

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
SOUTHWEST PUBLIC POWER AGENCY, INC., AND PPA PROJECT COMMITTEE (PINAL)
February 09, 2026**

A meeting of the Board of Directors of the Southwest Public Power Agency, Inc. ("SPPA") was held on February 09, 2026, at the offices of Clark Hill, located at 3200 North Central Avenue, Suite 1600, Phoenix, Arizona 85012.

The following Board Members or Member alternates were present:

Bill Van Allen—ED6	Scott Saline – AID, HVPD, TID, OWCD
Ken Stock - GRICUA	Jason Moyes – AID, HVPD, TID, MVWCDD, ED8
Jeff Low – City of Safford	Ed Gerak – Ak-Chin
Brian Yerges – ED3	Anthony Cadarin - NTUA
Joe Mease – TOUA	Derek McEachern – ED4
Logan Gernet – ED2	Taylor Howerter - RID
Noel Carter - BWCDD	Donovan Neese – RID
Robert VanHofwegen – ED8	RD Justice – ED7
Glen Vortherms – MWD	
Jeff Woner – OWCD	
Elena Byrd – ED2	

Also present:

Judy Spallino - SPPA	Ashley Blank – KRSA
Daniel Pritchard – KRSA	Kent Simer - KRSA
Kim Polivka - SPPA	Dennis Delaney - KRSA
Daniel Herder – Clark Hill	Stephen Foster - KRSA
Vedant Sahu – KRSA	Lisa Dowden - Spiegel
Ken Saline - KRSA	

The following Committee Member(s) were not present:

Town of Wickenburg
City of Williams
Town of Thatcher

The meeting was called to order at 1:25 p.m. Mr. Brian Yerges chaired the meeting while Ms. Kim Polivka functioned as secretary.

ROLL CALL

Mr. Brian Yerges called on the role of the Board Members to ensure there was a quorum present. Quorum being established; the business of the meeting proceeded.

3.) Ceremonial Resolution 2026-02-02 regarding the passing of Michael Curtis

Upon discussion, Mr. Glen Vortherms moved to approve the motion of Ceremonial Resolution 2026-02-02 regarding the passing of Mr. Michael Curtis as presented. Mr. Robert VanHofwegen seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

4.) Consideration and approval of Consent Agenda (Possible Action Item)

All items on the Consent Agenda are considered to be routine matters and will be enacted by one motion of the Board of Directors. A Board Member may request removal of any item(s) or part(s) thereof without debate or vote.

- a. Minutes from prior meetings of the SPPA Board of Directors.

01-12-2026 SPPA BOD Meeting Minutes
01-12-2026 Confidential Executive Session

- b. Ratification of approval items, if any, from the SPPA Pool Management Committee.

Mr. Yerges presented the (3.a.) Consent Agenda for the Board's review and approval. All items listed on the Consent Agenda may be enacted by a single motion unless a Board Member requests otherwise.

Upon discussion, Mr. Noel Carter moved to approve the contents of the Consent Agenda as presented. Mr. Glen Vortherms seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

5.) Item(s) removed from Consent Agenda (Possible Action Item).

No items were removed from the Consent Agenda.

6.) Financial matters:

- a. Financial Update & Treasurer's Report including disbursements (Possible Action Item)

Ms. Judy Spallino presented financial matters

- i. Balance Sheet Highlights
- ii. Profit & Loss Highlights
- iii. Other Item (s) to highlight

Mr. Robert VanHofwegen moved to approve the Financial Update & Treasurer's Report including disbursements; Mr. Scott Saline seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

Ms. Judy Spallino updated November 2025 Financial Statements that had been sent out to the members. Noted were the following items:

1. The test energy that was sold from solar projects increased the P&L
2. Interest that was posted to the account, "Other income" and Mark to Market changes were moved from the P&L to a liability in the Balance Sheet resulting in a decrease in the P&L
 - a. Review or author a policy for returning interest on WFC accounts.
3. The test energy losses of April and May were accounted for in both the sales as well as the calculations in amounts returned to BOCA members. Proposed were the following options:
 - a. Return to the BOCA members
 - b. Refund per the Pooling Members
 - c. Retain the funds for SPPA

Direction: Mr. Yerges has requested additional information with a comparison of the different options and a recommendation for the next board meeting.

