

LA PLATA ELECTRIC ASSOCIATION, INC.
Power Supply Committee Minutes of Meeting
Thursday, December 20, 2018
Durango, Colorado

I. CALL TO ORDER

The Power Supply Committee of the La Plata Electric Association Board of Directors was held Thursday, December 20, 2018 at the headquarters building in Durango, Colorado. Committee Chairman Bassett called the meeting to order at 9:02 a.m. The following Committee members were in attendance:

COMMITTEE MEMBERS:

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

LPEA STAFF:

C. E. Charistopoulos, Executive Assistant
Ron Meier, Manager of Engineering and Member Relations

GUESTS: The following guests were in attendance: Katie Pellicore, Guinn Unger, Baker McKonly, Mark Pearson, Nadine Ontiveros

APPROVAL OF AGENDA

Committee Chairman Bassett addressed the December 20, 2018 Power Supply Committee (PSC) meeting agenda. Bassett advised that Approval of the December 20, 2018 meeting minutes would be postponed to January 3, 2019 meeting.

Motion: Committee Member McInnis moved to approve the December 6, 2018 PSC meeting agenda as modified. Motion seconded and carried without dissent.

WORKING SESSION ON TRANSMISSION CONNECTIONS WITH ENCHANTED ENERGY

Mr. Reyes of Enchanted Energy and Mr. Padilla of Rio Energy met with the PSC via teleconference to discuss various transmission system maps, wheeling agreements, transmission

ownership, power supply restrictions, pancaking, metering points, and discrete delivery points currently used by Tri-State.

Motion: CEO Dreyspring moved to enter into executive session to discuss transmission ownership. Motion seconded and carried without dissent.

The PSC remained in executive session from 10:08 a.m. to 10:44 a.m.

COMMITTEE DISCUSSION AND POSSIBLE ACTION

UPDATE ON ENERGY STRATEGIES WORK – Committee members discussed the importance of directing Energy Strategies to use the best available transmission modelling software to best understand our possible wholesale power connections, congestion, and future cost.

PSC BUDGET REVIEW – The lack of precedent for determining a realistic budget to complete the work in a meaningful and responsible manner has resulted in budget limitations that may negatively impact the timeline for completion. The initial \$75,000 RFP budget for WESC Valuation did not include an RFP for analysis of the wholesale marketplace. There was consensus among the PSC to stick to the timeline, move forward with the best software modelling, postpone all travel, and to discuss a possible 2019 PSC budget increase with the full Board at the January 16, 2019 Board meeting.

REVIEW OF LPEA LONG TERM FORECAST – Committee members discussed the Tri-State 2018 LPEA load forecast and 12-month historical load data for use with the power supply and contract valuation consultants.

DMEA PUC FILING – Committee members discussed the recent appointment of former DMEA Director, John Gavan to the Colorado PUC Commission by Governor Hickenlooper. Discussion ensued on the impact of the DMEA PUC filing on the work of the PSC and consideration for filing an Amicus brief with the PUC in support of DMEA's complaint or making a recommendation to the LPEA Board of Directors to do so if the PSC does not have authority to do so.

POSSIBLE SITE VISITS OR OTHER MEETINGS FOR COMMITTEE – Committee members discussed other organizations and cooperatives that the PSC may have an interest in meeting with either via teleconferences or site visits. It was decided that as San Miguel Power Association has requested to meet with the PSC, they will be invited to attend one of our January meetings.

FUTURE MEETINGS – Committee Chairman Bassett confirmed upcoming PSC meetings will take place on January 3rd, and 20th from 9:00 a.m. to 12:00 p.m.

ATTORNEY UPDATE

Attorney Denning was not in attendance.

There being no further business, the Power Supply Committee of the La Plata Electric Association, Board of Directors meeting adjourned at 12:25 p.m.

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

Britt Bassett, Committee Chairman