

## COMMISSION

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RUSSELL L. JONES – COMMISSIONER  
KIM OWENS – COMMISSIONER  
JOHN F. SULLIVAN – COMMISSIONER

## STAFF

JORDY FUENTES – EXECUTIVE DIRECTOR  
HEATHER COLE – EXECUTIVE SECRETARY



## ARIZONA POWER AUTHORITY

1810 W. ADAMS STREET  
PHOENIX, AZ 85007-2697  
(602) 368-4265

WWW.POWERAUTHORITY.ORG

## MINUTES OF THE ARIZONA POWER AUTHORITY (“APA”) COMMISSION (“Commission”) MEETING HELD SEPTEMBER 19, 2023

**PRESENT:** Russ Jones, Commissioner (*Virtual*)  
Kim Owens, Commissioner  
John Sullivan, Chairman  
Jim Sweeney, Vice Chairman (*Virtual*)

**STAFF:** Heather Cole, Executive Secretary to Commission  
Jordy Fuentes, Executive Director  
Ben Norris, Attorney General’s Office  
John Schutter, Senior Accountant  
Sonseeahray Thayer, Financial Administrator

## OTHER:

Andrew Campbell  
Michael Curtis, Cortaro Marana  
Tara Davis, AEPCO  
Sheri Farag, SRP  
Ed Gerak, IEDA  
Elston Grubaugh, Wellton Mohawk Irrigation District  
Daniel Herderer, ClarkHill  
Taylor Howerter, Roosevelt Irrigation District  
Leslie James, CREDA  
R. DeWayne Justice, Electrical District #7  
Jimmy Kendrick, WAPA  
Derek McEachern, Electrical District #4  
Ron McEachern, Electrical District #4  
Kristine McMinimy, AEPCO  
Frank McRae, SPPA  
Doug Milligan, SRP  
Jason Moyes, Moyes, Sellers & Hendricks  
Donovan Neese, Roosevelt Irrigation District  
Paul Orme, ED #3  
Daniel Pritchard, K.S. Saline & Associates  
Ken Saline, KR Saline & Associates  
Scott Saline, KR Saline & Associates

Kent Simer, KR Saline & Associates  
Russell Smoldon, AMPUA  
Elizabeth Story  
Sheryl Sweeney, ClarkHill  
Lori Tatiano, SRP  
Kelly Urbine, Current Insights  
Robert Van Hofwegen, Electrical District #8  
Glen Votherms, Maricopa Water Conservation District  
Jeff Woner, KR Saline & Associates  
Brian Young, Central Arizona Project

**CALL TO ORDER:** The meeting was called to order at 10:03 a.m. by Vice Chairman Jim Sweeney. Quorum was established.

**ROLL CALL:** Commissioners Jones, Owens, Sullivan and Sweeney were present.

**CHAIRMAN REQUEST FOR DECLARATION OF CONFLICT OF INTEREST BY ANY COMMISSIONER:**

- Each Commissioner declared they had no conflict of interest on any matter as listed on the agenda for today's meeting.

**PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was recited.

**REVIEW OF EXPENDITURES AND FINANCIAL REPORTS AND APPROVAL OF**

**CLAIMS:** Sonseeahray Thayer, Financial Administrator, provided the Expenditures & Financial Reports. Hoover Operations Fund Claims #14200 - #14238 and APA Fund #663-#664 for the period August 1, 2023 through August 31, 2023 were presented.

- Motion:** To approve Hoover Operations Fund Claims #14200 - #14238 and APA Fund #663-#664 as presented was made by Commissioner Sullivan and seconded by Commissioner Owens.
- Vote:** Commissioners Jones, Owens, Sullivan & Sweeney approved the motion.
- Resolved:** Approved as stated above and the written documents are entered into the Commission records.

**REPORT ON POWER OPERATION MATTERS:** Sonseeahray Thayer, Financial Administrator, reported on the following:

- Monthly precipitation – August precipitation was a little dryer compared to the same time last year.
- Water Year Precipitation – When comparing this water year to date to the same time period last year, overall, there has been more precipitation.
- Upper Colorado River System – Precipitation to Date in the Upper Colorado River System is at 115%, which is higher than what it was the same time last year.
- Lake Powell Inflow - Lake Powell inflow is forecast to be at 125% of normal for the year.
- Total System Contents – (Upper and lower basin) Total system contents for the year has decreased slightly since last month.

- Reservoir and System Capacity – Lake Powell’s is currently at 38% capacity while Lake Mead’s is at 34% capacity while the total system capacity is at 43%
- Lake Mead Elevation – By July of 2025, the anticipated elevation at Lake Mead will be at the 1,055 mark.
- Glen Release – Glen Canyon releases have been significantly higher over the last few months compared to the last few years.
- Hoover Release – Hoover releases remains consistent year over year.

