



CAMU Business Meeting
9 AM
Friday, February 09, 2018
Rawhide Power Plant
Fort Collins, CO
AGENDA

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- 1) Welcome and self-introductions
 - 2) Presentation by The Colorado Energy Office
 - 3) Break
 - 4) October Business Meeting Minutes Approval
 - 5) Treasurer's Report
 - 6) Committee Reports
 - a) Board of Directors
 - b) Legislative Committee
 - c) General Membership Update (open forum for members to discuss issues of interest and concern)
 - 7) PUC/Legal Report
 - 8) Executive Director's Report
 - 9) Other business
 - 10) Adjourn Meeting
 - 11) Boxed Lunches
 - 12) Optional Tour of Rawhide Powerplant
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Fall CAMU Business Meeting Minutes
Colorado Springs, CO
October 20, 2017

President Rick Rigel called the business meeting to order at 9:00 a.m. President Rigel welcomed the attendees and asked for self-introductions.

Presentations on Public Power in Regional Transmission Organizations

Jamie Mahne and Tyler Wolford of The Energy Authority Inc. (TEA) presented on the impacts of Colorado joining the Southwest Power Pool. Jamie described the origins of TEA and the fact that TEA is owned by public power and has approximately 50 public power utility members with 24,000 megawatts of peak demand. Tyler then discussed that SPP was initially an energy imbalance market. The Mountain West Transmission Group is presently moving along the same process of considering whether to create an RTO and join SPP that TEA has participated in previously. SPP was suggested that SPP has a good management model compared to other RTOs. SPP was the first RTO to begin on time and on budget at a cost of approximately \$110,000,000.

Forecasting and budget impacts can be volatile in the first year of transition to an RTO. Accurate load forecasting in the day-ahead market is very important for real time pricing. Optionality in operating a jointly-owned unit is very important as there is a lot of value in maintaining optionality. The Independent Market Monitoring Unit oversees the operation of the market to insure that all parties are participating fairly in the RTO.

Next, Nicki Fuller of the Southwestern Power Resources Association (SPRA) discussed the state of federal hydropower. SPRA is a trade association representing rural electric cooperatives, municipals and state power agencies. Hydro electric power for SPRA is a peaking resource rather than a base load resource. SPRA members have to offer 1,460 hours of federal hydro power a year and can only take 1,200 hours. If Colorado joins an RTO, it will need legislative lobbying support and constant vigilance for the evolving markets it will then have access to. Supplemental energy is sometimes available, but not guaranteed, and on average is 1,400 hours of energy per year from federal hydro power allocations. Nicki described that FERC prefers to have everyone within a market rather than operating through existing bilateral contracts which are legacy agreements remaining from prior federal hydro power allocations.

The morning break was taken at 10:43 a.m. and the meeting reconvened at 11:01 a.m. The July Business Meeting Minutes were offered for consideration and were unanimously approved.

Mark Johnson presented the Treasurer's Report followed by Rick Rigel's presentation of the outcome of the Board of Director's meeting.

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Re-Branding

A possible re-branding of CAMU was discussed and the fact that APPA is placing an emphasis on “public power” was noted. Re-branding would not affect the basic message of local control for public power. The idea of focus groups and who are CAMU’s stakeholders was discussed. Kara suggested that re-branding in 2018 may be more effective because there will be a new governor, new directors of state agencies and new members of the legislature. Dan suggested that getting re-branding right is more important than getting it done. Dan also suggested that there are marketing opportunities for CAMU to get the word out about public power such as Pedal to Plains as well as opportunities on social media which may be useful for CAMU’s branding and outreach. It was suggested that it may be important to emphasize that public power is “your” public power and not a governmental entity providing power, but rather owned by constituents.

It was announced that Rick Rigel, Dave Hornbacher, Mark Johnson and Susan Wisecup were all reappointed to their current officer positions on the Board of Directors.

2018 Budget and Dues Assessment

Dan Hodges presented the 2018 budget and proposed dues assessment addressing certain modest changes and expenses in revenues. Budget stabilization for 2018 with no draw down of reserves was acknowledged and by motion made by Susan Wisecup, seconded by Steve Glammeyer the budget for 2018 and dues assessment was unanimously approved.

