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

June 8, 2026

A meeting of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on **June 8, 2026**, 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:

Scott Saline – AID, HVPD, TID, OWCD
Arnold Mejia - GRICUA
Jeff Low – City of Safford
Brian Yerges – ED3
Joe Mease – TOUA
Donovan Neese – RID
Robert VanHofwegen – ED8
Noel Carter - BWCDD
Jeff Woner – OWCD
Elena Byrd – ED2
Ed Gerak – Ak- Chin
Jason Moyes – AID, HVPD, TID, MVWCDD, ED8
Selwyn Justice – ED7
Anthony Cadorin - NTUA
Derek McEachern – ED4
Bill Van Allen – ED6
Ken Stock - GRICUA
Glen Vortherms - MWD
Greg Ellis – ED2

Also present:

Judy Spallino - SPPA
Kim Polivka - SPPA
Daniel Herder – Clark Hill
Vedant Sahu – KRSA
Ken Saline - KRSA
Mark Castleton - KRSA
Dennis Delaney - KRSA
Ashley Blank – KRSA
Dan Pritchard - KRSA
Brian Hemmerle – Baker Tilly

The following Board Members or Member were not present:

Town of Thatcher

The meeting was called to order at 12:00 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.

i. 05-11-2026 SPPA BOD Meeting Minutes
ii. 05-11-2026 Annual Meeting Minutes

b. Ratify/approve Pool Management Committee Items

Mr. Brian Yeargs 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. Anthony Cadorin seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

4.) Item(s) removed from Consent Agenda:

None

5.) Financial matters:

a. Presentation of annual Audit (Baker Tilly) (Possible Action Item)
This was addressed at by temporarily suspending the pooling committee meeting at noon, with a presentation from Mr. Hemmerle who presented on the annual audit. It was a clean audit. Mr. Gerak moved to accept the audit, and Mr. McEachern seconded the motion. Upon the taking of a voice vote, the motion carried unanimously.

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

Upon discussion, Mr. Robert VanHofwegen moved to approve the Financial Update & Treasurer's Report including disbursements; Mr. Derek McEachern seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

Mr. Brian Yerges requests not having to wait till the August BOD meeting, to send the accrued information once completed. Mrs. Spallino agreed.

Mr. Delaney explains that we do have quote for Baker Tilly for 2026 and will be asking for approval on August 10, 2026, BOD Meeting.

6.) Risk Management Meeting

Next meeting to be held on August 3, 2026., at which Onward would present.

Mr. Delaney brings to the Board of Director the request for Mr. Logan Gernet to join the Risk Management Committee

Upon discussion, Mr. Robert VanHofwegen moved to approve Mr. Logan Gernet as a Risk Management Committee Member; Mr. Derek McEachern seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

During the SPPA Board of Directors meeting a need for Executive Session arose as for agenda item 7.a., pursuant to A.R.S. § 38-431.03 (A) (3) and (4). Mr. Robert VanHofwegen for a motion to go into Executive Session; and seconded by Mr. Donovan Neese and the motion passed unanimously at 1:08 p.m.

7.) Legal/regulatory matters:

a. Markets – Update regarding plans for support of members, and others, embedded in entities joining markets.

Out of executive session at 1:27 p.m.

Upon discussion, Mr. Noel Carter moved to approve the General Manager coordinating SPPA Onboarding registration with Markets +, Mr. Anthony Cardorin seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.
Mr. Gerak asked what is the cost to register, Mr. Delaney responded there is no cost, but he will be reaching out to AEPCO for assistance.

b. AEPCO project updates, including the below.
    i. Update on Apache II
    ii. Update on Pinal County Project

None to report

b. Mesquite PPA update

None to report

d. Discussion and possible action on resolution approving update SPPA hedging implementation policies to allow for (1) tiered authorization of hedge pricing, and (2) swing swaps (Possible Action Item)

Mr. Daniel Herder explains that there are two different adjustments proposed to the hedging protocols.

1. More flexible authorities for ACES to executive a hedge if the market moves upwards.
2. Adding Swing Swap as the 3rd type of swap.

Mr. Yerges notes there are some members that are hedging and some that are not, so this question is primarily the members that are hedging whether they are comfortable with these changes and the approval of the resolution.

Upon discussion, Mr. Robert VanHofwegen moved to approve and authorize revisions to financial hedges available to participants in the natural gas hedging implementation agreement and updated hedge pricing cap procedure; Mr. Jason Moyes seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

e. Prepay update
f. Box Canyon update
g. Bell Bank update, including transfer of WCF1 and 2

Each was a carryover from previous meeting – no discussion

Mr. Herder spoke about the APS Transmission Project, needing more details from counterparties, and more would come at a future meeting at the appropriate time.

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

No additional business was discussed.

9.) Discussion of Future Agenda Items

No additional business was discussed.

10.) Establishment of the date of the next SPPA Board Meeting: August 10, 2026.

11.) Public Comment

No additional business was discussed.

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12.) Adjournment
There being no further business to come before the Board, the meeting was adjourned at 1:42 p.m.

Respectfully submitted,

Kim Polivka
____
Kim Polivka
Admin/Acct Assistant

Approved: Derek McEachern
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