

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

**DECEMBER 3, 2008  
MINUTES**

**Call to Order  
1:40 P.M.**

Colorado River 1 Conference Room, Southern Nevada Water Authority  
100 City Parkway, Suite 700, Las Vegas, Nevada

**DIRECTORS PRESENT:**

James Salo, Colorado River Commission; Ned Shamo, City of Boulder City; Mick Lloyd (serving as alternate for John Mathews), Lincoln County Power District No. 1; Richard Wimmer, Southern Nevada Water Authority; Dr. Larry Moses, Overton Power District No. 5

**DIRECTORS ABSENT:**

John Mathews, Lincoln County Power District No. 1

**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 AUGUST 26, 2008**

**ACTION:** A motion was made by Richard Wimmer and seconded by Mick Lloyd that the August 26, 2008 meeting minutes and agenda for the meeting be approved. The motion was unanimously approved.

**2. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE INITIATION OF A PROPOSED NEW PROJECT, THE POWER SUPPLY SERVICES PROJECT**

Scott Krantz stated that per the Cooperative Agreement, for a new project to begin the initiation of the project must be brought to the Board for approval. Board approval of the Power Supply Services Project will allow the Silver State Energy Association (SSEA) staff

to begin developing the actual agreement and services to be provided, which will later then be brought back to the Board for approval. This project was conceived from an interest in having the SSEA provide power and related services to its members. The SSEA does not currently have a mechanism set up for that. For staffing, it is anticipated that the existing employees who serve the Southern Nevada Water Authority (SNWA), including Colorado River Commission (CRC) Energy Services, would be used to do the work. All the SSEA members are sponsoring this project.

**FINAL ACTION:** A motion was made by Richard Wimmer and seconded by Ned Shamo that initiation of the Power Supply Services Project be approved. The motion was unanimously approved.

### **3. CONSIDERATION OF AND POSSIBLE ACTION TO APPROVE THE SCOPE OF WORK FOR A FINANCIAL AUDIT**

Scott Krantz noted that at the first SSEA Board Meeting, a discussion took place about the SSEA's obligation to have an annual financial audit performed per the Cooperative Agreement. Because the SSEA was just getting started and had limited activities, the Board asked staff to bring back a limited agreed-upon procedures audit scope of work that would be approved before proceeding with the audit. Piercy, Bowler, Taylor and Kern is willing to do a full governmental audit for the same cost as the limited agreed-upon procedures audit. Staff recommended that the Board proceed with a full governmental audit.

**FINAL ACTION:** James Salo called for a vote to approve a full financial audit at a cost not to exceed \$5,000. The vote was unanimously approved.

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

Scott Krantz gave an update on the two projects the board has approved. Project Service Agreement No. 1: Joint Generation Resource Planning and Evaluation was approved November 2007 with a budget of \$1 million. The agreement provided an avenue to jointly investigate and pursue different generation alternatives. To date, \$4,000 has been spent on this project. The Phase I: Technical Evaluation report and Phase 2: Specific Resource Identification report have both been completed. The cost for these reports was very low as they were both done in-house. For Phase 3: Feasibility Analysis, the only project that was unanimously approved by the SSEA to move forward was a biomass project that had been identified in Phase 2. A potential biomass project was identified at the Clark County Water Reclamation District to use some of their waste to generate power. However, the company that was behind the technology for the project has since disbanded. Thus far, staff has been unable to find another avenue to move forward with it.

Project Service Agreement No. 2 was approved in June with a budget of \$2.6 million. This project is to permit and achieve a right-of-way for the Eastern Nevada Transmission Project.

To date, \$17,000 of the budget has been spent. Most of that expenditure went to a consultant, EPG, with which the SSEA has an agreement. The right-of-way application and the draft Plan of Development have been submitted to the Bureau of Land Management (BLM). Scott showed maps of the two corridors that were submitted to the BLM as potential paths: one from Newport Substation to the Silverhawk Power Plant and the other from the Gemmill Substation, which is Lincoln County Power District's new substation, to the existing Tortoise Substation. A third-party environmental consultant for the project will need to be agreed upon by BLM and SSEA. That is being undertaken now. The environmental and permitting work will follow, which is anticipated to be another two years.

## **5. 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 2:05 p.m.