

MINUTES OF MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Regular Meeting of the Board of Directors
January 28, 2025

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, January 28, 2025 at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Stephen Valdez (vice-president), Wade Lockhart (secretary), Carol Lee Dugan, Creede Hargraves (Via Zoom) and Scott Wolfe. Also present were Eric Eriksen (chief executive officer), Terry Daley (engineering manager), Carol Silva (human resources specialist), Stacy Valdez (manager of customer service/billing), Shawn McKibbon (chief operations officer), Jennifer Alonzo (marketing/communications manager), Isaiah Abeyta (engineer 1), and Michelle Trujillo (human resources officer/assistant corporate secretary). Wade Lockhart was unavoidably late arriving at 11:24 AM. Costilla County position remains vacant.

Call to Order

Keenan Anderson called the meeting to order at 9:31 AM and led the Pledge of Allegiance.

Member Communication

Mail was circulated among the board members.

Approval of Outside Counsel

Motion was made, seconded and unanimously carried by those present to retain the services of Shay Denning as the corporate attorney for San Luis Valley Rural Electric Cooperative, Inc. effective immediately.

Welcome of Guest(s)

Erin Minks of Senator Bennet's office and Patrick Ortiz of Senator Hickenlooper's office were present at the meeting for introductions and brief discussion regarding current legislative issues like wildfire mitigation, Saguache County 1041 permitting process and the status of the New Era Funding. Erin Minks suggested SLVREC have a presence on the newly formed Wildfire Council in the San Luis Valley. The Forest Service or emergency management personnel should know more about the meeting schedule.

Eric Eriksen introduced Kevin McCarroll to the board. Kevin is the SLVREC South Area Serviceman and he thanked Eric and the board for the opportunity to sit in on the meeting so that he can learn and be better educated about current issues when talking with the members.

Approval of Consent Agenda

Motion was made, seconded and unanimously carried by those present to approve the consent agenda that included the January 28, 2025 meeting agenda and regular meeting minutes from December 17, 2024.

Management Reports

CEO/Executive Report: Eric Eriksen reviewed the submitted report and had a separate presentation reviewing the 2024 accomplishments of the Cooperative. He spoke further on grants and financial planning for work plan projects, negotiations for the purchase of the Penitente Solar site, and the upcoming annual financial audit.

Safety Report: Michelle Trujillo reviewed the safety report and it stood as presented. Stephen Valdez thanked Kevin McCarroll and of all the operations department for working safely while keeping the lights on.

Reliability Report: Terry Daley reviewed the submitted report and talked in more detail about the integrated resource plan and how it could benefit SLVREC, Area 420 build area and the review of the Lock Out Tag Out Energy Control Plan. Isaiah Abeyta provided a status update of all active grants.

Cyber Security: Ross Coombs was present to give this report. He reviewed the submitted report and stated that cyber security is always on the forefront of his daily work. He will be working with American Cyber Defense Agency reviewing our current practices and procedures and updating as necessary. Shay Denning has experience with security risk assessments and regulations and can be looped in for assistance.

Human Resources: Michelle Trujillo reviewed the submitted report and also presented annual statistical data that included turnover rate comparison, age profile for employees, average tenure and retirement data.

Marketing: Jennifer Alonzo reviewed the submitted report. Road Map for 2025 was in her presentation and Eric Eriksen reviewed the Road Map in more detail. Alonzo continued with some statistics with Electrify and Save, discussion regarding recent community engagement events and youth tour and energy camp participants.

Customer Service: Stacy Valdez reviewed the submitted report and talked more about the Customer Service Representatives' involvement with Electrify & Save OBR, the NISC Service Order Management Software (SHOM) and IVUE Connect while maintaining their daily tasks and responsibilities.

Operations: Shawn McKibbon stated that the work plan job the crews have been working on north of the Center Substation has been completed and he also passed around the Safety Improvement Plan (SIP) and May Day procedures for the board's awareness.

