

MINUTE RECORD – BOARD OF DIRECTORS – GRAND VALLEY RURAL POWER LINES, INC.

Regular Meeting

October 15, 2025

I. Call to Order, Pledge of Allegiance, Roll Call

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, October 15, 2025 at 845 22 Road, Grand Junction, Colorado. President Brian Woods called the meeting to order at 9:01 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	present
Kyle Coltrinari	present
Gary De Young	present
Andrew Golike	present
Lindsay Gray	present
Joe Landini	present
Jesse Mease	present
Janie VanWinkle	present
Brian Woods	present

Others present: Tom Walch, CEO; Derek Elder, Chief Operating Officer; Joseph Michalewicz, Chief Financial Officer; Mike Kansgen, Director of Information Technology; Rita Sanders, Director of Member Services & Communication; Walter Fees, Manager of Engineering; Sarah Wheeler, Manager of Accounting and Human Resources; Jesse Peeler, Safety and Compliance Coordinator; Chance Semones, Energy Services Technician; Tonya Archuleta, Member Support Supervisor; Kobi Webb, Attorney; Guest Eric Anderson, NRUCFC Regional Vice President; Guest Lee Cassin, Member.

II. Approve Minute Record of September 17 Regular Board Meeting

MOTION: Motion by Mease second by Golike to approve the minutes of the September 17, 2025 regular meeting; unanimously carried.

III. Approve Agenda

Walch requested that the executive session discussion and subsequent action item on Electric Vehicle Tariff rate amendments be postponed until the following month to allow the rate consultant to complete development of supporting materials.

MOTION: Motion by Golike second by Gray to approve the agenda with the postponement of the discussion of Board Resolution 25-03 – Authorizing Amendment of Electric Vehicle – Residential Single-Phase Time-of-Use (EV-TOU) Rate until the board receives information from the rate consultant; unanimously carried.

IV. Guests and Public Comments

Member Lee Cassin shared websites that provide information on energy consumption and why it has dropped for some utilities. Walch introduced CFC Regional Vice President Eric Anderson, who would provide a Key Ratio Trend Analysis (KRTA) review later in the meeting.

V. Staff Reports

Energy Services – Semones provided a report on the Pat Kanda Memorial Golf Tournament. He said thanks to the support of many sponsors, including Alpine Bank, GJ Golf, Guzman Energy, and many others, the tournament raised about \$20,000 for nonprofits that Pat was passionate about. The co-op would like to make it an annual event and is tentatively planning to hold the golf tournament on October 2 next year.

Semones presented the monthly Distributed Generation Report, noting that the downward trend in the number of solar installations on GVP's grid continues. In response to a director question, Semones said that he provides the correct information to members when they have questions about solar interconnections after talking with vendors that may provide misinformation.

Member Services and Communication – Sanders thanked Fees for presenting on the electric grid at a local continuing education program for seniors called New Dimensions. Sanders highlighted information in the board report, including that Grand Valley Power won a 2025 Customer Satisfaction Award from the American Customer Satisfaction Index for Cooperative Energy Utilities. GVP scored in the top 25th percentile when compared to co-ops in 2025. Sanders also noted that Grand Valley Power posted rate change notifications on its website and sent bill inserts and emails to impacted members. She said that after sending 10,000 emails the cooperative received responses from 7 members, 1 of which was positive. She said the Shared Savings program drew another 140 members to sign up in September. Sanders noted Grand Valley Power would participate in the Fruita Truck or Treat on October 25 and reminded board members to RSVP for the employee Christmas party.

Michalewicz reported that member service representatives (MSRs) have received a dozen phone calls since the notifications. Most of those members have asked questions about demand, but a few have been belligerent in their remarks, and at least one made threats. Walch said the cooperative will provide active shooter training this month to employees, and board members are welcome to attend. He said the MSRs have been instructed not to argue with members, but to escalate those calls immediately to a manager. Managers do not argue with members but ask them to call back when they are ready to have civil discourse. Archuleta said the cooperative is implementing recorded phone calls for the MSRs for protection and training. MSRs also know to flag a member's account if they are belligerent or threatening. The cooperative is considering when it is necessary to report threats to law enforcement. Discussion ensued.

Engineering – Fees reported that the A-3 circuit is operational. He said that Wyatt Vidmar will attend Part 2 of NRECA's distribution engineering training next week.

