

## Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO  
Thursday, April 28, 2022

### Attendance

#### Board members

Representing Estes Park: Mayor Wendy Koenig and Reuben Bergsten  
Representing Fort Collins: Mayor Arndt and Kendall Minor  
Representing Longmont: Mayor Joan Peck and David Hornbacher  
Representing Loveland: Mayor Jacki Marsh and Kevin Gertig

#### Platte River staff

Jason Frisbie (general manager/CEO)  
Sarah Leonard (general counsel)  
Dave Smalley (chief financial officer and deputy general manager)  
Melie Vincent (chief operating officer)  
Raj Singam Setti (chief transition and integration officer)  
Eddie Gutiérrez (chief strategy officer)  
Angela Walsh (executive assistant/board secretary)  
Kaitlyn McCarty (executive assistant – finance and IT)  
Mitch Tomaier (IT service desk technician II)  
Jason Harris (controller)  
Shelley Nywall (director of finance)  
Carol Ballantine (senior manager of power markets)  
Heather Banks (fuels and water manager)

#### Guests

Chris Telli (BKD)  
Anna Thigpen (BKD)

### Call to order

Chair Bergsten called the meeting to order at 9:00 a.m. A quorum of board members was present via roll call. The meeting, having been duly convened, proceeded with the business on the agenda. Chair Bergsten announced that the Platte River staff will continue to hold a hybrid meeting having the public attend via Zoom Webinar until further notice. The board welcomed new board member, Kendall Minor, the new Utilities Executive for the City of Fort Collins Utilities.

Jason Frisbie, general manager and CEO, introduced and welcomed Eddie Gutiérrez, the new chief strategy officer, to Platte River. Mr. Gutiérrez thanked the board for the opportunity to work at Platte River and gave a brief overview of his background and industry experience. Dave Smalley, chief financial officer and deputy general manager, introduced Chris Telli and Anna

Thigpen with BKD.

## Action items

### 1. Election of Vice Chair

Chair Bergsten mentioned the vacancy left on the board and in the vice chair seat when Julie Pignataro stepped down from the board of directors. He provided an opportunity for any board member who wished to serve in the vice chair position to address the board.

Director Arndt offered to serve if no one else was interested. Director Gertig nominated himself to serve in the vice chair position. With one nomination of Director Gertig, Chair Bergsten closed nominations.

Director Koenig moved to approve Resolution No. 04-22; Election of Kevin Gertig as Vice Chair, as presented. Director Hornbacher seconded. The motion carried 8-0.

Mr. Frisbie noted that after 12 years, this is the first board composed of the four mayors and four utility directors of Platte River's owner communities.

### 2. Consent agenda

- a. Approval of the regular meeting minutes of March 31, 2022

Director Koenig moved to approve the consent agenda as presented. Director Peck seconded. The motion carried 8-0.

## Public comment

Chair Bergsten opened the public comment section by reading instructions, noting that time to accommodate each speaker would be divided equitably by the number of callers wishing to speak at the start of public comment. No members of the public asked to address the board.

## Board action items

### 3. 2021 BKD audit report (presenter: Dave Smalley)

Mr. Smalley introduced the two representatives from BKD to present the audit results. Chris Telli, partner with BKD, provided an overview of the 2021 audit results and audit opinion and highlighted the changes to the auditing standards. Mr. Telli reported a clean audit with no adjustments and noted the differences in reporting the unmodified opinion from the 2020 audit report.

Anna Thigpen, director with BKD, discussed the highlights covered in the financial statements.

Director Gertig commented on Rawhide Unit 1 decommissioning costs estimates being reflected in future audits. Mr. Frisbie commented that staff plans to have discussions with the board on the future of the Rawhide Energy Station site. Mr. Smalley added the same cost estimates and decommissioning discussions will occur for the Craig Energy Station. Discussion ensued among directors and staff on decommissioning Rawhide Unit 1 and environmental requirements for decommissioning addressed by staff.

Director Hornbacher moved to approve the 2021 BKD audit report as presented. Director Gertig seconded, and the motion carried 8-0. Mr. Frisbie and the directors thanked management, staff and BKD for all the hard work and clean, unmodified audit opinion.

