

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
OF LOUISIANA ENERGY AND POWER AUTHORITY (LEPA) HELD AT
THE OFFICES OF LEPA IN LAFAYETTE, LOUISIANA ON FEBRUARY 15, 2018**

The members of the Board of Directors held a meeting on February 15, 2018, at the LEPA Administrative Building, 210 Venture Way, Lafayette, Louisiana after due notice of said meeting.

There were present the following directors (or alternate directors where indicated):

Mr. Michael Marcotte, Director, representing the City of Alexandria
Mr. Ernest Brown, Alternate Director, representing the City of Houma
Mayor Hiram Evans, Director, representing the Town of Jonesville
Mr. Terry Huval, Director, representing the City of Lafayette
Mr. Michael Fluhr, Alternate Director, representing the City of Minden
Mayor Frank Grizzaffi, Director, representing the City of Morgan City
Mr. Charles Brossette, Director, representing the City of Natchitoches
Mr. Paul Seawell, Alternate Director, representing the City of New Roads
Mayor Edwin "Ed" Reeves, Director, representing the City of Plaquemine
Mayor Chuck Robichaux, Director, representing the City of Rayne
Mayor Thomas Nelson, Director, representing the City of St. Martinville
Mayor Buzz Craft, Director, representing the City of Vidalia
Mr. Tracy Goodwin, Alternate Director, representing the Town of Welsh
Mayor Kiah Beville, Director, representing the Town of Winnfield

Absent:

Mayor Mark Piazza, Director, representing City of Abbeville
Mayor Kirk Champagne, Director, representing the City of Kaplan
Mayor Kenneth Stinson, Director, representing the Town of Vinton

Non-Voting Member Present:

Mr. Cordell Grand, General Manager

The meeting was called to order and the presence of a quorum was noted. The Pledge of Allegiance was recited.

General Manager Cordell Grand reported on transference of officer positions and elections to fill vacant positions. He reported that historically, the Vice-Chairman becomes the Chairman at the first of the year. He reported that because the Vice-Chairman position is vacant, Mayor Robichaux had advised that he is willing to stay on as Chairman. On motion by Mayor Reeves that was seconded by Mayor Craft, the Board of Directors unanimously elected Mayor Robichaux as Chairman. General Manager Grand reported that historically the Secretary-Treasurer ascends to Vice-Chairman. Because Mayor Craft was the Secretary-Treasurer, he ascends to be the Vice-Chairman. On motion by Mayor Craft that was seconded by Mayor Grizzaffi, the Board of Directors unanimously voted to elect Mayor Reeves as Secretary-Treasurer.

General Manager Grand then reported on Chairman appointments to the Operating Committee. He explained that there are two open positions on the Operating Committee. He further reported that Mayor Grizzaffi has requested that he remain on the Operating Committee. He also reported that President Dove has requested that he be on the Operating Committee. Chairman Robichaux agreed with the recommended appointments. Then, on motion by Mayor Reeves that was seconded by Mayor Craft, the Board of Directors unanimously elected to have Mayor Grizzaffi and President Dove as members of the Operating Committee.

On motion by Mayor Craft that was seconded by Mayor Reeves, the Minutes of the December 1, 2017 Board Meeting were unanimously approved as circulated to Committee members.

General Manager Grand then gave a report on wholesale power costs as set forth in the documents in Members' packets. He reported on the January through December of 2017 costs in Members' packets. He further reported that this January's costs will include 60 mills for energy. General Manager Grand then explained LEPA's role in Day Ahead LMP for January of 2018. He reported that costs spiked during the cold snap from January 14, 2018 through January 20, 2018. General Manager Grand then reported about the Mississippi Hub, the MISO System, and the Texas Hub. General Manager Grand then recommended that the Operating Committee discuss parameters and procedures to allow LEPA staff to buy blocks of power.

General Manager Grand then reported on disposition of the Rodemacher Unit No. 2. He reported that the Unit will be down for maintenance from March 11th through March 31st. He reported that the hope is that the usual fall outage will not be necessary.

General Manager Grand then reported that Cleco's Teche Unit has not yet been shut down. He reported that there is a line being built from Bayou Vista to Terrebonne Parish.

General Manager Grand then reported on ratification of the final actions authorized by the Operating Committee at the meetings of such Committee held on December 1, 2017 and December 13, 2017. On motion by Mayor Craft that was second by Mayor Reeves, the Board of Directors unanimously approved the Minutes as circulated to Committee Members.

Assistant General Manager Kevin Bihm then reported on LEPA Unit No. 1 operations. He reported that the Unit is in the MISO market. He further reported that the steam turbine has not been available because parts in the solenoid are worn and need to be replaced. He reported that it is a temporary fix for now. General Manager Grand then reported that the CT is running. He reported that the weighted average of energy is about 21 mills. Mr. Marcotte then inquired as to the status of the sulfur problem. General Manager Grand reported that gas is being heated to 120 degrees in order for there to be less precipitation of sulfur. General Manager Grand then reported that LEPA and its engineers are working on a variable geometry problem. General Electric has been investigating the problem and is taking steps to try to correct it although the problems have not been solved yet.

General Manager Grand then reported on the Robins & Morton litigation. He reported that discovery is ongoing. A mediation is scheduled for March 7th. General Manager Grand invited all participants to attend.

Joe Vumbaco and Joe Rogers with Energy & Resource Consulting Group, LLC then gave a presentation on LEPA Unit No. 1 that was in Members' packets.

General Manager Grand then reported on an Agreement with Energy & Resource Consulting Group, LLC for 2017 for preparation of consulting engineer's reports for the Rodemacher Unit No. 2 and LEPA Unit No. 1. He reported that those reports are required by bond agreements. On motion by Mayor Craft that was seconded by Mayor Reeves, the Board of Directors unanimously voted to authorize LEPA staff to execute the Agreement with Energy & Resource Consulting Group, LLC.

General Manager Grand then gave a brief report on the possibility of a potential natural gas agreement with the Louisiana Municipal Gas Association. John Norman then gave a presentation on that.

General Manager then reported on the Louisiana Compliance Questionnaire for 2017. He reported that completion of the questionnaire is necessary for the legislative auditor. On motion by Mayor Grizzaffi that was seconded by Mr. Seawell, the Board of Directors unanimously voted to authorize LEPA staff to execute the questionnaire.

Terry Huval then described the upcoming American Public Power Association Meeting which is scheduled to be held in New Orleans from June 15th through June 20th at the Hilton Hotel.

There being no further business to come before the Board, on motion by Mayor Grizzaffi that was seconded by Mayor Reeves, the Board of Directors unanimously voted to adjourn the meeting.

Chairman

Secretary