**MINUTES OF REGULAR BOARD MEETING**

**OF**

**HOLY CROSS ENERGY**

**January 15, 2025**

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 main office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO, on January 15, 2025, at 9:00 a.m. The meeting was held on WebEx with Board members and staff appearing electronically. 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 all seven Directors were present, Robert H. Gardner, Kristen N. Bertuglia, David C. Munk, Adam Quinton, Keith E. Klesner, Alexander DeGolia, and Linn Brooks. 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; Jenna Weatherred, Vice President—Member and Community Relations; Trina Zagar-Brown, Vice President—Business Services. Also attending was General Legal Counsel Karl F. Kumli, III, Brian DeCrow, Jonathan Rosales Perez, and Betsey Seymour. No others were on the web meeting.

Agenda Item 2: Adjourn Previous Board Meeting. Chair Munk adjourned the meeting of the Board of Directors originally convened on December 18, 2024, and then continued to today’s meeting.

Agenda Item 3: Public Comment. Chair Munk asked for comments from any members of the public present. No members of the public were present in person or online.

Agenda Item 4: Employee Recognition.

January Service Recognition:

Jill Kerrigan, Member Services Manager, celebrating 25 years of service.

Travis Jewell, Mechanic, celebrating 5 years of service.

Sheryl Miller, Member Services Representative II, celebrating 5 years of service.

Recent New Hires, Promotions and Departures:

Hannah Nieslanik joined us on December 23, 2024, as the Accounts Payable Specialist.

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

* 1. Minutes of December 18, 2024, Regular Meeting
  2. Treasurer’s Report
  3. Safety Committee Minutes
  4. Cyber and Physical Security Committee Minutes
  5. Diversity, Equity, and Inclusion Committee Minutes
  6. Power Supply and Programs Report
  7. System Reliability Report
  8. Community Energy Systems Report
  9. Member Participation Report
  10. Legislative and Regulatory Report
  11. Attorney’s Report
  12. Board Committee Reports
  13. Directors’ Reports

Questions posed by Board members were answered by staff members. 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.

Agenda Item 6: Staff Reports. Staff Reports were delivered to the Board members prior to the meeting. Questions from Board members were answered by staff members.

Director DeGolia left the meeting.

Agenda Item 7: Legislative Agenda.

1. 2025 Legislative Agenda

Jeff Weist and Laura Long of Weist Capitol Group entered the meeting and provided a briefing of those introduced bills of interest to HCE and engaged the Board in a discussion of key issues.

The First Regular Session of the Seventy-fifth General Assembly convened on January 8 and is schedule to adjourn on May 7. As of January 10, 2025 more than 130 bills have been introduced, with many more under development for introduction later in the session.

The HCE Bill Tracker, provided in Call to Order, summarizes the bills upon which HCE is actively monitoring and/or engaging in advocacy activities (support, amend, oppose). As the Session as just started, HCE has not taken any formal position on legislation to date.

In addition to the bills that have been or will be introduced by legislators, the Colorado Energy Office has put out their Legislative Agenda for the year (included in Call to Order) outlining several of their priorities for 2025. Following their presentation and the ensuring discussion, Mr. Weist and Ms. Long left the meeting.

Director DeGolia entered the meeting.

Agenda Item 8: Old Business.

None.

Agenda Item 9: New Business.

1. Annual Safety and Loss Report. Mr. Brian DeCrow, Holy Cross Energy’s Safety Coordinator, entered the meeting and presented the 2024 Annual Safety and Loss Report.

* The Total Recordable Cases Incident Rate (TRCIR) was 0.6 reflecting a total of 1 recordable incident in 2024.
* The Days Away, Restricted, or Transferred (DART) rate was 0.
* There were two General Liability/Property Damage claims in 2024 in the amount of $24,265.27.
* There were four Auto Collision/Physical Damage and theft claims in 2024 for a total of $27,698.41.

Nearly all incidents occurred within Operations and the number of incidents was split proportionately between districts. As in previous years, most common injuries are strains and sprains as well as lacerations. At the conclusion of his presentation, Mr. DeCrow left the meeting.

1. Member Satisfaction Survey. Mrs. Weatherred introduced Mr. Mike Sassman, NRECA Manager of Market Research Services, who entered the meeting and shared the results of the 2024 Holy Cross Energy Member Satisfaction Survey and answered questions from Directors. The top-line findings based on the results of an online survey of 500 residential members of Holy Cross Energy conducted in late November to early December of 2024.

What Co-op is Doing Well

* Satisfaction is evaluated above the “excellent” threshold. While the different is not statistically significant, meaning any changes could be due to chance, it is evaluated higher than in 2023.
* The ACSI is 86 and the retention estimate is 81%. This means that if members had a choice of electric providers, it is estimated that 81% would stay with Holy Cross Energy. Both scores are 1 point higher than in 2023.
* ACSI is high than Touchstone Energy’s 2023 score (85.1).
* All of the performance attributes evaluated just below or above 4.0 “good” threshold.
* Highest ratings for the co-op’s employees being *friendly/courteous* and *highly trained/professional*.
* All of the attributes are consistent or higher than 2023 study. The two that are higher are *helping members to be more efficient in their use of electricity* and *operating with concern for the environment*.
* Member identity is consistent with recent studies.
* Almost all of the members who contacted the co-op in the past year say their experience was at least what they expected, including 59% who say it was somewhat/much better than expected.

Where Improvement Could be Made

* The two lowest rated attributes are having reasonable monthly service fees and charging reasonable rates. With means ratings slightly below or above the 4.0 “good” threshold and consistent with 2022 and 2023, this should not be of too much concern, but it is important to note that both continue to be lower than in most/all the studies between 2019 and 2021.

