

HIGHLINE ELECTRIC ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
August 21, 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 August 21, 2025.

ROLL CALL

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

Mike Bennett	Leo Brekel
Ted Carter	Merlin Prior
Aaron Sprague	Lisa Schilke
David Carlson	Jim Lueck
Pam Stieb	

Directors Brad Stomberger and Steve Oestman were absent.

General Manager Dennis Herman and Attorney Levi Williamson were present in person. Staff members Alex Astley, Kris Camblin, Jim Jackson, Tadius Huser, 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 July 24, 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 July 2025.

Aaron Sprague reported on matters at the RRWCD. The District will hold educational meetings throughout its territory regarding an anticipated fee change and other issues facing the District.

Manager Herman presented the CAMU report. Herman presented Highline's legal spend on the Tri-State FERC docket. He updated the Board on Highline's pole replacement project. Herman asked if the Board would like to have a strategic planning session. After discussion, the consensus of the Board was to hold a strategic planning session in January or February. The employee wellness committee is planning a competitive employee team building exercise for employees.

Tri-State's preliminary 2026 budget shows a rate increase to Highline of 6%. Herman reported that Highline can conduct a member satisfaction survey through Touchstone Energy at no cost to Highline. The consensus of the Board was to engage Touchstone Energy for the survey. Herman asked if the Board would like to change anything in the format of Highline's annual meeting. The

consensus of the Board was to maintain the current format. Herman reported that Highline stopped selling water heaters.

Manager Herman reported that Highline linemen expressed interest in participating in the Light Up Navajo project. Linemen would be gone for one week. Four linemen would take two trucks for six days. It was properly moved, seconded, and carried to authorize Highline to participate in the project.

Herman reported that Highline's medical insurance premium will increase 5.9% in 2026. Highline's retirement plan cost will increase by 0.5%.

Herman reported that Tri-State discussed the possibility of removing its eastside load to be served by NPPD. Tri-State decided against it. Herman asked if the Board would like to investigate removing Highline's eastside load from Tri-State to be served by NPPD.

Leo Brekel left the meeting for discussion related to Highline's eastside load.

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding Highline's eastside load, with the following in attendance: All directors present at the meeting except for Leo Brekel, General Manager Herman and staff present at the meeting, and attorney Williamson. It was properly moved, seconded, and carried to exit executive session.

Leo Brekel re-entered the meeting.

OPERATIONS AND SAFETY REPORT

Operations Manager Kris Camblin presented the Operations and Safety Report. He reported on substation infrared testing, concrete replacement at the HQ facility, fire mitigation activities, storm damage to the system, and area crew activities. He presented the Safety Committee Report. There was one accident. Highline completed its Safety Improvement Plan. Camblin presented the outage report. He reported on his attendance at a loss control conference.

MEMBER SERVICES REPORT

Member Services Manager Tadius Huser presented the Member Services Report. He reported on his attendance at the Washington D.C. youth tour. He reported on new services, rebates, RLF activity, the on-bill repayment program, renewable distributed generation, and attempts to sell the Free Wire EV charger.

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, Lamar substation upgrade, the Amherst substation battery energy storage system project, the Y-WEA construction work plan, and load control activity.

CORPORATE SERVICES REPORT

Corporate Services Manager Jim Jackson presented the Corporate Services Report. Jackson presented CFC Commercial Paper Investments as of July 31, 2025. Highline paid \$3,312.19 in fees on \$235,938.58 worth of credit card payments in July.

Jackson presented the balance sheet, Form 7, cash flow report, and check register.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Policy 1-23 Consumer Data Protection(no recommended changes)
- b. Policy 2-4a Employee Compensation (no recommended changes)
- c. Policy 3-1 Member Education (no recommended changes)
- d. New Members and Membership Refunds
- e. Subordination Agreements and Release of Liens
- f. Estate Capital Credit Refunds

The Consent Agenda was approved by unanimous consent.

BYOR PROJECT

General Manager Herman reported on the status of the BYOR project. The parties are working on a guarantee agreement.

RETIREMENT PLAN

Manager Herman reported that Highline's retirement plan will fail non-discrimination in the near future. He summarized changes to the plan that would exempt Highline's plan from non-discrimination testing. He presented a resolution approving the changes. It was properly moved, seconded, and carried to approve the resolution as presented, contingent on review and approval by attorney Williamson.

RLF UPDATE

Manager Herman reported on the status of the RLF loan in collection. He recommended hiring attorney Dan Calisher to pursue collection. It was the consensus of the Board to hire Calisher.

President Bennett recessed the meeting at 11:59 a.m. for lunch and reconvened the meeting at 12:55 p.m.

NEW ERA GRANT UPDATE

Manager Herman reported that Highline is not allowed to carve out projects within its New ERA grant application. He recommends abandoning the New ERA and REAP grants and pursuing BESS projects under Tri-State's DERMS program. It was the consensus of the Board to proceed as recommended by Herman.

BATTERY ENERGY STORAGE SYSTEM (BESS) UPDATE

General Manager Herman reported on the BESS project at the Amherst substation.

TRI-STATE

Director Leo Brekel reported on his attendance at the regular meeting of the Tri-State Board of Directors. He reviewed the

preliminary 2026 budget. The Tri-State Building Review Committee is considering an alternative site. Fitch Ratings raised Tri-State's rating from negative to stable. Brekel reviewed the June Operations performance.

CREA

Director Jim Lueck reported that there was no regular meeting of the CREA Board of Directors. He reported on his attendance at the meeting of the CREA Legislative Committee meeting. The Colorado legislature is considering legislation on wildfire mitigation.

NREA

Merlin Prior reported on his attendance at the regular meeting of the NREA Board of Directors. NREA is considering changes to its JT&S program. The NREA Board reviewed the preliminary 2026 budget and completed the CEO performance evaluation.

WESTERN UNITED

Director Ted Carter reported that there was no regular meeting of the Western United Board of Directors.

MEETING ATTENDANCE

The directors discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to authorize Manager Herman to vote Highline's ballot for the CFC District 7 Board of Directors representative.

TRI-STATE FERC DOCKET

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding the Tri-State FERC rate docket, with the following in attendance: All directors present at the meeting, Manager Herman, Alex Astley, Kris Camblin, and attorney Williamson. It was properly moved, seconded, and carried to exit executive session.

PUBLIC COMMENT

There was no Public Comment.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 2:03 p.m.

SECRETARY

PRESIDENT