

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.
---

## Minutes of Regular Board Meeting

Westminster, Colorado - Headquarters Building

October 4, 2023

Chairman and President Tim Rabon called the meeting to order at 8:01 a.m. All directors were present for all or a portion of the meeting except Charlie Abel (Sangre de Cristo). 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); Molly Lynn (Garland); Morgan Weinberg (Gunnison); Jon Mayes (High Plains); Jared Routh (High West); Dennis Herman (Highline); David Churchwell (K.C. Electric); Jayson Bishop (Midwest); David Frick (Morgan County); Ruth Marks (Mountain View); Shawna Glendy (Niobrara); Chance Briscoe (Northwest); Mario Romero (Otero); Zac Bryant (Panhandle); Jeff Wadsworth (Poudre); AJ Kuxhausen (Roosevelt); Brad Zavorski (San Miguel); David Spradlin (Springer); Dean Hubbuck (United); Lacey Gulbranson (Wheat Belt); Alan Michalewicz (White River); and Ryan Schilreff (Wyrulec). Also present was Member of a Member System, Joe Smyth (Mountain Parks). 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 for today's safety moment he outlined the evacuation procedures in case of an emergency. He then requested all stand for the pledge of allegiance.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Rabon reported the Long-Term Financing is being pulled from the Consent Agenda and will be discussed in Executive Session. He also noted a Microsoft Enterprise Agreement Amendment Authorization is being added to Executive Session and there will be no action taken regarding the Renewable PPA 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.

ACTION ON CONSENT AGENDA

Mr. Rabon presented the Consent Agenda and asked if there were any changes, besides the Long-Term Financing being moved to Executive Session, 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. September 7, 2023 Board Meeting Minutes
- b. Resolutions

- Craig Station Industrial Cleaning Contract Amendment Authorization

RESOLVED, that an amendment to the contract with DC Power Industrial Projects, LLC, for industrial plant cleaning services at Craig Station in an amount not to exceed \$325,000.00, of which Tri-State's share is \$166,912.88, for a total contract value not to exceed \$2,605,873.00, of which Tri-State's share is approximately \$1,387,408.90, plus applicable taxes, is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract amendment.

- J.M. Shafer Low Pressure Turbine Contract Amendment Authorization

RESOLVED, that an amendment to the contract with G.E. Packaged Power, Inc. in the approximate amount of \$871,796.00, for a total contract value of \$2,095,864.00, plus applicable taxes and freight, to complete the overhaul of the spare low pressure turbine module at the J.M. Shafer Generating Station is approved, and the Chief Executive Officer is authorized to execute, subject to legal review, said contract amendment.

- J.M. Shafer Station Water Storage Lease Authorization

RESOLVED, that the Chief Executive Officer or Chief Operating Officer is hereby authorized to execute a sublease with the City of Fort Lupton for water storage capacity at the Perry Pit East Reservoir for a term from November 1, 2023 to October 31, 2031, in the amount of \$147,081.93 in 2024, and in the approximate amount of \$161,790.12 in 2025 and increases in each subsequent year according to the applicable Consumer Price Index.

- 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. for the Penitente Solar Project with a term of ten (10) years is approved, and that the Chief Executive Officer or Chief Operating Officer is authorized to execute, subject to legal review, said contract.

- Bromley-Prairie Center 115kV Transmission Line Eminent Domain Authorization

RESOLVED, that the Chief Executive Officer and Chief Operating Officer are hereby each authorized and directed to continue negotiations for acquisition of property interests necessary for continued operation and maintenance of the Bromley-Prairie Center 115 kV Transmission Line

in Sections 21 and 22, Township 1 South, Range 66 West of the 6th Principal Meridian, Adams County, Colorado ("Transmission Line"); 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 Transmission Line as set forth herein, as determined by the Chief Executive Officer or Chief Operating Officer, the Chief Executive Officer and Chief Operating Officer are hereby each 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 and Chief Operating Officer are each directed and authorized to execute any and all documents necessary to accomplish such purpose.

- Main Switch Substation Eminent Domain Authorization

RESOLVED, that the Chief Executive Officer and Chief Operating Officer are hereby each authorized and directed to continue negotiations for acquisition of property interests necessary for the expansion of the Main Switching Station in Section 31, Township 37 North, Range 17 West of the New Mexico Principal Meridian, 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 needed for expansion of the Switching Station as set forth herein, as determined by the Chief Executive Officer or Chief Operating Officer, the Chief Executive Officer and Chief Operating Officer are hereby each 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 and Chief Operating Officer are each directed and

authorized to execute any and all documents necessary to accomplish such purpose.

