

Minutes of Regular Board Meeting

Westminster, Colorado - Headquarters Building

December 8, 2021

Chairman and President Tim Rabon called the meeting to order at 8:31 a.m. All directors were present for all or a portion of the Meeting. Also present for all or a portion of the Meeting were the following management personnel: Chief Executive Officer Duane Highley; Senior Vice President (Generation) Barry Ingold; Senior Vice President (General Counsel) Ken Reif; Senior Vice President (Transmission) Joel Bladow; Senior Vice President (Chief Financial Officer) Pat Bridges; Senior Vice President (Energy Management) Brad Nebergall; Senior Vice President (Policy & Compliance/Chief Compliance Officer) Barbara Walz; Senior Vice President (CTO and Member Relations) Jennifer Goss; and Senior Vice President (People and Culture/CHRO) Elda de la Pena. Also present were Gary Jacobsen (Carbon); Mike McBride (Gunnison); Dennis Herman (Highline); David Churchwell (K.C.); Jayson Bishop (Midwest); David Frick (Morgan County); Chance Briscoe (Northwest Rural); Jeff Wadsworth (Poudre); Mario Romero (Otero); Joseph Herrera (Socorro); David Spradlin (Springer); and Lacey Gulbranson (Wheatbelt). Also present were several Tri-State staff personnel, including Pam Schroeder who recorded these Minutes at the request of Secretary Julie Kilty.

COVID-19 UPDATE

Mr. Ingold provided an update on the COVID-19 risk mitigation level at Headquarters, noting that it has been lowered to the Moderate Risk Level and will remain there through at least February 4, 2022.

INTRODUCTION OF GUESTS AND VISITORS

Mr. Rabon welcomed guests and visitors in attendance and requested all stand for the Pledge of Allegiance.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Rabon noted the 2022 Long Term Financial Forecast and the 2022 Budget Approval listed on the Agenda would be discussed in Executive Session due to confidential financial information. Mr. Rabon asked if there were any changes or if any items needed to be removed from the Agenda. Mr. Brekel requested the Load Development and Retention Opportunities listed under the Finance and Audit Committee be removed, as this presentation will be given in early 2022.

Action: Upon motion and second, the Board unanimously adopted the Order of Business, as presented, with the Load Development and Retention Opportunities item removed.

CONSENT AGENDA

Mr. Rabon presented the Consent Agenda and noted the Burlington (PSCo) Shoofly-Eminent Domain Authorization Resolution was removed, as the issue was resolved. He asked if there were any changes or if any additional items needed to be removed from the Consent Agenda. Mr. McInnis requested the Capital Credit Refund Resolution be removed for further discussion. Mr. Rabon reported the discussion would occur in Executive Session.

Action: Upon motion and second, the Board unanimously accepted the Consent Agenda as presented, with the Burlington (PSCo) Shoofly-Eminent Domain Authorization Resolution and the Capital Credit Refund Resolution removed.

The Consent Agenda included:

a. November 3, 2021 Regular Board Meeting Minutes.

b. Resolutions:

- Stagecoach Surplus Property - Proposed Land Sale

RESOLVED, that the sale of Tract 16 and Parcel B, South Shore at Stagecoach in Section 32, Township 4 North, Range 84 West of the 6th Principal Meridian, Routt County, Colorado ("Stagecoach Lots") is hereby approved, and the Chief Executive Officer is hereby authorized to execute, subject to legal review, any and all

documents necessary to conclude the transaction;
and

FURTHER RESOLVED, that the Chairman and President, or the Vice-Chairman, of the Board of Directors and the Chief Executive Officer are hereby authorized to execute and cause to be delivered a Company Order or request to the Tri-State Indenture Trustee for the Stagecoach Lots to be released from the lien of the Tri-State Indenture.

- Yellow Jacket II Switch switching station - Eminent Domain Authorization

RESOLVED, that the Chief Executive Officer is hereby authorized and directed to continue negotiations for acquisition of property interests necessary for continued operation and maintenance of the Yellow Jacket II Switching Station in Montezuma County, Colorado ("Switching Station"); and

FURTHER RESOLVED, that in the event of an inability to successfully negotiate for the acquisition of necessary property interests in any parcel of property related to the Switching Station as set forth herein, as determined by the Chief Executive Officer, the Chief Executive Officer is hereby authorized to do all things necessary to commence and complete condemnation proceedings for the acquisition of any or all of said property interests as set forth above, and further that the Chief Executive Officer is directed and authorized to execute any and all documents necessary to accomplish such purpose.

- Main Switch switching station - Eminent Domain Authorization

RESOLVED, that the Chief Executive Officer is hereby authorized and directed to continue negotiations for acquisition of property interests necessary for continued operation and maintenance of the Main Switching Station in Montezuma County, Colorado ("Switching Station"); and

FURTHER RESOLVED, that in the event of an inability to successfully negotiate for the acquisition of necessary property interests in any parcel of property related to the Switching Station as set forth herein, as determined by the Chief Executive Officer, the Chief Executive Officer is hereby authorized to do all things necessary to commence and complete condemnation proceedings for the acquisition of any or all of said property interests as set forth above, and further that the Chief Executive Officer is directed and authorized to execute any and all documents necessary to accomplish such purpose.

