

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
July 18, 2023

A regular meeting of the Board of Directors of Y-W Electric Association, Inc. was held at the headquarters of the Association, located at 26862 US Highway 34 in Akron, Colorado, at 1:00 p.m. on July 18, 2023.

ROLL CALL

President Joneal Young called the meeting to order. Directors present in person were:

Joneal Young	Larry Hill
Stuart Travis	Robert Bledsoe
Larry Winger	Brooke Price

Director Freeman Morris was absent.

Directors Roger Schenk and Aaron Gebauer attended via telephone.

General Manager Trent Loutensock and Attorney Bryson Fredregill were also present in person. Attorney Fredregill recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was revised with the removal of Policy 5-3 Membership in Other Organizations from the Consent Agenda for separate consideration. The agenda was adopted as revised.

PUBLIC COMMENT

Davie Winfield entered the meeting.

Winfield requested a donation on behalf of the River City Car Club to promote the club's annual car show. It was properly moved, seconded, and carried to donate \$300.00 to the car show.

Winfield exited the meeting.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the June 20, 2023, Regular Meeting of the Board of Directors.

- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 5-1 Assistance to Other Cooperative Power Suppliers and Municipalities
- d. Policy 5-2 Use of Cooperative Meeting Equipment

It was properly moved, seconded, and carried to approve the Consent Agenda as revised.

POLICY 5-3 MEMBERSHIP IN OTHER ORGANIZATIONS

General Manager Loutensock presented revised Policy 5-3 Membership in Other Organizations, noting that CoBank has been added to the list of organizations in which Y-WEA maintains membership. It was properly moved, seconded, and carried to adopt the policy as presented.

JUNE BILLS

General Manager Loutensock and the Board reviewed the list of bills paid by the Association in the month of June 2023.

FINANCIAL REPORT

Brandee Bullard entered the meeting.

Bullard and General Manager Loutensock presented the Y-WEA financials. They presented the Investments Report, May Statement of Operations, Loan Rate Comparison as of July 12, 2023, May Form 7, May Operating Forecast, Two-Year Expense Report, Five-Year Equity Report, and Consumer Sales and Revenue Report. Bullard presented the June Capitalized Costs Report and the May General Ledger.

Loutensock presented the June 11, 2023, Tri-State Invoice, and graphs of demand, energy, and cost per kWh through June 2023. The board discussed factors contributing to the high mills per kWh.

Bullard exited the meeting.

IT REPORT

Steven Marshall entered the meeting.

Marshall presented the quarterly IT Report. Marshall reported on storm damage, including a switch that was likely damaged by lightning. The switch has been replaced and Marshall is working developing redundancy with an additional switch.

Marshall exited the meeting.

MEMBER SERVICES REPORT

General Manager Loutensock presented the quarterly Member Services Report as prepared by Andy Molt. Loutensock presented a prioritized list of grant opportunities. Loutensock discussed grant eligibility, including the requirement that projects reduce carbon emissions. Loutensock discussed Y-WEA's grant strategy.

OPERATIONS REPORT

Andy Hase entered the meeting.

Hase presented the quarterly Operations Report and Safety Report. He reported that Y-WEA experienced no lost time accidents. Hase provided details on four consumer incidents. Hase also discussed safety training, new services, accounts retired, and the outage report. Y-WEA experienced two major storms during the report period. The combined damage from the storms included the loss of 120 poles.

Hase exited the meeting.

MANAGER REPORT

Manager Loutensock presented his written report. He presented the list of delinquent accounts and "thank you" notes.

It was properly moved, seconded, and carried to go into executive session to discuss confidential legal matters. All directors present at the meeting, Manager Loutensock, and Attorney Fredregill were present during such executive session. It was properly moved, seconded, and carried to exit executive session.

Loutensock provided an update of Tri-State G&T matters before the FERC. Loutensock presented a letter supporting Tri-State from Representative Ken Buck to the FERC. Loutensock discussed the status of the Tri-State rate and CTP FERC dockets, including the anticipated timeline for decisions from the FERC.

