

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
SOUTHWEST PUBLIC POWER AGENCY, INC.**

**June 9, 2025**

A meeting of the Board of Directors of the Southwest Public Power Agency, Inc. (“SPPA”) was held on June 9, 2025, at the offices of Clark Hill, located at 3200 North Central Avenue, Suite 1600, Phoenix, Arizona 85012.

**The following Board Members or Member alternates were present:**

Derek McEachern – ED4	Bill Van Allen—ED6
Glenn Steiger – NTUA	Michael Curtis – Town of Wickenburg
Noel Carter – BWCCDD	Ken Stock – GRICUA
Brian Yerges – ED3	Jim Downing - MVWCDD
Joe Mease – TOUA	Donovan Neese - RID
Jason Moyes – AID, HVPD, TID	Taylor Howerter—RID
Heath Brown – THAT	Scott Saline – AID, HVPD, TID
Glen Vortherms – MWD	Robert VanHofwegen – ED8

**Also present:**

Judy Spallino	Sheryl Sweeney
Kim Polivka	Dennis Delaney
Daniel Herder	Ken Saline

**The following SPPA Member(s) were not present:**

Electrical District #2 of Pinal County  
Electrical District #7 of Maricopa County

The meeting was called to order at 12:05 p.m. Mr. Brian Yerges chaired the meeting while Ms. Kim Polivka functioned as secretary.

**ROLL CALL**

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

**Baker Tilly Presentation:**

Mr. Brian Hemmerle presented the insights from the 2024 Audit, with no adverse findings and an unqualified opinion on Financial Audit reports. He committed to provide a quote to SPPA for a 3-year fee from Baker Tilly.

Upon discussion, Mr. Michael Curtis moved to accept the 2024 Audit Report as presented. Mr. Donovan Neese seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

Mr. Glenn Steiger made a motion at 12:10 p.m. to move back in the Pooling Committee meeting, Mr. Donovan Neese seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

**Upon reconvening the Board Meeting at 12:35p.m.:**

**3.) Consideration and approval of Consent Agenda (Possible Action Item)**

All items on the Consent Agenda are considered to be routine matters and will be enacted by one motion of the Board of Directors. A Board Member may request removal of any item(s) or part(s) thereof without debate or vote.

- a. Minutes from prior meetings of the SPPA Board of Directors.  
05-12-2025 SPPA Annual Meeting Election Minutes  
05-12-2025 SPPA BOD Meeting Minutes  
05-12-2025 Confidential Executive Session #1 Meeting Minutes  
05-12-2025 Confidential Executive Session #2 Meeting Minutes
- b. Ratification of approval items, if any, from the SPPA Pool Management Committee.

Mr. Yerges presented the (3.a.) Consent Agenda for the Board's review and approval. All items listed on the Consent Agenda may be enacted by a single motion unless a Board Member requests otherwise.

Upon discussion, Mr. Glenn Steiger moved to approve the contents of the Consent Agenda as presented. Mr. Jason Moyes seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

**4.) Item(s) removed from Consent Agenda (Possible Action Item).**

No items were removed from the Consent Agenda.

**5.) Financial matters:**

- a. Financial Update & Treasurer's Report including disbursements (Possible Action Item).

Ms. Judy Spallino presented the Disbursements Reports for the Board's review and approval.

Mr. Glenn Steiger moved to approve the Financial Update & Treasurer's Report including disbursements as presented. Mr. Scott Saline seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

- i. Balance Sheet Highlights
  - ii. Profit & Loss Highlights
  - iii. Other item(s) to Highlight
- b. 2024 Baker Tilly Audit

**6.) Risk Management Meeting**

Meeting will be held on July 7, 2025, if needed.

**7.) Legal/regulatory matters:**

- a. APS transmission formula rate update
  - OATT transmission rate is going up 33%, revenue requirements have increased also

**8.) Ongoing Activities:**

- a. Update on Energy Accounting Conversion Project
- b. Onward/Mesquite PPA.
  - Where in early discussions with AEPCO about potentially revising the Mesquite Power

Purchase Agreement (PPA). While the current agreement has value, it lacks the flexibility needed to align with evolving market trends. More analysis and conversations are planned.

c. Updates on Financial Gas Hedging

During the SPPA Board of Directors meeting an Executive Session for agenda items 8.d.i., 8.e., Legal Updates, AEPCO , revisions to energy management service agreement to incorporate BOCA, Apache II, and Pinal County pursuant to A.R.S. § 38-431.03 (A) (2), (3) and (4); and discussion of Box Canyon Solar Project, PacifiCorp EDAM filing and Onward/Mesquite PPA pursuant to A.R.S. § 38-431.03 (A) (3) and (4) for discussion or consultation with the attorneys of SPPA for legal advice, regarding the Legal/Regulatory Matters.

Mr. Taylor Howerter called for a motion to go into Executive Session; and seconded by Mr. Jason Moyes and the motion passed unanimously at 12:47 p.m.

Executive session ended at 1:14 p.m.

Upon returning to open session, Mr. Glenn Steiger moved to approve the authority to execute the revised EMS resolution that we go forward with the red lines, come to final negotiations on the last aspects of approving and authorizing the execution and delivery of the first amendment to the amended and restated EMS agreement as written. Mr. Jason Moyes seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

f. Participation in "Pre-Pay Energy Supply" Opportunities

The NDA from Goldman Sachs has been signed and returned. The team plans to discuss a potential pre-pay arrangement for Box Canyon with SRP and may align their strategy with SRP's. Goldman Sachs provided a high-level model indicating potential savings of 5–10%, though it lacked detailed inputs.

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

*No additional business was discussed*

**10.) Discussion of Future Agenda Items**

No additional business was discussed.

**11.) Establishment of the date of the next SPPA Board Meeting: August 11, 2025**

**12.) Public Comment**

No additional business was discussed.

**13.) Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 1:23 p.m.

Respectfully submitted,

*Kim Polivka*

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Kim Polivka  
Admin/Acct Assistant

Approved: \_\_\_\_\_

*Glenn Steiger*