- Authorization for the 2022 Information Technology End Point Refresh

RESOLVED, that the contract with Dell Technologies Inc., in an amount not to exceed \$706,941.92, plus applicable taxes and freight, for the end point computer life cycle refresh process in 2022 is approved, and that the Chief Executive Officer is hereby authorized to execute, subject to legal review, the instruments with Dell Technologies, Inc. for said purchase.

PRESIDENT'S REPORT

Mr. Rabon presented the President's Report. Discussion followed.

Executive Committee Report

Mr. Rabon reviewed highlights of the December 6, 2021, Meeting of the Committee, including Policy Review; Chairman's Update; Consideration of Agendas; CEO's Report; October 2021 Financial Report; Legal Report; Review of Credit Card Statements and Directors' Expense Vouchers and General Corporate Matters.

Mr. Reif provided the Board Member Fiduciary Duty Training followed with the Wholesale Electric Service Contract Training. Discussion followed.

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

Election of Wyoming Rural Electric Association (WREA)
Director

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. Reif to conduct the election. Mr. Reif explained the procedures called for in Board Policy 311.

Action: The following Directors were nominated as the Tri-State representative to the WREA Board: Ms. Kilty and Mr. Thompson. Mr. Thompson withdrew his nomination 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 furnished to and reviewed copies of the written Audit Report dated December 2, 2021.

CHIEF EXECUTIVE OFFICER'S REPORT

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

Mr. Bladow and Chris Pink, Vice President Transmission Engineering, provided the Responsible Energy Plan Transmission Additions presentation. Discussion followed.

Ms. Walz provided the Action Committee for Rural Electrification (ACRE) Update presentation. Discussion followed.

Ms. Walz, Amy Robertson, Senior Manager State Government Relations and External Affairs, Evan Jurkovich, Manager of Energy Policy and Federal Affairs and several members of the External Affairs/Government Relations Team presented a Legislative Panel - 2022 Expectations report. Discussion followed.

COMMITTEE REPORTS

External Affairs/Member Relations Committee

Mr. Michie, Chairman of Tri-State's External Affairs and Member Relations Committee, noted the committee met on December 7, 2021. He advised that due to time constraints, the Renewable

Energy Credit Education Session listed on the agenda would occur in early 2022.

Finance and Audit Committee

Mr. Brekel, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the December 7, 2021 Meeting of the Committee, including Policy Review; Action on Capital Credit Refund; October Financial Statements; 2021 Q3 Capital Variance Report; Investment Report; Finance Update; Enterprise Risk Management Update; Energy Risk Management Update and Other Business.

Engineering and Operations Committee

Mr. Turner, as Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the December 7, 2021, Meeting of the Committee, including review and recommendation on these matters: Stagecoach Surplus Property - Proposed Land Sale; Yellow Jacket II Switch switching station - Eminent Domain Authorization; Main Switch switching station - Eminent Domain Authorization and Authorization for the 2022 Information Technology End Point Refresh. The committee also heard Affiliated Organization reports and departmental reports.

GENERAL COUNSEL REPORT

Mr. Reif advised the General Counsel Report would occur in Executive Session due to confidential information.

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 1:14 p.m. and adjourned at 3:31 p.m.

OPEN SESSION RESUMED

Mr. Rabon reported that during Executive Session the Board approved the following Capital Credit Refund resolution:

Action on Capital Credit Refund

Action: Upon motion and second, the Board approved a resolution as follows, with Messrs. Bear, Duran, Rendon and Wilson dissenting:

RESOLVED, that the financial condition of Tri-State Generation and Transmission Association, Inc. will not be materially impaired by the retirement of capital credits by cash payment of \$10,000,000.00 and that capital credits in the amount of \$10,000,000.00 be retired in the order in which they were first allocated by cash payment in December 2021 and/or January 2022 to all Members, subject to deduction and offset for amounts owed, of Tri-State Generation and Transmission Association, Inc. that have allocated margins for 2004; and

FURTHER RESOLVED, that there is 1) no Event of Default under the Indenture and 2) the Equity to Capitalization ratio is in compliance with the Indenture requirement after the effect of the retirement.

Mr. Rabon advised the Board would continue with a vote on the 2022 Budget Approval.

2022 Budget Approval

Action: Upon motion and second, the Board approved the 2022 Tri-State Capital Construction and Operating/Cost of Service Budgets.

ADJOURNMENT

Action: It being 3:34 p.m. and there being no further business to transact, it was the consensus of the Directors that the Meeting should be adjourned

and the next Regular Meeting of the Board is
scheduled to be held on January 5, 2022.

Julie Kilty
Julie Kilty (Jan 5, 2022 16:08 MST)

Secretary

APPROVED:

Timothy A. Rabon
Timothy A. Rabon (Jan 5, 2022 13:55 MST)

Chairman and President