

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

April 30, 2024

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 30, 2024, at 9:08 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

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<i>Russ Coyle</i>	<i>Present</i>
<i>Martin Dimas</i>	
<i>Cristobal Duran</i>	
<i>Bruce Jassmann</i>	
<i>Manuel Medina</i>	
<i>Bobby Ortega</i>	
<i>Arthur Rodarte</i>	
<i>Bernie Torres</i>	
<i>David Torres</i>	
<i>Luisa Valerio-Mylet</i>	
<i>Sylvia Vigil</i>	

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, Public Relations Coordinator, and Brianna Trujillo, Executive Secretary who recorded the day's proceedings. The President stated that Mr. Manuel Medina was expected to attend and was running a few minutes late.

It was declared a quorum was present.

Quorum

Ms. Vigil led the Board in reciting the Pledge of Allegiance.

Pledge of Allegiance

Mrs. Valerio-Mylet led the Board in a word of Prayer.

Prayer

The agenda was presented. It was moved by Mr. Jassmann, seconded by Mr. B. Torres, and unanimously approved that the agenda be approved as presented.

Agenda

The minutes for the Board of Trustees regular Meeting, held March 26, 2024, were presented. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved that the minutes for March 26, 2024, be approved as presented.

Minutes for March 26, 2024

The President welcomed Mr. Dan Pritchard, Renewable Taos, to the meeting. Mr. Pritchard thanked the KCEC Board and staff for their continued support of Renewable Taos and KCEC's partnership in the Earth Day events held April 20-24, 2024. Mr. Pritchard reported that the 3-day

event schedule included a site tour and litter pickup at the Taos Mesa Solar Facility, State Road 150 in El Prado, and Wastewater Treatment Plant in Ranchos de Taos. He reported that Taos County, Town of Taos, UNM-Taos, and Village of Taos Ski Valley were also partners in the event and thanked Mr. Reyes, Mr. Santistevan and Mr. Martinez for their participation.

Mr. Manuel Medina arrived at approximately 9:11 a.m.

Mr. Pritchard reported that Town of Taos Manager, Mr. Andrew Gonzales, contacted Renewable Taos following the event to report that the Town of Taos planned to build a 14-foot fence to help prevent landfill trash and debris from blowing into the Taos Mesa Solar Facility site. Mr. Pritchard reported that Ravens were seen sitting on the solar panels at the Taos Mesa site, which could be an issue. The President thanked Mr. Pritchard for his hard work and dedication to Renewable Taos' cause. Mrs. Valerio-Mylet thanked Mr. Pritchard and Renewable Taos for raising awareness of the litter issue at Taos Mesa Solar Facility to the Town of Taos and throughout Taos County. Mr. Pritchard stated that the Taos Ski Valley offers employees 24 hours of paid volunteer time which KCEC could possibly consider offering to its employees in the future.

Mr. Reyes presented the CEO report for March 2024. He reported that a third full-time tree trimming crew would be assigned to focus on KCEC fire mitigation efforts, KCEC met with US Forest Service recently, to discuss fire mitigation and the hazards of scheduled burns near overhead powerlines. Mr. Reyes explained that maintenance expenses were expected to increase over the next month. He reported that a meeting was held at the KCEC Boardroom after a letter was sent to the NM Public Regulation Commission (PRC) Pipeline Safety Bureau to discuss violations of Providing Positive Responses within the requisite Time Frame and continued damage to KCEC's and KCI's vital infrastructure. USIC, Lumens and KCI contractors participated in the meeting. He explained that USIC was experiencing staffing issues and requests for spots had been delayed. Everyone in attendance agreed on the importance of a safe construction season and improving communications. Mr. Reyes reported that the Town of Taos road construction project would begin next week, from the intersection of Paseo del Pueblo Sur and Camino de La Placitas to the intersection of Paseo Del Pueblo Norte and Civic Plaza Drive in Taos. Mr. Reyes reported that he would meet with the Village of Taos Ski Valley in May regarding fire mitigation and battery storage. He reported that KCEC staff reviewed Rate 8, Special Fees and Charges regarding reconnect/connect, new service fees, credit card fees etc. and would recommend changes to the KCEC Board of Trustees in the near future. Mr. B. Torres stated

