

**SILVER STATE ENERGY ASSOCIATION  
BOARD OF DIRECTORS MEETING**

**APRIL 6, 2011  
MINUTES**

**Call to Order  
10:03 A.M.**

Grand Canyon Conference Room, Southern Nevada Water Authority  
100 City Parkway, Suite 700, Las Vegas, Nevada

**DIRECTORS PRESENT:**

James Salo, Colorado River Commission; Philip Speight, Southern Nevada Water Authority; John Christian, Lincoln County Power District No. 1 (via teleconference); Dr. Larry Moses, Overton Power District No. 5; Rory Dwyer, City of Boulder City

**STAFF PRESENT:**

Scott Krantz, Brian Chally

**CALL TO ORDER**

The meeting was called to order by James Salo, who noted that the meeting was noticed and posted in accordance with the Nevada Open Meeting law.

**ITEM NO.**

**1. APPROVAL OF AGENDA AND MINUTES OF THE MEETING OF FEBRUARY 28, 2011**

**ACTION:** A motion was made by Larry Moses and seconded by Phil Speight that the agenda for the meeting and February 28, 2011 meeting minutes be approved. The motion was unanimously approved.

**2. CONSIDERATION OF AND POSSIBLE ACTION TO SELECT A CHAIRPERSON AND VICE CHAIRPERSON FOR FISCAL YEAR 2011/2012**

Scott Krantz indicated that per the Cooperative Agreement, a Chairperson and Vice Chairperson are to be elected every year by the Board.

**FINAL ACTION:** A motion was made by Larry Moses and seconded by Rory Dwyer to retain James Salo as the Chair and Philip Speight as the Vice Chair for Fiscal Year 2011/2012. The motion was unanimously approved.

**3. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE THE 2011/2012 ADMINISTRATIVE AND GENERAL BUDGET**

Gail Bates summarized the 2011/2012 Administrative and General budget. The budget for the current fiscal year is \$32,992 for administrative and general expenses. Actual expenses at the end of this fiscal year are projected to come in below budget at around \$26,200. Administrative and General expenses consist of labor, including labor from overall general management of the organization and administrative, financial and legal support; and the operating expenses, which are currently proposed at approximately \$6,500, the majority of which is for the annual audit expense. For 2010/2011, a budget of \$27,500 is proposed, which sets the working capital requirement at \$6,900.

FINAL ACTION: A motion was made by Larry Moses and seconded by Philip Speight to approve the 2011/2012 Administrative and General budget. The motion was unanimously approved.

**4. CONSIDERATION OF AND POSSIBLE ACTION TO AUTHORIZE THE MANAGER TO EXECUTE THE WSPP AGREEMENT WITH THE WESTERN SYSTEMS POWER POOL**

Jim Salo mentioned for the record that Western Systems Power Pool formally changed their name to WSPP, Inc.

Scott Krantz stated that Boulder City and Southern Nevada Water Authority (SNWA) have requested the Silver State Energy Association (SSEA) provide power services under Project Services Agreement No. 3 (PSA #3). Boulder City will begin taking service on June 1, 2011. In order to provide those power services, the SSEA desires to enter into the WSPP Agreement, which is the most common industry standard contract by which purchases and sales of power are made in the West. Once SSEA signs the agreement, it becomes a member of the WSPP organization and can trade with any of the members. The Board is being asked to authorize the SSEA Manager to sign the agreement, in substantially similar form, and to approve the confirmations that will occur under the agreement. A confirmation confirms when a transaction is made and specifies in writing the delivery point, the counterparty, the price, the term, etc.

FINAL ACTION: A motion was made by Larry Moses and seconded by John Christian to to authorize the Manager to execute, in substantially the same form, the WSPP Agreement between WSPP and the Silver State Energy Association. The motion was unanimously approved.

**5. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE TEMPORARY SUSPENSION OF THE ORGANIZATION AND STARTUP OF A RISK CONTROL COMMITTEE AND DIRECT THE SSEA MANAGER, WITH THE SUPPORT AND REVIEW OF THE SSEA WORKING GROUP, TO CARRY OUT THE RISK CONTROL RESPONSIBILITIES OF PROJECT SERVICES AGREEMENT NO. 3**

Scott Krantz explained that per PSA #3, establishment of a Risk Control Committee,

consisting of representatives from each of the participating members, was contemplated with certain procedures that, in principle, all of the members still support. However, in the process of establishing the committee, the members unanimously felt working through a formal committee would be more cumbersome than anyone expected. As a result, it is recommended that the formal creation of the Risk Control Committee be temporarily suspended and the responsibilities be delegated to the SSEA Manager, who would fulfill the requisite duties in coordination with the Working Group, which also includes representatives of each participating member. None of the requirements and principles of the Risk Control Committee would change, only in the manner in which they are performed.

**FINAL ACTION:** A motion was made by Larry Moses and seconded by Rory Dwyer to approve the temporary suspension of the organization and startup of a Risk Control Committee and direct the SSEA Manager, with the support and review of the SSEA Working Group, to carry out the risk control responsibilities of Project Services Agreement No. 3. The motion was unanimously approved.

**6. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE THE ENERGY RISK MANAGEMENT POLICY FOR THE SILVER STATE ENERGY ASSOCIATION**

Scott Krantz noted that an Energy Risk Management Policy is required to be established before power services can be provided under PSA #3. This policy has gone through extensive review by every one of the members' staff. All are unanimously supportive of the policy. Changes and enhancements can be made at any time with Board approval.

**FINAL ACTION:** A motion was made by Phil Speight and seconded by Rory Dwyer to approve the Energy Risk Management Policy for the Silver State Energy Association. The motion was unanimously approved.

**7. RECEIVE ANY UPDATES FROM STAFF ON ANY ELECTRIC RESOURCES AND TRANSMISSION ISSUES ASSOCIATED WITH THE NEEDS OF, REQUIREMENTS FOR, OR IMPACTS ON THE SSEA OR ANY OF THE SSEA MEMBERS**

Scott Krantz mentioned that he did not have any prepared updates, but opened the floor to questions. There were none.

**8. PUBLIC COMMENT**

There were no speakers wishing to be heard.

**ADJOURN**

There being no further business to come before the Board, the meeting adjourned at approximately 10:23 a.m.