



Board Packet

November 18, 2020



NOTICE

November 18, 2020 THE KYMEA BOARD OF DIRECTORS MEETING VIA VIDEO TELECONFERENCE

As a result of the state of emergency declared by the President of the United States, Governor of Kentucky, and Mayor of the City of Louisville due to the global COVID-19 pandemic, and in accordance with recommended and mandated precautions related thereto and Kentucky Opinion of the Attorney General 20-05, the following Meeting Notice is issued:

The Regular Meeting of the Board of Directors of the Kentucky Municipal Energy Agency for Wednesday, November 18, 2020, at 10:00 a.m. ET, in the KYMEA Board Room, 1700 Eastpoint Parkway, Suite 220, Louisville, Kentucky will be held per KRS 61.826, a video teleconference meeting. One or more members of the Board of Directors will participate via Webex or a similar video teleconferencing system. The primary location will be in the KYMEA Board Room, 1700 Eastpoint Parkway, Suite 220, Louisville, Kentucky.

Per Kentucky Attorney General Opinion 20-05, public attendance may be limited at this meeting due to the highly contagious nature of COVID-19, and it is not feasible for KYMEA to provide a large central physical location for public viewing with adequate spacing for a large public gathering. Physical attendance at the meeting will be limited to a small group to comply with social distancing declarations of government officials. Public comments on agenda items will be accepted for the meeting, by emailing comments to mhixon@kymea.org by Tuesday, November 17, 2020 at 4:00 p.m. ET.

If you would like to attend the November 18th Regular Meeting of the KYMEA Board of Directors video meeting please contact mhixon@kymea.org.



KENTUCKY MUNICIPAL ENERGY AGENCY

November 18, 2020	Committee Reports	Administration Reports	Discussion Topics	Action Items
	Budget	CEO	Paducah Power System	
	Compensation	Finance and Accounting		
		Market Analytics		
		Member Communications		

December 16, 2020	Committee Reports	Administration Reports	Discussion Topics	Action Items
	BROC	CEO	IRP Report	CEO Compensations & Performance Bonus
	AR Project	Market Analytics		
	Budget	Member Communications		

January 28, 2021	Committee Reports	Administration Reports	Discussion Topics	Action Items
	AR Project Committee	CEO	FY 2022 Administrative, General, and Capital Budget	IRP Report
	Budget Committee	Finance and Accounting	FY 2022 AR Rates	
		Market Analytics	Legislative Update	
		Member Communications		

February 25, 2021	Committee Reports	Administration Reports	Discussion Topics	Action Items
	AR Project Committee	CEO	IRP Schedule	FY 2022 Administrative, General, and Capital Budget



KENTUCKY MUNICIPAL ENERGY AGENCY

		Market Analytics	Legislative Update	
		Member Communications	FY 2022 AR Rates	

March 25, 2021	Committee Reports	Administration Reports	Discussion Topics	Action Items
	BROC	CEO	IRP Schedule	FY 2021 AR Rates
	AR Project	Finance and Accounting	Legislation Update	FY 2021 Service Rates
		Market Analytics		
		Member Communications		

April 22, 2021	Committee Reports	Administration Reports	Discussion Topics	Action Items
		CEO		
		Finance and Accounting		
		Market Analytics		
		Member Communications		

*** This calendar is intended for planning purposes and may be changed at any time.**



KENTUCKY MUNICIPAL ENERGY AGENCY

Notice of the Regular Meeting of the KYMEA Board of Directors (Video Meeting)

Location: WebEx Video Meeting (if you would like to attend please contact mhixon@kymea.org)

1700 Eastpoint Pkwy Ste. 220, Louisville, KY 40223

Wednesday, November 18, 2020, 10 AM

A. Meeting Opening

- A.1 Attendance
- A.2 Guest Introductions
- A.3 Call to Order

B. Meeting Minutes of the KYMEA Board of Directors

C. Financial Reports

D. Committee Reports

- D.1 Budget Committee
- D.2 Compensation Committee

E. Administration Reports

- E.1 CEO
- E.2 Market Report
- E.3 Member Communications

F. Discussion Topics

- F.1 Paducah Power System

G. Action Items

- G.1 None Expected

H. Public Comments

I. Upcoming Meetings & Other Business

J. Closed Session

- J.1 None Expected

K. Actions Related to Closed Session

- K.1 None Expected

L. Adjournment

Meeting Minutes





Notice of the Regular Meeting of the KYMEA Board of Directors (Video Meeting)

Location: WebEx Video Meeting, 1700 Eastpoint Pkwy Ste. 220, Louisville, KY 40223

Thursday, October 22, 2020, 10 AM

A. Meeting Opening

A.1. Attendance: Taken at 10:01 AM

Present Board Members:

Josh Callihan
Ronald Herd
Chris Melton
Kevin Frizzell
Kevin Howard
Mike Withrow
Gary Zheng

Absent Board Members:

Carl Shoupe
Doug Hammers
Philip King
Ramona Williams

Staff Present:

Michelle Hixon
Heather Overby
Doug Buresh
Rob Leesman
Molly Roesler

Others Present:

Adrian Isaacs
Andy McDonald
Anna Marie Pavlik Rosen
Ben Reiter (Spiegel & McDiarmid)
Brown Thornton (NewGen)
Charles Musson
Fred Haddad
Hance Price



John Painter
Latif Nurani
Pat Pace
Tom Trauger
Tim Lyons
Vent Foster

A.2. Guest introductions:

A.3. Call to Order: Chairman, Ron Herd, called the meeting to order at 10:01 AM. A quorum of board members was present, and the Board was ready to proceed with business.

B. Meeting Minutes

B.1 Approval of the minutes of the Board of Directors on September 24, 2020.

Motion Passed: Approval of the September 24, 2020 meeting minutes of the Board of Directors passed with a motion by Mike Withrow and seconded by Chris Melton.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

C. Financial Reports

C.1 Approval of the September 2020 Financial Reports

Motion Passed: Approval of the September 2020 financial reports passed with a motion Josh Callihan and seconded by Kevin Frizzell.

7 Yeas - 0 Nays.



Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

D. Committee Reports

D.1 FERC Litigation Committee Report: The FERC Litigation Committee report will be discussed in closed session.

E. Administration Reports

E.1 CEO: Doug Buresh presented the CEO report regarding the Agency's past and upcoming activities.

E.2 Market Report: Rob Leesman discussed the previous month's markets in relation to KYMEA.

E.3 Member Communications: Michelle Hixon updated the Board on upcoming events and member activities.

F. Discussion Topics

F.1 FY 2021 Budget & Rates Timeline: Doug Buresh reviewed the FY 2021 Budget and Rates timeline.

F.2 IRP Action Plan: Doug Buresh presented the IRP Action Plan for the Boards review and discussion.

G. Action Items

G.1 FY 2020 Audit Report: The FY 2020 Audit report was presented at the September meeting. The Board was asked to approve the report.

Motion Passed: Motion to approve the FY 2020 BKD Audit Report passed with a motion by Gary Zheng and a second by Chris Melton.



6 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	NV
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

H. Public Comments

This was an opportunity for members of the public to provide input to the KYMEA Board and was limited to 5 minutes per speaker.

Andy McDonald thanked Doug Buresh for responding to the Synapse Report and asked for an update on the recent transmission studies which will not be available until sometime in January.

I. Upcoming Meetings and Other Business

The next meeting is Wednesday, November 18th at 10 AM at the Louisville office.

The KYMEA Board of Directors shall hold its regular meetings on the fourth Thursday of each month, except for the months of November and December, when the regular meeting shall be held on the third Wednesday. The regular meetings shall convene and commence at 10:00 AM Eastern time on said dates. The regular meetings shall be held at the KYMEA Board Room, 1700 Eastpoint Pkwy, Suite 220, Louisville, Kentucky.

2020 Board Meetings

Thursday, January 23, 2020, 10:00 AM Eastern Time, KYMEA Board Room

Thursday, February 27, 2020, 10:00 AM Eastern Time, KYMEA Board Room

Thursday, March 26, 2020, CANCELLED

Thursday, April 23, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL



Thursday, May 28, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL
Thursday, June 25, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL
Wednesday, July 23, 2020, 1:00 PM Eastern Time, WEBEX VIDEO CALL
Thursday, August 27, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL
Thursday, September 24, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL
Thursday, October 22, 2020, 10:00 AM Eastern Time, WEBEX VIDEO CALL
Wednesday, November 18, 2020, 10:00 AM Eastern Time, KYMEA Board Room
Wednesday, December 16, 2020, 10:00 AM Eastern Time, KYMEA Board Room

J. Closed Session

Closed Session Authorization for the October 22, 2020 Board Meeting

Approval to enter into Closed Session pursuant to KRS 61.810(1)(c) for the purpose of discussing proposed, potential or pending litigation relating to KYMEA and its members relating to transmission issues and cost adjustments.

KRS 61.810(1)(c) allows for closed session for the purpose of discussing proposed, potential and pending litigation relating to the agency.

Motion Passed: Motion to enter into Closed Session was passed with a motion Kevin Frizzell and second by Chris Melton.

6 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	NV
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

J.1 Litigation/Depancaking



Motion Passed: Motion to return to Open Session was passed with a motion by Chis Melton and a second by Gary Zheng.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes

K. Actions Related to Matters Discussed in Closed Session

No actions were taken.

L. Adjournment

Motion Passed: Motion to adjourn the KYMEA board meeting passed with a motion by Chris Melton and a second by Gary Zheng.

7 Yeas - 0 Nays.

Josh Callihan	Yes
Ronald Herd	Yes
Chris Melton	Yes
Mike Withrow	Yes
Carl Shoupe	Absent
Philip King	Absent
Kevin Frizzell	Yes
Doug Hammers	Absent
Kevin Howard	Yes
Ramona Williams	Absent
Gary Zheng	Yes



X

Chairperson

X

Secretary

Financial Reports





KENTUCKY MUNICIPAL ENERGY AGENCY



Financial Presentation

November 18, 2020

Heather Overby

Statement of Net Position – October 2020



KENTUCKY MUNICIPAL ENERGY AGENCY

Statements of Net Position Oct-20

HRO

	October 2020	
ASSETS		
CURRENT ASSETS		
Cash and investments	\$ 13,745,037	(1)
Other receivables	5,931,487	(2)
Interest receivable	-	
Prepayments	6,179	
Total Current Assets	19,682,703	

- 1) Checking account cash
- 2) Billing to AR & Transmission service members and ancillary services

Statement of Net Position – October 2020

NON-CURRENT ASSETS

Restricted Assets

Pledged collateral	2,689,719	(3)
Total Restricted Assets	2,689,719	

Unrestricted Assets

Investment in SEDC	757
Total Unrestricted Assets	757

Capital Assets

Fixed Asset Clearing Account	-
Office Buildout	260,238
Meters - AR Project	215,985
Meter Comm Equipment	330,672
General Plant	783,619
Less Accumulated Depreciation	(319,341)
Net Capital Assets	1,271,174

Total Non-Current Assets	3,961,650
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Total Assets	23,644,353
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3) Collateral represents
\$1.9m at MISO and
\$800k at PJM

Statement of Net Position – October 2020

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$	8,729,873	(4)
Accrued Employee Benefits		141,139	
Accrued interest payable		259	
Total Current Liabilities		8,871,271	

NON-CURRENT LIABILITIES

Deferred Lease Liability		39,341	(5)
Line of Credit		-	(6)
Total Non-Current Liabilities		39,341	

Total Liabilities		8,910,612	
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Net Position

Invested in capital assets, net of related debt		1,271,174	
Restricted		-	
Unrestricted		13,462,567	
TOTAL NET POSITION		14,733,741	(7)

- 4) AP represents purchased power
- 5) Deferred Lease Liability represents the difference in average monthly rent for term of office lease and actual lease payments
- 6) Line of Credit paid off in August 2019
- 7) Positive net position - LTD

Statement Revenue, Expenses, and Changes in Net Position– October 2020

	October 2020	YTD FY21	
OPERATING REVENUES			
Sales to members	\$ 5,118,977	\$ 26,837,904	(8)
RTO Market Revenue	\$ 20,604	\$ 149,661	(9)
Transmission Services	17,647	247,056	(10)
Miscellaneous Revenue	-	-	
TOTAL OPERATING REVENUE	5,157,227	27,234,621	
OPERATING EXPENSES			
Transmission	521,044	2,673,800	(11)
Production	4,712,858	20,878,140	(12)
Administrative and General	217,289	827,937	
Depreciation	15,564	61,963	
TOTAL PURCHASE POWER AND OPERATING EXPENSES	5,466,755	24,441,840	
OPERATING INCOME	(309,528)	2,792,781	
NON-OPERATING REVENUES (EXPENSES)			
Interest expense on debt	\$ (126)	(126)	
Interest income	\$ 10,303	11,578	
Other non-operating expenses (income)	\$ (3,034)	(16,041)	
Regulatory Credit/Debit - Cost to Be Recovered	-	-	
TOTAL NONOPERATING REVENUES (EXPENSES)	7,143	(4,590)	
CHANGE IN NET POSITION	(302,385)	2,788,191	(13)
NET POSITION AT BEGINNING OF PERIOD	\$ 15,036,126	11,945,549	
NET POSITION AT END OF PERIOD	\$ 14,733,741	14,733,741	

- 8) Sales to AR Members
- 9) RTO Auction Revenue Rights
- 10) Sales of transmission and ancillary services
- 11) Transmission from MISO, PJM, and KU net of depancaking credit
- 12) All purchased power including PPA, ITO, and SEPA
- 13) Positive Net Income

Indirect Statement of Cash Flows – October 2020

CONSOLIDATED STATEMENT OF CASH FLOWS	CY Month Ended 10/31/2020	CY YTD FY 2021	
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
NET INCOME	\$ (302,385)	\$ 2,788,191	(14)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH:			
DEPRECIATION	\$ 15,564	\$ 61,963	
CHANGES IN CURRENT & DEFERRED ITEMS:			
ACCOUNTS RECEIVABLE	\$ 1,262,492	\$ 1,688,759	
PREPAYMENTS & OTHER CURRENT ASSETS	\$ 1,236	\$ 4,943	
DEFERRED DEBITS	\$ -	\$ -	
OTHER REG ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ -	\$ -	
ACCOUNTS PAYABLE	\$ (921,470)	\$ 257,382	(15)
COLLATERAL DEPOSITS	\$ -	\$ -	
TAXES & INTEREST ACCRUED	\$ 1,238	\$ 2,874	
OTHER CURRENT LIABILITIES	\$ 5,568	\$ 25,647	
DEFERRED CREDITS	\$ (263)	\$ 681	
OTHER	\$ -	\$ -	
NET CASH PROVIDED BY (USED IN) OPERATION	\$ 61,979	\$ 4,830,440	
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES			
ADDITIONS TO PLANT	\$ -	\$ (15,764)	
NET CHANGE IN OTHER PROP & INVEST	\$ (9,973)	\$ (11,248)	
OTHER - ASSET RETIREMENT OBLIGATIONS	\$ -	\$ -	
NET CASH PROVIDED BY (USED IN) INVESTING	\$ (9,973)	\$ (27,012)	
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES			
LONG TERM BORROWINGS	\$ -	\$ -	
OTHER	\$ -	\$ -	
NET CASH PROVIDED BY (USED IN) FINANCING	\$ -	\$ -	
NET INCREASE (DECREASE) IN CASH & TEMP INVESTMENTS	\$ 52,006	\$ 4,803,428	
CASH & TEMP INVESTMENTS BEGINNING PERIOD	\$ 13,693,032	\$ 8,941,609	
CASH & TEMP INVESTMENTS END OF PERIOD	\$ 13,745,037	\$ 13,745,037	(16)

14) Net Income

15) Timing of Accounts Payable has largest effect of operational items on cash

16) Cash balance in checking account

Financial Metrics – October 2020



KEY FINANCIAL METRICS

FY2021 Actuals Through October 2020

Days Cash on Hand

65.75 ▲

Target: 63.00

Leverage

6.95 ▼

Target: 7.08

Coverage of Full Obligations

1.06 ▲

Target: 1.03

Debt Service Coverage

1.07 ▲

Target: 1.04

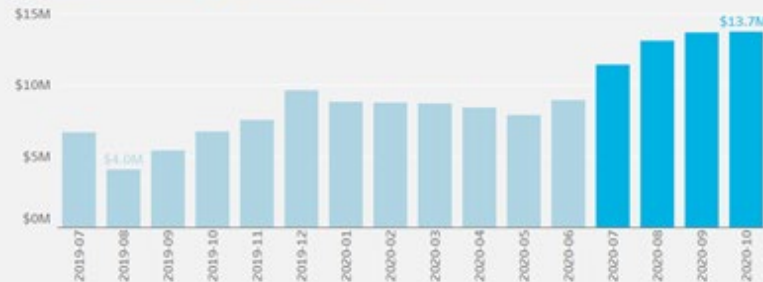
Financial Metrics – October 2020

Days Cash On Hand

Financial flexibility - the number of days KYMEA can pay its operating expenses with the given cash available.

