

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, September 17, 2025
Zoom Webinar
LPEA Headquarters | Durango, Colorado

CALL TO ORDER (9:00 a.m.)

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc., was conducted via Zoom on Wednesday, September 17, 2025. President Pitcher called the meeting to order at 9:00 a.m. and noted the attendance of the following directors.

Brad Blake	Joe Lewandowski	Nicole Pitcher, President
Ted Compton, Vice President	David Luschen	Tim Wheeler, Treasurer
Rachel Landis	Dusty Mars	John Witchel, Secretary
John Lee, Jr.	Kohler McInnis	

LPEA STAFF

Amanda Anderson, Strategic Communications Officer
Patrick Berry, Chief Financial Officer (CFO)
Jessica Dunbar, Administrative Assistant
Dan Harms, Chief Strategy Officer (CSO)
Chris Hansen, Chief Executive Officer (CEO)
Elizabeth Howe, Chief Operating Officer (COO)
Graham Smith, General Counsel
Jerry Sutherlin, Vice President of Distribution
Janelle Thunstrom, Executive Office & Board Governance Manager
Drew Timmerman, Vice President of Information Technology

EXCUSED ABSENCE

Director Kirsten Skeehan

WEBINAR ATTENDEES

Danah Barlow, Diana Boudreaux, David Cuyler, Emelie Frojen, Kelly Hegarty, Ingrid Iverson, Sara Knight, Ann McCoy-Harold, Sue McWilliams, Susan Page, Dave Peters, John Purser, Dale Ruggles, Lori Schell, Deborah Shisler, and Nancy Van Dover

APPROVAL OF THE AGENDA (9:01 a.m.)

President Pitcher addressed the agenda for the LPEA board meeting on September 17, 2025.

Motion: Director McInnis moved to approve the presented agenda for the September 17, 2025, board meeting. Motion seconded and carried without dissent.

VP Sutherlin provided a safety moment.

President Pitcher provided a board education moment.

MEMBER COMMENTS (9:04 a.m.)

Attorney Smith outlined the ground rules for public commentary.

Comments were received from members attending electronically.

President Pitcher responded to member comments regarding BOD conduct during meetings. Graham Smith addressed member comments related to Board Policy 215 and Advanced Metering Infrastructure (AMI) opt-outs. CEO Hansen also addressed member comments related to the Request for Proposal (RFP) process for future power supply and whether there was a possibility of local natural gas generation.

CONSENT BOARD ITEMS (9:40 a.m.)

President Pitcher addressed the Consent Board Items.

Motion: Director McInnis moved to approve the following consent board items: Approval of August 20, 2025, Board Minutes, Approval of August 18, 2025, COW Board Minutes, Accept New Member List, Capital Credit Payments to Estates, Monthly Write-Off, and Director Travel & Training Requests. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:43 a.m.)

CEO Hansen reviewed the monthly board dashboard, which had been made publicly available prior to the meeting. The report summarized operational, safety, and financial highlights for August, outlining progress toward the goals set in the [2025 Operational Plan](#).

CEO Hansen provided an overview of key financial indicators, noting that cash reserves are currently below target. Contributing factors include preparation for the pending Contract Termination Payment (CTP) transaction and an approved August real estate purchase in the Trimble area to support future service expansion.

CFO Berry reported on the August financial performance. Operating margins were approximately 10% below budget, primarily due to declines in gross margins and reduced sales in the large industrial segment. One customer's temporary shutdown of a ~5 MW compressor resulted in a 14% drop in industrial sales and a 12% revenue shortfall in that category. Conversely, residential sales increased 3% (with revenue up 5%), and small commercial sales rose 2% (with revenue up 4%). Expense performance was better than budget, with payroll savings and timing variances in fire mitigation and transmission projects offsetting some of the revenue decline.

Berry also noted that a recent real estate transaction significantly impacted cash, contributing to the variance in reserves.

CEO Hansen added that the affected industrial load is expected to return as compressor repairs are completed in the coming month.

Staff addressed board member questions regarding the August Dashboard.

BOARD ACTION AGENDA

COMMITTEE ON POLICIES UPDATE (10:11 a.m.)

Committee Chair Witchel provided a verbal update on the Committee on Policies (COP). He reported that the committee had closed several open items and was continuing ongoing policy discussions. The committee also began a preliminary conversation about revisiting rules related to conflict of interest, though no formal progress or recommendations have yet been made. Witchel noted that additional meetings would be required before bringing substantive updates to the Board.

President Pitcher asked about the committee's prior commitment to review the Line Extension Policy annually in September, with legal review as appropriate. She also reminded the committee of the practice of returning at year-end with any changes in state law that might impact LPEA's governing documents.

FINANCE AND AUDIT COMMITTEE UPDATE (10:15 a.m.)

