

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
SOUTHWEST PUBLIC POWER AGENCY, INC.
November 10, 2025**

A meeting of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on November 10, 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:

Bill Van Allen—ED6	Scott Saline – AID, HVPD, TID, OWCD
Arnold Mejia - GRICUA	Michael Curtis – Town of Wickenburg
Ken Stock – GRICUA	Ken Robbins – ED2
Brian Yerges – ED3	Anthony Cadorin - NTUA
Joe Mease – TOUA	Greg Ellis – ED2
Taylor Howerter—RID	Jason Moyes – AID, HVPD, TID, MVWCDD, ED8
Noel Carter - BWCD	Heath Brown – Thatcher
Robert VanHofwegen – ED8	
Glen Vortherms – MWD	
Jeff Woner – OWCD	
Elena Byrd – ED2	

Also present:

Judy Spallino - SPPA	Ashley Blank – KRSA
Daniel Pritchard – KRSA	Kent Simer - KRSA
Kim Polivka - SPPA	Dennis Delaney - KRSA
Daniel Herder – Clark Hill	Stephen Foster - KRSA
Vedant Sahu - KRSA	
Lisa Dowden – Speigel McDiarmid	
Steve Pearson – Speigel McDiarmid	

The following Board Member(s) were not present:

City of Williams
City of Safford
Ak-Chin Energy Services
Electrical District 7
Electrical District 4

The meeting was called to order at 12:47 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.

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.
10-13-2025 SPPA BOD Meeting Minutes
10-13-2025 Confidential Executive Session
- 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. Robert VanHofwegen 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. Co-Bank Presentation – Ms. Esther Simon, VP CoBank – conducted before the substantive portion of the Pooling Committee Meeting. The presentation included a summary of financial services CoBank provides and its focus on rural entities.
- b. Financial Update & Treasurer’s Report including disbursements (Possible Action Item)

Ms. Judy Spallino presented financial matters

- i. Balance Sheet Highlights
- ii. Profit & Loss Highlights
- iii. Other Item (s) to highlight

Mr. Glen Vortherms moved to approve the Financial Update & Treasurer’s Report including disbursements as presented. Mr. Robert VanHofwegen seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

- c. S&P Credit Rating
No update this month

6.) Discussion and possible action on filling Board Secretary and RMC committee member roles

- a. Next meeting to be held on January 5, 2025, if necessary

7.) 2026 Budget Review (Possible Action Item)

Mr. Delaney presented the 2026 Administration & General (A&G) Budget Summary

Mr. Robert VanHofwegen moved to approve the 2026 Administration & General (A&G) Budget including the revision as discussed to only charge hedging costs to those who participate in the SPPA hedging program. Mr. Jason Moyes seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

8.) Risk Management Meeting

- a. Next meeting to be held on January 5, 2025

9.) Legal/regulatory matters:

- a. FERC Large Load Interconnection Reform Update

Mr. Steve Pearson gave a general legal update to discuss the FERC proceedings to potentially issue rules for new Large Load interconnection.

- Deadlines extended:
 - Initial comments due Nov 21.
 - Reply comments due Dec 5.
- This is occurring because DOE is pushing FERC to issue a final rule on the matter.
- After comments and replies, FERC will issue a Notice of Proposed Rulemaking by April next year, outlining DOE’s proposed procedures.
- Focus: large load interconnections to transmission systems; unclear implications for retail service.
- Mr. Brian Yerges asked a question on how it may or may not answer any of the retail service questions.
 - Mr. Pearson concurred that this is at the transmission level. Further, WAPA is not FERC-jurisdictional but has reciprocity obligations.
- New rule may require more detailed information for large loads (20 MW+) and new delivery points.
- Potential impact on network service agreements and cluster studies for generator/load additions.
- Uncertainty remains; updates will continue as rulemaking progresses.
- Ms. Lisa Downden noted clarity will improve after initial comments, helping SPPA decide whether to submit reply comments.

During the SPPA Board of Directors meeting an Executive Session for agenda items 9.b., 9.c. as listed below, pursuant to A.R.S. § 38-431.03 (A) (2), (3) and/or (4) for the reasons stated in each agenda item below.

Mr. Scott Saline called for a motion to go into Executive Session; and seconded by Mr. Glen Vortherms and the motion passed unanimously at 1:14 p.m.

- b. Box Canyon updates: The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A) (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for Legal advice.
 - i. SRP Participation Amendment has been executed; Participants are to sign Amendment to Resale Agreement.
 - ii. Curtailment discussions and cost allocation
 - iii. REC's sales update - Ashley

- c. Discussion and possible action per agreement and discussion with AEPCO, including the below. The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (2), (3), and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for legal advice, and for the discussion or consideration of records exempt by law from public inspection.
 - i. Additional Pinal County PPA edits proposed by AEPCO
 - ii. Apache II working capital arrangements to support LC's

Out of Executive Session at 1:52 p.m.

- iii. AEPCO EDAM Study Update

Update on the EDAM study

Mr. Delaney provided an update:

- AEPCO and Western held a meeting with the consultant and completed an initial model review.
- They authorized updates to the model and inclusion of additional data to improve accuracy of results.
 - Questions remain on how issues will be identified and addressed in the updated results, more updates expected.

- d. Markets – Update regarding recent meeting with SPP and utilities joining SPP Markets+. No further update this month

- e. Discussion of prepay opportunity and banking relationships
No further update this month

10.) Mesquite – Update on tolling study

Mr. Delaney provided an update:

- AEPCO and ACES are conducting separate studies; meeting originally planned for Nov. 20 was postponed to
- scheduling conflicts, rescheduled after holidays.
- A notable difference in approach between AEPCO and ACES; reconciliation of results will be important.

Compliance monitor flagged a Mesquite item: current authority matrix does not provide for management to conduct capacity sales due to an AEPCO footnote excluding capacity by default. Mr. Herder explained that AEPCO and SPPA have consistently conducted capacity transactions during previously scheduled outages of Mesquite and the Board has been consistently briefed of the plan, but this time the particular approval process requirement was noted by AEPCO.

Board approval required to execute or terminate the 10-day capacity sale.

Mr. Robert VanHofwegen called for a motion to ratify the 10-day capacity buyback transaction and to approve updating the authority

matrix to allow management to conduct capacity transactions; and seconded by Mr. Glen Vortherms and the motion passed unanimously.

Motions addressing items discussed in Executive Session:

Mr. Scott Saline moved to approve the distribution of excess working capital upon its release from BMO based on the BOCA PPA amendment: seconded by Robert VanHofwegen and upon a voice vote the motion passed unanimously.

Mr. Scott Saline moved to approve the distribution of the RECs directive to applicable members and for SPPA to act accordingly on the directives received; seconded by Robert VanHofwegen and upon a voice vote the motion passed unanimously.

11.) Any other business that may come before the meeting.

- a. Nomination of Glen Vortherms as Board Secretary (Possible Action Item)

Mr. Robert Van Hofwegen called for a motion to appoint Mr. Glen Vortherms as the Secretary of the Board of Directors and also to be a committee member of the Risk Management Committee; and seconded by Mr. Jason Moyes and the motion passed unanimously.

11.) Discussion of Future Agenda Items

No additional business was discussed.

12.) Establishment of the date of the next SPPA Board Meeting: January 12, 2026.

13.) Public Comment

No additional business was discussed.

14.) Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:02 p.m.

Respectfully submitted,

Kim Polivka

Kim Polivka
Admin/Acct Assistant

Approved: *Brian Yerges*