

# SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT MEETING NOTICE AND AGENDA

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## POWER COMMITTEE

Thursday, June 20, 2019, 9:30 AM

SRP Administration Building  
1500 N. Mill Avenue, Tempe, AZ 85281

Committee Members: Keith Woods, Chairman; Leslie Williams, Vice Chairman; and Nick Brown, Debbie Hendrickson, Paul Hirt, Randy Miller, and Jack White Jr.

Call to Order  
Roll Call

1. **CONSENT AGENDA:** The following agenda item(s) will be considered as a group by the Committee and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Committee Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item .....CHAIRMAN KEITH WOODS
  - Request for approval of the minutes for the meeting of May 21, 2019
2. Executive Session, Pursuant to A.R.S. §38-431.03(A)(3) and (4), to Discuss or Consult with Attorneys for Legal Advice and to Consider the Committee's Position and Instruct Its Attorneys Regarding Claims by Peabody Western Coal Company for Certain Unsettled Costs Related to the Closure of Navajo Generating Station ..... LENIN ARTHANARI and BOBBY OLSEN
3. Report on Current Events by the General Manager and Chief Executive Officer or Designees ..... MIKE HUMMEL
4. Future Agenda Topics.....CHAIRMAN KEITH WOODS

The Committee may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Committee on any of the matters listed on the agenda.

The Committee may go into Closed Session, pursuant to A.R.S. §30-808, for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: All property in your possession, including purses, briefcases, packages or containers, will be subject to inspection.
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THE NEXT POWER COMMITTEE MEETING  
IS SCHEDULED THURSDAY, AUGUST 22, 2019

06/13/2019



MINUTES  
POWER COMMITTEE MEETING

DRAFT

May 21, 2019

A meeting of the Power Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 9:30 a.m. on Tuesday, May 21, 2019, in the Geronimo Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona.

Committee Members present at roll call were K.B. Woods, Chairman; L.C. Williams, Vice Chairman; and D.S. Hendrickson, P.W. Hirt, R.J. Miller, and J.M. White Jr.

Committee Member absent at roll call was N.R. Brown.

Also present were Vice President J.R. Hoopes; Board Members R.C. Arnett, C.J. Hawkey, M.J. Herrera, K.J. Johnson, L.D. Rovey, and P.E. Rovey; Council Vice Chairman J.R. Shelton; Council Liaisons M.C. Pedersen and N.J. Vanderwey; Council Members L.J. DeWitt and D.B. Lamoreaux; Mmes. K.J. Barr, A.P. Chabrier, L.F. Hobaica, and A.N. Bond-Simpson; Messrs. H.A. Courtright, J.M. Felty, P.M. Hayes, M. Hummel, K.J. Lee, A.J. McSheffrey, M.J. O'Connor, J.M. Pratt, and D.C. Roberts; and Barbara Burke of Respect Realty.

In compliance with A.R.S. §38-431.02, Anaveli H. Sierras of the Corporate Secretary's Office had posted a notice and agenda of the Power Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, May 17, 2019.

Chairman K.B. Woods called the meeting to order.

Consent Agenda

Chairman K.B. Woods requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member J.M. White Jr. and seconded by Board Member R.J. Miller, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on April 25, 2019, as presented.

The vote was recorded as follows:

YES:	Board Members K.B. Woods, Chairman; L.C. Williams, Vice Chairman; and D.S. Hendrickson, P.W. Hirt, R.J. Miller, and J.M. White Jr.	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Members N.R. Brown	(1)

### Power Service Master Agreements

Using a PowerPoint presentation, Hank A. Courtright, SRP Senior Director of Corporate Strategy, Planning, and Innovation, stated that the purpose of the presentation was to request approval to amend the Power Services Master Agreements between the District and Ocotillo Water Conservation District (OWCD).

Mr. H.A. Courtright stated that the OWCD is one of seven embedded Electrical or Irrigation districts within SRP service territory and has federal preference power allocations. He noted that SRP currently provides OWCD supplemental power to meet loads in excess of their allocations.

