

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF UNITED POWER, INC.
WEDNESDAY, MARCH 22, 2023**

GENERAL

Chairman Beth Martin called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on March 22, 2023. Present were Directors Keith Alquist, Ginny Buczek, Brad Case, Tim Erickson, Beth Martin, Brian McCormick, Ursula Morgan, James Vigesaa, Tamra Waltemath, and Steve Whiteside.

President & Chief Executive Officer Mark Gabriel, Chief Operating Officer Bryant Robbins, Chief Financial Officer Laurie Burkhart, Chief Energy Resource Officer Dean Hubuck, Chief Marketing Officer Trista Fugate, Chief Information Officer Alie Beauchamp, VP of Human Resources, Safety, and Facilities Erin Hane, Safety and Facilities Director Ken McFadden, Energy Programs Director Joel Danforth, Energy Systems Specialist Luz Carrillo, and Executive Administrative Assistant Cheri Simmons were also present. Public Affairs Officer Troy Whitmore was absent.

Guests in attendance were 2023 Director Candidates Katherine Mills and Ken Kreutzer.

INVOCATION & PLEDGE OF ALLEGIANCE

Director Alquist gave the invocation and led in the Pledge of Allegiance.

INTRODUCTION OF DIRECTOR CANDIDATES

Chairman Martin asked all 2023 Director Candidates to stand and introduce themselves.

SAFETY UPDATE

S&FD McFadden provided an update on United Power's safety activities. S&FD McFadden left the meeting following the update, at 9:20 a.m.

NEW EMPLOYEES

Journey Lineworker Joseph Lindenberger was introduced to the Board via photograph.

CONSENT AGENDA

The following items were listed on the consent agenda:

- Approval of Agenda
- Approve Feb. 21, 2023 Regular Board Meeting Minutes

Director Vigesaa made a motion, which was seconded, and carried, to approve the consent agenda as presented.

CRITICAL UPDATES, STRATEGIC ISSUES, AND OPEN DISCUSSION

Attendees were briefed on the following topics: the 10,000th solar panel installation, in which ESS Carrillo and EDP Danforth were thanked and applauded for their efforts; federal grants progress; repurchase of Tri-State assets; Adams County Special Master ruling, CFC private placement; banking; substation property purchase progress; substation security; privacy law changes; and the need for a regulatory meeting in May

SUBSTATION SECURITY IMPROVEMENTS

COO Robbins asked the Board to approve the reappropriation of funds originally designated for distribution plant construction, up to \$1M, for substation security improvements. **Director Buczek made a motion**, which was seconded, and carried, to approve the request.

A brief recess was called at 10:29 a.m., with the meeting reconvening at 10:41 a.m.

END OF YEAR WORKING CAPITAL REPORT

CFO Burkhart reviewed the report and answered the Board's questions. **Director Morgan made a motion**, which was seconded, and carried, to accept the End of Year Working Capital Report for filing.

2023 SPS AGENDA

Following a brief discussion, the Board voted unanimously, by a show of hands, to accept the 2023 SPS agenda as amended. A bylaw review workshop was added to the last day of 2023 Strategic Planning Session, May 11, 2023.

Due to the need to review several agenda items in Executive Session following the lunch break, a few items were shifted and discussed at this time:

STAFF REPORTS

President & CEO Gabriel and Staff answered the Board's questions.

INTERNATIONAL TRAVEL

As required by Policy AP-48, President & CEO Gabriel briefed the Board on an upcoming trip to Toronto for him, CIO Beauchamp, and VP of Engineering Maxwell. **Director Buczek made a motion**, which was seconded, and carried, to approve the request.

EXTERNAL REPORTS

Director Buczek briefed the meeting attendees on recent CREA activities.

The meeting recessed for lunch at 11:42 a.m.

CoBank's Senior Relationship Manager, Electric Distribution Banking Group, Mike Anthos and Lead Economist, Power Energy & Water Knowledge Exchange Division, Teri Viswanath joined the meeting to give a presentation to the Board, Staff, and guests.

At 1:05 p.m., the meeting reconvened with the entire Board and Staff returning. Assistant Controller Carmen Lozano joined the meeting and CPA Woody Trimble representing the firm Jackson Thornton & CO., P.C. joined the meeting via teleconference at this time.

EXECUTIVE SESSION

At 1:09 p.m., **Director Morgan made a motion**, which was seconded, and carried, to enter Executive Session for financial considerations. The entire Board and Staff were present; guests and candidates were excused from the meeting at this time.

