MINUTES OF REGULAR BOARD MEETING
OF
HOLY CROSS ENERGY

July 15, 2026

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 Glenwood office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO on July 15, 2026, at 9:00 a.m. The meeting was held on WebEx with Board members and staff appearing virtually. Notice of the meeting was given in accordance with Colorado law and the bylaws of Holy Cross.

Agenda Item 1: Roll Call. Chair Alex DeGolia called the meeting to order and reported that all Directors were present, Alex DeGolia, Robert H. Gardner, Linn Brooks, David Munk, Keith Klesner, Kim Schlaepfer and Sarah Smith Hymes. Staff attending included Bryan J. Hannegan, President and Chief Executive Officer; David Bleakley, Vice President – Engineering; Jenna Weatherred, Vice President—Member and Community Relations; Sam Whelan, Vice President—Finance; Trina Zagar-Brown, Vice President—Business Services. Also attending was General Legal Counsel Karl K. Kumli, III, Jonathan Rosales Perez, IT Tech Analyst II, and Betsey Seymour, Executive Coordinator.

Agenda Item 2: Public Comment. Chair Alex DeGolia asked for comments from members of the public present. Mr. Hannegan noted that there were no members of the public present.

Agenda Item 3: Employee Recognition.

July Service Recognition:
Cody O'Neil, VP Operations, is celebrating 20 years of service.
Tom Barton, Serviceman, is celebrating 20 years of service.
David Bleakley, VP Engineering, is celebrating 20 years of service.

Jeff Vroom, Engineer II retired on July 1, 2026.
Charlie Almquist, Apprentice Lineworker II, departed employment.
Garett Stockman joined HCE as an Apprentice Lineworker II.

Agenda Item 4: Consent Calendar. The following informational items were presented to the Board in the form of written reports and memoranda:

a. Minutes of Regular Meeting of June 15, 2026
b. Treasurer's Report
c. Safety Committee Minutes
d. Cyber and Physical Security Committee Minutes
e. Diversity, Equity, and Inclusion Committee Minutes
f. Power Supply and Programs Report
g. System Reliability Report
h. Member and Community Relations Report
i. Legislative and Regulatory Report

j. General Counsel Report
k. Directors' Reports

Questions posed by Directors were answered by staff. 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 5: Staff Reports. Staff reports were delivered to Directors prior to the meeting. Questions from Directors were answered by staff.

Trina Zagar-Brown and Eric Arnette, Manager Information Technology & Cybersecurity, joined the meeting.

Agenda Item 6: Eagle Vail Valley Outage. Vice Presidents David Bleakley and Cody O'Neil provided information on the recent outage that impacted more than 27,000 HCE members in the Eagle Vail Valley on July 7-8, 2026.

During the afternoon of July 7, the Xcel transmission system experienced a disruption which resulted in an extended power outage affecting more than 27,000 HCE members for periods up to 14 hours. This unusual event was the result of the Basalt-Cooley Mesa-Wolcott line having previously been taken out of service for maintenance by Xcel Energy, leaving the Wolcott substation (and the entire Eagle Vail Valley) on a single feed from the Foidel Creek-Wolcott transmission line. At 3:58 p.m. on July 7, the Foidel Creek-Wolcott line was hit by lightning, resulting in damage to a transmission tower cross arm and brace, leading to a fault on the transmission line and the total loss of service to the Wolcott substation. Inspection and repairs were made by Xcel Energy and its contractors overnight into the morning of July 8 with service restored shortly before 6:00 a.m. This even qualified as a "Major Event Day" and will not be incorporated into HCE's reliability statistics (SAIDI, SAIFI) per standard industry practice.

Agenda Item 7: Old Business.

Agenda Item 8: New Business.

