

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
July 13, 2022**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority's Grand River Energy Center's Training, Safety, and Environmental Center in Chouteau, Oklahoma on July 13, 2022. Notice was given pursuant to 25 O.S.A. § 301 et seq. by submitting a schedule of regular monthly meetings to the Secretary of State on November 30, 2021 at 9:12 a.m.; by posting the agenda with the Mayes County Clerks' offices on July 12, 2022, at 9:47 a.m.; by posting said agenda at www.grda.com; and by posting said agenda at the principal office of Grand River Dam Authority at least 24 hours prior to the meeting.

Chair Elam called the meeting to order at 10:01 a.m. The Secretary called the roll. All members were present. Chair Elam declared a quorum.

BOARD MEMBERS

Dwayne Elam, Chair	Present
Charles Sublett, Chair-Elect	Present
Tom Kimball	Present
Mike Lewandowski	Present
Chris Meyers	Present
James B. Richie	Present
Michael Westbrook	Present

ADMINISTRATIVE

Daniel S. Sullivan, Chief Executive Officer	Present
Tim Brown, Executive VP - Chief Operating Officer	Present
Lorie Gudde, Chief Financial Officer/Corporate Treasurer	Present
Heath Lofton, Executive VP - General Counsel	Present
Brian Edwards, Executive VP – Law Enforcement/Lake Operations	Present
Nathan Reese, Executive VP – External Relations	Present
John Wiscaver, Executive VP – Corporate & Strategic Communications	Present
Laura Hunter, Executive VP - Chief Administrative Officer	Present
Darrell Townsend II, VP – Ecosystems & Watershed Management	Present
Robert Ladd, VP – Generation Operations	Present
Steve Jacoby, VP – Generation Engineering	Present
Jeff Tullis, VP – Transmission, Distribution & Engineering	Absent
Chris Carlson, Deputy Chief – Law Enforcement	Absent
Sheila Allen, Corporate Secretary	Present

Others present were as follows: Roy Maddox, Bixby, OK; Pat Flanagan, Tulsa, OK; Nicholas Huber, ODEQ; Thom Jenkins, Insurica – GRDA Consultant; Terry Bynum, Mike Middleton, Diane Barnett, Mike Starks, City of Cushing; Sheldon Miggetto, City of Stilwell; Michael Doublehead, TPWA; Keith Skelton, City of Sallisaw; Cheryl Adams, MESO; Lindsey Pever, A New Energy Law; Tyler Buttram, City of Mannford; Loren Smith, Stillwater Utilities Authority; Jared Crisp, Travis Willis, Pryor MUB; Caleb Cochran, Congressman Markwayne Mullin's Office; Rebecca Owen, Nathan Reed, Tahlequah Chamber of Commerce; Tamara Jahnke, Ash Mayfield, Melanie Earl, Diana Martin, Savannah Ellison, Tonya Backward, Cameron Philpott, Jerry Cook, Christine Burmaster, Leah Messner, Matt Martin, Jeff Brown, Michelle Day, Penny Frailey, Brylee Harbuck, Samuel Carlile, Mikenzi Taber, GRDA.

4. New Business
4.a. Capital Work Order Report

Number	Funding Source	Title	Net GRDA Cost
RF022-01177	RESERVE	G3 - Fuel Gas Supply System Upgrades	\$ 4,399,701
RF022-01176	RESERVE	G3 - Climate Controlled Water Lab Workspace	210,924
RF022-01163	RESERVE	Feeder 21 Transmission Line Mitigation Project	3,496,005
RF020-01014		SPSP Generator Relay/GSU Upgrade - Revised Estimate	698,267
		SPSP Generator Relay/GSU Upgrade - Original Estimate	503,243
	RESERVE	Additional Funding for RF020-01014	195,024
Grand Total Work Orders			\$ 8,301,654

Mr. Sullivan explained items on the Capital Work Order Report. He asked if the Board had any questions or needed to follow-up on any item listed. There were no questions.

