

**MINUTES OF THE MEETING OF THE MEMBERS OF THE
SPPA POOL MANAGEMENT COMMITTEE**

March 17, 2025

A meeting of the Pooling Committee of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on March 17, 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:

Ken Robbins – ED2	Glen Vortherms - MWD
Elena Byrd – ED2	Derek McEachern – ED4
Glen Steiger – NTUA	Taylor Howerter—RID
Brian Fickett – TOUA	Joe Mease – TOUA
Jeff Woner - OWCD	Arnold Mejia – GRICUA
Robert VanHofwegen - ED8	Jason Brimhall – City of Safford
Michael Curtis – Town of Wickenburg	Tim Sabo – City of Safford
Bill Van Allen—ED6	Ron McEachern – ED4
Ken Stock – GRICUA	Scott Saline – AID, HVPD, TID
Jim Downing - MVWCDD	Jason Moyes – AID, HVPD, TID
Donovan Neese - RID	
Greg Ellis – ED2	
Brian Yerges – ED3	

Also present:

Judy Spallino	Dennis Delaney
Kim Polivka	Daniel Pritchard
Daniel Herder	Kent Simer
Sheryl Sweeney	Ken Saline – KR Saline
Lisa Dowden	
Steve Pearson	

The following SPPA Member(s) were not present:

Electrical District No. 7 of Maricopa	Buckeye Water Conservation & Drainage
Ak-Chin	
Town of Thatcher	

The meeting was called to order at 12:00 p.m. Mr. Ken Robbins chaired the meeting while Ms. Kim Polivka functioned as secretary.

ROLL CALL

Mr. Ken Robbins called on the role of the Committee Members to ensure there was a quorum present. Quorum being established; the business of the meeting proceeded.

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

- a. Minutes from prior meetings of the SPPA Pool Management Committee.
- b. Report on Pool Operation
- c. Power Pooling Reports

Mr. Robbins presented the Consent Agenda for the Committee’s review and approval. All items listed on the Consent Agenda may be enacted by a single motion unless a Committee Member requests otherwise.

Upon discussion, Mr. Glen Steiger moved to approve the contents of the Consent Agenda as presented. Mr. Robert VanHofwegen 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.) Legal/regulatory matters

- a. BPA opting for Markets+
- b. BOCA receiving FERC deficiency letter on its filing for exempt wholesale generator status.
- c. WestConnect order denying the arguments of Coordinating TOs such as Salt River and Western to have their planning needs considered in the WestConnect planning process without also agreeing to be subject to cost allocation for any facilities identified and built.
- d. Update on PacifiCorp for EDAM filing and related disputes.
- e. Update on status of SCIP as Pooling participant, and potential approval of exit of SCIP from SPPA Pool, including approval of Resolution 2025-03-02 .

Ms. Lisa Dowden updates – FERC Development of Interest to SPPA

1. BPA Chooses Markets - Final decision May 2025

- BPA’s choice will influence the choice of undeclared utilities that depend on BPA for power and transmission.
- It may or may not impact on the choices of entities that have already chosen EDAM.
- The process may take several years to play out. Integrating BPA’s processes into Markets+ may be significantly more challenging than for a normal IOU.
- BPA anticipates significant negotiations on that process.

2. BOCA Deficiency Letter

- BOCA filed with FERC for Exempt Wholesale Generator (EWG) status in Docket No. ER25-895-001. EWG status is necessary for BOCA to sell at market-based or negotiated rates.
- At the time, it stated that certification of the standalone control area was expected January 2025.
- FERC issued a deficiency letter because BOCA has not yet apprised FERC of the completion of that certification.
- This should be a paperwork issue—we would expect BOCA to file the necessary information to resolve the matter.

3. WestConnect Denial of Rehearing

- FERC ordered the jurisdictional WestConnect entities to file new tariffs in response to an order from the Fifth Circuit.
- These utilities (including APS) filed the tariffs in Docket ER13-75-00.
- As ordered, the filings removed the tariff provisions that allowed WestConnect to coordinate with non-jurisdictional Coordinating Transmission Owners, such as SRP and WAPA.
- The Coordinating CTOs asked FERC to reject the tariffs, arguing that they should be able to participate in the planning process.
- FERC denied those requests and accepted the tariffs.
- Last week, it denied rehearing.
- This finalizes activity at FERC. CTOs may now only have their needs considered in the WestConnect Planning Process if they agree to mandatory cost allocation for any facilities identified and built.
- It is unclear if appeals are planned.

