

Kentucky Municipal Energy Agency

March 28, 2019 10:00 AM

1700 Eastpoint Pkwy Ste. 220

Louisville, KY 40223

Attendance Taken at 10:10 AM:

Present Board Members:

Josh Callihan

Ronald Herd

Chris Melton

Mike Withrow

Phillip King (as a remote participant with video - able to vote)

Kevin Frizzell

Kevin Howard

Ramona Williams (as a remote participant without video - not able to vote)

Gary Zheng

Absent Board Members:

Carl Shoupe

Doug Hammers

Others Present:

Michelle Hixon

Heather Overby

Charles Musson

John Painter

Fred Haddad

Brown Thornton

Tom Calkin

Jack Sullivan

Tom Trauger

Tim Lyons

Pat Pace

Anna Marie Pavlik Rosen

Kevin Howard

Vent Foster

Hance Price

A. MEETING OPENING

A.1. Guest Introductions

Rationale:

The Chairman recognized any guests attending the meeting. The Chairman mentioned that it was good to have our guests, Jack Sullivan, Tom Calkin, and Fred Haddad joining us today.

B. REPORTS

B.1. Financial Report

Rationale:

This was an update from the CFO on the previous month's financial reports.

Motion Passed: Motion to approve the presented financial reports from the prior month passed with a motion by Mike Withrow and a second by Josh Callihan.

9 Yeas - 0 Nays.

Josh Callihan

Yes

Ronald Herd

Yes

Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

C. CONSENT AGENDA

C.1. Approve Minutes

Rationale:

Meeting minutes from February 28, 2019 were presented and approval from the KYMEA Board was requested.

Motion Passed: Motion to approve the Meeting minutes from February 28, 2019 passed with a motion by Josh Callihan and a second by Chris Melton.

8 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

D. DISCUSSION AGENDA

D.1. Update from KYMEA's CEO Regarding Ongoing Activities

Rationale:

This was an update from Doug Buresh on activities during the past month and planned for the coming month.

D.2. Delivery Point Metering Transition Plan

Rationale:

This was an update regarding delivery point metering and communications progress. Testing systems to begin in January 2019 for providing and billing for service in May 2019.

Key Tasks

Status of METER DATA SYSTEM

Update regarding Delivery Point equipment and installation progress
 Presentation of Meter dashboards and Rob's Schneider training
 Meter Installations have been completed

D.3. Arrangements for Falmouth Transmission

Rationale:

Special arrangements are needed for power to be transmitted to Falmouth. KYMEA had proposed that the arrangements currently in place for power provided by KU to Falmouth be continued.

Falmouth's petition for a declaratory order to confirm availability of service under the existing terms was rejected by FERC in December 2018. Falmouth filed a request for rehearing, principally to keep the docket open in case emergency action by FERC is needed to meet the May 1, 2019 transition date.

KYMEA is proceeding with arrangements to obtain both power supply and network transmission service for Falmouth from PJM in time to meet the May 1 deadline. Following the Board's approval in February, KYMEA executed a Wholesale Distribution Service Agreement with LG&E/KU, under which service over the five-mile LG&E/KU line connecting the EKPC/PJM grid to the Falmouth substation will be provided beginning May 1.

Discussion:

No Board action is expected to be required for this item.

D.4. Filing by LGE/KU re Depancaking Agreement

Rationale:

Since litigation is ongoing, we did not have an open session regarding the depancaking results of the March 21, 2019 FERC ruling.

E. ITEMS PRESENTED FOR ACTION AT THIS MEETING

E.1. BREC Amendment

Rationale:

The board was presented with a couple of minor changes to the BREC contract. Board action to approve the amended change was requested.

Motion Passed: Motion to approve the BREC amendment passed with a motion by Chris Melton and a second by Josh Callihan.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

E.2. Enterprise Risk Management Policy

Rationale:

The board was presented with the Risk Management policy to review. Board approval of the policy was requested.

