

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
October 13, 2021**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Energy Center in the Training, Safety & Environmental Building in Chouteau, Oklahoma, on October 13, 2021. 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 16, 2020, at 11:31 a.m.; by posting the agenda with the Mayes County Clerks' offices on October 12, 2021, at 9:41 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, with the exception of Director Sublett. Chair Elam declared a quorum.

BOARD MEMBERS

Dwayne Elam, Chair	Present
Charles Sublett, Chair-Elect	Absent
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
Steve Wall, VP - Chief Information Officer	Absent
Mike Waddell, VP – Transmission and Distribution Operations	Present
Sheila Allen, Corporate Secretary	Present

Others present were as follows: Mike Doublehead, TPWA; Jaren Crisp, Pryor MUB; Eric Davis, Google; Craig Stokes, City of Collinsville; Jeff Brown, Michelle Day, Chris Carlson, Melanie Earl, Ash Mayfield, Randall Williams, Matt Martin, Savannah Ellison, Gary Pruett, Cameron Philpott, Brylee Harbuck, Dave Hefner, Penny Frailey, James Frailey, GRDA.

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

Number	Title	Net GRDA Cost
RF021-01126	Sallisaw Interconnect Motor Operated Switch Replacement	\$ 331,111

Grand Total Work Orders**\$****1,922,687**

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 Meyers, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

CONSENT AGENDA

4.b. Resolutions of Commendation:

- 1) James K. Frailey

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

Description and/or Make of Item	
Plastic 55 Gallon Barrels: Lot of 38	Dell Optiplex 7040
Alcatel 6850 Switches: Lot of 33	Dell Optiplex 7010 Lot of 6
Cisco ASA 5505 Firewalls: Lot of 3	Dell Optiplex 990: Lot of 3
Siemens RS900G Rugged Comm Switches: Lot of 2	Dell 2350DN Printer
Dell Latitude E5550	Dell 5210N Printer: Lot of 2
Dell Latitude E5570: Lot of 6	Dell Precision Tower 5810
Dell Latitude E7470: Lot of 6	Dell Monitor: Lot of 35
Dell Latitude E7480: Lot of 3	Dell Precision 5520: Lot of 2
Dell Latitude E6510	Dell Latitude E6430
Dell Latitude 630	Dell Precision 3620: Lot of 2
Dell Latitude 12 Rugged Tablet: Lot of 3	Keyboards: Lot of 13
Dell Latitude 5580	Dock Stations: Lot of 32
Dell Latitude 5420	Misc. Cables
Dell latitude 14 Rugged 5414	Speakers: Lot of 6
Dell Optiplex GX280	Dell MFP 2335DN
Dell PowerEdge T310	Dell 550 Sheets Feeder Unit
Compaq EVO W4000	Dell PC
Dell Latitude 5501	Cisco Switch
Dell Latitude E7270	Gateway PC
Dell Latitude 7490	Compaq PC
	Desk Phone

- 1) Recommendation to Declare Surplus and Authorize Sale of Hydroelectric Renewable Energy Certificates

4.d. Power Cost Adjustment (PCA) of \$0.02972 per kWh for November 2021

4.e. Electrical Consultants, Inc. Continuing Services Agreement Task Authorization #7 – Collinsville Interconnect Upgrade – Phase 2 Design

4.f. Consideration, Discussion and Possible Approval of Revised Schedule LGS-TOU – Large General Service – Time of Use

4.g. Consideration, Discussion and Possible Approval of Base Contract and Special Provisions with Southwest Energy, L.P.

5.b. October Purchase Order Report (*Denotes Addenda Items):

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
43492	AERIAL DATA SERVICE - TULSA, OK	199,074.27
Total Standard POs & Contracts:		\$199,074.27
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
112075	JOHN DEERE COMPANY - CARY, NC	-560.88
43413	BELL HELICOPTER TEXTRON, INC. - FT WORTH, TX	0.00
43404	TORISHIMA SERVICES SOLUTIONS OF MICHIGAN LLC - BATTLE CREEK, MI	-32,400.00
42346	CROSSLAND CONSTRUCTION CO., INC. - COLUMBUS, KS	0.00
43279	RE-CON COMPANY - OKLAHOMA CITY, OK	-32,674.67
43305	BRAINERD CHEMICAL COMPANY, INC. - TULSA, OK	108,864.00
42434	AM-RAIL CONSTRUCTION, INC. - TULSA, OK	25,000.00
43459	ALBEMARLE CORPORATION - CHARLOTTE, NC	471.20
Total Change Orders & Renewals:		\$68,699.65
Grand Total		\$267,773.92

Director Meyers moved to approve the consent agenda as presented, seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Regular Board Meeting Minutes of August 12, 2021.

