

Minutes of Regular Board Meeting

Westminster, Colorado - Headquarters Building

May 3, 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 Bruce Duran (Jemez) and Jack Finnerty (Wheatland). 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); Mike McBride (Gunnison); Jared Routh (High West); Darick Eisenbraun (High Plains); Dennis Herman (Highline); David Churchwell (K.C. Electric); Jayson Bishop (Midwest); Ruth Marks (Mountain View); Shawna Glendy (Niobrara); Chance Briscoe (Northwest); Mario Romero (Otero); Jeff Wadsworth (Poudre); Brad Zavorski (San Miguel); Kevin Brandon (Southeast Colorado); David Spradlin (Springer); Alan Michalewicz (White River); Ryan Schilreff (Wyrulec); and Trent Loutensock (Y-W). Also present was Member of a Member System, Joe Smyth (Mountain Parks), and guest, Fredrick Wilson from Troutman Pepper. 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 guests in attendance, and especially welcomed and introduced Wes Ullrich, the new director on the Board from Roosevelt Public Power District. He then requested all stand for the Pledge of Allegiance.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Rabon presented the Agenda and asked if there were any changes or if any items needed to be removed. There were none.

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

CONSENT AGENDA

Mr. Rabon presented the Consent Agenda and asked if there were any changes or if any items needed to be removed. There were none.

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

The Consent Agenda included:

a. April 5, 2023 Board Meeting Minutes

b. Board Policy:

- #509-Internal Audit Policy
(Note. The policy was amended to meet compliance requirements for audit standards.)

c. Resolutions

- New Horizon Mine Dakota Spring Active Water Treatment Project Change Order Authorization

RESOLVED, that a change order to the contract between Elk Ridge Mining and Reclamation, LLC and Geosyntec Consultants, Inc. to advance the baseline treatment configuration to full conceptual design at the New Horizon Mine in the approximate amount of \$440,000.00 with contingency, plus applicable taxes, is approved and that the Chief Executive Officer is authorized to execute, subject to legal review, all documents necessary for said change order or new contract.

- Burlington-Lamar 230 kV Line Steel Pole Contract Authorization

RESOLVED, that the necessary contract or contracts with Meyers Utility Structures, LLC in the amount not

to exceed \$11,579,306.30, plus applicable taxes, for the procurement of steel structures for the new Burlington-Lamar 230kV transmission line is approved, and that the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Burlington-Lamar 230 kV Line Wood Pole Contract Authorization

RESOLVED, that the necessary contract or contracts with Bell Lumber & Pole Company in the amount not to exceed \$8,416,500.40, plus freight and applicable taxes, for the procurement of wood poles for the new Burlington-Lamar 230kV transmission line is approved, and that the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Lamar, NE Replacement Transformer Contract Authorization

RESOLVED, that the necessary contract or contracts with HD Hyundai Electric America Corporation in an amount not to exceed \$1,874,025.05, plus applicable taxes, for the procurement of one (1) autotransformer to be delivered to the Lamar, NE Substation is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Arapahoe Replacement Transformer Contract Authorization

RESOLVED, that the necessary contract or contracts with Prolec-GE Waukesha, Inc. in an amount not to exceed \$1,073,712.80, plus additional commodity price adjustments and applicable taxes, for the procurement of one (1) transformer to be delivered to the Arapahoe Substation is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Crosspoint Delivery Point Substation Transformer Contract Authorization

RESOLVED, that the necessary contract or contracts with HD Hyundai Electric America

Corporation in an amount not to exceed \$3,283,489.20, plus applicable taxes, for the procurement of one (1) transformer to be delivered to the Crosspoint Substation is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Fox Run Substation Construction Contract Authorization

RESOLVED, that the necessary contract or contracts with Energy Erectors, Inc. in an amount not to exceed \$8,115,694.00, plus any applicable taxes, for the construction of the new Fox Run Substation is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract(s).

