

**MINUTES OF REGULAR BOARD MEETING
OF
HOLY CROSS ENERGY**

FEBRUARY 15, 2023

A regular meeting of the Board of Directors of Holy Cross Electric Association, Inc., a/k/a Holy Cross Energy (hereinafter called “Holy Cross”), a Colorado cooperative association, was held at the Cooley Mesa office at 0132 Buckhorn Valley Boulevard in Eagle County, Gypsum, CO, on February 15, 2023, at 9:03 a.m. The meeting was held in person and on WebEx with Board members and staff appearing. Notice of the meeting was given in accordance with Colorado law and the bylaws of Holy Cross.

Agenda Item 1: Roll Call. Chair David C. Munk called the meeting to order and reported that five of the seven Directors were present being Robert H. Gardner [absent], Kristen N. Bertuglia, David C. Munk, Adam Quinton [absent], Keith E. Klesner, David S. Campbell, and Alexander DeGolia. Staff attending included Bryan J. Hannegan, President and Chief Executive Officer; David Bleakley, Vice President – Engineering; Cody O’Neil, Vice President—Operations; Sam Whelan, Vice President—Finance [web]; Jenna Weatherred, Vice President—Member and Community Relations [absent]; and Trina Zagar-Brown, Vice President—Business Services. Also attending was General Legal Counsel Randolph W. Starr and Manuel Gomez.

Agenda Item 2: Adjourn Previous Board Meeting. Chair Munk adjourned the meeting of the Board of Directors originally convened on January 18, 2023, and then continued to today’s meeting. [09:03]

Agenda Item 3: Public Comment. Chair Munk asked for comments of members of the public present. No written comments were received. [9:03]

Agenda Item 4: Employee Recognition.

February Service Recognition:

No Service Recognition Anniversaries for February 2023.

Recent New Hires, Promotions and Departures:

Jonathan Rosales Perez joined us on January 9, as an IT Tech Analyst I in Glenwood Springs.

Connor Guest joined us on January 9, as an IT Intern in Glenwood Springs.

Christina Conley has been promoted to Manager, Financial Planning and Analysis. She previously held the position of Sr Billing Administrator. Her promotion took effect on January 1, 2023.

Kyle Bartlett has been promoted to Facilities Maintenance Tech II. He previously held the position of Facilities Maintenance Tech. His promotion took effect on January 1, 2023.

Anthony Maddalone, System Inspector, retired from Holy Cross on January 3 after 15 years of dedicated service.

Mary Wiener, Energy Efficiency Program Administrator, departed from Holy Cross on January 5.

Tricia Jadwin, Member Services Representative I, departed from Holy Cross on January 10.

Joel Olerich, Journey Lineworker, departed from Holy Cross on January 18.
Hayley Bender, Member Relations Representative, departed from Holy Cross on January 26.
General employment matters were also discussed by Board members and Mr. O'Neil and Mr. Hannegan. [09:23]

Agenda Item 5: Consent Calendar. The following informational items were presented to the Board in the form of written reports and memoranda:

- a. Minutes of January 18, 2023, Regular Meeting
- b. Treasurer's Report
- c. Safety Committee Minutes
- d. Diversity, Equity, and Inclusion Committee Minutes
- e. Power Supply Report
- f. System Reliability Report
- g. Community Energy Systems Report
- h. Member Participation Report
- i. Legislative and Regulatory Report
- j. Attorney's Report
- k. Board Committee Reports
 - i. Communications
 - ii. Finance
 - iii. Governance
 - iv. Strategic Issues
- l. Directors' Reports
 - i. Western United Electric Supply Corporation
 - ii. Colorado Rural Electric Association
 - iii. National Rural Electric Cooperative Association
 - iv. National Rural Utilities Cooperative Finance Corporation
 - v. Federated Rural Electric Insurance Exchange

Questions posed by Board members were answered by staff members including Mr. Hannegan, Mr. O'Neil, Mr. Whelan, and Mr. Bleakley. Upon motion duly made, seconded, put to a vote and unanimously carried, it was

RESOLVED, that the items on the Consent Calendar be approved as presented. [9:41]

Agenda Item 6: Staff Reports. The Staff Reports had been delivered to the Board members prior to the meeting. Questions from Board members were answered by staff members. [10:12] A break was taken. [10:12-10:40]

Agenda Item 7: 2023 Legislative Agenda. Jeff Weist of Weist Capitol Group joined the meeting in the Board room by web. Mr. Weist gave an update about the status of various Bills before the 2023 Session of the Colorado Legislature. A list of Bills from CREA and from Holy Cross's lobbyists had been provided prior to the meeting. Questions from Board members were answered by Mr. Hannegan and Mr. Weist. Positions for Holy Cross on some of the proposed Bills were discussed during the meeting. Mr. Weist left the web meeting. [11:48]

Agenda Item 8: Old Business. None. [11:48]

Agenda Item 9: New Business.

a. Appointment of Elections Committee. Section 2.3 of Holy Cross Corporate Policy 4.6, Voting and Elections, provides that the Board of Directors shall take two specific actions related to the election of Directors not less than 90 days prior to any Annual Meeting where an election may occur:

1. Appoint an election management firm to establish a secure and verifiable electronic transmission system through which a member may apply for, receive, and return a ballot in an election and to receive, prepare and secure any paper return envelopes containing ballots, and at the appropriate time, tabulate ballots and report voting results to the Board; and
2. Appoint an Election Supervisory Committee consisting of three members to oversee the election and voting process (typically Holy Cross's Legal Counsel, a representative of the election management firm, and a member of Holy Cross's management staff).