#### **4. Acceptance of the 2021 annual report (presenter: Jason Frisbie)**

Mr. Frisbie introduced the 2021 annual report, which includes the financial audit report, and thanked the communications and marketing team as well as the financial department for the work behind the report. Director Hornbacher commented on the document reflecting a transitional year for Platte River and the success in 2021. Mr. Frisbie previewed the focus of the 2022 annual report and planning for the fiftieth anniversary for Platte River in 2023. Discussion ensued among directors and staff on celebrating the fiftieth anniversary and how to include the four owner communities in celebrations.

Mr. Frisbie asked the board to let the board secretary know how many hard copies of the 2021 annual report they would like; otherwise, the report is posted on the website.

Director Peck moved to accept the 2021 annual report as presented. Director Koenig seconded, and the motion carried 8-0.

### **Management presentations**

#### **5. WAPA hydropower update (presenter: Carol Ballantine)**

Carol Ballantine, senior manager of power markets, provided an update on the Colorado River Storage Project and Loveland Area Project (LAP) hydropower allocations decreasing for Platte River and the operational and financial impacts on Platte River's system.

Director Minor asked what water supplies Lake George. Ms. Ballantine responded that water will be transferred from Flaming Gorge and rain and snowpack runoff will help maintain adequate levels in the lake.

Mr. Frisbie noted that all hydropower serves the owner communities and the decrease in hydro allocations to Platte River requires other resources to generate more power to serve load and surplus sales.

Director Koenig asked for more information on the drought adder included in the base rate of LAP. Ms. Ballantine explained the drought adder included in the LAP base rate increase is a mechanism the Western Area Power Administration can invoke without going through additional

public process if LAP experiences significant cost recovery shortfalls.

Mr. Frisbie noted that this decrease in hydro allocation does not impact our ability to serve load, only adding to some costs and reducing the amount of noncarbon energy available.

Director Peck asked what percentage of the 17.9% cost increases is passed on to the end users. Mr. Smalley noted that at the May board meeting staff will present the rates for 2023, which will incorporate the hydropower costs. Mr. Smalley added that Ms. Ballantine presented the cost increases from 2020 and the rates have already absorbed most of the cost increases through 2021.

Discussion ensued among directors and staff on rate impacts, importance of electric and water conservation programs through Efficiency Works™ and how Platte River can help offset the impacts within the four owner communities.

## **6. Energy storage performance (presenter: Raj Singam Setti)**

Raj Singam Setti, chief transition and integration officer, presented the performance of the 2-megawatt hour (MWh) battery included in the Rawhide Prairie solar project, battery charging scenarios and battery options that are available to Platte River.

Chair Bergsten asked if Platte River can discharge the battery any time during the day instead at the automated 7:00 p.m. protocol. Mr. Singam Setti responded that based on the evening peak, this is when Platte River requested the battery to discharge. Director Koenig asked if the variable recharge amounts affect the battery degradation. Mr. Singam Setti responded that the number of cycles, or how many times we charge and discharge, affects the degradation of the battery and Platte River has not seen a degradation on this project yet.

Director Hornbacher asked how many megawatts of solar are needed online to charge 5 one megawatt batteries. Mr. Singam Setti responded that 10 megawatts of solar would be needed to charge the 5 one megawatt batteries for one cycle. Sarah Leonard, general counsel, noted a limitation of how often batteries can cycle in a day under purchase power agreements. Mr. Singam Setti confirmed that there is a limitation of number of cycles per day. Director Minor asked what the overall dispatch cost is for discharging batteries. Discussion ensued among directors and staff on storage costs, infrastructure costs and costs associated with charging batteries compared to thermal resource costs.

Director Koenig commented on concerns of the supply chain challenges and the ability to obtain batteries. Mr. Singam Setti responded that innovation in storage technologies is needed to solve issues for utility scale storage options aside from the supply chain issues. Director Marsh asked if staff is evaluating different storage technologies. Mr. Singam Setti discussed the various storage technologies being evaluated.

Chair Bergsten asked for staff to provide a document with common vocabulary to help everyone understand the technical terminology. Mr. Gutiérrez committed to creating a resource for the owner communities and the board refer to when needed.

**10-minute break at 10:46 a.m.**

## **7. Resource diversification and system integration opportunities**

**(presenter: Raj Singam Setti)**

Mr. Singam Setti presented a refreshed look at resource diversification and system integration since the 2020 Integrated Resource Plan, the “three D” concept of digitalization, decarbonization, distribution, the distributed energy resource (DER) action plan and the average generation cost comparison.

