

Kentucky Municipal Energy Agency

August 25, 2016 10:00 AM

Bowling Green Municipal Utility 801 Center St, Bowling Green, KY 42101

Attendance Taken at 10:15 AM:

Present Board Members:

Josh Callihan
Vent Foster
Ronald Herd
Chris Melton
Mr. Robert Leesman (Proxy for Terrance Naulty)
Mike Withrow
Phillip King

Absent Board Members:

Eddie Gooch
Terrance Naulty
Chrissy O'Hara
Carl Shoupe

A. MEETING OPENING

B. AGENDA REVIEW AND MODIFICATIONS

Discussion:
none.

C. PERFORMANCE REPORTS AND MODIFICATIONS

C.1. Executive Committee Report

Discussion:
No report.

C.2. Financial Report

Discussion:
Ron Herd read the financial report from the Treasurer.

Motion Passed: passed with a motion by Mike Withrow and a second by Josh Callihan.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Vent Foster	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mr. Robert Leesman	Yes
(Proxy for Terrance Naulty)	
Mike Withrow	Yes
Eddie Gooch	Absent
Carl Shoupe	Absent
Phillip King	Yes
Chrissy O'Hara	Absent

D. ITEMS PRESENTED FOR ACTION AT THIS MEETING

D.1. AR Project and Project Committee

Rationale:

The AR Contract provides as follows:

SECTION 16. All Requirements Project

The Board of Directors shall designate and authorize by resolution the establishment of an All Requirements Project pursuant to Article II, Section 4 of the Interlocal Cooperation Agreement for the purposes, among others, of planning, developing, and implementing a portfolio of power supply resources to serve all the electric power and energy requirements of the All Requirements Members, and of acquiring transmission, scheduling, dispatching, marketing, and all other types of purchases or services necessary or useful to integrate and deliver all resources used to supply the requirements of the All Requirements Members. The participants in the All Requirements Project shall be the All Requirements Members.

An All Requirements Project Committee shall be established and conduct its activities in accordance with Article III, Section 4 of the Interlocal Cooperation Agreement and Article V of the Agency's Bylaws.

A Resolution establishing the AR Project and the AR Project Committee will be presented for the KyMEA Board's consideration. We expect that the Procedures of the Committee will be prepared for consideration by the Committee at the September Board meeting. The thought is that meetings of the Committee will generally be held simultaneously with KyMEA Board meetings.

Discussion:

Charlie Musson led the discussion. Next month a proposed committee protocol will be introduced. It is suggested that the all-requirements committee would meet along with and as part of the normal KyMEA meeting.

Motion Passed: Approval of a Resolution establishing the AR Project and the AR Project Committee passed with a motion by Phillip King and a second by Josh Callihan.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Vent Foster	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mr. Robert Leesman	Yes
(Proxy for Terrance Naulty)	
Mike Withrow	Yes
Eddie Gooch	Absent
Carl Shoupe	Absent
Phillip King	Yes
Chrissy O'Hara	Absent

E. DISCUSSION AGENDA

E.1. Update regarding Member Consideration of Proposed All Requirements Power Sales Contracts

Rationale:

A discussion of the status of, and schedule for, consideration by the Members of the proposed AR Contracts. Key questions raised as the Members considered the AR Contract will be briefly discussed.

Discussion:

Brown Thornton led the discussion. All proposed members have signed the all-requirements resolution except for Bardwell and Benham. Bardwell will have their second reading on Monday the 29th. Benham is not expected to approve the resolution at this time. OMU and Berea are not considering the resolution and are expected to become all-requirements customers.

E.2. PPA and Transmission Arrangements Update

Rationale:

Discussion on the following topics:

- PPAs with BREC, Dynegy, and Paducah
 - Parties' progress in accomplishing conditions precedent
- Update on progress regarding NGCC PPA
 - HenderSun Interest Group and PPA
 - Other considerations
- Status Report regarding transmission
 - LGE/KU transmission system
 - MISO transmission system
- Berea Update
 - Consideration of Entering the Interlocal Agreement
 - Transmission Service

Discussion:

Brown Thornton led the discussion and update on transmission arrangements. No significant issues are expected at this time.

Fred Haddad gave an update and led a discussion on the PPAs with Big Rivers, Dynegy and Paducah.

Brown Thornton and Tom Trauger led the discussion and update on the HenderSun project. The developer has indicated that there is enough interest to move forward with developing a proposed PPA.

E.3. Status Report regarding Cooperation between KyMEA and KMPA Members

Rationale:

At the July meeting, the Board authorized an agreement with KMPA for certain administrative services by KMPA's employee, Heather Overby, subject to more specifics with respect to scope and pricing. An update will be provided.

Discussion:

Charlie Musson led the discussion and update. Charlie will forward the revisions as prepared on to KMPA next week. The desire is to have an agreement in for consideration by KyMEA Board in September.

E.4. Updated Implementation Plan

Rationale:

An updated project implementation plan and schedule will be reviewed with the Board.

Discussion:

John Painter led a detailed discussion of the project schedule.

E.5. Status Report regarding Study of Renewables Resource Options

Rationale:

We will review the options being considered, explain the evaluations and comparisons we intend to make, and discuss certain information gathered to date.

Discussion:

John painter led the discussion and status report regarding the study that is being conducted by nFront on the renewable options. nFront will review some cost examples and additional information at the September KyMEA Board meeting.

F. CONSENT AGENDA

F.1. Approve Minutes of July 27, 2016 Special Meeting

Discussion:

None.

Motion Passed: passed with a motion by Chris Melton and a second by Mr. Robert Leesman (Proxy for Terrance Naulty).

7 Yeas - 0 Nays.

Josh Callihan	Yes
Vent Foster	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mr. Robert Leesman	Yes
(Proxy for Terrance Naulty)	
Mike Withrow	Yes
Eddie Gooch	Absent
Carl Shoupe	Absent
Phillip King	Yes
Chrissy O'Hara	Absent

G. UPCOMING MEETINGS

Rationale:

The KyMEA Board of Directors shall hold its regular meetings on the fourth Thursday of each month, except for the months of November and December when the regular meeting shall be held on the third Thursday.

The regular meetings shall convene and commence at 10:00 AM Central time on said dates.

The regular meetings shall held at the Bowling Green Municipal Utility located at 801 Center St, Bowling Green, KY 42101 in Bowling Green, Kentucky or at such location to be designated by the Board.

September 22, 2016 at 10:00AM (Central time) (Thursday) Bowling Green Municipal Utility

October 26, 2016 at 10:00AM (Central) (Wednesday) Hosted by KMPA at Lake Barkley St. Park (coincides with KMUA meeting)? (possible Paducah peaking plant tour)

November 16, 2016 at 10:00AM (Wednesday)

December 21, 2016 at 10:00AM (Wednesday)

Discussion:

Vent Foster led a discussion about the October meeting and possibly letting KMPA host and provide a tour of the Paducah Peaking Plant.

H. ADJOURNMENT

Motion Passed: passed with a motion by Vent Foster and a second by Chris Melton.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Vent Foster	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mr. Robert Leesman	Yes
(Proxy for Terrance Naulty)	
Mike Withrow	Yes
Eddie Gooch	Absent
Carl Shoupe	Absent
Phillip King	Yes
Chrissy O'Hara	Absent

Chairperson

Secretary