

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

May 12, 2025

A meeting of the Pooling Committee of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on May 12, 2025, at the offices of Maricopa County Municipal Water Conservation District No. 1, located at 14825 W Grand Avenue, Surprise AZ 85374. The Pooling Committee meeting followed the Annual Meeting - 11:40 a.m.

The following Board Members or Member alternates were present:

Ken Robbins – ED2	Ed Gerak – Ak- Chin
Elena Byrd – ED2	Derek McEachern – ED4
Bill Van Allen – ED6	Ron McEachern – ED4
Glenn Steiger – NTUA	Glen Vortherms - MWD
Noel Carter – BWCCD	Michael Curtis – Town of Wickenburg
Brian Yerges – ED3	Ken Stock – GRICUA
Joe Mease – TOUA	Jim Downing - MVWCDD
Jeff Woner – OWCD	Donovan Neese - RID
Jason Moyes – AID, HVPD, TID	Taylor Howerter—RID
Heath Brown - THAT	Arnold Mejia – GRICUA
Robert VanHofwegen - ED8	Scott Saline – AID, HVPD, TID
Greg Ellis – ED2	Bill Van Allen—ED6
RD Justice – ED7	

Also present:

Judy Spallino	Amanda DeWeese – Constellation Energy
Kim Polivka	Matt Ogden - MWD
Daniel Herder	Daniel Pritchard – KR Saline
Dennis Delaney	Ashley Blank – KR Saline
Ken Saline	

The following SPPA Member(s) were not present:

Full Attendance

The meeting was called to order at 11:40 a.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 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.
 - i. 4-14-25 Pooling Mgmt Meeting Minutes

Mr. Brian Yerges 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. Ken Stock 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.) Ongoing Activities

a. Report on Pool Operations

No additional business was discussed.

b. Power Pooling Report

March 2025 Operations Report – Incomplete

- Mesquite operated at 59% capacity; average unit cost was \$25.43/MWH
- 50.8% (129,011/253,838) Mesquite energy was sold at an average cost of \$40.37/MWH
- March 2025 – SoCal Gas averaged \$2.96/MMBtu.
- AEP CO July invoice will include a large adjustment (credit) tied to WAPA EIM – data received from AEP CO/ACES.
 - Discussions with AEP CO are ongoing and December values are allocated correctly.
- Unable to complete March 2025 Reconciliation due to missing Box Canyon invoice data. Still awaiting from BN and SRP for transmission.
 - Data Files are monthly with hourly information
 - Requires SPPA to break out Ak-Chin from ED3 and GRICUA from SCIP
 - Allocations of these credits will be included March 2025 Reconciliation
- Base Imbalance Complete
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- c. Updates on financial gas hedging
 - i. Current Position Summary

Mr. Dennis Delaney updates on current positions April – September 2025

- ii. Mark to Market Summary
 - Received and additional \$300,000 back from Morgan Stanley on May 8th due to market shifts
 - Expecting \$500,000 more to be returned on May 12th
- Interest Allocation and Credit Authorization for Gas Hedging Accounts

Morgan Stanley has paid interest on the SPPA funds they held for hedging, resulting in an accumulation of approximately \$22,000. This is a favorable interest rate, and we would like to allocate and credit these funds accordingly.

Management proposed the following:

Interest Allocation

- The interest will be allocated based on predefined percentages. These percentages have been slightly adjusted due to:
 - A December factor that has been accounted for.
 - A third annual hedging deposit payment that has altered the distribution among participants.

Credit Application

- SPPA management requests authorization to credit the interest amounts to participants' respective Gas Hedging accounts. For those not participating in the hedging program we propose transferring the funds back directly. Alternatively, if you prefer the interest to be applied to a different invoice, please provide written authorization via email.

Documentation and Procedure

- This process will be formally adopted as a motion by the Board during the Board meeting and recorded in the meeting minutes.
- A written procedure has already been drafted to align with these recommendations.

d. Energy Accounting Software

Mr. Dennis Delaney updated the status of the energy accounting conversion process.

- The consultant had limited time in March and April but continued to clean up the code.
- Energy accounting version 7 completed
- Loaded January 2025 and February 2025
 - Version 7 incorporates preliminary invoices – verified it matches January and February preliminary invoices

Schedule for 4/16/2025:

- Run Preliminary May 2025 invoice
- Add EIM logic

Schedule for 4/23/2025:

- Add Box Canyon

- Schedule – may need to be extended through August/September

e. Risk Management Committee

Meeting Held on May 5, 2025. (Minutes saved on Calander)

Next RMC meeting date: July 7, 2025 (Tentative)

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

No additional business was discussed.

7.) DISCUSSION OF FUTURE AGENDA ITEMS

No discussion of future agenda items.

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

June 9, 2025; announced as the date of the next SPPA Pool Management Committee meeting.

9.) PUBLIC COMMENT

There was no comment from the public.

10.) ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:05 p.m.

Respectfully submitted,

Kim Polivka
Admin/Accountant Assist

Approved: _____