Mr. H.A. Courtright reported that in 2005, SRP and OWCD entered into the Power Services Master Agreement that expires on September 30, 2024. He explained that the agreement provides Network Integrated Transmission Service; distribution delivery, meter, and meter reading; and supplemental power. Mr. H.A. Courtright noted that the following six other embedded Electric or Irrigation Districts have nearly identical Power Services Master Agreements: Electrical District #6, Chandler Heights Citrus Irrigation District, Queen Creek Irrigation District, Roosevelt Irrigation District, Roosevelt Water Conservation District, and San Tan Irrigation District.

Continuing, Mr. H.A. Courtright stated that new single family homes are being developed in the OWCD Town Site area and that OWCD has asked SRP to install and own the meters. He explained that the new metering charge for these homes would be billed by SRP at SRP's E-23 price plan, or a replacement price plan. Mr. H.A. Courtright said that an amendment is needed to the Power Services Master Agreement to address the installation of and charge for new residential meters. He reported that all other OWCD retail loads would continue to be billed based on E-47 and that the other ongoing functions, procedures, and components of the Power Services Master Agreement would not change.

Mr. H.A. Courtright concluded recommending approval to authorize the President, the Vice President, the General Manager and Chief Executive Officer, the Associate General Manager and Chief Financial Executive, or the Senior Director, Corporate Strategy Planning and Innovation, or any designee of the foregoing, to execute and deliver the amendment of the Power Services Master Agreement between the District and OWCD under the terms discussed herein, and any subsequent amendments, extensions, and terminations of the foregoing agreement that do not materially modify the economic terms thereof.

Mr. H.A. Courtright responded to questions from the Committee.

On a motion duly made by Board Member P.W. Hirt, seconded by Board Member J.M. White Jr., and carried, the Committee agreed to recommend Board approval removing the word "economic" from the Management approval language, as follows:

Approval to authorize the President, the Vice President, the General Manager & Chief Executive Officer, the Associate General Manager and Chief Financial Executive, or the Senior Director, Corporate Strategy Planning and Innovation, or any designee of the foregoing, to execute and deliver the amendment of the Power Services Master Agreement under the terms discussed herein, and any subsequent amendments, extensions and terminations of the foregoing agreement that do not materially modify the ~~economic~~ terms thereof.

The vote was recorded as follows:

YES:	Board Members K.B. Woods, Chairman; L.C. Williams, Vice Chairman; and N.R. Brown, D.S. Hendrickson, P.W. Hirt, R.J. Miller, and J.M. White Jr.	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Ms. A.N. Bond-Simpson left the meeting. Board Member N.R. Brown; Council Chairman M.L. Farmer; and Messrs. C.R. Janick and W.N. Wisdom entered the meeting during the presentation.

### Wildfire Mitigation

Using a PowerPoint presentation, Chris R. Janick, SRP Senior Director of Power Delivery, stated that the purpose of the presentation was to provide information regarding vegetation management and operational efforts to prevent fires caused by power lines and to protect lines from natural and man-made fires.

Mr. C.R. Janick stated that the wildfire mitigation goals are to prevent SRP facilities from causing fires and to protect SRP facilities from fires. He provided maps showing fires that are impacting SRP transmission lines and miles of overhead transmission and distribution lines. Mr. C.R. Janick introduced Wayne N. Wisdom, SRP Senior Director of Distribution Grid Services. Mr. W.N. Wisdom reviewed images of vegetation management practices.

Continuing, Mr. C.R. Janick discussed the steps followed in coordination with land managers. He concluded by explaining the design and operating practices and the research and development efforts.

Messrs. C.R. Janick and W.N. Wisdom responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Mr. W.N. Wisdom left the meeting. Council Members J.W. Lines and R.W. Warren; and Mr. J.D. Spradling entered the meeting during the presentation.

Executive Session: Transmission Substation Protection

Chairman K.B. Woods requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(2), for presentation and discussion of records exempt by law from public inspection regarding SRP's efforts to protect transmission substations from physical threats.

On a motion duly made by Vice Chairman L.C. Williams, seconded by Board Member J.M. White Jr. and carried, the Committee convened into executive session at 10:20 a.m.

