

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
June 19, 2025

A regular meeting of the Board of Directors of Highline Electric Association was held at the office of the Association in Holyoke, Colorado at 9:00 A.M. on June 19, 2025.

ROLL CALL

President Mike Bennett presided at the meeting. Directors present in person:

Mike Bennett	Leo Brekel
Merlin Prior	Lisa Schilke
Aaron Sprague	Jim Lueck

Director Brad Stromberger entered the meeting immediately before the Operations Report.

Directors David Carlson, Steve Oestman, and Pam Stieb were present via video conference. Oestman joined the meeting after approval of the consent agenda.

Director Ted Carter was absent. General Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Kris Camblin, and Elise Pocock were present in person or via video conference. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was adopted as presented.

MINUTES APPROVED

The minutes of the May 15, 2025, Regular Meeting of the Board of Directors were presented. It was properly moved, seconded, and carried to adopt the minutes as presented.

MANAGER'S REPORT

Manager Herman presented the Manager's Report. He reported on kWh Purchased, kWh Sold, Operating Revenue, Billing Summary, Expenses, Operating Margins, and Cash & Investments through May 2025.

Aaron Sprague reported on water issues at the RRWCD. The district received \$6 million from the State of Colorado for the district's retirement program. The district is applying for a \$10 million grant from the federal government to increase the pipeline capacity.

Herman reported on the status of the eagle protection project.

Herman presented a summary report of Highline's legal spending on the FERC Tri-State rate proceeding.

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding Tri-State FERC rate docket, with the following in attendance: All directors present at the meeting, Manager Herman, Attorney Williamson, and all staff

present at the meeting. It was properly moved, seconded, and carried to exit executive session.

It was properly moved, seconded, and carried to authorize General Manager Herman to negotiate a settlement in the Tri-State FERC rate docket on behalf of Highline and to authorize Herman to authorize litigation expenses.

Highline will work with Y-WEA in replacing Highline poles designated for replacement by the pole-testing contractor.

It was properly moved, seconded, and carried to appoint Leo Brekel as Highline's delegate to the Basin Electric District No. 5 caucus.

Recording fees in Colorado have increased substantially. RUS approved Highline's request to extend its loan.

Director Brad Stromberger entered the meeting.

OPERATIONS AND SAFETY REPORT

Operations Manager Kris Camblin presented the Operations and Safety Report. He reported on system damage from the May windstorm, vehicle maintenance, fire mitigation activities, and area crew activities. He presented the Safety Committee Report. There were no accidents. He presented the outage report.

MEMBER SERVICES REPORT

The Member Services Report, as prepared by Member Services Manager Tadius Huser, was reviewed.

ENGINEERING REPORT

Alex Astley presented the Engineering Report. He reported on project work in engineering, information technology, metering, staking, and communications. He reported on the status of large projects, including the Chase transformer upgrade, the Y-WEA construction work plan, and load control activity.

CORPORATE SERVICES REPORT

The Corporate Services Report, as prepared by Chief Financial Officer Jim Jackson, was reviewed. The report included CFC Commercial Paper Investments as of May 31, 2025. Highline paid \$3,509.11 in fees on \$273,656.18 worth of credit card payments in May.

The balance sheet, Form 7, cash flow report, and check register were reviewed.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 6-3 Interconnection of Distributed Generation(no recommended changes)
- b. Policy 8-3 Load Management and Curtailment Plan (no recommended changes)
- c. New Members and Membership Refunds
- d. Subordination Agreements and Release of Liens
- e. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent.

Steve Oestman joined the meeting via video conference.

TRI-STATE BYOR PROJECT

General Manager Herman reported on the status of the BYOR project, including a change in the structure of the PPA. Herman presented the FSA with Tri-State as executed by Herman. It was properly moved, seconded, and carried to ratify Herman's execution of the FSA and to authorize Herman to negotiate and execute a PPA for purchase of energy pursuant to the FSA and Tri-State's BYOR policy.

EV DC FAST CHARGER

General Manager Herman reported that Highline was unable to sell the EVDC charger. Highline will retire the charger.

REAP GRANT; BATTERY ELECTRIC STORAGE SYSTEM

Pending federal legislation would require any renewable energy project to commence construction within 60 days of enactment of the new federal legislation or the end of the year in order to access existing investment and production tax credits. Herman believes Highline can meet the deadline for Highline's REAP grant project at the Amitie substation. Herman reviewed the projected financials for the project.

Herman reported that Tri-State's DERMS program could make a Battery Electric Storage System (BESS) cost-effective for Highline. A BESS project would be subject to the same commencement of construction deadline as the REAP grant. Herman reviewed his analysis of potential BESS projects in Highline's territory. He recommends pursuing a BESS project at the Amitie substation. If this project fails, he recommends pursuing the Amitie 1MW solar project.

It was properly moved, seconded, and carried to authorize General Manager Herman to pursue the renewable projects as recommended.

RLF

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding a revolving loan fund loan, with the following in attendance: All directors present at the meeting, General Manager Herman, Attorney Williamson, and all staff present at the meeting. It was properly moved, seconded, and carried to exit executive session.

It was properly moved, seconded, and carried to authorize foreclosure proceedings as discussed in executive session.

NEWERA GRANT

General Manager Herman reported that Highline will not be able to move forward with its NewEra projects due to the requirement to commence construction within 60 days of enactment.

CREA HQ BUILDING

CREA is under contract to purchase a new HQ building. Any CREA member can pre-pay its portion of debt associated with the purchase. Herman recommends pre-paying Highline's share of the debt if CREA assesses the debt to its members.

It was properly moved, seconded, and carried to authorize payment of Highline's portion of the debt assessed by CREA for purchase of the new HQ building.

President Bennett recessed the meeting at 11:59 a.m. and reconvened the meeting at 12:52 p.m.

TRI-STATE

Director Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. Tri-State is considering options for its HQ building, which needs structural renovations. Thirty-four Tri-State members extended their contracts until 2066. The SPP issued a notice to construct to Tri-State for a portion of the transmission line from Holcomb to Sidney.

CREA

Jim Lueck reported on his attendance at the regular meeting of the CREA Board of Directors, which was held in Holyoke. The CREA Board toured the CHS rail car load out facility and Western Potato's facilities.

NREA

Merlin Prior reported on his attendance at the regular meeting of the NREA Board of Directors. The Nebraska state legislative session ended June 1. There was no significant legislation affecting electric cooperatives.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to appoint Jim Lueck as Highline's delegate and Dennis Herman the alternate to the NRECA Region 7&9 meeting.

EMERGENCY BUSINESS


General Manager Herman presented a revised residential pre-pay tariff. It was properly moved, seconded, and carried to approve the tariff as presented.


PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 1:33 p.m.



SECRETARY


PRESIDENT