The Climate Forecast from the Colorado Basin River Forecast Center for Arizona is 40% - 50% above normal temperatures with a normal chance of precipitation over the next 3 months.

➤ *Commissioner Jones joined the meeting at 10:12am. He declared that he had no conflicts with any items on the agenda.*

### **APPROVAL OF MINUTES:**

- **Motion:** To approve the minutes from the Regular Commission Meeting held on September 19, 2023, was made by Commissioner Jones and seconded by Commissioner Sullivan.
- **Vote:** Commissioners Jones, Sullivan & Sweeney approved the motion. Commissioner Owens abstained since she was not present at the September Commission Meeting.
- **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

### **EXECUTIVE DIRECTOR REPORT**

- APA REC Program Update – V2022 RECs assigned to the APA for marketing have been sold @ \$.91/REC for a total of \$444,464.02. Checks will be processed and sent to the Customers.

The APA is receiving offers for the V2023 – 1<sup>st</sup> & 2<sup>nd</sup> Qtr RECs. Mr. Fuentes is researching several issues that have been brought to his attention regarding Renewable Energy Certificates since WAPA joined the EIM. He will have more details at a future Commission Meeting.

- APA Empowering Rural America Grant & Membership Services Update – The process is moving forward and the #'s continue to improve. The Phase II site/location information has not been finalized. AEPSCO will be finalizing the Letter Agreement for Membership Services which will be presented to the Commission at a future Commission Meeting.
- APA Agency Sunset Review Process – The Sunset Review process has begun and all reports have been submitted. Legislators will decide whether or not to allow for the continuation of the Arizona Power Authority during the next legislative session.
- Drought Impact Updates & Discussions
  - CREDA Mtg – during the CREDA meeting there were many conversations regarding the Adaptive Management Environmental Programs in the Upper Basin. The CREDA Board also refined the Strategic Plan.
  - Hoover Ad-Hoc Work Group – This group meets periodically and will be meeting again on 8/31/23. Hydrology continues to push Bureau of Reclamation leadership to look for federal funds to supplement their needs.

- APA Drought Impact Group – This group will plan to reconvene once the details/specifics of the ERA Grant Program are released.
- Technical Review Committee (TRC) – The TRC meetings include presentations from each of the internal divisions at Hoover Dam to the Contractors. The meetings are becoming redundant and need to provide more of a “technical aspect” since much of the information shared is provided during the quarterly E&OC meetings.
- Markets Conversation – Mr. Fuentes attended the CAISO – Day Ahead Forum. WAPA CRSP will be moving to the SPP RTO and will develop a dynamic signal – all contractual obligations will be met. Commission Sullivan suggested that Mr. Fuentes should reach out to others, not in the West, to learn how their groups interface with other major regional groups. They may be able to provide input on involvement, challenges, pitfalls, etc.
- AMPUA – Mr. Steve Johnson, SPP was the guest speaker. He confirmed that there is still a lot of work to be done on the implementation. Discussions will continue regarding the future of moving power around the state. The APA’s role will be to look out for our smaller customers. We will continue to engage, listen and be a part of the discussions and decisions.

#### **BUSINESS ITEMS:**

- Consideration and Approval of APA REC Sales Contract – *This item will be revisited at a future Commission Meeting.*
- Consideration and Approval of APA Policy 2023-001- Revision 1 - Leave - Payment of Annual Leave to a Non-Separating Employee
  - **Motion:** To approve APA Policy 2023-001 – Revision 1 – Leave – Payment of Annual Leave to a Non-Separating Employee was made by Commissioner Sullivan and seconded by Commissioner Owens.
  - **Vote:** Commissioners Jones, Owens, Sullivan & Sweeney approved the motion.
  - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
- Consideration and Approval of APA Policy 2013-001-Revision 1 - Employee Complaint Process – Allegations of Unlawful Discrimination or Harassment
  - **Motion:** To approve APA Policy 2013-001-Revision 1 – Employee Complaint Process – Allegations of Unlawful Discrimination or Harassment was made by Commissioner Owens and seconded by Commissioner Sullivan.
  - **Vote:** Commissioners Jones, Owens, Sullivan & Sweeney approved the motion.
  - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

#### **VISITOR COMMENTS:**

Donovan Neese, Roosevelt Irrigation District asked Mr. Fuentes if the APA customers could provide any assistance with the Sunset Review. Mr. Fuentes let the Customers know that he would reach out if necessary as we move through the process.

**COMMISSIONER COMMENTS:**

Commission Owens thanked the Commission & Customers for the flowers & kind words she received on the passing of her Father-in-law.

**ADJOURNMENT:**

There being no further business to come before the Commission, Vice Chairman Sweeney adjourned the meeting.

The meeting was adjourned at 11:40 p.m.

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Jim Sweeney, Vice Chairman

**ATTEST:**

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Heather J. Cole, Executive Secretary to Commission

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