**PLATTE RIVER POWER AUTHORITY**

**Minutes**

**Annual and Regular Meeting of the Board of Directors**

**Thursday, February 25, 2010**

The Platte River Power Authority Board of Directors' meeting convened at 9:00 a.m. on Thursday, February 25, 2010, in the Platte River Power Authority boardroom.

BOARD MEMBERS:

*Present:* Mayor Bill Pinkham and Bob Goehring of Estes Park; Mayor Doug Hutchinson and Brian Janonis representing Fort Collins; Mayor Cecil Gutierrez (Secretary) and Ralph Mullinix (Chairman) representing Loveland; and Mayor Bryan Baum and Tom Roiniotis representing Longmont.
*Absent:* None
*Quorum present?* Yes

PRESENT FROM PLATTE RIVER'S MANAGEMENT STAFF:

General Manager, Brian Moeck; and General Counsel, Joe Wilson. Division Managers: John Bleem, Customer & Environmental Services; Mike Dahl, Electric Operations; Jason Frisbie, Power Production; and Dave Smalley, Financial Services.

OTHER PLATTE RIVER STAFF IN ATTENDANCE:

Executive Assistant, Esther Velasquez; Controller, Ed Doherty; Energy Services Manager, Paul Davis; and Human Resources Manager, Dave Green.

GUESTS AND MEMBERS OF THE PUBLIC:

City of Fort Collins Customer and Employee Relations Manager, Patty Bigner. Fort Collins Utilities Light & Power Manager, Steve Catanach. City of Loveland Electric Department Manager, Bob Miller. City of Loveland Administrative Assistant, Lindsey Bashline. Town of Estes Park Utilities Engineer, Reuben Bergsten. Eric Sutherland and Fred Kirsch of Fort Collins. Richard Quigley of Longmont.

**ACTIONS:**

**(1) Call to Order.** Chairman Mullinix convened the meeting at 9:00 a.m., and welcomed guests.

**(2) Approval of the Regular Meeting Minutes of December 10, 2009.**

Director Gutierrez moved to approve the meeting minutes of December 10, 2009; Director Hutchinson seconded the motion. Motion passed 7-0. Mayor Bill Pinkham abstained because he was not at the December meeting.

**(3) Public Comment.** The Chairman welcomed members of the public to offer comments.

Mr. Eric Sutherland of Fort Collins encouraged the Board of Directors to find common ground on the contracts [Organic Contract and Power Supply Agreements] and end the negotiation process. Secondly, Mr. Sutherland encouraged the Board to consider revising rate tariffs to allow for availability or time-of-day pricing. He also stated that investments in energy efficiency should be quantified to ascertain the economic value and return on investments.

Mr. Richard Quigley of Longmont provided handouts to Board members. Included were photos of the new Longmont transmission line poles. Mr. Quigley said that the right-of-way easement granted to Tri-State Generation and Transmission Association, Inc. allows for the replacement of poles that are the same type and design, and argued that the new poles are larger and are a different color (rust). Mr. Quigley does not believe the poles are the same type and design and the rust color does not blend into the surroundings. Moreover, he believes that the new poles are not attractive to the City of Longmont. Mr. Quigley believes the new line will have a negative economic impact on home values in the surrounding area. Additionally, Mr. Quigley is concerned about acceptable electromagnetic field (EMF) levels and does not believe that upgrading the existing lines is necessary at this time. Mr. Quigley asked the Board to consider undergrounding the lines as a solution.

Chairman Mullinix stated that staff would respond to questions/concerns at the next Board of Directors meeting.

**(4) Consent Agenda.** There were three items on the consent agenda.

(a) Transfer of 2009 Capital Budget Carryover to 2010 Budget
(b) Incorporation into the Record of Resolution 26-09 (2010 Regular Meeting Schedule)
(c) City of Fort Collins Dark Fiber Lease Revenues Letter of Thanks

Director Pinkham moved to approve the consent agenda; Director Gutierrez seconded the motion. Motion passed 8-0.

**(5) Items pulled from the Consent Agenda.** None.

**(6) Platte River Power Authority Annual Meeting**

(a) **Election of Officers.** Nominations for new officers for 2010 were opened. Current officers are Ralph Mullinix, Chairman; Doug Hutchinson, Vice-Chairman; Cecil Gutierrez, Secretary; Dave Smalley, Treasurer; and Brian Moeck, General Manager. Authorized assistant officers are Joe Wilson and Esther Velasquez.