The vote was recorded as follows:

YES:	Board Members K.B. Woods, Chairman; L.C. Williams, Vice Chairman; and N.R. Brown, D.S. Hendrickson, P.W. Hirt, R.J. Miller, and J.M. White Jr.	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Barbara Burke of Respect Realty left the meeting.

The Committee reconvened into open session at 10:37 a.m. with the following Members and others present: Vice President J.R. Hoopes; Board Members R.C. Arnett, N.R. Brown, C.J. Hawkey, D.S. Hendrickson, P.W. Hirt, K.J. Johnson, R.J. Miller, L.D. Rovey, P.E. Rovey, J.M. White Jr., L.C. Williams, and K.B. Woods; Council Chariman M.L. Farmer; Council Vice Chairman J.R. Shelton; Council Liaisons M.C. Pedersen and N.J. Vanderwey; Council Members L.J. DeWitt, D.B. Lamoreaux, J.W. Lines, and R.W. Warren; Mmes. K.J. Barr, A.P. Chabrier, and L.F. Hobaica; and Messrs. H.A. Courtright, J.M. Felty, P.M. Hayes, M. Hummel, C.R. Janick, K.J. Lee, A.J. McSheffrey, M.J. O'Connor, J.M. Pratt, D.C. Roberts, and J.D. Spradling.

Mr. J.D. Spradling left the meeting. Messrs. B.L. Petrey, J.C. Tucker, and K.D. Woolfolk entered the meeting.

Closed Session: All-Source Request for Proposals

Chairman K.B. Woods called for a closed session of the Power Committee at 10:38 a.m., pursuant to A.R.S. §30-808, to consider matters relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information, with respect to the preliminary findings from SRP's All-Source Request for Proposals (RFP).

The Committee reconvened into open session at 10:50 a.m. with the following Members and others present: Vice President J.R. Hoopes; Board Members R.C. Arnett, N.R. Brown, C.J. Hawkey, D.S. Hendrickson, P.W. Hirt, K.J. Johnson, R.J. Miller, L.D. Rovey, P.E. Rovey, J.M. White Jr., L.C. Williams, and K.B. Woods; Council Chairman M.L. Farmer; Council Vice Chairman J.R. Shelton; Council Liaisons M.C. Pedersen and N.J. Vanderwey; Council Members L.J. DeWitt, D.B. Lamoreaux, J.W. Lines, and R.W. Warren; Mmes. K.J. Barr, A.P. Chabrier, and L.F. Hobaica; and Messrs. H.A. Courtright, J.M. Felty, P.M. Hayes, M. Hummel, K.J. Lee, A.J. McSheffrey, M.J. O'Connor, B.L. Petrey, J.M. Pratt, D.C. Roberts, J.C. Tucker, and K.D. Woolfolk.

Closed Session: Utility-Scale Solar Projects

Chairman K.B. Woods called for a closed session of the Power Committee at 10:51 a.m., pursuant to A.R.S. §30-808, to consider matters relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information, with respect to a potential issuance of a RFP for the development of one or more Utility-Scale Solar Projects from which SRP would purchase energy.

The Committee reconvened into open session at 11:10 a.m. with the following Members and others present: Vice President J.R. Hoopes; Board Members R.C. Arnett, N.R. Brown, C.J. Hawkey, D.S. Hendrickson, P.W. Hirt, K.J. Johnson, R.J. Miller, L.D. Rovey, P.E. Rovey, J.M. White Jr., L.C. Williams, and K.B. Woods; Council Chairman M.L. Farmer; Council Vice Chairman J.R. Shelton; Council Liaisons M.C. Pedersen and N.J. Vanderwey; Council Members L.J. DeWitt, D.B. Lamoreaux, J.W. Lines, and R.W. Warren; Mmes. K.J. Barr, A.P. Chabrier, and L.F. Hobaica; and Messrs. H.A. Courtright, J.M. Felty, P.M. Hayes, M. Hummel, K.J. Lee, A.J. McSheffrey, M.J. O'Connor, B.L. Petrey, J.M. Pratt, D.C. Roberts, J.C. Tucker, and K.D. Woolfolk.

