

MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS  
OF  
FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

July 22, 2024

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, July 22, 2024, at Ashton, Idaho. Having determined a quorum was present, President Behrens called the meeting to order at 10:00 a.m. Angie Haws recorded the minutes. The invocation was given by Jeff Keay. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Georg Behrens, Vice President Brent "Husk" Crowther, and Secretary/Treasurer Jodi Stiehl

DIRECTORS PRESENT

Past President Dede Draper, Anna Lindstedt, Jeff Keay, Travis Markegard, Brent Robson, and Doug Schmier

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, CFO Linden Barney, HR Manager John Henderson, Guests Groundman Isaiah Archuleta, Member Service Representative Leslee Wilson, and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

**Vice President Crowther made a motion to approve the agenda as amended. Director Markegard seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

APPROVAL OF MINUTES FOR JUNE 8, 2024

**Director Robson made a motion to approve the minutes from the June 8, 2024, Board Meeting as amended. Vice President Crowther seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

MEMBER COMMENTS

The board reviewed member comments and communications.

GRAND TARGHEE GENERATOR AND OUTAGE

CEO Case reported a tree landed on a line causing a fault on the FR system. This fault caused a breaker in the Grand Targhee substation to operate and open taking them offline. Case along with key FR staff reviewed protocol and communications with Grand Targhee to evaluate this event. A meeting was held with Grand Targhee providing additional contact information to streamline the notification process and regularly schedule coordinated generator/system testing.

## FINANCIAL & STATISTICAL REPORTS

### JUNE 30, 2024, FINANCIAL REPORTS

CFO Linden Barney reported the net margins are \$2.7 million ahead of budget through June and revenue net of power costs accounts for \$1.7 million of the variance. Revenue is higher than budget due to higher than anticipated kWh sales. The higher costs of purchased power have been offset by higher-than-expected revenues from Fall River's share of Grant PUD hydroelectric generation and additional RTC credits. Power production expenses are also lower than budget due to lower resource support services on our hydros and lower out-of-pocket maintenance expenses. However, the maintenance costs will get closer as the stater rewind at Chester, which was budgeted for in the first quarter, is complete. Other significant variances include building maintenance items and labor and overhead, both of which we anticipate getting closer to budget as the year progresses.

The Cooperative has generated \$7.3 million from operations through the first half of the year, \$5.9 million has been invested in plant and materials and \$1.6 million of long-term debt has been paid. The Cooperative's equity ratio is just under 52% and the annualized growth in services is 3.3%, which is slightly down from last year. YTD 30% of the capital budget has been spent.

The board discussed patronage capital, investments in infrastructure, generation, rates, wholesale power costs, and market conditions.

## COOPERATIVE BUSINESS

### ENERGY EXPO & MEMBER ANNUAL MEETING

CEO Case reviewed the highlights from the Energy Expo held on June 8, 2024. Case noted staff comments and suggestions as well as member feedback received by staff and members comments on the Energy Expo survey. Case expressed thanks to Member Services Manager Clint Washburn for coordinating the event. The board discussed member feedback, voting, 2025 Expo date/location, audio for safety demonstrations, and prizes. The board consensus was to hold next year's Energy Expo and annual meeting at North Fremont on June 14<sup>th</sup>.

#### ENERGY EXPO SUMMARY

Included in the board packet.

#### VOTING AND ATTENDANCE RECAP

Included in the board packet.

#### 2024 ENERGY EXPO MEMBER SURVEY

The member survey indicated members were pleased with the event and appreciated the timing of the event. They were appreciative of the breakfast, booths, safety demonstration, access to the staff and board, and youth activities including the stem scavenger hunt for the school backpack.

#### 2024 ANNUAL MEMBER MEETING MINUTES FOR REVIEW

Included in the board packet.

