MINUTES OF REGULAR BOARD MEETING
OF
HOLY CROSS ENERGY

August 19, 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 in-person and virtually on Webex with Board members and staff appearing in person and 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 Tom Walsh, Colorado Rural Electric Association's Executive Director, Taylor Ward, Colorado Rural Electric Association's Director of Government Relations, 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 in person or online.

Agenda Item 3: Employee Recognition.
August Service Recognition:
Sam Whelan, Vice President – Finance, is celebrating 10 years of service.

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. Minutes of Special Meeting of August 5, 2026
c. Treasurer's Report
d. Safety Committee Minutes
e. Cyber and Physical Security Committee Minutes
f. Diversity, Equity, and Inclusion Committee Minutes
g. Power Supply and Programs Report
h. System Reliability Report
i. Member and Community Relations Report
j. Legislative and Regulatory Report
k. General Counsel Report
l. 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.

Michael Whiddon, Accounting Manager, joined the meeting.

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

Agenda Item 6: Meeting with Colorado Rural Electric Association. Tom Walch and Taylor Ward provided an overview of CREA's current activities, with a focus on three initiatives; draft legislation CREA is proposing to address wildfire risk for electric cooperatives; Colorado Advocates for Rural Electrification (CARE), CREA's political action committee; and Colorado Electric Co-op Advocates, CREA's new grassroots advocacy program.

Background materials were provided to Directors prior to the meeting. Tom and Taylor asked Directors for priorities and suggestions on how to improve the value of CREA membership to HCE.

Tom Walsh and Taylor Ward left the meeting.

Agenda Item 7: Old Business.

Agenda Item 8: New Business.

a. Enterprise Risk Assessment President and CEO Bryan Hannegan engaged Directors in discussion regarding "enterprise risks" facing Holy Cross Energy, and the steps being taken to properly and appropriately manage them.

The Directors and Staff reviewed the results of the previous Enterprise Risk Management (ERM) exercise conducted in August of 2025. Mr. Hannegan facilitated dialogue around each identified "enterprise risk" and Directors discussed whether the likelihood of occurrence and/or the severity of impact of each enterprise risk has changed within the last year. Focus was on the inherent risks to the organization that may exist over the next 3-5 years.

Following the conclusion of the enterprise risk assessment, a review of the existing risk mitigation actions for each enterprise risk and assessment whether they are still appropriate took place. For newly identified enterprise risks, discussion on potential risk mitigation actions were undertaken. The revised enterprise risk assessment and set of identified risk mitigation action will be used to inform the development of 2027 Work Plan Initiatives, which will be presented to the Board for review and comment in November and for approval in December 2026.

Michael Whiddon, Accounting Manager and Christina Conley, Financial Planning and Analysis Manager, joined the meeting.

b. Strategic Plan Review. President and CEO Hannegan engaged the Directors in review of the current HCE Strategic Plan, including the cooperative's Vision, Mission, Strategic Goals and Objectives, Key Performance Indicators, and Core Values.

After completing the enterprise risk assessment earlier in the day, Directors reviewed the Strategic Plan and its components considering changes in the overall strategic landscape facing the cooperative. All changes made to the Strategic Plan requested by the Directors will be prepared for formal consideration at a future Board meeting.

c. Long-Term Financial Strategy. Vice President Whelan provided information to Directors for discussion highlighting HCE's financial management practices, review of key financial risk/opportunities, and evaluating guardrails that help support HCE's long-term financials strategy.

The long-term financial strategy discussion allowed staff the opportunity to think holistically about HCE's financial management practices, especially considering recent cost pressures and volatility in weather and sales. Staff have developed a Financial Management Playbook which was provided to Directors prior to the meeting. The focus of the discussion was on three things.

- Document HCE's day-to-day financial management practices, providing clarity and structure, as well as identifying areas for improvement. This will help internal staff be aware of how we manage our finances, document the tradeoffs between multiple competing priorities, and provide additional structure for on-going budget management.
- Review key financial risks for HCE, providing information on current and future cost pressures, as well as a deep drive into weather volatility and how that risk coupled with our rate structure creates instability for HCE's finances and member bills.
- Define and implement financial guardrails that help ensure the long-term financial stability of HCE. This way, any cost reductions or rate increases can be driven by specific target metrics we are trying to Schieve, creating an additional layer of defensibility and understanding.

Directors posed questions and discussed the presented information and suggestions on items to consider during the upcoming budget process. Staff provided information and will take suggestions into consideration when moving forward.

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.

Agenda Item 10: Executive Session.

Agenda Item 11: Adjourn. Chair DeGolia adjourned the meeting at 3:38 p.m. until **Wednesday, September 16, 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.

✍ ______________________________
Secretary – David C. Munk

APPROVED:

✍ ______________________________
Chair – Alex DeGolia

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