



IRRIGATION & ELECTRICAL DISTRICTS ASSOCIATION OF ARIZONA, INC.

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SHANE LEONARD – PREDIDENT ELSTON GRUBAUGH – VICE-PRESIDENT NOEL CARTER – SECRETARY DONOVAN NEESE – TREASURER

IEDA BOARD MEETING MINUTES - Draft February 21st, 2023 – 2:30 PM

A meeting of the Board of Directors of the Irrigation & Electrical Districts Association of Arizona, Inc. (“IEDA”) was held on February 21, 2023.

The following IEDA Members were present:

Andrew Campbell- Roosevelt Water Conservation District (Virtual)
Ed Gerak - IEDA Executive Director
Sheri Farag – SRP
Darrin Francom - CAP
Elston Grubaugh – Wellton-Mohawk, Vice-President (Virtual)
Daniel Herder – Clark-Hill
Taylor Howerter– RID
Leslie James – CREDA
Dan Jones – ED4
Jimmy Kendrick – Western Area Power Administration
Patrick Ledger – AEPCO
Shane Leonard – Roosevelt Water Conservation District, President
Ron McEachern – ED4 (Virtual)
Doug Milligan – SRP (Virtual)
Jason Moyes – Moyes, Sellers, Hendricks (Virtual)
Donovan Neese – RID, Treasurer
Jeff Ritter – CAP
Scott Saline - KR Saline (Virtual)
Meghan Scott - Nobel Law Firm (Virtual)
John Scremin - Roosevelt Water Conservation District
Ryan Serote – Meguire Whitney (Virtual)
Russell Smoldon - B3 Strategies
John Sullivan – Arizona Power Authority
Jim Sweeney – Arizona Power Authority
Sheryl Sweeney – Clark-Hill
Bill Van Allen – ED6 (Virtual)
Shelton Van Allen – ED6 (Virtual)
Robert VanHofwegen – ED8 (Virtual)
Glen Vortherms – MWD (Virtual)
Jeff Woner – KR Saline (Virtual)
Brian Yerges – ED3 (Virtual)
Brian Young (Virtual)

President Leonard called the meeting to order at 2:45 P.M.

Ryan Serote provided an overview of the recent IEDA visits with the Arizona Delegation. IEDA was able to meet with the entire delegation (minus Grijalva), as well as Kiel Weaver and Anick Miller with Water, Wildlife and Fisheries. IEDA was able to get facetime with multiple members (Sinema, Kelly, Ciscomani, Gosar and Lesko). We were back seeking support of the Kelly/Stewart bills, highlighting the impact of drought to Arizona, as well as transformer supply-chain issues, natural gas pipeline concerns, PRB's and the Hoover Waste Site. President Leonard was back in DC at the same time on behalf of RWCD, and we were able to tag-team on messaging for multiple issues. Ryan also covered the potential for another supplemental bill (for California, Ukraine or both) and how the new congress is dealing with the debt ceiling. Early indications are that energy and water appropriations will be much less this year, so stay tuned. IEDA plans to submit a report language ask, as well as a \$5M ask for the Hoover Waste Site. President Leonard shared that some offices were interested in providing opportunities for non-Bureau districts.

Russel Smoldon provided an update on all the bills of relevance or concern for IEDA at the Capital. It is the 44th day of the legislation. The Governor's office is still trying to appoint people, but has stooped up their resiliency office (taking the place of the energy office). There were 1,528 bills introduced this session (809 in the House & 719 in the Senate). Of those bills, 118 were election bills. Russell covered water and power bills relevant to IEDA, including S1390, which is a technical correction bill for Water Infrastructure Finance Authority. He also discussed a critical infrastructure damage bill and two transmission line bills. Finally, Russell highlighted S1501, which prevents utilities from participate an electric vehicle charging station.

Moving into water issues, Ed highlighted that the new 'Waters of the United States' was published in the Federal Register Notice on Jan. 18 and be in effect on March 20th. Despite its reported desire to be "durable" and "clear", modified definitions will likely result in the need for costly consultants to determine whether your project meets the "significant nexus" and "relatively permanent" standards. The new WOTUS includes a severability clause, likely an attempt to maintain the rule even if a SCOTUS decision on Sackett vs. EPA invalidates part of the new rule.

Despite the WIFA Board agreeing to move forward in negotiations with IDE on a desalination plant in Mexico, the Sonoran Governor stated that they would never work with that company due to their lack of ethics.

The Supplemental Environmental Impact Statement for the Colorado River System operations resulted in a 6-state letter acknowledging the need for the accounting of system losses in the Lower Basin. California, the lone holdout, submitted their own letter highlighting everything they had done to date and the need to adhere to the priority system for reductions. The SEIS is likely to be out in April and it is expected that the federal government will need to take action.

A pre-scoping report for the Post-2026 River Ops was discussed. A majority of those commenting were from Arizona.

Regarding power issues, Ed highlighted the recent letter from Jordy Fuentes with the APA regarding RECs the Post-Retirement Benefits and Hoover Dump Site issues.

Leslie James provided an update on the small mouth bass issue and the push to by-pass flows for temperature. The bypass would likely crash the Basin Fund, resulting in a cost recovery charge. SRP has identified small mouth bass as a risk to grid reliability. It would reduce their amount of excess resources down to 20 MW.

Mr. Gerak covered the other issues regarding power, including the resignation of the APPA CEO, the release of the Udall Report and an overview of the WAPA Annual Customer Meeting.

Moving into the Board Meeting, a motion was requested for approval of the minutes for the November 15th, 2022 board meeting. Donovan Neese made a motion to approve the minutes from November 15th, 2022 board meeting. DeWayne Justice seconded the motion. A vote was called for and the motion passed.

Ed Gerak requested approval of the engagement letter with Clark-Hill. The rationale for the ask is for consideration of assuming a PAC and the legal process to accomplish this task. Other issues can be addressed as needed. DeWayne Justice made a motion to authorize IEDA to sign the engagement letter. Shane Leonard seconded the motion. A vote was called for and the motion passed.

The final items on the agenda were for information only. They included the AEPCO letter and the results of the meeting with WAPA this morning regarding moving the CRSP system into SPP. Russell and Ed met in February to continue the Unification discussion. A meeting of the committees will be scheduled for mid to late March. Tyler Howerter provided a review of the first two classes of the IEDA Leadership Program. Finally, Ed reviewed the financial position of IEDA after 2022 and asked if there were any questions regarding the report.

The next meeting will be on March 21st, 2023.

Meeting was adjourned at 4:35 PM.