2018 Meeting Dates and Locations

The 2018 meeting dates and locations were presented for consideration by membership. The meeting dates and locations are as follows:

February 8th and 9th, 2018, Fort Collins

May 10th through 11th, 2018, Trinidad

July 2018 Annual Meeting in Gunnison, dates to be determined

October 18th through 19th, Fountain

Legislative Committee

The “call before you dig” legislation from the 2016-2017 Colorado Legislative Session was discussed. Kara also described the Special Session recently convened by the Governor as a public flop and that set an ugly tone between the House and Senate. The Democrats’ power has been reduced due to the Governor’s mishandling of the Special Session. The coming election year of 2018 will see a lot of “posturing bills.” The “call before you dig” bill is likely to be reintroduced by Senator Scott primarily as a result of the Firestone, Colorado explosion keeping the pipeline safety issue in the forefront of legislator’s minds. A discussion was then held regarding the Tier I versus Tier II oil and gas entities. The towns of Aspen, Flemming and Granada are the only Tier II members in CAMU at this time. Aspen’s

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position on Tier I versus Tier II may well impact whether CAMU wants to support going to a “one-call state” for underground infrastructure locates. A draft bill from the contractors association and Xcel is likely to be reintroduced this next legislative session.

It was noted that the contractors want municipalities to start locating sewer laterals as part of the underground facility locate process. In addition, propping up the “811” “call before you dig” to have enforcement authority has been proposed by excavators whereas Dan has suggested exempting local government from this requirement. It is anticipated that a draft bill will be forth coming from Senators Scott and Donovan within the next few weeks.

Membership Updates

It was reported that WAPA issued a Federal Register notice on whether WAPA should enter formal negotiations to enter into a regional transmission organization with the Southwest Power Pool. A great deal of information and costs are contained in the supplemental information included with the Federal Register notice.

Aspen announced that in May-June of 2018, it will host its Mobility Lab to examine changes to mobility in the downtown area to reduce costs and increase the use of electric vehicles.

Fort Morgan reported that it is in the final stages of its implementation of fiber optics to have every meter served with fiber to the home by the end of 2018.

Longmont described the Colorado Communications and Utility Alliance (and NATOA) as a telecommunications organization that provides resources for educational community programing and legislative support. It is similar in the way that CAMU (and APPA) are set up.

Lamar described the deployment of AMI Technology with a node on top of a wind turbine and beginning of a 5-year build out to employ the technology.

Mark Johnson reported that Colorado Springs Utilities sent 3-man teams to the International Lineman Rodeo with two teams finishing in the top 10.

The meeting adjourned at 12:48 p.m.

Respectfully submitted,

Secretary, Colorado Association of Municipal Utilities



Business Meeting Attendance List

October 20, 2017
Colorado Springs, CO

NAME	ORGANIZATION
Chris Dibiern	NMPP Energy / MEAN
Ron Clodfelter	Las Animas
Will Davis	Gunnison
MARK DAVIDSON	FAIRFIELD AND WOODS
Rick Origel	ARPA
Susan Whetcup	Longmont Power & Communications
David Hornbacher	Aspen
Kent VanDyne	Frederick, Co.
Andy Cosimo	Colorado Springs Utilities
Nicki Fuller	SPRA
Houssin Hourieh	Lamar
Mark Johnson	CSU
Rick Miell	City of La Junta
IAN Hughes	CAMU



Business Meeting Attendance List

JAMIE MAHNE	THE ENERGY AUTHORITY
TYLER WOLFORD	" "
Katie Hardman	Colorado Springs Utilities
JOE HOLMES	CSU
STEVE GUNN	Fort Morgan
Kim O'Field	Loveland
Natacha Kiler	RES
Craig Johnson	Platte River
Curtis Mitchell	Fountain

CAMU Legislative Update Call

January 26, 2018

Call to Order

Dan Hodges called the meeting to order at 9:02 a.m.

Kara

Sexual harassment issues – 2 House; 2 Senate.

Both House members moved out of leadership positions.

General kind of formality now and not quite as friendly. Mood is tense.

Have gotten right into the business agenda.

SB3 – CEO

SB9

SB64

SB3 – CEO – Bill to reauthorize and fund the Energy Office. Broaden the scope of the office programs. Bill is passed out of Senate Comm. tweaks coming and may end up where things were at the end of the last Session. Appetite to pass a bill to reauthorize.