Director Kimball moved to approve the Regular Board Meeting Minutes of August 12, 2021, seconded by Director Meyers, and voted upon as follows: Elam, yes, Kimball, yes, Lewandowski, abstain, Meyers, yes, Richie, yes, Westbrook, yes. *Motion passed (5-yes, 0-no, 1-abstained).*

3. Unfinished Business

3.a. Progress Reports

3.a.1. Current Operations Reports

a. Monthly Video Update - GRDA October 2021

- Southern States Energy Board 61st Annual Meeting in Oklahoma City

Mr. Sullivan said the Authority had continued growth in September 2021. He explained data shown as to GRDA's Demand and Energy for Load Following comparing total information for 2020 and 2021 for GRDA's Full Requirements Customers. Mr. Sullivan told the Board there was an 11 percent total increase

in demand and a 13 percent increase in energy for the month. He showed graphs illustrating a comparison of resource energy production for September 2020 and September 2021, and said GRDA had coal production due to GRDA Unit 2 operating, with natural gas prices being higher than normal. Mr. Sullivan said this demonstrates how the resource mix continues to shift. He told the Board that currently GRDA Unit 3 is in outage and will talk about that later in the agenda.

Mr. Sullivan told the Board a Rush for Brush event was held at Lake Hudson on September 21, 2021. This opportunity provided 250 fish habitat structures to be constructed and installed at several locations on the southern end of the lake. The structures are designed to provide protection for fish fingerlings to promote increased populations of native sport fish species in areas that are popular for anglers.

GRDA's Mutual Aid Crew recently returned from Louisiana, where they helped to repair Houma's electric system, which had been damaged by Hurricane Ida. Mr. Sullivan said they received several "thank you" cards from schoolchildren in the area and showed several examples. A GRDA crew of 20 volunteers, including powerline maintenance and vegetation management personnel, mechanics and law enforcement traveled to Louisiana on August 28 to assist with repairs following Hurricane Ida. Additionally, he told the Board 11 GRDA Police Officers traveled to Louisiana, assisting with recovery efforts. Three officers were deployed with Oklahoma Task Force One, and six others were part of a rescue and response contingent comprised of personnel from Mayes County Emergency Management, Craig County Emergency Management, Pryor Fire Department and the Quapaw Tribe. He showed photographs of these groups and their activity there. Mr. Sullivan asked Mr. David Hefner to talk about his crews' experiences.

Mr. Hefner said the trip was very successful. He explained the process in entering the damaged areas, and said it was one of the worst hit areas they had seen. Mr. Hefner commended the GRDA Police for helping his crews to be able to get where they needed to be. He said most of the damage was transmission lines, and typically this was not the case in other events. Mr. Hefner explained how capable GRDA crews are when it comes to working on transmission lines just due to the nature of the equipment and training they have. He provided some additional detail on where the crews began their work and completed their tasks before coming home, and thanked those that helped to feed them and make them more comfortable along the way. Mr. Hefner said he could not say enough about how they were welcomed and taken care of.

Mr. Sullivan said during the time their crews were there Tropical Storm Nicholas hit, and this made work much more challenging for crews and our GRDA Police officers. He thanked Mr. Hefner for his efforts in leading the crew and expressed how much GRDA appreciates their work in this and in handling the system at the MidAmerica Industrial Park.

Mr. Waddell also expressed his appreciation for these crews and their training and dedication. He said GRDA crews are always in demand and at the top of the list when mutual aid is needed. Mr. Waddell stated this is a testament to their crews' professionalism and skills. He also recognized the employees that stay behind to take on more responsibilities that allow their mutual aid crews to travel to the site. Mr. Waddell told the Board he is very proud of everyone involved.

Mr. Sullivan said the 2021 MESO Lineworkers' Rodeo was held in Claremore, Oklahoma in September. He told the Board GRDA did not participate as they normally would have due to their crews being involved in mutual aid activities, but participated as judges for the event. Mr. Sullivan commended those involved and commented on how these skills are often needed in mutual aid events. He also showed photographs from the event.

