

COMMISSION

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JOHN F. SULLIVAN – COMMISSIONER

STAFF

JORDY FUENTES – EXECUTIVE DIRECTOR
HEATHER COLE – EXECUTIVE SECRETARY



ARIZONA POWER AUTHORITY

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MINUTES OF THE ARIZONA POWER AUTHORITY (“APA”) COMMISSION (“Commission”) MEETING HELD OCTOBER 15, 2024

- PRESENT:** Phil Bashaw, Chairman
Russ Jones, Commissioner
Kim Owens, Commissioner
John Sullivan, Commissioner
Jim Sweeney, Vice Chairman
- STAFF:** Heather Cole, Executive Secretary to Commission
Jordy Fuentes, Executive Director
Dena Benjamin, Legal Counsel
John Schutter, Chief Financial Analyst
Sonseeahray Thayer, Chief Financial Administrator
- OTHER:** Tara Davis, AEPCO
Darrin Francom, Central Arizona Project
Daniel Herderer, Clark Hill
Taylor Howerter, Roosevelt Irrigation District
Leslie James, CREDA
DeWayne Justice, Electrical District #7
Adam McAnally, SRP
Derek McEachern, Electrical District #4
Kristin McMinimy, AEPCO
Jason Moyes, Moyes, Sellers & Hendricks
Donovan Neese, Roosevelt Irrigation District
Paul Orme, Electrical District #4
Daniel Pritchard, K.R. Saline & Associates
Emily Rice, AMPUA
Jeff Ritter, Central Arizona Project
Ken Robbins, Electrical District #2
Ken Saline, KR Saline & Associates
Scott Saline, KR Saline & Associates
Meghan Scott, Wellton Mohawk
Russell Smoldon, AMPUA
Elizabeth Story
Sheryl Sweeney, Clark Hill

Lori Taitano, Salt River Project
Kelly Urbine, Current Insights
Glen Vortherms, Maricopa Water Conservation District

CALL TO ORDER: The meeting was called to order at 10:03 a.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.

APPROVAL OF MINUTES:

- **Motion:** To approve the revised minutes from the Regular Commission Meeting held on August 20, 2024, was made by Commissioner Jones 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.

REVIEW OF EXPENDITURES AND FINANCIAL REPORTS AND APPROVAL OF CLAIMS: Sonseeahray Thayer, Chief Financial Administrator, provided the Expenditures & Financial Reports. Hoover Operations Fund Claims #14922 - #14998 & #15004 - #15039 APA Claims #678 - #681 for the period August 1, 2024 through September 30, 2024 were presented.

- **Motion:** To approve Hoover Operations Fund Claims #14922 - #14998 & #15004 - #15039 APA Claims #678 - #681 as presented was made by Commissioner Sullivan and seconded by Commissioner Jones.
- **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.

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

- Monthly precipitation – Taking a look at monthly precipitation, there has been much less precipitation this September compared to the same time last year.
- Water Year Precipitation – Additionally, when comparing Water Year 2024 to Water Year 2023, over all there has been less precipitation.
- Upper Colorado River System – Precipitation to Date in the Upper Colorado River System is currently at 11%, significantly lower than the previous 3 years.
- Lake Powell Inflow - Lake Powell inflow is forecast to be at 83% of normal for the year.

- Total System Contents – (Upper and Lower Basins) Total system contents for the current water year remains stable.
- Reservoir and System Capacity – Lake Powell is currently at 39% capacity, Lake Mead is at 33% capacity, and the total system capacity is at 42%.
- Lake Mead Elevation – By August of 2026, it is anticipated that the elevation at Lake Mead to be at the 1,069 mark.
- Glen Release – The Glen release for WY24 is comparable to the same time over the last few years.
- Hoover Release – the Hoover release remains relatively consistent year over year.