Fees reviewed the Construction Work Plan for 2026-2029. He said the plan ensures Grand Valley Power's distribution system is adequate to serve the needs of members through growth and maintenance. To prepare the plan, the engineering team examines the effects of anticipated load growth, outage history, and maintenance problem areas. He noted that in the next four years, GVP expects system growth of 1.7% consumers, 1.1% energy, and 2.5% demand. Fees said some projects out of the Highline, Adobe, and Molina substations will roll over from the previous work plan. New projects include a new transformer for Loma, the Mesa Lakes undergrounding project, and some transmission work, among others. The plan comprises projects with total projected costs of \$36 million over four years.

Information Technology – Kansgen reported that he has received multiple applications for the Network Administrator position and is excited to be able to fill that much-needed role.

Finance – Michalewicz provided a summary of the monthly financials and reported on the disconnects and write-offs. He noted Grand Valley Power continues to hit its financial targets even though year-to-date net margins are slightly below budget. He said that construction work so far this year has reached \$6.2 million, and Grand Valley Power will likely need to borrow money toward the end of the year as margins are expected to dip. He noted that the 2025 budget contemplated using \$600,000 from GVP's deferred revenue account to offset power costs and boost margins. No funds from deferred revenue have been applied at this point. Michalewicz said the cooperative has received PSCo's rate forecast for

2026. It includes increases in transmission demand at 21%, generation demand at 10% and generation energy at 7%.

Michalewicz provided a grant update. The Vega Lakes project funded with a state grant has been signed by the governor and will fall under a “de minimis waiver,” so that not all materials will be required to be “Buy American, Build American” compliant. The grant will provide 75% of the project costs, and Grand Valley Power’s portion is anticipated to be about \$75,000. The New ERA grant has been impacted by the government shutdown, and no new information is available. The WARN Grant also is on hold pending the government shutdown.

Walch noted that warehouse inventory was finalized with a very minimal \$86 discrepancy from \$5 million of inventory. He commended the warehouse team for their accomplishment.

VI. CEO Report

Legislative Update – Walch said it will be important for cooperatives to monitor and weigh in on the Robin Alerts Act in the legislature in 2026. He said the proposed solution, which requires electric companies to provide notifications to consumers with medical needs in the event of power interruptions, goes too far. Walch said Grand Valley Power has a process in place whereby consumers notify the cooperative if they have medical needs that require electricity, and consumers must take steps to ensure they have support should their electricity go out. He noted that no distribution system is designed to be 100% reliable, which would be cost prohibitive to members. Walch said cooperatives cannot forecast and prevent transmission outages.

Walch introduced CFC Regional Vice President Eric Anderson, who reviewed Grand Valley Power’s 2024 Key Ratio Trend Analysis (KRTA). Anderson summarized the report, saying that cost pressures continue in the electric industry, and cooperatives, including Grand Valley Power, need to replace their aging distribution infrastructure. He said the 2024 analysis shows that Grand Valley Power continues to grow in membership while simultaneously seeing a decline in kilowatt hour sales. These phenomena put additional rate pressure on the cooperative.

MOTION: Motion by De Young second by Landini to accept the CEO report; unanimously carried.

VII. Consent Agenda

MOTION: Motion by Gray second by Coltrinari to approve the consent agenda items; unanimously carried.

VIII. Review Director Compensation

The board reviewed Director Compensation and Travel Reimbursement for Meeting Attendance Policy No. 33. Walch stated that the board reviews it annually and can make adjustments as it sees fit.

IX. Compensation and Benefits Review

Walch reviewed the compensation and benefits report in advance of November’s budget presentation. Walch noted that the cooperative budgets for benefits as if every employee takes advantage of all benefits available to them; however, not everyone participates in all benefits.

X. Review Financial & Equity Management Policy

Walch led a review of GVP Financial and Equity Management Policy No. 80. Walch highlighted the requirements and objectives set forth in the policy, which are designed to ensure the financial integrity of the cooperative so that it can provide reliable electric service now and into the future. He said the board can make changes to the policy, and it’s the CEO’s responsibility to recommend necessary changes. Walch noted that the policy goal set by the board is to have distribution equity of 32 to 40%. For patronage capital, he said the policy requires that paper checks be mailed to members. The checks are an important part of messaging about capital credits. He noted that the policy goal is to retire 3-5% of total unretired patronage capital on an annual

basis. He said that GVP's practice changed a few years ago from retiring patronage capital on a 15-year First-in First-out basis to retiring it from the previous year up to 20 years prior based on margins. In recent years, Grand Valley Power has been on a 17-year cycle. Walch asked if any potential changes warranted discussion. No changes were suggested.

