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ARIZONA POWER AUTHORITY

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MINUTES OF THE ARIZONA POWER AUTHORITY (“APA”) COMMISSION (“Commission”) MEETING HELD OCTOBER 21, 2025

PRESENT: James Sweeney, Chairman
Phil Bashaw, Commissioner
Russ Jones, Commissioner (*Virtual*)

STAFF: Doug Brimhall, Accountant 4
Heather Cole, Executive Secretary to Commission
Jordy Fuentes, Executive Director
Ben Norris, Legal Counsel
Sonseeahray Thayer, Financial Administrator

OTHER: Quinne Daoust
Bryce Dininger, CAWCD
Sheri Farag, SRP
Ed Gerak, IEDA
Josh Grier, SRP
Elston Grubaugh, Wellton Mohawk
Daniel Herderer, Clark Hill
Taylor Howerter, Roosevelt Irrigation District
Leslie James, CREDA
Chris Jimenez, AEPCO
Daniel Jones,
DeWayne Justice, ED #7
Derek McEachern, ED #4
Adam McAnally, SRP
Kristine McMinimy, AEPCO
Jason Moyes, Moyes, Hendricks
Donovan Neese, Roosevelt Irrigation District
Paul Orme
Daniel Pritchard, K.R. Saline & Associates
Emily Rice, AMPUA
Ken Robbins, ED #2
Vedant Saha, KR Saline
Ken Saline, KR Saline & Associates
Megan Scott, Wellton Mohawk
Kent Simer, K.R. Saline & Associates
Russell Smoldon, AMPUA
Elizabeth Story

Sheryl Sweeney, Clark Hill
Lori Taitano, SRP
Brett Taylor, Marex
Robert VanHofwegen, Electrical District #8
Jeff Woner, KR Saline & Associates

CALL TO ORDER: The meeting was called to order at 10:01 a.m. by Chairman James Sweeney. Quorum was established.

ROLL CALL: Commissioners Bashaw, Jones & 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 minutes from the Regular Commission Meeting held on August 19, 2025 was made by Commissioner Bashaw and seconded by Commissioner Jones
- **Vote:** Commissioners Bashaw, Jones & Sweeney approved the motion.
- **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

RENEWABLE ENERGY CERTIFIATES (REC) MARKET UPDATE – *Brett Taylor, Environmental Market Broker, Marex*

REVIEW OF EXPENDITURES AND FINANCIAL REPORTS AND APPROVAL OF CLAIMS: Sonseeahray Thayer, Financial Administrator, provided the Expenditures & Financial Reports. Hoover Operations Fund Claims #15629 - #15707 & APA Claims #695- #697 for the period August 1 – September 30, 2025 were presented.

- **Motion:** To approve Hoover Operations Fund Claims #15629 - #15707 APA Claims #695- #697 as presented was made by Commissioner Bashaw and seconded by Commissioner Jones.
- **Vote:** Commissioners Bashaw, Jones & 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 – There has been significantly more precipitation this September compared to the same time last year.
- Water Year Precipitation – When comparing Water Year 2025 to Water Year 2024, over all there has been less precipitation.

- Upper Colorado River System – Precipitation to Date for OY26 (October) in the Upper Colorado River System is currently at 260%, which is the highest it has been in over 10 years.
- Lake Powell Inflow - Lake Powell inflow is forecast to be at 49% of normal for the year.
- Total System Contents – (Upper & Lower Basin) Total system contents for the beginning of OY26 continues to decline from OY25.
- Reservoir and System Capacity – Lake Powell is at 29% capacity, Lake Mead is at 32% capacity, and the total system capacity is currently at 37%.
- Lake Mead Elevation – By August of 2027, It is anticipated that the elevation at Lake Mead will be the at the 1,041 mark.
- Glen Release – The Glen release for Water Year 25 is comparable to prior years.
- Hoover Release – and the Hoover release for Water Year 25 is comparable to prior years.

EXECUTIVE DIRECTOR REPORT

- **Welcome** to Doug Brimhall, APA's Accountant 4 to the APA
- **Ben Norris, Legal Counsel** shared that he will be retiring at the end of the year. The November Commission Meeting will be his last Commission Meeting.
- **Pinal Solar Project** – An Open House was held. The project is on track and remains on schedule. The power generated from this project will be staying in Pinal County.
- **Renewable Energy Certificate (REC) – Update** – The CRSP/Parker Davis agreements are in place and contracts now include the amended FES.
- **Colorado River Updates** – Mr. Fuentes is in contact with Mr. Buschatzke from ADWR. There may be a realization from the Upper Basin that time is running out prior to the November 11 deadline and there still may not be a 7-state agreement in place. Alternatives for the EIS Process in December may be an indication of the direction the Federal Government thinks negotiations will head. If there is not an agreement reached by November 11, 2025, the NEPA process and other Alternatives will continue to be discussed. Mr. Scott Cameron, Acting Commissioner, will be handling these issues.
- **Legislation - Post Retirement Benefit Issue** – The APA and others are encouraging the ongoing discussions to include the stranded \$52,000,000 PRB's as part of the negotiation package. Installation of Wide-Head Turbines at Hoover Dam is currently being discussed as modeling continues to show that there will be issues if lake levels get to the 1035' level. Each turbine is estimated to cost \$12,000,000. 4 Turbines could be purchased with the stranded funds.