Director Kimball moved the Board approve the Capital Work Order Report as presented, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

CONSENT AGENDA

2. May Claims, \$49,652,733.45; and June Claims, \$52,208,027.25.

4.b. Resolutions of Commendation:

- 1) Steven L. Stoll

4.c. Power Cost Adjustment (PCA) of \$0.03703 per kWh for August 2022

4.d. Declare Surplus and Not Necessary to the Business of the District

Description and/or Make of Item	
Oil Circuit Breaker - Lot of 16	Scientific Columbus / Portable Watthour Standard
PROMO X210-12T/24G/2X10GE 2X1GE - Quantity of 4	Radian Research / Portable Watthour Standard
Air Handler	Multi Amp / CT Burden Ammeter
Chain Cutter	Tesco / Portable Phase Angle Meter

Weston / Ammeter	Dranetz / Phase angle Meter
Tesco / CT Test Meter	Radian Research / Solid State Meter Interface - Quantity of 2
HFGP / Voltmeter	Radian Research / Portable Watthour Standard - Quantity of 2
Chance / Super Tester - Quantity of 2	Power Test Set - Quantity of 3
Scientific Columbus / Multifunction Standard - Quantity of 2	

- 4.e. Consideration, Discussion and Possible Approval of Contract 43414 – Microsoft Unified Support Annual Renewal**
- 4.f. Consideration, Discussion, and Possible Approval of Amendment to Joint Funding Agreement for Water Resources Investigations – U.S. Department of the Interior/U.S. Geological Survey**
- 4.g. Consideration, Discussion, and Possible Approval of NAESB Agreement to Purchase Natural Gas from Citizen Energy III, LLC**
- 4.h. Order for Removal in Administrative Hearing No. 2022-2: Jade S. Davis**
- 4.i. Approval of Assignment of Revocable License to Encroach from Chad Eric Keeney and Kandy Kay Keeney to Elizabeth Beaubien for Property Located in Delaware County, Oklahoma**
- 4.j. Consideration, Discussion, and Possible Approval of Contract 43905 – Interlocal Agreement with Board of County Commissioners of Mayes County/Mayes County 911**
- 4.k. Consideration, Discussion, and Possible Approval of the Fourth Amendment to Power Purchase and Sale Agreement – Oklahoma Ordnance Works Authority**
- 5.b. Purchase Order Report (*Denotes Addenda Items):**

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
122281	BELL LUMBER & POLE COMPANY - NEW BRIGHTON, MN	1,162,006.00
43882	MUSKOGEE COMMUNICATIONS, INC. - MUSKOGEE, OK	1,460,120.00
122209	ALTEC INDUSTRIES, INC. - ST JOSEPH, MO	406,988.00
43830	FORCE ELECTRICAL SERVICES LLC - WOODWARD, OK	1,541,508.00
43902	PUBLIC SERVICE CO OF OKLAHOMA - TULSA, OK	0.00
43900	PINNACLE BUSINESS SYSTEMS - TULSA, OK	331,590.98
43901	PINNACLE BUSINESS SYSTEMS - TULSA, OK	244,654.86
112698	SHERMAN & REILLY, INC. - CHATTANOOGA, TN	316,256.00
43886	NORTHEASTERN STATE UNIVERSITY - TAHLEQUAH, OK	72,753.06
Grand Total Standard POs & Contracts:		\$5,535,876.90
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
43591	SHAFFERS SUBSTATION CONSTRUCTION CO. - ELLSINORE, MO	4,487.35
43547	RIZZO INTERNATIONAL, INC. - PITTSBURGH, PA	184,012.00
43499	DRILL-RITE, INC. - SALINA, OK	4,500.00
42953	OSISOFT LLC - SAN LEANDRO, CA	36,176.25
42493	NATIONAL ELECTRIC COIL, INC. - COLUMBUS, OH	21,008.00
43204	PHOENIX INDUSTRIAL INSULATION CORP - GLENPOOL, OK	0.00
41257	STARBOARD CONSULTING LLC - LONGWOOD, FL	121,000.00

