

## Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO  
Thursday, Dec. 7, 2023

### Attendance

#### Board members

Representing Estes Park: Mayor Wendy Koenig and Reuben Bergsten  
Representing Fort Collins: Mayor Jeni Arndt and Kendall Minor  
Representing Longmont: Mayor Joan Peck and David Hornbacher  
Representing Loveland: Mayor Jacki Marsh and Kevin Gertig<sup>1</sup>

#### 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)  
Esther Velasquez (sr. executive assistant)  
Josh Pinsky (IT service desk technician II)  
Shelley Nywall (director of finance)  
Jason Harris (senior manager, financial reporting and budget)  
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)  
Jennifer Hammitt (director of legal affairs)  
Heather Banks (fuels and water manager)  
Travis Hunter (director of power generation)  
Libby Clark (director of human resources and safety)  
Staci Sears (human resources manager)  
Maia Jackson (senior communications and marketing specialist)  
Julie Depperman (director of treasury services)

---

<sup>1</sup> Dismissed self at 12:03pm

## Guests

Carrie Hackenberger (Husch Blackwell Strategies)

## Call to order

Chair Bergsten called the meeting to order at 9:02 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. Jason Frisbie, general manager and chief executive officer, offered the board gifts to kick off celebrations in 2024 for the 40<sup>th</sup> anniversary of Rawhide Unit 1 and reminded the board of the Holiday Employee Appreciation Party that will conclude the Platte River 50<sup>th</sup> anniversary celebrations. Director Arndt provided a summary of the COP28 conference she recently attended with Raj Singam Setti, chief transition and integration officer, in Dubai. Mr. Singam Setti provided a technical summary of what was discussed during the conference. Chair Bergsten thanked Director Arndt for inviting a Platte River staff member to attend and for representing Platte River.

## Action items

### 1. Consent Agenda

- a. Approval of the regular meeting minutes of Oct. 26, 2023
- b. Resolution 12-23: 2024 proposed board of directors regular meeting schedule
- c. Resolution 13-23: Strategic Financial Plan revision

Director Koenig moved to approve the consent agenda as presented. Director Hornbacher seconded. The motion carried 8-0.

## 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. Two members of the public addressed the board.

## Committee report

### 2. Defined Benefit Plan committee report (presenter: committee chair Dave Hornbacher)

Committee Chair Dave Hornbacher provided the Defined Benefit Plan committee report from the Oct. 26, 2023, meeting.

Committee Chair Hornbacher explained the plan's investment consultant, Northern Trust, reported on the plan's performance for the September quarter, noting that assets decreased \$2.8 million, as

negative market returns and benefit payments exceeded contributions. Year-to-date through September, the portfolio returned 2% while the plan's benchmark increased 6%. The Plan's underperformance is the result of the portfolio's exposure to low-volatility, high-quality equities. Northern Trust explained the low-volatility strategies give the portfolio downside protection during turbulent markets, but lag market returns when riskier equity strategies are in favor. The Plan's target annual return is 7.5%.

Northern Trust also provided a summary of the firm's five-year market outlook, adding the firm anticipates low but positive returns for fixed income and moderate returns for equities and real assets. The committee approved slight modifications to the asset allocations in the investment policy statement.

Platte River staff presented a plan amendment to clarify the definitions of compensation and final average monthly compensation and remove outdated language; update references to the required minimum distribution age as described in Secure Act 2.0; and clarify the calculation of the maximum amount of benefits. The committee approved the plan amendments and submitted the amendments for the board to adopt. Staff will present resolution 14-23 under board action items.

Committee Chair Hornbacher stated the next committee meeting is scheduled for Feb. 29, 2024.

## **Board action items**

### **3. Defined Benefit Plan amendment (presenter: Dave Smalley)**

Dave Smalley, chief financial officer and deputy general manager, discussed the process to review both retirement plans to ensure compliance with current law and United States Internal Revenue Service regulations. He stated outside pension counsel from Reinhart Boerner Van Deuren thoroughly reviewed plan documents and recommended the attached amendments to implement the outlined modifications. Mr. Smalley summarized the proposed revisions to both the Defined Benefit Plan, which closed to new employees in 2010, and the Defined Contribution Plan.

Director Peck moved to approve Resolution 14-23: Defined Benefit Plan amendment as presented. Director Gertig seconded. The motion carried 8-0.