EXECUTIVE DIRECTOR REPORT

- APA Empowering Rural America Grant Update – Pinal Solar Project – Executive Director Jordy Fuentes attended the “Formal Announcement” of the Awarding of the Grant. Work on the agreement with the developer is continuing. AEPCO is working with WAPA on firming aspects and there are no system upgrades required. It is estimated that “Online Date” will be Summer 2026. The APA is beginning to work on PPA language and confirming allocations to customers.
- Drought Impact Updates & Discussions
 - Post 2026 Modeling – BOR held a meeting to discuss the different scenarios. There is currently an Upper Basin proposal, Gila River Indian Tribe Proposal and the Lower Basin. Executive Director Fuentes will reach out to ADWR for their thoughts on the scenarios and the possibility of potential litigation in the event it is necessary.
 - LTEMP/SEIS – Park Service continues to discuss the Slough EA which would consist of dredging the slough at Negative 12 Miles. CREDA supports the dredging of the slough but does not want to continue to link bypass to this action.
- Markets Conversation
 - Pseudo Tie Update – WAPA/CRSP Move to SPP – The CRSP Office has revised their white paper regarding firming power. Ken Saline feels that WAPA is on the correct path as they continue to move forward.
 - Embedded Entity Discussion – this group consists of small customers that do not have a balancing authority. There have been good conversations on what this means to the APA customers. The 1st step is to determinate alternatives. The APA will continue to facilitate these meetings. There is a need to identify bilateral entities and determine where their generation comes from so it can be dispatched.
- Building Security/Landscaping - Update – The fencing is nearing completion and landscaping will move forward in the coming weeks.

UPCOMING MEETINGS

- **November Commission Meeting** – *Cancelled*
- **December Commission Meeting @ Hoover Dam** – *Tuesday, December 3*
 - **Hoover Dam VIP Tour** – 1:30pm – 3:30pm (*RSVP Required*)
 - **APA Commission Meeting** – 4:00pm NV Time – 5:00pm AZ Time
 - **Commissioner & Customer Dinner**
 - Hoover Spillway House Reception – 5:00pm NV Time (*RSVP Required*)
 - Hoover Spillway House Dinner – 5:30pm – 7:30pm NV Time (*RSVP Required*)

Event	Arizona Time	Nevada Time
Hoover Dam VIP Tour	2:30pm – 4:30pm	1:30pm – 3:30pm
APA Commission Meeting	5:00pm	4:00pm
APA Spillway House Reception	6:00pm – 7:00pm	5:00pm – 6:00pm
APA Spillway House Dinner	7:00pm – 8:30pm	6:00pm – 7:30pm

BUSINESS ITEMS

- Consideration and Possible Approval of APA Policy 2024-001 – Establishment of True-Up Policy and Guidelines for the Arizona Power Authority (“APA”) Customers for Monthly Invoicing:
 - **Motion:** To approve APA Policy 2024-001 – Establishment of True-Up Policy and Guidelines for the Arizona Power Authority (“APA”) Customers for Monthly Invoicing as presented was made by Commissioner Sullivan and seconded by Commissioner Jones.
 - **Discussion:** Executive Director Fuentes explained the basis for the new policy. The goal of the true-up is to more accurately reflect Energy Sales with related 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.

VISITORS’ COMMENTS/CALL TO THE PUBLIC:

Leslie James, CREDA updated the Commission & Customers on the long-standing Kelly/Malloy Legislation.

Kristine McMinimy commented about the new True-Up Policy. Ms. Thayer explained that the new invoicing will begin in November for the 2025 Water Year.

COMMISSIONER COMMENTS:

Happy Birthday Commissioner Sullivan!

Commissioner Sullivan thanked everyone for their thoughts and prayers during the past 6 months and for the birthday wishes!

ADJOURNMENT:

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

The meeting was adjourned at 11:24 a.m.

Phil Bashaw, Chairman

ATTEST:

Heather J. Cole, Executive Secretary to Commission

DRAFT