



Information for Candidates interested in becoming a member of Holy Cross Energy's Board of Directors

Thank you for your interest in becoming a member of the Holy Cross Energy (HCE) Board of Directors. This document is designed to provide a general overview of the requirements, expectations, time commitment, responsibilities, and compensation of a Board member.

Should you wish to become a Director Candidate, please contact Jenna Weatherred, HCE's VP, Member & Community Relations at 970-947-5470 or jweatherred@holycross.com to either obtain a nominating petition form or to have an electronic petition created for you. It is important to review HCE's Bylaws and the corporate policy regarding Voting and Elections. Both documents can be found at the HCE website www.holycross.com by typing "bylaws" into the search box (click on the magnifying glass icon) found at the upper right-hand corner of the landing page.

Qualifications:

The HCE Bylaws, Article IV, Directors, Section 2 addresses director qualifications in detail. Please review the bylaws and, specifically, this section carefully. A director candidate must comply with many general qualifications/requirements including:

- You must be a member of HCE for at least two years prior to election as a director.
- A director must permanently reside and use electric energy provided by HCE at a residence within the director district from which you are nominated.
- Attend at least 10 of the 12 monthly meetings of directors within any 12-month period.
- Once becoming a director, obtain a Credentialed Cooperative Director (CCD) designation within three years of becoming a director. The CCD program is a basic, five-day training/educational program for new directors, provided through our national trade organization. The CCD classes can be taken one day at a time or all five at once at locations within the United States.

Time Required:

Once you are elected as a director, you are expected to:

- Attend 12 regular, monthly board meetings, usually scheduled on the third Wednesday of each month starting at 9 am. Meetings sometimes last six or more hours. Approximately eight of the meetings take place at the HCE Headquarters facility in Glenwood Springs, with four meetings, one each quarter, held at HCE's Cooley Mesa facility near Gypsum.
- Prior to each board meeting, each director receives an electronic board meeting packet containing a meeting agenda, financial reports, staff reports, and accompanying information. Directors are asked to prepare for each board meeting by reviewing the information contained in the packet.
- Attend the annual meeting, usually held in June on a weekday starting around 5 pm. The location of the annual meeting alternates between the Eagle and Roaring Fork river valleys.



- Participate in committee assignments. Committees usually meet once per month for three hours or so. Scheduling and location are up to the Committee chairman and have been held in Glenwood Springs, Gypsum, and the HCE Avon facility.
- Directors have the opportunity to attend educational programs as well as State and National trade association meetings. Many of which are two to three days in length and require travel and lodging.
- Directors also may wish to attend or participate in consumer/member-related meetings and events within HCE's service territory.

Responsibilities:

Being a board member of an organization with annual revenues exceeding \$135 million, employing 165 employees, and providing an essential service to nearly 60,000 locations over 3,000 miles of electric line is a significant responsibility involving:

- A fiduciary duty to act in good faith, exercise care, and act in the best interest of HCE.
- Setting the organization's mission and purpose, engaging in strategic planning, selecting and supervising the chief executive officer, selecting a corporate attorney, and overseeing an annual financial audit.
- Review, monitor and report to the membership regarding critical operating and financial performance.
- Provide oversight, adopt policies, monitor compliance with legal and regulatory requirements, and ensure adequate internal controls.
- Act in a professional manner and exercise confidentiality.
- Develop as a director through educational and training opportunities.

Compensation:

Each member of the Board of Directors receives compensation for their involvement with and time spent carrying out their duties as directors. Generally, the compensation is as follows:

- A monthly fee of \$1,000.
- A fee for attending board meetings, committee meetings, the annual meeting, educational or training programs, etc. of \$500 for each full day (more than four hours) and \$250 for each partial day (four hours or less).
- Reimbursement for mileage at the IRS rate for travel to and from board meetings, committee meetings, the annual meeting, educational/training programs, etc.
- Reimbursement for registration fees, lodging, travel, meals, etc., for attending approved meetings and events.

This general overview only covers the high points of some of the components of being a Director of Holy Cross Energy. Should you have any questions, please contact Jenna Weatherred at 970-947-5470 for more information.