



Legislation Details (With Text)

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Title: Resolution - Review and Approval of the Power Supply and Energy Management Policy - L Cunningham

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Attachments: 1. Power Supply and Energy Mgmt Policy Presentation 2021-389, 2. Power Supply and Energy Mgmt Policy-2021-389_REDLINE, 3. Power Supply and Energy Mgmt Policy-2021-389_CLEAN

Date	Ver.	Action By	Action	Result
10/15/2021	1	Board of Directors	approved	Pass

Resolution - Review and Approval of the Power Supply and Energy Management Policy - L Cunningham

Submitted By: A. Nelson on behalf of Markets

Department: Markets

Financial Impact and Cost/Benefit Considerations: The Policy will continue to be managed by the Markets Department and costs are budgeted in the PEC business plan as part of the cost of power.

The Board previously adopted in August 2019 the Power Supply and Energy Management Policy (the "Policy") thereby superseding its Resource Planning Policy and superseding the requirements for consideration of environmental impacts of its power supply purchases as provided in the Board's Environmental Policy adopted in November 1981.

This Policy is intended to detail current practices as well as establish and govern a sustained commitment to create and maintain a formal Power Supply and Energy Management Program that cost-effectively manages PEC's power supply and energy requirements to meet the objectives established in the policy and the Board approved Power Supply Plan.

Pursuant to the Board's Policy on Policies, the Board routinely reviews all Board policies as part of its policy management.

Minor cleanup and non-substantive clarifications were made throughout the Policy. Substantive changes to the Policy are listed below:

- Changing the required members of the Power Supply and Energy Management Committee, in Section 3.4.2.1 of the Policy: Not require the Chief Operating Officer (COO) and Vice President of Engineering, while adding the Vice President of Compliance and Regulatory or designee, and allowing the Controller to have a designee assigned.
- Change the requirement for reporting of items in Section 3.4.2.5 from quarterly to semiannually and as

needed.

- Change the requirement for reporting to the enterprise risk management function of the cooperative in Section 3.4.2.6 from quarterly to as needed.
- Change the requirement for reporting in Section 3.5.1 from a quarterly to a monthly requirement.
- Add a requirement for a member of the Power Supply and Energy Committee in Section 3.5.2 to report to the Board on the Cost of Power monthly.
- Add a requirement to memorialize the practice of maintaining a three year rolling forecast of the Cost of Power as well other factors that may affect the Cost of Power in Section 3.5.2.2.
- Wording changes to account for feedback at the 09/17 BOD meeting.

BE IT RESOLVED BY THE BOARD OF DIRECTORS that pursuant to its regular review of Board policies, the Board has reviewed and adopts the Power Supply and Energy Management Policy, with such changes, if any, as were approved by the Board; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designee, is authorized to take all such actions as may be necessary to implement this resolution.