- Boone-Huckleberry - Eminent Domain Authorization

RESOLVED, that the Chief Executive Officer or Chief Operating Officer is authorized and directed to continue negotiations for acquisition of property and/or easements necessary for construction, operation and maintenance of transmission facilities involving the Boone-Huckleberry 230 kV Transmission Line and the Huckleberry Substation and associated access located in Sections 4, 9, 15, 16, 22, 27, 28, 29 and 30, Township 21 South, Range 61 West of the 6th Principal Meridian, Sections 25, 26, 27, 28, 29, and 32 Township 21 South, Range 62 West of the 6th Principal Meridian, Sections 5 and 6, Township 22 South, Range 62 West of the 6th Principal Meridian, Sections 31, 32, 33, 34 and 35, Township 21 South, Range 63 West of the 6th Principal Meridian, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11, Township 22 South, Range 63 West of the 6th Principal Meridian, and Sections 9, 10, 11, and 12, Township 22 South, Range 64 West of the 6th Principal Meridian, all within Pueblo County, Colorado; and

FURTHER RESOLVED, that in the event of an inability to successfully negotiate for the acquisition of property and/or easements as set forth herein as determined by the Chief Executive

Officer or the Chief Operating Officer, the Chief Executive Officer or Chief Operating Officer is authorized to do all things necessary to commence and complete condemnation proceedings for the acquisition of any or all of said property or easements as set forth above, and further that the Chief Executive Officer or the Chief Operating Officer is directed and authorized to execute any and all documents necessary to accomplish such purpose.

- CFTC End User Exception

RESOLVED, that Tri-State Generation and Transmission Association, Inc. is authorized to enter into one or more swap transactions that qualify for exception from the clearing and trade execution requirements under the end-user Commodity Exchange Act subject to the conditions set forth in the Commodity Futures Trading Commission regulations, set or amend policies and procedures as the Chief Executive Officer deems appropriate governing the use of swaps subject to the end-user exception, and take any and all other actions as may be deemed appropriate to effect and carry out the foregoing end-user exception; and

FURTHER RESOLVED, that the Board's authorization and approval stated herein shall be valid until revoked by the Board, subject to review by the Board when deemed necessary, but for so long as Tri-State Generation and Transmission Association, Inc. uses or intends to use the end-user exception for swaps subject to Commodity Futures Trading Commission clearing and trade execution requirements, no less than every 365 days.

- FERC 204 Filing

RESOLVED, that the Chairman and President and the Chief Executive Officer and the Senior Vice President/Chief Financial Officer ("the Authorized Officers") of Tri-State are, and each of them hereby are, authorized, empowered and directed to take all such actions necessary or desirable to obtain the required authorization

from the Federal Energy Regulatory Commission to (1) issue short-term indebtedness in an aggregate amount not to exceed \$1 billion outstanding at any one time, (2) issue long-term indebtedness (which would include, but not be limited to, current maturities of long-term debt and amounts outstanding (if any) under Tri-State's then existing revolving credit facility or the multiple advance term loan agreement) in an aggregate amount not to exceed \$2 billion, which is in addition to Tri-State's \$2.73 billion of unconsolidated long-term debt outstanding as of December 31, 2022 and (3) provide guarantees and other credit support for the obligations of certain affiliates and subsidiaries in an aggregate amount not to exceed \$250 million at any one time; and

FURTHER RESOLVED, that the Authorized Officers are, and each of them hereby is, authorized and empowered to take all such actions necessary or desirable to (1) obtain loans or other financial accommodations representing obligations of Tri-State on both a short-term and revolving basis from various financial institutions in an aggregate amount not to exceed \$1 billion at any one time, (2) negotiate, arrange, and issue long-term debt with various financial institutions or investors in an aggregate amount not to exceed \$2 billion, which is in addition to Tri-State's \$2.73 billion of unconsolidated long-term debt outstanding as of December 31, 2022, and (3) to provide guarantees and other credit support for the obligations of certain affiliates and subsidiaries in an aggregate amount not to exceed \$250 million at any one time; provided that, the Board of Directors has approved the interest rate, principal amount, redemption rights and obligations and other principal terms of (a) any such additional long-term indebtedness or (b) any such short-term indebtedness in amounts in excess of Tri-State's current commercial paper program in a maximum amount of \$500 million which is supported by Tri-State's revolving credit facility; and