2025 ENERGY EXPO – JUNE 14<sup>TH</sup> AT NORTH FREMONT RESERVED –  
FORMAT DISCUSSION

BY-LAW REVIEW AND/OR CHANGES? LOWER VALLY VOTING BY  
DISTRICT AS EXAMPLE – DISCUSSION – ADMINISTRATIVE  
COMMITTEE TO REVIEW

The board discussed current by-laws, membership, and member communications regarding voting.

MEMBER APPRECIATION IN WEST YELLOWSTONE – SEPTEMBER 13<sup>TH</sup>  
CEO Case stated the member appreciation event will be held in West Yellowstone Friday, September 13<sup>th</sup> from 11 a.m. to 1 p.m. FR will serve hamburgers and hot dogs to the members and provide conservation kits and have other materials available to assist with conservation. The Tesla EV will be on site as well. President Behrens encouraged Board members to participate in the event.

FALL RIVER KEY RATIO TREND ANALYSIS (KRTA)

CEO Case and CFO Linden Barney reviewed some Key Ratio Trend Analysis graphs with the board. This data tool compares values to measure performance in certain areas and compares FR to several groups of similarly sized cooperatives. CFO Barney reviewed ratios and discussed equity ratio, rates, energy costs, investment in infrastructure, line loss, and reliability. The entire KRTA was included for board review.

KRTA TOP 20 GRAPHS SUMMARY

Included in the board packet.

KRTA ALL 145 RATIOS

Included in the board packet.

BOARD COMMITTEE ASSIGNMENTS

Included in the board packet.

RESOLUTION FOR DRIGGS PROPERTY PURCHASE

**Vice President Crowther made a motion to authorize CEO/GM Bryan Case to execute all documents necessary in order to purchase the property in Driggs, ID. as discussed and as outlined in the Board Resolution #654. Director Robson seconded. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.**

IDEA – IDAHO ENERGY AUTHORITY MEETING WITH RESOURCE SERVICE  
SCHEDULE

The Idaho Energy Authority (IDEA) is an association of Idaho electric utilities working together on various issues impacting consumer-owned electric utilities in Idaho and surrounding states.

CEO Case noted resources and services available through this organization as well as potential long-term benefits. The board discussed time frame, costs/value, transmission and generation.

**Director Schmier made a motion to authorize CEO Case and Fall River to pursue generation resource development with IDEA and authorized Case up to \$10,000.00 to participate. Director Key seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### PNGC HIGHLIGHTS

##### RESOURCE DEVELOPMENT PLAN PRIMER & DECISION TIMELINE – SEPTEMBER 2024 FOR RESOURCES POST – 2028

CEO Case provided a summary and highlights of PNGC's proposed Resource Development Plan. Case discussed the timeline and Fall River's decision to either participate in PPA's for proposed wind and solar projects and the obligation Fall River would be committed to. The decision also removes one of the contractual options for Fall River. PNGC will present to Fall River at our strategic planning session in August and Fall River will discuss and will need to make a decision to either participate or rely on BPA Teir 2 product at the Cooperative's September board meeting.

##### STRATEGIC PLANNING VISION AND STRATEGIC PRIORITIES

Included in the board packet.

#### BPA TOPICS

##### FALL RIVER'S POSITION ON SUPPORTING A PPC \$300m CAP AND/OR NRECA LONG TERM STRATEGY TO DEFEND THE COLUMBIA RIVER HYDROS AND LSRDS

CEO Case discussed the proposals of PPC and NRECA and proposed supporting both strategies. The board discussed the options and while several of the board members would prefer the NRECA approach, the consensus of the board was to support both strategies.

##### CEQ AND DEPARTMENT OF INTERIOR – COLUMBIA RIVER TASK FORCE

Included in the board packet.

##### PPC LETTER TO THE ADMINISTRATION ON THE SIGNED BY EC

Included in the board packet.

##### COLUMBIA RIVER TREATY- ANNOUNCEMENT OF AGREEMENT IN PRINCIPLE

Included in the board packet.

##### PPC EXECUTIVE COMMITTEE AND MEMBERSHIP FALL RIVER/PNGC

Included in the board packet.

