

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

April 25, 2023

A meeting of the Board of Trustees of Kit Carson Electric Cooperative, Inc. (KCEC) was called to order by the President, Mr. Bobby Ortega, on Tuesday, April 25, 2023, at 9:03 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

Russ Coyle	Present
Martin Dimas	
Cristobal Duran	
Bruce Jassmann	
Manuel Medina	
Bobby Ortega	
Arthur Rodarte	
Bernie Torres	
David Torres	
Sylvia Vigil	

The President stated Mrs. Luisa Valerio-Mylet had planned to attend but was not feeling well. Also, present were Luis A. Reyes, Jr., Chief Executive Officer, Carmella Suazo, Assistant Manager, Richard Martinez, Chief Operations Officer, John Shafto, Chief Financial Officer, Michael Santistevan, PR Coordinator and Brianna Trujillo, Executive Secretary who recorded the day's proceedings.

It was declared a quorum was present. Quorum

Mr. B. Torres led the Board in reciting the Pledge of Allegiance. Pledge of Allegiance

Mr. B. Torres led the Board in a word of Prayer. Prayer

The agenda was presented. It was moved by Mr. Rodarte, seconded by Ms. Vigil, and unanimously approved that the agenda be approved as presented. Agenda

The minutes for the Board of Trustees regular Board Meeting, held March 28, 2023, were presented. It was moved by Mr. B. Torres, seconded by Mr. Duran, and unanimously approved that the minutes for March 28, 2023, be approved as presented. Minutes March 28, 2023, Regular Meeting

Mr. Reyes presented the CEO report for March 2023. He reported \$3.8 million in margins, at the end of the first quarter of 2023. Revenue was down due to the lower cost of power. Mr. Reyes reported that KCEC would continue to work with contractors on upcoming economic CEO Report

Four Year Workplan requiring poles, transformers, etc. Discussion was held on an update of plans to increase voltage in Penasco; three switches had already been installed. Mr. Reyes explained that KCEC is unable to order equipment necessary for projects due to supply chain issues. Mr. Reyes reported maintenance of the system continues. KCEC has identified which areas have the highest risks. Mr. Rodarte asked if KCEC had purchased a chipper for Angel Fire. Mr. Reyes reported that KCEC would lease an industrial chipper to help fire mitigation in each District. Mr. Duran reported that the Safety Committee met April 10, 2023. He reported that the Cooperative was at 31 days of no lost time accidents. A lengthy discussion was held on KCI vehicle that was rear-ended and thumper in vehicle was damaged. Concerns relative to the condition of company vehicles and equipment were discussed and the need for the fleet to be upgraded. Management will enforce safe driving and caretaking of company vehicles and may consider leasing vehicles with the option to purchase. Mr. Duran stated committee members asked if they could step down and allow other employees to serve on the Safety Committee. Ms. Vigil reported that the Committee had discussed the need to repair the sensor of the back gate at KCEC and the gate at the Kit Carson Propane (KCP) yard in Penasco. Discussion was held, Mr. Reyes explained that he would speak with the Union since the Union appoints Union employees and Management appoints staff employees to serve on the Safety Committee. Mr. Duran reported the roof at Ojo Caliente District Office was replaced. KCP obtained quotes for fencing at Ojo Caliente and Penasco properties. Quotes will be reviewed by KCP Board. It was moved by Mr. Rodarte, seconded by Mr. Dimas, and unanimously approved that the CEO report for March 2023 be approved as presented. A copy of the CEO report was included in the Transfer of Documents and is hereby made a part of the minutes of this meeting.

Mr. Reyes reported that KCEC and the International Brotherhood of Electrical Workers (IBEW) had a very positive meeting to discuss a wage reopener for a 3% increase for outside employees and a 2% increase for office employees. Entry rates for Cashier, Receptionist and General Clerk office positions were low; therefore, entry rates were adjusted. IBEW ratified the increase, a proposed increase for KCI employees and staff would be presented at the next Board meeting. Discussion was held, the Board agreed that the wage opener would incentivize and reward employees for their dedication and commitment of service to the Cooperative. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved that the Memorandum of Understanding Wage Reopener Agreement be ratified. A Roll Call vote taken by Carmella Suazo, Assistant Manager (yes in favor, no

Ratify Wage
Reopener for
Bargaining
Unit Employee

was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved that Payables for March be approved as presented.

