



IRRIGATION & ELECTRICAL DISTRICTS ASSOCIATION OF ARIZONA, INC.

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GLEN VORTHERMS – PRESIDENT ROBERT VANHOFWEGEN – VICE-PRESIDENT NOEL CARTER – SECRETARY DONOVAN NEESE – TREASURER BRIAN FICKETT – AT-LARGE ELSTON GRUBAUGH - AT-LARGE

IEDA BOARD WORK SESSION MEETING MINUTES - Draft

April 16, 2024 – 12:00 PM

A meeting of the Board of Directors of the Irrigation & Electrical Districts Association of Arizona, Inc. (“IEDA”) was held on April 16th, 2024.

The following IEDA Members attended the meeting:

Mitch Basefsky – CAP (Virtual)
Noel Carter – BWCDD
Andrew Campbell – RWCD (Virtual)
Heather Cole – Arizona Power Authority (Virtual)
Ben Engleby – AEPCO (Virtual)
Sheri Farag – SRP (Virtual)
Brian Fickett – TOUA (Virtual)
David Fitzgerald – AEPCO (Virtual)
Jordy Fuentes – Arizona Power Authority
Ed Gerak - IEDA Executive Director
Elston Grubaugh – Wellton-Mohawk (Virtual)
Daniel Herder – Clark-Hill
Taylor Howerter – RID
DeWayne Justice – ED7
Jason Moyes - TID, HVPD, Aguilla (Virtual)
Meghan Scott -
Donovan Neese – RID
Brent Osiek – WAPA (Virtual)
Emily Rice – B3 Strategies (Virtual)
Ken Saline – KR Saline & Associates (Virtual)
Scott Saline – TID, HVPD, Aguilla
Meghan Scott - (Virtual)
John Scremin – RWCD (Virtual)
Russell Smoldon – B3 Strategies
Glenn Steiger – NTUA/Guest (Virtual)
Sheryl Sweeney, Clark-Hill
Robert Van Hofwegen – ED8
Glen Vortherms – MWD, IEDA Board President (Virtual)
Jeff Woner – Ocotillo (Virtual)

Vice-President Van Hofwegen called the meeting to order at 12:04 P.M.

Based on a roll call, a quorum was established.

Vice-President Van Hofwegen welcomed Brent Osiek to the meeting. Brent provided an overview of market developments in the West, and discussed WAPA-CRSP's participation with SPP. Brent shared that WAPA is investigating setting aside 230 MW of transmission from Glen Canyon Dam in conjunction with the Pseudo-Tie alternative that WAPA has committed to. Because the pseudo-tie will keep lower division customers out of the market, pseudo-tie customers would not receive the Federal Service Exemption and be exposed to losses. The proposed idea is a Constrained Flow Path, which would carve out that portion of the line from SPP. The board discussed the phase shifters, SPP's embedded entities meetings and City of Page situation. IEDA thanked Brent for his presentation.

Moving into the board actions, a motion was requested for approval of the minutes for the March 26th, 2024. Noel Carter made a motion to approve the minutes. DeWayne Justice seconded the motion. A vote was called for and the motion passed.

Mr. Gerak discussed the LTEMP FEIS and the impacts of the proposed alternatives. This discussion is a carryover from the discussion held at the Arizona Power Authority meeting prior to the IEDA meeting. Leslie James (CREDA) put out a inquiry regarding members' willingness to pursue litigation. CREDA has a by-law requirement for 100% unanimous consent to enter litigation. It was discussed that it might be difficult to gain unanimity from CREDA, but IEDA should be supportive. Possible strategies were discussed regarding NEPA litigation.

The board asked if a formal motion was required. Mr. Gerak stated that the FEIS would not come out until May 16th, which will give us time to revisit it at the next meeting, but the direction given by the board at this time to be supportive was sufficient.

Mr. Gerak asked if any board members would be interested in forming an ad-hoc committee for the Annual Meeting. Vice-President Van Hofwegen and Treasurer Neese offered to participate.

Vice-President Van Hofwegen turned the time over to President Vortherms for the President's Prerogative. The discussion revolved around how IEDA should handle the SPP issue moving forward, and how to engage members when possible catastrophic issues are on the horizon. Regarding moving forward, the board suggested continuing to stay engaged in the process, primarily through the power committee. Regarding getting engagement earlier in the process, the board recommended ringing the bell louder. They also recommended scheduling a more in-depth discussion at a future meeting regarding markets and the pseudo-tie.

Treasurer Neese provided the finance report. With the addition of two new members and the investment strategy implemented in March, IEDA has closed the budgetary shortfall of \$25K to \$12K. This is based on setting all expenses at budget at year-end. Mr. Gerak continue to work to secure SCIP dues, but they have committed to a 5 Year extension as members, as well as pursuing other prospective members.

Mr. Gerak provided an update on federal issues. He spent time in DC last week lobbying to get a hearing for the Help Hoover Dam Act. He met with Senate ENR, House NR-WWF, Senator Kelly's office, and the offices of Representative Biggs, Ciscomani, Crane, Gallego, Lesko and Stanton. Senator Sinema's office was swamped due to appropriations, but Chris Phalen said he would make a hearing request the week of the 16th. Melanie Thorton (Senate ENR) is out on

maternity leave until July, so there won't be the possibility of any hearings until after that. Annick Miller mentioned that they have sufficient bills to have a BOR hearing (May or June), and the fact that our bill is sponsored by a democrat in the house will help balance out their slate of bills. I offered to testify at the hearing. Congresswoman Lesko offered to be a visitor to the committee when it is heard.

Mr. Gerak also discussed the LTEMP SEIS issue, Post 2026, the DOE distribution transformer standard, as well as laying the groundwork on possible Visitor Center legislation next year. Hoover would need an exemption from the Federal Land Recreation Enhancement Act to charge entry fees. This could save the customers over \$5M/year.

Mr. Gerak updated the board regarding issues that have state and federal implications, like the recent Arizona abortion ban, Secretary Mayorkas impeachment, Representative Greene's threat to issue a motion to vacate, FISA vote and RFK Jr. admitting to be a spoiler in the 2024 election.

Russell Smoldon provided a report to the members of all the activity going on at the state legislature. It was the 100th day of the legislative session, 154 bills have been signed so far, and 16 vetoed. Two issues have been referred to the ballot. The Arizona abortion ban has threw politics into chaos at the state Capitol.

The budget negotiations continue to lag due to projected shortfalls. The governor wanted to delay negotiations until the March numbers were released. This has closed the previous estimate of a \$2.2B shortfall over the next two years. The new expectation is closer to \$1.8B. April 16th was the deadline for filing signatures for the upcoming election.

Russell Smoldon has continued to track multiple water, power and governance issues that impact IEDA. These include SB1345 (APA), HB2002 & HB2003 (Transmission Lines), HB 2481 & 2593 (Governance), and HB 2184, 2186, 2647, & SB1072, 11081, 1221 (Water).

Noel Carter provided a report on the Water Committee, focusing on some state water bills that he is concerned with. He provided a quick update on hydrology, an update on the Post-2026 situation, and WIFA. Mr. Gerak discussed the PFAs standard being introduced by EPA.

The power committee report was included in the board report. For the sake of time, Mr. Gerak asked if there were any questions regarding the board report.

Vice-President Van Hofwegen opened the floor to member comments. Elston Grubaugh asked if anyone has been approached regarding EV infrastructure requests from developers. Given the EV infrastructure mandate for charging stations every 50 miles.

The meeting was adjourned at 2:15 P.M.