

**Minutes of Special Meeting
Grand River Dam Authority
Board of Directors
October 10-11, 2024**

A special meeting of the Board of Directors of the Grand River Dam Authority was held at the Colcord Hotel in Oklahoma City, Oklahoma, at 15 North Robinson Avenue on October 10, 2024 and October 11, 2024. Notice was given pursuant to 25 O.S.A. § 301 et seq. by submitting a notice of special meeting to the Secretary of State on August 6, 2024, at 9:25 a.m.; by posting the agenda with the Oklahoma County Clerk's office on October 8, 2024, at 8:53 a.m.; by posting said agenda at www.grda.com; and by posting said agenda at the principal office of GRDA and the meeting location at least 48 hours prior to the meeting.

Chair Meyers called the meeting to order at 9:02 a.m. on October 10, 2024. The Secretary called the roll. All members were present. Chair Meyers declared a quorum.

BOARD MEMBERS

Chris Meyers, Chair	Present
John Rupe, Jr., Chair-Elect	Present
Dwayne Elam	Present
Tom Kimball	Present
Paul Matthews	Present
Charles Sublett	Present
Michael Westbrook	Present

ADMINISTRATIVE

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

Mr. Sullivan opened the meeting and welcomed everyone. He expressed his hope the Board and the staff would get a great deal out of this time together and provided an overview of the agenda. He asked everyone to introduce themselves and the meeting began.

Mr. Sullivan presented an award to Mr. Robert Ladd for twenty-five years of dedicated service to GRDA. He thanked him for his leadership and commitment to the Authority and congratulated him on his many years of service to the Authority. The Board also congratulated Mr. Ladd.

Update on The Energy Authority (TEA)

Ms. Teofilo presented information on how their organization and the relationship with their members works. She explained how the project will progress to integrate TEA processed with existing GRDA processes. They showed a timeline and project roadmap. They said the Project Team includes many GRDA and TEA staff members, with nine working groups and a Steering Committee of executives and project managers that meet bi-weekly. Southwest Power Pool (SPP) power trading operations go live on November 1, 2024. Gas trading is scheduled to begin on April 1, 2025. This coincides with the expiration of GRDA's existing contract with Symmetry and avoids transitioning during winter peaks for natural gas. They assured the Board there would be continual improvement and enhanced scope going forward. Ms. Teofilo presented current accomplishments of the project. Mr. Jamie Mahne, TEA Chief Client Officer, showed results from GRDA becoming a member in July 2024 and said GRDA has benefited by sharing in TEA's investment business. Authority personnel are also integrating into TEA governance and the member community. GRDA is a part of the TEA Board of Directors and committees, as well as the artificial intelligence forum. Ms. Teofilo went over their strategic planning to address frequent industry changes and what drives this work for them.

Discussion ensued about what changes have been seen and how GRDA personnel have been impacted.

There was no action required for this item.

Load Requirements/Supplemental Supply

Mr. Brown presented their resource planning agenda, and objectives and future approval items for new energy resources, including potential Power Purchase Agreements that may be needed. This facilitated discussion about the challenges of meeting resource adequacy around the influx of intermittent renewable generation, thermal generation retirements, resource under-performance and unavailability, increasing load and volatility, extreme weather events and reducing margins. The group talked about requirements for batteries related to solar energy, and that the performance of solar resources varies significantly across different regions. He went over general details of the requests pending in the current Generator Interconnection (GI) Queue, projected SPP generation capacity, and summer and winter accreditation. Mr. Brown delves into resource planning requirements, particularly during winter, highlighting the factors driving these requirements. They discuss the importance of accounting for uncertainty in resource planning and the use of the presented graphs to visualize resource accumulation. They also mention the impact of potential point loads on resource planning and how these factors could lead to negative efficiency. He presented studies of various resource options, evaluating their costs and benefits on a life cycle basis. They broke down the costs into fixed and variable components, and emphasize the importance of considering costs per kilowatt-hour, which is how customers are typically billed. They analyzed the costs of different resource options, including combined cycles, combustion turbines, and energy storage, highlighting the impact of factors like carbon capture and sequestration. The group discussed supplemental supply in an aim to mitigate risks associated with wholesale customers and ensuring existing customers are not disadvantaged in any way.

There was no action required for this item.

Proposed Executive Sessions:

- a. Proposed Executive Session Pursuant to 25 O.S. § 307(C)(11) for the Purpose of Conferring on Matters Pertaining to Economic Development, the Public Disclosure**

of Which Would Interfere with the Development of Services and Would Violate the Confidentiality of the Business.

- b. Proposed Executive Session Pursuant to 25 O.S. § 307(C)(11) for the Purpose of Conferring on Matters Pertaining to Economic Development, the Public Disclosure of Which Would Interfere with the Development of Services and Would Violate the Confidentiality of the Business.**

Director Kimball moved to go into executive session at 11:16 a.m., seconded by Director Rupe, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

The group recessed for lunch at 12:07 p.m., and reconvened at 1:05 p.m. to continue discussion. No action was taken, and no business was discussed.

