to explore alternative power suppliers, it believed that the letter already provided was sufficient for that purpose. The Committee did not believe that it had been provided authority to negotiate substantial changes to the letter and indicated that it would address Tri-State’s position with the full LPEA Board.

Attorney Denning was directed to provide copies of the 2014 settlement documents in the Board packet and the Committee requested that this issue be placed on the November Board meeting agenda. Tri-State CFO, Pat Bridges, also reviewed Tri-State’s debt structure with the Committee and took questions. Tri-State CEO Mike McInnes requested permission for Tri-State to meet with the LPEA Board at a future Board meeting to discuss the letter; as well as matters related to Tri-State’s debt structure. CEO Dreyspring will arrange to have Tri-State meet with the LPEA Board of Directors at a future meeting. The Committee will assist in developing a list of questions and topics of discussion for that meeting.

**STATUS OF RFPS** – Committee members discussed the status of the RFP for Analysis of the Wholesale Power Market, and the RFP for Valuation of LPEA Current Wholesale Power Contract, action timelines, and next steps. November 9 is the proposal delivery deadline, and November 21 is the proposal selection deadline.

**POSSIBLE SITE VISITS OR OTHER MEETINGS FOR COMMITTEE** – The Committee discussed potential site visits with various key energy contacts. A site visit has been scheduled to meet with Kit Carson Electric Cooperative in Taos. Other site visit being discussed are to Aztec, NM for a meeting with the City of Aztec Electric sometime in December. CEO Dreyspring and Committee Liaison, Jack Turner are coordinating other future meetings and will discuss options at the next PSC meeting.

**FUTURE MEETINGS** – Committee Chairman Bassett confirmed upcoming PSC meetings will take place November 15 with an executive session discussion with DMEA CEO Jasen Bronec from 8:00 a.m. to 10:00 a.m., followed by the open meeting from 10:00 a.m. to 12:00 p.m.; and December 6, at 10:00 a.m. in the LPEA Board room.

### **IV. ATTORNEY UPDATE**

Attorney Denning will contact the DMEA General Counsel to determine if an NDA is appropriate prior to Bronec's executive session discussion with the LPEA Power Supply Committee on November 15, 2018.

There being no further business, the Power Supply Committee of the La Plata Electric Association, Board of Directors meeting adjourned at 12:47 p.m.

Recorded by C.E. Charistopoulos, and approved by:

A handwritten signature in black ink, appearing to read "Britt Bassett". The signature is written in a cursive style with a large, stylized initial "B".

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Britt Bassett, Committee Chairman