Break: 10:41 AM

Reconvene: 10:49 AM

Financials: Eric Eriksen presented the financial report and it stood as presented.

Board Action

Approval of 2025 Rates

Motion was made, seconded and after lengthy discussion was unanimously carried by those present to approve the 2025 Rate Version 2 as presented by The Prime Group, LLC.

Approval of the Power Cost Adjustment

Motion was made, seconded and after further discussion was unanimously carried by those present to direct management to establish a wholesale power cost adjustment mechanism in the rates.

Agreements for Purchase of Power

The current list of Agreements for Purchase of Power was reviewed and discussed. (Copy attached hereto and made a part hereof.)

ATTORNEY'S REPORT

Corporate Attorney – Shay Denning

Shay Denning thanked the board for selecting her as the corporate attorney.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association - Stephen Valdez

Valdez reviewed the submitted report and stated that CREA's Annual meeting is coming up in February. Board members will be receiving information from CREA regarding education classes already taken, what each board member needs to take to complete the Credentialed Cooperative Director Certification (CCD) and the Board Leadership Certificate (BLC) and a schedule of upcoming classes offered through CREA. CREA staff have met with party leaders to create a proposed Wildfire Bill that limits liability of cooperatives in the event of a wildfire. The relocation of the headquarters office has some unknowns at this time and the board will carefully consider all options before moving forward. Lastly, Kent Singer has announced his retirement and the goal of the board of directors is to have a new person in place by December 1, 2025.

Western United – Stephen Valdez

Valdez reviewed the submitted report and showed a presentation on year-end sales and financial information. Western United has focused on mitigating the risk of being a one-dimensional sales organization and has diversified into larger sales territories for growth opportunities. Eric Eriksen mentioned he has considered inviting Greg Mordini of WU to our office to talk with our warehouse team for suggestions on process improvements.

Tri-State Contract Committee Report – Creede Hargraves

Hargraves provided a verbal report of recent committee meetings. Three work groups have been established to focus on specific sections of the wholesale electric service contract. Goal is to get this returned to the Tri-State board for a vote by end of January.

NRECA Resolution Committee Report – Creede Hargraves

Hargraves stated that the resolution committee meets later this month and is working with new administration to bring them up to speed on work in progress at this point.

Lunch: 12:07 PM

Reconvene: 12:45 PM

Tri-State – Scott Wolfe

Wolfe reviewed the report and stated that RFPs for the solar and gas plant were received and are now in the review process, Spanish Peak Solar came on line and Northwest Rural Public Power will now have a representative attend board meetings, negotiations are going well with the entities that are seeking to exit from Tri-State. FERC approved the formulary rate and Wolfe will get the effective date of the rate at an upcoming meeting. Tri-State is waiting to hear more about the New Era Grant funding with the new presidential administration. Eric Eriksen stated that Michelle Pastor came to meet with staff to check in and make sure we were getting what we need from Tri-State. The Tri-State managers group meets monthly and are currently working to form a technology advisory committee.

Unfinished Business

Vacancy on the board for Costilla County as of January 10, 2025. The board asked Shay Denning for some options to work through. Option 1 is to advertise this position and try to fill it with an active member from that county. Option 2 is to create another member-at-large position which would require a change to the

current bylaws. Option 3 would be to combine Conejos and Costilla County under one district due to volume of memberships in those two counties. Denning recommended a membership study for awareness of which counties have the most members.

New Business

None

Future Dates:

Board Meeting is scheduled for February 25, 2025 at 9:30 AM.

Board Comments:

None

Executive Session

Motion was made, seconded and unanimously carried by those present to enter into executive session at 1:08 PM for the discussion of personnel.

Motion was made, seconded and unanimously carried by those present to convene public session at 1:40 PM with no action taken.

Adjournment

Keenan Anderson adjourned the meeting at 1:42 PM.



Keenan Anderson,
President

SEAL



Wade Lockhart,
Corporate Secretary



Michelle Trujillo,
Assistant Corporate Secretary