



Estes Park • Fort Collins • Longmont • Loveland

## Regular Meeting Minutes of the Board of Directors

2000 E. Horsetooth Road, Fort Collins, CO

Thursday, August 29, 2019

### ATTENDANCE

#### Board members

Representing Estes Park: Mayor Todd Jirsa and Reuben Bergsten<sup>1</sup>

Representing Fort Collins: Mayor Wade Troxell

Representing Longmont: Mayor Brian Bagley and David Hornbacher

Representing Loveland: Mayor Jacki Marsh and Joe Bernosky

#### Absent

Ross Cunniff

#### Platte River staff

Jason Frisbie (General Manager/CEO)

Sarah Leonard (General Counsel)

Dave Smalley (Chief Financial Officer and Deputy GM)

Andy Butcher (Chief Operating Officer)

Alyssa Clemsen Roberts (Chief Strategy Officer)

Angela Walsh (Executive Assistant/Board Secretary)

Steve Roalstad (Communications and Marketing Manager)

Wade Hancock (Financial Planning and Rates Manager)

Pat Connors (Vice President of Power Supply)

Paul Davis (Energy Solutions Manager)

Shelley Nywall (Director of Finance)

Jeff Menard (HQ Campus Project Manager)

Craig Johnson (Senior Deputy General Counsel)

Heather Banks (Fuels and Water Manager)

Masood Ahmad (Resource Planning Manager)

#### Guests

Tim McCollough (City of Fort Collins)

Will Welch (Wm T. Welch Company)

Kevin Jones (Fort Collins Chamber of Commerce)

Marsha Marten (City of Longmont)

Dave Mills (Loveland resident)

Jane Cleavenger (Loveland resident)

Karen Speed (Windsor resident)

Charles Wescher (juwi)

Ken Reggelson (Boulder resident)

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<sup>1</sup> Attended via Skype

## **CALL TO ORDER**

Chairman Jirsa called the meeting to order at 9:02 a.m. A quorum of board members was present and the meeting, having been duly convened, proceeded with the business on the agenda. Pat Connors, vice president of power supply, introduced the new Resource Planning Manager, Masood Ahmad.

## **ACTION ITEMS**

### **(1) Consent agenda**

#### **a. Approval of the regular meeting minutes of July 25, 2019**

Director Bagley moved to approve the consent agenda as presented. Director Troxell seconded, and the motion carried 7-0.

## **PUBLIC COMMENT**

Jane Cleavenger, Loveland resident, inquired about the seismic testing mentioned on page 97 in the legal report. Andy Butcher, chief operating officer, clarified that a third party completed the seismic testing on the site. Director Marsh asked if it would be a board decision on whether drilling would take place or not. Jason Frisbie, general manager and CEO responded that it wouldn't be correct because Platte River doesn't own all the mineral rights and Platte River would say no to drilling Platte River's mineral rights, however, can't stop other mineral rights owners from drilling. Discussion ensued among directors and staff regarding mineral rights and follow up items.

Dave Mills, Loveland resident, asked about wind and solar generation.

Director Troxell addressed the public comment regarding generation diversification within our communities.

Karen Speed, Windsor resident, regarding oil extraction from Rawhide.

Mr. Frisbie assured the board that Platte River Power Authority is not actively pursuing any oil or gas production with the mineral rights Platte River owns and noted that legal staff is working hard to prohibit access onto the Rawhide property however, there is no control over the mineral rights that Platte River does not own.

Director Troxell noted a City of Fort Collins annexation north of Fort Collins.

## **MANAGEMENT PRESENTATIONS**

### **(2) Board appointment resolution draft**

**(presenter: Craig Johnson)**

Craig Johnson, senior deputy general counsel, recapped the board discussions at the last two board meetings and previewed the resolution draft reflecting the feedback received from the July meeting whitepaper discussion. Director Marsh commented on the desired skills supporting the three pillars. Mr. Frisbie noted that the skills should reflect the mission, vision and value statements as well. Mr. Johnson noted that the pillars are in the last whereas clause within the resolution. Director Bernosky complimented staff on the document and supports moving forward

with the resolution. Director Troxell asked how the resolution addresses the four Mayors. Discussion ensued among directors and staff regarding the language within the Organic Contract that addresses the responsibilities for each appointed Mayor or Mayor appointed designee.

Director Bergsten requested stronger language for having one elected official and one staffer with a goal of having political and industry representation. Director Bagley requested adding a preference for a utility director, a staffer in a similar capacity within the owner municipality, and if that person isn't appointed, a person with the following qualifications would be considered. Director Bergsten followed up with the importance of a utility director on the board to help engage the Mayor and municipal staff. Director Troxell agreed with adding the default and agrees that the resolution provides clarity to the process. Director Bagley commented on eight elected directors would not be productive. Mr. Frisbie thanked the board for their feedback and participation.