Director Roiniotis moved to keep the current officers and assistant officers and adopt Resolution No. 1-10—Election of Officers. Director Pinkham seconded the motion. Motion passed 8-0.

(b) **Appointment of Retirement Committee Members.** Nominations for Retirement Committee members were opened. Current Retirement Committee Director Members are Bryan Baum, Doug Hutchinson, Ralph Mullinix, and Bill Pinkham. Management members are Brian Moeck and Dave Smalley.

Director Gutierrez moved to keep the current committee members and management members and adopt Resolution No. 2-10—Appointment of Retirement Committee Members. Director Hutchinson seconded the motion. Motion passed 8-0.

(c) **Appointment of Audit Committee Members.** Nominations for Audit Committee members were opened. Current Audit Committee Director members are Brian Janonis, Bob Goehring, and Tom Roiniotis.

Director Hutchinson moved to keep the current committee members and adopt Resolution No. 3-10—Appointment of Audit Committee Members. Director Gutierrez seconded the motion. Motion passed 8-0.

(d) **2009 Financial Review.** Controller, Ed Doherty, provided a review of the December financials and the 2009 year-end review. A lot was accomplished in 2009, but not without financial challenges.

2009 Highlights:

- Rawhide Unit 1 set all-time generation records: highest generation output, highest capacity factor, and highest availability. It was a very good year for Rawhide.
- Issuance of the Series HH construction bonds occurred in February.
- There was significant spending in 2009 for the transmission upgrade projects. The projects are now about half way completed.
- Redemption of the Series S-1 variable rate debt occurred in April.
- NERC Cyber and Physical Critical Infrastructure Protection measures were implemented.
- Demand side management programs were expanded.
- Depressed operating revenues were partially offset by below budget operating expenses.

Municipal sales were down, milder weather suppressed load, peaks were down, surplus sales prices were down, and interest rates were down. All this was partially offset by the management of operating expenses.

**Net income** ended the year at $10.9 million, which is $4.4 million lower than budget. This included a net unrealized holding loss on investments of $1.4 million.

**Operating revenues** were $7.7 million below budget primarily due to lower than projected municipal sales and below budget contract and surplus sales. Municipal revenues were down $7.4 million due to a five percent reduction in energy deliveries and a six percent reduction in billing demand. Usage lagged the most during the peak summer months: 58 MW in June, 76 MW in July, and 60 MW in August. Tri-State took less power than projected from the peaking units and supplied their own gas under the contract sales agreement. Short-term surplus sales revenues came in $1.8 million above budget. However, the average price was 28 percent lower than budgeted. Wheeling revenues came in slightly above budget.

**Interest and other income** was $1 million below budget due to lower-than-budgeted interest earnings on investments resulting from lower cash reserves and lower interest rates. Federal funds and the two-year treasury rates dropped significantly from December of 2007 to December of 2009.

**Operating expenses** excluding depreciation totaled $120.3 million and were $4.7 million below budget. Purchased power was right at budget. Fuel was $1.5 million below budget due to lower natural gas usage for the peaking units. Operations and maintenance expenses were $2.4 million below budget and administrative and general expenses were $0.8 million below budget due to cost-cutting efforts.

**Debt expense** was $2.8 million below budget primarily due to lower interest expense resulting from redeeming the S-1 Bonds in April. Debt coverage was 1.79 times as compared to a budget of 1.77 times.

**Capital expenditures** totaled $63.2 million and were $48.6 million below budget due to scheduling changes resulting from the delay in the debt financing.

Director Mullinix commented that the year was a difficult year financially primarily due to cooler weather. If revenues were down due to energy efficiency then rates will likely be raised to offset the loss in revenues—an interesting conundrum to consider in coming years.

**(7) Legal Counsel Report.** The General Counsel mentioned the following items:

**Ballot initiatives.** Recently the Colorado Supreme Court found Amendment 54 to be unconstitutional. The amendment placed limits on campaign contributions made by entities that had sole source contracts with Colorado political subdivisions. Once the unconstitutional elements were removed, the Court determined that nothing of value remained in the initiative. This initiative created challenges for Platte River during the Series HH bond issuance. Essentially, the underwriting team was sole sourced, which lead to new language being added to the bond documents. Citibank, the underwriting team, has thousands of individuals at executive levels that required political contribution tracking. Early on in the issuance process, this appeared an insurmountable obstacle in the bond issuance. Additional discussion of pending ballot initiatives occurred during the legislative report.

