

## COMMISSION

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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”) VIRTUAL COMMISSION (“Commission”) MEETING HELD NOVEMBER 7, 2023

**PRESENT:** Phil Bashaw, Chairman  
Russ Jones, Commissioner  
Kim Owens, Commissioner  
John Sullivan, Chairman  
Jim Sweeney, Vice Chairman

**STAFF:** Heather Cole, Executive Secretary to Commission  
Jordy Fuentes, Executive Director  
Ben Norris, Legal Counsel  
John Schutter, Senior Accountant  
Sonseeahray Thayer, Financial Administrator

**OTHER:** Jeff Caldwell  
Michael Curtis, Cortaro Marana  
Sheri Farag, SRP  
Darin Francom, CAWCD  
Kristine McMinimy, AEPCO  
Jason Moyes, Moyes, Sellers & Hendricks  
Paul Orme, ED #3  
Meghan Scott, Wellton Mohawk  
Kelly Urbine, Current Insights  
Glen Votherms, Maricopa Water Conservation District

**CALL TO ORDER:** The virtual meeting was called to order at 1:02 p.m. by Chairman Phil Bashaw. Quorum was established.

**ROLL CALL:** Commissioners Bashaw, 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.

**BUSINESS ITEMS:**

- Consideration and Possible Approval of APA Renewable Energy Certificate (REC) Sales Contract Template
  - **Motion:** To approve the APA REC Sales Contract Template was made by Commissioner Sullivan and seconded by Commissioner Jones.
  - **Discussion:** This contract template will serve as a basic form to be completed by any entity who intends to purchase RECs from the APA. It is based on Arizona State laws and clearly defines the process which includes having the APA receive payment prior to the RECs being transferred to the purchasing entity.
  - **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion.
  - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
  
- Consideration and Possible Approval of Purchase and Sale of WECC Large Hydro V2023 RECs to Spectron Energy, Inc.
  - **Motion:** To approve the purchase and sale of 200,000 WECC Large Hydro V2023 RECs @ \$1.18/REC to Spectron Energy Inc. was made by Commissioner Sullivan and seconded by Commission Jones.
  - **Discussion:** The APA has 340,143 RECs through the third quarter of 2023. APA Staff sent out a request for offers on 10/31/23. Three offers were received.
  - **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion.
  - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
  
- Consideration and Possible Approval of Purchase and Sale of WECC Large Hydro V2022 RECs to Spectron Energy, Inc.
  - **Motion:** To approve the purchase and sale of 347 WECC Large Hydro V2022 RECs @ \$0.85/REC to Spectron Energy Inc. was made by Commissioner Owens and seconded by Vice Chairman Sweeney.
  - **Discussion:** The APA had 347 remaining V2022 RECs available that belong to Sierra Vista.
  - **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion.
  - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
  
- Consideration and Possible Approval of Purchase and Sale of WECC Large Hydro V2023 RECs to ACT Commodities, Inc.

- **Motion:** To approve the purchase and sale of 100,000 WECC Large Hydro V2023 RECs @ \$1.16 to ACT Commodities, Inc. pending acceptance of the APA REC Sales Contract was made by Commissioner Owens and seconded by Commissioner Sullivan.
- **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion.
- **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

A discussion was held regarding the flexibility in marketing of the RECs, timing of potential sales, broker advice and Commission approval of offers & sales of RECs in the future. The APA REC policy requires all potential purchases to be approved by the Commission.

Sheri Farag asked if the APA had a process to determine whether or not any of the APA RECs may have been previously claimed by another entity. Mr. Fuentes explained that our RECs remain in the APA account until such a time that the APA asks WAPA to transfer them to a specific WREGIS account.

- **Motion:** To authorize APA Staff to approve the sale of any remaining V2023 RECs if the opportunity arises for \$1.16 or greater was made by Commissioner Sullivan and seconded by Commissioner Jones.
- **Discussion:** the APA currently has 40,143 available V2023 RECs available to market. The Commission asked Ben Norris, Legal Counsel to provide additional language to the APA REC policy allowing the Commission to delegate authority to the Executive Director to authorize the purchase and sale of RECs.
- **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion.
- **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

Commissioner Sullivan asked APA Staff to provide recommendations & analysis of the volatility of the REC market and to research market timing/values for discussion at a future Commission meeting.

**COMMISSIONER COMMENTS: N/A**

**VISITOR COMMENTS:** Mr. Jeff Caldwell, representing himself, asked the APA to initiate a study to look into whether actions of the City of Phoenix regarding tree policies and other green initiatives will harm agriculture, lead to more water consumption per capita, and impact the water needed for all mining projects.

**ADJOURNMENT:**

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

The meeting was adjourned at 1:54 p.m.

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Phil Bashaw, Chairman

ATTEST:

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Heather J. Cole, Executive Secretary to Commission