

Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO
Thursday, Feb. 25, 2021

Attendance

Board members via Zoom Webinar

Representing Estes Park: Mayor Wendy Koenig and Reuben Bergsten
Representing Fort Collins: Mayor Wade Troxell¹ and Ross Cunniff
Representing Longmont: David Hornbacher and Mayor Brian Bagley
Representing Loveland: Mayor Jacki Marsh and Joe Bernosky

Platte River staff via Zoom Webinar

Jason Frisbie (general manager/CEO)
Sarah Leonard (general counsel)
Dave Smalley (chief financial officer and deputy general manager)
Alyssa Clemsen Roberts (chief strategy officer)
Angela Walsh (executive assistant/board secretary)
Kaitlyn McCarty (executive assistant – finance and IT)
Pat Connors (vice president of power supply)
Andy Cofas (plant manager)
Libby Clark (director of human resources and safety)
Julie Depperman (director of treasury services)
Heather Banks (fuels and water manager)
Paul Davis (energy solutions manager)
Darren Buck (director of power delivery)
Gary Whittenberg (director of system maintenance and facilities)

Guests via Zoom Webinar

none

Call to order

Chair Troxell called the meeting to order at 9:00 a.m. A quorum of board members was present via roll call, with Chair Troxell present in person while all others attending virtually. The meeting, having been duly convened, proceeded with the business on the agenda. Chair Troxell announced that the Platte River staff continues to keep the board, staff and public safe by hosting a virtual meeting following CDC guidelines.

¹ Attended in person.

Action items

1. Consent agenda

- a. Approval of the regular meeting minutes of Dec. 10, 2020
- b. Incorporation into record of Resolution 13-20: 2021 board of directors regular meeting schedule
- c. Transfer of 2020 capital budget carryover to 2021 strategic budget

Director Bergsten moved to approve the consent agenda as presented. Director Koenig seconded. The motion carried 8-0 via roll call vote.

Public comment

Chair Troxell opened the public comment section by reading instructions noting that time to accommodate each speaker will be divided up equitably by the number of callers wishing to speak at the start of public comment. Six members of the public addressed the board.

Annual meeting

2. Platte River Power Authority annual meeting

a. Election of officers

Chair Troxell noted the present elected officers are:

- Wade Troxell, chair
- David Hornbacher, vice chair
- Angela Walsh, secretary
- David Smalley, treasurer
- Jason Frisbie, general manager/CEO

Chair Troxell reminded the directors that officers serve for one year and are elected by resolution. If the board receives multiple nominations for any office a roll call vote will be called for each office separately. The chair also noted, as set forth in the annual meeting memo, the Organic Contract requires that the chair and vice chair be members of the board. These are the two positions for which nominations will be received. The officer positions filled by management staff are traditionally retained and reaffirmed for purposes of meeting the requirements of the Organic Contract. Chair Troxell added that he will be completing his service as mayor and if the board re-elects him as chair it will be for less than a year, requiring the board to elect another chair during the March or April board meeting. The floor was opened for nominations.

Nominations: Director Hornbacher nominated Director Troxell to continue his role as chair until he steps down from the board. Director Bagley seconded. Director Marsh noted that the rotation for chair should have selected a representative from Loveland. Director Bergsten nominated Director Hornbacher for vice chair. Director Koenig

seconded. Director Cunniff noted the intent is a short-term interim appointment of officers and following the Fort Collins municipal election the board will convene to select new officers. No other nominations were received.

Chair Troxell restated the elected officers for clarity; Wade Troxell for chair, David Hornbacher for vice chair, and the staff members Angela Walsh for secretary, Sarah Leonard for assistant secretary, David Smalley for treasurer and Jason Frisbie for general manager/CEO. Director Bergsten moved to approve Resolution No. 01-21, Annual Election of Officers as presented. Director Bernosky seconded. Motion carried 8-0.

b. Annual retirement committee appointments

Chair Troxell stated the present retirement committee consists of the following members:

- Directors: Wendy Koenig, Brian Bagley, Joe Bernosky and Ross Cunniff
- Management: Jason Frisbie and David Smalley

For 2021, no changes were proposed for management members.

Chair Troxell explained that the board needs to appoint four directors and two management members to the committee and opened the floor for nominations. If there are more than four nominations a roll call vote will be called for each of the individuals nominated. Chair Troxell noted that Ross Cunniff's term on the Fort Collins City Council ends in April and the board will need to appoint a new Fort Collins board member to the retirement committee.