$$\begin{array}{rcl} \$13.7\text{M} & \div & \$209,060 \\ \text{Unrestricted Cash} & \text{Adjusted Operating Expense per Day} & \\ \$12.4\text{M EOY Projection} & \$76.31\text{M} / 365 \text{ days} & \\ \hline & = & 65.75 \\ & & \text{Days Cash on Hand} \\ & & \text{Target: 63.00} \end{array}$$

Cash on Hand through Current Month



Unrestricted Cash

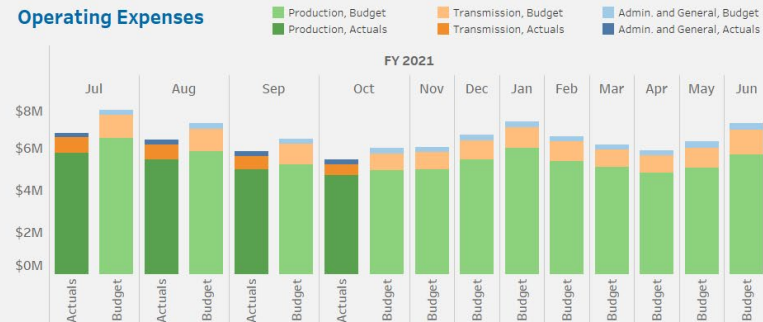
Adjusted Operating Expenses

Days Cash On Hand

Financial flexibility - the number of days KYMEA can pay its operating expenses with the given cash available.

$$\begin{array}{rcl} \$13.7\text{M} & \div & \$209,060 \\ \text{Unrestricted Cash} & \text{Adjusted Operating Expense per Day} & \\ \$12.4\text{M EOY Projection} & \$76.31\text{M} / 365 \text{ days} & \\ \hline & = & 65.75 \\ & & \text{Days Cash on Hand} \\ & & \text{Target: 63.00} \end{array}$$

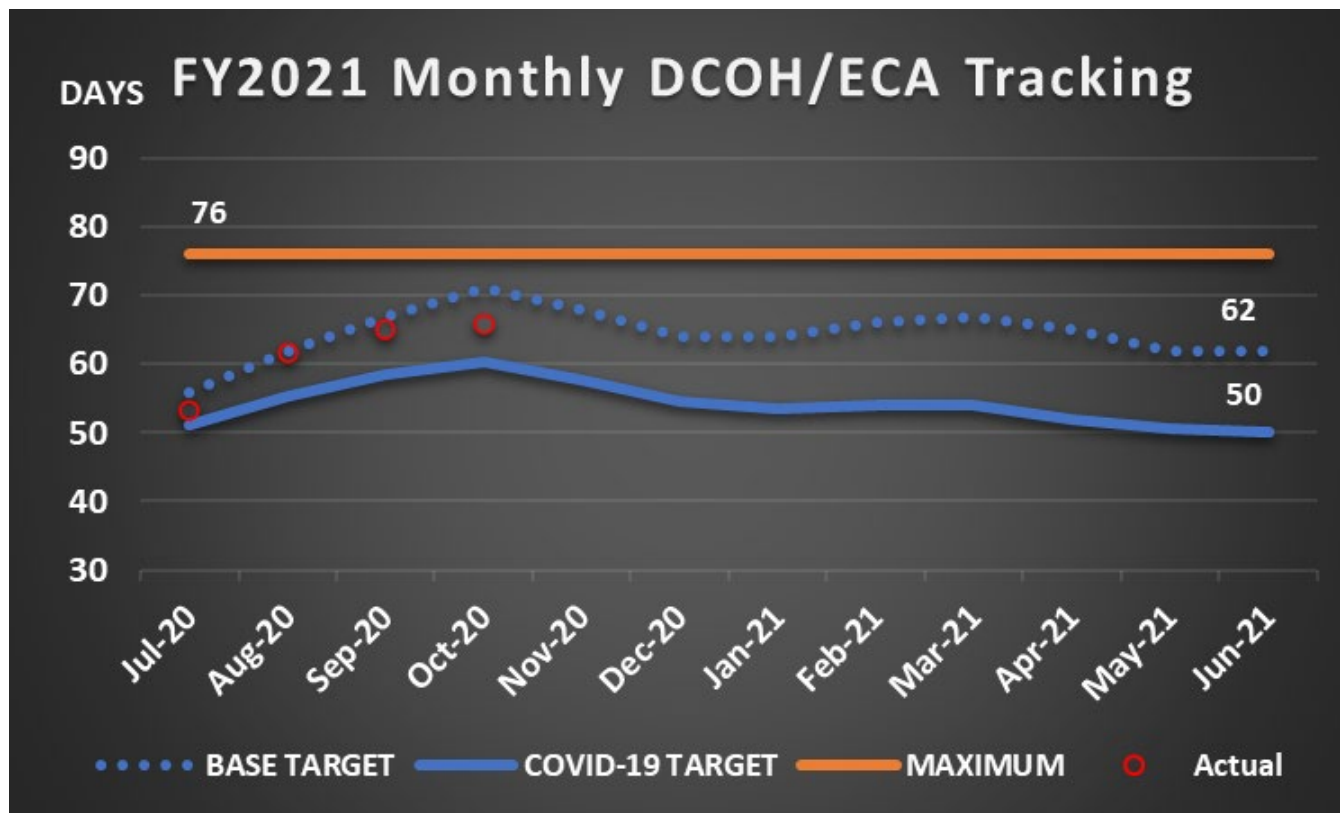
Operating Expenses



Unrestricted Cash

Adjusted Operating Expenses

Financial Metrics – October 2020



Financial Metrics – October 2020

Leverage

The size of the debt to the margin available to cover all debt service and fixed charges.

6.95

Target: 7.08

Net Adjusted Debt

Adjusted Funds Available
for Debt Service

Net Adjusted Debt



Leverage

The size of the debt to the margin available to cover all debt service and fixed charges.

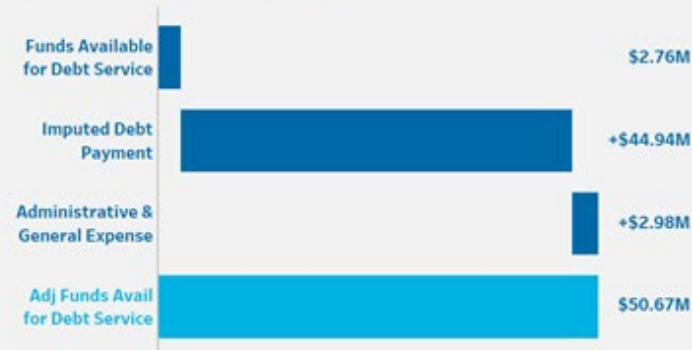
6.96

Target: 7.08

Net Adjusted Debt

Adjusted Funds Available
for Debt Service

Adjusted Funds Available for Debt Service



Financial Metrics – October 2020

Coverage of Full Obligations

1.06

The funds available from operations to cover current debt service and fixed charges requirements.

Target: 1.03

Funds Available for Debt Service ÷ Total Debt Service & Fixed Charges

Imputed Debt Payment

\$44.67M

Administrative & General Expense

\$2.92M

EBITDA & Interest Income

\$2.92M

Debt Service Coverage

1.07

The funds available from operations to cover current debt service.

Target: 1.04

Funds Available for Debt Service ÷ Total Debt Service

Imputed Debt Payment

\$44.67M

EBITDA & Interest Income

\$2.92M



KENTUCKY MUNICIPAL ENERGY AGENCY

**Statements of Net Position
Oct-20**

HRO

	October 2020
ASSETS	
CURRENT ASSETS	
Cash and investments	\$ 13,745,037
Other receivables	5,931,487
Interest receivable	-
Prepayments	6,179
Total Current Assets	19,682,703
NON-CURRENT ASSETS	
Restricted Assets	
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Total Restricted Assets	2,689,719
Unrestricted Assets	
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Capital Assets	
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Total Assets	23,644,353



KENTUCKY MUNICIPAL ENERGY AGENCY

Statements of Net Position
Oct-20

HRO

October
2020

LIABILITIES

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Line of Credit	-
Total Non-Current Liabilities	39,341

Total Liabilities 8,910,612

Net Position

Invested in capital assets, net of related debt	1,271,174
Restricted	-
Unrestricted	13,462,567
TOTAL NET POSITION	14,733,741



KENTUCKY MUNICIPAL ENERGY AGENCY

HRO

**CONSOLIDATED STATEMENTS OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION**

	October 2020	YTD FY21
OPERATING REVENUES		
Sales to members	\$ 5,118,977	\$ 26,837,904
RTO Market Revenue	\$ 20,604	\$ 149,661
Transmission Services	17,647	\$ 247,056
Miscellaneous Revenue	-	-
TOTAL OPERATING REVENUE	5,157,227	27,234,621
OPERATING EXPENSES		
Transmission	521,044	2,673,800
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TOTAL PURCHASE POWER AND OPERATING EXPENSES	5,466,755	24,441,840
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NET POSITION AT END OF PERIOD	\$ 14,733,741	14,733,741



KENTUCKY MUNICIPAL ENERGY AGENCY

HRO

CONSOLIDATED STATEMENT OF CASH FLOWS

CY
Month Ended
10/31/2020

CY
YTD
FY 2021

CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

NET INCOME	\$	(302,385)	\$	2,788,191
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH:				
DEPRECIATION	\$	15,564	\$	61,963
CHANGES IN CURRENT & DEFERRED ITEMS:				
ACCOUNTS RECEIVABLE	\$	1,262,492	\$	1,688,759
PREPAYMENTS & OTHER CURRENT ASSETS	\$	1,236	\$	4,943
DEFERRED DEBITS	\$	-	\$	-
OTHER REG ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$	-	\$	-
ACCOUNTS PAYABLE	\$	(921,470)	\$	257,382
COLLATERAL DEPOSITS	\$	-	\$	-
TAXES & INTEREST ACCRUED	\$	1,238	\$	2,874
OTHER CURRENT LIABILITIES	\$	5,568	\$	25,647
DEFERRED CREDITS	\$	(263)	\$	681
OTHER	\$	-	\$	-
NET CASH PROVIDED BY (USED IN) OPERATION	\$	61,979	\$	4,830,440

CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES

ADDITIONS TO PLANT	\$	-	\$	(15,764)
NET CHANGE IN OTHER PROP & INVEST	\$	(9,973)	\$	(11,248)
OTHER - ASSET RETIREMENT OBLIGATIONS	\$	-	\$	-
NET CASH PROVIDED BY (USED IN) INVESTING	\$	(9,973)	\$	(27,012)

CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES

LONG TERM BORROWINGS	\$	-	\$	-
OTHER	\$	-	\$	-
NET CASH PROVIDED BY (USED IN) FINANCING	\$	-	\$	-

NET INCREASE (DECREASE) IN CASH & TEMP INVESTMENTS \$ 52,006 \$ 4,803,428

CASH & TEMP INVESTMENTS BEGINNING PERIOD \$ 13,693,032 \$ 8,941,609

CASH & TEMP INVESTMENTS END OF PERIOD \$ 13,745,037 \$ 13,745,037

Reconciliation Transactions Report

11/11/20 09:58:05 AM

10/01/20-10/31/20 131.00 CASH

User Id: 2012

Statement Ending Balance :	13,756,812.34
Outstanding Payments(-) :	11,775.21
Adjustments in Transit(+) :	.00
Deposits in Transit(+) :	.00
Adjusted Bank Balance :	<div><div></div><div>13,745,037.13</div></div>
Book Balance :	13,745,037.13
Pending Adjustments :	.00
Adjusted Book Balance :	<div><div></div><div>13,745,037.13</div></div>
Difference :	.00