SB9 – Aimed at IOUs. Wants PUC to establish rules to allow IOU customers to own and install battery storage without monitoring by the IOU. Utilities are concerned regarding not being able to manage power coming from these storage systems onto the grid. Laid over until February 1, 2018.

Operational concerns among CAMU members do not exist yet in most areas. PRPA has been asked by FCU to track this.

Lisa – Happy to get FCU tech people involved. Enthusiasm in Ft. Collins for battery storage.

Dan wants to hear more at the Winter meeting.

Dave H. – More and more electric vehicles. Need to have a rate to have energy service from electric vehicles. Is this a business the utility should be in at the front end?

SB64 – 100% renewable by all utilities by 2035. Massaging bill. Dan met with Senator Jones. Expressed concerns on standard rebate and setting net metering rate at municipal retail rate. Rights of local governments to set their own rates. Jones agreed to take out rate requirements for municipal utilities.

Taking out the municipalities retroactively would be problematic for existing projects. Jones agreed to do this only prospectively.

Jones was unfamiliar with WAPA power and needs to learn more.

Do away with 40,000 customer threshold. Jones was open to those concerns but did not comment.

Dan expects the amendments to the bill to get on and then die in committee. Dan's concern is that this issue will come back around.

Legislative counsel was not familiar with the rights of municipalities regarding their rights as municipal utilities.

Dan proposes doing a "Muni. Elec. 101" in the Summer to make sure they are not stepping into municipals' rights regarding electric systems and service. Dan to testify on the bill February 1, 2018. Educate why public power is so important.

Dan H. – Renewable energy goal by a certain year required should allow the utility to select its own resources to meet any requirement rather than have prescriptive requirements regarding the types of renewables to meet the requirement.

Existing municipal portfolios should be recognized.

Kara – Flexibility of electric utility standards should be attractive to Jones.

811 Reform Bill

Senators Donovan and Jones held stakeholder meetings in Arvada and Glenwood.

No updates since before January 1. Bill is hung up in drafting. Likely on the issue of enforcement. Concern that General Assembly would create a separate Commission to regulate this issue.

Dan proposed exempting local governments was done in Virginia. Contracting community has not been friendly on this.

Attorney General's office expressed similar concerns as CAMU regarding establishing a new commission.

Service laterals – Contractors would like municipal help identifying where service laterals are in the public ROW. CAMU is concerned over having to identify lines we neither own nor have installed.

Missouri has "hold harmless" language.

Contractors support hold harmless.

Premarking – opposed by contractors as increasing costs. Municipals think that it will help damage prevention.

Denver Water does not see an advantage to going from Tier II to Tier I.

Kara

Talked to Senator Scott and he says he does not believe he knows where the Contractors are on these issues. Scott says he can't make all the little tiny changes that parties want. Scott will take the Contractors' changes and run with the bill once published.

Right of First Refusal

Bill to be introduced to create a right of first refusal for transmission owning incumbent utilities to build T-facilities that came out of FERC Order 1000. Provides for Transmission utilities to step to the front of the line to build new transmission. Xcel concerned with new wind and new transmission planning group becoming transmission planner for mountain west area.

PRPA has been working with Xcel on language. Have language for Bill in Legislature. Drafting and have late-bill status for the bill. Have House sponsors, now looking for Senate sponsors such as Sonnenberg. Senator Scott is also a potential sponsor. Senator Cafalis (sp?) in Ft. Collins has indicated support.

No objection from CAMU to supporting the bill.