4. PacifiCorp EDAM Tariff Developments

- Multiple utilities protested the filing. Most complained, among other things, about a “fatal flaw” in the EDAM design that would allegedly collect congestion revenues from the PacifiCorp, NV Energy and Idaho Power and transfer them to the CAISO, because that is where the constraints would bind. The primary costs were attributed to loop flow.
- Utilities also challenged the mechanisms for allocation charges and revenues associated with RSE failures.
- Other protests concerned “add-ons” not required by EDAM that PacifiCorp included in its tariff.
- Answers have now been filed, contending that the EDAM congestion revenue structure and the mechanism to allocate costs and revenues from RSE charges have already been approved by FERC.
- CAISO has convened an expedited stakeholder process to consider a “surgical fix” to the EDAM Tariff to find out whether it is possible to prevent disproportionate transfers of congestion revenues among BAAs.

5. PacifiCorp EDAM Impacts for SPPA

- A precedent may be established to affect how EDAM RSE charges must be implemented by all entities joining EDAM.
- This may not directly apply to APS and SRP so long as they continue to plan to join Markets+, though principles could be established.
- The outcome of the CAISO process may or may not change the EDAM congestion revenue mechanism.

Mr. Daniel Herder – Update on SCIP as Pooling Participant

- SCIP's Transition to WAPA BA: SCIP is planning to leave the AEPCO BA and join the WAPA BA by May 2025. This move might make it beneficial for SCIP to also exit the SPPA pool.
- Mr. Herder presented on analysis as requested by the board on funds held by SPPA.
- Funds Status: The SPPA currently holds \$500,000 to secure pooling costs and transactions for SCIP. There have been significantly more funds involved in the past, over \$4 million.
- Resolution and Notice: A resolution has been circulated and approved by the pooling committee, allowing SCIP to exit the pooling agreement on May 31, 2025. SCIP needs to deliver formal notice to SPPA by April 1, 2025, to comply with the exit procedures.

- Final Reconciliation: Dennis, on behalf of the SPPA pool, will monitor the transactions, ensuring everything is wrapped up by May 31, 2025. A final reconciliation will be done, accounting for any costs incurred up to that date.
- Approval Process: The resolution follows the procedures under the pooling agreement, which typically requires a full year's notice. The pooling committee is empowered to approve an expedited exit.

Upon discussion Mr. Brian Yerges called for Approval for agenda items 5.e. the Resolution to approve the Expedited exit of SCIP from SPPA Pool, as stated in Resolution of 2025-03-02. as presented to the Pooling Committee.

Mr. Robert VanHofwegen moved to approve, Mr. Donovan Neese seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

6.) Ongoing Activities

- Report on Pool Operations
- Power Pooling Reports
- Updates on financial gas hedging.
 - Current Position Summary
 - Mark to Market Summary
- Transmission for BOCA
 - 300 MW of Firm Point-to-Point service has been secured.
 - The agreement for Short-Term and Non-Firm Point-to-Point Transmission Service was finalized.
 - Will be used to deliver test energy, schedule to start later this month.
 - The energy test started on February 27th
- Energy Accounting Software

Mr. Delaney addressed the status of the energy accounting conversion process, which is ongoing.

- Maintenance outage/buyback Q1 2025
 - Mr. Delaney presented on the Mesquite buyback arrangement that occurred recently
 - Date 2/25 through 3/10 – 14 Days
 - Onward offered \$150/MW-Day (\$451,500)
 - The difference in outcome reflects differences in the market between late February and early March from November.
 - Recall November price \$293.33/MW-Day (\$882,923)
 - SPPA proposed to split the difference \$221.67/MW-Day (\$451,500)
 - Onward received its Board Approval for the \$667,226.70 on February 5, 2025.
 - Received \$190,636.20 as a credit on the February 2025 Mesquite Invoice.
- Risk Management Committee – Meeting Held on May 5, 2025. (Minutes saved on Calander)

7.) ANY OTHER BUSINESS THAT MAY COME BEFORE THE MEETING

No additional business was discussed.

8.) DISCUSSION OF FUTURE AGENDA ITEMS

No discussion of future agenda items.

9.) ESTABLISHMENT OF DATE OF NEXT SPPA POOL MANAGEMENT COMMITTEE MEETING

April 14, 2025; announced as the date of the next SPPA Pool Management Committee meeting.

10.) PUBLIC COMMENT

There was no comment from the public.

11.) ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:55 p.m. 

Respectfully submitted,

Kim Polivka
Admin/Accountant Assist

Approved: _____

DRAFT