43193	MICROSOFT CORPORATION - DALLAS, TX	0.00
43212	EVERGREEN NORTH AMERICA INDUSTRIAL SERVICES - PONCA CITY, OK	8,928.00
42346	CROSSLAND CONTRUCTION CO, INC. - COLUMBUS, KS	0.00
42236	FASTENAL COMPANY - VINITA, OK	292,718.89
43314	BUCKMAN LABORATORIES, INC. - MEMPHIS, TN	0.00
Grand Total Change Orders & Renewals:		\$672,830.49
Grand Total		\$6,208,707.39

Director Kimball moved to approve the consent agenda as presented, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Regular Board Meeting Minutes of May 11, 2022, and Regular Board Meeting Minutes of June 8, 2022.

Director Meyers moved to approve Regular Board Meeting Minutes of May 11, 2022, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Kimball moved to approve Regular Board Meeting Minutes of May 11, 2022, seconded by Director Sublett, and voted upon as follows: Elam, yes, Kimball, yes, Lewandowski, yes, Meyers, abstain, Richie, abstain, Sublett, yes, Westbrook, abstain. *Motion passed (4-yes, 0-no, 3-abstained).*

3. Unfinished Business

3.a. Progress Reports

3.a.1. Current Operations Reports

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following comparing information for 2021 and 2022 for GRDA's Full Requirements Customers for the month of June. He said this month there was a 5 percent increase in demand and a 7 percent increase in energy. This is consistent with other things they are seeing across the Southwest Power Pool (SPP) footprint. He showed graphs illustrating a comparison of resource energy production for June 2021 and June 2022. Mr. Sullivan commented that it is strange hydro production has remained the same from last year, even though the Authority has seen significant amounts of rainfall. He noted this has lessened of late since the John Redmond Reservoir is holding water that was not released until after July 4, 2022. The amount of water is now beginning to dwindle and GRDA does not expect to have the same volume of water available for

generation in coming weeks. The Authority has utilized the peak opportunity as much as possible of late which has been very beneficial to their customers. Mr. Sullivan showed a chart illustrating the current Henry Hub natural gas futures and settlements, as well as explaining details of the chart. He shared that there has been an increase over the last 2 months and they are seeing some welcome relief on natural gas pricing, and said this should have a more positive effect on the Power Cost Adjustment (PCA) for GRDA customers. He showed a graph on GRDA's Load Cost & Value of Resource Portfolio and explained details of this.

GRDA's portion of the Cleveland 69 Substation project was completed in late June, with KAMO completing the low side this fall. Contractor Shaffer Substation, GRDA's Communications, Engineering, Relay, SCADA, Substation and Transmission groups directly contributed to the successful completion of the project.

A weather-related outage occurred in the GRDA municipal community of Stroud last month after a broken structure fell across a distribution line. Members of GRDA's Cushing and South End Line Crews responded and quickly made the necessary repairs.

We were able to celebrate the 75 years of public power partnership and the City of Wagoner on June 10, 2022. He stated it was great to see a lot of folks that I've known virtually all my life, and in that picture on. The right with. Duane and myself. It's kind of Peters. Who grew up with my dad? It's been a long time servant there in the city, in a lot of different roles as mayor and certainly glad to see him and all the other folks that have made that partnership work over the last 75 years. So I'm going. Thank you for the opportunity to celebrate that, and it was great to see. All the folks turn out and all the city employees there to help celebrate that event.

GRDA reported the presence of a blue green algae (BGA) bloom in the Ketchum Cove area of Grand Lake. Water quality testing performed recently by the GRDA Ecosystems and Watershed Management Department confirmed the bloom. On Wednesday (July 6), a BGA bloom could be seen extending from near the Hammerhead Marina boat ramp eastward toward Colony Cove. GRDA advised the public to use extra precaution in this area of the lake as the situation can change rapidly and the bloom can concentrate as it is pushed by the wind and waves. Environmental Protection Agency (EPA) guidelines, published in 2019, recommend no primary body contact with the water when microcystin concentration produced by the BGA is greater than eight micrograms per liter (>8ug/l). At that time, sampling showed the toxin levels in this area ranging from 7.1 to >50 ug/L depending on the location within the cove and density

of the algae. Dr. Townsend explained how conditions were ideal for this bloom to occur. He said at this time things are looking better.