CEO Report

many businesses charge credit card fees. Mr. Reyes explained that fees and charges were approved and regulated by the NMPRC. Mr. Coyle recommended a comparison of other NM Cooperative's fees and added that KCEC's goal to keep rates low should also be considered. Ms. Vigil requested that the comparison include approval terms and/or requirements by the NMPRC. Proposed changes to Rate 8 would have to be approved by the NMPRC; therefore, Member insight, feedback and support are vital to these rate cases, a protest would require supporting data as well as Member support. Mr. Reyes reported \$2.6 million in margins year to date, financials were on target. He reported that EV Charging stations at Super Save and Smiths grocery stores in Taos and a gas station in Costilla were being considered. Mr. Reyes reported KCEC received a grant to install eight new fast charging stations, six have been installed and the charging station at the Shuter Library in Angel Fire was expected to be completed tomorrow and the charging station at Village of Questa would be completed by the end of May. He reported KCEC needs to develop an EV charging rate. Mr. Reyes explained that he was discussing opportunities to sell excess power to Los Alamos National Laboratory, while working with NextEra Energy on new Transmission. He added that a meeting with Sandia National Laboratories would be scheduled in May to educate the KCEC Board on long duration storage and hydrogen safety. Ms. Vigil stated that the presentation by LANL was very insightful, she asked if it would be possible to have the presentation information available for review prior to the next meeting/presentation. Mr. Reyes explained that it could be requested; however, there may be confidentiality policies in place since the information provided was for internal use only. Mr. Ortega asked for a status update for the 2023 Audit presentation. Mr. Shafto reported that the 2024 Audit would be presented at the May Board meeting. If the 2024 Audit was not complete by that time a status update would be provided. Mrs. Valerio-Mylet reported that the Safety Committee met April 10, 2024, the Committee discussed the need to enforce safety compliance and training. There were no lost time accidents for the month of March; the Cooperative had 71 days without a lost time accident. Mr. Reyes explained that Safety Policies had been in place and that leadership would need to improve compliance. He reported that KCEC linemen were currently at Mesa Hotline School in Grand Junction, CO; KCEC metermen attended Rocky Mountain Meter School in March 2024. He reported that all basic training was conducted on the job and climbing training was held at the KCEC Ranchos Yard. It was moved by Mr. Duran, seconded by Mr. Medina, and unanimously approved that the CEO report for March 2024 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.

The President reported requests had been received from Estates in the amount of \$10,260.68. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved that those payments be made to Estates.

*Capital Credits
to Estates*

The President reported that due to Memorial Day, it was proposed that a Board Work Session would not be scheduled in May 2024. It was moved by Mrs. Valerio-Mylet, seconded by Mr. Medina, and unanimously approved that a Board Work Session would not be scheduled in May 2024.

*May 2024
Board Meeting
Date*

Mr. Jassmann reported the Payables Committee met on April 10, 2024. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved that Payables for March 2024 be approved as presented.

*Payables
Committee*

The President reported that the Green Hydrogen Committee met on April 4, 2024. Mr. Reyes reported that the U.S. Department of Agriculture had not provided grant award notification, he continues to move forward with study sessions and meeting with potential partners. LANL provided a technical overview of Green Hydrogen; there would be meetings and presentations in May to explore other technologies.

*Green
Hydrogen
Committee*

Mr. Reyes reported that the Broadband Committee met on April 25, 2024. He reported that Kit Carson Internet (KCI) had 13,516 subscribers, there were 97 new connects in March 2024. Mr. Reyes reported that KCI was working with Verizon to test and hook up cell towers with 5G service. KCI was fully staffed, restructuring outside crews, and preparing office employees for the transition back to Visp, the prior billing software. He reported that KCI financials were in great shape. Mrs. Valerio-Mylet reported that KCI technical support employees Miguel Martinez and Adelaida Dominguez were both very helpful and that she appreciated their professionalism when she needed assistance.

*Broadband
Committee*

Mr. Rodarte reported the Solar Committee met April 12, 2024. The Committee reviewed an Impact Statement for the Amalia II Solar project, reviewed FAQs and discussed KCEC's solar and battery fleet. Mr. Rodarte reported that there were two fast EV charging stations pending; one in Angel Fire and one in Questa. Mr. Reyes reported that he was in contact with the State of NM, to seek additional grant money to install and support EV charging stations, since other NM Electric Cooperatives were not installing EV charging stations. Mr. Rodarte reported that the Taos Pueblo Solar project was pending full Tribal approval.

