

EMPIRE ELECTRIC ASSOCIATION, INC.  
APPROVED MINUTES  
MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS  
Cortez, Colorado  
June 23, 2022

General Manager Josh Dellinger welcomed everyone to the Empire Electric Association, Inc. (“EEA”) annual meeting.

Dellinger began the meeting by recognizing any past or present military and law enforcement members. He also recognized Tri-State CEO Duane Highley, CREA Board Directors Steve Valdez and Rod Martinez and CREA Executive Director Kent Singer.

The Invocation was provided by Director Norman Butler and Pledge of Allegiance was provided by Director Larry Archibeque.

Vice President Kent Lindsay presided over the meeting due to the absence of President David Sitton.

Vice President Kent Lindsay explained the process used when a member wishes to speak at the annual meeting.

Vice President Lindsay called the meeting to order at 5:33 p.m.

Vice President Lindsay introduced the Board of Directors as follows: District 6, President David Sitton. District 5, Vice President Kent Lindsay; District 1, Secretary-Treasurer Jerry Fetterman (Tri-State board representative); District 2, Bob Barry (Utah Rural Electric Association and Western United board representative); District 3, Audra Fahrion; District 4, Norman Butler; and District 7, Larry Archibeque (Colorado Rural Electric Association board representative).

Attorney Tyler Denning introduced the election judges: Elena Pricket, Ruby Gonzales, and Mark Winkles. He announced the candidates for District 3: Audra Fahrion and Corey Robinson. He reported on the voting procedures and provided notice for any late voters. Seeing that there were no members that still needed to vote, Denning then closed registration.

Secretary-Treasurer Jerry Fetterman presented the quorum report. He announced that the number of members present required to constitute a quorum is 50 and the number of members present at the meeting was 86. A quorum was declared, and the meeting was officially opened for business.

A motion was made by Sam Weeks to not read the Official Notice of the Annual Meeting and Proof of Publication of the meeting, seconded by Dan Neely. Motion carried.

Vice President Lindsay called for approval of the minutes of the June 17, 2021 annual meeting held in Cortez, Colorado. Dan Neely moved to approve the minutes as presented, seconded by Sam Weeks. Motion carried.

Vice President Kent Lindsay gave the president's report. Lindsay encouraged members to take advantage of the programs that cooperative offers and to explore the rate options that are now available. He expressed his support for Tri-State, EEA's wholesale power supplier, and reminded our members of the 2% rate reduction Tri-State implemented in 2021 that EEA passed on as part of the rate structuring in September 2021. Lindsay spoke about the strategic planning session that was attended by the Directors and Key-Staff and the long-term goals that were looked at during that session.

Secretary-Treasurer Jerry Fetterman reported on EEA's financial condition. Fetterman thanked Financial Manager Ginny Johnson for providing him the data needed for his report. He stated that EEA is on firm financial footing and exceeds all required benchmarks required by our financial partners. He mentioned that despite a reduction in total operating revenue of 9.5% from 2020, EEA's efforts to control costs and gain efficiencies allowed EEA to achieve an operating margin of \$483,999 and retire \$1,694,449.84 in capital credits to its membership.

General Counsel Tyler Denning introduced himself and stated that he and his law firm began representing EEA in January of 2022. He discussed the uniqueness of cooperatives and how they are owned by their members.

General Manager Josh Dellinger's report centered around EEA's efforts to maintain excellent reliability and affordability in the midst of a very challenging business environment. EEA members consistently indicate that reliability and affordability are their top two priorities and EEA continues to focus on those things. Inflation, supply chain issues, and load loss have presented challenges. EEA is doing its best to shield our members from these challenges. EEA continues to provide over 99.9% reliability and currently plans to keep rates stable. Dellinger then introduced Tri-State CEO Duane Highley.

Tri-State CEO Duane Highley was EEA's guest speaker for the annual meeting. Highley remarked that the focus for Tri-State is like EEA's focus for our individual members. Tri-State, as a cooperative, exists to serve its member cooperatives. The Tri-State board consists of member cooperative directors and functions through a democratic process like EEA. Tri-State's mission is still centered on delivering reliable, affordable, and responsible electric power to their members. Highley noted the current transition to cleaner power sources has presented challenges, and Tri-State has embraced them. Tri-State has cut \$100 million in costs even as the price for wholesale renewable power has doubled in the last year. They have maintained reliable power deliveries to members while using excess capacity to take advantage of short-term market volatility to increase revenue. Tri-State has addressed member requests for a cleaner supply portfolio and anticipates having 50% clean power by 2024 and 70% by 2023. They have also collaborated with members to provide contract flexibility for those who desire more control over their power supply.

Vice President Lindsay called for questions or comments on any of the reports. There were none.

Vice President Lindsay called for unfinished business to be presented. There was no unfinished business.

Vice President Lindsay called for new business to be presented. There was no new business.

Vice President Lindsay called for questions, comments, or suggestions from the audience. Darlene Dennison asked to speak about a fee that house bill 21-1105 requires. She stated that this is a fee that is supposed to be on her gas bill for a nonprofit organization to help them pay for services. She believes that this is a tax,

and they are calling it a fee so that they can bypass Tabor. She provided several documents to be reviewed by EEA staff and attorney.

The election results were finalized and presented by General Council Tyler Denning.

District 3

Audra Fahrion - 1130

Corey Robinson - 1515 Denning declared Robinson winner of District 3

Director Fahrion thanked the Board Members and the staff, and she congratulated Corey Robinson.

Member Engagement Manager Andy Carter conducted the general prize drawing. Prizes included \$25 electric bill credits, bill credits for one year of solar production from panels in the Solar Assist solar garden, water bottles, iPad/notebook computer cases, and extension cords that feature USB as well as regular 120-volt receptacles. The grand prize won by member Brandon Johnson was a fifty-six-volt battery powered chain saw by EGO, courtesy of Tri-State.

Vice President Lindsay adjourned the meeting at 6:26 p.m.

ss/Kent Lindsay, Vice President

ss/Jerry Fetterman, Secretary/Treasurer