Committee Reports

D. Committee Reports

D.1 Budget Committee

D.2 Compensation Committee



Administration Reports

E. Administration Reports

E.1 CEO

E.2 Market Report

E.3 Member Communications





KENTUCKY MUNICIPAL ENERGY AGENCY



KYMEA President & CEO Report

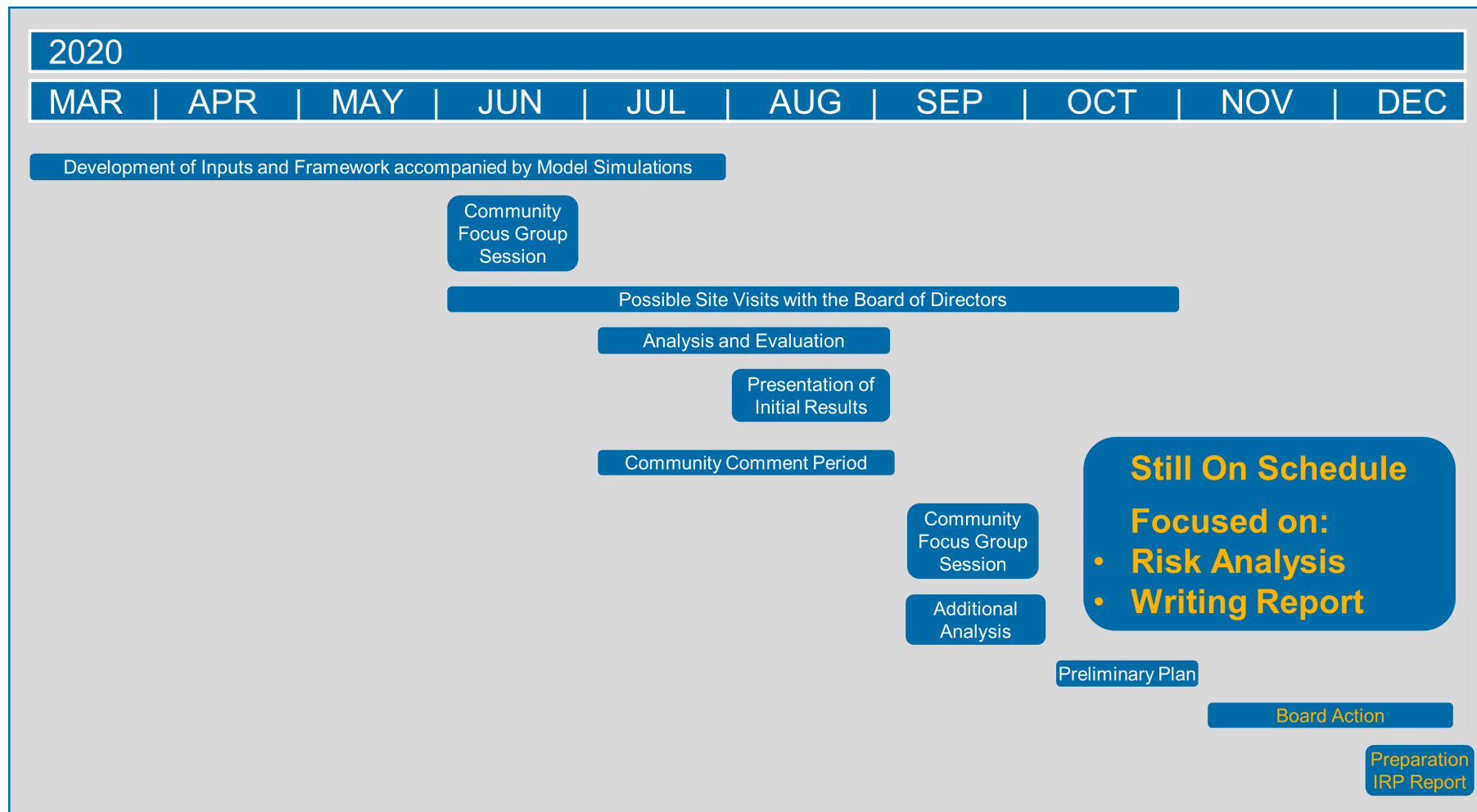
Doug Buresh

November 18, 2020

AGENDA

- IRP Schedule
- FY2022 Budget and Rates Schedule
- Industry News

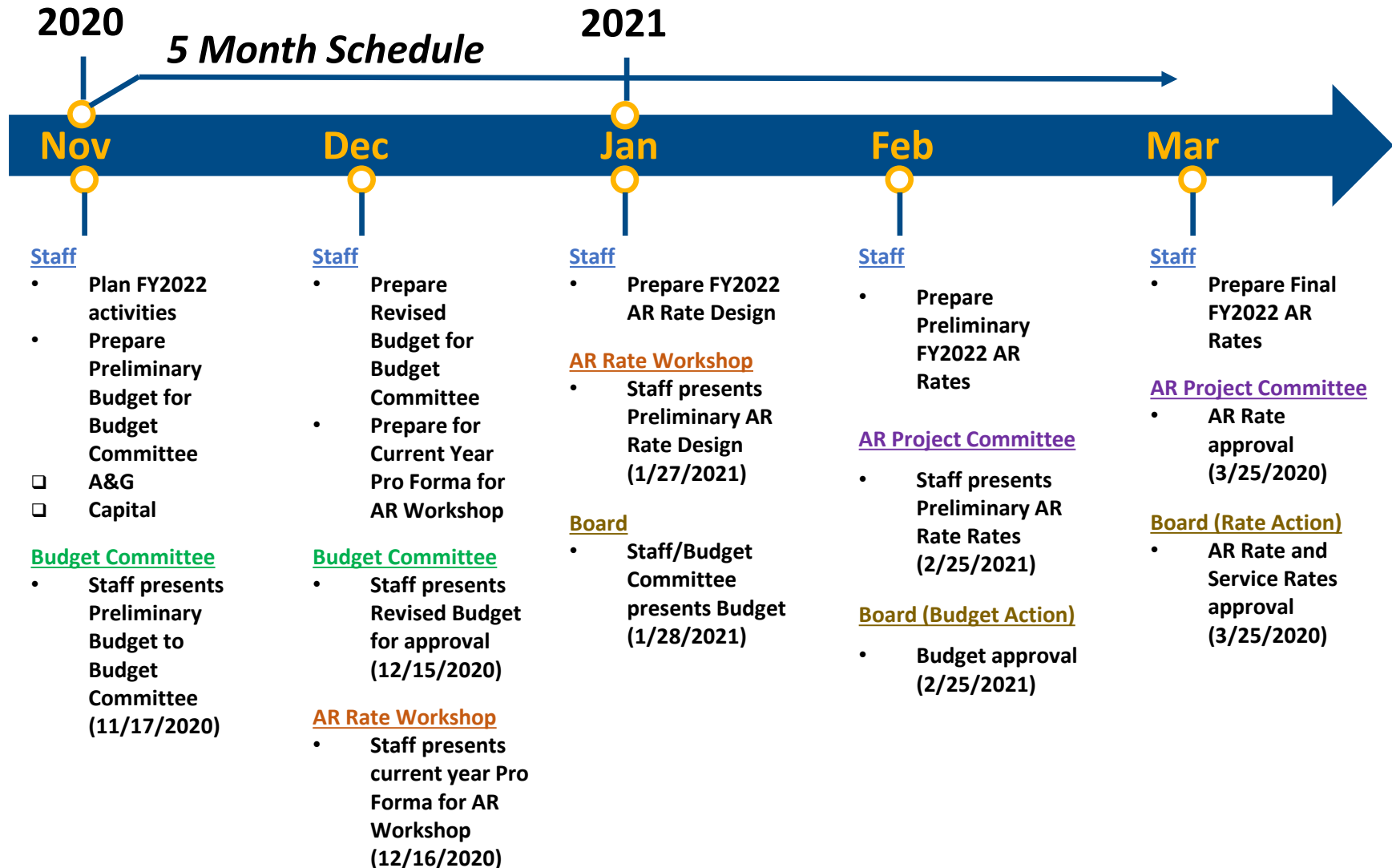
IRP Key Tasks Timeline - 2020



AGENDA

- IRP Schedule
- **FY2022 Budget and Rates Schedule**
- Industry News

FY2022 Budget and Rates Schedule



AGENDA

- IRP Schedule
- FY2022 Budget and Rates Schedule
- **Industry News**

FERC Update

1. Currently at 3 Commissioners: Chairman James Danly (R), Commissioner Neil Chatterjee (R), Commissioner Richard Glick (D).
2. President Trump named James Danly Chairman on November 5, 2020, replacing Neil Chatterjee. Commissioner Chatterjee has announced his intention to serve out his term which expires June 30, 2021.
3. President Trump nominated Allison Clements (D) and Mark Christie (R) to the two vacant spots on July 27, 2020. The Senate has yet to act on confirming these two nominations.
4. It is likely President-elect Biden will name a new Chairman after he takes office in January.



