

**TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.**

**Minutes of Regular Board Meeting**

**Westminster, Colorado – Headquarters Building**

**March 13, 2024**

Chairman and President Tim Rabon called the meeting to order at 8:01 a.m. All directors were present for all or a portion of the meeting except Leo Brekel (Highline), Bob Brockman (Wheatland), and Clay Thompson (Carbon). La Plata Electric Association, Inc., Mountain Parks Electric, Inc., and United Power, Inc. have elected to not have a director serving on the Board. Also present for all or a portion of the meeting were the following management personnel: Chief Executive Officer Duane Highley; Senior Vice President (General Counsel) Jay Sturhahn; Chief Operating Officer Barry Ingold; Senior Vice President (Chief Financial Officer) Todd Telesz; Chief Administrative Officer (CAO/CHRO) Elda de la Peña; Chief Energy Innovations Officer Reg Rudolph; and Chief of Staff Bob Frankmore. Also present were Steve Helburn (Big Horn); Robert Castillo (Continental); Molly Lynn (Garland); Morgan Weinberg, Mike McBride and Matt Feier (Gunnison); Darick Eisenbraun (High Plains); Jared Routh (High West); Dennis Herman (Highline); David Churchwell (K.C. Electric); Ben Malone (La Plata); Jayson Bishop (Midwest); David Frick (Morgan County); Ruth Marks (Mountain View); Shawna Glendy (Niobrara); Anthony Mercure (Northern Rio Arriba); Chance Briscoe (Northwest Rural); Mario Romero (Otero); Zac Bryant (Panhandle); Jeff Wadsworth (Poudre); AJ Kuxhausen (Roosevelt); Brad Zavorski and Lance Lehigh (San Miguel); Denise Barrera (Sierra); David Spradlin (Springer); Lacey Gulbranson (Wheat Belt); Kelly Sheridan and Alan Michalewicz (White River); Ryan Schilreff (Wyrulec) and Trent Loutensock (Y-W). Also present were several Tri-State staff personnel, including Pam Schroeder who recorded these Minutes at the request of Secretary Julie Kilty.

**INTRODUCTION OF GUESTS**

Mr. Rabon reported San Isabel Electric Association, Inc. tragically lost lineman Brendon Beach to an automobile accident last weekend and requested the Board consider Tri-State donating \$10,000.00 to the Cooperative Family Fund in honor of Mr. Beach.

**Action:** Upon motion and second, the Board unanimously approved a \$10,000.00 donation be made to the Cooperative Family Fund in honor of San Isabel Electric Association lineman Brendon Beach.

Mr. Rabon then welcomed new Board Directors Chris Martinez (Columbus) and Bob Brockman (Wheatland). He announced that this will be Mr. Daily's (Gunnison) last board meeting and thanked him for his years of service and leadership of the Policy Review Committee. Mr. Rabon also thanked prior Board Director Jack Finnerty (Wheatland) for his decades of service on the Board. Next, he welcomed all in attendance and shared a safety moment on health and wellness. He then requested everyone stand for the pledge of allegiance.

Finally, Mr. Rabon called upon Mr. Sturhahn who spoke regarding the expectation to protect the confidentiality of information shared in Executive Session.

**MEMBER/CONSUMER COMMENTS**

None.

**ACTION ON AGENDA**

Mr. Rabon reported that the Reimbursement of Expenses for Affiliated Organizations is being pulled from the Agenda and a new discussion item "Cooptima" is being added to the Executive Session portion of the Agenda. He also reported that Board Policy 308 Tri-State Member System CEO Committee is being pulled from the Consent Agenda. He asked if there were any additional changes, there were none.

Action: Upon motion and second, the Board unanimously adopted the Order of Business, as presented, with the changes referenced above.

**ACTION ON CONSENT AGENDA**

Mr. Rabon presented the Consent Agenda and asked if there were any changes besides pulling Board Policy 308 Tri-State Member System COE Committee, there were none.

Action: Upon motion and second, the Board unanimously approved the Consent Agenda, as presented, with the change referenced above.

The Consent Agenda included:

- a. February 7, 2024 Board Meeting Minutes
- b. Board Policies:
  - 301 Directors Education
  - 309 Donations and Voluntary Memberships (fka Voluntary Memberships and Donations Policy)
  - 311 Election and Voting Procedures (fka Procedures for the Nomination and Election of Officers, Executive Committee Members, Committee Chairs and Vice Chairs, and Directors to serve on the boards of other organizations of which Tri-State is a Member and/or is entitled to elect a Director)
  - 312 Board Committees (fka Board of Directors Committees Policy)
  - 317 Interlocking Directorates
  - 318 Open Meeting Governance Requirements
  - 319 Consumer Complaints

(Note. The policies were revised upon recommendation of the Board Policy Review Committee to include updated verbiage and new formatting).

c. Board Policies Terminated:

- 310 Donations and Contributions Policy (consolidated with Board Policy 309)
- 314 Voting Methods and Procedures (consolidated with Board Policy 311)

d. Resolutions:

- Iron Mountain 115-12.47 kV Delivery Point Budget Amendment Authorization

The Board approved an increase to the 2024 Transmission Capital Budget for the Iron Mountain 115-12.47 kV Delivery Point Project in the amount of \$432,800.00.

- Otero County Electric Association Policy #115 and Policy #117 Contract Authorization

The Board approved a new Member Project Contract and a new Renewable Energy Credit Purchase Contract between Tri-State Generation and Transmission Association, Inc. and Otero County Electric Cooperative, Inc., each with a term of ten (10) years, for the Alamogordo Substation Solar Garden.