FURTHER REVOLVED, that the Authorized Officers are, and each of them hereby is, authorized,

empowered and directed, in the name and on behalf of Tri-State, subject to the approval of the Board of Directors as provided by existing policies and procedures, to use the proceeds of short and long-term debt in accordance with the corporate objectives of Tri-State, as such objectives may be described in existing or future corporate documents; and

FURTHER RESOLVED, that the Authorized Officers are, and each of them hereby is, authorized and empowered to cause any of Tri-State's counsel and advisors to do any and all acts, deeds and things, and to sign, seal, execute, acknowledge, file and record and deliver any and all agreements, documents, instruments, notices, certificates or undertakings as any such Authorized Officer may deem necessary or appropriate to effectuate and carry out fully the purposes and intent of the foregoing resolutions; and

FURTHER RESOLVED, that the Authorized Officers are, and each of them hereby is, authorized, empowered and directed, for and on behalf of Tri-State, to incur, bear, and agree to such fees and expenses, including interest costs, as may be required or appropriate to implement the foregoing resolutions; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer or the Senior Vice President/Chief Financial Officer be, and hereby are, authorized to perform all such acts and to enter into, execute, verify and deliver all certificates, instruments, agreements, notices and other documents, and to effect filings with any and all appropriate state and federal regulatory authorities, as may be required or as in the judgment of such Chief Executive Officer or Senior Vice President/Chief Financial Officer shall be necessary, advisable, appropriate or desirable and in the best interests of Tri-State Generation and Transmission Association, Inc. to effectuate the purposes of the foregoing resolutions; and

FURTHER RESOLVED, that any and all actions previously taken by the Chief Executive Officer

or the Senior Vice President/Chief Financial Officer or otherwise duly authorized representatives of Tri-State Generation and Transmission Association, Inc. for and on behalf and in the name of Tri-State Generation and Transmission Association, Inc. on or prior to the date of these resolutions, in connection with any of the foregoing resolutions be, and the same hereby are, in all respects ratified, confirmed, approved and adopted as acts of Tri-State Generation and Transmission Association, Inc. for all purposes.

PRESIDENT'S REPORT

Mr. Rabon presented the President's Report.

RDC Update

Mr. Keairns reported on April 12, 2023 the RDC Committee reconvened for an informational meeting regarding board approval of budget projections, treatment of CTP/BDP payments and mitigating tax liabilities from said payments, and treatment of tilt and member services costs.

Executive Committee Report

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

Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated April 28, 2023.

NMRECA Voting Representative Authorization

Mr. Rabon reported that the Board needs to elect Tri-State's representative and alternate to the NMRECA Board, currently held by Mr. Connell and Mr. Baca, respectively. He noted a resolution was prepared re-electing Messrs. Connell and Baca to said positions but asked if there was additional interest in the positions. Mr. Rabon reported if there was additional interest an election would be conducted. There was no additional interest.

Action: Upon motion and second the Board unanimously approved a resolution as follows:

RESOLVED, that Wayne Connell as director and Robert Baca as alternate director are hereby selected to represent Tri-State Generation and Transmission Association, Inc. on the Board of Directors of the New Mexico Rural Electric Cooperative Association for the 2023-2024 term and Mr. Connell and Mr. Baca shall also act as Tri-State's voting representative and alternate representative, respectively, for all meetings of the members of NMRECA for said term.