Closed Session: Power Purchase Agreement

Chairman K.B. Woods called for a closed session of the Power Committee at 11:11 a.m., pursuant to A.R.S. §30-808, to consider matters relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information, with respect to a request for approval to enter into a Power Purchase Agreement to purchase energy from a Utility-Scale Solar Project, subject to reaching agreement on the Terms of the Transaction.

The Committee reconvened into open session at 11:25 a.m. with the following Members and others present: Vice President J.R. Hoopes; Board Members N.R. Brown, C.J. Hawkey, D.S. Hendrickson, P.W. Hirt, K.J. Johnson, R.J. Miller, L.D. Rovey,

P.E. Rovey, J.M. White Jr., L.C. Williams, and K.B. Woods; Council Chairman M.L. Farmer; Council Vice Chairman J.R. Shelton; Council Liaisons M.C. Pedersen and N.J. Vanderwey; Council Members L.J. DeWitt, D.B. Lamoreaux, J.W. Lines, and R.W. Warren; Mmes. K.J. Barr, A.P. Chabrier, and L.F. Hobaica; and Messrs. H.A. Courtright, J.M. Felty, P.M. Hayes, M. Hummel, K.J. Lee, A.J. McSheffrey, M.J. O'Connor, B.L. Petrey, J.M. Pratt, D.C. Roberts, J.C. Tucker, and K.D. Woolfolk.

Report on Current Events by the General Manager and Chief Executive Officer or Designees

Mike Hummel, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee.

Messrs. B.L. Petrey, J.C. Tucker, and K.D. Woolfolk left the meeting during the presentation.

Future Agenda Topics

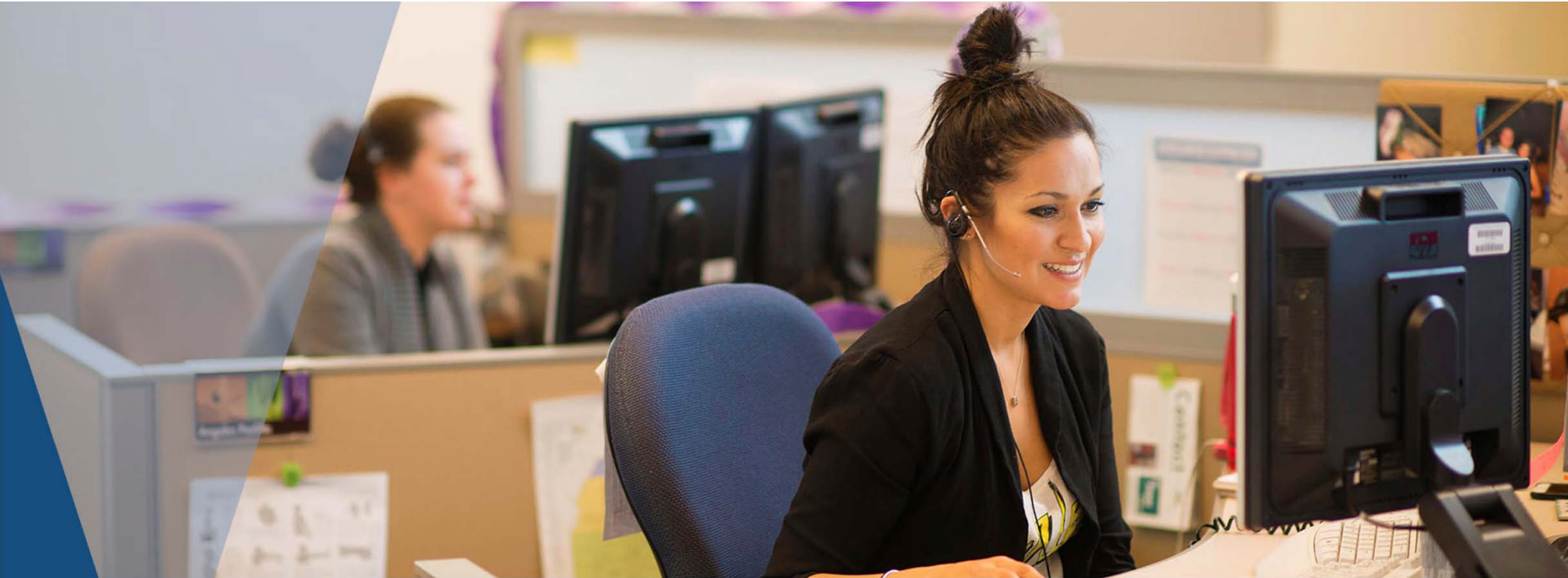
Chairman K.B. Woods asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Power Committee, the meeting adjourned at 11:30 a.m.