A Grand Adventure youth day camp was held at the Ecosystems and Education Center on Friday, July 8. Blue Thumb, GRDA's Ecosystems and Watershed Management and Oklahoma State University Extension taught campers, ages 9-12 about the water cycle, water pollution and erosion. The campers also were able to seine for bugs and fish in the creek. Journey to the Bottom of the Creek youth day camp will be held in Tahlequah for kids in the same age group on July 29. Registration is open until July 22 and can be found on GRDA's Facebook page.

With much of the central U.S. under heat advisories and warnings, regional grid operator Southwest Power Pool (SPP) partnered with its member utilities to keep the lights on for millions of people over several days of record-setting electricity use and high temperatures. On July 5, 2022, SPP's region reached a new all-time peak load of 51,090 megawatts (MW), exceeding the previous record for instantaneous demand for electricity of 51,036 MW set July 28, 2021. Highlighting the important role fuel diversity plays in ensuring electric reliability, at the time of this new record SPP relied on a mix of energy sources including traditional fossil fuels, renewables, nuclear power and other types of generation. Demand response contributed 1.1 MW to the fuel mix. SPP anticipated high electricity use across its region during a period of extreme heat. On Friday, July 1, it declared a Conservative Operations Advisory effective at noon July 6 through 10:00 p.m. on July 8. This advisory signaled to its member utilities a need to operate the regional grid with extra care by doing things like postponing maintenance on critical facilities, and increasing reserve requirements. SPP and its members maintained reliability through two of the hottest days of the year so far.

Walmart has signed a definitive agreement with Canoo to purchase 4,500 all-electric delivery vehicles, beginning with the Lifestyle Delivery Vehicle (LDV), with the option to purchase up to 10,000 units. The vehicles will be used to deliver online orders in a sustainable way which will also contribute to Walmart's goal to achieve zero-emissions by 2040. Canoo's agreement with Walmart builds on the company's existing commitments in the state of Arkansas. Last year Canoo announced it had selected Bentonville, Arkansas, as its headquarters and Pryor, Oklahoma, as the site for its U.S. manufacturing. This further establishes an EV ecosystem in the heartland to create thousands of technology and manufacturing jobs in the surrounding communities.

GRDA Scenic Rivers Operations selected Northeastern State University in Tahlequah to update the Illinois River capacity study. The capacity study will include data collection, economic modeling, and a

net present value analysis for consideration in any operational change recommendations. Deliverables include having a baseline report by December 2022, Management Strategies and Impacts report by December 2022, and Management Goals and Action Thresholds report by February 2023.

After the video, discussion ensued regarding boat safety and GRDA Police Department's ability to maneuver in high traffic areas on the lakes. Mr. Sullivan also thanked the GRDA Police, other law enforcement agencies and local fire departments that help with medical and other emergency issues on the lakes and Illinois River. He expressed his appreciation for all of GRDA's crews that are working out in the hot temperatures. GRDA departments work hard to make sure employees are heeding heat safety procedures, and it has worked so far this year.