**Potential 1041 review** of the Dixon Creek to Horseshoe transmission line upgrade project in south Fort Collins. Two portions of the project were approved through the location and extent process prior to the implantation of 1041 regulations by Larimer County. Platte River did not seek location and extent review for the third portion of the line because it belongs to Western Area Power Administration (WAPA) and would essentially be a rebuild of the current line. Since the line belongs to the federal government, Larimer County agreed that it does not have jurisdiction over the line.

**Organic contract and power supply agreements.** Draft agreements were presented to all four municipalities in 2008. The Estes Park and Longmont city councils approved the agreements as presented. In March 2009, Fort Collins City Council approved a modified version of the Organic Contract and Power Supply Agreement. Subsequently Loveland approved the version previously approved by Estes Park and Longmont. A study session was held before the Fort Collins City Council in December of 2009 and a Councilmember suggested compromise language.

The new Fort Collins language was brought before the Loveland Utilities Commission, which made additional modifications. Counsel distributed a copy of the Organic Contract as modified by the Loveland Utilities Commission. Counsel also provided a copy of the Fort Collins Power Supply Agreement that does not contain language reflecting Platte River's willingness to discuss municipal generation in excess of one percent *de minimis* generation; however, Counsel will add the language as it seems agreeable by all parties.

Essentially all four municipalities have approved the contracts; However, Estes Park, Longmont, and Loveland approved the agreements as presented in 2008. Fort Collins approved the agreements after modifications they made in March of 2009.

Director Mullinix stated that the Loveland Utilities Commission noted Fort Collins' desire to have additional environment language added to the Organic Contract, but the Commission expressed continued concern over redundancies. The Commission expressed the view that the language "in a reliable, environmentally responsible, and cost effective manner" is sufficient and if the other municipalities agree, then the Commission would recommend approval by the Loveland City Council.

Director Pinkham stated that Estes Park has reviewed the language and is in agreement, but still has reservations about the potential interpretation of "environmentally responsible."

Director Hutchinson stated that the Fort Collins Council did not object to removing redundant language.

The General Manager inquired as to the status of any municipal generation projects currently under development in the municipalities that are solely dependent upon the approval of the power supply agreements. At this time, no projects have been delayed because of contract negotiations.

Director Baum stated that the contracts should be succinct.

**(8) Legislative and Regulatory Update.** The General Manager reported on the following items:

**Federal.** Health care continues to be the main topic of discussion in Washington. Nonetheless, climate change is still on the horizon. Senator Graham of South Carolina along with Senators Lieberman and Kerry co-sponsored a bill that combines energy independence and climate change. A draft clean energy standard bill expands on a senate committee approved Federal Renewable Energy Standard bill. Senator Graham expands qualified resources to include nuclear and advanced clean coal (65 percent $CO_2$ removal or more). The Renewable Energy Standard requirements would be 13 percent renewable between 2012 and 2014, increasing to 15 percent between 2015 to 2019, and continue to increase by five percent at 5-year intervals. Energy efficiency would count toward renewable obligations under this bill up to 25 percent of the required obligation. Senator Graham is also promoting offshore and onshore drilling to reduce foreign sources of energy (though this is not included in this bill).

**State Legislative Issues.** Jon Little, Marketing and Community Relations Manager, provided information on current state issues of interest. The Colorado Association of Municipal Utilities (CAMU) legislative report was provided to Board members.

HB1001 – This bill would increase the renewable energy requirements for investor-owned utilities from 20 percent of sales by 2020 to 30 percent of sales by 2020. It also sets new requirements for distributed renewable energy. The bill has passed the House and has been introduced to a committee in the Senate. CAMU is only monitoring the bill because it expressly exempts municipal owned utilities from any new Renewable Energy Standard requirements.

HB1042 – Requires the Air Quality Control Commission to produce a new annual public report on stationary industrial emission sources permitting. The bill has passed the House and has been introduced in a Senate committee. CAMU's position is to monitor the bill. A beneficial aspect of the bill may be to provide additional staff to expedite permitting activities.

HB1162 and SB116 – Are bills that are being supported by the construction contracting industry. The bills were developed to address contracting terms and speed up payments received by the State of Colorado. CAMU opposes the bill based on the premise that contracting issues are best resolved between the parties involved in the contracts.

SB134 – Would create a 2-to-1 multiplier for Renewable Energy Credits earned as a result of installing eligible distributed electric generation facilities that interconnects to existing electric transmission or distribution facilities owned by a Colorado cooperative electric association or municipal utility. CAMU's stance is to monitor this bill.

