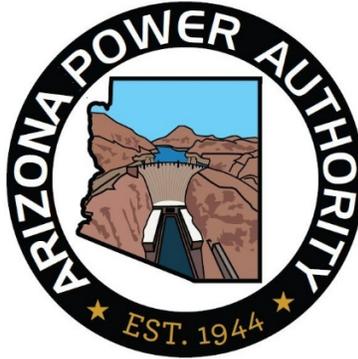


COMMISSION

JIM SWEENEY – CHAIRMAN
KIM OWENS – VICE CHAIRMAN
PHIL BASHAW – COMMISSIONER
RUSSELL L. JONES – COMMISSIONER
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 JANUARY 20, 2026

- PRESENT:** James Sweeney, Chairman
Phil Bashaw, Commissioner
Russ Jones, Commissioner (*Virtual*)
Kim Owens, Vice Chairman
John Sullivan, Commissioner
- STAFF:** Doug Brimhall, Accountant 4
Heather Cole, Executive Secretary to Commission
Jordy Fuentes, Executive Director
Dena Benjamin, Legal Counsel
- OTHER:** Elena Bryd, ED #2
Deborah Ferraro, City of Mesa
Josh Grier, SRP
Elston Grubaugh, Wellton Mohawk
Daniel Herderer, Clark Hill
Taylor Howerter, Roosevelt Irrigation District
Daniel Jones,
DeWayne Justice, ED #7
Jimmy Kendrick, WAPA
Jeff Low, City of Safford
Adam McAnally, SRP
Kristine McMinimy, AEPCO
Donovan Neese, Roosevelt Irrigation District
Paul Orme
Verdent Sahu
Ken Saline, KR Saline & Associates
Scott Saline, KR Saline & Associates
Meghan Scott, Scott & Rogers
Kent Simer, K.R. Saline & Associates
Elizabeth Story
Sheryl Sweeney, Clark Hill
Lori Tatiano, SRP
Kelly Urbine, Current Insights
Robert VanHofwegen, Electrical District #8
Glen Vortherms, Maricopa Water Conservation District
Brian Yerges, ED #3

CALL TO ORDER: The meeting was called to order at 10:07 a.m. by Chairman James Sweeney. Quorum was established.

ROLL CALL: Commissioners Bashaw, Jones, Owens, Sullivan & 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 November 18, 2025 was made by Vice Chairman Owens and seconded by Commissioner Bashaw
- **Vote:** Commissioners Bashaw, Jones, Owens, Sullivan & Sweeney approved the motion. Vice Chairman Owens abstained.
- **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: Douglas Brimhall, Account 4, provided the Expenditures & Financial Reports. Hoover Operations Fund Claims #15742 - #15811 for the period November 1 – December 31, 2025 were presented.

- **Motion:** To approve Hoover Operations Fund Claims #15708 - #15740 as presented was made by Commissioner Sullivan and seconded by Vice Chairman Owens.
- **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: Douglas Brimhall, Accountant 4, reported on the following:

- Monthly precipitation – When looking at monthly precipitation, there has been significantly more precipitation this December compared to the same time last year.
- Water Year Precipitation – When comparing Water Year 2026 to Water Year 2025, overall there has been more precipitation.
- Upper Colorado River System – Precipitation to Date in the Upper Colorado River System is currently at 101%, which is the highest it has been in the past few years.
- Lake Powell Inflow - Lake Powell inflow is forecast to be at 68% of normal for the year.
- Total System Contents – (Upper and Lower Basin) Total system contents for the beginning of OY26 remains steady.

- Reservoir and System Capacity – Lake Powell is at 27% capacity, Lake Mead is at 33% capacity, and the total system capacity is currently at 37%.
- Lake Mead Elevation – By November of 2027 it is anticipated that the elevation at Lake Mead will be at the 1,040 mark.
- Glen Release – The Glen Release for Water Year 26 is comparable to prior years.
- Hoover Release – The Hoover release for Water Year 26 is comparable to prior years.

EXECUTIVE DIRECTOR REPORT

- **Customer Consultation Committee (CCC)** – The designated representatives will meet on Tuesday, January 27 @ 10:00am. The meeting will be a hybrid meeting and the APA will provide lunch for those attending in person.

