

1. MEETING PROTOCOL

Executive Assistant MartyJo Davis presented an overview of meeting protocols and provided instructions on utilizing features of the Zoom Virtual Meeting platform that allow members to participate virtually.

2. CALL TO ORDER

President Felicelli called the San Miguel Power Association (SMPA) Board of Directors regular meeting to order at 9:02 AM. The meeting was held in person at the Nucla office location and via Zoom Video/Teleconference. Director Rhoades attended via Zoom Video/Teleconference, with Director Felicelli, Director Brown, Director Cooney, Director Cokes, Director Alexander and Director Garvey attending in person at the Nucla office.

3. APPROVAL OF CONSENT AGENDA

Director Garvey motioned to approve the revised consent agenda (March 28, 2023), including February 28, 2023, meeting minutes. Director Cokes seconded. The motion was voted and carried.

4. MEMBER OR CONSUMER COMMENTS

General Member/Consumer Comments

- Director Cooney communicated he had been contacted by a member expressing dissatisfaction with aggressive tree pruning.
- Director Cooney advised he spoke with a member regarding the net metering policy.
- Legal Counsel Jim Link commented that he appreciates that SMPA line crew and shuttle drivers operate the vehicles safely.
- Director Felicelli reported receiving comments from a member regarding positive interactions with Member and Energy Services Supervisor Phil Zimmer.

5. STRATEGIC PLANNING

Identify and prioritize reliability and resiliency risks and issues. Initial focus shall be on fire mitigation- Jeremy Fox

Manager Fox reviewed initiatives developed to help identify and prioritize reliability and resiliency risks and issues with an initial focus on fire mitigation. Manager Fox listed completed initiatives such as the development of a Vegetation Management Plan (VMP), a drone inspection program implementation, grant application submittals, continued supply chain planning and partnerships established with local emergency management personnel. Manager Fox also discussed continuing initiatives, including staff attendance at the Colorado Utility Wildfire Summit, continued exploration of grant opportunities, the possibility of increasing vegetation management and pilot projects for resiliency measures, such as microgrids, to further support the objective of prioritizing reliability and resiliency risk and issues. Mr. Fox highlighted the recent Telluride Fire Protection District partnership to implement the PANO AI pilot program successfully. Pano AI is an artificial intelligence technology that uses high-definition cameras and satellite feeds to detect possible new fires.

Continue to improve SMPA's overall safety and work culture- Danielle Rodriguez and Darcy Weimer
Darcy Weimer, Safety and Regulatory Coordinator reviewed the five initiatives designed to improve SMPA's overall safety and work culture; a focus on enhancing safety training & programs, methods to promote safety, evaluation of policy/procedures, and an emphasis on workplace culture. Mrs. Weimer highlighted completed and upcoming safety training programs as well as workplace culture initiatives that have been successful that focus on team building, wellness, and other employee programs.

6. C.E.O. REPORT

C.E.O. Items

Power Supply Update

Manager Zaporski stated that the updates regarding power supply will occur in the executive session as details are confidential.

Legislative Review

Director Cokes reviewed several bills that are being proposed that could impact SMPA, such as the Colorado Consumer Protection Act, Additional Uses of Paid Sick Leave, and Clean Energy Plans. Director Cokes noted that even though amendatory language has been submitted for the Clean Energy Plan, several cooperatives do not favor the bill because the bill's verbiage is unclear and other controls are in place that address the same things.

Rate Discussion

Manager Zaporski advised that heading into SMPA's 2024 rate study, staff will regularly communicate the trends in the industry and explain why organizations may implement particular rate structures and how they may correlate to SMPA. Manager Zaporski noted that currently, several cooperatives are moving to a time-based rate structure and breaking out delivery and energy charges. Manager Zaporski further explained that a well-designed rate structure will help ensure accurate cost recovery and help to future-proof the grid to manage Beneficial Electrification (BE).

Introduction of Employee Guests

Danielle Rodriguez, Human Resources and Administration Coordinator; Joshua Hainey, Senior Accountant; Terry Schuyler, Key Accounts Executive; Alex Shelley, Communications Executive; Darcy Weimer, Safety & Regulatory Compliance Coordinator; and Phil Zimmer, Member & Energy Services Supervisor, were also in attendance at the meeting, virtually or in-person.

Community Focus Donations

The next donation review is scheduled for April 2023

Board Donations

Director Felicelli donated \$50 to the One to One Mentoring Cardboard Derby Program.

Director Felicelli donated \$50 to KOTO.

Finance Update

Monthly Financial Review

Manager Lehigh advised that staff recently evaluated the investment portfolio to assess for risk base and determined to move to a more conservative portfolio. The more conservative portfolio has a lower risk and, therefore, lower return; however, staff feels it is prudent to take the conservative approach.

Manager Lehigh reviewed the February financial report, noting that February revenues were more than budget by 4.05%, purchased power was 1.25% above budget, and February residential kWh sales increased from 2022 by 8.35%. Manager Lehigh reviewed a graph of weather temperatures and corresponding kWh sales, the graph shows the direct relationship between temperature and kWh revenue.

Manager Zaporski commented that this is a straightforward example that shows the weather has more impact on revenue than all other things combined. In budgeting, staff utilizes predictive tools and modeling behavior; however, the most significant factor impacting revenue (weather) is the most uncontrollable/unpredictable factor.