Director Roiniotis mentioned that focusing on a Renewable Portfolio Standard rather than on $CO_2$ reductions seemed redundant and inconsistent.

The General Counsel mentioned in more detail the ballot initiatives brought up during the General Counsel Report. Three tax and public finance issues will be covered in three ballot initiatives on the November ballot. Initiatives 60 and 61 will affect municipalities and political subdivisions. The initiatives will amend the Colorado Constitution, so if adopted, would not be amenable to changes subsequently made by the legislature.

Amendment 60 would subject “enterprises” to property taxes. Currently, Platte River’s property is not subject to property tax.

Amendment 61 applies certain aspects of the TABOR amendment to enterprise finance. In particular, it would require an enterprise to seek a vote in November of any bonded debt. Since Platte River does not have jurisdictional boundaries, how would it conduct a vote to determine whether the public favors issuance of bonded debt? Secondly, any debt would be limited to ten years. Typically, Platte River finances over a thirty-year time period in order to bring down the carrying cost of the debt and to correlate the length of the debt period with the life of the facilities. Ratepayers in the first ten years will potentially subsidize ratepayers receiving benefit of those facilities after payment if this measure is adopted.

The General Manager mentioned that last week the Obama administration announced $8.3 billion dollars in loan guarantees to utilities in Georgia to backstop debt for two new 1100 MW nuclear units to expand an existing nuclear facility. Permitting will likely be complete in 12 to 18 months, with commercial operation around 2017. A new nuclear unit has not been added to the U.S. fleet since the 1970s.

Eight Democratic Senators sent a letter to Environmental Protection Agency Administrator, Lisa Jackson, expressing concern about the Environmental Protection Agency’s plan to regulate greenhouse gases under the Clean Air Act. Ms. Jackson responded, explaining the Environmental Protection Agency’s authority and obligation to issue rules for stationary sources. Essentially, there would not be any impact on stationary sources until 2011. The rules would not affect Platte River unless it were to modify an existing resource triggering a permit requirement, or if Platte River were to install a new generation resource.

**(9) Financial Reports, January 2010.** The Chief Financial Officer reported on the January financial results.

**Net income** for the month of January was $2.2 Million. This is $0.9 million above budget as the result of above budget operating revenues and below budget operating expenses.

**Operating revenues** totaled $16.3 million during January and were $0.4 million, or 2.6 percent, above budget. Municipal sales were $0.1 million below budget with below budget energy deliveries and billing demand. Short-term surplus sales were $0.5 million above budget for the month with higher-than-projected energy sales. Contract sales to Tri-State were right at budget for the month.

**Operating expenses** excluding depreciation in January were $10.9 million and were $0.6 million, or 4.9 percent, below budget. All operating expense categories except fuel reported below budget variances during the month. Fuel was $0.1 million above budget as a result of higher-than-projected output from the thermal generating units.

**Debt expense** of $2.7 million was right at budget for the month.

**Capital expenditures** were $7.3 million below budget for the month, less than $0.1 million behind budget.

**Resource output** from the thermal units during January was 4.5 percent above budget. Excellent operations were reported from both the Rawhide and Craig units. Rawhide Unit 1 reported a net plant capacity factor of 96.8 percent and the Craig units reported a combined net capacity factor of 95.2 percent. Wind generation produced 5,297 MWh and Rawhide Unit C operated for one partial day producing 378 MWh.

**(10) Climate Action Plan Update.** The Division Manager, Customer and Environmental Services provided some background on the initial development of the Platte River Climate Action Plan and discussed the status of $CO_2$ mitigation options.

Governor Ritter's office produced a statewide Climate Action Plan in 2007. The Governor appealed to electric generators to participate in a voluntary planning effort by developing a non-binding Climate Action Plan to meet the state's greenhouse gas emission reduction targets of 20 percent below 2005 emission levels by 2020 and 80 percent below 2005 levels by 2050. The Plans are specific to each utility's unique situation. The Platte River Board of Directors controls future budgetary decisions of the Plan.

In December 2008, the Platte River Board of Directors adopted a resolution committing Platte River to participate in the development of a Plan. In March of 2008, a consultant was hired to help develop the Plan. After Board review, Plan options were presented at public open houses, citizen boards, and to key account customers. The Platte River Climate Action Plan (CAP) was sent to the Governor's Energy Office by June 1, 2009, as requested.