Motion Passed: Motion to approve the Enterprise Risk Management Policy passed with a motion by Chris Melton and a second by Mike Withrow.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes

Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

Motion Passed: Motion to appoint Gary Zheng and Tim Lyons as members on the Board Risk Oversight Committee (BROC) Members passed with a motion by Josh Callihan and a second by Mike Withrow.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

Motion Passed: Motion to appoint Gary Zheng as the Chairman of the Board Risk Oversight Committee passed with a motion by Ronald Herd and a second by Josh Callihan.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

E.3. Enabling Agreements

Rationale:

The board was presented with agreements that will enable power and energy transactions with multiple market participants. These types of agreements are often referred to as "Enabling Agreements" because they establish a framework for future transactions, but do not commit either party to a specific transaction.

KYMEA expects that transactions agreed to in the future under the Enabling Agreements may provide additional options for KYMEA to optimize the value of its existing portfolio of resources. For instance, during the first three years, KYMEA would optimize the value of surplus energy sales from the AR Portfolio by either making sales into the MISO Day-Ahead or Real-Time energy markets or by making sales under Enabling Agreements with other market participants.

Staff requested board approval for Doug Buresh to sign the agreements.

The Enabling agreements are subject to confidentiality and will not be published to the portal.

Motion Passed: Motion to authorize the KYMEA President and CEO to enter into the presented Enabling Agreements passed with a motion by Mike Withrow and a second by Chris Melton.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

Motion Passed: Motion to authorize the KYMEA President and CEO to sign Asset and Sales Agreement for Purchase of PT/CT for Falmouth passed with a motion by Josh Callihan and a second by Chris Melton.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

F. Closed Session Authorization for March 28, 2019 KYMEA Board Meeting

Approval to enter into Closed Session pursuant to KRS 61.810(1)(c) for the purpose of:
(i) discussing proposed, potential or pending litigation relating to KYMEA and its members relating to transmission issues relating to the LGE/KU Depancaking Agreement. KRS 61.810(1)(c) allows for closed session for the purpose of discussing proposed, potential and pending litigation relating to the agency.

Rationale:

This session will involve:

Approval to enter into Closed Session pursuant to KRS 61.810(1)(c) for the purpose of:

discussing proposed, potential or pending litigation relating to KYMEA and its members relating to transmission issues relating to the LGE/KU Depancaking Agreement.

KRS 61.810(1)(c) allows for closed session for the purpose of discussing proposed, potential and pending litigation relating to the agency.

Motion Passed: Motion to enter into closed session passed with a motion by Mike Withrow and a second by Kevin Frizzell.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

G. RETURN TO OPEN SESSION

Motion Passed: Motion to return to open session passed with a motion by Chris Melton and a second by Mike Withrow.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

H. ACTIONS RELATED TO MATTERS DISCUSSED IN CLOSED SESSION

Rationale:
No action was needed.

I. PUBLIC COMMENTS

Rationale:
This is an opportunity for members of the public to provide input to the KYMEA Board. Comments will be limited to 5 minutes per speaker.

J. 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 Wednesday.
The regular meetings shall convene and commence at 10:00 AM Eastern time on said dates. The regular meetings shall be held at the KYMEA Board Room, 1700 Eastpoint Pkwy, Suite 220, Louisville, Kentucky.

The next KYMEA board meeting will be a Special Meeting. It will be held on Wednesday, April 24th at 1:00 pm Eastern time at the Berea City Hall at 212 Chestnut Street, Berea, KY 40403.

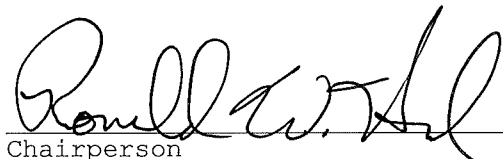
K. OTHER BUSINESS

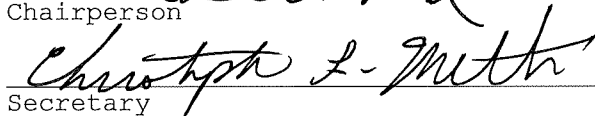
L. ADJOURNMENT

Motion Passed: Motion to adjourn the KYMEA board meeting passed with a motion by Mike Withrow and a second by Chris Melton.

9 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Phillip King	Yes
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes


Chairperson


Secretary