3.b. Ratification of Directors & Officers and Employment Practices Liability Insurance Coverage

Mr. Lofton said these items renewed on July 1, 2022. He and the staff have worked with their partners to save some on cost of coverage. Per the decision made at last month's Board of Directors' Meeting, the Board authorized this item to be ratified during this meeting. Mr. Lofton explained the previous structure and expiring premium for this coverage. He also presented a table illustrating Directors & Officers and Employment Practices Liability insurance coverage, saying the new structure would be very similar with the first layer of coverage with AEGIS as the first layer of coverage, along with Hartford and Allied World. He explained what each carrier charged in premium for the coverage and told the Board there would a Surplus Lines Tax through AEGIS for \$8,523.24 and an administrative fee from the State Risk Management Office for \$7,930.16, for a total renewal premium of \$214,707.40. Mr. Lofton stated this is an appropriate amount for entities similar to GRDA. GRDA did get some competing quotes, but the policy offered only saved approximately \$5,000 and came with exclusions that would not have worked for the Authority.

Director Sublett asked if there were any claims this past year. Mr. Lofton stated there have not been any claims over the last year.

Director Sublett moved to ratify the decision to renew the Directors & Officers & Employment Practices Liability Insurance coverage as presented for the combined premium of \$198,254, plus the surplus lines tax of \$8,523.24, plus the State Risk Management administrative fee of \$7,930.16 for a total of \$214,707.40, seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

3.c. Ratification of Excess Liability Insurance Coverage

Mr. Lofton said GRDA maintains \$60 million of Excess Liability coverage over a \$2 million self-insured retention. This provides coverage for claims involving bodily injury and/or property damage, as well as coverage for claims arising from sudden and accidental pollution and Acts of Terrorism. GRDA does maintain separate pollution liability coverage, but this is provided in addition. He provided a table showing the current coverage, with AEGIS in the lead role at \$35 million in coverage, and Energy Insurance Mutual (EIM) with \$25 million, for a total of \$60 million. Mr. Lofton stated other insurance companies were approached but declined quote for several reasons. This policy term will now be in place for 14 months since this renewal takes place while our Finance Department is going through their year-end financial audit. He said GRDA is now looking at a 70 percent increase in premium for this coverage. This is attributed to the flooding litigation in Miami, Oklahoma. During the renewal process, there was some public activity and circulating of undecided numbers. These insurance carriers happen to be the same ones that insured GRDA in 2008 during this litigation. When the numbers were circulated, Mr. Lofton and Mr. Thom Jenkins began to get inquiries from underwriters as to what was happening. Even with this increase, AEGIS and Energy Insurance Mutual provided better coverage than others that were approached. Mr. Lofton presented the renewal premium amounts for this coming year, for a total amount, including surplus tax and administrative fee, of \$1,080,129.60.

Director Kimball asked, with the large increase in premium, if GRDA staff and Mr. Thom Jenkins attribute this to the litigation in Miami. Mr. Lofton confirmed this. He said Insurance Consultant Thom Jenkins has also had some conversations around this topic, and asked him to provide comment. Mr. Jenkins said there were discussions around the fact that due to the action that was taken in the proposed litigation settlement, and even if it was half of that amount, the carriers felt like they were risking everything that was charged. He stated that the carriers have also said they could give some of the premium back if the settlement does not materialize, but that this is not in writing.

Chair Elam asked what this might look like if GRDA was only a utility and not involved in other activity. Mr. Jenkins said it would likely be higher than what the Board is seeing today.

Discussion ensued regarding risk and the insurance industry changes, as well as how this has affected everyone involved, including GRDA's customers, and has become standard to see a 10 percent increase each year.

GRDA Board members asked Mr. Lofton and Mr. Jenkins to acquire in writing the refund in premium terms, if possible.

Director Sublett moved to ratify the decision to renew the excess liability insurance coverage as presented for the combined premium of \$981,936, plus the surplus tax in the amount of \$58,916.16, plus the State Risk Management administrative fee of \$39,277.44, for a total of \$1,080,129.60, seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4. New Business

4.1. Consideration, Discussion and Possible Authorization to Enter Into Service Agreement with Hometown Connections, Inc. for the Deployment of Advanced Metering Infrastructure in GRDA Municipal Customer Communities