Nominations: Director Bagley nominated Jacki Marsh to take his position on the retirement committee. Director Marsh accepted the nomination. Director Bergsten made a motion to nominate Jacki Marsh, Wendy Koenig, Ross Cunniff and Joe Bernosky to the retirement committee. Director Bernosky seconded. No further nominations were received.

Chair Troxell restated the nominated retirement committee members will consist of the four directors: Wendy Koenig, Jacki Marsh, Joe Bernosky, and Ross Cunniff, and the two management members: Jason Frisbie and David Smalley. Director Bagley moved to approve Resolution No. 02-21; Annual Retirement Committee Appointments as presented. Director Bernosky seconded, and the motion carried 8-0.

c. 2020 Platte River year in review

Jason Frisbie, general manager/chief executive officer, outlined the order of presentations by the senior leadership team.

- Mr. Frisbie highlighted operational results for 2020 including the surplus sales market, impact of the joint dispatch agreement (JDA) and events of significance for fuels and water, power supply, power delivery, power production, system maintenance and facilities.



- Dave Smalley, chief financial officer/deputy general manager, discussed the significant financial results and events, information technology accomplishments, and the headquarters campus, highlighting the Energy Engagement Center to be completed in 2021.
- Alyssa Clemens Roberts, chief strategy officer, highlighted the community engagement opportunities Platte River participated in, the accomplishments in the communications and marketing department, results of the energy solutions and Efficiency Works teams, the DER strategy committee and statistics from the human resources and safety department.
 - Director Koenig complimented staff for the safety record for the year. Director Bergsten thanked the leadership team and staff for performing so well through the difficult year.
- Sarah Leonard, general counsel, covered significant accomplishments for environmental compliance, reliability compliance and the legal department supporting many activities for other divisions.
- Mr. Frisbie recapped the significant accomplishments for 2020 and outlined the goals for 2021.
 - Director Marsh commented on the extreme climate Northern Colorado experienced this past year and asked if Platte River reached out or were approached by other companies to supply energy during the recent regional cold snap. She also asked if Platte River staff is evaluating hydrogen storage. Mr. Frisbie responded that he would cover actions taken during the recent cold snap over Valentine's Day weekend prior to the retirement committee report and responded yes to staff evaluating hydrogen storage.
 - Director Hornbacher complimented staff on the operational efficiency the company had in 2020 while maintaining the safety record, financial management, adapting to working through the pandemic, energy savings accomplished and community engagement. Director Koenig echoed Director Hornbacher's comments.
 - Director Bernosky commented on the Valentine's Day weekend cold snap and the value of an integrated resource portfolio, advising the board to take judicious steps when reviewing the thermal resources.
 - Chair Troxell thanked the staff for the presentation showcasing the advancements made throughout the year bringing on new projects like Roundhouse, the commitment and transparency to the communities and noted the safety record speaks to intentional planning.
 - Director Bergsten thanked the staff that worked with Estes Park and other owner communities throughout the year.

10-minute break at 10:28 a.m.

Mr. Frisbie discussed the Valentine's Day weekend events and how staff responded to energy purchases and sales, and the call to conserve announcement and subsequent responses.

Director Marsh asked if wind and solar energy prices spiked during the event. Mr. Frisbie discussed the supply and demand equation when there is a deficit in energy supply so all resources that were offered in surplus sales were higher than normal, however, Platte River's operation staff has standing instruction to not "inflate" prices because Platte River's primary interest is the reliability of the system.

Committee report

3. DB plan subcommittee report (presenter: Committee Chair Joe Bernosky)

Committee Chair Joe Bernosky provided the retirement committee report following a DB plan subcommittee decision to reinstatement the lump sum option for the pension plan participants. He noted that the lump sum option was suspended in March 2020 due to severe market declines surrounding the pandemic. On Feb. 3, 2021, the subcommittee discussed reinstating the lump sum with the plan's investment consultant who was supportive of reopening the option based on the market performance and outlook. The subcommittee unanimously supported the resolution provided in the board packet to reinstate the lump sum distribution option for the DB Plan.

The subcommittee report was for informational purposes and no board action was necessary.

