EMPIRE ELECTRIC ASSOCIATION, INC.
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
September 12, 2025

Regular meeting of the Board of Directors of Empire Electric Association, Inc. was held Friday, September 12, 2025, with the following directors present: Kent Lindsay, Bob Barry, Larry Archibeque, Corey Robinson, and Doug Sparks. Others present: General Manager Josh Dellinger, Executive Secretary / HR Representative Shawna McLaughlin, Financial Manager Ginny Johnson, Operations and Engineering Manager Ken Tarr, Member Engagement Manager Andy Carter, and System Engineer Dalton Randolph. Appearing by web conference: Attorney Shay Denning and Business Services Manager Chris Snyder. Absent are President David Sitton and Director Bill Mollenkopf.

Others present by web conference: Members Greg South, Emiko South, and Ken Curtis.

Vice President Lindsay called the meeting to order at 8:30 a.m.

Approve Consent Agenda:
Action Item: Robinson moved to approve the consent agenda as presented, seconded by Archibeque. Motion carried.

Membership Input: None.

Monthly Safety Report: Dellinger stated that the safety report is in the board packet. We had no personal injuries or property damages in August. The EEA Annual Safety Luncheon was held on September 11, 2025, and Dellinger thanked board members for attending. Lindsay stated that a line was down up the Dolores River, and he mentioned that the crews need to be aware of the dangers while responding to these types of outages.

Correspondence:
1. CREA Innovations Summit & Fall meeting information
2. Federated Member Update – August 2025
3. URECA Pheasant Hunt Entry Form

Thank you letters:
1. Shelby Jabour for the scholarship
2. Brooklyn Lee for the scholarship
3. Dolores County Fair Board for the annual donation
4. Monticello High School for the annual donation
5. Hanna Barry for purchasing her steer from the San Juan County Fair Livestock Auction

Policy Review/Action:
Action Item: Policy 49: Economic Development (09-10-23): Dellinger stated staff and legal reviewed and a few edits are suggested. The edit was to the section regarding budgeting money for economic development. It was recommended to remove it from the donations / scholarship section and look at donations for economic development on a case-by-case basis. Archibeque stated that there is a typo that needs corrected. Robinson moved to approve Policy 49 as amended, seconded by Barry. Motion carried.

Action Item: Policy 50: Board Member Education (09-10-2023): Dellinger stated that staff and legal reviewed and a few edits were suggested. A couple of education opportunities that were on the list are no longer relevant so those have been removed. Robinson moved to approve Policy 50 as amended, seconded by Sparks. Motion carried.

Action Item: Policy 28: Scholarship Program (01-10-2025): Dellinger explained that we reviewed this policy earlier this year but have recently come across a question regarding scholarship deferral. Occasionally there are recipients that ask to defer their scholarships due to various circumstances. Denise Moore, our Communications Specialist, has typically handled these requests in the past; however, we think it is more appropriate to implement a simple process and for the board to consider delay requests. The suggested edits to the policy are in the packet for the board to consider. Archibeque moved to approve Policy 28 as amended, seconded by Sparks. Motion carried.

General Manager Report:
Action Item: Appoint Voting Delegate and Alternate for the CFC District 7 Meeting: Dellinger mentioned that the CFC District 7 meeting is scheduled for October 7, 2025, in Bellevue WA and will be held in conjunction with the NRECA Regional Meeting. The only business to be transacted is to elect a director to fill a vacant seat from District 7 on the CFC board. The two candidates are Ryan Schilreff and Lee Tafanelli. We can choose to vote in person or by mail. Archibeque plans on attending this meeting. Robinson moved to appoint Larry Archibeque as the voting delegate and direct him to vote for Ryan Schilreff, seconded by Barry. Motion carried.

Action Item: Appoint Voting Delegate and Alternate for the NRECA Colorado Meeting: Dellinger stated that the NRECA Colorado Meeting will be held in conjunction with the CREA Innovations Summit on November 4, 2025. We need to select a voting delegate and alternate for this meeting. Archibeque was last year's delegate. Robinson moved to appoint Archibeque as the voting delegate and Barry as the alternate delegate, seconded by Sparks. Motion carried.

Action Item: Select 2026 Annual Meeting Date (June 18, 2026): Dellinger explained that the board needs to select the 2026 Annual Meeting date so that we can include it in our calendars. Typically, we hold it on the third Thursday in June which would be June 18, 2026. Barry moved to select June 18, 2026, as the Annual Meeting date, seconded by Sparks. Motion carried. Robinson mentioned that the Tri-State Annual Meeting will conflict with EEA's April meeting and he would like the board to consider rescheduling the April board meeting. The board agrees to set the April meeting for April 17, 2026.

Review of the Long Range Financial Forecast: Johnson stated that both the base case long term and a forecast including wildfire mitigation efforts by undergrounding lines in high fire danger areas are included in the packet. She reviewed both forecasts with the board and stated that the forecasts do not include any use of deferred revenue. The board will need to consider how to effectively use deferred revenue and plan for a rate increase beginning in 2027. Johnson stated that she will model how solar projects will affect the LRFF and have it to present at the board at next meeting.

Financials: Johnson reported on July's financials. She explained that in July, financials recovered most of purchase power expenditures. We are still within all loan covenants.

