

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
July 18, 2025**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority’s Administrative Center in Chouteau, Oklahoma on July 9, 2025. 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 14, 2024 at 3:15 p.m.; by posting the agenda with the Mayes County Clerks’ offices on July 8, 2025, at 9:37 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 Rupe called the meeting to order at 10:03 a.m. The Secretary called the roll. All members were present, with the exception of Director Fuller. Chair Rupe declared a quorum.

BOARD MEMBERS

John Rupe, Jr., Chair	Present
Jared Crisp	Present
Nicki Fuller	Absent
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
Tony Dionisio, VP – Chief Information Officer	Present
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

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

Number	D365 Project	Funding Source	Title	Net GRDA Cost
RF025-01395	P005483	REVENUE	SPSP Penstocks Flowmeters Replacement	\$ 425,230
RF022-01172	P001311-12	REVENUE	SPSP South Abutment Seepage Project	\$ 7,038,895
Grand Total Work Orders				\$ 7,464,125

Mr. Sullivan explained items on the Capital Work Order Report. Both were related to the Salina Pumped Storage Project (SPSP).

There were no questions from the Board.

Director Westbrook moved to approve the Capital Work Order Report as presented, seconded by Director Kimball, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

CONSENT AGENDA

4. New Business:

- b. Resolutions of Commendation: **Chair Rupe**
 - 1) Clayton D. Burford
 - 2) James M. Herr
 - 3) Robert L. Long
 - 4) Beverly J. Mitchell
- c. Consideration, Discussion, and Possible Approval of Cooperative Agreement – Oklahoma Conservation Commission (OCC #764) – Illinois River Riparian Easements: **Townsend**
- d. Consideration, Discussion, and Possible Approval of Resolution To Refrain From Actions to Open Certain Section Line Roads in Mayes County, Oklahoma: **Jahnke**
- e. Consideration, Discussion, and Possible Approval of Second Amendment and Assignment of Revocable License to Encroach from Stanley Warren Rhea and Patsy M. Rhea to Jacob Nash and Elizabeth Nash in Mayes County, Oklahoma: **Jahnke**
- f. Consideration, Discussion, and Possible Approval of Change Order 1 to Contract PCPA-000658 - Salina Pump Storage Canal Sealant Improvements Project Close Out: **Jacoby**
- g. Consideration, Discussion, and Possible Approval of Class Ten Industries Amendment to the Power Purchase and Sale Agreement & Exhibit B Update: **Schaffitzel**
- h. Consideration, Discussion, and Possible Approval of Oklahoma Ordnance Works Authority (OOWA) Amendment to the Power Purchase and Sale Agreement & Exhibit B Update: **Schaffitzel**
- i. Consideration, Discussion, and Possible Approval of RAE Corporation – Tenth Amendment to the Power Purchase and Sale Agreement: **Schaffitzel**
- j. Declare Surplus and Not Necessary to the Business of the District: **Sullivan**

Description and/or Make of Item

GE Transformer – Serial Number L252763
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5. Reports:

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

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
PCPA-000965	MICROSOFT CORPORATION - DALLAS, TX	429,961.00
PCPA-000972	PRESIDIO NETWORKED SOLUTIONS GROUP LLC - RESTON, VA	152,499.08
PCPA-000973	MITSUBISHI POWER - LAKE MARY, FL	1,298,974.17
PCPA-000978	STRONGHAND LLC - TULSA, OK	232,526.04
PCPA-000975	VALMONT INDUSTRIES - VALLEY, NE	229,372.00
PCPA-000976	VALMONT INDUSTRIES - VALLEY, NE	357,179.65
PCPA-000977	KEMCO INDUSTRIES LLC - SANFORD, FL	179,096.57
		\$2,879,608.51
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
PCPA-000560	AMERICAN PROFESSIONAL STAFFING SOLUTIONS LLC DBA APS SOLUTIONS - SEDALIA, MO	0.00
PCPA-000709	ELECTRICAL CONSULTANTS, INC. - JENKS, OK	32,602.50
PCPA-000519	PROLEC GE WAUKESHA - WAUKESHA, WI	12,984.00
PCPA-000574	ELECTRICAL POWER PRODUCTS - DES MOINES, IA	17,388.00
PCPA-000756	SOFTCHOICE CORPORATION - CHICAGO, IL	15,960.00
42258	MERRICK & COMPANY - DENVER, CO	67,520.00
		\$146,454.50
Grand Total		\$3,026,063.01

Chair Rupe reviewed items on the Consent Agenda.

There were no questions from the Board.

Director Kimball moved to approve the consent agenda as presented, seconded by Director Westrock, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrock, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Discussion and Possible Action Regarding Regular Board Meeting Minutes of June 18, 2025.