Reduction targets outlined in the CAP could likely be met at the lowest cost to consumers by: (1) making changes to reserve sales, (2) expanding energy efficiency (demand side management) programs, and (3) expanding wind supplies. Rates (at wholesale) would increase approximately 16 percent as a result (more so if additional requirements are mandated by federal legislation or regulations). Longer-term options were not developed in depth due to the high degree of technological uncertainty.

Since Plan development, staff has attended various city council meetings and boards to discuss possible CAP options and associated costs. The Governor's Energy Office is still working on a combined report from all the generators that participated in Climate Action Plan development efforts.

As of 2005, Platte River produced about 3.5 million metric tons of $CO_2$. The three most cost effective measures would all reduce coal generation and reduce surplus sales, resulting in lower net revenues, which in turn would increase wholesale rates.

Going forward, staff will continue to research possible options and communicate the associated costs/rate impacts. Staff will also continue to monitor legislation and regulation, which could potentially have a significant impact on rates. The main emphasis for 2010 will be energy efficiency/demand side management programs, planning, and coordination.

The General Manager mentioned that Director Hutchinson had brought up the subject of a coal-fired generation exit strategy at the December Board meeting. Staff researched the possibility of a more detailed look at possible emissions reductions between 2020 and 2050. No significant new technological advances have become available since the development of the Climate Action Plan last year. The Board was asked to consider if they want to pursue study of additional $CO_2$ mitigation options beyond those identified in the CAP.

Director Hutchinson stated that focusing on carbon reduction overall, rather than coal reduction specifically, is valid and that at the current time much of the strategy would either be based on current technologies, or speculation on what might be available in 2050. He also encouraged Platte River not to spend a considerable amount of funds hiring a consultant to elaborate on the original Plan and suggested that staff develop a document that captures the points presented at this meeting so that the Board can consider how to proceed.

Director Mullinix noted that as a base case, rates would go up 30 percent by 2020 without any changes to the current operating plan. Under the best-case lowest-cost options identified in the Climate Action Plan, rates would increase 46 percent. The Board of Directors should really consider the implications of following options identified in the Plan. Since the Plan is non-binding, the Board of Directors has not agreed, to this point, to implement any of the identified measures.

The General Manager mentioned that although no official action or direction has come from the Board to implement any of the Climate Action Plan options, Platte River has already begun increasing its investment in demand side management/energy efficiency programs.

Mayor Pinkham stated that 75 percent of Estes Park's general fund is dependent upon disposable income. Any plans would have to be implemented with minimal cost impacts on consumers.

Chairman Mullinix requested the Board provide specific direction to staff.

Director Hutchinson suggested that staff provide a white paper on future $CO_2$ mitigation options and the Board follow up with additional direction at a subsequent meeting.

Staff will develop a white paper addressing additional options based on today's available technologies with possible accelerated $CO_2$ reduction timeline scenarios and associated increased costs.

**(11) Energy Efficiency (DSM) Planning.** The Division Manager, Customer and Environmental Services discussed program history, current activities, and future planning.

Demand side management (DSM) planning and investment was first formally considered during the development of the Integrated Resources Plan (IRP) in 1996. The IRP was focused on assessing the need for new generation resources. DSM ties into resource planning by providing options to reduce energy usage and delay the need for new generation resources. Past DSM planning has been based on integrated resource planning, but future motivation will likely encompass carbon emission reduction planning as well.

Demand side management program drivers include environmental benefits, customer interest, public relations, helping customers save money, and supporting the local economy. DSM programs are more cost effective than new wind or solar generation. The criteria for implementing programs at Platte River has been to reduce summer peak and save energy, provide common programs suitable for all owner communities, include all customer sectors (residential, commercial, and industrial customers), be consistent with regional utility programs, and have measurable and verifiable savings. Common programs are provided utilizing the selected program planning criteria and are offered to all owner communities and implemented jointly. Additional programs are offered within each city to meet individual community needs. The Platte River Board provides funding and direction for common programs on an annual basis.

Program results over the last eight years have exceeded IRP goals in nearly every year. Customer and community response to the programs has been strong and the cost per unit of energy saved has been lower than originally estimated. Cumulative saving is about 55,000 MWh per year—approximately 2 percent of sales to the municipalities, which is nearly equal to the wind generation produced at Medicine Bow and Silver Sage combined. In some years, the budget for demand side management programs has been exceeded due to strong interest from customers.

