

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

Minutes of Regular Board Meeting

Westminster, Colorado – Headquarters Building

December 4, 2024

Chairman and President Tim Rabon called the meeting to order at 8:00 a.m. All directors were present for all or a portion of the meeting. La Plata Electric Association, Inc., Mountain Parks Electric, Inc., and Northwest Rural Public Power District 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; Senior Vice President (Chief Financial Officer) Todd Telesz; Chief Administrative Officer (CAO/CHRO) Elda de la Peña; Chief of Staff Bob Frankmore; Chief Auditor John O’Flannigan; Senior Vice President Energy Management Lisa Tiffin; and Senior Vice President Operations Chris Pink. Also present were Russell Waldner and Shae Johnson (Carbon); Chris Martinez (Columbus); Molly Lynn (Garland); Darick Eisenbraun (High Plains); Jared Routh (High West); Dennis Herman (Highline); David Churchwell (K.C. Electric); Kirsten Skeehan (La Plata); Les Montoya (Mora-San Miguel); Ruth Marks (Mountain View); Anthony Mercure (Northern Rio Arriba); Mario Romero (Otero); Jeff Wadsworth (Poudre); Brad Zaporski and Lance Lehigh (San Miguel); David Spradlin (Springer); Jason Wright (Wheatland); and Alan Michalewicz (White River), and the following guests, Marc Schmeackle and Kevin Schmeits from Sageview Advisory Group (“Sageview”). 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 welcomed all in attendance and then shared safety tips for winter driving. A moment of silence was observed to pay respect to those lost in the 1941 attack on Pearl Harbor, as well as for all veterans and active-duty military. Then he led the Pledge of Allegiance. Finally, Mr. Rabon thanked Mr. Propp (Chimney Rock) for his years of service on the Tri-State Board and wished him well on his retirement.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Rabon reported the VIPERS System Delegation Authorization was being pulled from the Consent Agenda and that three new discussion items were being added to the Executive Session portion of the Agenda: a discussion of internal control over financial reporting, a Craig Station fuel costs discussion, and a Board-only discussion. 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 additional changes, besides the VIPERS System Delegation Authorization being removed. 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. November 6, 2024 Special Board Meeting Minutes
- b. Board Policies with changes:
 - 400 – Merger/Consolidation/Acquisition/Sale of Assets
 - 401 – Political and Legislative Activity
 - 402 – Environmental Compliance
 - 403 – Personal Business Relationships and Potential Claims Disclosure
 - 404 – Use of Aircraft
 - 405 – Company Vehicles
 - 406 – Requests for Tri-State Information
 - 407 – Use of Tri-State Meeting Facilities by Member Systems and Affiliated Organizations
 - 508 – Finance and Audit Committee Charter

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

- c. Resolutions:
 - Empire Electric Association Policy #115 and Policy #117 Contract Authorization

The Board approved a Member Project Contract and a Renewable Energy Credit Purchase Contract between Tri-State Generation and Transmission Association, Inc. and Empire Electric Association, Inc. related to the output of a 21 kW (AC) solar generation project, referred to as the EEA GRID Low Income Community Solar Project, for terms of twenty (20) years and ten (10) year, respectively.

- Colowyo Mine 8050 Marion Dragline Sale Authorization

The Board approved that the necessary contract(s) to sell the existing Marion 8050 Dragline Unit 103 for whatever price is determined by the sales market for this type of equipment.

- New Horizon Mine Active Water Treatment Design Contract Change Authorization

The Board approved a contract change order to complete the 100% detailed engineering design for the New Horizon Mine Active Water Treatment Facility.

- Craig Station Unit 3 Lime Agreement Amendment 1 Authorization

The Board approved an extension of the lime supply contract for Craig Generating Station Unit 3 for the longer of three (3) years or the operating life of Unit 3.

- J.M. Shafer Gas Turbine Hot Section Overhaul Contract Authorization

The Board approved the necessary contract(s) to overhaul the spare gas turbine hot section module at the J.M. Shafer Generating Station.