**(3) HQ campus and Energy Engagement Center (presenter: Jeff Menard)**

Jeff Menard, HQ campus project manager, provided the current status of the HQ campus construction progress and a preview of the Energy Engagement Center with a timeline for construction and slated completion in late 2020.

Director Troxell complimented staff on the planning for the Energy Engagement Center. Chair Jirsa asked about having a ribbon cutting date planned. Alyssa Clemens Roberts, chief strategy officer, noted that staff is working with the Fort Collins Chamber of Commerce for a date in early January.

**(4) IRP update (presenter: Pat Connors)**

Pat Connors, vice president of power supply, provided the current status of the integrated resource planning (IRP) process, outlined the supporting studies and modeling, and previewed the next round of community listening sessions.

Director Marsh inquired about if the thermal study included geo thermal. Mr. Connors responded that the study was directed towards thermal generation like gas and coal and the focus was on future resource costs. Director Troxell asked where energy storage and distribution are being studied, discussed traditional vs active demand side management and adding carrier energy strategies.

The listening session schedules have been posted to the website.

## **MANAGEMENT REPORTS**

**(5) 2020 Rate tariff schedules – draft (presenter: Wade Hancock)**

Wade Hancock, financial planning and rates manager, provided an overview of the 2020 rate tariff schedule draft document and requested board feedback. A presentation will be provided at the September meeting and staff will seek approval following the presentation.

Mr. Hancock discussed the Platte River Public Utilities Regulatory Policies Act (PURPA) policy included within the board packet.

Mr. Frisbie added that Platte River staff has worked with the utility directors and the city staffs

for implementing the new rate structures, noted that the four communities will continue to take the pro-rata share through 2020 of Tariff 7 and discussed the plan for the test energy coming from the Roundhouse wind project when it starts online mid-2020.

**(6) DER strategy update (presenter: Alyssa Clemesen Roberts)**

Ms. Clemesen Roberts discussed the document included in the board packet and the work with city staffs to set up a strategy committee, develop a request for proposals (RFP) to hire a consultant to help align the four owner communities and Platte River to be a more integrated utility. More information will be presented at the September board meeting. Mr. Frisbie added that the distributed energy resources (DER) strategy committee will take at least two years with lots of work to determine how to integrate the whole system together and requested board support throughout the process.

Director Bergsten added that support is needed from each municipalities' support staff as well. Discussion ensued among directors and staff regarding support for the DER strategy, the committee and community engagement.

**(7) CSU economic impact study (presenter: Pat Connors)**

Mr. Connors introduced the Colorado State University (CSU) economic impact study and noted the report covers a full range of rate impacts but in no way indicates where Platte River is heading. Mr. Connors offered to the board if they have questions regarding the study, CSU is willing to come present to the board in the future.

**Break: 10:07-10:20**

**MONTHLY INFORMATIONAL REPORTS**

**(8) Legal, environmental and compliance report (presenter: Sarah Leonard)**

Sarah Leonard, general counsel, highlighted a few topics mentioned within the report including the Cloud Peak bankruptcy sale transaction and offered to take any questions the board may have. Director Marsh asked when the coal contract with Cloud Peak expires. Heather Banks, fuels and water manager, responded that the Rawhide coal contract expires in December of 2022 and mentioned that the owners have changed a few times over the course of Rawhide's coal contracts and has had no issues and there's time to develop relationships for the next coal contract. Mr. Frisbie added that contract negotiations are standard with index pricing, the gain in creating a relationship is when one-off requests are needed.

Ms. Leonard added her appreciation toward staff, senior leadership team and the board for her welcome onboard and is enjoying the opportunity here at Platte River.

**(9) July operating report (presenter: Andy Butcher)**

Mr. Butcher highlighted the operating results for the month of July including greater wind production and high surplus sales.

**(10) July financial report (presenter: Dave Smalley)**

Mr. Smalley highlighted the financial results for the month of July reflecting increased peaking

unit sales and year to date show revenues are slightly under budget and expenditures are under budget.

**(11) General management report**

**(presenter: Jason Frisbie)**

Mr. Frisbie thanked David Hornbacher for taking the time to attend the board orientation held August 28 and thanked the staff for their preparation to welcome each new board member to Platte River.

Mr. Frisbie highlighted a few updates mentioned within the general management report including the key meetings staff has attended within owner communities over the past month.

Ms. Clemesen Roberts handed out a press release highlighting the award Rawhide Unit 1 received for the coal combustion residuals (CCR) project by Engineering New Record as the best industrial project in the region. She also noted Mr. Frisbie presenting at a legislative committee chaired by Senator Foot and Representative Chris Hansen.

**Roundtable and strategic discussion topics**

Board members shared the latest news from the owner communities and discussion topics for future meetings.

**ADJOURNMENT**

With no further business, the meeting adjourned at 10:49 a.m. The next regular board meeting is scheduled for Thursday, September 26, at 9:00 a.m. at the Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this 26 day of September, 2019.

  
Secretary