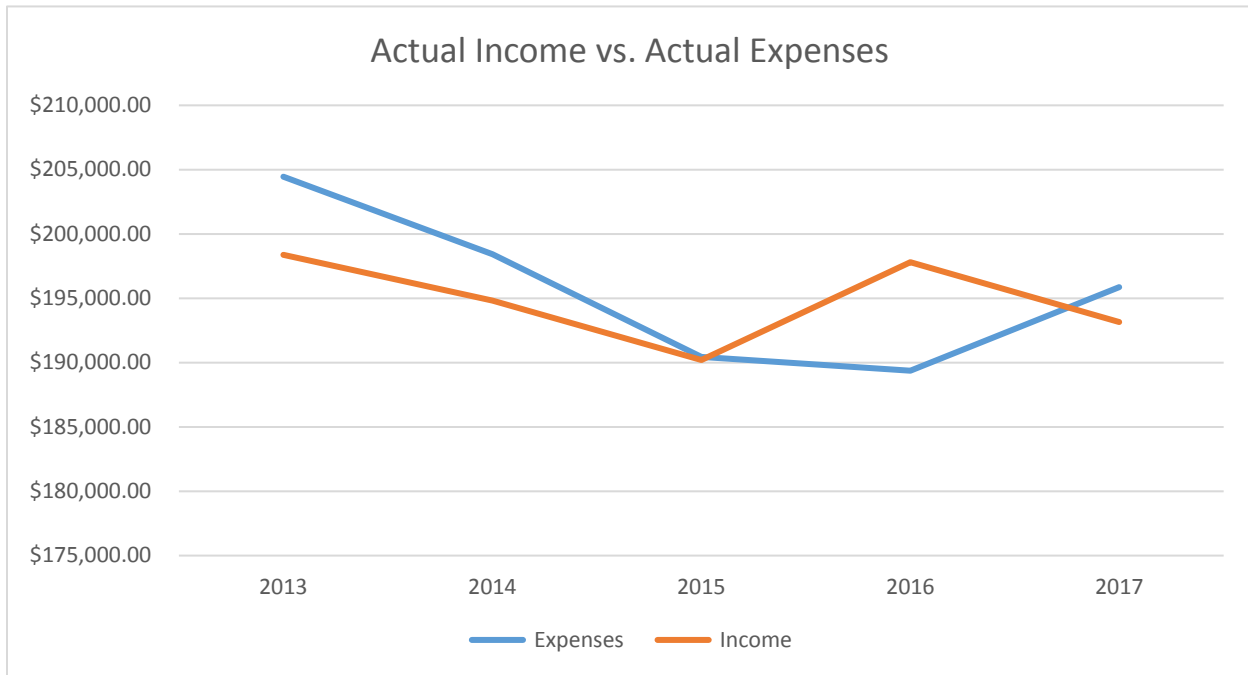
Dan observed that if SPP is running transmission system, it would be good to have continued Colorado support of Commission Planning.

Adjournment

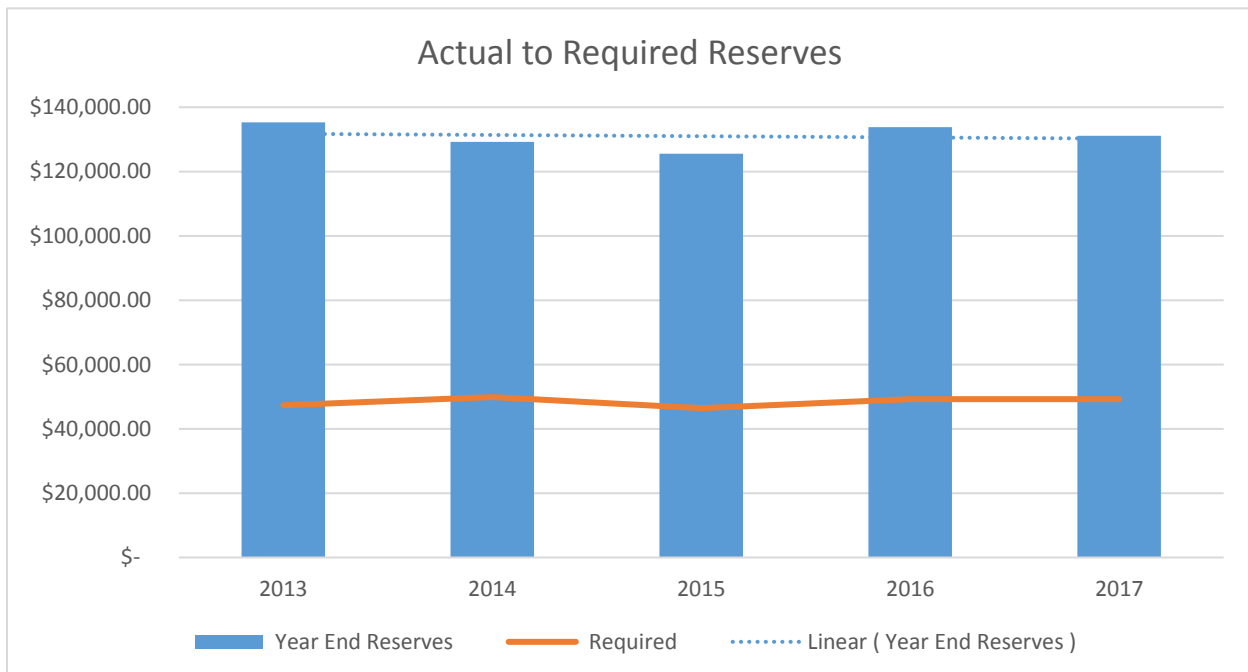
Meeting adjourned at 9:48 a.m.

