

KIT CARSON ELECTRIC COOPERATIVE, INC.

MEETING OF THE BOARD OF TRUSTEES

November 26, 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, November 26, 2024, at 9:10 a.m. in the Marcelino Martinez Room of the headquarters building of the Cooperative, Taos, New Mexico. The following Trustees were present:

<i>Russ Coyle</i>	<i>Present</i>
<i>Cristobal Duran</i>	
<i>Martin Dimas</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.

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. Mr. Reyes announced that Mr. Anthony Mortillaro, Executive Director, North Central Regional Transit District (Blue Bus) was at the meeting and would like to make a presentation to the Board. The President recommended that the presentation be added to the agenda as item 8, before the CEO Report. It was moved by Mr. Rodarte, seconded by Mr. Jassmann, and unanimously approved that the agenda be approved as amended. *Agenda*

The minutes for the Board of Trustees regular Meeting, held October 28, 2024, and Special Meeting, held November 15, 2024, were presented. It was moved by Mrs. Valerio-Mylet, seconded by Mr. Jassmann, and unanimously approved that the minutes for October 28, 2024, and November 15, 2024, be approved as presented. *Minutes for October 28, 2024 & November 15, 2024*

The President welcomed Mr. Anthony Mortillaro, Executive Director, North Central Regional Transit District (NCRTD) the “Blue Bus”. Mr. Mortillaro introduced Mr. Estevan Sanchez. He reported that NCRTD was celebrating 20 years of service over 10,000 square miles, with 29 routes across Taos, Rio Arriba, Los Alamos and Santa Fe Counties, and that a new headquarters building was being built on Salazar Road in Taos. Mr. Mortillaro reported that NCRTD adopted a \$245 million zero emissions plan over the next 20 years; KCEC was helping NCRTD with the transformers needed to accommodate an electric fleet as well as providing support for grants that would help them achieve their renewable goals. He thanked the Board and KCEC for their support of NCRTD. Mr. Ortega asked if NCRTD was non-profit. Mr. Mortillaro explained that NCRTD was government funded from gross receipts tax collected in the counties that it serves and that the service was free except for the on-demand service, which was \$1.00 each way. Mr. B. Torres asked if the Blue Bus schedule was aligned with the Rail Runner in Santa Fe. Mr. Mortillaro explained that the Blue Bus in Santa Fe intersects with the Rail Runner station. Mr. Jassmann stated that NCRTD had routes in Angel Fire at one time. Mr. Mortillaro reported that NCRTD had contractual service with the Village of Angel Fire prior to the COVID-19 pandemic and that the new Manager was interested in restoring services to that area. Mr. Medina asked how many employees NCRTD had. Mr. Mortillaro reported that NCRTD employed about 102 people throughout all four counties and that they had 6 garages, employment was getting better since the end of the pandemic and needed 6 or 7 more drivers. Ms. Vigil stated residents in the Penasco area had benefitted from the services that NCRTD offers and asked if there were online services. Mr. Mortillaro explained that NCRTD had an App available as well as online services, where on-demand services could be scheduled, and bus route schedules could be viewed to assist with planning trips throughout the four counties. Mr. Coyle stated that NCRTD Blue Bus would benefit the Village of Angel Fire especially with the airport expansion and during the ski season. Mr. Reyes reported that KCEC was working on an EV charging rate that would equally benefit customers and the Cooperative.