Director Sublett moved to approve the Regular Board Meeting Minutes of June 18, 2025, as presented, seconded by Director Westbrock, and voted upon as follows: Crisp, yes, Kimball, yes, Matthews, abstain, Rupe, yes, Sublett, yes, Westbrock, yes. *Motion passed (5-yes, 0-no, 1-abstained).*

3. Unfinished Business:

a. Progress Reports:

1) Current Operations Reports

a) GRDA Monthly Video Update – June 2025

- *Memorial Day Weekend Recap*

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following, comparing information for 2024 and 2025 for GRDA's Full Requirements Customers for the month of June. There was a three percent increase in demand and an eight percent increase in energy, year over year. Mr. Sullivan also showed information illustrating a comparison of resource energy production for June 2024 and 2025, noting there was virtually no change. He commented that the Southwest Power Pool (SPP) numbers also reflect weather-related movement shown in a low total demand at the beginning of the day with increasing demand at the end of each day as temperatures increase.

The Authority is currently at forty days working injury-free, and eight days without property damage. Property damage was recently incurred due to soft ground caused by wet weather.

This year's Steve Howe Memorial Scholarship was awarded to Jasper McClendon. The scholarship, awarded in Steve's name, helps students in the Mayes County FIRST Robotics program as they enter college. Steve Howe, who served as Technical Superintendent at the Grand River Energy Center (GREC), passed away in 2020, following a difficult battle with ALS. Jasper was presented the scholarship by first scholarship recipient and current GRDA Electrical Engineer Jimmy Vich, Steve's son Alex Howe and Darryl McKay, Mayes County FIRST Robotics Instructor. Jasper's father, Randall, is a GRDA Electrical Senior Technician at the GREC.

Mr. Sullivan said GRDA Ecosystems and Watershed personnel, including interns, remain actively engaged during the summer months. They conduct routine sampling in various locations on Grand Lake, Lake Hudson and the Illinois River. During the 4th of July holiday, despite higher-than-normal water levels, there were no active advisories. He also explained what kind of information is available to the public for GRDA waters and how the Authority manages their waters, as well as how to continue to make certain the public is safe. With the

Mr. Sullivan showed a photograph of an American Flag flying above the GREC Unit 4 construction site at the Grand River Energy Center in honor of Independence Day.

The Authority's hearts go out to all those who have been affected by the recent flash flooding event in Texas. The devastation and loss experienced by the community is immeasurable, and they extended their deepest sympathies. Mr. Sullivan said they are praying for comfort and strength in the days ahead. The devastation along the Guadalupe River, outside of San Antonio, Texas, has drawn a massive search effort as officials face questions over their preparedness and the speed of their initial actions. The floods grew to their worst at the midpoint of the long holiday weekend when many people were asleep.

Mr. Sullivan introduced the videos covering the July 4th Weekend and an I Am GRDA video with Jaclyn Porter.

There were no questions from the Board.

4. New Business:

I. Consideration, Discussion, and Possible Action Regarding Power Cost Adjustment (PCA) of \$ 0.02625 per kWh for August 2025

Mr. Sullivan presented tables showing the PCA calculations based on the staff's forecast for August 2025, and explained the details. All figures are assumptions based on the information they have from historical data. Mr. Sullivan showed a graph illustrating the GRDA PCA rates (both actual and estimated) and what the under or over recovery is expected to look like for the next year. The necessary amount projected for the next twelve months would be a PCA of 26.25 mills. Mr. Sullivan presented another graph showing Henry Hub Natural Gas Futures – Settlements. Natural gas prices have slightly increased. GRDA has provided customers with a chart showing average expected natural gas prices. He also showed a slide illustrating the overall value of GRDA's resource portfolio. The market cost of GRDA load is offset by the Authority's resource revenue, resulting in a cost that will be recovered by the monthly PCA rate. With the current and expected temperatures, this is where they typically see the highest benefit to their customers. Mr. Sullivan presented a chart illustrating a comparison of the Southwest Power Pool (SPP) South Hub on-peak

amounts against the forward curves for Nymex. These numbers seem to be staying steady month over month. He also showed a graph comparing July and August rate calculations.

There were no questions from the Board.