Vice President Weatherred gave a verbal and written presentation to the Board. A motion was made, seconded, and unanimously carried that it was

RESOLVED, that the Board of Directors authorizes Holy Cross's staff to contract with Survey and Ballot Systems to manage the 2023 Election of Holy Cross Directors; and

FURTHER RESOLVED, that an Election Supervisory Committee be appointed to oversee the 2023 Election of Holy Cross Directors consisting of the following members:

- Holy Cross's General Legal Counsel, Randolph W. Starr;
- A representative from Survey and Ballot Systems [Matt Fiala]; and
- A member of Holy Cross's management staff, Vice President Jenna Weatherred. [11:50]

b. 2023 NRECA Member Resolutions.

Board members discussed the proposed 2023 NRECA Member Resolutions and offer guidance to the Holy Cross Energy voting delegates prior to this year's Annual Meeting. The compendium of proposed 2023 Member Resolutions was provided separately to the Board prior to the meeting. Board members were encouraged to bring forward any ideas for support, opposition, or amendment of any of the proposed 2023 NRECA Member Resolutions. Discussion about Resolution 1.58 [Support for a Reasonable Transition of the Electric Utility Industry] ensued. After discussion a motion was made, seconded, and unanimously carried that it was

RESOLVED, that the Board supports amendment of the proposed NRECA Resolution entitled "Support for a Reasonable Transition of the Electric Utility Industry" (1.58) by omitting or changing the wording of the sentence: "We also support the preservation and use of all current and future power supply resources for their entire useful life to protect the electric grid and power supply resource adequacy." and if the sentence is appropriately amended, then the Board will support the amended Resolution, but if it is not amended, then the Board will OPPOSE the Resolution.

A motion was made, seconded and unanimously carried that is was **RESOLVED** to oppose Resolution 1.60.

Further discussion about other Resolutions ensued. After discussion a motion was made, seconded, and unanimously carried that it was

RESOLVED, that the Board reaffirms its previous positions taken on the proposed NRECA Resolutions as follows:

- Support of Renewable and Environmentally Favorable Energy (1.60) – OPPOSE
- Support of the Keystone XL Pipeline (1.56) – OPPOSE
- Support for Nuclear Power (1.61), Clean Water Act Regulatory Implementation (1.88) and Support for Superfund Reform (1.91) – ABSTAIN
- Support for Public Utility Regulatory Policies Act Reform (1.63) – AMEND (change "repeal" to "reform" in the body of the resolution)
- Environmental Externalities (1.86) – OPPOSE

- Support for Efforts to Address Poverty in Cooperative Communities (2) –SUPPORT; and

FURTHER RESOLVED, that the Board supports the proposed NRECA Resolution entitled “Demand Response” (1.26) and urges its adoption at the 2023 NRECA Annual Meeting. A break for lunch was taken. [12:15-12:25]

c. Year-End Financial Review.

Vice President Whelan informed the Board of the 2022 year-end financial results and sought approval for the carry forward of excess margin into future year budgets. Written materials were given to the Board prior to the meeting. After the presentation and after Mr. Whelan responded to questions from Board members, a motion was made, seconded, and unanimously carried that it was

RESOLVED, that the revised financial statement for calendar year end 2022 be approved as presented; and

FURTHER RESOLVED, that the deferral of \$5,783,741 in 2022 revenue to 2023 be approved; and

FURTHER RESOLVED, that the amended 2023 Operating Budget be approved as presented. [13:06]

d. Distribution of equity policy. This subject will be considered as a policy change by committee action. [13:09]

Agenda Item 11: Items for Future Agendas. President and CEO Hannegan presented a list of subjects that will be considered in the upcoming monthly board meetings. Discussion about the subjects and any additions ensued. [13:13]

Agenda Item 10: Executive Session. Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED that the Board enter executive session to consider documents or testimony given in confidence generally relating to the performance of President and CEO Hannegan. All staff members left the Board room.

No action was taken by the Board to make final policy decisions or adopt or approve any resolution, rule, regulation, or formal action, any contract, or any action calling for the payment of money. All staff members left the Board room, including Mr. Hannegan. Later in the session Mr. Hannegan returned to the Board room.

Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED that the Board exit executive session. [14:57]

Agenda Item 12: Continuation of Board Meeting. Chair Munk continued the meeting at 14:57 until Wednesday, March 15, 2023, at 9:00 a.m. The next meeting will be held by WebEx at Holy Cross’ main office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO.

Secretary – Alexander DeGolia

APPROVED:

Chair – David C. Munk

2023 Holy Cross EA Board Meeting Schedule [Third Wednesday of each month]
March 15, 2023—WebEx
April 20, 2023—WebEx
May 24, 2023—in person—Glenwood
The Annual Meeting of Members will be held on June 15, 2023, at The Arts Campus at Willits [TACAW], 400 Robinson Street, Basalt, CO 81621
June 21, 2023—in person—Glenwood
July 19, 2023—WebEx
August 23, 2023 (strategic planning)—in person
September 20, 2023—WebEx
October 18, 2023—WebEx
November 15, 2023—WebEx
December 20, 2023—in person—Glenwood