

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
November 15, 2022

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 November 15, 2022.

ROLL CALL

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

Brooke Price	Joneal Young
Robert Bledsoe	Aaron Gebauer
Roger Schenk	Stuart Travis
Freeman Morris	Larry Winger
Craig Lambley	

Manager Trent Loutensock and Attorney Bryson Fredregill were also present. Attorney Fredregill recorded the minutes of the meeting. Craig Lambley attended the meeting via telephone conference.

AGENDA APPROVED

The agenda was revised with the removal of Policy 2-20, Employment Fit for Duty Evaluation Program for separate consideration.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the October 18, 2022, Regular Meeting of the Board of Directors.
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 2-18 Use of Electronic Communications
- d. Policy 2-19 Security of Protected Health Information
- e. Capital credit refunds for estates of deceased members

Attorney Fredregill recommended that the estate refund applications be approved pending additional legal review. It was properly moved, seconded, and carried to approve the Consent Agenda as presented.

POLICY 2-20 EMPLOYEE “FIT FOR DUTY” EVALUATION PROGRAM

Manager Loutensock presented revised Policy 2-20. It was properly moved, seconded, and carried to adopt Policy 2-20 as presented.

2023 OPERATING BUDGET

Brandee Bullard entered the meeting.

Manager Loutensock presented the proposed operating budget. The budget took into consideration a dryer than average year. Loutensock also discussed the budgeted margins and how the Tri-State retirement of capital credits affects the budget. Loutensock also addressed expense increases. It was properly moved, seconded, and carried to adopt the 2023 Operating Budget as presented.

OCTOBER BILLS

General Manager Loutensock and the board reviewed the list of bills paid by the Association in the month of October 2022. Loutensock answered questions regarding meter maintenance.

FINANCIAL REPORT

Brandee Bullard and General Manager Loutensock presented the financials. They presented the September Statement of Operations, Loan Rate Comparison as of November 2, 2022, September Form 7, September Operating Forecast, Two-Year Expense Report, Five-Year Equity Report, and Consumer Sales and Revenue Report. Bullard presented the October Capitalized Costs Report and the September General Ledger.

Loutensock presented the November 8, 2022, Tri-State bill, and graphs of demand, energy, and cost per kWh through October. Loutensock also presented a monthly break out of energy and demand charges through September 2022.

WRITE-OFFS

Bullard presented proposed write-offs in the amount of \$2,447.55. It was properly moved, seconded, and carried to approve the write-offs as presented.

CAPITAL CREDIT REFUNDS

Loutensock and Bullard presented three options for capital credit refunds. Staff recommended a total retirement of approximately \$1,522,915.13, representing all allocated Y-WEA capital credits for the year 2000, and 40% of Tri-State’s allocated capital credits for the year 2001. It was properly moved, seconded, and carried to adopt the staff recommended retirement of capital credits.

POLICY 3-9, 3-9A, & 3-9B REFUND OF CAPITAL CREDITS

Loutensock presented revised Policy 3-9, 3-9A and 3-9B. The proposed policy was revised to lower the discount rate to 4.6%. It was properly moved, seconded, and carried to adopt the policy as presented.

Bullard exited the meeting.

IT - BOARD IPADS

Steven Marshall entered the meeting.

Marshall discussed software updates and options and access for device management.

Marshall exited the meeting.

MANAGER REPORT

Andy Molt and Justin Wert entered the meeting.

Manager Loutensock presented his written report. He presented the delinquent accounts and “thank you” notes. Loutensock presented an invitation to the Community Readers Event and the CFC newsletter. Loutensock reported on the status of Washington County Planning and Zoning consideration of regulations affecting transmission and towers. Representatives from Y-WEA and Tri-State have been working with the county in an effort to get public utilities exempted from the regulations.

GENERATOR REPORTS

Manager Loutensock presented the Wray Wind Generation Report, EV Charging Station Financial Summary, and Net Metering Analysis through October 2022.

Y-WEA DEMAND RESPONSE PRESENTATION

Justin Wert gave a presentation on the topic of demand management. He discussed issues, including various demand side management methods, Tri-State participation incentives, controllable loads, recommended equipment for load control, and verification.

Molt and Wert exited the meeting.

POLICY 2-1 EMPLOYEE RELATIONS

Manager Loutensock presented Policy 2-1 Employee Relations for annual review. Loutensock reported that the modifications to the work week were well received by employees and Y-WEA did not receive any member complaints. It was properly moved, seconded, and carried to adopt Policy 2-1 as presented.

GENERATOR RULES AND REGULATIONS

James Ziebarth entered the meeting.

Ziebarth presented proposed modifications to the Rules and Regulations regarding Part IV - Generator Interconnection Procedure. It was properly moved, seconded, and carried to adopt the Generator Interconnection Procedure as presented.

MID-WEST ANNUAL MEETING DELEGATE

It was properly moved, seconded, and carried to adopt Stuart Travis as Y-WEA's delegate to the Mid-West Electric Annual Meeting.

DONATION REQUESTS

General Manager Loutensock presented a donation request from WRAC. The board took no action.

WESTERN UNITED

Director Bledsoe reported that Western United had \$20 million in sales for the month of October. Western United elected to retire \$2.2 million in patronage.

CREA

Director Travis reported on his attendance at the regular meeting of the CREA board of directors. He reported that there is concern that distribution cooperatives could be subject to resource adequacy requirements contained in Xcel's resource adequacy bill.

TRI-STATE

Director Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. Tri-State's sales were over budget for the month of September. The cost of purchased power and fuel continue to run over budget. Schenk reported that Tri-State has begun 2023 budget discussions. The budget for non-member sales has increased significantly. Schenk presented graphs on resource mix, renewable generation, and natural gas prices and storage. Schenk

also reported that the Rate Design Committee is leaning towards a formula rate. Schenk presented the member sales report.

COLORADO FAMILY AND MEDICAL LEAVE INSURANCE

Manager Loutensock presented Y-WEA's options under the Colorado Family and Medical Leave Insurance program, which takes effect on January 1, 2023. It was properly moved, seconded, and carried for Y-WEA to pay the mandatory employer portion for its participation in the program.

UPCOMING MEETINGS

The Board discussed attendance at upcoming meetings.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 4:44 p.m.

SECRETARY

PRESIDENT