

## Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO  
Thursday, Aug. 31, 2023

### Attendance

#### Board members

Representing Estes Park: Mayor Wendy Koenig and Reuben Bergsten

Representing Fort Collins: Kendall Minor

Representing Longmont: Mayor Joan Peck<sup>1</sup> and David Hornbacher<sup>2</sup>

Representing Loveland: Mayor Jacki Marsh and Kevin Gertig

Absent: Mayor Jeni Arndt

#### Platte River staff

Jason Frisbie (general manager/CEO)

Sarah Leonard (general counsel)

Dave Smalley (chief financial officer and deputy general manager)

Melie Vincent (chief operating officer)

Raj Singam Setti (chief transition and integration officer)

Eddie Gutiérrez (chief strategy officer)

Angela Walsh (executive assistant/board secretary)

Kaitlyn McCarty (executive assistant – finance)

Josh Pinsky (IT service desk technician II)

Shelley Nywall (director of finance)

Javier Camacho (director of public and external affairs, strategic communications and social marketing)

Kendal Perez (strategic communications and community relations manager)

Leigh Gibson (senior external affairs specialist)

Darren Buck (director of power delivery)

#### Guests

None

---

<sup>1</sup> Arrived at 9:08 am

<sup>2</sup> Attended via Zoom Webinar

## Call to order

Chair Bergsten called the meeting to order at 9:00 a.m. A quorum of board members was present via roll call. The meeting, having been duly convened, proceeded with the business on the agenda.

## Action items

### 1. Consent Agenda

- a. Approval of the regular meeting minutes of July 27, 2023

Director Marsh moved to approve the consent agenda as presented. Director Koenig seconded. The motion carried 6-0.

## Public comment

Chair Bergsten opened the public comment section by reading instructions, noting that time to accommodate each speaker would be divided equitably by the number of in-person members of the public and callers wishing to speak at the start of public comment. No member of the public addressed the board.

## Management presentations

### 2. Policy on real estate transactions for resource development (presenter: Sarah Leonard)

Sarah Leonard, general counsel, presented a draft policy to give the general manager flexible authority to approve real estate transactions that support potential resource development opportunities. She also provided suggested revisions to the board meeting governance document to address board concerns about standing policies and resolutions that give the general manager broad authority.

Director Marsh commented on potential mechanisms for board review following a change in leadership. Jason Frisbie, general manager and chief executive officer, reminded the board that Dave Smalley, chief financial officer and deputy general manager, would step into the general manager role if anything were to happen to Mr. Frisbie until the board appointed a new general manager. Chair Bergsten suggested the board review all broad policies on an annual basis. Director Koenig thought it would be preferable to review policies as updates are needed. Mr. Frisbie suggested incorporating the policies into the orientation process for new board members. Chair Bergsten asked for clarification from Director Marsh on her suggested review schedule. Director Marsh reiterated that a change in general managers should trigger review and reaffirmation of board-approved policies with broad authority. Director Hornbacher supported the policy giving the general manager authority to approve real estate transactions and agreed it would be helpful to have a review process when a change in the general manager occurs. He also suggested incorporating a suspension of authority for a short period to give

the board review time. Ms. Leonard noted any kind of suspension would need to be added to all relevant policies and recommended against putting broad language in a document outside of the policy that was designed to override it. She suggested using different tools to have staff conduct a review of policies on a regular basis. Discussion ensued among directors and staff regarding policy language and real estate transactions. Chair Bergsten summarized the consensus among the board to support the real estate transactions policy as written and staff will proceed with suggested language for the board meeting governance document.

### **3. Resource planning studies update (presenter: Raj Singam Setti)**

Raj Singam Setti, chief transition and integration officer, presented the studies completed or in progress for the 2024 Integration Resource Plan (IRP), including studies of extreme weather events, dark calm occurrences, planning reserve margins and Effective Load Carrying Capabilities modeling. He explained how the resource modeling efforts illustrate and address the challenges Platte River is trying to solve to maintain the three pillars of Platte River through the clean energy transition.

Director Koenig asked for the definition of “very warm” and “very cold” weather. Mr. Singam Setti explained that extreme weather event modeling uses averages of summer temperatures and winter temperatures; if they reach the 85<sup>th</sup> percentile, they are categorized as extreme weather events.