Jonathan Rosales Perez and Eric Arnette left the meeting. Kim Burke, Director of Climate Strategy with Walking Mountains, Gina McCrackin, Director of Regional Strategy with Aspen Core and Ginette Puidokas, Key Accounts, joined the meeting.

a. Bank Account Authorizations. Vice President Whelan made a verbal and visual presentation. After the presentation was concluded and questions posed by Board members were answered, upon motion duly made, seconded, put to a vote and unanimously carried, it was

RESOLVED, that the officers and employees of Holy Cross Energy designated in the Board Memorandum entities "Bank Account Signatory Authorization" be authorized, within the limitations set out in that Memorandum, to draw, sign and deliver, in the name of Holy Cross Energy, checks or drafts against the funds of Holy Cross Energy on deposit in its bank accounts as so described in that Memorandum.

e. Building Energy Code Impact Study. Vice President Mrs. Weatherred introduced Kim Burke and Gina McCrackin to update the Board on the results of a recent study conducted by Community

Office for Resource Efficiency (CORE) and the Eagle County Climate Action Collaborative (EagleCAC) regarding building energy codes and standards. They provided a visual and verbal presentation of the full study.

In November 2024, CORE, EagleCAC, and Clean Energy Economy for the Region (CLEER) partnered to create a "Regional Roadmap for a New Net Zero", a roadmap intended to inform the adoption of net zero building construction codes in Eagle, Garfield and Pitkin counties by 2030. With funding from the Colorado Energy Office, the Roadmap was published in November 2024 as a guide to future energy code adoption by the towns and communities in our region.

Gina McCrackin, Kim Burke, and Ginette Puidokas left the meeting.

b. Audit Report. Vice President Whelan provided the Board with the annual financial audit for fiscal year 2026 and to seek review and acceptance of the audit report.

The work of our independent auditor has been completed, and a final report was presented by the auditor via conference call to the HCE Finance Committee (acting as the Board Audit Committee) at its meeting on July 6, 2026. The auditor's report and supporting materials were provided to the Directors prior to the meeting.

After discussion, upon motion duly made, seconded, and unanimously carried it was:

RESOLVED, that the independent audit of the financial statements of Holy Cross Energy for the fiscal year ended April 30, 2026, be accepted, and published on the HCE website.

c. IRS Form 990. Vice President Whelan advised the Board on the requirements for filing of the 2025 IRS Form 990 and to seek approval to do so.

To maintain nonprofit status with the IRS, Holy Cross Energy (HCE) is required to file an informational return, Form 990. The draft Form 990 for 2025 has been completed by our audit firm BSGM. It was provided to the Board prior to the meeting. Additionally, an additional form 990-T has was also provided prior to the meeting for review. This form is required for HCE to claim direct pay tax credits from our investment in battery storage projects.

After questions and discussion, upon motion duly made, seconded, and unanimously carried it was:

RESOLVED, that staff be directed to file the 2025 IRS Form 990 and Form 990-T and publish forms on the HCE website.

Eric Arnette joined the meeting.

d. Bylaw Amendment – Joint Membership. Vice President Mrs. Zagar-Brown proposed an amendment to the Holy Cross Electric Association Bylaws ("Bylaws") that expands the definition of "joint member" to include any two people living at the same location.

Article 1, Section 7 of the Bylaws provides for "joint membership" that "may consist only of the legally married couple or a civil union couple, both as defined by law." Further that same section states "(E)xcept as otherwise provided in these Bylaw, the term "joint member" has the same meaning as the term "member," and such a joint member has and enjoys the rights, benefits and privileges, and is subject to all the obligations requirements, and liabilities, of being a member."

At its May 12, 2026, meeting, the Governance Committee ("Committee") reviewed the existing Bylaw provisions regarding joint membership, as well as joint membership definitions in use by several other Colorado electric cooperatives. The Board also received input from staff regarding administrative considerations, including the potential impact of a proposed definition change on capital credit retirement and disbursement.

After discussion, the Committee voted, with one dissent, to recommend that the Board consider revision of the definition of joint membership to include two (2) persons occupying the same location that receives electric service from the Association, removing the marriage or civil union requirement.

This proposed Bylaw amendment has been properly noticed with the Board's meeting agenda, in compliance with Article XII of the HCE Bylaws. Therefore, it may be adopted by the Board at this meeting, with or without further modification.