*North Central
Regional
Transit District
(The Blue Bus)*

Mr. Reyes presented the CEO report for October 2024. He reported that staff was focused on the application for the U.S. Department of Agriculture Rural Utilities Service (RUS) Empowering Rural America (New ERA) program, and that financials were a draft version. He reported that revenue tracking would be completed to finalize financials. He reported that load decreased in October due to warmer weather and that Taos Ski Valley (TSV) was electrifying the buses, snow cats and snowmobiles. Mr. Reyes reported that the U.S. Environmental Protection Agency (EPA) was

CEO Report

funding electrification, entities interested would need to apply for these programs. Mr. Reyes reported that KCEC Operations Department would continue tree trimming; there had not been any fires this year, but strong winds and an unhealthy forest were still a concern. He reported that there had been two outages in Angel Fire/ Eagle Nest and Penasco areas due to snow. Mr. Reyes reported that KCEC would monitor wind throughout December. Mr. Medina asked how long the outages had lasted. Mr. Martinez reported that outages lasted between two or three hours depending on the location. Mr. Reyes explained that adding more fuses to the system has helped isolate outages, he reported that the Village of Angel Fire's transfer of service from overhead to underground would be a big project next year. Discussion was held regarding upgrades to the system on the consumer side and KCEC side. Mr. Reyes reported that the Taos County Planning and Zoning Public Hearing for the Amalia II Solar Project was scheduled for December 5, 2024; a printed presentation provided by Luminace was distributed. Mr. Reyes reported that Rio Costilla Cooperative Livestock Association (RCCLA) would be invited to attend the Public Meeting; he encouraged Trustees to attend. He reported that the Amalia II solar array would generate up to 8.75 MW of power with 8.75 MW of battery storage; the project could be complete by September 2025 if approved. He reported that the cost of power would be 4.7 - 4.8 cents, fixed for 25 years. Mr. Reyes reported that KCEC staff worked late on November 22, 2024, to submit the final application for the RUS New ERA program. KCEC provided research and data collected regarding the generation of electricity using hydrogen and the demand for hydrogen in the growing market, referencing other hydrogen projects in the U.S. and other countries. Discussion was held on the benefit of green hydrogen. Mr. Reyes reported that there were companies interested in using hydrogen and that KCEC helped the State introduce partners working toward other renewable projects in the region. Mrs. Suazo distributed presentations of hydrogen projects prepared by Earth Space Technical Ecosystem Enterprises (ESTEE). Mr. Reyes explained that ESTEE was considering building a hydroponic facility in Questa and was also interested in Green Hydrogen. Mr. Coyle reported that Village officials in Angel Fire were very supportive of growth in the community, he asked Mr. Reyes to keep that District in mind for future economic development opportunities. Mr. Reyes reported that he would be taking some time off in December and that staff would help in his absence. Mrs. Valerio-Mylet reported that the Safety Committee met November 8, 2024, the Cooperative had 45 days without a lost time accident. She reported that the Committee discussed the National Rural Electric Cooperative Association's (NRECA) Rural Electric Safety Achievement Program (RESAP) inspection. Mr. D. Torres reported that he and KCEC staff discussed

the “cultural shift in safety” with the RESAP team and that KCEC employees needed to embrace the safety culture. Mrs. Valerio-Mylet reported that outside employees would monitor road conditions prior to entering yards and creating damage in driveways, and staff would enforce walk-around vehicles before driving away. She reported that the Committee discussed the need for more bucket trucks. Mr. Martinez reported that he was looking at leases to include in next year’s budget. Mr. Dimas asked if bucket trucks were recertified annually, Mr. Martinez confirmed that inspections were completed annually. Mr. Ortega asked if Operators were certified annually, Mr. Martinez explained that KCEC was exempt as a utility and Operators were not required to certify annually but continued training would be provided. Mr. Medina stated the new crane that KCEC purchased had a computer system and advanced monitoring that could prevent damage and misuse and recommended that drivers not utilize the override feature. Mr. B. Torres recommended scenarios be created for practice/training on operation of the crane. It was moved by Mr. Duran, seconded by Ms. Vigil, and unanimously approved, that the CEO report for October 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 \$17,753.91. It was moved by Mr. Rodarte, seconded by Mr. Duran, and unanimously approved, that those payments be made to Estates.