- SPP Markets+ Phase II Funding Agreement Authorization

The Board approved authorizing the Chief Executive Office to execute the SPP Markets+ Phase 2 Funding Agreement, upon and subject to Public Service Company of Colorado's commitment to the SPP Markets+ Phase 2 funding.

- Patronage Capital Authorization

The Board approved the retirement of capital credits by cash payment of \$10,000,000.00 and that the capital credits be retired in the order in which they were first allocated by cash payment in December 2024 or January 2025 to all Members of Tri-State Generation and Transmission Association, Inc. that have allocated margins for 2005.

PRESIDENT'S REPORT

Mr. Rabon presented the President's Report.

Mr. Rabon then asked Mr. Keairns to report on the new Executive Session Study Committee. Mr. Kearins reported the Committee is looking into the possibility of adding

language to board policies regarding when executive sessions should occur and how to report out on the activities that transpired during the executive session. Discussion followed.

Executive Committee Report

Mr. Rabon reviewed highlights of the Executive Committee Meeting, including board policy review; Chairman's update; CEO's report; October 2024 financial report; legal report; and review of credit card statements and director expense vouchers.

Rabbi Trust Presentation

Ale DeLaFuente, Vice President People and Culture, introduced Marc Schmeeckle from Sageview who referred to the slide presentation "*Rabbi Trust Educational Session*" as he discussed highlights of the investment plan and the enrollment process. Discussion followed.

Wyoming Rural Electric Association ("WREA") Representative Appointment

Mr. Rabon reported it was necessary to elect a Tri-State representative to the WREA Board, noting the position is currently held by Ms. Kilty. He asked Mr. Sturhahn to conduct the election. Mr. Sturhahn explained the procedures called for in Board Policy 311.

Action: The following Directors were nominated as the Tri-State representative to the WREA Board: Mses. Kilty and Ruble and Messrs. Thomas and Bridges. Ms. Ruble and Messrs. Thomas and Bridges withdrew their nominations and Ms. Kilty was elected via acclamation as the Tri-State representative to the WREA Board.

Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated November 27, 2024.

Contract Committee Report

Dennis Herman, General Manager of Highline Electric Association and Chair of the Contract Committee, referred to the "*Proposed Timeline – Revised Wholesale Electric Contract (WESC)*" slide deck as he reported on the November 18, 2024 Committee meeting. Discussion followed.

CHIEF EXECUTIVE OFFICER'S REPORT

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

RTO Update

Mr. Highley reported there are no recent updates regarding the Southwest Power Pool West Regional Transmission Organization.

Member CEO Committee Update

Mr. Highley reported there would not be a Member CEO Committee update this month.

STANDING COMMITTEE UPDATES

Engineering and Operations Committee

Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the Committee Meeting, including recommendations to approve a variety of resolutions to the Board and affiliated organization 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 recommendations to approve revised Board policies to the Board, departmental, statewide, and affiliated organization reports, and an education session on the growth of data centers.

Finance and Audit Committee

Mr. Schenk, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the Committee Meeting, including recommendations to approve resolutions and revised Board policies to the Board. The Committee also reviewed financial statements and heard a variety of updates and reports. Discussion followed.

GENERAL COUNSEL REPORT

Mr. Sturhahn noted the legal 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 consider confidential business matters in Executive Session.

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

The Executive Session commenced at 9:37 a.m. and adjourned at 11:55 a.m. Open Session resumed at 12:05 p.m.

OPEN SESSION

Mr. Rabon reported that during Executive Session the Board authorized the sale of property in Garfield County, Colorado, received legal updates on FERC activity and litigation matters, and discussed internal controls over financial reporting. The Board also discussed a variety of confidential business matters with Mr. Highley, and then held a Board-only discussion.

ADJOURNMENT

Action: It being 12:07 p.m. and there being no further business to transact, it was the consensus of the Directors that the Meeting be adjourned and the next Regular Meeting of the Board is scheduled to be held on January 7, 2025.

DocuSigned by:
Julie Kilty
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Secretary

APPROVED:

Signed by:
Timothy A. Rabon
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Chairman and President