Committee Chair Wheeler referred to his written Finance and Audit Committee (FAC) report, included in the Board packet. He reported that the FAC recommends Board approval of the CFC loan agreement documents and related resolution, which identifies the CEO as the authorized signatory. Wheeler noted that the committee reviewed the agreements in detail, and while most provisions remain unchanged from existing arrangements, the committee emphasized its recommendation for approval.

DIRECTOR OUTREACH PROGRAM PRESENTATION (10:22 a.m.)

Director Landis presented on the Director Outreach Program, which builds on recent member engagement initiatives. She highlighted upcoming town hall meetings and the "Co-op 101" presentations, designed to provide 15–20 minute overviews of LPEA's structure and operations. Directors will serve as ambassadors of the cooperative, emphasizing a "speak with one voice" approach. Director Landis also outlined a process for tracking outreach, including an outreach log, coordination with staff, and post-event evaluations capturing attendance numbers and key issues raised by members. The Board discussed metrics for attendance and reporting of community feedback.

TRI-STATE CLASS A RATE UPDATE (11:06 a.m.)

CEO Hansen reported that the Tri-State Board recently approved a 7.5% increase in Class A wholesale power rates, effective January 1, 2026. This increase will impact LPEA during the first quarter of 2026 (January–March), resulting in an estimated \$1.3 million increase in wholesale power costs. CEO Hansen noted that the Board will need to evaluate options in the upcoming 2026 budget discussions, including whether to absorb the increase using reserves or rate stabilization funds, pass some or all costs to members, or pursue a combination of approaches.

REPORTS

ATTORNEY REPORT (11:20 a.m.)

Attorney Smith referenced the written and verbal report in the board packet and inquired if any board members had questions since the August meeting. Attorney Smith addressed Director Skeeahan's question about participation in the credit rating meetings.

DIRECTOR REPORTS (11:22 a.m.)

Directors referred to written and verbal reports in the board packet and took questions and suggestions from board members and staff.

ATTORNEY UPDATE ON FERC ACTIONS (11:29 a.m.)

Matthew Larson, Outside Counsel for LPEA, provided an update on ongoing legal and regulatory proceedings. At the Federal Energy Regulatory Commission (FERC), the wholesale rate case remains in settlement negotiations.

In the 10th Circuit Court of Appeals, compliance cases related to the Contract Termination Payment (CTP) are fully briefed, with oral arguments anticipated in Denver during the first quarter of 2026.

Mr. Larson also updated the Board on proceedings before the Colorado Public Utilities Commission (PUC), noting that Tri-State's Electric Resource Plan (ERP) process has concluded, with a pending administrative appeal filed by NGOs concerning a Tri-State gas asset in Moffat County. He indicated that the appeal appears procedural in nature.

Mr. Larson fielded at least two substantive questions — one from Director Lewandowski about case impacts on exit timing/costs, and one from Director Wheeler about Tri-State's coal mine obligations.

EXECUTIVE SESSION (11:35 a.m.)

President Pitcher requested a motion to enter an executive session to receive confidential updates on FERC proceedings and related actions, ongoing progress on power supply, CFC (National Rural Utilities Cooperative Finance Corporation) Loan Authorization Update, Review of Tri-State Withdrawal Agreement Documents, and Tri-State Class A Rate Update.

Motion: Director Wheeler moved to enter an executive session to receive confidential updates on FERC proceedings and related actions, ongoing progress on power supply, CFC (National Rural Utilities Cooperative Finance Corporation) Loan Authorization Update, Review of Tri-State Withdrawal Agreement Documents, and Tri-State Class A Rate Update. Motion seconded and carried without dissent.

The board entered the executive session at 11:35 a.m. and returned to the public session at 2:13 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (2:13 p.m.)

Following the executive session, action was taken.

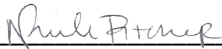
Motion: Director Wheeler moved to approve [Resolution 2025-14](#); CO032-A Certificate of Resolutions and Incumbency, and [Resolution 2025-15](#); CO032-P Certificate of Resolutions and Incumbency. Motion seconded and carried without dissent.

There was no further action taken on issues discussed in the Executive Session.

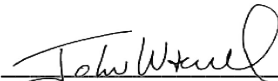
Attorney Smith advised that the directors reviewed and determined that the authority previously granted to the CEO to act on FERC-related matters, including possible filings based on advice from LPEA's retained counsel, applies to the withdrawal agreement and related documents. These matters are considered FERC-related and necessary under Tri-State Rate 281 concerning the contract termination payment tariff. The Board further reviewed this determination in light of Article IX of the bylaws and concluded that the execution of the agreement, or the delegation of authority to the CEO, does not violate Article IX.

ADJOURN (2:19 p.m.)

There being no further business, the meeting of the LPEA Board of Directors adjourned at 2:19 p.m.
Recorded by J. Dunbar and approved by:



Nicole Pitcher, President



John Witchel, Secretary