At 1:33 p.m., **Director Erickson made a motion**, which was seconded, and carried, to end Executive Session. CPA Trimble left the meeting, via teleconference, at this time.

ANNUAL AUDIT REPORT

Director Vigesaa made a motion, which was seconded, and carried, to accept the annual audit report as presented for filing.

EXECUTIVE SESSION

At 1:34 p.m., **Director Vigesaa made a motion**, which was seconded, and carried, to enter Executive Session to for financial considerations. The entire Board and Staff were present.

At 1:58 p.m., **Director Buczek made a motion**, which was seconded, and carried, to end Executive Session.

DEPRECIATION STUDY RECOMMENDATIONS

Director Morgan made a motion, which was seconded, and carried, to adopt the following resolution:

RESOLUTION APPROVING IMPLEMENTATION OF DEPRECIATION STUDY RECOMMENDATIONS

WHEREAS, United Power, Inc. contracted Jackson Thornton, LLP to perform a Depreciation Study (the “Study”) evaluating the appropriateness of depreciation rates currently applied to the cooperative’s Transmission and Distribution Plant; and

WHEREAS, the Study provided four recommendations to correct and adjust assigned depreciation rates and associated reserves to ensure appropriate recovery through retail electric rates; and

WHEREAS, the Board of Directors of United Power, Inc. wishes to implement the recommendations of the Study as follows: 1) adjust asset lives; 2) recognize net negative salvage associated with disposal of plant; 3) amortize the shortfall in the calculated accumulated depreciation reserve; and 4) amortize the accumulated loss on retirements; and

WHEREAS, United Power, Inc. desires adequate time to complete the administrative functions associated with the implementation of these recommendations.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of United Power, Inc. hereby authorizes the Chief Financial Officer to implement the recommendations of the Depreciation Study conducted by Jackson Thornton, LLP as outlined, effective Jan. 1, 2024.

EXECUTIVE SESSION

At 2:00 p.m., **Director McCormick made a motion**, which was seconded, and carried, to enter Executive Session to for personnel discussions. The entire Board, CFO Burkhart, and VPHR Hane were present; all other Staff members were excused at this time.

At 2:40 p.m., **Director Vigesaa made a motion**, which was seconded, and carried, to end Executive Session.

A brief recess was called at 2:42 p.m., with the meeting reconvening at 2:53 p.m.

At 2:44 p.m., all Staff members returned to the meeting except CIO Beauchamp, VPHR Hane, and AC Lozano. Vice President of Energy Resource Planning Greg Howes joined the meeting at this time.

EXECUTIVE SESSION

At 2:54 p.m., **Director Morgan made a motion**, which was seconded, and carried, to enter Executive Session to for litigation/contracts discussion. The entire Board, President & CEO Gabriel, COO Robbins, CERO Hubbuck, CFO Burkhart, CMO Fugate, and EAA Simmons were also present.

At 3:21 p.m., Director McCormick was excused from the meeting.

At 3:41 p.m., VPERP Howes left the meeting.

At 3:50 p.m., **Director Morgan made a motion**, which was seconded, and carried, to end Executive Session. Director McCormick returned to the meeting at 3:51 p.m.

EXTERNAL REPORTS, continued

Director Alquist briefed the meeting attendees on WUE activities; and Director McCormick briefed attendees on Tri-State activities.

A brief recess was called at 4:08 p.m.; all Staff members were excused for the rest of the day.

The Board returned from their break at 4:16 p.m.

EXECUTIVE SESSION

At 4:17 p.m.; **Director Alquist made a motion**, which was seconded and carried, to go into Executive Session for Personnel discussion. All ten Board members remained.

At 5:20 p.m.; **Director Alquist made a motion**, which was seconded, and carried, to end Executive Session.

Director Buczek made a motion, which was seconded, and carried, to finalize the annual CEO Evaluation and that Directors Martin and Vigesaa would present the survey/discussion to CEO & President Gabriel.

ADJOURNMENT

Chairman Martin declared the meeting adjourned at 5:22 p.m.

MEETING SCHEDULE

The next Regular Board meeting is scheduled Wednesday, April 26, 2023, at 9 a.m., at United Power Headquarters, 500 Cooperative Way, Brighton, CO.

A handwritten signature in black ink, appearing to read "CSim", with a long horizontal flourish extending to the right.

Cheri Simmons, Recording Secretary