Mr. Reese said since the January 2022 Board of Directors meeting, GRDA management has taken several opportunities to engage with their municipal customers on the Advanced Metering Infrastructure (AMI) Partnership Program. They held several Customer Task Force meetings throughout 2022 so far, along with an all-customer in-person meeting with Hometown Connections and AMI vendors and a Customer Q&A Meeting at the APPA National Conference in June. Mr. Reese explained what AMI is and said it enables 2-way, real time communication and data exchange between utilities and their customers. He went over the benefits of AMI for GRDA customers and explained the development of the GRDA AMI Partnership Program. The AMI Partnership Program is in response to the growing need to modernize and prepare for the deployment of future technologies in GRDA municipal customer communities. The GRDA staff and Customer Task Force has been engaged for several months in the search for an AMI solution to offer GRDA wholesale municipal customers a turnkey solution to acquire and deploy the latest generation of AMI. GRDA is recommending the selection of Hometown Connections, Inc. (HCI) in partnership with American Municipal Power (AMP) as the proposed vendor for the acquisition and deployment of AMI. Hometown Connections, originally a component of the American Public Power Association (APPA), was created through a partnership between American Municipal Power and seven other public power utilities, designed specifically to serve public power. AMP is a public power joint action agency and wholesale power supplier to members across 9 states. HCI's Advanced Metering Program enables GRDA to acquire, on behalf of its municipal customers, AMI equipment and services under contracts HCI has in place with its

vendors, and for the deployment, integration, operation and maintenance of all the components necessary to operate a fully functional AMI system. The HCI solution focuses on creating a digital enablement platform, creating certainty for the contract term by ensuring zero technological obsolescence, and providing customers with 24/7/365 support.

Director Meyers asked if the customers that already have an AMI system in place would be able to integrate with this system. Mr. Reese said there should be some ability in the future for GRDA to acquire data from a different system, but that has not worked out just yet. He also said HCI's obligation would be a 10-year commitment.

Director Sublett commented that AMI is obviously the wave of the future, but asked what the down side would be on this as far as GRDA is concerned. Mr. Reese said there is certainly a cost to this that will have to be recovered, and education on the technology for the public will have to be a part of the program. He used a Public Service Company (PSO) example, noting their "Power Hours" and explained how this works.

Mr. Mike Doublehead from the Tahlequah Public Works Authority (TPWA) and Mr. Keith Skelton from the City of Sallisaw commended the GRDA Staff and Customer Task Force for studying this over the last 18 months. Both spoke of how they believed this will be a huge savings in the long-run and thanked everyone for their work.

Chair Elam commented that he hopes the GRDA Staff and Board of Directors keep in mind this will likely not be the only entity that fits this model for GRDA and its customers, and others may want more options in the future. The Authority needs to protect all GRDA customers.

Director Sublett moved to authorize GRDA management to execute an agreement with Hometown Connections, Inc., for the deployment of advanced metering infrastructure in GRDA municipal customer communities, as discussed, subject to terms and conditions approved by the Chief Executive Officer and General Counsel, seconded by Director Westbrook, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.m. Consideration, Discussion and Possible Authorization to Adopt Rider and Pro Forma Service Agreement Between GRDA and Schedule WP Customers for the Deployment of Advanced Metering Infrastructure in GRDA Municipal Customer Communities

Mr. Reese described the GRDA AMI Partnership Program. He went over the cost recovery mechanism and presented an example for 2 different types of utility scenarios, one with electric and water service and one with only electric service. This example was based on 8,745 electric meters and 7,571 water meters.

Director Meyers moved to approve the AMI cost recovery rider and the associated pro forma service agreement, as discussed, seconded by Director Westbrook, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.n. Consideration, Discussion and Possible Approval of Revisions to Addendum 13 to Attachment H of the GRDA Formula Transmission Rate Protocols for the Southwest Power Pool Open Access Transmission Tariff (GRDA Transmission Formula Rate Protocols)

