

LA PLATA ELECTRIC ASSOCIATION, INC.
Finance and Audit Committee Meeting Minutes
Thursday, March 12, 2026
9:00 a.m. - 12:00 p.m.
<https://lpea.coop/board-directors-committees>

CALL TO ORDER (9:01 a.m.)

The Finance and Audit Committee of the La Plata Electric Association Board of Directors was held on Thursday, March 12, 2026, via Zoom webinar. Committee Chair Wheeler called the meeting to order at 9:01 a.m. The following committee members were in attendance:

COMMITTEE MEMBERS

Director Tim Wheeler, Board Treasurer & Committee Chair
Director David Luschen
Director Dusty Mars
Director Kohler McInnis
Chris Hansen, Chief Executive Officer
Monica Rodriguez, Controller/Interim Chief Financial Officer

LPEA STAFF

Jessica Dunbar, Administrative Assistant
Dan Harms, Chief Operating Officer
Janelle Thunstrom, Executive Office & Board Governance Manager

EXCUSED ABSENCE:

Graham Smith, General Counsel

GUESTS:

Greg Barber
Directors Joe Lewandowski and Nicole Pitcher

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

Committee Chair Wheeler addressed the agenda for the March 12, 2026, Finance and Audit Committee (FAC) meeting.

Motion: Committee member McInnis moved to approve the March 12, 2026, Finance and Audit Committee (FAC) meeting agenda, with a revision to add a discussion on Resolution 2026-03; Harvest Waste Heat Recovery PPA to Executive Session. Motion seconded and carried without dissent.

APPROVAL OF MEETING MINUTES (9:03 a.m.)

Committee Chair Wheeler addressed the February 17, 2026, FAC meeting minutes.

Motion: Committee Member McInnis moved to approve the February 17, 2026, FAC meeting minutes as presented. Motion seconded and carried without dissent.

JANUARY FINANCIALS REVIEW – ACTUALS (9:04 a.m.)

Controller/Interim CFO Rodriguez stated there were changes to the January 2026 financial statements. The 2025 Tri-State capital credit allocation came through so the balance sheet changed slightly.

FEBRUARY FINANCIALS REVIEW – PRELIMINARY (9:11 a.m.)

Controller/Interim CFO Rodriguez presented the February 2026 financial results, reporting a negative operating margin of \$301,561, compared to a positive budgeted margin of \$95,516, resulting in a negative budget variance of \$397,077. Sales were down 12%, or \$1.2 million, due to warmer weather. O&M expenses were 8% under budget for the month. Cash targets were slightly under the board's target, as a result of lower sales. Rodriguez pointed out a change in our miles of line statistic, and the reports we historically used to report these statistics are no longer available and are now coming directly from our GIS software. This is a more accurate representation of our system, but it created a large variance with year-over year comparison.

EXECUTIVE SESSION (9:23 a.m.)

Committee Chair Wheeler requested a motion to enter an executive session to review Energy Risk Management Policy, status update on Transmission Asset, update on National Rural Utilities Cooperative Finance Corporation (CFC) Transaction, update on Transmission Credit, and a review of Resolution 2026-03; Harvest Waste Heat Recovery PPA (Power Purchase Agreement).

Motion: Committee Chair McInnis moved to enter an executive session to review Energy Risk Management Policy, status update on Transmission Asset, update on National Rural Utilities Cooperative Finance Corporation (CFC) Transaction, update on Transmission Credit, and a review of Resolution 2026-03; Harvest Waste Heat Recovery PPA (Power Purchase Agreement). Motion seconded and carried without dissent.

The committee remained in the Executive Session from 9:23 a.m. to 11:15 a.m.

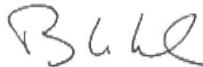
Action was taken following the executive session.

Motion: Committee Chair Wheeler moved to recommend the full board adopt the Energy Risk Management Policy, to be reviewed annually or more if needed, as presented. Motion seconded and carried without dissent.

Motion: Committee Chair Wheeler moved to recommend the full board approve Resolution 2026-03; Harvest Waste Heat Recovery PPA (Power Purchase Agreement). Motion seconded and carried without dissent.

ADJOURN (11:21 a.m.)

There being no further business, this meeting of the Finance and Audit Committee of the La Plata Electric Association Board of Directors adjourned at 11:21 a.m. Recorded by J. Dunbar and approved by:



Tim Wheeler, Committee Chair