Chair Bergsten asked if the inverters on the distribution side were impacting reliability to the system. Mr. Singam Setti clarified the solar and wind generation resources and distributed storage are all inverter based, meaning, that, unlike synchronized resources, they do not rotate in unison with power system frequency, and present unique reliability challenges.

Director Marsh asked why studies evaluate 40 or more years of historic data and suggested they should only go back 10 years. Mr. Singam Setti explained using a 40-year period shows consistency in growth. Chair Bergsten stated that evaluating at least 40 years of information provides a base case to evaluate planning reserve margin needs. Mr. Singam Setti confirmed the evaluation timeframes are standards for modeling to determine capacities for generation and transmission as a system. Director Koenig commented on Western Area Power Administration (WAPA) building more transmission will change study results in the future. Mr. Singam Setti noted that studies use information today to predict the future needs of the system. Mr. Frisbie clarified that loss of load is the inability to serve load at any given time and modeling projects the resources we will need to supply the total needs of the system across all hours and all predicted conditions.

Director Peck asked if Mr. Singam Setti has comparable studies for fossil fuels to show how each generation resource affects rates. Mr. Singam Setti noted the studies evaluate many factors, including cost comparisons, and results will be published on the Platte River website for the public to review. Discussion ensued among directors and staff on electrification building codes and standards for new construction throughout the municipalities.

Director Koenig asked if the electric vehicle (EVs) penetration information provided was Colorado data only or if it was national data and what effect gas vehicle trade-in marketing efforts might have.

Mr. Singam Setti confirmed it was Platte River territory data only and that modeling practices use uncertain variables to predict local customer demand while also looking at customer demand in other parts of the county. Discussion ensued among directors and staff regarding EV adoption within the owner communities, rooftop solar, household battery storage and their use within a virtual power plant.

Director Gertig requested a checklist for the distribution utilities to help prepare for the clean energy transition. Mr. Singam Setti described how owner community staff and Platte River staff are working collaboratively on individual utility and system needs. The board thanked staff for using solid, analytical data and working collectively. Director Minor noted receiving more questions about rooftop and community solar. Discussion ensued among directors and staff on community solar, household energy storage, leadership in the industry and future studies.

Break 10:25-10:38

#### **4. Transmission strategy and planning (presenter: Darren Buck)**

Darren Buck, director of power delivery, presented on how Platte River's transmission system serves load in the region, the history of Platte River transmission investment and transmission-related planning activities for entering the Southwest Power Pool Regional Transmission Organization West (SPP RTO West).

Director Minor asked about the Drake transmission pole replacement project. Mr. Buck explained that soil buildup around the bases of the poles has created corrosion. Mr. Frisbie reminded the board that the City of Fort Collins built the Drake line and when Platte River was formed the city turned the line over to Platte River to operate and maintain. In connection with planned substation work, Director Minor asked if Platte River was replacing the high-side transformers. Mr. Buck confirmed. Chair Bergsten asked why Platte River was replacing four transformers with one. Mr. Buck explained there are currently four single circuit transformers and they will be replaced with one with a three-phase design and each one can serve 100 percent of the load individually.

Mr. Frisbie commented on the WAPA Flatiron-Estes-Lyons-Estes transmission line rebuild was delayed, pushing the completion of the project into October.

Director Gertig emphasized the importance of proactive project planning to give owner communities time to plan and budget for upgrades and advanced communications. Mr. Buck noted that engineering staff completes 10-year planning, in some cases further out, and is happy to coordinate planning efforts with city staff. Director Minor asked if congestion is currently on the system or if that is a concern in the future. Mr. Buck described how staff continually evaluate the health of the transmission system as new generating facilities are added, particularly when they alter resource locations. Director Minor asked if rapid shutdown devices are being installed to mitigate wildfires at a utility size scale. Mr. Singam Setti responded that rapid shutdown devices may be required in the future but cost recovery structures do not include them yet. He noted that the devices are considered in large scale storage projects as a safety feature. Chair Bergsten discussed managing power purchase agreement negotiations and price volatility with added costs into the 10-year planning process. Mr. Buck explained how shared efforts to

keep the system-wide coincident peak as low as possible will help manage costs. Discussion ensued among directors and staff on cost allocation, location of generating facilities, SPP RTO West zone uncertainty and serving load throughout the region in coordination with other utilities.

