

**MINUTES OF THE MEETING OF THE RISK MANAGEMENT COMMITTEE  
SOUTHWEST PUBLIC POWER AGENCY, INC.**

**April 6, 2026**

A meeting of the RISK MANAGEMENT COMMITTEE (RMC) of the Southwest Public Power Agency, Inc. (“SPPA”) was held April 6, 2026, via Teams meeting.

**The following Committee Members were present:**

Robert VanHofwegen – ED8  
Ron McEachern – ED4  
Brian Yerges— ED3  
Ken Stock – GRICUA

**Also present:**

Dennis Delaney	Ahsley Blank
Judy Spallino	Daniel Herder
Kim Polivka	

The meeting was called to order at 1:00 p.m. Mr. Dennis Delaney chaired the meeting while Ms. Kim Polivka functioned as secretary.

**ROLL CALL**

Mr. Brian Yerges called the roll of the Committee Members to ensure there was a quorum present. Quorum being established; the business of the meeting proceeded.

**3.) Approval of Risk Management Committee Minutes(s):**

None

**4.) Discussion:**

Mr. Dennis Delaney presented his deck to the committee. The following items were covered in the discussion:

**a. Gas Hedge Update**

**Gas Hedging Update October 2025 – March 2026:**

Mr. Dennis Delaney gave an update on historical values, fixed final positions.

**Gas Hedging Update – April 2026**

- April 2026 – SPPA had no Hedging Position for April 2026.
- Through April 6th SPPA position (lack of position) appears “in the money”.

**Gas Hedging Update – May 2026**

- May 2026 – SPPA had no Fixed Price Swap Hedging Position for May 2026.
- Limited Expression of interest (23,421 MMBtu) for May.
- Plan to send requests to AEPCO/ACES April 10th.

Action Item: Mr. Ken Stock – Gila River Indian Community Utility requested a daily price list at the end of each month.

Mr. Delaney explains that the May final volumes need to be finalized.

Will not be participating in May 2026:

Mr. Ken Stock – GRICUA

Mr. Ron McEacher – ED4

Mr. Brian Yerges – ED3

#### **b. Transwestern Capacity**

##### **Transwestern Capacity:**

- AEPCO requested that SPPA canvass members for any additional appetite for increased volumes, with responses due by the end of March.
- The Town of Thatcher was the only member expressing interest in increasing to AEPCO's recommended level; however, that volume had already been reserved.
- SPPA did not submit a response by March 31, and AEPCO has not followed up since.
- No further action is anticipated at this time.

#### **c. SPPA's Credit Rating**

##### **SPPA Credit Rating:**

- S&P requested copied of HVPD (June 30, 2025) and McMullen (June 30, 2025) Financial Statements, copies provided this morning. S&P acknowledged receipt of documents.
- Stifel – Proposal to provide Municipal Advisory Service

#### **Project Based Rating (BOCA)**

From Mr. Daniel Herder – “this requires more discussion/is not yet authorized. While there is no direct compensation provided for, municipal advisors are commonly paid out of proceedings from a bond issuance for which they advise on. They could be angling to get a commission from a prepay deal. That should be explicitly excluded, unless the SPPA board actually wants that service. The board did sound open to working on a project rating, so maybe that limited scope goes forward.”

#### **Discussion/Direction for SPPA Board Recommendation(s)**

Mr. Delaney will be creating an S&P project specific Resolution with Stifel for April 13, 2026, Board of Directors meeting and Mr. Herder will draw up a letter with a solid no commitment statement for Stifel.

Mr. Delaney reported that staff evaluating ability to avoid prepayments. Brian suggested looking at prepayment of only the capacity charges.

Mrs. Ashley Blank gave an update on the Rec Sales opportunities with brokers and organizations, getting quotes with future information to come on April 13, 2026, Board of Directors meeting.

#### **REC Sales Opportunities:**

- SRP Discussions Ongoing
- APA Sales Option \$1.75 - \$1.90 / REC
- Market Sales (Brokers)
  - Amerex Energy: \$2.25 - \$2.75 /REC
  - Harrison Renewables: \$2.50 /REC
  - OTC Flow: \$3.15 - \$3.65 /REC
  - CAELY: pending quote

**5.) Action Item:**

- Mr. Ken Stock – Gila River Indian Community Utility requested a daily price list at the end of each month.
- Mr. Herder to find out what the differences are in the Participation Agreements.

**6.) Any other business that may come before the meeting.**

None

**7.) Discussion of future agenda items**

None

**8.) Establishment of date of next SPPA Pooling Project's RMC Meeting**

Next RMC - TBD

**9.) Public Comment**

There was no comment from the public.

**10.) Adjournment at 1:36 p.m.**

There being no further business to come before the Risk Management Committee, the meeting was adjourned at 1:36 PM

Respectfully submitted,

*Kim Polivka*

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Ms. Kim Polivka

Approved:           *Derek McEachern*