

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

Minutes of Regular Board Meeting

Westminster, Colorado - Headquarters Building

December 6, 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. 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) Pat Bridges; 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); Curtis Kayton (Chimney Rock); Corey Robinson (Empire); Molly Lynn (Garland); Mike McBride, Matt Feier and Morgan Weinberg (Gunnison); Jon Mayes (High Plains); Dennis Herman (Highline); David Churchwell (K.C. Electric); Jessica Matlock and Patrick Berry (La Plata); Jayson Bishop (Midwest); David Frick (Morgan County); Shawna Glendy (Niobrara); Chance Briscoe (Northwest); Mario Romero (Otero); Zac Bryant (Panhandle); Jeff Wadsworth (Poudre); AJ Kuxhausen (Roosevelt); Lance Lehigh (San Miguel); Denise Barrera (Sierra); Joseph Herrera (Socorro); Lacey Gulbranson (Wheat Belt); Jason Wright (Wheatland) and Ryan Schilreff (Wyrulec). Also present was guest Jack Surdoval from the Berkeley Research Group. 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. He 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.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

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

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

ACTION ON CONSENT AGENDA

Mr. Rabon presented the Consent Agenda and asked if there were any changes. Mr. Wilson requested that Board Policy #204-Utilization of Ex-Tri-State Employees Policy be removed from the Consent Agenda for further discussion.

Action: Upon motion and second, the Board approved the Consent Agenda, as presented, with Board Policy #204-Utilization of Ex-Tri-State Employees Policy being removed.

The Consent Agenda included:

- a. November 1, 2023 Board Meeting Minutes
- b. November 1, 2023 Special Board Meeting Minutes
- c. Board Policies
 - #200-Directors Education (formerly known as Employee Compensation Policy)
 - #201-Safety and Occupational Health (formerly policy #205)
 - #300-Board of Directors
 - #302-Board of Directors - Chief Executive Officer Relationship
 - #303-Board Policy Implementation (formerly known as Formulation, Adoption, Review, and Distribution of Policies)

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

d. Board Policies Terminated

- #201-Affirmative Action Policy (consolidated with #200)
- #202-Retirement Policy
- #203-Employment of Relatives Policy (consolidated with #200)
- #205-Safety and Occupational Health Policy (renumbered to #201)
- #206-Expense Reimbursement for Tri-State Employees
- #307-Director Appreciation Policy (consolidated with #300)

(Note. The policies were terminated upon recommendation of the Board Policy Review Committee as they were either renumbered, combined with other policies, or the content is being handled by the CEO as part of his day-to-day management of the association).

e. Resolution

- Boone-Huckleberry 230 kV Line Conductor Contract Authorization

Upon motion and second the Board unanimously approved a contract in the amount of \$1,348,425.00, plus any applicable taxes, to procure conductor for the Boone-Huckleberry 203 kV transmission line.

- Windy Gap-Gore Pass 138 kV Structure Replacements Budget Amendment Authorization

Upon motion and second the Board unanimously approved an increase to the 2024 Transmission Capital Budget in the amount of \$3,582,000.00 for the Windy Gap-Gore Pass 138 kV structure replacement project.

- Windy Gap-Gore Pass 138 kV Structure Replacements Contract Authorization

Upon motion and second the Board unanimously approved a contract in the amount of \$4,617,630.38, plus any applicable taxes, for construction work on the Windy Gap-Gore Pass 138 kV transmission line.

- Patronage Capital Authorization

Upon motion and second the Board unanimously approved retirement of capital credits, in the order in which they were first allocated, by cash payment in the amount of \$10,370,897.87 in December 2023 and/or January 2024 to all Members that have allocated margins for 2004.

Board Policy #204-Utilization of Ex-Tri-State Employees Policy

Action: Following discussion and upon motion and second the Board unanimously approved terminating Board Policy #204-Utilization of Ex-Tri-State Employees Policy.

PRESIDENT'S REPORT

Mr. Rabon presented the President's Report. He requested the Directors complete a disclosure form in Diligent to comply with the Department of Energy's requirements for Tri-State to participation in the Cybersecurity Risk Information Sharing Program. Mr. Rabon then reminded Directors to complete the SEC questionnaire.

Mr. Rabon called upon Ms. de la Peña to discuss upcoming changes to the Directors' expense reporting in 2024. She noted that training will be given prior to implementing any changes. Discussion followed.

Executive Committee Report

Mr. Rabon reviewed highlights of the December Committee Meeting, including Policy Review; Chairman's Update; Policy Review Committee Update; Consideration of Agendas; Chief Executive Officer's Report; October 2023 Financial Report; Legal

Report; and review of Credit Card Statements and Directors Expense Vouchers.

Rabbi Trust Presentation

Chris Johnson, Vice President Finance, provided the Rabbi Trust Presentation.

Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated November 30, 2023.

CHIEF EXECUTIVE OFFICER'S REPORT

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

RTO Update

Mr. Highley reported discussions continue with western area leaders regarding CALISO or SPP expanding into the west.

IT Report

Ms. de la Peña referred to the slide presentation "*Project Update: Oracle System Implementation*" and discussed the revised schedule, progress made since the November board meeting, and next steps. Discussion followed.

COMMITTEE UPDATES

Engineering and Operations Committee

Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the December Committee Meeting, including recommendation to approve the following: Boone-Huckleberry 230 kV Line Conductor Contract; Windy Gap-Gore Pass 138 kV Structure Replacements Budget Amendment; and Windy Gap-Gore Pass 138 kV Structure Replacements Contract. The Committee also heard Affiliated Organization and departmental reports.

Finance and Audit Committee

Mr. Schenk, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the December Committee

Meeting, including the October Financial Statements; Q3 Capital Variance Report; Finance Update; Investment Report; Energy Risk Management Update; ERMP Independent Assessment; and the Energy Risk Management Update. The Committee also reviewed and recommended approval of the Patronage Capital and heard an introductory presentation from Deloitte & Touche, Tri-State's new 2024 external financial auditors.

External Affairs/Member Relations Committee

Mr. Baca, Chairman of Tri-State's External Affairs and Member Relations Committee, reviewed highlights of the December 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 and Presentations. The Committee also received a 2024 Legislative Preview from the Statewide Managers.

Environmental Regulations and Electric Reliability Educational Session

Andy Berger, Vice President Environmental Compliance and Policy/ESG, referred to the presentation "*Environmental Regulations and Electric Reliability*" as he discussed: Cumulative Burden of New Regulations; Greenhouse Gas Standards Proposal; Impacts on Tri-State; and Reliability Concerns. Discussion followed.

GENERAL COUNSEL REPORT

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

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

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 10:03 a.m. and adjourned at 1:45 p.m. Open Session resumed at 1:45 p.m.

OPEN SESSION

Mr. Rabon reported that during Executive Session the Board received a business plan update from the Berkeley Research Group and received legal updates on the following: preparation for the Contract Committee, the comeback rate filing, the Wabasha CTP order, the United Power settlement status, and the La Plata lawsuit. He noted the Board also had a discussion with Mr. Highley regarding assorted business matters.

ADJOURNMENT

Action: It being 1:48 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 January 3, 2024.

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Julie Kilty
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Secretary

APPROVED:

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Timothy A. Rabon
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Chairman and President