CAMU 2017 Year End Financial Report

The Colorado Association of Municipal Utilities ended 2017 with **\$(-2,714)** in net revenues. This negative financial performance was driven by 2 factors: The City of Yuma not paying their 2017 dues (\$-1,158); and higher than budgeted meetings expenses (+\$3,005). However, CAMU had budgeted for \$6077 deficit for 2017 and our actual net annual loss that was \$3,363 smaller than anticipated!

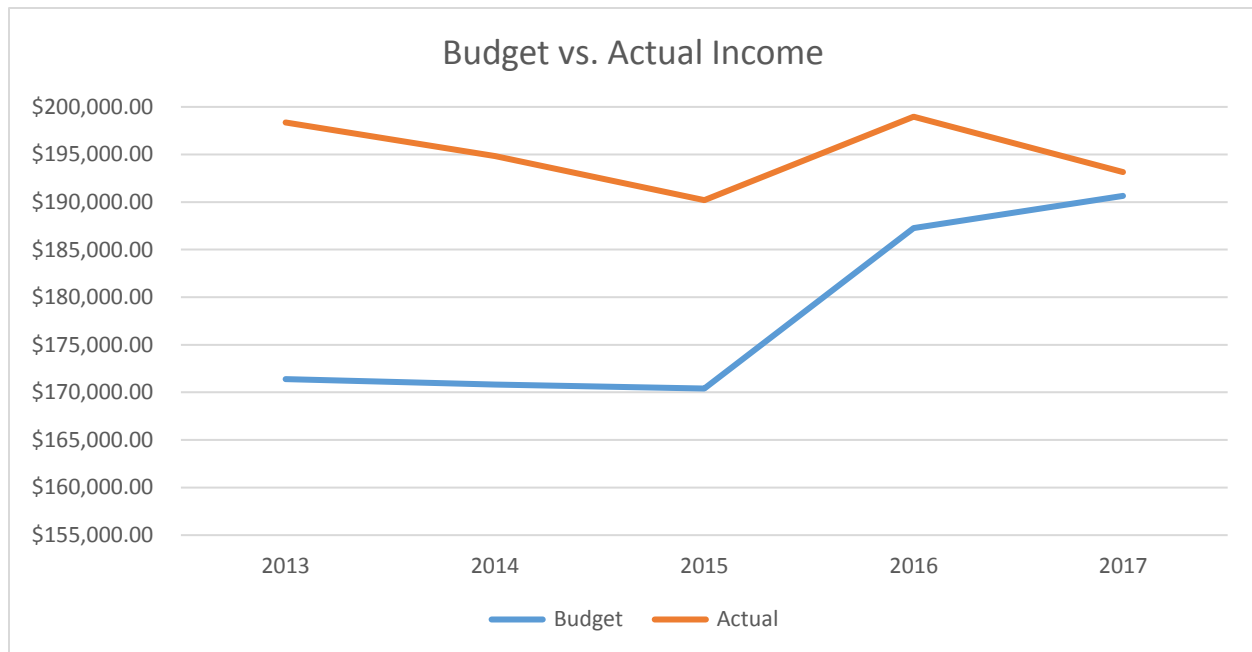


Though the net result of our 2017 performance was a modest drawdown of our reserve account, CAMU's **year-end reserves are \$81,911 over** our required reserve threshold and still higher than our 2014 and 2015 year-end reserves.