KENTUCKY MUNICIPAL ENERGY AGENCY



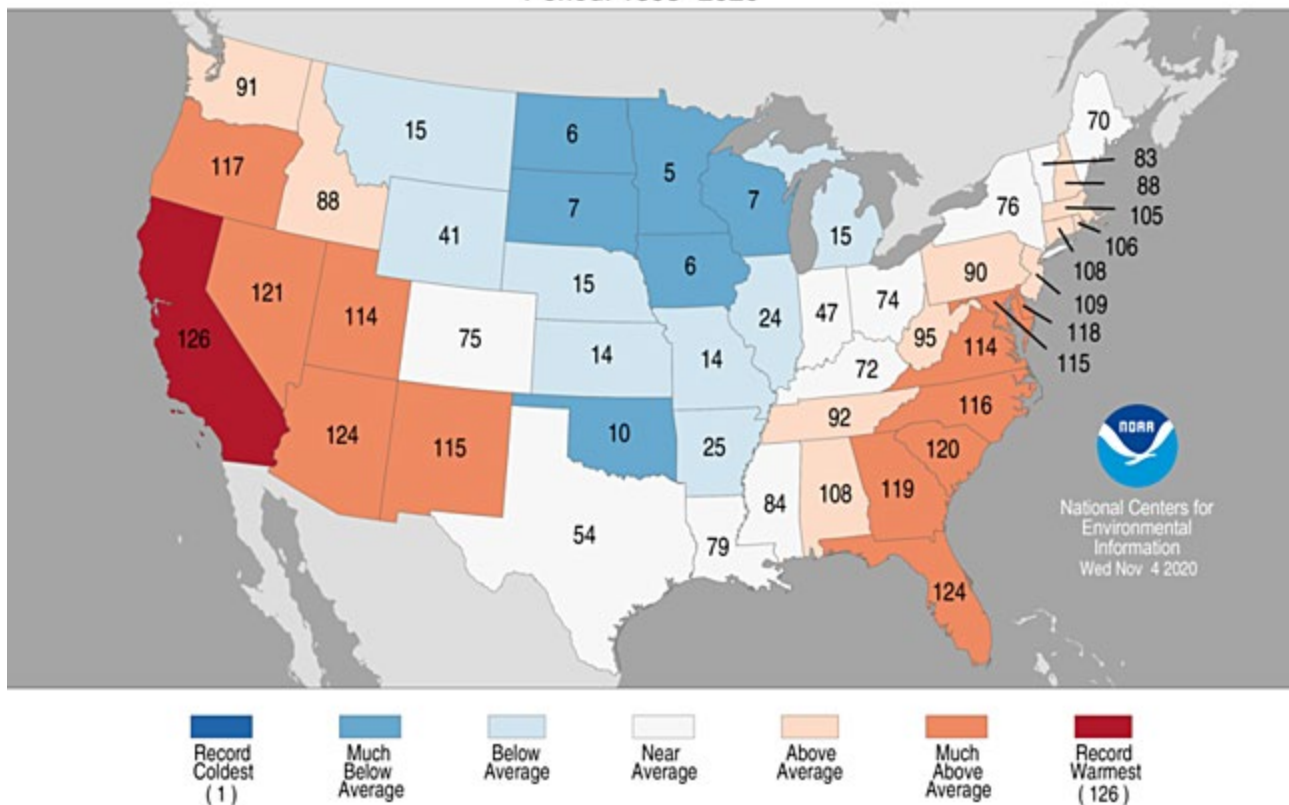
October 2020 Market Report

Rob Leesman

November 18, 2020

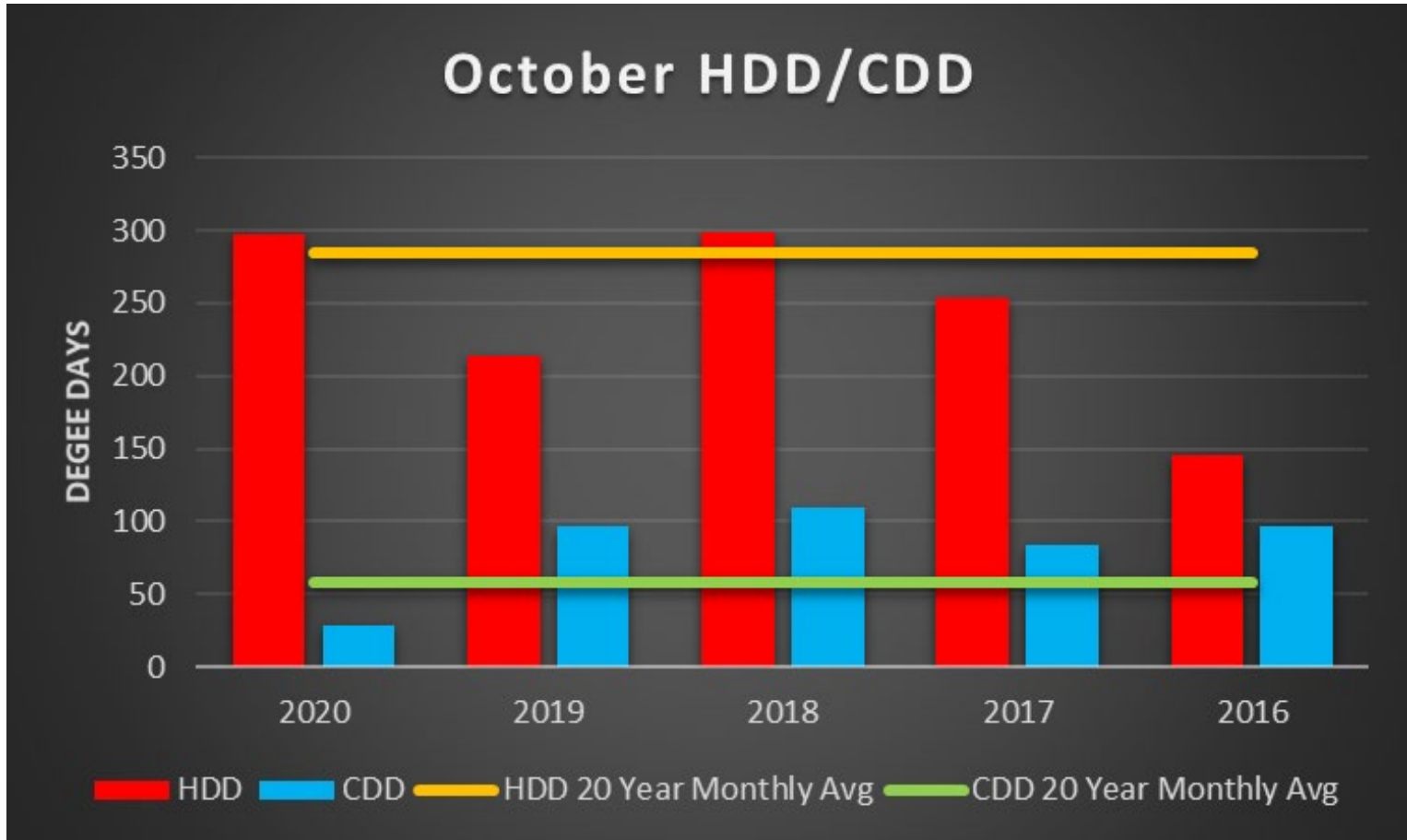
Statewide Average Temperature Ranks

October 2020
Period: 1895–2020

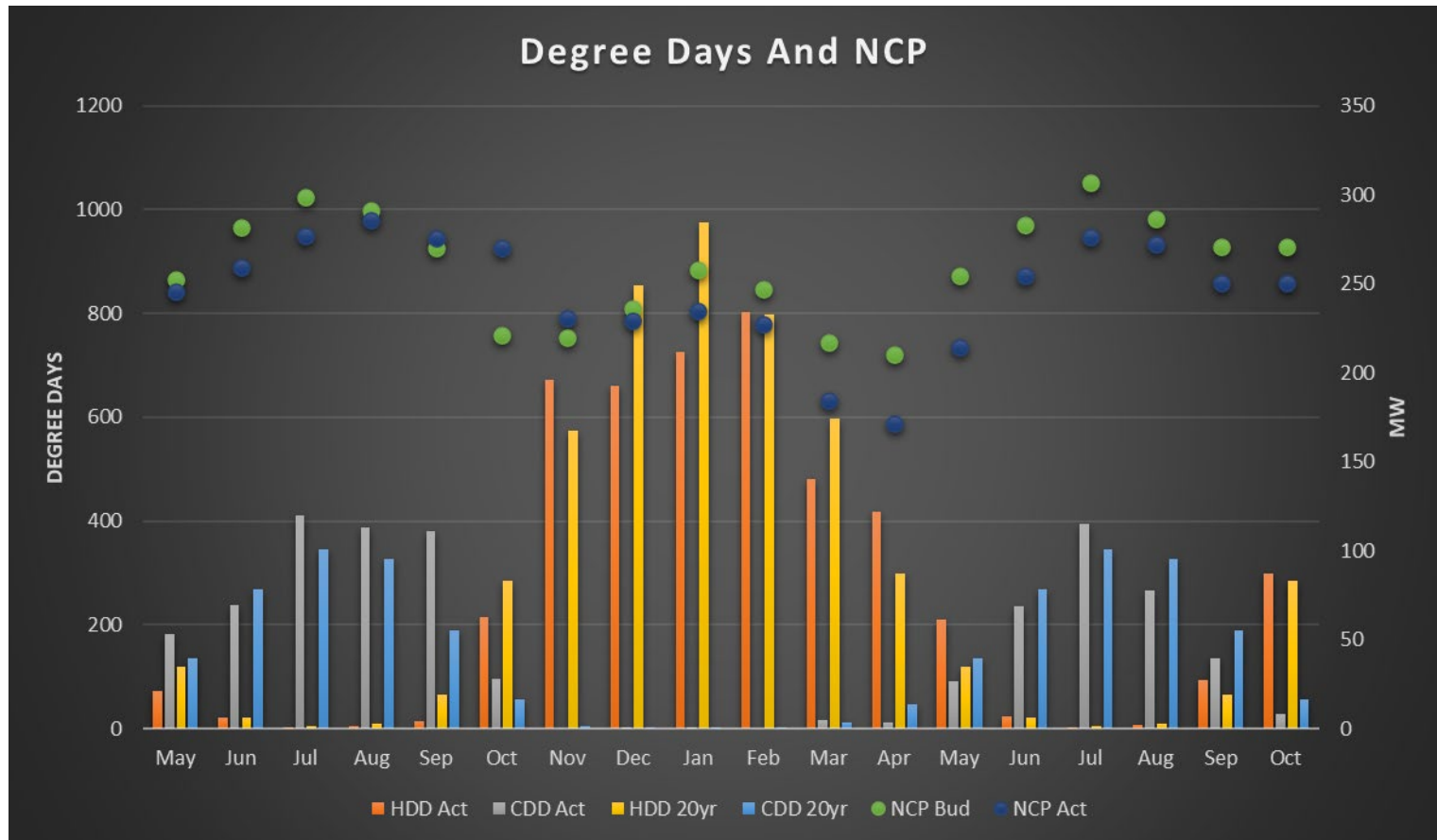


<https://www.ncdc.noaa.gov/temp-and-precip/us-maps/>

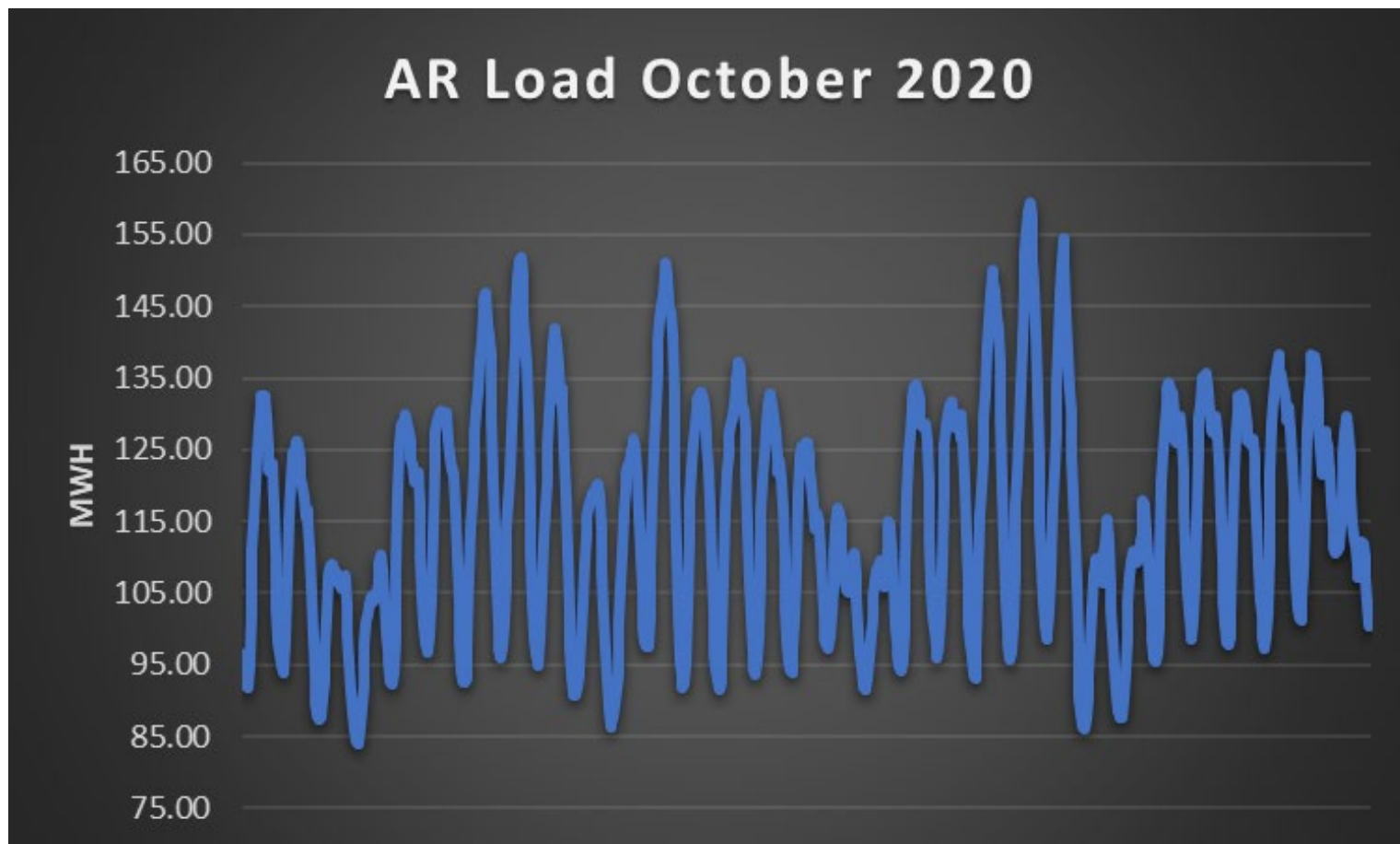
Degree Days



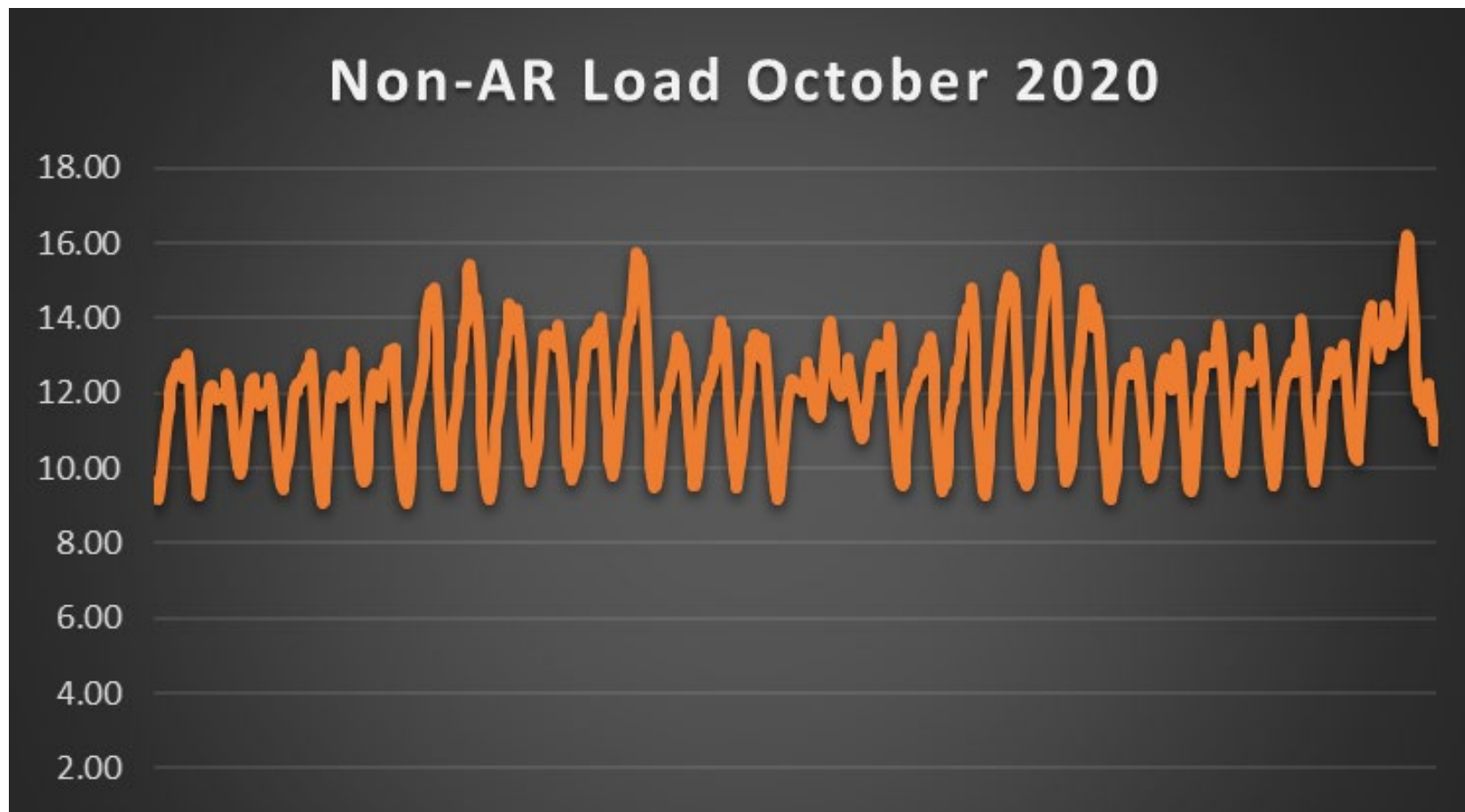
Degree Days



AR Load October 2020



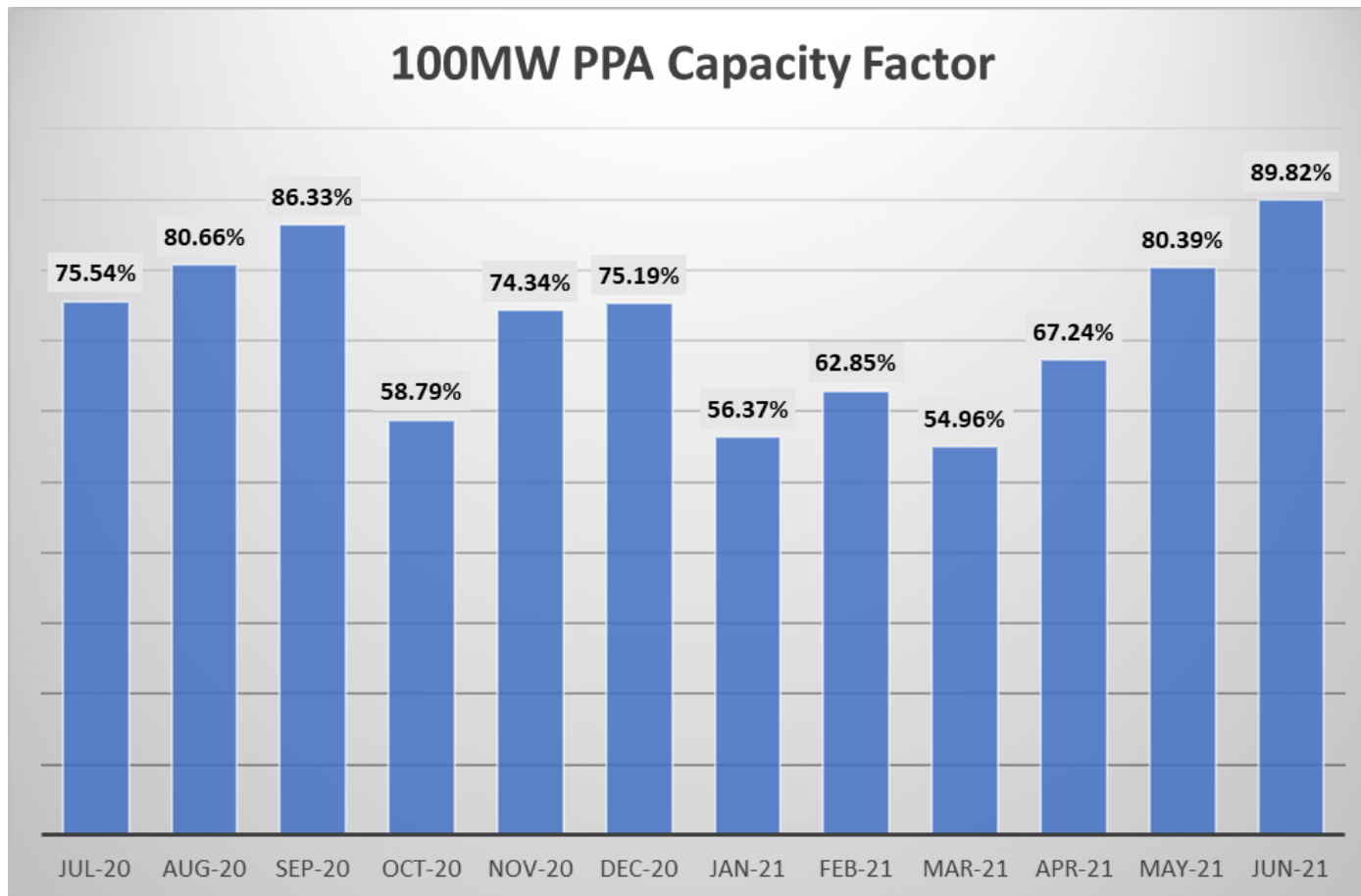
Non-AR Load October 2020



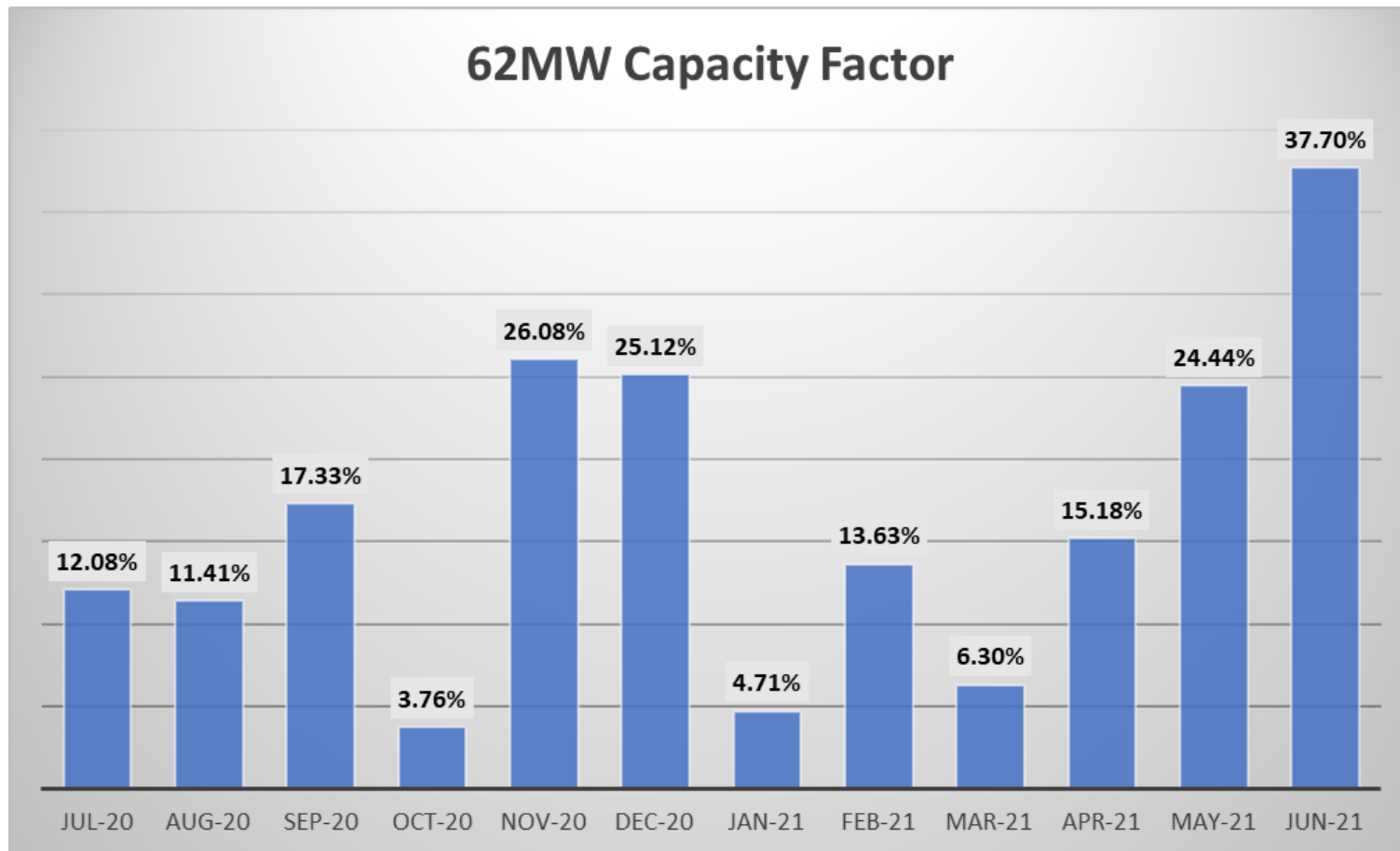
October 2020 Snapshot

Oct-20							
Member	Budget Energy (MWh)	Actual Energy (MWh)	Actual vs. Budget Energy	Budget NCP (MW)	Actual NCP (MW)	Actual vs. Budget NCP	Timestamp (HE EST)
Barbourville	6,381	5,711	90%	13.16	11.42	87%	10/12/2020 5:00 PM
Bardwell	585	552	94%	1.31	1.15	88%	10/22/2020 3:00 PM
Benham	392	345	88%	1.19	0.99	83%	10/31/2020 9:00 AM
Berea	9,338	8,595	92%	18.39	15.45	84%	10/22/2020 5:00 PM
Corbin	5,867	5,246	89%	12.76	10.75	84%	10/8/2020 3:00 PM
Falmouth	1,318	1,232	93%	2.66	2.29	86%	10/22/2020 5:00 PM
Frankfort	52,880	47,674	90%	103.61	86.21	83%	10/22/2020 4:00 PM
Madisonville	22,443	19,546	87%	44.82	37.86	84%	10/22/2020 4:00 PM
Owensboro	63,616	58,773	92%	153.00	115.00	75%	
Paris	3,881	3,846	99%	8.04	7.49	93%	10/31/2020 9:00 AM
Providence	1,912	1,915	100%	4.03	4.03	100%	10/22/2020 5:00 PM
AR	95,266	85,722	90%	190.39	161.20	85%	
Non-AR	9,730	8,939	92%	19.59	16.43	84%	
All	104,996	94,662	90%	209.98	177.63	85%	
Total	168,612	153,435	91%	362.98	292.63	81%	