Director Westbrook moved to return to regular session at 3:57 p.m., seconded by Director Elam, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Bond Package and Fiscal Impact Report

Mr. Feighner presented a Finance Dashboard illustrating year-to-date base power sales, operation results, revenue and cost per megawatt-hour, cash on-hand, bond metrics and under/over recovered fuel cost. He talked about the existing debt as well as GRDA's debt service that consists of interest and principal bond payments, showing a graph focused on debt service requirements by bond issue. Mr. Feighner presented information on case study scenarios and how new debt would look in each. The group discussed new debt considerations, including liquidity, debt service coverage, tax versus tax-exempt and Private Use regulations, and customer contract terms. He went over each case study scenario and graphed how this would look for the Authority, concluding with an impact summary of the new debt options, based on these scenarios.

The Board asked questions around each scenario and how specific customer classes could be affected.

There was no action required for this item.

Oklahoma Legislative Update and Planning

Mr. Wiscaver the potential bond capacity increase, saying it is necessary to expand the GRDA's rising generation needs. They discussed this being driven by several factors related to economic growth and competitiveness. He said as their existing customer base expands and there is an increasing demand for reliable and efficient energy sources to support customers. The growth necessitates investments in power generation to ensure that energy infrastructure can accommodate rising demand and consumption levels. Mr. Wiscaver also talked about the exemption from depositing proceeds from the sale of GRDA assets into the state maintenance revolving fund. Given that the GRDA is not funded by state appropriations, but rather by revenues generated through the sale of electricity and water, all proceeds from the sale of property owned by the GRDA should be retained by the Authority for the benefit of its customers and bondholders. Other agencies already exempted are The Oklahoma Ordnance Works Authority, the Commissioners of the Land office, the Oklahoma Department of Transportation, and the Oklahoma Turnpike Authority. He facilitated discussions on potential increases in fees related to watercraft and recreational activities. These fees are crucial for maintaining and improving facilities that support them. They are used to ensure that GRDA facilities are adequately maintained in a timely manner, and raising fees will provide essential financial support for high quality recreational experiences for visitors to the Northeast Oklahoma waterways and surrounding areas.

There is no action required for this item.

Director Kimball moved to adjourn for the day at 4:41 p.m., seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. Motion passed (7-yes, 0-no, 0-abstained). Director Elam moved for adjournment at 12:02 p.m., seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Sublett, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Chair Meyers called the meeting to order at 9:02 a.m. on **October 11, 2024**. The Secretary called the roll. All members were present. Chair Meyers declared a quorum.

Enterprise Risk Report – Board Policy 4-4

Mr. Jeff Brown presented the current policy language for the Board. He said each Executive Vice President is responsible for certain programs/functions which contribute to GRDA's *5 E's of Excellence*. Each program has risks and barriers to achieving their objective. Annually, GRDA's Internal Audit Services (IAS) seeks updates to identify risks associated with their programs. This information, along with several other factors assists IAS in developing an audit plan for the next year. Since GRDA has become a member of TEA, it was determined that formal activities related to this policy would pause until after the transition was complete. IAS and the Executive Team will participate in a working session to discuss Board Policy 4-4, consider and discuss the program managers' identification of applicable risks in the fall of 2024, and brainstorm about risks not clearly linked to a department, how the same risk may affect departments differently and the program risks which may be enterprise level risks. The Executive team will identify significant enterprise level risks and ensure strategies are developed to manage them. The Audit, Finance, Budget, Policy & Compliance Committee will be updated in July 2025.

There were no questions from the Board, and no action was required for this item.

Proposed Executive Sessions:

- c. Proposed Executive Session Pursuant to 82 O.S. § 862.1(2)(b) for the Purpose of Conferring on a Power Purchase and Sale Agreement Which is 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 the Pending Investigation, Claim, or Action, Related to Federal Energy Regulatory Commission Project No. 1494, 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.**

- e. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
- f. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between Grand River Dam Authority and Its Attorneys Concerning Grand River Dam Authority v. Federal Energy Regulatory Commission, United States Court of Appeals for the D.C. Circuit, Case No. 24-1071.**

Director Kimball moved to go into executive session at 9:07 a.m., seconded by Director Elam, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 10:20 a.m., seconded by Director Elam, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

0-abstained).

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- a. **Action, as Necessary, Concerning Matters Pertaining to Economic Development.**
 - b. **Action, as Necessary, Concerning Matters Pertaining to Economic Development.**
 - c. **Action, as Necessary, Concerning a Power Purchase and Sale Agreement.**
 - d. **Action, as Necessary, Concerning the Pending Investigation, Claim, or Action, Related to Federal Energy Regulatory Commission Project No. 1494.**
 - e. **Action, as Necessary, Concerning City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
 - f. **Action, as Necessary, Concerning Grand River Dam Authority v. Federal Energy Regulatory Commission, United States Court of Appeals for the D.C. Circuit, Case No. 24-1071.**

Regarding item a, there was no action required for this item.

Regarding item b, there was no action required for this item.

Regarding item c, Mr. Tim Brown stated the item's title mistakenly listed this as a "Power Purchase and Sale Agreement." It should be a Power Purchase Agreement.

Director Kimball moved to authorize the renewal of the existing Power Purchase Agreement with the Kansas Municipal Energy Agency for 6- MW of baseload power and energy with firm transmission for a period extending until April 30, 2051, subject to the terms approved by the Chief Executive Officer and General Counsel, seconded by Director Matthews, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item d, there was no action required for this item.

Regarding item e, there was no action required for this item.

Regarding item f, there was no action required for this item.

Director Sublett moved to adjourn the meeting at 10:30 a.m., seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

November 13, 2024
GRDA Board of Directors