Director Matthews moved to approve the Power Cost Adjustment (PCA) as presented, seconded by Director Sublett, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

m. GREC Unit No. 4 Project and Procurement Status Updates

Mr. Ladd presented the project summary dashboard for GREC Unit No. 4. Overall financial forecasts remain unchanged. Project completion continues to show progress, and construction is at forty-five percent. There have been delays in installation of the combustion turbine internal piping and module enclosure and is still work in progress. However, despite the delays, the team continues to work to recover lost time. There are several aspects that are tracking ahead of schedule in other areas. Mr. Ladd said they are dedicated to correcting course and meeting final delivery dates. Key decisions, such as schedule optimization or acceleration and potentially adding shifts, are being considered to align with final deadlines. As they gather more information, they will continue to provide updates. He showed a graph and explained how all of this information relates to construction progress. Mr. Ladd showed a list of the top 10 risks and opportunities and explained to the Board how all of these can affect the project. He showed a list of equipment that has already been delivered to the site and their related assessed liquidated damages. Following an evaluation, it is recommended by Black & Veatch Engineering and GRDA that liquidated damages not be pursued for several contracts since there was no impact to the schedule or cost of the project. Meetings with contractors continue to be held to optimize the construction methods for all remaining parts. Mr. Ladd showed photographs of the project to illustrate progress and explained each one.

There were no questions from the Board.

No action is required on this item.

n. Consideration, Discussion, and Possible Approval of the Acquisition of Property Insurance through Korean Re, HDI, Scor, Energy Insurance Mutual, Munich Re, Starr Tech, Allianz, AEGIS, Swiss Re, Berkshire, AXA XL, QBE, Chubb, Liberty Mutual, Fast Track, Travelers, Helvechia, Lancashire, Zurich, Hannover Re/HDI Global, AIG, Aspen, Convex, and Amlin

Mr. Lofton said this item is to update the Board on the Authority's property insurance coverage for the policy period beginning August 1, 2025. Mr. Lofton explained three important changes for the renewal. First, the GRDA will increase the policy limit from \$500 million to \$750 million. Second, the Authority will be adding coverage for its administrative buildings, such as the GRDA Administrative Center, Engineering & Technology Center in Tulsa, Scenic Rivers Office in Tahlequah, WOKA Whitewater Park, which have been insured under the State of Oklahoma property insurance policy for several years. Last, the Authority intends to move their heavy equipment coverage to an Inland Marine policy.

Last year's premium was \$3,799,432.00. At this time, the premium for the 2025 renewal is \$3,365,721, and we are still working to lower that before the August 1, 2025, deadline.

Director Crisp asked how a claim would look as far as coverage from each insurer. Mr. Lofton said the policy sets up a claim procedure and all insurers follow the same policy claim form. An independent adjuster is hired to handle the claim. Once a decision is made, each insurer is responsible for their percentage of coverage. Mr. Thom Jenkins added that the insurers come to an agreement on hiring one adjuster for the entire claim. Mr. Lofton said all details have not been evaluated just yet, but they will continue to work with their brokers to ensure coverage is adequate and premium is fair.

Director Matthews asked for more information on the Inland Marine policy. Mr. Lofton explained that the quotes coming in are under \$100,000 as of today. This would cover boats, heavy equipment, etc. at approximately \$24 million of coverage. Director Matthews also asked for clarification about the State Risk Management Administrative Fee and surplus lines tax. Mr. Lofton explained how that works.

Mr. Lofton also explained that they will be presenting a recommendation for their terrorism coverage. As property insurance policies evolve the insurers are beginning to exclude certain terrorism events from coverage, forcing insureds to obtain that coverage through other policies. Mr. Lofton and Mr. Jenkins explained how this works and provided examples.

Director Kimball moved to authorize the acquisition of property insurance for the policy period of August 1, 2025, to August 1, 2026, from the insurance companies listed below in an amount not to exceed \$3,365,721.00, plus the applicable State Risk Management Administrative Fee of four percent and a surplus lines tax of six percent on the premiums assessed by the insurance companies that are not licensed in Oklahoma: Korean Re, HDI, Scor, Energy Insurance Mutual, Munich Re, Starr Tech, Allianz, AEGIS, Swiss Re, Berkshire, AXA XL, QBE, Chubb, Liberty Mutual, Fast Track, Travelers, Helvechia, Lancashire, Zurich, Hannover Re/HDI Global, AIG, Aspen, Convex, and Amlin., seconded by Director Matthews, and the item was voted on as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

o. 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. §

No action is required for this item.

5. Reports

a. Board of Directors Committee Reports

- 1. Assets Committee:** Director Westbrook had no report.
- 2. Audit, Finance, Budget, Policy & Compliance Committee:**
 - a) Second Reading and Possible Approval of Updates to Board of Directors' Policy No. 4-3 Energy Risk Management**
 - b) Consideration, Discussion and Possible Approval of Updates to GRDA Police Policy Manual**

Director Sublett said this item is only an administrative matter to update the GRDA's Energy Risk Management Policy. He asked Mr. Feighner to present the information to the Board for final approval.