#### **5. Community engagement update (presenter: Eddie Gutiérrez)**

Eddie Gutiérrez, chief strategy officer, provided a summary of community engagement presentations completed to date. He highlighted other collaborative communication strategies Platte River and the four owner communities are working on together and the next steps in the IRP community engagement process and the associated social media strategy.

### **Monthly informational reports for July**

#### **6. Legal, environmental and compliance report (presenter: Sarah Leonard)**

Ms. Leonard highlighted a recent Federal Energy Regulatory Commission rule, Order No. 2023, intended to speed up and streamline the generator interconnection process and address long queues that have delayed renewable projects. She stated that Platte River is currently not affected by this rule but will continue to monitor as Platte River moves into SPP RTO West.

#### **7. Resource diversification report (presenter: Raj Singam Setti)**

Mr. Singam Setti highlighted a request for proposals (RFP) this fall for wind and storage to begin commercial in 2027. He noted studies currently in progress and how teams are evaluating potential locations for distributed energy resources with distributed storage throughout the owner communities. Director Minor asked about timing for technology upgrades for distributed energy resource management systems (DERMS) and gap analysis. Mr. Singam Setti responded that staff is awaiting study results that will identify the current state of the system and what the requirements are. Staff will use these study results to develop an RFP for a DERMS. Chair Bergsten inquired about the timing of the gap analysis. Mr. Singam Setti said they expect the results by the fourth quarter.

#### **8. Operating report (presenter: Melie Vincent)**

Melie Vincent, chief operating officer, highlighted operating results for July. Because of continued mild weather, owner community demand and energy were below budget for the month and year to date. She stated that the overall net variable cost to serve owner community load was significantly below budget for the month, due to summer surplus sales and other bilateral sales with favorable pricing. Ms. Vincent proposed to adjust the operating report in 2024 to reflect market purchases and sales as Platte River operates in the Western Energy Imbalance Service (WEIS) real-time market. She referred back to previous mentions of interconnection queue congestion issues, noting that planned generation projects have sometimes experienced delays as long as five years.

## 9. Financial report (presenter: Dave Smalley)

Mr. Smalley highlighted favorable results for the month of July, reflecting operating revenues \$3.7 million above budget, below-budget in operating expenses, increased interest income and an increase in fair market value of investments. He added that sales from resale and transmission revenues were above budget due to a favorable contract and point-to-point transmission sales, even though sales to the owner communities came in below budget for the month of July. As mentioned in the operating report, purchased power from the WEIS market continues to be above budget but was offset by below-budget fuel expenses and increased hydropower allocations. Operations and maintenance expenses were above budget due to increased costs with both Unit 1 and 2 at the Craig Station.

Director Gertig asked if WAPA hydropower will have greater priority in the market, suggesting this topic could be a future presentation. Ms. Vincent provided a high-level response that WAPA is reviewing wind and solar generation to replace decreasing hydropower supplies.

## 10. General management report (presenter: Jason Frisbie)

Mr. Frisbie highlighted the Platte River 50<sup>th</sup> celebration invitation for the board members, staff discussions with existing fiber customers on transitioning to market rates for dark fiber and staff working on an energy storage grant for Estes Park. Chair Bergsten commented Platte River costs for ongoing reinvestments to maintain the fiber backbone, which requires charging a current market rate. Discussion ensued among directors and staff regarding the Estes Park grant.


## Roundtable and strategic discussion topics

Directors provided updates from their individual communities. Chair Bergsten commented on the value chain of Platte River and requested future discussions for collaborating on grid resiliency.

## Adjournment

With no further business, the meeting adjourned at 12:07 p.m. The next regular board meeting is scheduled for Thursday, Sept. 28, 2023, at 9:00 a.m. virtually and at Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this 28 day of Sept., 2023.

  
Secretary  
Adopted: Sept. 28, 2023  
Vote: 8-0