Miscellaneous: Dellinger mentioned that all donation / sponsorship requests are due by September 15, 2025, and the board will need to get together to review all those requests to have them ready for approval during October's board meeting. The date of Tuesday, September 30, 2025, at 3:00 p.m. was set for a donation / sponsorship review.
Dellinger stated that as our new headquarters building gets closer to completion, we are looking at décor for the building. There are several EEA paintings in the boardroom, and he asked if anyone had any history behind

them. Sparks explained where some of the pictures came from and the history behind them. We will plan on moving some of these pictures to the new building, based on staff discretion and the board's feedback at this meeting.

Director Roundtable: Robinson stated that Brian Balfour and he went to the Montezuma Land Conservancy discussion that was held at the Mancos Brewery. He thanked staff for sending Balfour and explained that they were able to talk about the cooperative model.

Barry mentioned that he thinks that on the scholarship policy, we need to increase the trade scholarship amount and that the scholarship committee should discuss this.

Lindsay stated that we need to start focusing on some of our committees. He stated that it would benefit us to have meetings for both the scholarship committee and the bylaw committee. Lindsay is recommending that the scholarship committee meet within the next couple of months to review the scholarship policy. The bylaw committee should also be meeting to do a review of the bylaws. The building committee has been doing correspondences through email, but they have not had a formal meeting in a while. They should consider meeting next month. The rate design committee will also need to have a meeting early in 2026. The ByLaw Committee will be held on November 14, 2025, after the regular scheduled board meeting.

Kent Lindsay, Bob Barry, Larry Archibeque, David Sitton, and Doug Sparks will be attending the CREA Innovative Conference in November and directed McLaughlin to get them registered.

Sparks mentioned that he will be out of town for the October meeting. He will try to attend virtually.

Attorney: Attorney Shay Denning stated that her report is in the packet. She will be attending the November meeting in person, so she will be able to attend the Bylaw Committee meeting in person as well. She also will not be able to attend the October meeting. She will be available by phone if she is needed. She would like to have one of her associates, Zachary Al-Tabbaa attend in her absence.

Tri-State: Robinson reported on the Tri-State Board meeting. They approved their 2026 budget, which includes a 7.5% rate increase. They received an update on the Lee Fire and how White River Electric was affected. The Electric Resource Plan (ERP) received written approval from Colorado PUC. Third parties have 20 days to submit requests for rehearing and reconsideration. If someone submits a requst, there will be another 30 days for the commission to reconsider. If nothing is done, the order will be official. Bryan Davis was selected as the new CFO for Tri-State. They continue to consider options for dealing with the issues with their HQ building, including moving to a different site or constructing a new building on their existing campus. They received an update on the Boone Huckleberry TX line. This is a large transmission upgrade that is being done this year. The JMS plant is undergoing several repairs. The Demand Response Program ran their first events in July on irrigation loads. They achieved 62% load shed on their first test. There was a session to educate board members on the Plains Merger that occurred several years ago. This was brought up because the New Mexico members did not get any capital credits which was part of the agreement when they joined Tri-State. Robinson also mentioned some personnel shifts to different roles that happened in Tri-State.

CREA: Archibeque reported on the CREA meeting. He discussed a concern regarding Xcel not joining the RTO, which will have cost implications for all the cooperatives. Archibeque and Dellinger spoke about these concerns and whether it is appropriate for CREA to take the lead in a study that would show the effects of Xcel not joining the RTO. The new CREA building has been purchased and moved into. The old building is under contract with a closing date of September 30th. CREA Board approved nine associate members. They will pro-rate those dues for the remainder of this year. Mike Pendy was hired as the Safety and Loss Trainor. He will be providing trainings for the western slope. A coalition is being formed to challenge the governor's clean energy plans. The governor wants to move the 2050 target date up to 2040 and there are several entities who are against this. Archibeque mentioned that they have interviewed the last two candidates for the CEO position. The board decided to negotiate with the first candidate and if that did not come through to negotiate with the second candidate. The first candidate fell through and they are now in negotiations with the second candidate.

Western United: Barry reported on the Western United meeting. He attended the Fish Fry. They are signing up new members in Kansas and Nebraska. They hired a new manager for Wyoming and Nebraska. Barry discussed how the tariffs are affecting Western United. Jack Johnson is the new board secretary; Steve Valdez continues to be President. They also discussed White River Electric and the number of poles that must be replaced. Western United passed its audit and extended the contract with the same auditor for the next three years.

Utah Rural Electric Cooperatives Association: Barry reported on the URECA meeting. Utah had a couple of large fires that took several homes. Price, UT will no longer be able to use any agricultural land for solar use. Barry mentioned the Pheasant Hunt and the donation that they would like for EEA to contribute. Robinson mentioned the Utah House Bill 340 that allows customers to install solar to a certain size without an interconnection agreement, he asked if EEA was aware of that. Dellinger was unaware of this bill, and he will investigate it.

Committees: There was a committee discussion under the Director Roundtable.

Executive Session: Archibeque moved to go into executive session to discuss Tri-State, and receive legal advice, seconded by Robinson. Motion carried. Went into executive session at 11:40 a.m. Came out of executive session at 12:23 p.m.

Adjournment: Meeting adjourned at 12:30 p.m.

Kent Lindsay, Vice President

Bob Barry, Secretary / Treasurer