GRDA provided a grant to its public power partner Coffeyville, Kansas, earlier this year for the new equipment for Pfister Park, which includes multiple ground level and elevated play features for children ages 6 to 12. Mr. Sullivan said the dedication was held on September 28, 2021. He expressed his appreciation to everyone for their part in this project, and said GRDA is looking forward to this being there for a long time.

Mr. Sullivan said GRDA filed the Initial Study Report Documents on September 30, related to the relicensing requirements for Pensacola Dam, with the Federal Energy Regulatory Commission (FERC) and uploaded them to GRDA's Web site. He told the Board this is a significant milestone on the road to completing the Integrated License Process for the Pensacola Project. Mr. Sullivan stated that currently many members of Team GRDA are in those meetings, and that they seem to be going quite well. He said there have been great efforts from the Mead & Hunt Team in consulting and working with their subcontractors to put some of the pieces together, and there will be more to report once this phase is complete.

Mr. Sullivan told the Board the GREC Unit 2 outage wrapped up in late September. He said good planning and employee involvement led to an excellent outage execution where safety was held as a top priority and served as a key performance of success. Employees actively worked with contractors to

conduct the work safely with eight days to complete over 1,000 hours (excluding planning/permit preparation, site mobilization and demobilization of contractors) of general valve, boiler and instrumentation maintenance to a full air preheater wash. Mr. Sullivan said burning some of the old coal has presented some operational issues, but they are almost at the end of this part of the coal pile. Mr. Ladd stated they have more new coal coming in and look forward to having a better product to use in the unit.

Mr. Ladd went on to tell the Board that Mitsubishi personnel arrived at the GREC on October 1 and began to disassemble the Unit 3 combustion turbine for blade and vane replacements and to perform a scheduled turbine and generator inspection. They will also perform steam turbine valve inspections and a robotic inspection of the steam turbine generator. He said Mechanical Construction Services have cut and modified two 12" fuel gas lines in order to accommodate a chemical clean to be performed on the performance heater and Toroshima disassembled the TCA and boiler feed pumps to upgrade the mechanical seal housings. GRDA maintenance crews replaced a boiler-feed pump and condensate pump, instrumentation techs are performing hundreds of critical calibrations and electricians are assisting the LOTO (Lock Out, Tag Out) Team, racking out breakers, unwiring motors and pulling new wires for upgrades. He said Transmission personnel have also been onsite, inspecting the Unit 3 transformers. Mr. Sullivan said there will be an opportunity today, if it is not raining too hard, to tour GREC Unit 3 to see any of the work they currently doing. Mr. Ladd stated the turbine is disassembled today and it would be a good day to tour the unit as there are many inspections underway.

Mr. Sullivan said GRDA transmission line crews installed OPGW on Feeder 25, as a subsidiary project for an upgrade to the Sallisaw City #3 Substation. The installation was completed ahead of the planned deadline. He commented that GRDA is happy to have this completed.

Mr. Sullivan told the Board a GRDA mobile substation was installed at the Stilwell City East Substation on October 4, 2021. He said GRDA was called out a little over a week ago due to some power quality issues the City of Stilwell was having. GRDA sent a crew out and took infrared pictures showing a hot spot withing the substation. The mobile substation was deployed right away to avoid any outage or damage to equipment and to allow crews to begin making repairs. Mr. Sullivan commended GRDA's Engineering and Transmission teams and thanked them for their work and quick response. Mr. Hefner said this was crucial work in discovering this hot spot and notifying the proper people that the infrared equipment was reading over 300 degrees at one spot. This also created a risk for more issues and a threat to crews trying to make the repair. He and Mr. Sullivan showed photographs of the hot spot and the repair work.

Mr. Sullivan said he sent information GRDA received from Fitch Ratings that they have affirmed GRDA's A Plus rating with a Stable outlook. They had some very complimentary things to say about GRDA operations. He stated Fitch made the comment that GRDA utilities continued strong financial performance and very low operating costs. One of the things they called out and talked about was GRDA's debt ratio or leverage ratio measured as net adjusted debt to adjusted funds available for debt service. He said, again, their work related to capital projects using cash rather than indebtedness has continued to pay off. So, going into our securitization efforts, these reports and affirmations are very helpful in the process.