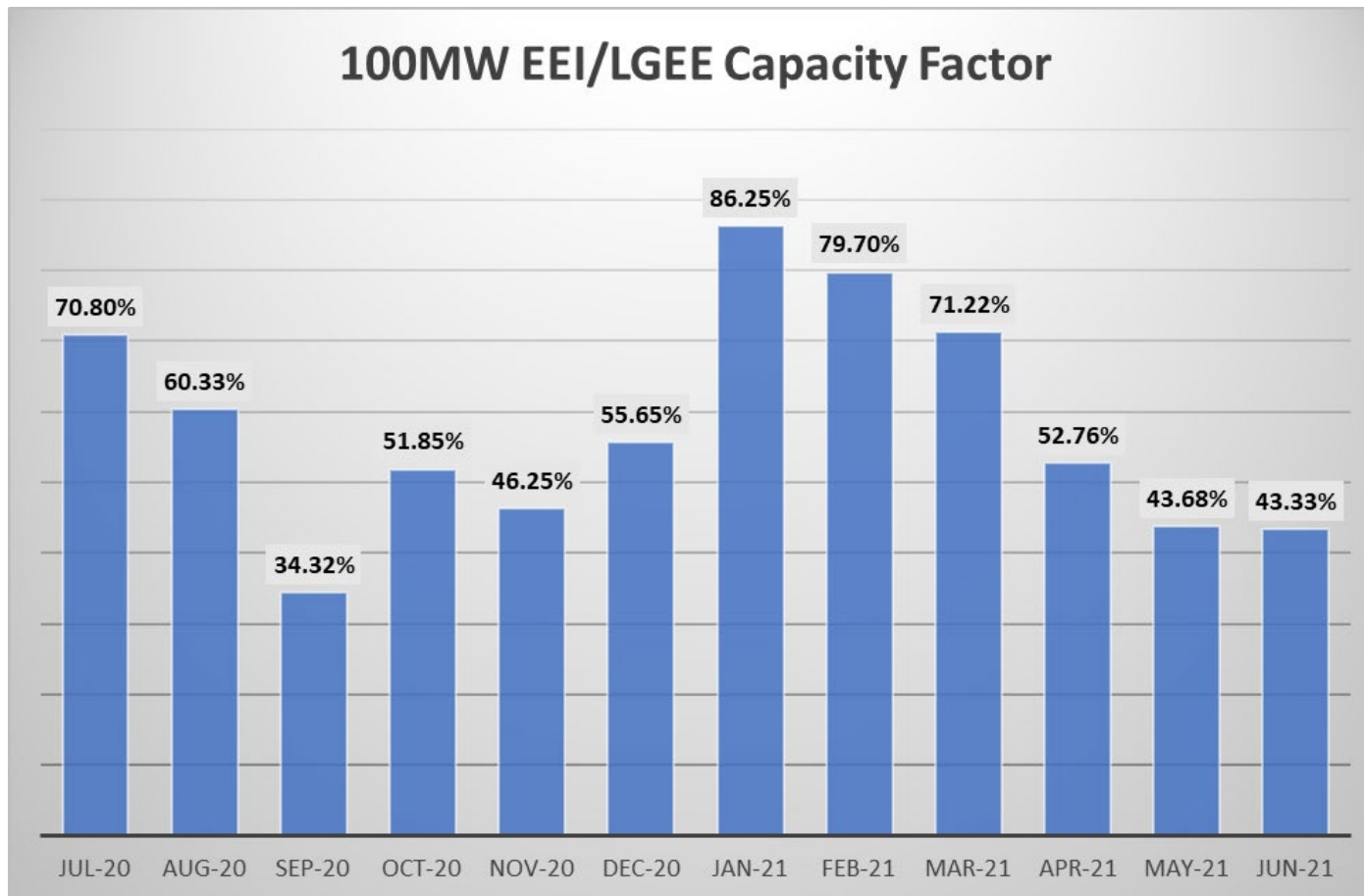
BREC PPA Capacity Factor



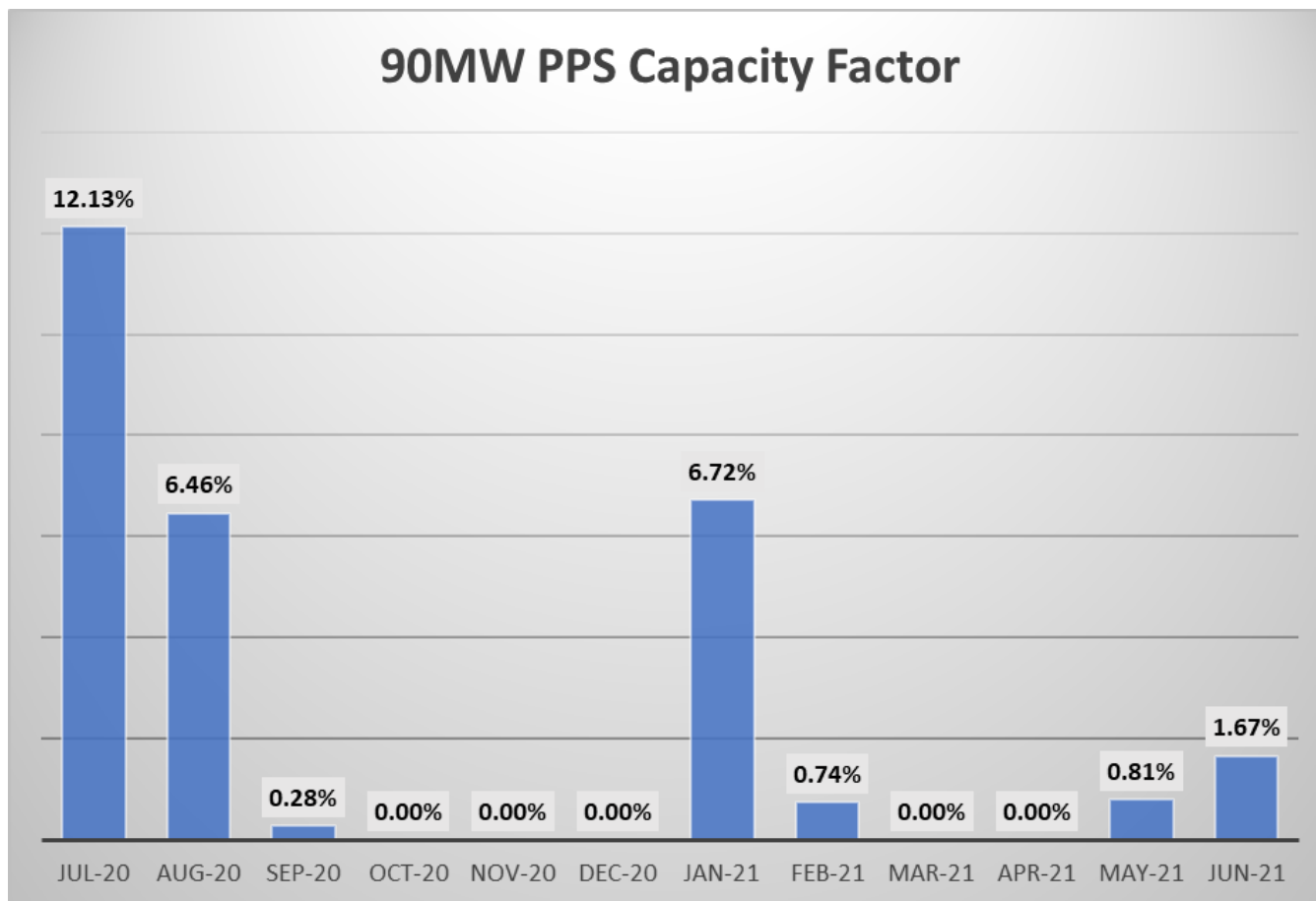
BREC Option Capacity Factor



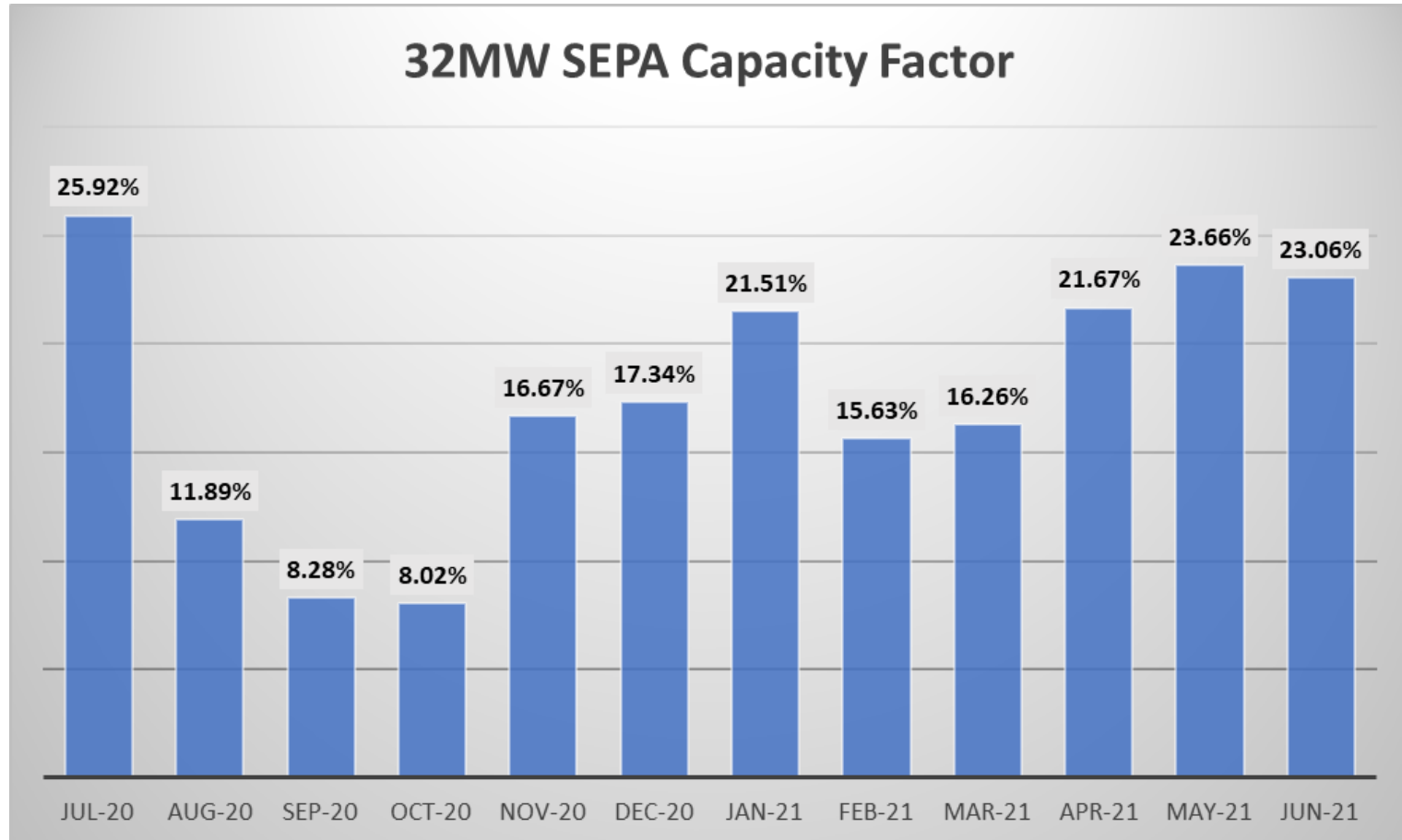
EEI/LGEE Capacity Factor



PPS PPA Capacity Factor

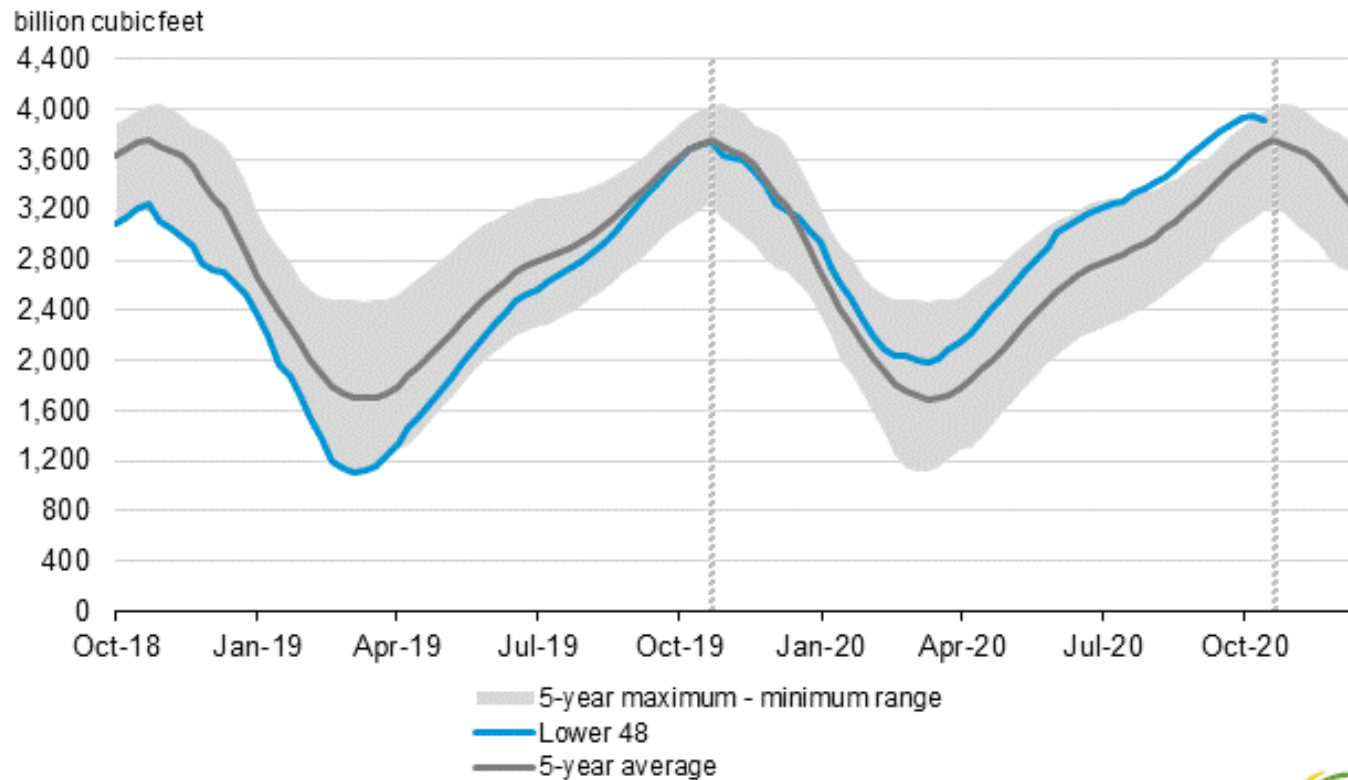


SEPA Capacity Factor



Working Gas in Storage

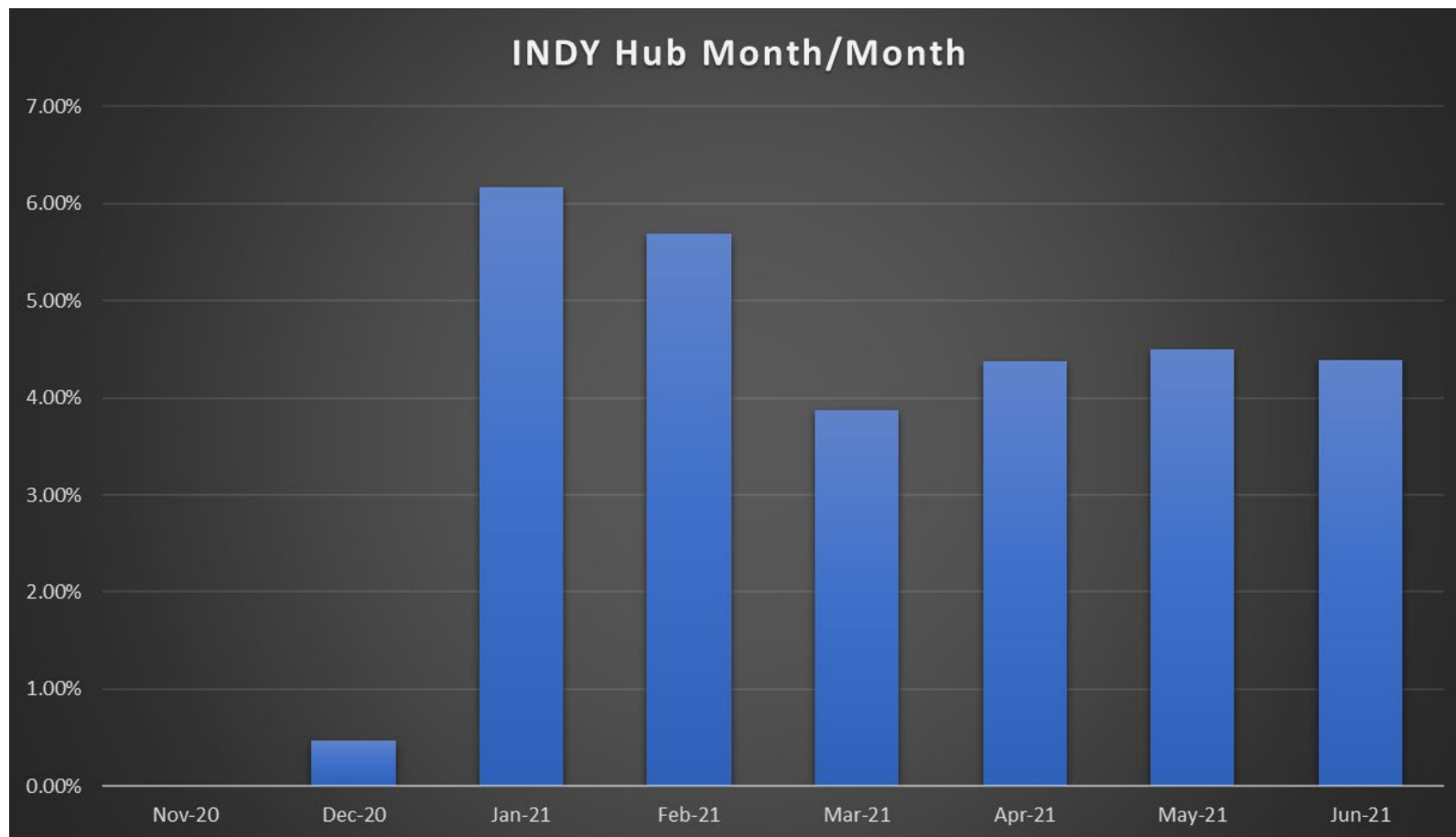
Working gas in underground storage compared with the 5-year maximum and minimum