Meetings between organizations and contractors will be taking place. NRECA & APPA are starting to get involved and everyone needs to be on the same page when talking about options and the messaging needs to be straight forward and coming from the Hoover Contractors.

- **Colorado River Storage Program (CRSP) Update** – LTEMP/AMWG held a Hydro Power 101 Seminar @ SRP. Day 1 of the program included an introduction to the Basin Fund 101 as well as updates on WAPA Operations and Transmission. In Day 2, the dialogues began. Many different

interests came into play. WAPA is preparing FAQs as a result of the discussions. There appears to be an employee of ADWR with an antagonistic view of hydropower, which is very concerning. Mr. Fuentes is setting up appointments with ADWR to address these concerns,

- **San Carlos Irrigation Project (SCIP) – Update** – Legislative language is being crafted. Ongoing discussions are taking place and the language may be introduced in December.
- **Gas Pipeline – Update** – A Customer meeting was held to discuss the gas pipeline being developed in Arizona. Several APA Customers will be working through SPPA to take advantage of this opportunity.

BUSINESS ITEMS

- Consideration and Possible Approval of SPPA/APA Non-Hoover REC Agreement
 - **Motion:** To approve the SPPA/APA Non-Hoover REC Agreement as presented was made by Commissioner Jones and seconded by Commissioner Bashaw.
 - **Discussion:** SPPA Members have all voted to have the APA Market their RECs. Legal Counsel has reviewed the agreement.
 - **Vote:** Commissioners Bashaw, Jones & Sweeney approved the motion.
 - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
- Consideration and Possible Approval of APA Communication Policy 25-03
 - **Motion:** To approve the APA Communication Policy 25-03 as presented was made by Commissioner Jones and seconded by Commissioner Bashaw
 - **Discussion:** The Commission has previously reviewed a draft of the Communication Policy. There have been some minor refinements but no substantial changes.
 - **Vote:** Commissioners Bashaw, Jones & Sweeney approved the motion.
 - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
- Consideration and Possible Approval of APA Customer Consultation Committee Policy 25-04
 - **Motion:** To approve the APA Customer Consultation Committee (CCC) Policy 25-04 as presented was made by Commissioner Jones and seconded by Commissioner Bashaw.
 - **Discussion:** The Commission has previously reviewed a draft of the Customer Consultation Committee Policy. This policy originated from the Power Sales Contract and has been implemented in an informal fashion in the past. Staff will send a Communication to the Customers asking for them to select their representation on the CCC. These representatives will be selected annually. Once selected, the group will set-up meetings to discuss various issues. APA Staff will determine from the authorized representatives who will participate with the APA in meetings with Federal Agencies among others.

- **Vote:** Commissioners Bashaw, Jones & Sweeney approved the motion.
 - **Resolved:** Approved as stated above and the written documents are entered into the Commission records.
- Consideration and Possible Approval to Authorize Staff to Amend the Agreement with AEPCO, Approved by the Commission on July 15, 2025, for consulting services with 1898 Consulting Services and General Consulting Services to 1) spend an additional \$25,000 (\$2,775.50 is the APA's allocated amount) to implement the 2031 WECC reference case for the 2036 study simulation, which will provide more accurate results, and 2) spend up to an additional \$72,000 (\$7,999.20 is the APA's allocated amount) to include up to four additional nodal study scenarios (high/low gas price scenarios, two other scenarios with significant changes to resources contained in the EDAM footprint).
- **Motion:** To authorize Staff to Amend the Agreement with AEPCO, Approved by the Commission on July 15, 2025, for consulting services with 1898 Consulting Services and General Consulting Services to 1) spend an additional \$25,000 (\$2,775.50 is the APA's allocated amount) to implement the 2031 WECC reference case for the 2036 study simulation, which will provide more accurate results, and 2) spend up to an additional \$72,000 (\$7,999.20 is the APA's allocated amount) to include up to four additional nodal study scenarios (high/low gas price scenarios, two other scenarios with significant changes to resources contained in the EDAM footprint) as presented was made by Commissioner Bashaw and seconded by Commissioner Jones.
 - **Discussion:** The Commission approved participation in the EDAM study at the July Commission Meeting. The APA Funding Commitment was 11.11%. Since that time there has been modeling done that indicated the current assets are outdated. The amended modeling will capture the 2031 WECC transmission resources. There is also a request to model the sensitivities to both higher and lower gas pricing. No customer funds will be used for the additional costs. All funding will come from the allocated funds received from the Legislature.
 - **Vote:** Commissioners Bashaw, Jones & 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: N/A

COMMISSIONERS' COMMENTS - None

ADJOURNMENT:

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

The meeting was adjourned at 12:05 p.m.

Jim Sweeney, Chairman

ATTEST:

Heather J. Cole, Executive Secretary to Commission

DRAFT