Management presentations

4. Debt financing update (presenter: Julie Depperman)

Julie Depperman, director of treasury services, provided an overview of the Series KK bond issuance, which will save Platte River \$439,000 in annual debt service expense for the next 17 years. Director Bergsten thanked and congratulated staff for the successful refinance.

5. Rawhide Prairie Solar update (presenter: Andy Cofas)

Andy Cofas, plant manager, provided an overview of the Rawhide Prairie Solar project, the 2 MWh battery for storage, the wind damage from 2020 winter storms, commercial operation date requirements and next steps by the developer.

Director Hornbacher asked if the power purchase agreement enables Platte River to address additional damage if it were to happen again. Mr. Cofas responded contractual protections is included in the agreement to address additional concerns following the commercial start date. Director Hornbacher asked if the structural fixes will have to occur on all panels or just on the damaged panels. Mr. Cofas confirmed that everything that was damaged will be replaced and

all damper rods and connections will be switched out with new hardware on all panels throughout the entire project.

Chair Troxell asked about the mechanical design as it relates to wind engineer studies with the dynamic aspects of the location at Rawhide Energy Station. Mr. Cofas responded that modeling runs were completed and reviewed from engineering consultants. Chair Troxell asked if any physical wind tunnel studies were completed on the actual structures. Mr. Cofas will ask the developer and get back to the board. Discussion ensued among directors and staff about the solar project damage and remediation by the developer of the project.

Management reports

6. DER strategy committee (presenter: Alyssa Clemesen Roberts)

Alyssa Clemesen Roberts, chief strategy officer, previewed the memo outlining the DER strategy committee progress and committee members will return to the March meeting to provide a presentation.

7. Interim goals (presenter: Alyssa Clemesen Roberts)

Ms. Clemesen Roberts outlined the memo provided in the board packet and previewed the start of the next strategic planning process, requesting the board to pause on an interim goals discussion and recommending work on a new strategic plan to develop an action plan to achieve the new objectives. She asked the board to consider questions outlined in the memo for the board to discuss at future meetings.

Discussion ensued among directors and staff regarding reaching goals laid out in the 2020 Integrated Resource Plan and setting carbon reduction goals. While a few board members were not supportive of setting interim goals they all requested staff to return with recommendations on how to move forward.

8. Gainshare program reinstatement (presenter: Libby Clark)

Libby Clark, director of human services and safety, outlined the gainsharing program for employees noting the senior leadership team elected to place the gainsharing program on hold at the start of the COVID-19 pandemic until the financial impact from the pandemic was evaluated. After finalizing the year-end financial results, staff decided to reinstate the gainsharing program for 2021.

9. General manager/general counsel annual review process (presenter: Libby Clark)

Ms. Clark outlined the annual review process for the general manager and general counsel and reminded the board that an email will be sent to the board after the meeting with a survey link and supporting documentation. Mr. Frisbie clarified the board will receive self-assessments that follows the strategic plan initiatives as well as a draft letter from the chair and general manager that will introduce the 2020 annual report.



Monthly informational reports

10. Legal, environmental and compliance report (presenter: Sarah Leonard)

Sarah Leonard, general counsel, previewed the new format of the report. She highlighted the Public Service of Colorado filing with the Federal Energy Regulatory Commission, the Southwest Power Pool filing and the Windy Gap Firing Project litigation. Ms. Leonard followed up on a question that Director Hornbacher had regarding protections available to Platte River under the Rawhide Prairie Flats solar agreement.

11. January operating report (presenter: Jason Frisbie)

Mr. Frisbie highlighted that wind generation for the month was below budget due to a distribution feeder issue at the Roundhouse site and noted that the solar generation will continue to be below budget until the Rawhide Prairie Flats solar project repairs are made and the project becomes commercial.

12. January financial report (presenter: Dave Smalley)

Mr. Smalley noted the financial results are favorable to start 2021.

13. General management report (presenter: Jason Frisbie)

Mr. Frisbie highlighted the SolarWinds monitoring system cybersecurity breach update and staff's recommendation to not pursue the air quality study request.

Roundtable and strategic discussion topics

Directors and staff discussed the board chair and potential vice chair replacements at the March board meeting given the Fort Collins municipal elections in April.

Adjournment

With no further business, the meeting adjourned at 12:22 p.m. The next regular board meeting is scheduled for Thursday, Mar. 25, 2021 at 9:00 a.m. either virtually or at the Platte River Power Authority's offices at 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 25 day of March, 2021.


Secretary