Regarding item a, Mr. Feighner said this policy was adopted in February 2014 and amended in November of 2024. The policy's objectives include providing stable electric rates, preserving a supply cost advantage through hedging, and managing business processes to allow the organization to work efficiently and cost effectively. He reviewed the many different types of risk the policy addresses. In November 2024, the Board approved several changes that authorized The Energy Authority (TEA) to perform certain risk management activities on behalf of, and in coordination with, GRDA. After evaluation of GRDA's portfolio and risk exposure, TEA presented a new risk management approach at the May 2025 Board meeting targeting a measurement of System Cost at Risk (SCaR). TEA recommends moving from our current time-based, targeted hedging percentage philosophy to a SCaR approach using a stochastic model done by TEA and setting limits on GRDA's desired cost exposure. The Risk Oversight Committee will implement the new risk-

based approach and set limits on cost exposure. Today serves as the first reading of the updated policy with a targeted approval at the July Board meeting.

There were no questions from the Board.

Director Sublett moved to approve changes to Risk Policy 4-3 as presented, adopting the System Cost at Risk measurement and the associated risk management approach using stochastic modelling performed by TEA as this new approach replaces the current time-based, targeted hedging percentage philosophy used to guide GRDA's energy risk management decisions, seconded by Director Kimball, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item b, Director Sublett said the committee met yesterday to discuss this item. He stated the new policies and procedures are lengthy at about 533 pages, but the committee had a very productive discussion and they voted unanimously to recommend this updated manual for Board approval. Director Sublett asked Mr. Edwards to present the information.

Mr. Edwards told the Board that many law enforcement agencies across Oklahoma use the Lexipol Risk Based Policy Management Services. OMAG the municipal insurance provider promotes the policies to its customers. Several customer cities also use the service including Pryor Police, Claremore Police and the Skiatook Police Departments. Several sheriff's offices in Oklahoma also subscribe to the service. This was budgeted for in 2024 and has been approved by the Project Management Team. This manual is the guide for officers and employees of the Grand River Dam Authority Police Department to use in providing law enforcement services as well as medical and rescue responses to visitors, customers, and employees who utilize the assets of the Grand River Dam Authority. The manual is a living document updated regularly. It reflects important updates in the law, procedures, and best practices in the constantly changing law enforcement profession. The ultimate purpose of this manual is to ensure GRDA is adhering to their mission, motto, and objectives. Mr. Edwards provided their mission statement and motto, and presented their mission and objectives. He explained how these tie into the "5 E's of Excellence" and GRDA's mission as well, and reviewed their law enforcement Code of Ethics. Mr. Edwards presented the ten sections included in the manual for the Board of Directors.

Director Sublett asked how many staff members GRDA has within the GRDA Police. Mr. Edwards said they have forty-two full-time sworn officers, about twenty part-time rescue technicians, and approximately thirty part-time officers used to operate on busy weekends and to fill in where needed. The department provides confined space work as needed at their facilities, recently for GREC Unit No. 4 construction, which increases flexibility for rapid schedule changes that happens from time to time. This can net a significant savings to the Authority versus utilizing a contractor.

There were no other questions from the Board.

Director Sublett moved to approve the adoption of the Lexipol Risk Based Policy System for use by the Grand River Dam Authority Police and to authorize the Chief Executive Officer, General Counsel and Chief of Police to approve modifications to the policy as issued by Lexipol, seconded by Director Kimball, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

3. **Compensation & Marketing Committee:** Director Kimball had no report but would have an item as a part of Executive Session.
4. **Fuel and Long-Range Planning Committee:** Director Crisp had no report.

6. Proposed Executive Sessions:

- 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, 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 City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
- c. **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.**
- d. **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.**
- e. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(1) to Discuss the Annual Review and Salary of the Chief Executive Officer.**

Director Sublett moved to go into executive session at 11:30 a.m., seconded by Director Matthews, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 1:33 p.m., seconded by Director Crisp, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-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.**
- b. **Action, as Necessary, Concerning the City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
- c. **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.**
- d. **Action, as Necessary, Concerning Matters Pertaining to Economic Development.**
- e. **Action, as Necessary, Concerning the Annual Review and Salary of the Chief Executive Officer.**

Regarding item a, there is no action required.

Regarding item b, there is no action required.

Regarding item c, there is no action required.

Regarding item d, there is no action required.

Regarding item e, Director Kimball moved to approve the Salary of the Chief Executive Officer as discussed in Executive Session, seconded by Director Westbrook, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Sublett moved for adjournment at 1:34 p.m., seconded by Director Matthews, and voted upon as follows: Crisp, Kimball, Matthews, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*


Sheila A. Allen, Secretary

DATE APPROVED:

August 13, 2025
GRDA Board of Directors