- Escalante Landfill Reconstruction and Repair Contract Authorization

RESOLVED, that a contract with Double Clutch Trucking LLC, to conduct slope reconstruction and repairs on the ash landfill at Escalante Station, in an amount not to exceed \$2,739,782.38, plus applicable taxes, is approved and that the Chief Executive Officer is authorized to execute, subject to legal review, said contract.

#### PRESIDENT'S REPORT

Mr. Rabon presented the President's Report. He also advised that each Director must complete and submit the FERC interlocking directorate form and reminded those that have not already done so, to complete the business relationship disclosure form.

Ms. de la Peña then discussed a forthcoming form to gather information for a grant application that requires Tri-State to provide demographic data on staff and the Board.

#### Executive Committee Report

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

Mr. Rabon also reported due to a conflict with the CREA Energy Innovations Summit scheduled for October 30, 2023, the November Executive Committee meeting will be moved from October 30, 2023 to October 31, 2023 at 8:00 a.m. The other committee meetings will follow consecutively upon conclusion of the Executive Committee meeting.

#### 2024 Board Calendar Approval

Mr. Rabon reviewed the proposed 2024 Board Meeting Calendar noting that three of the meetings (January, July, and November) are scheduled be held virtually, with the remainder of the meetings to be held in-person.

Motion: It was moved and seconded to change the November virtual meeting to an in-person meeting, thus having only two virtual meetings in 2024 in January and July. Discussion followed.

Amendment: It was moved and seconded to amend the motion to leave the 2024 Board Calendar as presented, with three virtual meetings scheduled in January, July and November. Discussion followed.

Action: Mr. Rabon asked for a vote on the amendment, which failed to pass by majority vote.

Action: Mr. Rabon then asked for a vote on the original motion to approve the 2024 Board Calendar with two virtual meetings in January and July and changing the November virtual meeting to an in-person meeting. The motion passed.

#### Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated September 29, 2023.

#### CHIEF EXECUTIVE OFFICER'S REPORT

##### RTO Update

Mr. Highley began with an RTO update reporting that Southwest Power Pool ("SPP") announced they have enough momentum to move forward with an RTO expansion in the West. He noted the next step for SPP is to file a tariff with FERC. Discussion followed.

Mr. Highley then presented the Chief Executive Officer's Report. 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 September board meeting, critical issues for go-live approval, and next steps to be taken.

COMMITTEE UPDATES

Board Policy Review Committee

Mr. Daily, Chairman of Tri-State's Board Policy Review Committee, reported on the progress made and upcoming review of certain policies.

Engineering and Operations Committee

Due to Mr. Turner, Chairman of Tri-State's Engineering and Operations Committee, having to travel today, Mr. Ingold reviewed highlights of the October Meeting of the Committee, including review and recommendation of the following: Craig Station Industrial Cleaning Contract Amendment Authorization; J.M. Shafer Low Pressure Turbine Contract Amendment Authorization; J.M. Shafer Station Water Storage Lease Authorization; San Luis Valley Rural Electric Cooperative Policy #117 Contract Authorization; Bromley-Prairie Center 115kV Transmission Line Eminent Domain Authorization; Main Switch Substation Eminent Domain Authorization; Escalante Landfill Reconstruction and Repair Contract Authorization; DERMS Platform Recommendation; Microsoft Enterprise Agreement Amendment Authorization; and the Land Sale Authorizations. The committee also heard Affiliated Organization reports and departmental reports. Discussion followed.

External Affairs/Member Relations Committee

Mr. Baca, Chairman of Tri-State's External Affairs and Member Relations Committee, reviewed highlights of the October Meeting of the Committee, including the Safety Report; Environmental and Regulatory Activities; Legislative Update Federal Activities; Communications and Energy Services/Member Relations 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 October Meeting of the Committee, including August Financial Statements; Elk Ridge Outfitters; Finance Update; Investment Report; and Energy Risk Management Update. The Committee also reviewed and recommended approval of the Long-Term Financing and the 2024 Consolidated Financial Audit RFP.

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 9:52 a.m. and adjourned at 12:35 p.m. After a short break Open Session resumed at 12:45 p.m.

OPEN SESSION

Mr. Rabon reported that during Executive Session the Board approved the Long-Term Financing; DERMS Platform Recommendation; Microsoft Enterprise Agreement Amendment; Proposed Property Sales in Moffat and Rio Blanco Counties, Colorado; and the 2024 Consolidated Financial Audit RFP. He also noted the Board received updates on solar projects and legal matters. Finally, Mr. Rabon reported that the Board and only Mr. Highley had a discussion regarding assorted business matters.

ADJOURNMENT

Action: It being 12:50 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 November 1, 2023.

DocuSigned by:  
*Julie Kilty*  
32F37498FABE443...  
Secretary

APPROVED:

DocuSigned by:  
*Timothy A. Rabon*  
49E0A5E426A24B8...  
Chairman and President