

Minutes of Regular Board Meeting

Virtual Meeting

September 8, 2022

Vice Chairman Don Keairns called the meeting to order at 8:01 a.m. All directors were present for all or a portion of the meeting except Wayne Connell (Central New Mexico); Bruce Duran (Jemez), Tim Rabon (Otero) and Lawrence Brase (Southeast Colorado). Also present for all or a portion of the meeting were the following management personnel: Chief Executive Officer Duane Highley; Chief Operating Officer Barry Ingold; Senior Vice President (General Counsel) Ken Reif; 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 Dennis Herman (Highline); David Churchwell (K.C. Electric); Jayson Bishop (Midwest); David Frick (Morgan County); Chance Briscoe (Northwest); Jeff Wadsworth (Poudre); Denise Barrera (Sierra); Mark Gabriel and Dean Hubbuck (United); Bob Brockman (Wheatland); Alan Michalewicz (White River) and Trent Loutenscok (Y-W). Also present was the following 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 AND VISITORS

Mr. Keairns welcomed all in attendance and reported he would be leading the meeting today as Mr. Rabon was on vacation. Then he reported this would be Mr. Reif's last board meeting and recognized him for his distinguished career and leadership and wished him well on his upcoming retirement.

MEMBER/CONSUMER COMMENTS

None.

ACTION ON AGENDA

Mr. Keairns stated due to confidential information and non-public financial projections the Operations Report, July

Financials, Quarterly Variance Report, Action on Ames Hydro-Burro Bridge Eminent Domain Authorization, Action on Stagecoach Surplus Property Sale Authorization, and Action on Bernardo-Socorro Partial Easement Assignment and Collocation Agreement Authorization will be discussed in Executive Session. Mr. Keairns asked if there were any changes or if any additional items needed to be removed from the Agenda. Mr. McInnis requested an update be given on the Rifle Generating Station.

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

ACTION ON MINUTES

Mr. Keairns presented the August 3, 2022 Regular Board Meeting Minutes 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 approved the August 3, 2022 Regular Board Meeting Minutes, as presented.

PRESIDENT'S REPORT

Mr. Keairns reported Mr. Rabon will provide the President's Report at the October Board Meeting. He also advised per Board Policy #403 (Personal Business Relationship and Potential Claims Disclosure Policy) each Director must complete and submit the business relationship disclosure form.

Mr. Keairns then reported on the Rate Design Committee.

Internal Auditor's Report

Internal Auditor John O'Flannigan reviewed copies of the written Audit Report dated September 1, 2022. Discussion followed.

Review of Credit Card Statements and Directors' Expense Vouchers

Mr. Keairns noted the credit card statements and Directors' expense vouchers, along with a summary of expenses, are available for review on the iPads.

CHIEF EXECUTIVE OFFICER'S REPORT

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

Information Technology Report

Ms. de la Peña referred to the slide presentation "*Project Update: Oracle Cloud - Financial, Accounting and Human Resources*" as she highlighted the progress made since the August Board Meeting and next steps to be taken. Discussion followed.

COMMITTEE UPDATES

Mr. Keairns reported the committees did not meet this month, but the departmental reports are available on the iPads.

GENERAL COUNSEL REPORT

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

ACTION ITEMS

J.M. Shafer Gas Turbine Hot Section Overhaul Contract Authorization

Action: Following a presentation by Richard Rhoads, Plant Manager JM Shafer, and discussion, and upon motion and second, the Board unanimously approved a resolution as follows:

RESOLVED, that a contract with TransCanada Turbines Ltd., in the approximate amount of \$1,914,650.00, plus any applicable taxes and freight, for the overhaul of spare gas turbine hot section 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.

Western States Power Corporation Funding Agreement Authorization

Action: Following a presentation by Rick Hillis, Vice President Transmission Systems Support, and discussion, and upon motion and second, the Board unanimously approved a resolution as follows:

RESOLVED, that participation in non-federal funding of U.S. Government projects through Western States Power Corporation for the U.S. Bureau of Reclamation-Great Plains Region and Western Area Power Administration-Rocky Mountain Region, of which Tri-State's share is estimated to be \$28,651,200.00 for the U.S. Government 2023 fiscal year beginning October 1, 2022 and will be reimbursed prior to the end of the 2023 U.S. Government fiscal year, is approved, and that the Chief Executive Officer or Chief Operating Officer is hereby authorized to execute, subject to legal review, any related agreements and documents.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Mr. Keairns 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 9:12 a.m. and adjourned at 11:52 a.m.

OPEN SESSION RESUMED

Mr. Keairns reported during Executive Session the Board approved the following action items: Ames Hydro-Burro Bridge Eminent Domain Authorization, Stagecoach Surplus Property Sale Authorization and Bernardo-Socorro Partial Easement Assignment and Collocation Agreement Authorization.

ADJOURNMENT

Action: It being 12:00 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 October 5, 2022.

Julie Kilty
Julie Kilty (Oct 5, 2022 16:34 MDT)

Secretary

APPROVED:

Timothy A. Rabon
Timothy A. Rabon (Oct 5, 2022 11:35 MDT)

Chairman and President