Mr. Mayfield provided an overview, explaining that the Southwest Power Pool's (SPP) Open Access Transmission Tariff ("OATT") is the master rule book for accessing and recovering revenue related to transmission facilities. Each Transmission Owner in SPP has one or more Addendum to OATT Attachment H. Each Addendum describes both the Transmission Formula Rate and the Protocols that apply to updating the inputs for the rate. He explained the Transmission Formula Rate equations calculate GRDA's Annual Transmission Revenue requirements for purposes of the SPP OATT, and that protocols are the rules and procedures that discuss how the numbers are inserted into the Transmission Formula Rate. Each year, GRDA updates the inputs for its Transmission Formula Rate (i.e. the actual numbers for that year), but does not typically change the Transmission Formula Rate itself. This is a routine practice, and is done annually by all transmission owners in SPP. Mr. Mayfield presented the GRDA's protocols to the Board and the planned updates to these. He said GRDA plans to collaborate with SPP to update its protocols with an overall goal to provide more transparency and better stakeholder involvement. GRDA's hopes that by doing this their protocols will better describe how the annual update process works, how GRDA will identify and provide notice to interested parties, how GRDA will exchange information with those interested parties, when and where the annual meetings will occur, and how disputes will be resolved. GRDA staff intend to collaborate with SPP staff so that SPP can file the updated protocols with the Federal Energy Regulatory Commission (FERC) for approval, as this is part of the SPP Open Access Transmission Tariff.

Director Sublett moved to authorize GRDA to collaborate with the Southwest Power Pool, Inc., to update the GRDA Formula Transmission Rate Protocols included in Addendum 13 to SPP Open Access Transmission Tariff Attachment H, in such form as approved by the CEO, seconded by Director Kimball, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.o. Second Reading of the Board of Directors' Policy No. 5-5 PPSA Late Fees for Payment Due Dates Falling on Non-Business Days

This item was tabled.

4.p. Other New Business, if Any, Which Has Arisen Since the Posting of the Agenda and Could Not Have Been Anticipated Prior to the Time of Posting (25 O.S. § 311(9)).

There was no other new business.

5. Reports

5.a. Board of Directors Committee Reports

1. Assets Committee:

- a) **Consideration, Discussion and Possible Approval of a Request by Robert F. Young and Ginger R. Young for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- b) **Consideration, Discussion and Possible Approval of a Request by NAK Rental, LLC for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- c) **Consideration, Discussion and Possible Approval of a Request by Joel D. Davis for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- d) **Consideration, Discussion and Possible Approval of a Request by Jann Medeiros for a Partial Release of Easement for Property Located in Muskogee County, Oklahoma.**
- e) **Consideration, Discussion and Possible Approval of a Request by Public Service Company of Oklahoma for an Easement and Right of Way for Property Located at the GRDA Kerr Dam Interconnect Substation in Mayes County, Oklahoma.**
- f) **Consideration, Discussion and Possible Approval of a Request by the Department of Environmental Quality for a Lease of Office Space Located at the GRDA Engineering and Technology Center in Tulsa County, Oklahoma.**

g) Consideration, Discussion and Possible Approval of Amended Changes to the Minimum Plumbing and Structural Standards Which Include the Establishment of a Fee for Habitable Structures.

Director Westbrook said the committee met this morning to discuss 7 items. These items ranged from application for license to encroach, releases of easement and a lease of GRDA office space. We also discussed the ongoing process involving updating GRDA's standards regarding habitable structures on the lakes. He said Mr. Edwards and the GRDA staff have done a great job of listening to feedback from property owners and beginning to implement some of these amended standards. He stated the staff and committee are still going through the exercise of reviewing some of the fees and expect to have this information to the Board as soon as possible. He asked if there were questions from the Board or anyone in attendance at the meeting. There were no questions.