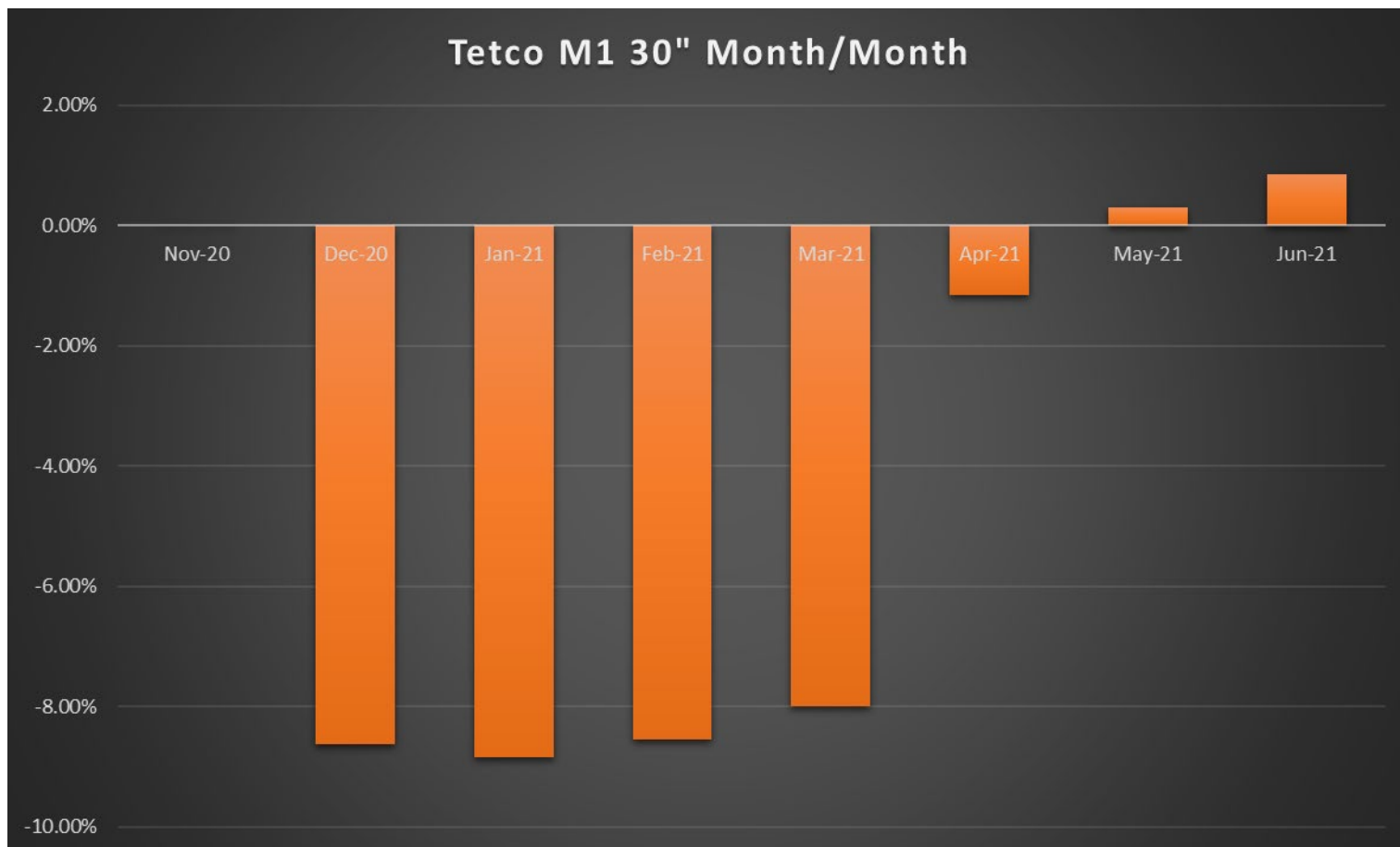
Source: U.S. Energy Information Administration



Indiana Hub ATC



Tetco M1 30"





KENTUCKY MUNICIPAL ENERGY AGENCY



Winter Preparedness

Rob Leesman

November 18, 2020

Winter 2020-2021 Preparedness

Purpose: To procure enough capacity/reserves and firm transmission to cover load during winter peaking events

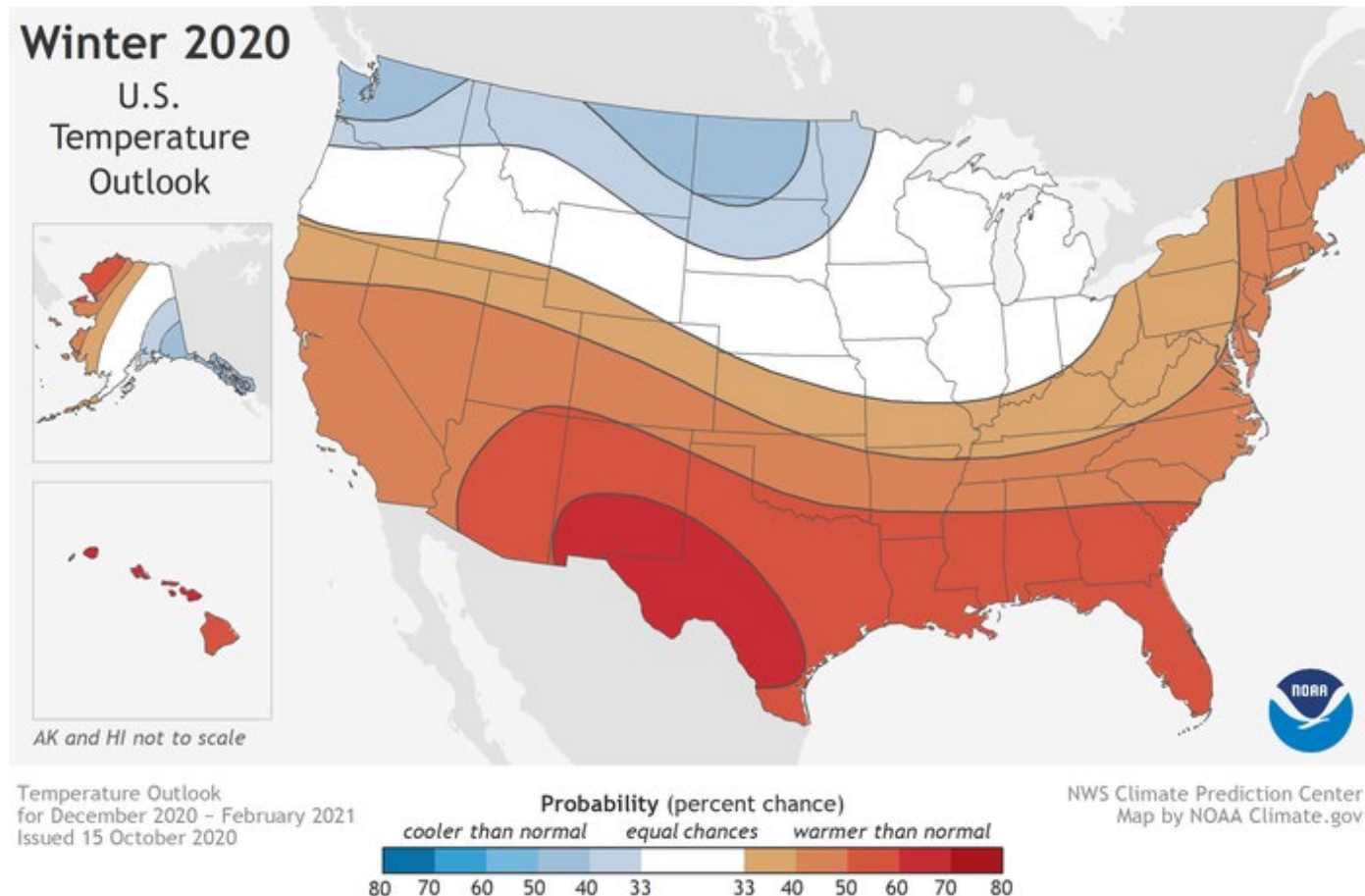
What/Ifs: In the event that loads were unable to be adequately supplied then Energy Emergency Alerts (EEA) would be enacted

EEA 1 – All available generation resources in use

EEA 2 – Load management procedures in effect, Capacity Benefit Margin (CBM) can be called upon (requests due Mar. 1)

EEA 3 – Firm load interruption is imminent or in progress

Winter 2020-2021 Outlook



Winter 2020-2021 Outlook



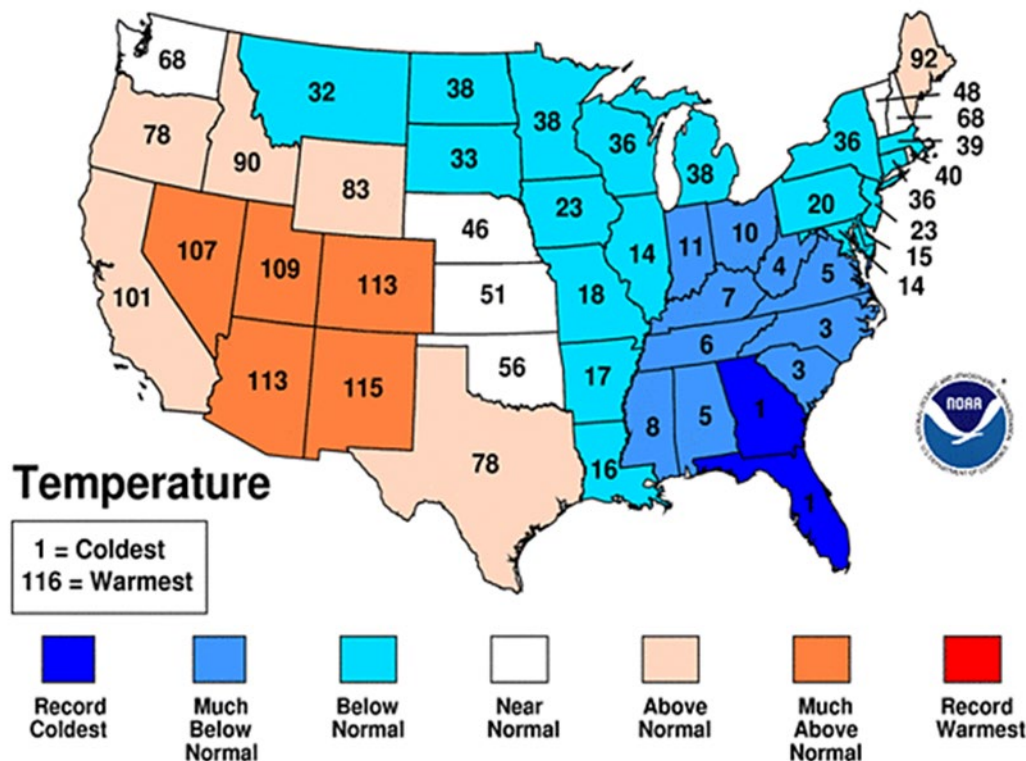
FY 2020 Budget and Historical AR Winter Peaks

Month	Budget Peak Load (MW)	All-Time Peak Load (MW)	Supply Capacity (MW)	Year
Dec-20	208	233	395	2010
Jan-21	218	253	395	2014
Feb-21	214	260	395	2015

December 2010 Weather Actuals

December 2010 Statewide Ranks

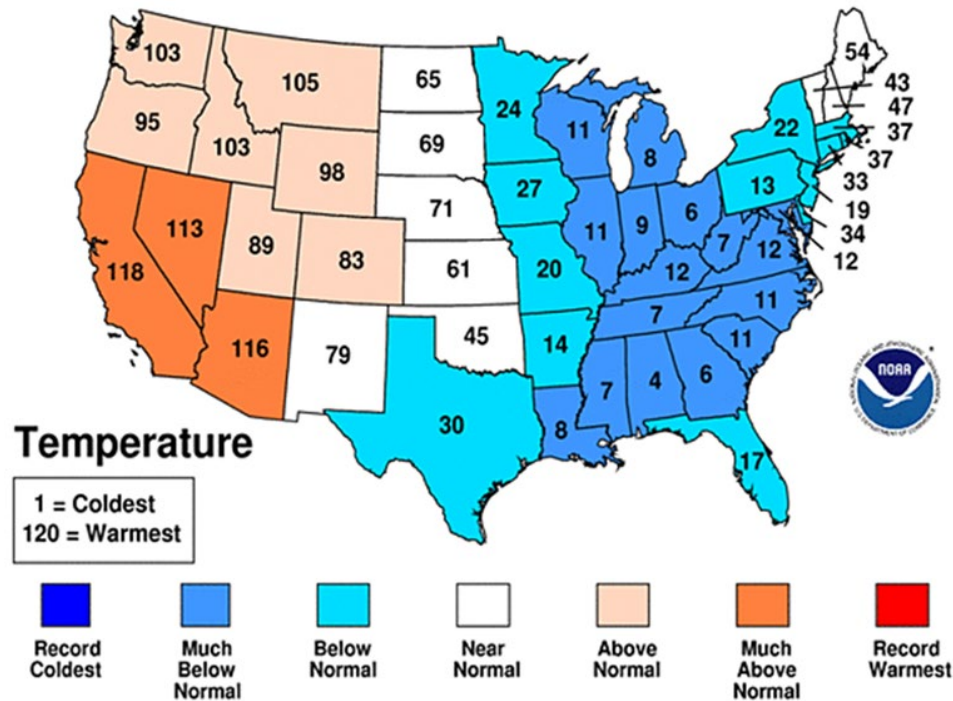
National Climatic Data Center/NESDIS/NOAA