### **4. Defined Contribution Plan amendment (presenter: Dave Smalley)**

Director Arndt moved to approve Resolution 15-23: Defined Contribution Plan amendment as presented. Director Marsh seconded. The motion carried 8-0.

### **5. 2023 Budget contingency appropriation transfer (presenter: Shelley Nywall)**

Shelley Nywall, director of finance, provided an overview of how Platte River uses budget contingency appropriation transfers and explained how funds will be used to close out 2023.

Director Hornbacher moved to approve Resolution 16-23: 2023 Budget contingency appropriation transfer as presented. Director Koenig seconded. Chair Bergsten suggested Platte River eliminate the

year-end budget contingency appropriation transfer, given the budget contingency is already approved through the regular budget approval process. Ms. Nywall responded that this process is an internal process to support transparency and awareness for the board and agreed to review potential changes to the process. Mr. Frisbie added that it is a normal part of business with formality at the end of the year but agreed the process could be simplified with separate board approval.

The motion carried 8-0.

## **6. 2024 Strategic Budget review and adoption (presenter: Shelley Nywall)**

Ms. Nywall reviewed the changes made to the budget since the public hearing in October along with year-to-date financial results and highlights of the 2024 Strategic Budget. Staff recommended the board adopt the budget as presented.

Director Hornbacher moved to approve Resolution 17-23: 2024 Strategic Budget review and adoption as presented. Director Minor seconded. The motion carried 8-0.

## **Management presentations**

### **7. SPP RTO West update (presenter: Melie Vincent)**

Melie Vincent, chief operating officer, provided an overview of the Southwest Power Pool Regional Transmission Organization West (SPP RTO West) including the benefits and requirements for participation and recent developments. She described the steering committee's efforts to ensure Platte River is ready to join by April 2026.

Director Gertig asked if renewable energy metrics will be made available through RTO West. Ms. Vincent confirmed the metrics will be available and noted the steering committee is also asking for metrics showing the economics behind how resources are dispatched, the carbon intensity, megawatt hours (MWh) of renewables online at the time of dispatch. Director Arndt asked if companies could join SPP RTO West if they do not have dispatchable resources. Ms. Vincent responded they could through virtual trades to support day-ahead pricing, but load-serving entities must meet resource adequacy requirements. Discussion ensued among directors and staff on resource adequacy, price spiking, price caps for MWh in other markets and firm gas supply.

Ms. Vincent took time to recognize Carol Ballentine, director of power markets, for preparing Platte River to enter into organized markets and congratulated Ms. Ballantine on her retirement at the end of December.

### **8. Rawhide Transition Plan (presenter: Travis Hunter)**

Travis Hunter, director of power generation, reviewed the Just Transition Plan framework, focused on retaining and empowering employees as Platte River shifts away from coal generation at the Rawhide

Energy Station. Mr. Hunter summarized the six key principles in the board resolution (approved in 2020) outlining the framework for a responsible transition.

Chair Bergsten asked if contractor personnel are internal or external contractors. Mr. Hunter confirmed external contractors are used to fill in gaps for now, but Rawhide is working with human resources to hire internal staff as contractors. He added that Platte River will evaluate whether vacant positions should be refilled or reallocated to another area.

Director Arndt asked how many employees currently work at Rawhide. Mr. Hunter responded about 89 employees currently work at the energy station. Director Arndt appreciated the presentation and commented on visiting plants around Colorado, meeting the employees and hoping they are taken care of through all transitions across the state. Mr. Hunter noted staff had reviewed the Just Transition Plans for Xcel Energy and Tri-State Generation and Transmission Cooperative, adding that Platte River's will be different. Chair Bergsten thanked the staff for working on the Rawhide Just Transition Plan.

Break 10:28-10:39

## **9. Resource Diversification Policy update (presenter: Raj Singam Setti)**

Mr. Singam Setti reviewed the current Resource Diversification Policy, the progress made between 2018 and 2022 and activities during 2023, which included the review of over 71 responses for all-renewable resource request for proposals (RFPs). The 71 responses included six energy storage responses and 13 wind energy responses. He also outlined the areas of focus for 2024 and beyond.