- Gunnison County Electric Association Policy #115 Contract Authorization

The Board approved a new Member Project Contract between Tri-State Generation and Transmission Association, Inc. and Gunnison County Electric Association, Inc., for a term of twenty (20) years, with an expected commercial operation date in late 2024, for the Oh Be Joyful Solar Project.

- Mora-San Miguel Electric Cooperative Policy #117 Contract Authorization

The Board approved a new Renewable Energy Credit Purchase Contract between Tri-State Generation and Transmission Association, Inc. and Mora-San Miguel Electric Cooperative, Inc., for a term of ten (10) years, for the Storrie Lake Solar Project.

- Elk Ridge - New Horizon - Montrose County, Colorado - Property Transaction Authorization

The Board approved the sale and conveyance of up to approximately 5.5 acres of real property in Montrose County, Colorado.

- Elk Ridge - New Horizon - Montrose County, Colorado - Property Transaction Authorization

The Board approved the sale and conveyance of up to approximately 65 acres of real property in Montrose County, Colorado, together with appurtenant water rights.

- Iron Mountain Substation – Property Transaction Authorization

The Board approved the purchase of up to 6 acres in Weld County, Colorado, to construct the Iron Mountain Substation.

### PRESIDENT’S REPORT

Mr. Rabon presented the President’s Report.

#### Executive Committee Report

Mr. Rabon reviewed highlights of the Executive Committee Meeting, including Policy Review; Chairman’s Update; Consideration of Agendas; CEO Report; January 2024 Financial Report; Legal Report; and review of Credit Card Statements and Directors Expense Vouchers.

Mr. Rabon then gave a preview of the 2024 Tri-State Annual Meeting to be held April 2-3, 2024, at the Westin Hotel in Westminster, Colorado.

#### Internal Auditor’s Report

Internal Auditor John O’Flannigan reviewed copies of the written Audit Report dated March 5, 2024.

#### Contract Committee

Mr. Rabon previewed the agenda for the initial Contract Committee meeting scheduled for March 14, 2024. He noted going forward Dennis Herman, General Manager at Highline Electric Association and Chair of the Contract Committee, will provide a monthly recap of the Committee’s work.

### CHIEF EXECUTIVE OFFICER’S REPORT

Mr. Highley presented the Chief Executive Officer’s Report. Discussion followed.

### RTO Update

Mr. Highley reported on recent discussions regarding the investor-owned utilities interests in Markets+ or a day ahead market, instead of a full RTO.

### IT Report

Mark Weiss, Vice President IT/CIO, referred to the slide presentation "*Project Update: Oracle System Implementation*" as he discussed the project schedule and next steps.

## COMMITTEE UPDATES

### Engineering and Operations Committee

Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the Committee Meeting, including recommendation to approve the following: Iron Mountain 115-12.47 kV Delivery Point Budget Amendment; Otero County Electric Cooperative Policy #115 and Policy #117 Contract; Gunnison County Electric Association Policy #115 Contract; Mora-San Miguel Electric Cooperative Policy #117 Contract; Elk Ridge-New Horizon-Montrose County, Colorado Property Transactions; and Iron Mountain Substation-Property Transaction. The Committee also heard Affiliated Organizations and departmental reports.

### External Affairs/Member Relations Committee

Mr. Baca, Chairman of Tri-State's External Affairs and Member Relations Committee, reviewed highlights of the Committee Meeting, including recommendation on changes and termination of board policies. The Committee heard the Safety Report; Environmental and Regulatory Activities; Legislative Review; Communications and Energy Services/Member Relations Reports; and Statewide Meetings and Affiliated Organizations Reports.

### Finance and Audit Committee

Mr. Schenk, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the Committee Meeting, including presentation of the Form 10-K; results of the Ernst & Young ("E&Y") 2023 Audit; Long Term Financial Forecast; Energy Risk Management Update; January 2024 Financial Statements; Q4 2023 Capital Variance Report; Finance Update; Investment Report; 2024 Internal Audit Plan; and an educational session discussion. The Committee also reviewed and recommended approval of Deferred Revenue.

## GENERAL COUNSEL REPORT

Mr. Sturhahn noted the report would be given in Executive Session.

## UNFINISHED BUSINESS

None.

**NEW BUSINESS**

Several Directors thanked staff for attending their local board meetings.

**EXECUTIVE SESSION**

Mr. Rabon informed the Directors of the need to go into Executive Session to consider confidential business matters.

Action: Upon motion and second, the Board unanimously approved going into Executive Session to consider confidential business matters.

The Executive Session commenced at 9:30 a.m., paused for lunch, and adjourned at 3:09 p.m. Open Session resumed at 3:18 p.m.

**OPEN SESSION**

Mr. Rabon reported that during Executive Session the Board received presentations on E&Y financial audit results, renewable projects, and Cooptima, and directed staff to halt efforts on a headquarters location change. The Board also heard legal updates on the comeback rate filing, partial requirements option to Bring Your Own Resource, and the Basin and La Plata litigations. He noted the Board also discussed a variety of confidential business matters with Mr. Highley.

**ADJOURNMENT**

Action: It being 3:20 p.m. and there being no further business to transact, it was the consensus of the Directors that the Meeting be adjourned and the Annual Meeting and next Regular Meeting of the Board are scheduled to be held on April 2-3, 2024.

APPROVED:

  
Chairman and President

  
Secretary