Board Calendar Revision Authorization

Mr. Rabon reported the June board meeting is currently scheduled to be a virtual meeting on June 5, 2023, but with staff seeking Board approval on the expedited budget and the RDC recommendation he suggested the meeting be changed to an in-person meeting.

Action: Upon motion and second, and after discussion, the Board unanimously approved changing the June 5, 2023 board meeting from a virtual meeting to a hybrid meeting encouraging all who can attend in person to do so.

CHIEF EXECUTIVE OFFICER'S REPORT

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

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 April board meeting, the project budget, and next steps to be taken. Discussion followed.

RTO Update

Mr. Highley reported on the momentum across the western grid footprint.

COMMITTEE REPORTS

Mr. Rabon reported yesterday a reorganization of the committees occurred and the incumbents were re-elected in the Engineering and Operations Committee and External Affairs/Member Relations Committee. In the Finance and Audit Committee, Mr. Brekel did not seek re-election, and Mr. Schenk was elected as Chairman with Mr. Morgan being re-elected as Vice Chairman.

Finance and Audit Committee

Mr. Schenk, Chairman of Tri-State's Finance and Audit Committee, reviewed highlights of the May Meeting of the Committee, including review and recommendation of the following: Deferred Revenue; Retention of Ernst & Young as External Financial Auditor; Ernst & Young's 2023 Audit Fees; CFT End-User Exception; FERC 204 Filing; and proposed changes to Board Policy #509-Internal Audit Policy. The Committee also reviewed the First Quarter 10Q and FERC Form 1 and received the Sarbanes Oxley (SOX) Controls Update; Finance Update; Investment Report; Energy Risk Management Update; and Executive Session required by Board Policy #509.

Engineering and Operations Committee

Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, reviewed highlights of the May Meeting of the Committee, including review and recommendation of the following: Oracle System Implementation Contract Amendment Authorization; ServiceNow Implementation Contract Authorization; New Horizon Mine Dakota Spring Active Water Treatment Project Change Order Authorization; Southwest Power Pool RTO Commitment Authorization; Burlington-Lamar 230 kV Line Steel Pole Contract Authorization; Burlington-Lamar 230 kV Wood Pole Contract Authorization; Lamar, NE Replacement Transformer Contract Authorization; Arapahoe Replacement Transformer Contract Authorization; Crosspoint Delivery Point Substation Transformer Contract Authorization; Fox Run Substation Construction Contract Authorization; Boone-Huckleberry - Eminent Domain Authorization; and Stagecoach Property Replat and Conveyance. 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 May Meeting of the Committee, including the Safety Report;

Environmental and Regulatory Activities; Legislative Review; Communications and Energy Services/Member Relations Reports; and Statewide Meetings and Affiliated Organizations Reports.

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 9:23 a.m. and adjourned at 5:25 p.m.

OPEN SESSION RESUMED

Mr. Rabon reported during Executive Session the Board approved the Oracle System Implementation Contract Amendment Authorization; ServiceNow Implementation Contract Authorization; Ernst & Young Retention and 2023 Audit Fee Authorization; Deferred Revenue; Stagecoach Property Replat and Conveyance Authorization.

RTO AUTHORIZATION

Action: After explanation by Mr. Rabon and upon motion and second the Board unanimously approved a resolution as follows:

RESOLVED, that the Chief Executive Officer or Chief Operating Officer is authorized to take all necessary actions for Tri-State to transfer functional control of certain of its

transmission facilities in the western interconnection to the Southwest Power Pool, Inc. ("SPP") and participate in the SPP Integrated Marketplace, including execution of the Commitment Agreement and other agreement(s) necessary with SPP, subject to legal and technical review.

ADJOURNMENT

Action: It being 5:36 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 June 5, 2023.

Julie Kilty
Julie Kilty (Jun 5, 2023 19:06 MDT)

Secretary

APPROVED:

Timothy A. Rabon
Timothy A. Rabon (Jun 6, 2023 08:27 MDT)

Chairman and President