What Should Be Monitored in Future

* While satisfaction, The ACSI score, and performance attributes remain lower than in most/all of the studies between 2019 and 2022, most of these scores are higher than in 203, even though few are statistically significant. This suggests that the downward trend seen in 2023 is, if not reversing, at least evening out.
* The strongest driver of satisfaction is **having members’ best interests at heart**. While the mean rating is well above 4.0 and is consistent with the 2023 study, it remains below 2020 and 2022. Maintaining this attribute’s mean rating is the best way to keep the excellent satisfaction rating. Conversely, a decline in the mean rating could mean a decline in satisfaction.
* Member loyalty continues to be lower than in 2021 but is consistent with 2022 and 2023.
* While 59% say their contact was better than expected, this is lower than in 2021. It is important to note this decrease is not due to an increase in those who say their contact was worse than expected. Rather, it comes from an increase in those who say it was as they expected.

Other Items of Interest

* Of the 21 programs and services tested, members are most likely to be aware of:
  + Bill Autopay
  + Home energy audits
  + LEAP
  + Round-up
  + Roof-top Solar
* Awareness is lowest for:
  + Power+
  + Vanilla Direct bill payment
  + Western Union Quick Collect
  + PuRE
* Members are by far most likely to use Bill Autopay. Participation/use does not exceed 20% for any of the other programs/services.
* Most members use the email newsletter as their primary source of information about HCE.
* Four in ten members are aware of SmartHub, and three in ten use it. Most of those who use the app have selected their communications preferences.
* 28% contacted the so=op in the past year. This is lower than in the studies between 2019 and 2021.
* Few have attended an HCE event, co-hosted event, or tour.

The survey results were included in Call to Order, with an additional Excel spreadsheet listing all written member comments. These comments were listed as positive, neutral, and negative, so if they contain multiple opinions, they will show up more than once. At the conclusion of his presentation, Mr. Sassman left the meeting.

1. Amendments to Strategic Plan. Mr. Hannegan presented the current HCE Strategic Plan (the “Plan”) as adopted by the Board of Directors at its January 2022 Regular Meeting, and further amended in September 2022. As required in Section VI of the Plan, the Board met in August 2024 to conduct a new enterprise risk assessment and review the Plan and its goals and objectives. At that meeting, Directors identified the need to modify Strategic Goal 3 (electrification, energy efficiency, and distributed energy resources) to reflect changes in HCE’s underlying power supply mix and to incorporate new developments in available technologies and HCE-sponsored programs.   
     
   Following that meeting, Board members provided comments on the text accompanying Goal 3 in the HCE Strategic Plan, and those comments were incorporated into new text which was the subject of discussion by the Strategic Issues Committee on December 10, 2024. At the conclusion of the Committee’s meeting, Board members were invited to submit additional edits for review and incorporation. One set of additional edits was submitted by Director DeGolia, and those edits were included in Call to Order prior to the meeting for further review.

Upon motion duly made, seconded, put to a vote and unanimously carried, it was   
**RESOLVED**, that the proposed amendments to the Holy Cross Energy Strategic Plan be approved as presented.

A break was taken.

1. NRECA Member Resolutions. Mr. Hannegan introduced the topic and referred Directors to the background memo in Call to Order which outlines HCE’s existing positions on NRECA's 2024 Member Resolutions. These Resolutions are created and refined during an annual cycle that gives members an opportunity to participate at every step. Any member cooperative can propose a resolution or amend an existing resolution and submit it to NRECA for consideration during the Spring of each calendar year. The NRECA Resolutions Committee reviews proposed resolutions and compiles them for consideration at Regional Meetings in the Fall of each year. Resolutions that are approved by one or more NRECA Regions are reviewed by NRECA’s Member Standing Committees and then forwarded to the Annual Meeting for consideration by the entire membership.

The Member Standing Committees will be meeting on January 15, 2025, and will consider 17 potential amendments to the 2024 Member Resolutions. Directors were invited to consider the potential amendments and to develop positions on them that would be communicated to the relevant Standing Committees. Directors engaged in discussion and asked questions of staff. Following the discussion, upon motion duly made, seconded, put to a vote and unanimously carried, it was decided to table the discussion until the February Board of Directors meeting when the 2025 Compendium of Member Resolutions would be available for review.

Agenda Item 10: Items for Future Agendas. Discussion about the items on the list ensued. No additional items for future agendas were identified.

Agenda Item 9: 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 personnel matters. All staff members exited the meeting, with exception of Mr. Hannegan.

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.

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

**RESOLVED** that the Board exit executive session.

Agenda Item 11: Continuation of Board Meeting. Chair Munk continued the meeting at 4:04 pm until **Wednesday, February 19, 2025, at 9:00 a.m**. The next meeting will be held in person at HCE’s Cooley Mesa facility, located at 0132 Buckhorn Valley Blvd, Gypsum, CO 81637, with an option available for virtual participation via Webex.

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Secretary – Alexander DeGolia

APPROVED:

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Chair – David C. Munk

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| **2025 Holy Cross Energy  Board Meeting Schedule**  [Third Wednesday of each month] |
| February 19, 2025—in person at Cooley Mesa |
| March 19, 2025—Webex |
| April 22, 2025—Webex |
| May 21, 2025—Webex |
| The Annual Meeting of Members will be held on June 5, 2025, at Buttermilk Mountain Lodge, Base of Buttermilk, 38700 CO-82, Aspen, CO 81611 |
| June 18, 2025—in person |
| July 16, 2025—Webex |
| August 20, 2025 (strategic planning)—in person TBD |
| September 17, 2025—Webex |
| October 15, 2025—in person at Cooley Mesa |
| November 19, 2025—Webex |
| December 17, 2025—in person at Glenwood |