XI. Approve 2026-29 Construction Work Plan

MOTION: Motion by Coltrinari second by Golike to approve the Construction Work Plan as presented; unanimously carried.

Michalewicz asked the board if they have objections to including replacement vehicles in the budget and submitting orders for future deliveries. He said four vehicles are coming up for replacement (two small trucks and small and large bucket trucks), and the soonest they could get them with an immediate order is 2027 for the small vehicles and 2028 for the large bucket. Michalewicz said Grand Valley Power would like to submit the small bucket truck order as soon as possible and possibly purchase a lightly used large bucket early next year. No opposition was voiced.

XII. Executive Session – Rate Discussion, Personnel Matters, Power Supply, Privileged Legal Report

MOTION: Motion by Golike second by Mease to convene an executive session for the purpose of discussing rates, personnel matters, for receiving a privileged power supply update and for receiving a privileged legal report; unanimously carried.

Executive session convened at 1:22 p.m.

Regular session reconvened at 2:53 p.m.

XIII. Review Duncan Weinberg (FERC Counsel) 2026 Rate Proposal

Walch said the rate increase for 2026 from FERC counsel Duncan Weinberg is reasonable. Walch noted that Grand Valley Power only pays the firm as needed and could require the firm's assistance with future transmission matters as the cooperative will still require transmission service after the transition to Guzman. Walch said the firm is competent and responsive to the cooperative's inquiries.

XIV. Policy Committee Report – Director Code of Conduct

Webb shared a draft code of conduct policy. She said the draft has had a few revisions incorporating several changes. The policy discusses director conduct in general, conduct with other directors and staff, meeting attendance, and retention and distribution of materials. The policy will have an acknowledgment for directors to sign. Webb asked that directors review the policy and contact her with suggestions.

Director De Young said the board deliberations section is covered by Robert's Rules of Order, and the whole section could be replaced with the phrase that this section will be governed by Robert's Rules of Order. Webb said she isn't aware that any other policies formally adopt Robert's Rules of Order and by not including it would leave it more flexible. Discussion ensued.

Webb said she would like to add content about AI and the use of email. She said the committee is also developing a Conflict of Interest Form and amending the policy to cover the form.

Walch suggested that in advance of a new CEO, the committee also draft a policy setting forth the Board's delegations of duties to the CEO. Walch suggested talking with Great Co-ops and compensation consultant Dan Bruning about a CEO compensation and evaluation policy.

Directors discussed the draft policy and possible procedures for handling violations.

XV. Director Reports on Conference and Training Activities; Discuss 2026 Director Travel Requests

Walch referred directors to Policy Bulletin No. 41 – Attendance at NRECA and CREA Annual Meetings and Other Meetings and said directors should seek approval for conferences they'd like to attend outside of CREA. President Woods asked directors to bring conference requests to the November board meeting. Directors discussed the value of conferences.

XVI. Colorado Rural Electric Association Director's Report

President Woods reported that CREA directors discussed PSCo's application to join the Markets+ Energy Balancing Market and impacts on utilities in Colorado.

Walch said it would be most beneficial to GVP and most other Colorado cooperatives and their retail customers if PSCo joined the Southwest Power Pool West RTO; however, PSCo takes the position that it is complying with statutory requirements by joining Markets+.

XVII. Western United Electric Supply Director's Report

Vice President Mease reported that Western United logged higher total sales in Colorado and fewer total sales in surrounding states. He noted that GVP should have received a \$240k capital credits check from the organization.

XVIII. Continuing Business

None.

XIX. New Business

None.

XX. Attorney's Report

Webb reported that NRECA has updated its pole attachment agreement because cooperatives are receiving requests from new vendors and law enforcement to attach cameras and other technology to utility poles. She also noted that Xcel Energy has settled its public safety power shutoff mitigation plan, which would be a stringent standard for cooperatives to meet if it became one.

XXI. Adjourn

MOTION: Motion by Golike second by Landini to adjourn; unanimously carried.

Meeting adjourned at 3:45 p.m.

Rita Sanders, Assistant Secretary

Brian Woods, President