*Capital Credits
to Estates*

Mr. Jassmann reported the Payables Committee met on November 11, 2024. Mr. Jassmann recommended approval. It was moved by Mr. Rodarte, seconded by Mr. Medina, and unanimously approved that Payables for October 2024 be approved as presented.

*Payables
Committee*

The President reported that Green Hydrogen had been discussed earlier in the meeting. Mr. Reyes reported that the Green Hydrogen Committee met on November 20, 2024.

*Green
Hydrogen
Committee*

Mr. Reyes reported that the Broadband Committee met on November 21, 2024. KCI had a growth in residential and business subscribers. He reported that Jemez Mountain Electric Cooperative (JMEC) wanted KCEC to take over the grant for the Alcalde Broadband project, and that he would contact NM Office of Broadband Access and Expansion (OBAE) to transfer the grant to KCEC.

*Broadband
Committee*

Mr. D. Torres left the meeting at approximately 10:27 a.m.

Discussion was held regarding Picuris Pueblo’s grant award for Broadband. Mr. Ortega asked about the depth requirement for underground fiber optic lines. Mr. Reyes

reported that KCI fiber optic was installed 6-12 inches below ground. Discussion was held regarding issues with burying fiber optic between 3-4 inches below ground. Mr. Dimas asked if tracer wire was a requirement when burying underground fiber optic. Mr. Reyes explained that tracer wire was a requirement, and that homeowners and excavators were required to request locates before digging.

Mr. Rodarte reported the Solar Committee met November 7, 2024. He reported that the Committee discussed the Amalia II Solar Project, and that Taos Pueblo had approval to move forward with the solar project; a Resolution was still needed from Taos Pueblo. Mr. Rodarte reported that the Taos Charter School Community solar array was currently operational and that two EV charging rates would be created by the next Board meeting, one for small commercial and one for large commercial customers. Mr. Reyes reported that the draft EV charging rates would be shared with members to gather feedback.

*Solar
Committee*

The President reported that the Bylaw & Policy Committee did not meet in November 2024.

*Bylaw & Policy
Committee*

Mrs. Valerio-Mylet reported that the Public Relations Committee did not meet in November 2024. She thanked Mr. Santistevan for KCEC's success in this year's Halloween events. She reported that KCEC was working on the Holiday Light and Decoration contest for business and residential members and a toy drive for preschoolers. She asked all Trustees to participate in the toy drive. Mrs. Valerio-Mylet reported that Mr. Santistevan was working on scheduling a KCEC sponsored dinner for Legislators for the first or second week in February 2025, in Santa Fe. Mr. Ortega asked about the prizes for the KCEC Light and Decoration Contest. Mr. Santistevan reported that there would be first, second and third place winners, for a credit on their electric bill. The contest would be advertised on the KCEC website, monthly newsletter, social media and the Taos News. Mr. Santistevan reported that KCEC was helping the Village of Questa, Town of Taos and Taos County with their tree decorating and assisting Taos Feeds Taos with their annual food drive.

*Public
Relations
Committee*

Mr. Duran reported that the Bid Committee did not meet in November 2024.

Bid Committee

The President called for an Executive Session. It was moved by Mr. B. Torres, seconded by Mr. Rodarte, and unanimously approved, that the Board enter Executive Session at 10:40 a.m.

*Executive
Session*

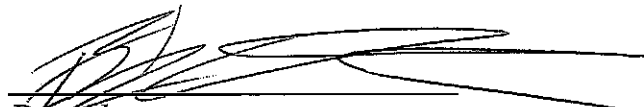
The meeting was reconvened by the order of the President at 10:59 a.m., no action was taken.

*There being no further business to come before the Board, Meeting
it was moved by Mr. Rodarte, seconded by Mr. B. Torres, Adjourned
and unanimously approved, that the Board of Trustees of
Kit Carson Electric Cooperative, Inc. be adjourned until
December 31, 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 10:59 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, Luisa Valerio-Mylet and Sylvia Vigil*


Secretary

Approved this 31st day of Dec 2024.


President