##### RETAIL RATES – PRECURSOR TO AUGUST BOARD DISCUSSION...

##### WHOLESALE POWER COSTS & FALL RIVER RETAIL RATES

CEO Case discussed the intimal review of the Cooperative's ten-year financial forecast

and the Cost-of-Service Analysis (COSA). Some of the considerations as we review and staff conservative estimating, inflation, and the steep increase in the cost of wholesale power looking into the future. The results suggest the cooperative consider retail rates increase and the board will be provided an in-depth review in August.

#### NRECA DIRECTOR GOLD AND LEADERSHIP CERTIFICATION

The Director Gold certificate recognizes directors who have earned their Credentialed Cooperative Director certificate (CCD) and Board Leadership Certificate (BLC) certificates and are committed to continuing their education throughout their service on the board. President Behrens, along with CEO Case and the other board members congratulated the recipients on their achievement.

DEDE DRAPER – NRECA DIRECTOR GOLD PROGRAM CERTIFICATE  
Included in the board packet.

JODI STIEHL – NRECA DIRECTOR GOLD PROGRAM CERTIFICATE  
Included in the board packet.

ANNA LINDSTEDT- NRECA BOARD LEADERSHIP PROGRAM  
Included in the board packet.

#### NRECA REGION 7&9 VOTING DELEGATE AND ALTERNATE

**Director Key made a motion for Doug Schmier to serve as NRECA Region 7&9 Voting Delegate and Jodi Stiehl to serve as the Alternate Voting Delegate. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### MECA DESIGNATED BOARD MEMBER AND ALTERNATE

##### MECA VOTING DELEGATE

**Director Key made a motion for Georg Behrens to serve as the MECA Voting Delegate with no Alternate, and Jodi Stiehl as the MECA Board Representative, with the Alternate Board Representative as Clint Washburn. Past President Draper seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### COOPERATIVE REPORTS

Director Key reported on FR Propane Strategic Planning meeting attended.

Director Markegard reported on a PNGC webinar attended.

Director Draper reported on PNGC and ICUA meetings attended.

Vice President Crowther reported on ICUA meetings attended.

Secretary Stiehl reported on MECA summer meeting and ICUA meetings attended.

President Behrens reported on ICUA meetings attended.

#### CONSENT AGENDA

Board and CEO expense reports, New Memberships, Purchase of Power Agreements, Check Report, Safety Report, Early Retirement of Patronage Capital was reviewed by all Board Members in Board Package prior to meeting.

**Director Robson made a motion to approve the consent agenda as discussed. Director Schmier seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE

#### EXECUTIVE SESSION

**Director Keay made a motion to go into Executive Session at 1:06 p.m. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Robson made a motion to go out of Executive Session at 1:25 p.m. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### MANAGEMENT DISCUSSION ITEMS

##### 2<sup>ND</sup> QUARTER GOALS/WORK PLAN UPDATE

The board discussed SCADA progress. Goal and work plan updates were included in the board packet.

##### ORGANIZATIONAL CHART

###### OVERALL ORGANIZATIONAL CHART

Included in the board packet.

###### FALL RIVER ELECTRIC ORGANIZATIONAL CHART WITH PICTURES

Included in the board packet.

###### FALL RIVER PROPANE ORGANIZATIONAL CHART

Included in the board packet.

##### EMPLOYEE SURVEY

CEO Case stated that FR is interested in what employees want and expect, the survey received 98.6% employee participation from both FR Electric and Propane combined. HR Manager John Henderson reviewed the results with the board. The board discussed survey questions, survey benchmark comparisons, successes and areas with opportunities for improvement.

##### FALL RIVER LOAD HISTORICAL PEAKS

CEO Case reviewed FR historical peaks noting comparisons. The board discussed system peak comparisons, generation, and conservation. A historical peak chart was included in the board packet.

