EMPIRE ELECTRIC ASSOCIATION, INC.
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
October 9, 2026

Regular meeting of the Board of Directors of Empire Electric Association, Inc. was held Friday, October 9, 2026, with the following directors present: David Sitton, Kent Lindsay, Bob Barry, Larry Archibeque, Corey Robinson, Bill Mollenkopf, and Doug Sparks. Others present: General Manager Josh Dellinger, Executive Secretary / HR Representative Shawna McLaughlin, Operations and Engineering Manager Ken Tarr, Finance Manager Ginny Johnson, Business Services Manager Chris Snyder, Member Engagement Manager Andy Carter, and System Engineer Dalton Randolph. Appearing by web conference: Attorney Shay Denning.

Others present in person: Member James Cowan and Jacque Speake.

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

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

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

Membership Input: James Cowan mentioned that he is here regarding the Valley Range Solar Project. He thanked the board for looking into this project. He asked questions regarding how much the members would save and how he can help support this project. Sitton mentioned that the amount EEA would receive would be significant. Dellinger stated that we can estimate what our savings would be and explained how the BYOR program works. He stated that this would reduce rate pressure with the extra revenue that the project will generate. Director Lindsay removed himself from this conversation.

Monthly Safety Report: Dellinger stated that the safety report is in the board packet. There were no personal injuries or property damages. He thanked Sitton for coming to the Safety Meeting last month to discuss a situation that he witnessed with the crews.

Correspondence:
1. CRC Member Patronage
2. Western United Patronage Distribution
3. Federated Member Update – September 2026
4. CRC Report from the Board – September 2026
5. CREA Energy Innovations Summit and Fall Meeting Information

Thank you Letters:
1. Dolores County Fair Board & Dolores County Junior Rodeo for the annual donation.

Policy Review/Action:
Policy 19: Local Vendor Preference (08-09-2024): Dellinger stated that staff and legal reviewed Policy 19 and have no suggested edits.

Policy 20: Rate Design (09-13-2024): Dellinger reported that staff and legal reviewed Policy 20 and have no suggested edits.

General Manager Report:
Action Item: Select Delegate for Colorado NRECA Annual Membership Meeting: Dellinger stated that the Colorado NRECA Annual Membership meeting will be held on November 3, 2026 at 9:00 a.m. The meeting will be held in conjunction with the CREA Energy Innovations Summit and Fall Meeting. Archibeque moved to appoint Bob Barry as the voting delegate and David Sitton as an alternate delegate, seconded by Robinson. Motion carried.

Action Item: Select CoBank Sharing Success Recipients: Dellinger explained that CoBanks allows us to select up to four of our local nonprofit organizations to receive a matching grant from them. Robinson moved to select Four Corner's Child Advocacy Center, The Salvation Army, Montezuma County Senior Services, and Hospice of Montezuma as the recipients and add an additional $500 to these recipients from the discretionary funds, seconded by Archibeque. Mollenkopf, Robinson and Archibeque voted yes and Sparks, Lindsay, Barry and Sitton voted no. Motion failed. Robinson moved to select the Four Corner's Child Advocacy Center, The Salvation Army, Montezuma County Senior Services, and Hospice of Montezuma as the recipients for CoBanks Sharing Success Program with no additional funds, seconded by Archibeque. Motion carried. McLaughlin will add the CoBank Sharing Success Program to the Donation Committee meeting for 2027.

Review 2027 Draft Budget: Dellinger stated that Johnson has developed the 2027 Budget for EEA, Kinder Morgan and Cortez Pipeline. Johnson discussed the budget with the board of directors. Final approval will be in November's board meeting. Board discussed the draft budget and made some recommendations.

Strategic Planning Update: Dellinger stated that the quarterly strategic planning report is in the packet for board review. Dellinger highlighted work that has been done on the strategic goals.

Financials: Johnson reported on the August financials. We continue to meet our loan covenants.

Miscellaneous: Dellinger mentioned that the CAMU Survey is in the board packet and that our rates are still very competitive across all the rate classes. He mentioned that the Montezuma Solar Array production is back to normal after being below normal for the past few months while maintenance was performed.
Dellinger stated that we currently are at a two week call back time for our Engineering Techs. We have hired a new Engineering Tech and hope to continue keeping the call back times down.

Director Roundtable: Sitton mentioned that it is sometimes distracting to have the Zoom web conference with the web participants and the information all on the same monitor. He is asking if there is any way that we can have another monitor that separates the conference attendees from the information displayed. Staff will look at this recommendation and see what they can come up with.
Sparks mentioned that he attended the NRECA Regional Meeting in Salt Lake City. He took a class on Nuclear Power. Archibeque attended as well. He mentioned that the economic presentation stated that energy costs will continue to rise in the future.
Sitton also mentioned that he completed the Tri-State member survey that Great Co-ops is administering.

Attorney: Attorney Shay Denning stated that her written report is in the board packet and answered questions. She mentioned that she attended the NRECA Legal presentation. She discussed some of the litigation that is going on with wildfire mitigation.

Tri-State: Robinson reported on the Tri-State meeting. He discussed market based rate authority, the BYOR projects, August financials, the demand response filing with FERC, the 202c orders, the member assessment/survey, and the regional meetings.

Colorado Rural Electric Association: Archibeque stated that there was not a meeting this month. He mentioned that the upcoming legislative process will probably be the hardest session in years. He discussed some of the bills that will be submitted to legislature that will affect cooperatives. He discussed the bill that will be coming up for wildfire mitigation.

Western United: Barry reported on the Western United meeting. He said that the sales and financials are in the packet.

Utah Rural Electric Cooperatives Association: Barry reported on the URECA meeting. There is a meeting next week. Sparks stated that he brought some bags from URECA that they gave away at the NRECA Regional meeting for the directors to take.

Committees: None

Executive Session: Sparks moved to go into executive session to discuss Tri-State, BYOR update, and receive legal advice, seconded by Archibeque. Motion carried. Went into executive session at 11:13 a.m. Lindsay recused himself from the BYOR discussion and exited executive session at 11:18. Emily King, Matt Hasvold, and Darya Pruitt with Accelergen were invited into the meeting at 11:27 a.m. Came out of executive session at 12:57 p.m.

Adjournment: Meeting adjourned at 12:57 p.m.

David Sitton, President

Bob Barry, Secretary / Treasurer