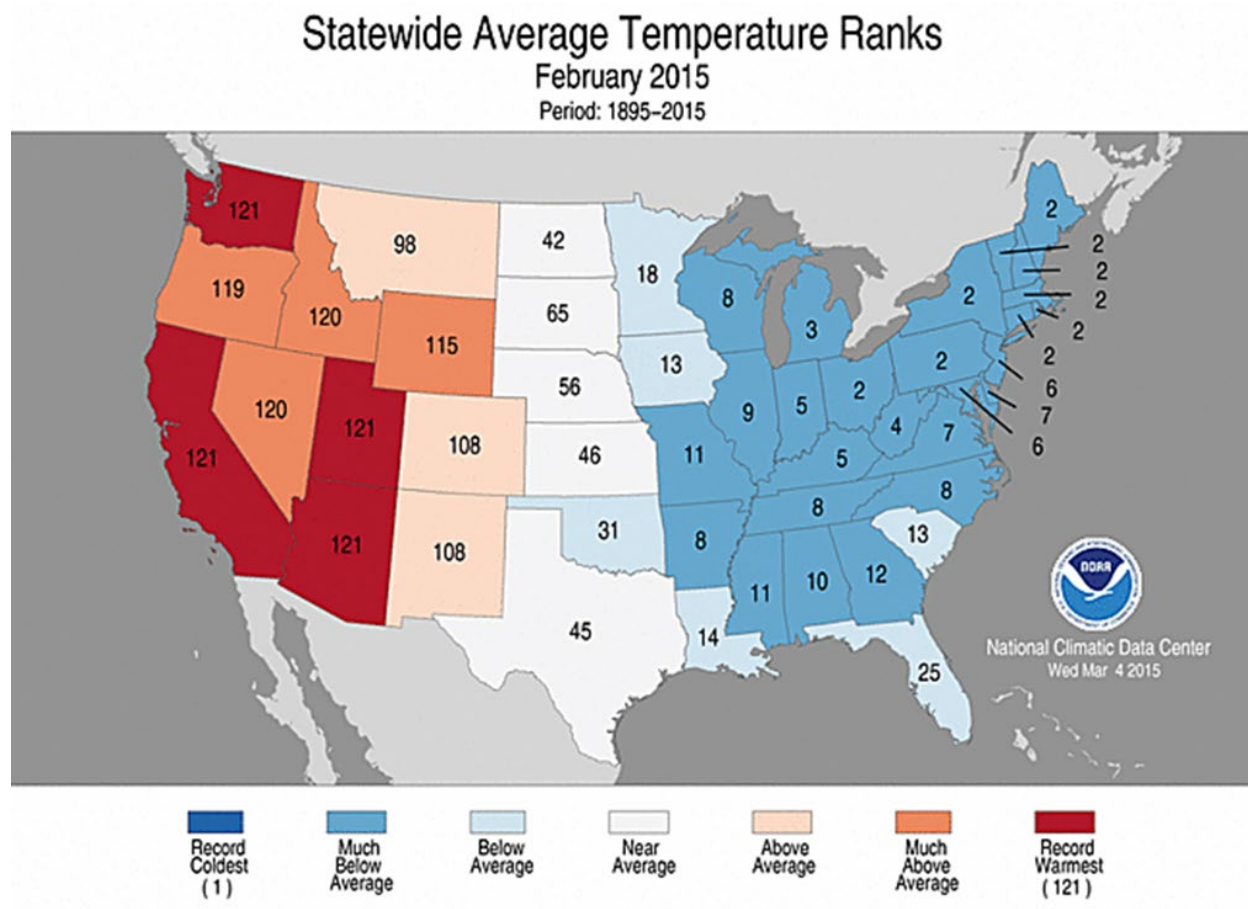
January 2014 Weather Actuals

January 2014 Statewide Ranks

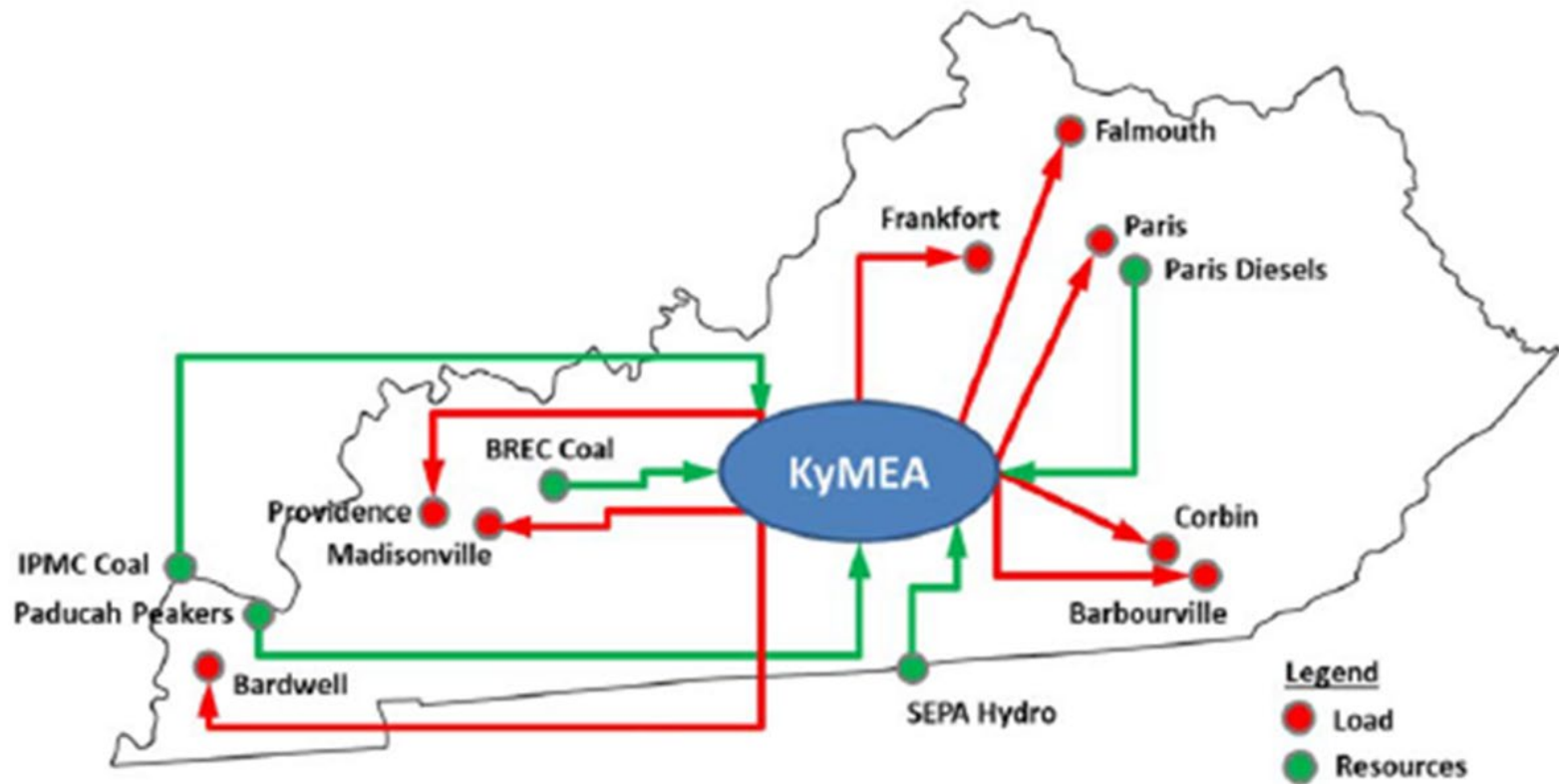
National Climatic Data Center/NESDIS/NOAA



February 2015 Weather Actuals



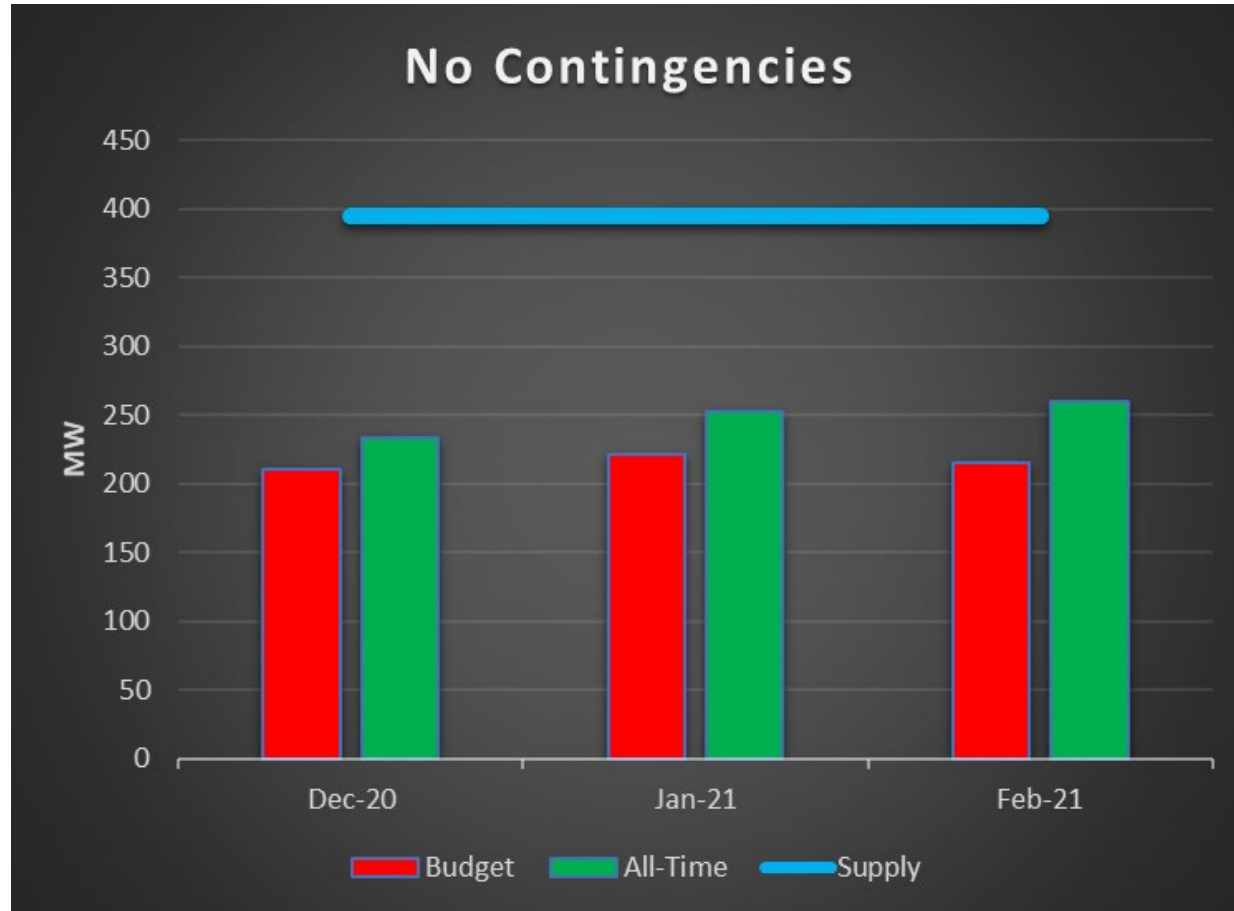
FY 2021 Capacity and Transmission Portfolio



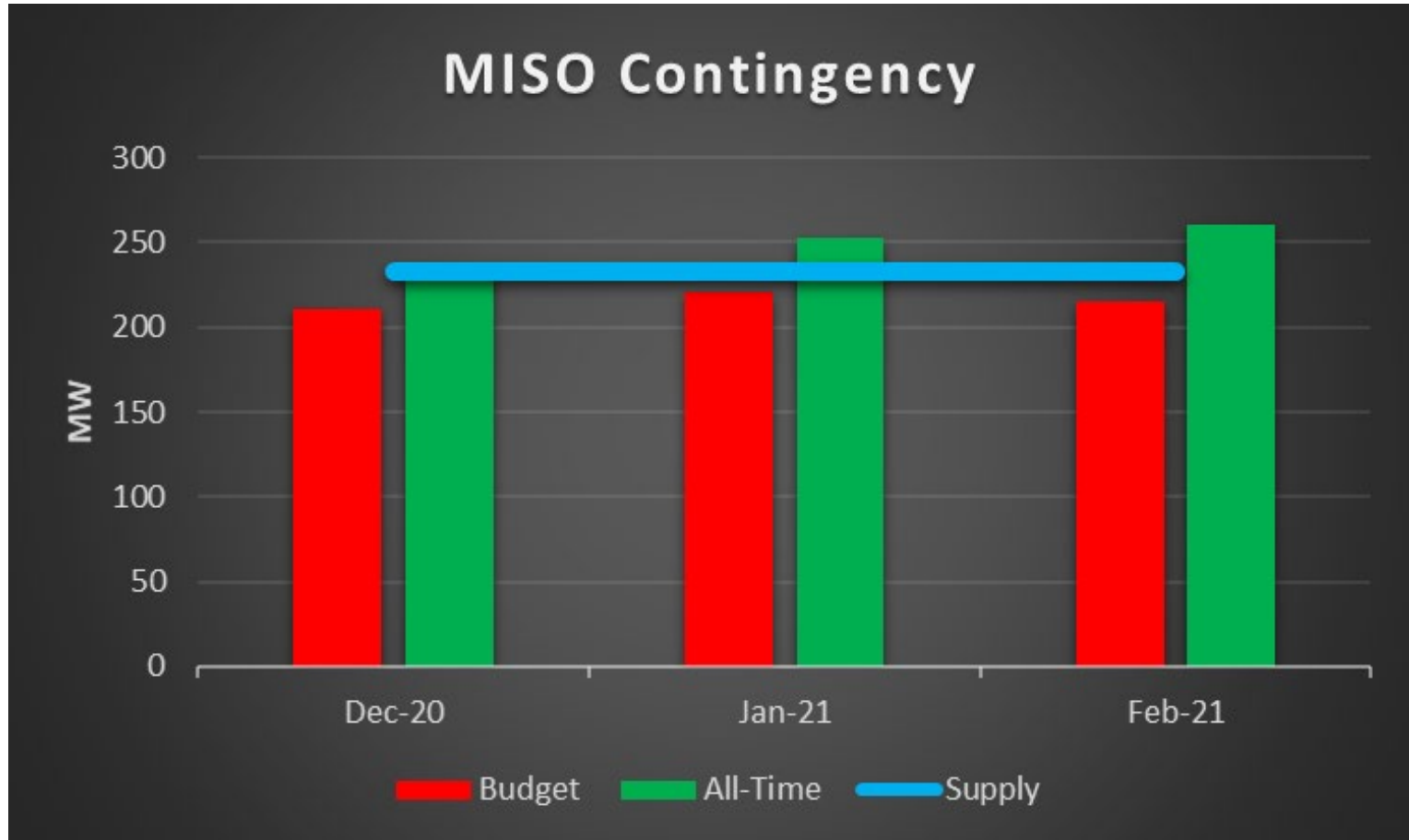
FY 2021 Capacity and Transmission Portfolio

Resource	Availability	Volume (MW)	Firm Transmission (MW)
BREC PPA	100%	100	100
IPMC	96%	100	100
PPS	95%	90	90
BREC Option	N/A	100	62
Paris		10.088	11
SEPA		32	32

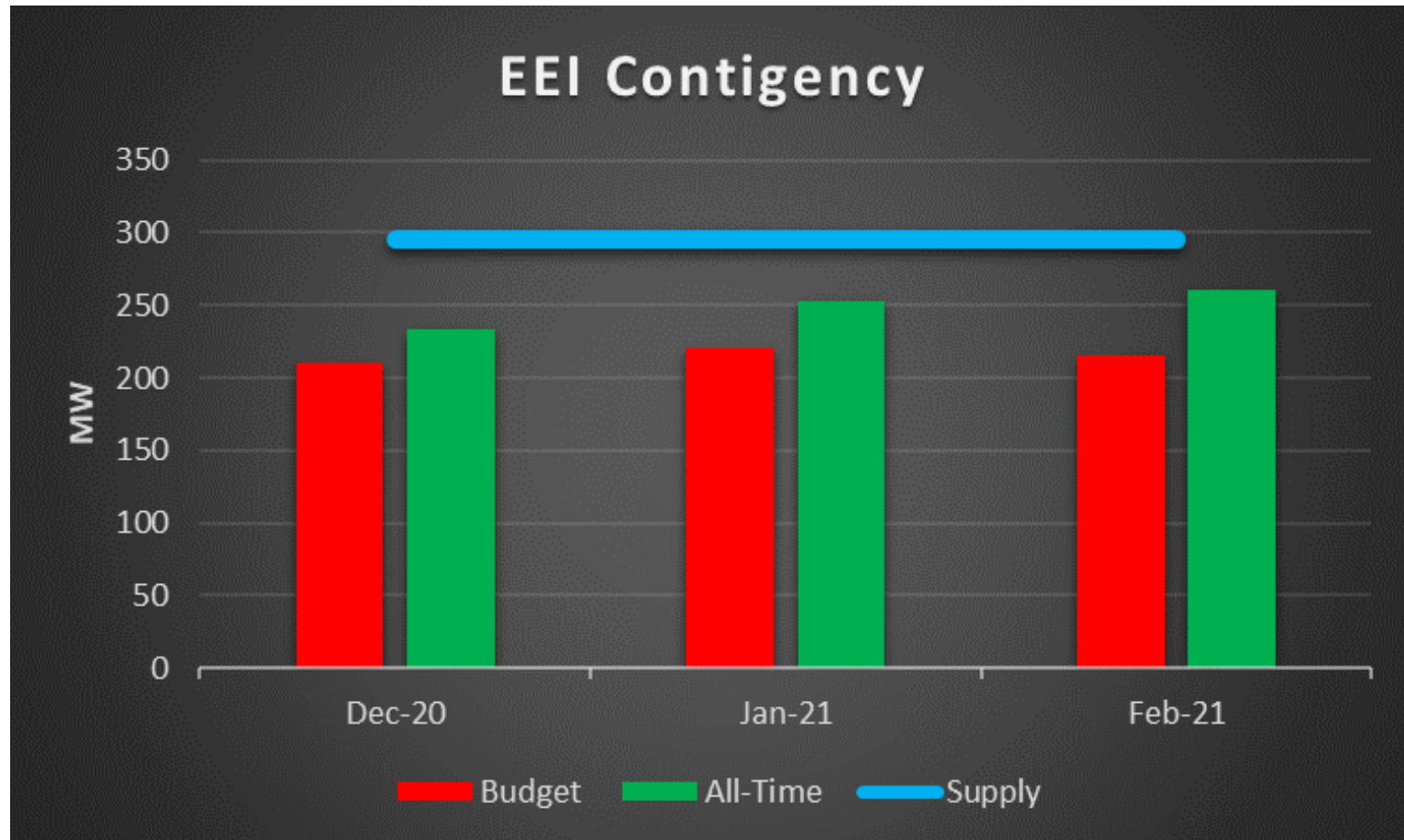
No Contingency



MISO Contingency



EEl Contingency





KENTUCKY MUNICIPAL ENERGY AGENCY



Member Communications

Michelle Hixon

November 18, 2020

Dates to Remember

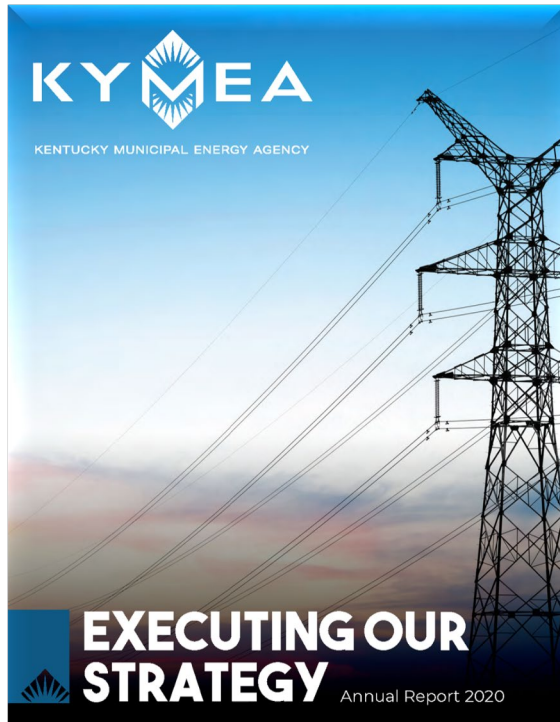
November

23 rd	FERC Litigation Committee Meeting
26 th -27 th	Office Closed for Thanksgiving

December

15 th at 2 PM	Budget Committee Meeting
16 th at 8:30 AM	BROC Meeting
16 th at 2 PM	AR Rates Workshop
16 th at 10 AM	KYMEA Board Meeting
24 th -25 th	Office Closed for Christmas

Annual Report & 2021 Calendars



KYMEA COMMITTEE CALENDAR 2021

January	July
27 th All Rates Workshop-3pm	22 nd All Committee-10am

February	August
15 th All Rates Workshop-10am	
25 th All Committee-10am	

March	September
1 st IRC Committee-10am	10 th IRC Committee-10am
25 th BRCC Committee-8:30am	15 th Executive-Virtual 10:00am
28 th All Committee-10am	24 th BRCC-10am

April	October

May	November
	16 th Budget Committee-2pm
	17 th Compensation Committee-8:30am

June	December
11 th IRC Committee-10am	27 th IRC Committee-10am
25 th BRCC Committee-8:30am	14 th Budget Committee-2pm
	15 th BRCC Committee-8:30am
	15 th All Rates Workshop-2pm

2021 BOARD MEETING

MONTH	DATE	LOCATION	MONTH	DATE	LOCATION
JANUARY	1/28 10 AM EST	KYMEA Board Room	JULY	7/22 10 AM EST	KYMEA Board Room
FEBRUARY	2/25 10 AM EST	KYMEA Board Room	AUGUST	8/26 10 AM EST	KYMEA Board Room
MARCH	3/25 10 AM EST	KYMEA Board Room	SEPTEMBER	9/23 10 AM EST	KYMEA Board Room
APRIL	4/22 10 AM EST	KYMEA Board Room	OCTOBER SPECIAL MEETING	10/20 10 AM EST	KYMEA Board Room
MAY - ANNUAL MEETING	5/28 10 AM EST	KYMEA Board Room	NOVEMBER	11/17 10 AM EST	KYMEA Board Room
JUNE	6/24 10 AM EST	KYMEA Board Room	DECEMBER	12/15 10 AM EST	KYMEA Board Room

DISCOVER THE POWER OF ENERGY OPTIONS

2020 Annual Reports and 2021 Board and Committee calendars are available. Please send me an email if you would like copies mailed to your utility. You can also find them at www.kymea.org.