Loutensock discussed the status of net metering in Colorado. He discussed Holy Cross Energy's proposed net metering rate change and the opposition to the proposal. Loutensock discussed CREA's participation in a group including HCE, United Power, the Colorado Energy Office, formed to discuss legislative solutions to net metering issues. Loutensock reported that the eastern electric cooperatives have requested that CREA include the concerns of said cooperatives in the meetings of the group.

Loutensock reported on the status of Y-WEA's 2024 rate analysis. Loutensock reported that the Rate Analysis Report is scheduled for the October meeting, and issues affecting future rates will include Tri-State's anticipated rate increase and the possibility of direct assignment. Loutensock anticipates that the most affected rates will be the small commercial and residential rates, with the possible implementation of a demand component.

Loutensock presented the CFC Newsletter.

GENERATOR REPORT

General Manager Loutensock presented the Wray Wind Generation Report, EV Charging Station Financial Summary, and Net Metering Analysis through June 2023.

President Young recessed the meeting at 3:18 p.m. and reconvened the meeting at 3:26 p.m.

WRAY WAREHOUSE

Andy Hase entered the meeting.

Hase presented the bids for construction of the new Wray warehouse. It was properly moved, seconded, and carried to authorize acceptance of the low bid from Sito for construction of the Wray warehouse. Director Price abstained from the vote.

Hase exited the meeting.

EMPLOYEE DIRECTOR BANQUET

Cami Mehring entered the meeting.

Mehring reported on plans for the Employee Director Banquet to be held November 9, 2023.

Mehring exited the meeting.

CARE/ACRE AUCTION

General Manager Loutensock reported on Y-WEA's past participation in the Care/Acre Auction, where Y-WEA typically partners with Highline Electric Association to donate a Bally Neal golf package. It was properly moved, seconded, and carried to authorize the donation from Y-WEA of up to \$1,000.00 toward a Bally Neal golf package for the Care/Acre Auction in partnership with HEA.

DONATION REQUESTS

Manager Loutensock presented a donation request for the Central Great Plains Research Stations 114th Field Day. It was properly moved, seconded, and carried to donate \$100.00 to the Central Great Plains Research Stations 114th Field Day.

WESTERN UNITED REPORT

Director Bledsoe reported on the status of Western United Electric Supply Corporation. Western United's fiscal year closed on June 30, 2023 with a 17.3% increase in sales over the prior fiscal year. June sales were down 14%.

MID-WEST ELECTRIC CONSUMERS ASSOCIATION

Director Travis reported on his attendance at the meeting of the Mid-West Electric Consumers Association. The group toured the Garrison Dam. Mid-West staff is proposing remote work for staff. The Missouri flows are at normal levels.

TRI-STATE

Director Schenk reported on his attendance at the Regular Meeting of the Tri-State Board of Directors. Schenk presented the Tri-State Board Report and discussed the financials, reporting that Tri-State's margins are currently negative in the amount of \$10 million. Schenk discussed coal operation and quality issues, including frozen supplies due to the weather in Northwest Colorado. He discussed the Rate Committee explanation as to how load factor affects rates and reported the results of the direct assignment study. The Tri-State Board passed a resolution resolving that member buyout proceeds be used to pay down debt. Tri-State sold land in Arizona and is considering selling land in Southeast Colorado.

COBANK DIRECTOR ELECTION

General Manager Loutensock presented the CoBank 2023 Director Election Ballot. The board discussed the candidates. It was properly moved, seconded, and carried that Y-WEA vote for Michael W. Marely.

MEETING ATTENDANCE

The Board discussed attendance at upcoming meetings.

CFC ANNUAL MEETING

Director Travis reported on his attendance at the CFC Annual Meeting.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 4:25 p.m.

SECRETARY

PRESIDENT