Marketing & Member Services

Idle Services Update and Discussion

Phil Zimmer, Member and Energy Services Supervisor reviewed proposed changes to Policy 300, General Rules and Regulations. The proposed updates include adding a section to the policy that defines idle services and how they will be handled. The proposed changes have been communicated to the membership through multiple channels, including email, newsletter, website, legal notices in newspapers, and social media posts. A redline version of the policy is available on the SMPA website.

Manager Zaporski communicated that the on-bill finance pilot program has gone live. The program helps support affordable housing initiatives and Beneficial Electrification (BE). The program is receiving positive feedback from several other cooperatives interested in learning how the program was set up and how it is being executed.

Information Technology

Manager Tea reviewed his report, highlighting that work continues on the Time of Use (TOU) project, noting that a broad 'Time Matters' messaging campaign is being sent to the membership to help begin awareness of the topic while leaving room for details to be explained at a later date as they are defined.

Administration & Human Resources

Manager Zaporski reviewed the Administration & Human Resources report, highlighting that a workers' compensation audit has been completed with no findings and that SMPA's Cost Containment Certificate was renewed, resulting in a 5% reduction in premiums.

The Board reviewed Policy 300, General Rules and Regulations. Proposed updates include adding a section to the policy that defines idle services and how they will be handled. Director Brown motioned to adopt Policy 300 with the update to add a section defining idle services and how they are handled. Director Alexander seconded. Following discussion, the motion was voted on and carried.

Engineering | Operations | Safety and Regulatory Compliance

Manager Fox reviewed his report, commenting that Nucla office improvements planning is underway; however, the contractor is experiencing material challenges impacting the project timeline. Manager Fox added that construction season is rapidly approaching, and there is a chance supply chain challenges may impact contractor timelines due to SMPA's inability to get supplies.

7. BOARD TOPICS

Local Generation Resources

Manager Zaporski reviewed local generation resources, advising that the unused allotment of 5% is less than 1 MWh. Key Accounts Executive Terry Schuyler advised that staff has communicated with Tri-State that SMPA would like to increase above 5%.

8. ASSOCIATED MEETING REPORTS

EcoAction Partners – Toby Brown

Director Brown reported that EcoAction is working on expanding its Green Business program from 22 participants to 30 in 2023. Director Brown also communicated that EcoAction has noted that it is beginning to be harder to recycle items as it is expensive for providers.

CREA – Debbie Cokes

Director Cokes informed the Board that she feels CREA is doing a good job following several legislative topics that SMPA would not otherwise be able to keep up with, as legislative topics are plentiful and moving rapidly.

Western United (WU) – Dave Alexander

N/A

Tri-State – Kevin Cooney

Director Cooney reported that Tri-State's financial situation is challenging, as they did not accurately account for remediation expenses of closed mines. Director Cooney added that if United leaves Tri-State, it will not have the load to justify keeping Craig3 open longer as there will no longer be a member serving reason to leave Craig3 open. Tri-State has committed to joining the Southwest Power Pool (SPP) by 2026. Operating under SPP, a Regional Transmission Organization (RTO), could be good. An RTO is an electric power transmission system operator (TSO) that coordinates, controls, and monitors a multi-state electric grid. Director Cooney advised that Rate Design Committee (RDC) has submitted recommendations to the Board, the rate proposal is expected to be voted on in May or June, then submitted to the Federal Energy Regulatory Commission (FERC).

ATTORNEY'S REPORT

Director Alexander made a motion at 1:04 PM to enter into executive session for personnel and contractual issues. Director Garvey seconded. The motion was voted and carried. The Board entered into executive session at 1:04 PM and came out at 1:44 PM. While in executive session, no decisions were made, nor votes taken.

Following Executive Session, Director Brown motioned to extend the Ridgway Franchise agreement through June 9, 2023, and allow the President and Secretary to sign such agreement. Director Alexander seconded. Following discussion, the motion was voted and carried. The motion will be re-ratified at the April 2023 Board of Directors meeting as it did not meet the 10-day notice requirements.

Director Brown motioned to extend the Ouray Franchise agreement through July 20, 2023, and allow the President and Secretary to sign such agreement. Director Alexander seconded. Following discussion, the motion was voted and carried. The motion will be re-ratified at the April 2023 Board of Directors meeting as it did not meet the 10-day notice requirements.

9. BOARD CALENDAR / TRAVEL

The Board reviewed upcoming meetings and training opportunities, including Tri-State's Annual Meeting scheduled for April 4-5, 2023, in Denver, CO.

10. MISCELLANEOUS

N/A

11. NEXT MEETING

The April 2023 Board of Directors meeting will occur on Tuesday, April 25, 2023, in Ridgway and Via Zoom.
The May 2023 Board of Directors meeting will occur on Tuesday, May 23, 2023, in Nucla and Via Zoom.

12. ADJOURN

At 1:48 PM, Director Garvey motioned to adjourn the meeting. Director Cokes seconded. The motion was voted and carried.



[Doyleene Garvey \(Apr 26, 2023 06:08 MDT\)](#)

Doyleene Garvey, Secretary/Treasurer