Regarding item a, Director Westbrook moved to approve a License to Encroach to Robert F. and Ginger R. Young in Delaware County, Oklahoma for the amount of \$723.00 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item b, Director Westbrook moved to recommend approval of a License to Encroach to NAK Rental, LLC in Delaware County, Oklahoma for the amount of \$796.00 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item c, Director Westbrook moved to recommend approval of a License to Encroach to Joel D. and Angelique Davis in Delaware County, Oklahoma for the amount of \$419.00 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item d, Director Westbrook moved to recommend approval of a Partial Release of Easement on Line 310 in Muskogee County, Oklahoma to Jann Medeiros for the amount of \$5,000, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item e, Director Westbrook moved to recommend approval of an easement to PSO in Mayes County, Oklahoma for the amount of \$12,825.00, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item f, Director Westbrook moved to approve a one-year lease with four renewal periods between Grand River Dam Authority and Oklahoma Department of Environmental Quality for office space located at 9933 E 16th Street, Tulsa, OK for the amount of \$4,415.00 per month effective July 1, 2022, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item g, Director Westbrook moved to approve the revised minimum standards for habitable structures as submitted, and that all habitable structure permit holders will have 18 months from FERC's approval to conform to the standards; a plumbing and electrical inspection will be required, and all habitable structure owners will be required to submit an updated scaled drawing so that GRDA staff can verify the dimensions; those structures that have not conformed to the new standards within 18 months of FERC approval will be subject to removal, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

- 2. Audit, Finance, Budget, Policy & Compliance Committee:** Director Lewandowski had no report.
- 3. Compensation & Marketing Committee:** Director Kimball had no report.
- 4. Fuel and Long-Range Planning Committee:** Director Meyers said the committee met yesterday and discussed the terms of a coal contract which will be discussed in Executive Session.

6. Executive Session:

- a. Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning the Pending Investigation, Claim, or Action, related to Federal Energy Regulatory Commission Project No. 1494-348, Which GRDA has Determined, with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim, or Action in the Public Interest.**
- b. Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and its Attorneys concerning Arvest**

Bank v. Miller, et. al., District Court of Adair County, Oklahoma, Case No. CJ-2022-32 and Possible Release of Conservation Easement, Which GRDA has Determined with the Advice of its Attorneys that Disclosure of Such Communications Will Seriously Impair the Ability of the GRDA to Conduct the Litigation in the Public Interest.

- c. **Proposed Executive Session Pursuant to 82 O. S. § 862.1(2)(a) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Coal or Gas Fuel Supply and Transportation Contracts, Which are Exempt from the Provisions of the Open Meetings Act.**
- d. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Shawn Ford v. State of Oklahoma ex rel. GRDA, District Court of Mayes County, Oklahoma, Case No. CJ-2022-108, for Which the GRDA has Determined, with the Advice of Its Attorneys, that Public Disclosure Would Seriously Impair the Ability of GRDA to Process the Claim or Conduct Litigation.**

Director Kimball moved to go into executive session at 11:29 a.m., seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Sublett moved to return to regular session at 12:48 p.m., seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

7. Action on Executive Session Items

- a. **Action, as Necessary, Concerning the Pending Investigation, Claim, or Action, related to Federal Energy Regulatory Commission Project No. 1494-348.**
- b. **Action, as Necessary, Concerning Arvest Bank v. Miller, et. Al., District Court of Adair County, Oklahoma, Case No. CJ-2022-32 and Possible Release of Conservation Easement.**
- c. **Action, as Necessary, Concerning Coal or Gas Fuel Supply and Transportation Contracts.**
- d. **Action, as Necessary, Concerning Shawn Ford v. State of Oklahoma ex. Rel. GRDA, District Court of Mayes County, Oklahoma, Case No. CJ-2022-108.**

Regarding item a, there was no action needed on this item.

Regarding item b, there was no action needed on this item.

Regarding item c, Director Kimball moved the Board approve the Peabody COALSALES, LLC 2023 Base Price proposal, as discussed in executive session, seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Sublett, Westbrook, yes. Motion passed (7-yes, 0-no, 0-abstained).

Regarding item d, there was no action needed on this item.

Director Kimball moved for adjournment at 12:50 p.m., seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Lewandowski, Sublett, yes. *Motion passed (4-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

August 10, 2022

GRDA Board of Directors