*Solar
Committee*

Mr. Reyes reported that the Bylaw & Policy Committee met April 22, 2024. The Committee vetted the proposed amendments to KCEC By-Laws regarding Article I, Section 2, Joint Membership to include domestic partners who are not legally married to constitute a joint membership and that the terms “spouse” or “spouses” include domestic partners; Article II, Meeting of Members, Section 1, Annual Meeting would include language clean-up regarding whether the city was a “Town” or “Village; Article III, Trustees, Section 2, Qualification and Tenure (b) would delete the definition of a spouse since it was moved to Article I, Section 2, Membership; Article III, Trustees, Section 3, Election of Trustees from Different Areas, to add a sentence that an election would NOT be held if confirmed nominations for a position on the Board of Trustees that are eligible and qualified do not exceed the number of positions in that District in which the election is to be held and would be elected by acclamation if the nominees do not meet the eligibility and qualification requirements; Article VII, Non-Profit Operation, Section 2, Patronage Capital, Article VII would no longer allow an “entity” such as a business, before the time such capital would otherwise be retired, to retire Capital Credits upon bankruptcy, termination, liquidation, or dissolution of the “entity”. It was moved by Mr. Duran, seconded by Mr. Rodarte, and unanimously approved that these proposed amendments to the KCEC By-Laws be presented for Member approval at the 2024 Annual Meeting scheduled to be held June 15, 2024.

Bylaw & Policy
Committee

Mrs. Valerio-Mylet reported that the Public Relations Committee met on April 15, 2024. She reported that the Committee discussed KCEC’s participation in the Earth Day events and sponsorship of Legislative Events in the KCEC territory, including a site visit of the Taos Mesa Solar Facility with Sarita Nair, Cabinet Secretary for NM Workforce Solutions. Mrs. Valerio-Mylet thanked Mr. Dan Pritchard for his insight and for the successful partnership with Renewable Taos. The Committee was preparing for the 2024 KCEC Annual Meeting, working around a specific theme, gathering testimonials from Members and other Officials, and advertising to encourage attendance. Mrs. Valerio-Mylet asked Trustees to participate in Board interviews for Public Relations and the KCEC website. Mr. Reyes stated that videos were popular forms of publication, and it was important for everyone to share their message. The President thanked Mrs. Valerio-Mylet, KCEC staff and the Committee for their efforts and success in Public Relations. Mr. Reyes reported that road construction upgrades in downtown Taos would begin in May, through November 2024; traffic detours through Camino de La Placitas were in place. Mr. Ortega reported that the High School Class Night schedule was in order, and he encouraged Trustees interested in presenting scholarships to attend.

Public
Relations
Committee

Mr. B. Torres asked if video testimonials would be gathered prior to the Annual Meeting and scheduled to take place at the headquarters building. Mrs. Valerio-Mylet explained that live testimonials could be given at the Annual Meeting, Members were also able to provide written or video recorded testimonials prior to the meeting. Other Business

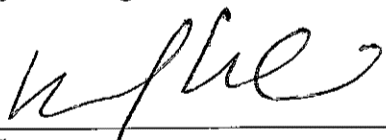
The President reported that the Guzman Energy Open House was scheduled for May 16, 2024. Mr. Reyes was arranging a private meeting for KCEC Trustees and Guzman Management before the Open House Reception; Mr. Reyes would notify the Board once a meeting was scheduled and confirmed. Board Member Concerns

Mr. Medina called for an Executive Session. It was moved by Mr. Medina, seconded by Mr. Coyle, and unanimously approved that the Board enter Executive Session at 10:32 a.m. Executive Session

The meeting was reconvened by the order of the President at 10:34 a.m.

There being no further business to come before the Board, it was moved by Mrs. Valerio-Mylet, seconded by Mr. Coyle, and unanimously approved, that the Board of Trustees of Kit Carson Electric Cooperative, Inc. be adjourned until May 28, 2024, 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 10:41 a.m. The following Trustees were present at the end of the meeting: Meeting Adjourned

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


Secretary

Approved this 25th day of MAY 2024.


President