John M. Felty  
Corporate Secretary







## Credit Policy & Heat Moratorium Impacts



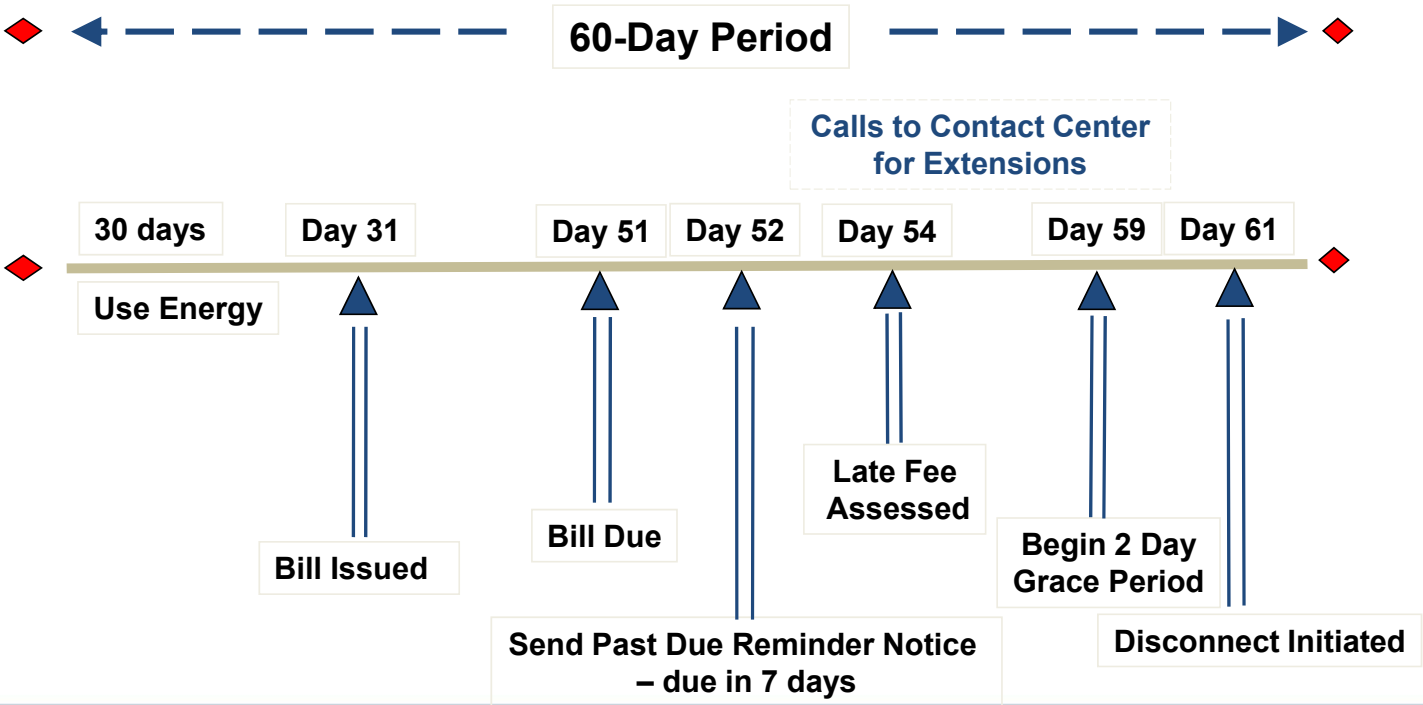
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Power Committee June 20, 2019 J. Pratt