Director Hornbacher asked how the prices from Platte River’s most recent solar and storage request for proposals compare to prices reported by the National Renewal Energy Laboratory. Mr. Singam Setti responded there is about a 5% delta between the two inputs. Mr. Frisbie added the projected solar additions were incremental to the 150 MW Black Hollow solar project expected to come online in 2024. Chair Bergsten asked if there was risk the Black Hollow solar project might not come online by 2024. Mr. Frisbie noted that staff is working with 174 Power Global on the existing contract and issues with available materials to build the project. Discussion ensued among directors and staff regarding the Black Hollow solar project.

Director Koenig asked when Platte River is able to use solar energy produced within the owner communities. Mr. Frisbie responded that Platte River will need to be able to dispatch community solar energy by 2028. Discussion ensued among directors and staff about how to keep the enthusiasm up in the four owner communities on timing of increasing system integration and when distributed energy resource management system (DERMS) will be available.

Directors Marsh and Hornbacher thanked Mr. Singam Setti for the presentation and noted the journey Platte River will be on for the next few years. Director Gertig noted the importance of representation of data communications in transitioning to DER to align all four owner communities. Mr. Singam Setti added that Platte River has engaged a consultant to perform gap analysis for current system status and a questionnaire will be forwarded to our owner communities’ utility staffs. Director Minor commented on learning more about Fort Collins’ DERMS and how it will help Platte River in future planning. Mr. Singam Setti added that part of the consultant’s evaluation is to see what systems will work with assets currently in place among the owner communities and Platte River. Director Peck asked about marketing within the owner communities and if using the same vendors would help streamline the progress and help residential and commercial customers install the correct equipment. Mr. Singam Setti responded that residential vendors are different than utility scale vendors and the goal is to find a neutral DERMS capable of taking any kind of data from any kind equipment installed.

## Management Reports

### **8. Water Resources Reference Document (presenter: Heather Banks)**

Heather Banks, fuels and water manager, summarized the information provided in the water resources reference document, why it was created and the updates since the 2021 edition. Ms. Banks offered to provide hard copies to anyone who would like one.

### **9. Proposed water rights exchange (presenter: Heather Banks)**

Ms. Banks discussed a proposed water rights exchange with the City of Greeley. Staff will provide a presentation during the May board meeting with further information. Director Arndt asked what the reasoning is for exchanging the water rights. Ms. Banks responded one of the key items is managing water as an asset and there is no future need for these water rights once Rawhide Unit 1 closes and Chimney Hollow is complete. The board will be asked to authorize the proposed water rights exchange at the July board meeting.

## Monthly informational reports

### **10. Q1 performance dashboard (presenter: Jason Frisbie)**

Mr. Frisbie covered the highlights for the first quarter performance dashboard for 2022.

### **11. Legal, environmental and compliance report (presenter: Sarah Leonard)**

Ms. Leonard highlighted the Public Service Company of Colorado (PSCO) flex reserve case at the Federal Energy Regulatory Commission. There is now a final signed settlement on flex reserve service rates. Chair Bergsten asked about how this will be used when Platte River moves into a market. Melie Vincent, chief operating officer, added that Platte River will remain in PSCO's balancing authority while still in the Western Energy Imbalance Service market.

### **12. March operating report (presenter: Melie Vincent)**

Ms. Vincent highlighted the March operating results. Director Minor asked about what the outages were at Rawhide and the Craig Energy Station. Mr. Frisbie noted that changes made during the last planned outage with burner tips in the boiler at Rawhide had to be adjusted and issues with ash removal.

### **13. March financial report (presenter: Dave Smalley)**

Mr. Smalley highlighted the March financial report. There were no questions from the board.

**14. General management report (presenter: Jason Frisbie)**

Mr. Frisbie highlighted the new section for transition and integration, which will migrate to be a standalone report in future board meeting packets. There were no questions from the board.

**Roundtable and strategic discussion topics**

Based on a previous request, the directors and staff discussed posting board meeting recordings on the Platte River website. Board consensus was to not post board meeting recordings to the website.

**Adjournment**

With no further business, the meeting adjourned at 12:20 p.m. The next regular board meeting is scheduled for Thursday, May 26, 2022 at 9:00 a.m. either virtually or at 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 May, 2022.

  
Secretary