Mr. Sullivan said in 2014 the Environment Federation of Oklahoma (EFO) began its Public Servant Award to recognize an individual embodying the traits and attributes of the consummate public servant who routinely goes above and beyond his or her job description in providing service to the regulated community in general. In 2016, the award was renamed the James R. Barnett Public Servant Award to honor EFO's founding President in recognition of his outstanding leadership in protecting natural resources. He stated a public servant's qualifying actions for the award can be a career of excellent service, for a single meaningful act, or any combination of the two. Mr. Sullivan told the Board that yesterday GRDA's Mr. Ed Fite was recognized for this award. He showed a photograph from the event where Dr. Townsend and others were present to be with him as he received that for his leadership and many years of contribution to the environmental community.

Mr. Sullivan said he and Mr. Wiscaver with 10 other representatives of Oklahoma traveled to Germany last week as a Hydrogen Delegation. He showed photographs from the trip and explained what they Mr. Sullivan told the Board more about Europe's work toward conversion of their pipeline fleet, saying about 80 percent of that fleet can be converted to hydrogen transport rather than natural gas. He explained that they will begin in 2023 with the first segments of that work, but that they are doing their due diligence and focusing efforts to identify which lines are available for that. Mr. Sullivan showed a number of other photographs, to include a hydrogen cell trailer used to transport hydrogen from a production facility to a filling or distribution facility, a production facility, and a hydrogen-fueled bus used for their tour. He explained how all of this works together from the process of electrolysis to production and filling vehicles. Mr. Sullivan told the Board this is one of the things that Nikola and others are looking at doing in Oklahoma at the MidAmerican Industrial Park. They could put a facility there that would be a hub for their build out of the nationwide network with their long-haul trucks they are beginning to produce. He stated it was fascinating to see how this is developing in Europe due to their base cost of fuel, as it much higher than it is in the

United States. Mr. Sullivan stated that fuel for vehicles there is currently about \$6.00 per gallon. He explained how the effects electricity prices and said there were also representatives from the natural gas industry present to look at these technologies and get more information on the feasibility of converting natural gas pipelines, either totally or partially, to hydrogen transportation. Mr. Sullivan said there is a lot of discussion about Oklahoma being a hub for hydrogen activity, and this was an opportunity for them to see that first-hand.

Mr. Sullivan said, given the recent increase in positive COVID-19 cases at the Grand River Energy Center, on Thursday, September 29, the mask policy was reactivated. Employees unable to maintain at least 6' of physical separation or in a GRDA-owned vehicle with other people, must wear masks at all times. He stated that thankfully their numbers are decreasing, and there have only been 2 cases that were active as of Monday. Mr. Sullivan said it is a vast improvement over what they saw a couple of weeks ago when all of this occurred.

He introduced the video and said that would complete his report.

4. New Business

4.h. Consideration, Discussion and Possible Approval of the Premium for Workers Compensation Coverage Through the Office of Management and Enterprise Services

Mr. Lofton said this item is seeking approval for payment of GRDA's Workers' Compensation premium. He explained the GRDA has Workers' Compensation Insurance coverage through the self-insured program run by the State Risk Management Division. The annual policy period is July 1 through June 30. This year, the premium for July 1, 2021, through June 30, 2022, is \$214,014.00, a significant decrease. He showed GRDA's recent Workers' Compensation Insurance premium history, their recent history of premium and expenses, the number of Workers' Compensation claims, and the number of absent days due to work-related incidents, explaining each. Mr. Lofton also told the Board that GRDA generally averages between 25 and 30 claims per year.

Director Lewandowski commented that GRDA's Safety Director and his team were doing a great job. Mr. Ladd said it has been a concerted effort across the Authority to change the culture at GRDA. Director Lewandowski agreed that the results definitely tell that story. Mr. Sullivan stated it is great to see this kind of savings and that these dollars saved also represent employees going home in the same condition or better than they came to work in.