The investment proportion for programs in all four communities is roughly equal to the portion of municipal sales. Costs of DSM programs include program development/ implementation and lost municipal revenue. The benefits include increased surplus sales, avoided gas peaker fuel cost, avoided purchased power costs, and delayed capital investment in new generation resources. Historically, the present worth of costs and benefits have been nearly equal. However, this trend is changing, since surplus sales prices have gone down, peaker fuel is less expensive, purchased power prices are less and lost municipal revenue is more (due to increasing wholesale rates). If these trends continue, it will likely result in a one percent rate increase within five years (in 2014).

As part of the Climate Action Plan development effort, the KEMA consulting team advised improving regional and joint demand side management efforts. As a result, staff has been meeting quarterly with the municipalities to evaluate options and look for ways to improve joint efforts. As part of that effort staff surveyed city employees on the role Platte River plays in demand side management. On the topics surveyed, it was determined that Platte River does have a role that is valuable to the member cities.

Though customer demand is again increasing to the point that program costs could go over budget, the Board directed staff not to commit to demand side management funding beyond budgeted levels at this time, to avoid increased rate pressure.

Director Mullinix stated that demand side management programs at the generation level reduces wholesale revenues. In the past, Platte River has been able to offset DSM program cost with surplus sales revenues. However, with reduced surplus sales revenues, the municipalities are faced with rate increases. With municipal utility operating margins already small, retailers must pass on the wholesale rate increase, plus any lost retail revenues. In the end, this sends a mixed message to consumers: the more you save, the higher your rates will be.

Director Janonis mentioned that large commercial customers benefit from demand side management programs by controlling costs and making the community more economically viable.

Directors Mullinix and Hutchinson agreed that the focus on demand side management programs should shift from the wholesale level to the municipal level. Each city is unique and should work with the respective city council to implement and fund demand side management programs. Platte River may have a supporting role, and may continue to participate in some of the most essential programs, but the majority of demand side management should be managed at the municipal level.

Director Mullinix offered to let Mr. Fred Kirsch inject the following comments into the discussion: Mr. Kirsch inquired about the last time the four municipalities' common DSM interests were evaluated. If Platte River can meet the demand for services throughout the municipalities without increasing rates, why not have Platte River meet that need.

Director Goehring mentioned that as commercial entities in other cities do more demand side management, Estes Park is penalized with higher rates because they do not have the large customer base of other municipalities.

Current direction from the Board of Directors is to not exceed this year's budget and to maintain equity throughout the communities as much as possible. Due to rate pressure, demand side management program spending will be curtailed to meet budget limits. Customers will be placed on waiting lists or other approaches will be used to meet budget limits.

Director Roiniotis noted that programs in which Platte River can leverage the most benefit for all municipalities is the best approach. However, the programs should be driven from a city perspective by deciding how much participation is appropriate in each city and which programs are the most suitable. Having both wholesale (joint) programs and retail programs is viable.

**(12) Management Report.** The General Manager reported on the following items:

The General Manager attended the Colorado Energy Jobs Summit hosted by Colorado Senator Mark Udall. The event, held in Denver, included a keynote address by Dr. Steven Chu, U.S. Secretary of Energy. Governor Ritter, Senator Michael Bennet, and Fred Krupp, head of Environmental Defense Fund also attended.

The event theme focused on job creation. Senator Udall spoke about Amendment 37, which established the Renewable Portfolio Standard and the possibility of increasing the standard from 20 percent to 30 percent. In addition, the Senator spoke about energy sources and possible federal legislation. Governor Ritter focused on state legislative items including the net metering law. Mr. Krupp spoke about a declining cap on carbon, but did not mention putting a price on carbon. He also spoke about Senator Graham's efforts and Senator Cantwell's cap and dividend bill. Senator Bennet spoke about rural Coloradoans skepticism on climate change and noted that if costs are increased to combat climate change, there must be benefits to rural areas. Energy Secretary Chu spoke about climategate and reiterated the case that man-made climate change exists.

The Platte River Emergency Response Manual, identifying the most likely emergencies and associated responses, is complete.

**Other Board Actions.** None.

**Adjournment.** The meeting adjourned at 12:18 p.m. The next regular Board meeting is scheduled for Thursday, March 25, 2010, at 9:00 a.m. in the Platte River Power Authority boardroom, 2000 East Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Assistant Secretary and have affixed the corporate seal of the Platte River Power Authority this 26 day of March, 2010.

Assistant Secretary

PLATTE RIVER POWER AUTHORITY
CORPORATE SEAL
COLORADO