After discussion, upon motion duly made, seconded, and was carried by a 6 to 1 vote it was:

RESOLVED, that the proposed amendment to Article I, Section 7 of the Holy Cross Energy Bylaws regarding joint membership be approved.

f. Artificial Intelligence Use and Policy. Vice President Zagar-Brown provided the Board with an overview of the Holy Cross Energy emerging policy and strategy regarding the use of artificial intelligence (AI).

AI tools are increasingly being adopted across business organizations, including electric cooperatives, to support drafting, summarizations, research, brainstorming, administrative efficiency, and other business activities. HCE employees and contractors currently have access to both internal and external AI tools, however, the organization has operated without clear and shared expectations for responsible AI use that support appropriate innovation, while mitigating legal, privacy, cybersecurity, operations, and reputational risk.

Cristina Conley, Manager, Financial Planning & Analysis, joined the meeting. Eric Arnette left the meeting.

g. Amendment to Tariffs, Rules and Regulations. Vice President Whelan presented for consideration a new Critical Peak Pricing (CPP) tariff for Aspen Skiing Company (ASC), intended to be effective October 1, 2026.

Aspen Skiing Company maintains a separate tariff "General Services – Snowmaking/Ski Lift" for on-mountain electric service associated with snowmaking and lift operations.

At the August 2025 Strategic Board discussion, the revenue requirement associated with ASC services were reviewed. Staff were directed to evaluate alternative rate structures; a key deliverable included the 2026 Financial Sustainability Workplan.

After reviewing multiple rate design options, both parties determined that Critical Peak Pricing provides the best balance of affordability, reliability, and operational flexibility. The proposed Critical Peak Pricing tariff is intended to encourage load reductions during a limited number of system or wholesale peak periods. By reducing demand during these periods, ASC can help lower system costs while supporting reliability for all members.

Key provisions of the proposed tariff include:

- Effective date of October 1, 2026, aligning with ASC's fiscal year.
- Up to 20 critical peak events may be called October through March.
- Events are limited to four hours in duration.
- Critical Peak Energy Charge of $1.2226/kWh will apply during called events.
- Post evaluation of performance

After questions and discussion, upon motion duly made, seconded, and unanimously carried it was:

RESOLVED, that the proposed rates and tariffs be approved to notice for public comment.

Agenda Item 9: Items for Future Agendas. Discussion about the items on the list ensued, resulting in changes to the allocation of subjects on future Board meeting agendas.

Cody O'Neil, Christina Conley, David Bleakley, and Jonathan Rosals Perez left the meeting.

Agenda Item 10: Executive Session. Upon motion that the Board recess the current meeting and that the Board, upon a two-thirds affirmative vote of the Board members present, enter into executive session pursuant to C.R.S. 40-9.5-108 for consideration of documents or testimony given in confidence, and in accord with the Corporate Policies of the Association made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED, that the Board enter into executive session pursuant to C.R.S. 40-9.5-108 for consideration of documents or testimony given in confidence, and in accord with the Corporate Policies of the Association. The specific topics for the executive session were personnel matters.

During the executive session, the Association did not make any 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. Direction was given to negotiators.

Upon motion that the Board adjourn the executive session and resume the regular meeting of the Board which is currently in recess made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED, that the Board exit executive session.

Karl Kumli left the meeting during the executive session.

On exiting Executive Session Director DeGolia noted that the Association had not made any final policy decisions or adopted or approved any resolution, rule, regulation, or formal action, any contract or any action calling for the payment of money at the preceding executive session. Direction was given to negotiators.

Agenda Item 11: Adjourn. Chair DeGolia adjourned the meeting at 3:38 p.m. until **Wednesday, August 19, 2026, at 9:00 a.m**. The next meeting will be held by WebEx through Holy Cross's main office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO.

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Secretary – David C. Munk

APPROVED:

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Chair – Alex DeGolia

Holy Cross Energy **2026 Board Meeting Schedule** [Third Wednesday of each month]
August 19, 2026—in person at Glenwood Springs
September 16, 2026—Webex
October 21, 2026—in person at Cooley Mesa
November 18, 2026—Webex
December 16, 2026—in person at Glenwood Springs