Director Meyers moved to approve the payment of \$214,014.00 to the State of Oklahoma for Workers' Compensation Insurance coverage effective July 1, 2021, To June 30, 2022, seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

4.i. Consideration, Discussion and Possible Approval of a Resolution Approving Projects and Authorizing Submitting an Application for Financial Assistance from the U.S. Department of Commerce, Economic Development Administration

Ms. Michelle Day told the Board she is present to provide any additional information or answer any questions they may have on the resolution they received in their material. She said GRDA recently became aware of a Notice of Funding Opportunity issued by the U.S. Department of Commerce Economic Development Administration (EDA) for Phase I awards under the American Rescue Plan Act – Build Back Better Regional Challenge and the staff is working with the Grand Gateway Economic Development Association to submit their application given targeted projects they know are on the horizon. Ms. Day stated Phase I would be focused on a Technical Assistance Award of up to \$500,000 and Phase II would be focused on a Project Award of up to \$100,000,000. She explained the \$1 billion available under the ARPA BBBRC will provide a transformational investment to 20 to 30 regions across the country that want to revitalize their communities. Ms. Day said the Regional Challenge requires a coalition of entities with 3 to 8 distinct, but related, projects in their region. Eligible activities under the grant include water infrastructure and activities that foster economic growth and resilience. She presented the investment priorities the EDA is focusing on, and said GRDA has projects that fit nicely into this program. Ms. Day told the Board Phase I will provide technical assistance in the preparation of the application for Phase II, project implementation. Phase II of the program will provide for the actual construction and implementation of the projects. She said the grants received are for 80 to 100 percent of the project costs, and GRDA is seeking the full grant potential of \$100,000,000. She outlined the projects GRDA is planning, to include the Wyandotte Levee, Salina Levee, OOWA Water Backup, Conversion of a unit at the Salina Pumped Storage Project, a 30 MW solar field, and a 10 MW battery energy storage project.

Mr. Sullivan stated GRDA has a support letter in-hand from Canoo and one coming from Google for this effort. He said this is a partnership with everyone involved.

Director Kimball moved to approve the Resolution Approving Projects and Authorizing Submitting an Application for Financial Assistance from the U.S. Department of Commerce, Economic Development Administration, seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

4.j. Consideration, Discussion and Possible Approval of Extension of Schedule PCA/PCAx Winter Storm Uri Recovery Method Deadline from October 15th, 2021, to October 29th, 2021

Mr. Mayfield reminded the Board of the previous changes to the Schedule PCA in August 2021 and exactly what those changes were. He said today the GRDA staff would like to propose a waiver and extension of the current deadline from October 15, 2021, to October 29, 2021. Mr. Mayfield said there would be no rate impact, it would be limited in scope, there are no harm to third-parties, and customers are requesting this in good faith due to corporate review procedures and council meeting scheduling challenges, etc. He presented the changes in language in the schedule, and said the changes would require certain language in the motions as well to approve.

Director Westbrook asked if the staff is confident that this can be accomplished with this short of an extension. Mr. Mayfield said they are confident that 2 weeks is a good compromise. He stated anything longer than this would run the risk of delaying the process. Mr. Sullivan stated a couple of the requests for this were specifically for next week to accommodate their deadlines. Director Westbrook asked if all customers were alright with this change. Mr. Mayfield said he believes GRDA has reached out to everyone about this on multiple occasions.

Discussion ensued about the deadline change and why there was a need for this, as well as the timing of implementation. Mrs. Gudde spoke to the Board about this and explained more detail about this timing and how it related to the securitization effort.

Director Elam commended the staff on all their hard work during this process.

Director Meyers moved to (i) find that the proposed waiver and extension of the October 15th PCAx deadline has no impact on terms or charges for electrical power and energy, as described in Schedule PCA; and (ii) approve the waiver and extension of the original PCAx Winter Storm Uri Cost Recovery Method deadline of October 15th, 2021 until October 29th, 2021, and seconded by Director Richie, and

voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

4.i. 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)).

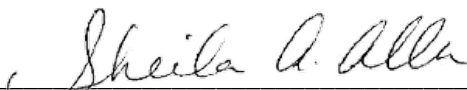
There was no other new business.

5. Reports

5.a. Board of Directors Committee Reports

1. **Assets Committee:** Director Westbrook had no report.
2. **Audit, Finance, Budget, Policy & Compliance Committee:** Director Lewandowski had no report, but said there would be a committee meeting directly following the Board of Directors' Meeting today.
3. **Compensation & Marketing Committee:** Director Kimball had no report.
4. **Fuel and Long-Range Planning Committee:** Director Meyers had no report.

Director Kimball moved for adjournment at 11:17 a.m., seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:
November 10, 2021

GRDA Board of Directors