Director Peck asked the board to consider making a statement to support staff issuing an all-source RFP. Mr. Singam Setti clarified an all-source RFP should be split into two buckets: an all-renewable resource RFP (solar, wind and storage) and an all-dispatchable resource RFP to support system reliability. Director Minor asked for Mr. Singam Setti to explain what an all-dispatchable resource RFP would look like. Mr. Singam Setti explained that the all-dispatchable resource RFP would have clear parameters on what is needed, including support for carbon-free resources, minimum MWhs required through to 2040, locations needed, interconnection requirements and permitting. Chair Bergsten stated that the planning focus is on renewables and communications out to the owner communities need to highlight that. Director Koenig commented on the letters the board has received. Mr. Frisbie noted communication efforts working with the owner communities and city councils. Discussion ensued among directors and staff on how to communicate with the owner communities to enhance their understanding of Platte River's carbon reduction efforts while maintaining the three organizational pillars, and how feasible it is to rely on emerging technologies to solve the operational and economic challenges of reaching a 100% noncarbon resource portfolio.

Directors and staff continued to discuss how to communicate the Platte River story and all the ongoing activities of Platte River and the four owner communities to reach their 2030 goals.

Directors requested more information on the power supply agreements' cap on self-generation.

## **10. Legislative preview (presenter: Javier Camacho)**

Javier Camacho, director of public and external affairs, strategic communications and social marketing, previewed the upcoming legislative session for 2024.

Director Peck asked about the gas and oil industry requesting a ballot measure to remove all Environmental Protection Agency regulations in Colorado. Mr. Camacho responded that he was not aware of that and would look into it for Director Peck. Carrie Hackenberger, Husch Blackwell Strategies, attending online, was able to provide insights for oil and gas industry groups putting together ballot initiatives specific to consumer choice energy. Sarah Leonard, general counsel, added that the State of Colorado would not be able to override federal requirements. Chair Bergsten commented on grant work and increasing the visibility of Platte River to help with grants.

## **11. Windy Gap request for proposal recap (presenter: Heather Banks)**

Heather Banks, senior manager fuels and water, reviewed the current RFP process of offering five unfirmed Windy Gap units and discussed the high-level results in three transactions. Mr. Frisbie and Ms. Banks confirmed that after these transactions are final Platte River will have sold 55 of the 60 unfirmed units the board authorized Platte River to sell in 2016.

## **Management reports**

### **12. 2024 Integrated Resource Plan community outreach recap**

Eddie Gutierrez, chief strategy officer, summarized the planning process for continued community engagement in the first quarter in 2024.

### **13. Benefits update**

Libby Clark, director of human resources and safety, discussed the memorandum outlining the details of Platte River's total rewards strategy for employee benefits and the changes going into 2024. Chair Bergsten commented that cost increases within the owner communities and municipalities are similar to Platte River's increases.

## **Monthly informational reports for October**

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

Ms. Leonard highlighted the SPP RTO West activities on the legal front. She discussed the legal department's new hire, Ash Mayfield, senior counsel of markets, coming to Platte River with experience

working in markets. Chair Bergsten thanked Ms. Leonard for her time spent working with the city attorneys on a new project.

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

Mr. Singam Setti pointed out that most of the information was covered in previous presentations. Chair Bergsten returned to the question asked by staff about whether changes or updates need to be made to the Resource Diversification Policy. Board members agreed that no changes are necessary at this time.

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

Ms. Vincent highlighted operating results for October and year to date. In October, the overall net variable cost to serve owner community load was above budget due to below-budget surplus sales volume, slightly offset by higher sales prices on surplus sales. She pointed out the mild weather during the month lowered energy sales. This affected net variable cost to serve owner community load, but, year to date, the net variable cost is still below budget because of advantageous summer sales contracts.

#### **17. Financial report (presenter: Dave Smalley)**

Mr. Smalley highlighted favorable results for October and year to date. Change in net position was at budget for October while year to date, net position remains above budget by \$14.6 million. This reflects below-budget operating expenses and above-budget unrealized gains on interest income on investments, partially offset by below-budget revenues. Operating expenses were slightly above budget offset by non-operating revenues driven by fair value investment increases.

#### **18. General management report (presenter: Jason Frisbie)**

Mr. Frisbie highlighted the AA credit rating Fitch Ratings reaffirmed after conducting its annual surveillance of Platte River. He thanked the finance department for the work on the Strategic Budget and the human resources department for evaluating medical and dental costs.

### **Roundtable and strategic discussion topics**

Directors provided updates from their individual communities.

## Adjournment

With no further business, the meeting adjourned at 12:25 p.m. The next regular board meeting is scheduled for Thursday, Feb. 29, 2024, 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 29 day of February, 2024.

Angela Wash  
Secretary

Adopted: 02.29.2024  
Vote: 8-0