## FR SAFETY – NRECA COMMITMENT TO ZERO – PHASE 2

CEO Case stated the NRECA Commitment to Zero Phase 2 is part of the FR 2024 Work Plan encouraging a more hands on approach to pursuing zero contacts.

## ACSI 2023 CUSTOMER SATISFACTION AWARD

CEO Case stated NRECA's Touchstone Energy informed Fall River Rural Electric Cooperative on June 26, 2024, that FRREC had earned its first-ever Customer Satisfaction Award from the American Customer Satisfaction Index (ACSI) for Cooperative Energy Utilities. This award is available for qualifying Touchstone Energy® member cooperatives and recognizes that Fall River Rural Electric Cooperative has received an ACSI score within the top 25 percentile of scores when compared to cooperatives publicly measured in the ACSI Annual Energy Utility Study for 2023. Fall River Electric's ACSI score substantially outperforms the industry average score earned by publicly measured utilities reported in the 2023 ACSI Energy Utility Study. This Award is a testament to Fall River's ongoing efforts to provide the best possible member experience.

## FALL RIVER SURPLUS EQUIPMENT SALE – AUGUST

CEO Case reported Fall River will occasionally sell its surplus vehicles, equipment and other items. FR is planning a sale and will schedule it for August of this year. These surplus items are made available to our members, contractors, board members and employees. This is a sealed bid sale. Details of the sale items will be made available once the list is finalized.

## TAKE SAFETY HOME

Handed out at board meeting.

### ATTACKS IN CROWDED SPACES

### ABUSE PREVENTION IN THE HOME

### HEALTHY MONEY HABITS

The board expressed thanks and appreciation to staff for putting this helpful safety information together to distribute in a creative way.

## HYDRO FACILITIES UPDATE

Island Park, Chester, and Buffalo generated a total of 3,052,845 kWh in June. This amounts to 7.2% of all the kWh billed by PNGC in June and 7.7% of all kWh sold and used by Fall River in June.

Felt Hydro produced 3,470,581kWh in June. When this is included with Island Park, Chester, and Buffalo it amounts to 15.3% of all the kWh billed by PNGC in June and 16.5% of all kWh sold and used by Fall River in June.

### ISLAND PARK

Island Park hydro produced 2,070,996 kWh during the month of June.

### BUFFALO

Buffalo hydro produced 88,331 kWh during the month of June.

FELT

Felt hydro produced 3,470,581 kWh during the month of June.

CHESTER

Chester Hydro produced 893,518 kWh in the month of June.

DONATIONS

Included in the board packet.

FALL RIVER'S MANAGEMENT REPORT

Included in the board packet.

REPORTS BOARD COMMITTEES, MEETINGS, AND MEMBER COMMENTS

POLICY COMMITTEE

Nothing to report.

ADMINISTRATIVE COMMITTEE

Nothing to report.

FINANCE COMMITTEE

Nothing to report.

EXECUTIVE COMMITTEE

Nothing to report.

ENGINEERING AND OPERATIONS COMMITTEE

Nothing to report.

ATTORNEY REPORT

Attorney Rigby reported on legal items of note, in particular water rights.

FALL RIVER OFFICER ELECTIONS

Attorney Jerry Rigby facilitated the board election. Past President Draper stated there were no new nominations given prior to the meeting and the existing officers would like to run again. Attorney Rigby inquired if there were any nominations from the floor, there were no new nominations. Jeff Keay expressed interest in running for Secretary/Treasurer in the future.

**Director Robson made a motion to approve the officers as currently constituted by acclamation. Director Schmier seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

2024 CALENDAR

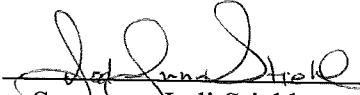
Included on the board agenda.



ADJOURNMENT

**A motion was made by Director Robson and seconded by Director Schmier to adjourn the meeting. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE. The meeting was adjourned at 2:43 p.m.**

DATE APPROVED: August 26, 2024

  
Secretary Jodi Stiehl