The goal is to create a structure for the committee and to establish a Chairman & Vice Chair. The representatives will determine whom they would like to represent the CCC Committee at the Business Meetings held with the Bureau of Reclamation (E&OC & TRC) and WAPA. Discussions may also include how the communication between the Commission and the CCC Committee will work and issues to be discussed.

- **Pinal Solar Project** – The project is making progress. There was a recent update with the off-takers a& AEPCO. AEPCO shared that the USDA New Era Grant is continuing to move forward and they are currently working through the “closing process” which will then allow the funding to move into accounts.

Staff & Legal Counsel has completed their work on the development of the PPA with AEPCO and Mr. Coyle is working on development of the APA PPA with Customers. The goal is to have the agreement signed by March by the timetable may be tight for those customers needing approval from their Boards & Councils.

The project is continuing to work toward receiving approval from Pinal County and is working closely with Nextera. This project is different in that all the power generated from the project will remain in Pinal County. Construction is planned to begin as soon as contracts are signed. The project is still looking at a December 2027 completion date with incentives for completion in June 2026.

- **Renewable Energy Certificate (REC) – Update** – APA Staff is continuing to hold off marketing the RECs until such time that the pricing increased. Staff is also coordinating with CRSP customers to ensure Non-Hoover contracts are in place.
- **Colorado River Updates** – Post 2026 Negotiation discussions are continuing to take place however; compact requirements have not been discussed. Presentations from all 7 States were shared at the CRWUA Conference and there remains a gap between Colorado & the lower Basin States
- **Hydrology** – Modeling is showing traces of being just above the 1041’ level by the end of the water year and close to the 1035’ water level by mid-year 2027. There has been significant movement in the Post Retirement Benefit (PRB) language which would allow for BOR flexibility

in using the funds. The E&OC Committee will meet on January 21 and will include discussions on the wide-hear turbines and contractor options. Customer would like for our Federal Partners to help with the purchase of the turbines as it appears 5 will be needed to regain the lost capacity.

Commissioner Sullivan asked Mr. Fuentes to introduce the possibility of doing a ‘risk analysis’ based on the possibility that hydrology may not improve and Lake Powell may remain at the lower lake levels for the foreseeable future. This may be the new normal.

When discussing the engineering and manufacturing of the new turbines Mr. Fuentes was asked by the Commission and Customers to review contracts, costs, cancellation clauses and cancellation fees during the manufacturing process in the event that the hydrology does improve.

- CRSP Update – The quarterly CREDA Board meeting will take place St. George, UT – February 11-12.

BUSINESS ITEMS

- APA Policy 2026-01 – Expense Statement Policy – Discussion was held regarding the conforming of the APA Policy with the ADOA version.
 - **Motion:** To approve APA Policy 2026-01 – Expense Statement Policy as presented was made by Vice Chairman 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.

VISITORS’ COMMENTS/CALL TO THE PUBLIC: N/A

MOTION TO GO INTO EXECUTIVE SESSION

The Commission may vote to go into Executive Session, which will not be open to the public, to discuss the following personnel matters pursuant to A.R.S. §38-431.03 (A) (3):

- Employee Matters – Executive Director 2025 Performance Review

RETURN TO OPEN SESSION *(possible action)*

The Commission Returned to Open Session at 12:15pm

BUSINESS ITEMS *Continued*

- **Motion:** To have Staff proceed based on the discussion that took place in the Executive Session and the proposal discussed as well as was presented was made by Vice Chairman Owens

- **Amendment:** The Motion was amended to include that the proposal is subject to approval of ADOA.
- **Vote:** Commissioners Bashaw, Jones. Owens, Sullivan & Sweeney approved the amended motion.
- **Resolved:** Approved as stated above and the written documents are entered into the Commission records.

COMMISSIONERS' COMMENTS: N/A

ADJOURNMENT:

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

The meeting was adjourned at 12:17 p.m.

Jim Sweeney, Chairman

ATTEST:

Heather J. Cole, Executive Secretary to Commission