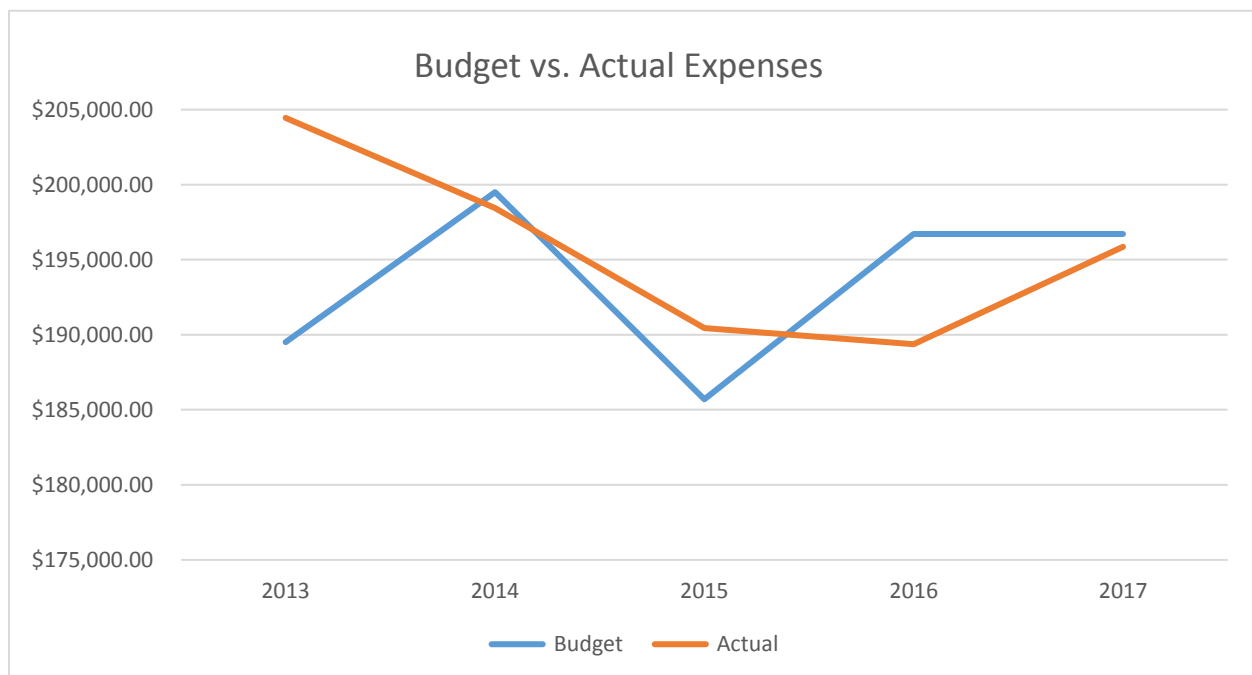


CAMU 2017 Year End Financial Report

CAMU's 2017 income exceeded its budget targets by taking in **\$2,500 more** than anticipated. This performance was driven by annual conference revenues exceeding estimates by over \$3,400.



Our 2017 total expenses came in just under budget as we spent **\$861.43 less** than anticipated. However, our 2017 administrative costs and member meetings expenses exceeded their annual targets. The exceedance in administrative costs are the result of a mid-year change in accounting that scored online conference registration fees as a bank charge as opposed to a conference expense. And the costs of holding meetings in Estes Park and Colorado Springs exceeded our targets because we were unable to rely on local utility member meeting space and instead had to rent private meeting space.





Colorado Association of Municipal Utilities

STATEMENT OF ACTIVITY BY MONTH

January 2018

	TOTAL	
	JAN 2018	JAN 2018 (YTD)
Revenue		
Affiliated Members	400.00	400.00
PUC Tracking Assessment	3,333.00	3,333.00
Assessments & Dues		
Associate Member Assessments	6,256.71	6,256.71
Municipal Members	61,737.78	61,737.78
Total Assessments & Dues	67,994.49	67,994.49
Total Revenue	\$71,727.49	\$71,727.49
GROSS PROFIT	\$71,727.49	\$71,727.49
Expenditures		
Communications	29.00	29.00
Memberships	275.00	275.00
Legal & Legislative Contingency	838.03	838.03
Administrative and General Expenses		
Bank Fees	27.78	27.78
Office/General Administrative Expenditures	984.84	984.84
Total Administrative and General Expenses	1,012.62	1,012.62
Annual Conference Expenses	1,300.00	1,300.00
Lobbyist Contract	2,866.67	2,866.67
Total Expenditures	\$6,321.32	\$6,321.32
NET OPERATING REVENUE	\$65,406.17	\$65,406.17
Other Revenue		
Interest Earned	32.65	32.65
Total Other Revenue	\$32.65	\$32.65
NET OTHER REVENUE	\$32.65	\$32.65
NET REVENUE	\$65,438.82	\$65,438.82



