

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

Minutes of Regular Board Meeting

Westminster, Colorado - Headquarters Building

August 9, 2023

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 except Mark Daily (Gunnison), Rick Gordon (Mountain View), and Scott Wolfe (San Luis). Mountain Parks Electric, Inc. currently does 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) Pat Bridges; Senior Vice President (Policy & Compliance/Chief Compliance Officer) Barbara Walz; Chief Administrative Officer (CAO/CHRO) Elda de la Peña; Chief Energy Innovations Officer Reg Rudolph; and Chief of Staff Bob Frankmore. Also present were Russell Waldner (Carbon); Molly Lynn (Garland); Darcie Perkins (Gunnison); Darick Eisenbraun and Jon Mayes (High Plains); Jared Routh (High West); Dennis Herman (Highline); David Churchwell (K.C. Electric); Jessica Matlock and Nicole Pitcher (La Plata); Jayson Bishop (Midwest); Les Montoya (Mora-San Miguel); Larry Hoozee and David Frick (Morgan County); Virginia Harman (Mountain Parks); Mario Romero (Otero); Jeff Wadsworth (Poudre); Brad Zaporski and Lance Lehigh (San Miguel); David Spradlin (Springer); Mark Gabriel and Dean Hubbuck (United); Alan Michalewicz (White River); and Ryan Schilreff (Wyrulec). Also present was Member of a Member System, Joe Smyth (Mountain Parks), and guest, Allen Best from Big Pivots. 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 paid respect to past Tri-State Directors that recently passed away. He then welcomed guests in attendance, and especially welcomed and introduced Larry Hoozee, who will be the new director on the Board from Morgan County Rural Electric Association starting in September. Mr. Rabon reported this would be the last board meeting for Messrs. Graff and Duran and thanked each for their service on the Tri-State Board. He then requested all stand for the pledge of allegiance.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Rabon reported there would be two additions to the Executive Session portion of the Agenda, a 2024 Capital Budget Preview and an External Audit Update. He asked if there were any additional changes to the Agenda. There were none.

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

CONSENT AGENDA

Mr. Rabon presented the Consent Agenda and asked if there were any changes, there were none.

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

The Consent Agenda included:

- a. July 12, 2023 Board Meeting Minutes
- b. Resolutions

- Rolling Meadows Transformer Contract Authorization

RESOLVED, that the necessary contract or contracts with HD Hyundai Electric America Corporation in an amount not to exceed \$2,397,425.00, plus applicable taxes, for the procurement of one (1) transformer to be delivered to the Rolling Meadows Substation is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Burro Bridge-Sunshine 115kV Vegetation Management Phase 2 Contract Authorization

RESOLVED, that the necessary contract or contracts with Vegetation Management West, L.P.,

in an amount not to exceed \$1,933,969.00, plus any applicable taxes, for phase two of the vegetation management associated with the Burro Bridge - Sunshine 115kV transmission line is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- San Luis Valley Rural Electric Cooperative Policy #117 Contract Authorization

RESOLVED, that a new Renewable Energy Credit Purchase Contract between Tri-State Generation and Transmission Association, Inc. and San Luis Valley Rural Electric Cooperative, Inc. is approved, and the Chief Executive Officer or Chief Operating Officer is authorized to execute, subject to legal and technical review, said contract, through November 4, 2030, for the Roaring Fork Hydro Project.

- San Isabel Electric Association Policy #117 Contract Authorization

RESOLVED, that a new Renewable Energy Credit Purchase Contract between Tri-State Generation and Transmission Association, Inc. and San Isabel Electric Association, Inc. is approved, and the Chief Executive Officer or Chief Operating Officer is authorized to execute, subject to legal and technical review, said contract, with a term of ten (10) years, for the Huerfano River Wind Project.

PRESIDENT'S REPORT

Mr. Rabon presented the President's Report.

Executive Committee Report

Mr. Rabon reviewed highlights of the August Meeting of the Committee, including Chairman's Update; Consideration of Agendas; Chief Executive Officer's Report; June 2023 Financial Report; Legal Report and review of Credit Card Statements and Directors Expense Vouchers.

NRECA Region 7/9 Delegate Certification

Mr. Rabon reported that he is currently the Tri-State voting delegate and Mr. Keairns is the alternate delegate for the 2023 NRECA Region 7/9 Business Meeting and unless there are any requested changes the Board needs to reaffirm the certification. There were no changes.

Action: Upon motion and second, the Board unanimously reaffirmed Mr. Rabon as the voting delegate and Mr. Keairns as the alternate delegate for the 2023 NRECA Region 7/9 Business Meeting.

Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated August 3, 2023.

CHIEF EXECUTIVE OFFICER'S REPORT

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

RTO Update

Mr. Highley reported Southwest Power Pool ("SPP") is still waiting for decisions from Basin Electric Power Cooperative and Western Area Power Administration on whether they plan to join SPP. He noted they have until this fall to decide. Discussion followed.

IT Report

Mark Weiss, Vice President IT/CIO, referred to the slide presentation "*Project Update: Oracle System Implementation*" as he discussed the overall program schedule, progress made since the July board meeting, and next steps to be taken. Discussion followed.

COMMITTEE REPORTS

Engineering and Operations Committee

Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the August Meeting of the Committee, including review and recommendation of the following: Rolling Meadows Transformer Contract Authorization; Burro Bridge-Sunshine 115kV Vegetation Management Phase 2

Contract Authorization; San Luis Valley Rural Electric Cooperative Policy #117 Contract Authorization; San Isabel Electric Association Policy #117 Contract Authorization; Oracle Cloud Contracts Amendment Authorizations; and the Land Sale Authorizations. The committee also heard Affiliated Organization reports 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 August Meeting of the Committee, including the Safety Report; Environmental and Regulatory Activities; Legislative Review; Communications and Energy Services Reports; and Statewide Meetings and Affiliated Organizations Reports and Presentations.

Finance and Audit Committee

Mr. Schenk, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the August Meeting of the Committee, including 10Q Review; Ernst & Young 2023 2nd Quarter Review; Elk Ridge Outfitters presentation; Finance Update; Investment Report; and Energy Risk Management Update. The Committee also reviewed and recommended approval of the Deferred Revenue.

GENERAL COUNSEL REPORT

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

UNFINISHED BUSINESS

None.

NEW BUSINESS

Mr. Anaya thanked staff for assisting in restoring power at a Socorro Electric Cooperative, Inc. substation where a transformer was damaged during a recent storm.

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 9:23 a.m. and adjourned at 4:55 p.m. Open Session resumed at 4:55 p.m.

OPEN SESSION

Mr. Rabon reported that during Executive Session the Board approved the Deferred Revenue; Oracle Contracts Amendment Authorizations; Land Sales Authorizations; and Renewable Energy Project Authorizations.

ADJOURNMENT

Action: It being 4:58 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 virtually on September 7, 2023.


Secretary

APPROVED:


Chairman and President