Mr. Reyes reported that the Broadband Committee met on April 12, 2023. Mr. Reyes reported that Kit Carson Internet (KCI) had met the goal of 12,000 subscribers and had an average of \$539,234 in operating income, better than last year. Mr. Reyes reported that KCI was working on an incentive program for installs. KCI had a new goal to reach 13,000 subscribers by the end of the year. KCI would place door hangers on neighboring homes when installing fiber to encourage fiber connects. Mr. Dimas recommended KCI educate members on how to sign in, connect, and navigate the internet and other basic training of use of internet. Discussion was held regarding training labs on a Broadband Literacy Course and Cybersecurity. Mr. Reyes reported that he would work on Cybersecurity awareness and Broadband Literacy training for members.

Broadband
Committee

Mr. Rodarte reported the Solar Committee met April 21, 2023. Mr. Rodarte reported that the Angel Fire Energy Facility was complete and should be operational in June 2023, weather permitting. An aerial photo of the 7.5 MW facility was distributed to the Board, it was proposed that a ribbon-cutting ceremony be scheduled sometime in June. Mr. Rodarte reported that Taos Mesa Energy Facility was operating properly, Amalia solar expansion and Taos Pueblo solar project were moving forward. Mr. Rodarte reported that Congresswoman Leger-Fernandez was pleased to see that KCEC and Taos Pueblo were working together on a renewable energy project. Mr. Reyes reported that congressional funding had been requested by NM Senator Martin Heinrich in the amount of \$500,000, and US Senator Ben Ray Lujan in the amount of \$4 million for the Green Hydrogen project in Questa, NM. Mr. Ortega suggested that KCEC schedule a meeting with NM Governor Michelle Lujan-Grisham to discuss Green Hydrogen, since she recently had conveyed her interests in transitioning from fossil fuels to renewable energy. Mr. B. Torres reported that RUS expressed admiration for KCEC's plan for Green Hydrogen, when KCEC met with RUS in Nashville, TN. Mr. D. Torres asked if KCEC Solar Initiative would be discussed at the follow up Strategic Planning Session. Mr. Reyes stated KCEC's roadmap to achieve 100% renewable energy could be discussed.

Solar
Committee


Mr. D. Torres reported the Bylaw & Policy Committee met April 19, 2023. He presented the Committee's request for changes to KCEC Employee Vaccination Policy No. 3.30. He explained that the requested changes were required to broaden language within the policy. KCEC would continue to offer employees five days paid leave after a positive lab test. It was moved by Mr. Rodarte, seconded

Bylaw & Policy
Committee

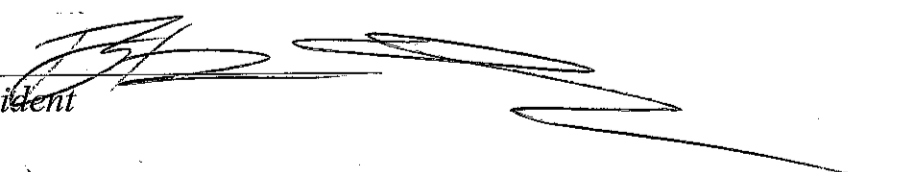
Presiding Officer for the election. The District Two Meeting was scheduled for May 11, 2023, at the Village of Questa Municipal Building at 9:00 a.m., a quorum would be required to accept the re-election of two Trustees by acclamation. Mr. Daniel Pritchard thanked Mr. Reyes and the Board for KCEC's presence at the Earth Day event on April 22, 2023, he explained that attendance was low due to other community events that day, but it was a success. Mr. Pritchard also informed the Board that environmentalists were upset with Governor Lujan-Grisham's veto of five environmental bills. He agreed that KCEC's Green Hydrogen Project was promising, he asked if a feasibility study had begun and if KCEC would update the website with solar generation and load information. Mr. Reyes explained that the Green Hydrogen Feasibility Study was 95% complete and that release of information had to be authorized by the Department of Energy (DOE), Mr. Reyes stated three public meetings would be held regarding the Green Hydrogen Project, one live meeting and two Zoom meetings. Mr. D. Torres and Mr. Medina both attended the Earth Day event and thanked Mr. Pritchard and Renewable Taos for their effort to promote the use of renewable energy and environmental care. Mr. D. Torres requested that KCEC remind consumers about electrical safety and encourage them to report low hanging lines.

There being no further business to come before the Board, Meeting
it was moved by Mr. Medina, seconded by Mr. Dimas, and Adjourned
unanimously approved, that the Board of Trustees of Kit
Carson Electric Cooperative, Inc. be adjourned until May
30, 2023, at 9:00 a.m. the date and time of the next Board
meeting. Unless changed and, thereupon, the President
declared the meeting adjourned at 10:55 a.m. The
following Trustees were present at the end of the meeting:

Russ Coyle, Martin Dimas, Cristobal Duran, Bruce
Jassmann, Manuel Medina, Bobby Ortega, Arthur
Rodarte, Bernie Torres, David Torres, and Sylvia Vigil


Secretary

Approved this 30TH day of MAY 2023.


President