Colorado Association of Municipal Utilities

A/R AGING SUMMARY

As of January 31, 2018

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
(Assoc.) ARPA	3,752.07					\$3,752.07
Aspen	2,473.40					\$2,473.40
Colorado Springs Utilities	54,137.35					\$54,137.35
Delta	2,010.07					\$2,010.07
Fort Collins	22,539.88					\$22,539.88
Granada	214.74					\$214.74
Haxtun	379.99					\$379.99
Holyoke	882.92					\$882.92
Lyons	542.90					\$542.90
Trinidad	1,817.92					\$1,817.92
Yuma	1,163.27					\$1,163.27
TOTAL	\$89,914.51	\$0.00	\$0.00	\$0.00	\$0.00	\$89,914.51

HB18-1061 **No Encryption Of Dispatch Radio Communications**

Comment:

Position: **Monitor**

Short Title: No Encryption Of Dispatch Radio Communications

Sponsors: K. Van Winkle

Status: 1/10/2018 Introduced In House - Assigned to State, Veterans, & Military Affairs
1/18/2018 House Committee on State, Veterans, & Military Affairs
Postpone Indefinitely

HB18-1085 **Health Effects Industrial Wind Turbines**

Comment:

Position: **Monitor**

Short Title: Health Effects Industrial Wind Turbines

Sponsors: P. Lundeen

Status: 1/18/2018 Introduced In House - Assigned to Transportation & Energy

HB18-1107 **Prewire Residence For Electric Vehicle Charging Port**

Comment:

Position: **Monitor**

Short Title: Prewire Residence For Electric Vehicle Charging Port

Sponsors: M. Weissman / K. Priola

Status: 1/18/2018 Introduced In House - Assigned to Transportation & Energy

<u>HB18-1128</u>	Protections For Consumer Data Privacy
Comment:	
Position:	Monitor
Short Title:	Protections For Consumer Data Privacy
Sponsors:	C. Wist J. Bridges / L. Court K. Lambert
Status:	1/19/2018 Introduced In House - Assigned to State, Veterans, & Military Affairs
Amendments:	
Bill Version:	Introduced

<u>SB18-003</u>	Colorado Energy Office
Comment:	
Position:	Monitor
Short Title:	Colorado Energy Office
Sponsors:	R. Scott
Status:	1/10/2018 Introduced In Senate - Assigned to Agriculture, Natural Resources, & Energy 1/18/2018 Senate Committee on Agriculture, Natural Resources, & Energy Refer Amended to Appropriations

<u>SB18-009</u>	Allow Electric Utility Customers Install Energy Storage Equipment
Comment:	The bill only applies to IOUs.
Position:	Monitor
Short Title:	Allow Electric Utility Customers Install Energy Storage Equipment
Sponsors:	K. Priola S. Fenberg
Status:	1/25/2018 Senate Committee on Agriculture, Natural Resources, & Energy Lay Over Unamended - Amendment(s) Failed 2/1/2018 Senate Committee on Agriculture, Natural Resources, & Energy Refer Amended to Senate Committee of the Whole 2/7/2018 Senate Second Reading Passed with Amendments - Committee, Floor