- b. Review of Deposits held by members AO 12-31-2025 – Members cash held in deposit accounts were presented and reviewed by the board.
- c. 2026 Bell Bank Deposit Proposal (Possible Action) – Ms. Spallino presented the information provided by Bell Bank for the boards review.

Mr. Delaney suggested taking the next steps with Bell Bank will bring back a completed package to the board of directors for approval. Mr. Daniel Herder will review all the legal documents.

Direction: The board agreed to continue with the process with Bell Bank on opening a SPPA account. All documentation will be presented at the next Board of Directors meeting, March 9, 2026

Commented [DH1]: Was my clarification accurate? I do not recall test energy sales affecting legal fees, but I may be wrong.

Commented [KP1R2]: You are the boss

Mr. Delaney raises whether it is worth pursuing Stifel.

Mr. Yerges questioned whether SPPA needs Stifel to do a project-based credit rating, suggested looking into a project-based credit rating also having a conversation with S&P.

Mr. VanHofwegen asked if there is value/positive to SPPA in doing a project-based rating and what the cost would be. The board requests pricing information on what rate Stiefel may be looking to charge.

Mr. Yerges suggests SPPA evaluate whether to use them as financial advisors, as many entities avoid using the same organization as financial advisor and underwriter. The board has further discussion about whether to pursue using Stiefel, and in what capacity.

Mr. Herder explains that the rating would be to address existing project items. As to the contemplated prepay bond transaction, a rating would not be necessary.

Possible Future Action: Addressing the existing S&P Rating

d. Stifel Public Finance – Presentation (**Moved to beginning of the Pooling Committee Meeting**)

7.) Risk Management Meeting

Next meeting to be held on March 2, 2026, if necessary

During the SPPA Board of Directors meeting an Executive Session for agenda items 8. a., b., c., d. as listed below, pursuant to A.R.S. § 38-431.03 (A) (2), (3) and/or (4) for the reasons stated in each agenda item below.

Mr. Ed Gerak called for a motion to go into Executive Session; and seconded by Mr. Robert VanHofwegen and the motion passed unanimously at 1:52 p.m.

8.) Legal/regulatory matters:

a. APS Transmission Project update regarding large loads.

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for legal advice.

b. Box Canyon updates.

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for legal advice.

i. Status update on contract execution

ii. Status update on provision of reserves for project

iii. Curtailment discussions and cost allocation

c. Discussion and possible action per agreement and discussion with AEPCO, including the below.

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (2), (3), and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for legal advice, and for the discussion or consideration of records exempt by law from public inspection.

i. PPA Project Committee- Approval of Pinal PPA

ii. SPPA Board- Approval of Pinal PPA (Resolution 2026-02-001)

iii. Update on Apache II working capital arrangements to support LC's

d. Markets – Update regarding recent meeting with SPP and utilities joining SPP Markets+.

The Board may vote to discuss this matter in executive session pursuant to A.R.S § 38-431.03 (A), (3) and (4) for discussion or consultation with the attorney of the public body to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject negotiation and for legal advice.

Out of Executive Session at 2:17 p.m.

PPA Project Committee Meeting (Pinal)

Voting of the Nine Members of Pinal Solar PPA Project Committee (AID, Ak-Chin, BWCDD, Safford, Williams, ED3, ED4, ED8, NTUA, McMullen, TID):

Mr. Anthony Cadorin moved to approve the voting of the eleven participants to the Pinal County Solar PPA
Mr. Ed Gerak seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried by the Project Committee.

Upon discussion of the Board of Directors, Mr. Scott Saline moved to approve and authorize the full SPPA BOD resolution regarding the Pinal PPA, and to approve the execution and delivery of the Pinal Power Purchase and Energy Storage Agreement as presented. Mr. Robert VanHofwegen seconded the motion. Upon the taking of a voice vote, the motion was unanimously carried.

9.) Any other business that may come before the meeting

No additional business was discussed.

10.) Discussion of Future Agenda Items

Information: Feb 17 5:00 p.m. Meeting – Pinal County public information meeting

11.) Establishment of the date of the next SPPA Board Meeting: March 9, 2026.

12.) Public Comment

No additional business was discussed.

13.) Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:22 p.m.

Respectfully submitted,

Kim Polivka

Kim Polivka
Admin/Acct Assistant

Glen Vortherms

Approved: _____