# SRP's Overall Approach

- Policies have evolved & improved over many years
- Goal is to treat customers compassionately while mitigating impacts on other customers
- Multiple programs to help customers manage their bills
- Extra support for our most vulnerable customers
- Agents and counselors have flexibility to assist customers so they can stay in power
- Disconnect is a last resort

# Traditional Billing Cycle – Credit Customer

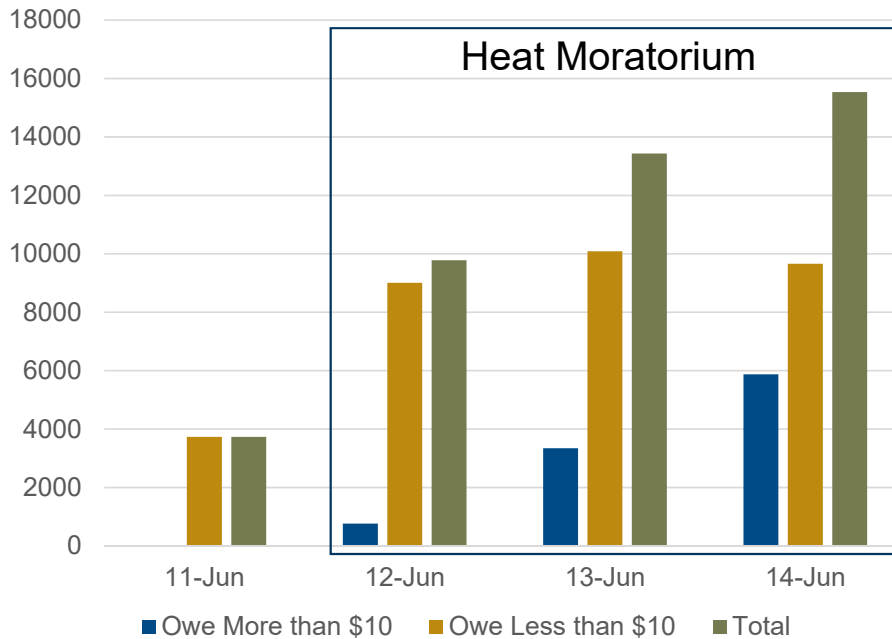


# Residential Credit Customer Policy

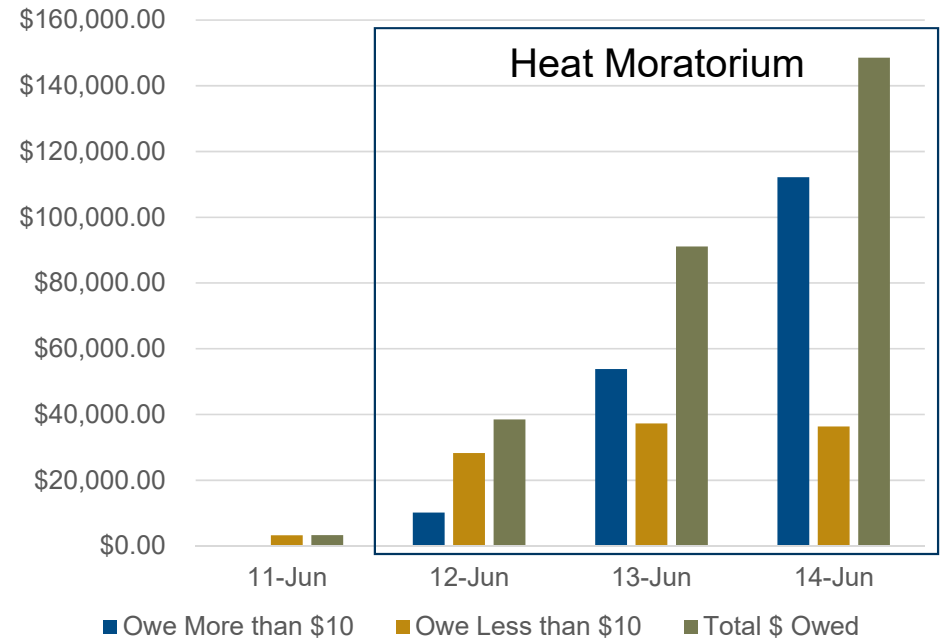
- Disconnection of service criteria:
  - Past Due Balance is more than \$150 or
  - Past Due Balance is more than 66% of paid deposit amount
  - Whichever is greater
- A positive SRP payment history allows an additional 30 days
- Customers with life-sustaining medical equipment who notify SRP and enroll in our Medical Preparedness Program are not subject to disconnection