<u>SB18-047</u>	Repeal Tax Credits Innovative Vehicles
Comment:	
Position:	Monitor
Short Title:	Repeal Tax Credits Innovative Vehicles
Sponsors:	V. Marble / L. Saine
Status:	1/10/2018 Introduced In Senate - Assigned to Finance 2/6/2018 Senate Committee on Finance Refer Unamended to Appropriations
<u>SB18-064</u>	Require 100% Renewable Energy By 2035
Comment:	This bill is a messaging bill and CAMU will oppose. The rate setting language pertaining to municipal net metering violates the State Constitution.
Position:	Oppose
Short Title:	Require 100% Renewable Energy By 2035
Sponsors:	M. Jones / M. Foote
Status:	1/12/2018 Introduced In Senate - Assigned to Agriculture, Natural Resources, & Energy 2/1/2018 Senate Committee on Agriculture, Natural Resources, & Energy Postpone Indefinitely
<u>SB18-117</u>	Collect Long-term Climate Change Data
Comment:	
Position:	Monitor
Short Title:	Collect Long-term Climate Change Data
Sponsors:	K. Donovan / C. Hansen
Summary:	The bill requires the department of public health and environment to collect and report on greenhouse gas emissions data
Status:	1/29/2018 Introduced In Senate - Assigned to State, Veterans, & Military Affairs

SB18-128**Legislative Approval For State Agency Fee Increase**

Comment:

Position: **Deliberating**

Short Title: Legislative Approval For State Agency Fee Increase

Sponsors: B. Gardner / L. Liston

Status: 1/29/2018 Introduced In Senate - Assigned to Finance

SJM18-002**Eliminate Energy Subsidies**

Comment:

Position: **Monitor**

Short Title: Eliminate Energy Subsidies

Sponsors: M. Jones / M. Foote

Summary: *** No bill summary available ***

Status: 1/12/2018 Introduced In Senate - Assigned to Agriculture, Natural Resources, & Energy
1/25/2018 Senate Committee on Agriculture, Natural Resources, & Energy Postpone Indefinitely

Annual projects

During the past few months I have worked on the following annual projects:

- Closing-out the 2017 Books

I am pleased to report that CAMU closed out 2017 by beating its budget estimates for both revenues and expenses. While we did experience a net loss annual loss of approximately \$3,000 (our 2017 meeting locations were really expensive!), this figure was significantly under our projected 2017 targets and CAMU enters 2018 with over \$131,000 in reserves (which exceeds our required reserves target by over \$80,000). All-in-all CAMU enters 2018 in a very strong financial position.



- 2018 Annual Conference

Planning continues for our 2018 Annual Conference which is scheduled to be held in VERY NEAR Gunnison, CO! Our preferred meeting venue at Western State Colorado University was unable to accommodate us and we had to scramble to find another venue. Working with Will Dowis and his team in Gunnison, we were able to secure meeting space just up the road at the Crested Butte Mountain Resort. We have signed a contract with the resort and are all set for meeting space July 11-13 event!



Representation

Since we last met in October, I have represented CAMU in the following ways:

- All things 811. I have been very active in representing CAMU's interests in the ongoing discussions surrounding Colorado 811. The effort to reform Colorado's 811 laws are being led by Colorado State Senators Ray Scott (R-Grand Junction) and Kerry Donovan (D-Vail). I participated in community stakeholder meetings held by the Senators in Arvada and Glenwood Springs on December 19 and 20 and was joined at the Glenwood meeting by Doug Hazzard and Dave Hornbacher. (CAMU owes a great deal of thanks to Dave for his continued follow-up work with Senator Donovan to ensure that our issues remain on her radar). I have led the coalition comprised of CAMU, Colorado Springs, CML and Denver Water which is seeking to protect municipal interests in the bill draft. We expect introduction this week and I will be working vigorously to ensure our interests are protected as the bill advances.



Executive Director's Quarterly Report 1st Quarter 2018

Welcome Wiggins!

I am pleased to announce that the community of Wiggins, CO has joined CAMU as an Affiliated Member, joining Berthoud, Boulder, and Raton, NM as an affiliated CAMU community. As more and more Colorado communities explore their electric resource future, CAMU continues to stand-out as a credible and reliable source of information on Public Power in Colorado.



Upcoming Key Events

Between now and our May 11 meeting, I plan to represent CAMU at the following events:

- Continued advocacy at the General Assembly (through May 09)
- APPA CEO meeting (February 11-13)
- CML Policy Committee (February 16)
- APPA Legislative Rally in Washington, DC (February 25-28)
 - APPA Advisory Committee
 - APPA PowerPAC Board of Directors
 - APPA L & R Committee Vice Chair
 - Hill visits with Congressional Staff
- NMPP Annual Meeting—Thanks for inviting me back! (March 27)