A festive Thanksgiving border featuring autumn leaves, red berries, yellow flowers, and pumpkins. The border is composed of various autumn-themed elements including red berries, yellow flowers, and pumpkins, arranged along the top and bottom edges of the image. The background is a rustic wooden surface with a visible grain pattern.

HAPPY
THANKSGIVING

2021 BOARD MEETING



KENTUCKY MUNICIPAL ENERGY AGENCY

MONTH	DATE	LOCATION	MONTH	DATE	LOCATION
JANUARY	1/28 10 AM EST	KYMEA Board Room	JULY	7/22 10 AM EST	KYMEA Board Room
FEBRUARY	2/25 10 AM EST	KYMEA Board Room	AUGUST	8/26 10 AM EST	KYMEA Board Room
MARCH	3/25 10 AM EST	KYMEA Board Room	SEPTEMBER	9/23 10 AM EST	KYMEA Board Room
APRIL	4/22 10 AM EST	KYMEA Board Room	OCTOBER - SPECIAL MEETING	10/20 10 AM EST	KYMEA Board Room
MAY - ANNUAL MEETING	5/28 10 AM EST	KYMEA Board Room	NOVEMBER	11/17 10 AM EST	KYMEA Board Room
JUNE	6/24 10 AM EST	KYMEA Board Room	DECEMBER	12/15 10 AM EST	KYMEA Board Room

DISCOVER THE POWER OF ENERGY OPTIONS



JANUARY							FEBRUARY							MARCH							APRIL							MAY							JUNE							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S								
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3	4	5	6	7	8	9	7	8	9	10	11	12	13	7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12	
10	11	12	13	14	15	16	14	15	16	17	18	19	20	14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26	
24	25	26	27	28	29	30	28							28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30				
31																												30	31													
JULY							AUGUST							SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
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18	19	20	21	22	23	24	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	
25	26	27	28	29	30	31	29	30	31					26	27	28	29	30			24	25	26	27	28	29	30	28	29	30						26	27	28	29	30	31	
																					31																					

The KYMEA Board of Directors shall hold its regular meetings on the fourth Thursday of each month, except for the months of November and December when the regular meeting shall be held on the third Wednesday. The regular meetings shall convene and commence at 10:00 AM Eastern time on said dates. The regular meetings shall be held at the KYMEA Board Room, 1700 Eastpoint Pkwy, Suite 220, Louisville, Kentucky.

KYMEA COMMITTEE CALENDAR

2021

January

27th AR Rates Workshop-3pm

July

22nd AR Committee-10am

February

18th AR Rates Workshop-10am

25th AR Committee-10am

August

March

12th IRC Committee-10am

25th BROCC Committee-8:30am

25th AR Committee-10am

September

10th IRC Committee-10am

15th Executive-Virtual 10:00am

24th BROCC 8:30am

April

October

May

November

16th Budget Committee-2pm

17th Compensation Committee-8:30am

June

11th IRC Committee-10am

25th BROCC Committee-8:30am

December

3rd IRC Committee-10am

14th Budget Committee-2pm

16th BROCC Committee-8:30am

15th AR Rates Workshop-2pm

JANUARY

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FEBRUARY

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28						

MARCH

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APRIL

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MAY

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30	31					

JUNE

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JULY

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25	26	27	28	29	30	31

AUGUST

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29	30	31				

SEPTEMBER

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19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER

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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER

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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER

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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	



Committee Members	Term Limit Expiration	Next Election	Meeting Frequency
Officers			
Ron Herd (Chairman)	May 23, 2021	May 23, 2021	
Josh Callihan (Vice Chairman)		May 23, 2021	
Chris Melton (Secretary)		May 23, 2021	
Kevin Howard (Treasurer)		May 23, 2021	
Executive Committee			As Needed
Ron Herd (Chairman)		May 23, 2021	
Josh Callihan (Vice Chairman)		May 23, 2021	
Chris Melton (Secretary)		May 23, 2021	
Kevin Howard (Treasurer)		May 23, 2021	
Gary Zheng		May 23, 2021	
All Requirements Project Committee			December - February
Chris Melton (Chairman)	All AR Directors hold a seat	May 23, 2021	December: Workshop - Staff presents current year proforma
All AR Directors			January: Workshop – Staff present preliminary AR rate design
KYMEA CEO (non-voting)			February: Staff presents preliminary AR rates
KYMEA CFO (non-voting)			March: Committee approval/Board Approval of AR Rates
Board Risk Oversight Committee (BROC)			Quarterly
Gary Zheng (Chairman)		May 23, 2021	March, June, September, & December
Tim Lyons		May 23, 2021	
KYMEA CEO			
KYMEA CFO			
KYMEA Legal Counsel			
Internal Risk Committee (IRC)			Quarterly
KYMEA CEO (Chairman)			March, June, September, & December
KYMEA VP of Market Analytics			
KYMEA CFO			
KYMEA Legal Counsel			
Budget Committee			November - January
Chris Melton (Chairman)		May 23, 2021	November: Staff presents preliminary budget to committee
Josh Callihan		May 23, 2021	December: Complete committee changes/Budget committee approval
Mike Withrow		May 23, 2021	January: No meeting, Budget presented to board
Gary Zheng		May 23, 2021	February: Board approval of budget
KYMEA CEO (non-voting)			
KYMEA CFO (non-voting)			
Compensation Committee			October - December
Ron Herd (Chairman)		May 23, 2021	October/November: Working group to establish CEO compensation December: Committee presents the CEO's compensation to the board
Josh Callihan		May 23, 2021	
Chris Melton		May 23, 2021	
Kevin Howard		May 23, 2021	
Gary Zheng		May 23, 2021	
KYMEA Legal Counsel (non-voting)			
FERC Litigation Committee			October - December
Chris Melton			Working group during FERC litigation
Gary Zheng (Chairman)			
Tim Lyons			
KYMEA CEO			
KYMEA CFO			
KYMEA Legal Counsel			

Discussion Topics and Miscellaneous Materials

F. Discussion Topics

F.1 Paducah Power System





KENTUCKY MUNICIPAL ENERGY AGENCY



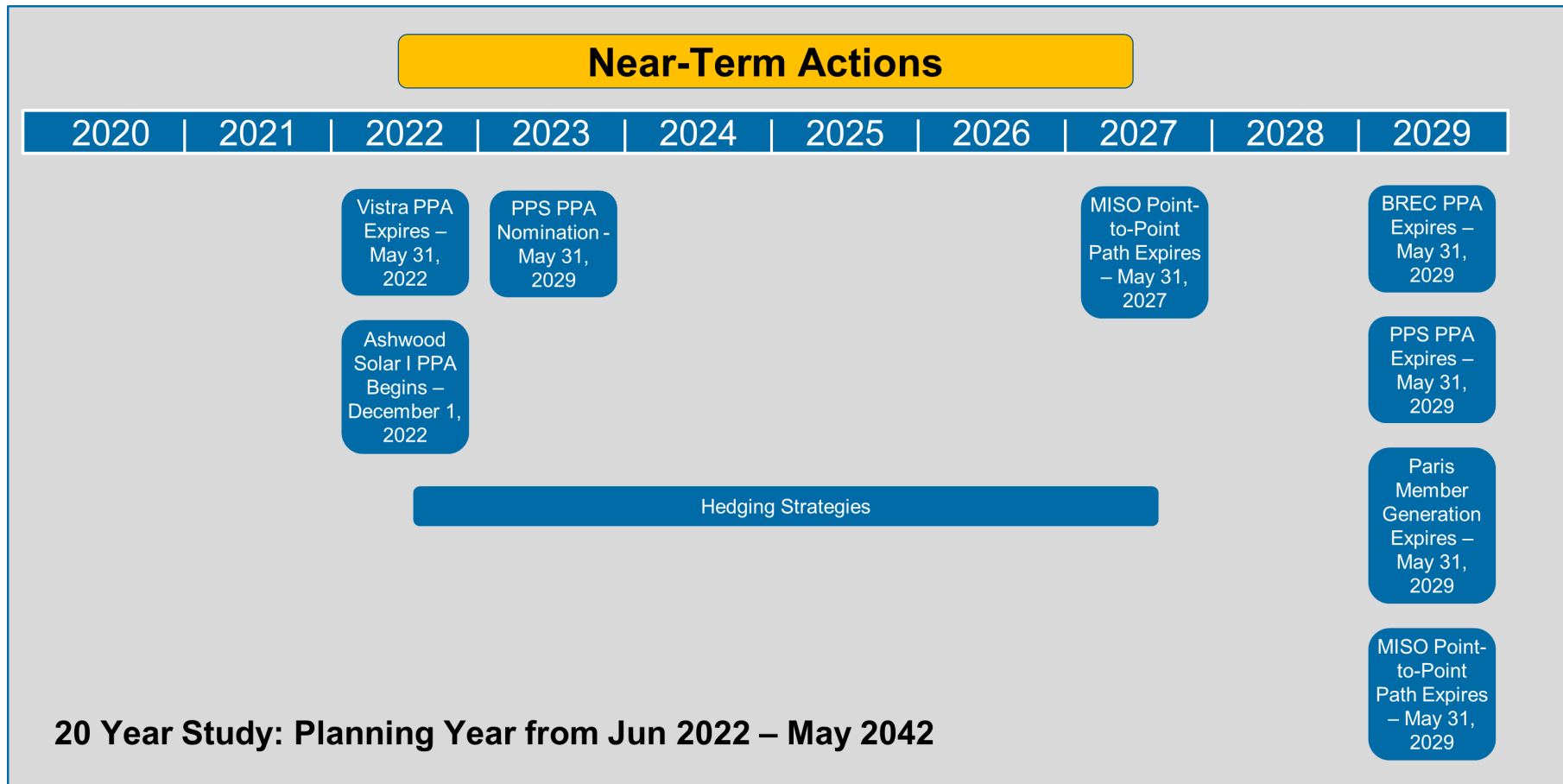
Discussion Topic

PPS Peaker Nomination Decision

Doug Buresh

November 18, 2020

Key Decisions Points through 2029



PPS Peaking Agreement Amendment

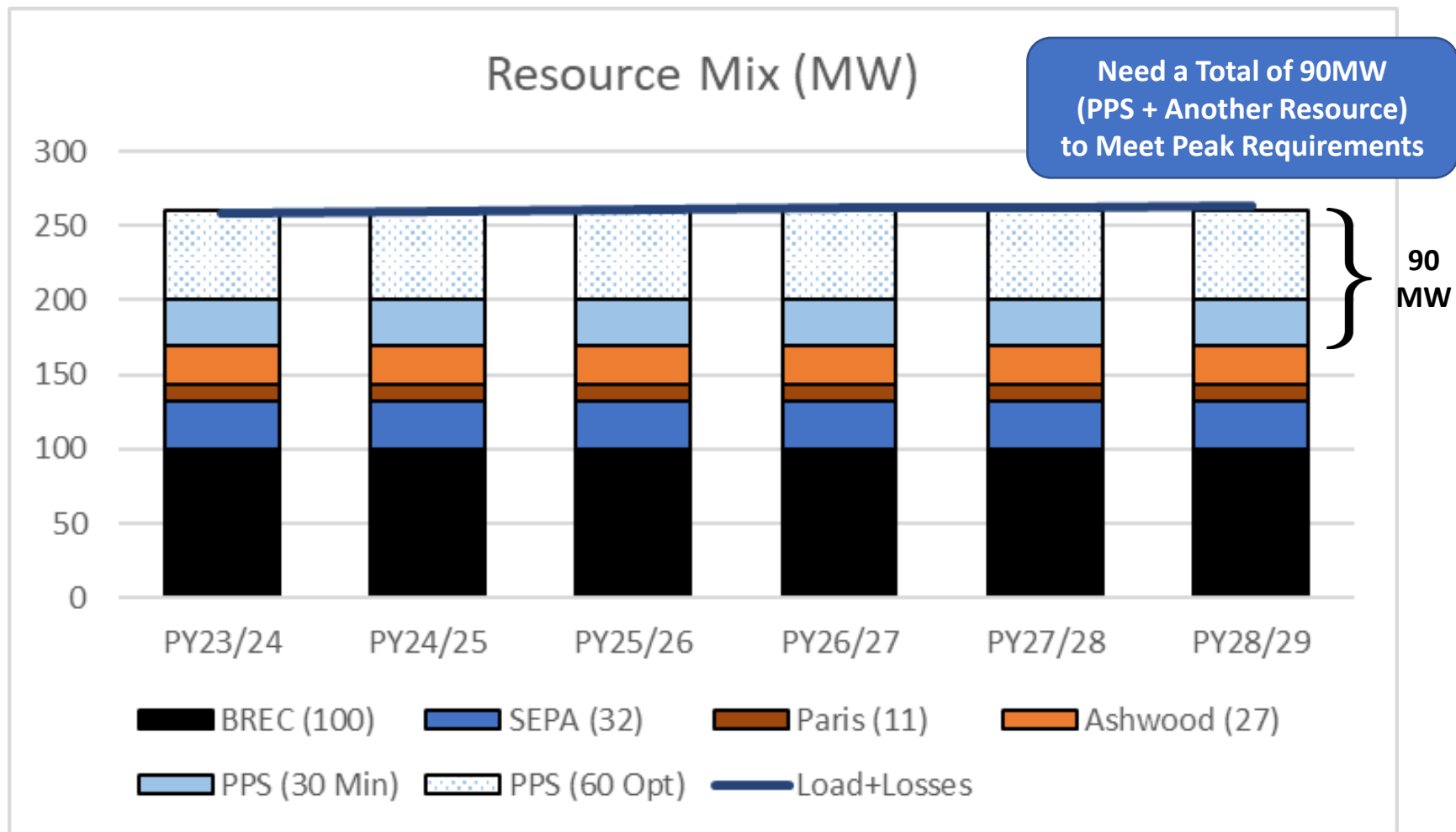
PPS Fifth Amendment: Adopted by KYMEA Board of Directors at March 2019 KYMEA Board Meeting

- Moved Buyer's (KYMEA) right to adjust peaking capacity (one-time election notice) from May 31, 2019 to December 31, 2020.
- Moved effective date of nomination from June 1, 2022 to June 1, 2023

PPS Fifth Amendment Excerpt

(b) By written notice given no later than December 31, 2020, Buyer may exercise a one-time election to decrease the Peaking Capacity to an amount stated in the notice, which shall not be less than thirty megawatts (30 MW), effective June 1, 2023 through the end of the Contract Term. Buyer's notice provided under this Section 3.4(b) shall have the effect of automatically amending this Agreement solely in respect of the amount of Peaking Capacity to be purchased by Buyer starting as of June 1, 2023.

Resource Mix Projection



Action Items

G. Action Items

G.1 None Expected



Public Comments

This is an opportunity for members of the public to provide input to the KYMEA Board and is limited to 5 minutes per speaker.



Upcoming Meetings and Other Business

The next Meeting is Wednesday, December 16th at 10 AM at the KYMEA offices

The KYMEA Board of Directors shall hold its regular meetings on the fourth Thursday of each month, except for the months of November and December when the regular meeting shall be held on the third Wednesday. The regular meetings shall convene and commence at 10:00 AM Eastern time on said dates. The regular meetings shall be held at the KYMEA Board Room, 1700 Eastpoint Pkwy, Suite 220, Louisville, Kentucky.



Closed Session

J. Closed Session
None Expected



Actions Related to Closed Session

K. Actions Related to Closed Session

None expected



Adjournment