# M-Power: Heat Moratorium Impacts 6/11 – 6/14

# of Customers in Debt



\$ Amount of Customer Debt



# Additional Help Before Bill is Past Due

## Programs

Custom Due Date

Budget Billing

SurePay

Price Plans

My Account and App

## Communications

eNotes/Account Alerts

- Billing and Payment
- Bill Projection
- Daily Usage

Push Notifications

Paperless Billing

# Credit Customers - Options for Past Due

## Payment extensions

- Contact Center
- Online
- Six times a year

## Payment arrangements

## Safety Net

- Notifies friend or family member if past due

### More time to pay

#### I need more time to pay my bill

Your current bill amount is \$323.89 and is due Monday, July 23, 2018.

Would you be able to pay your bill by Thursday, August 2, 2018? A late payment fee may be assessed.

0 March 2019 0

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Yes, I can pay before August 2.

No, I need more time.

Select account:

E15 001-607-003

Service address:  
4822 N 64TH DR  
Phoenix, AZ 85033

#### Need help?

For questions please contact SRP Residential Customer Services at (602) 236-8888, available to serve you 24 hours a day, seven days a week.

Esta página también está disponible en español.

#### Money-saving resources

Resources that can assist you  
Find savings and rebates for my home



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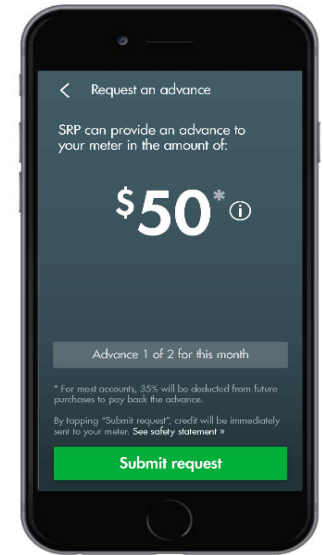


# Customer Representatives & Counselors

- Offer up to 6 extensions
- Determine if eligible for Economy Price Plan
- Personal Account Review – recommend applicable programs
- Customer Resource Counselor can address extenuating circumstances
- Explore payment options and provide referrals to community agencies for help with:
- Counselors can override standard credit policy
  - Handle over 230 calls / day – about 60,000 / year

# M-Power Program Summary

- Largest prepay program in North America
- Does not require immediate payment to initiate service
- Initial costs are paid down over time
- Customers with past due amounts can switch to M-Power, pay off past due balance over time and remain in power. Up to \$1,000.
- Customers can request advances twice a month for four days each time – representative assisted or self service
- M-Power customers disconnect 1.3 times per month on average
- Average disconnect length is 2 hours



# Partnering with Community Agencies

- SRP Customer Resource Counselors are a dedicated team that interacts daily with Community Agencies
- Advocate on behalf of customers who have extenuating circumstances and/or challenges navigating the process
- Partner with agencies to host educational events for customers
- Accept utility guarantees from agency partner; SRP protects the account and receives the actual payment within 60 calendar days of the guarantee
- Community Partners contact SRP counselors on behalf of their client who have extenuating circumstances

# Community Agency Funding

- SRP Project “SHARE” – customer contributions are directed to the Salvation Army - \$244,000 in FY19
- SRP matching – Bill Assistance
  - Distributed to “Wildfire” (Arizona Community Action Association)
  - Minimum of \$500,000 / year in recent pricing process
  - Increased qualification to 200% of Federal Poverty Guidelines
- Additional Corporate Contributions for related nonprofits ~ \$93,500

# Goal of Current Activities

- Monitoring regulatory / legislative developments
- Determining opportunities to improve existing services & adding new programs
- Review recommendations with the Board on June 27<sup>th</sup>
- Be proactive - reduce disconnections
- Do not negatively impact at risk customers

# Questions?



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