

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

August 24-25, 2026

The Board Strategic Planning Meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held August 24-25, 2026, at SpringHill Suites, Island Park, Idaho. Having determined a quorum was present, President Brent “Husk” Crowther called the meeting to order at 9:05 a.m. Executive Assistant Angie Haws recorded the minutes. The invocation was given by Georg Behrens. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Brent “Husk” Crowther, Vice President Jodi Stiehl and Secretary/Treasurer Travis Markegard

DIRECTORS PRESENT

Georg Behrens, Dede Draper, Brent Robson, Anna Lindstedt, Doug Schmier, Paul McLean

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, Executive Assistant Angie Haws, CFO Linden Barney, IT Manager Shannon Hill, Member Services Manager Clint Washburn, Operations Manager Randy Wakefield, Engineering Manager John Nunnelee, Propane GM David McKinnon, CFC Eric Anderson, GDS Russ Schneider, Rich Polich, NRTC Milton Geiger, Chris Bradley, and Joshua Pepple.

APPROVAL OF AGENDA

Secretary Markegard made a motion to approve the agenda as presented. Director Behrens seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

APPROVAL OF MINUTES FOR JULY 27, 2026

Secretary Markegard made a motion to approve the minutes from the July 27, 2026, Board Meeting as amended. Director Behrens seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

MEMBER COMMENTS

CEO Case and board members reported on member comments and correspondence received.

SCHOLARSHIP REPORT – KATLYN ROBERTS

Fall River scholarship recipient Katlyn Roberts expressed her gratitude for the scholarship and reported on the impact of the scholarship, current field of study, and her future career goals and aspirations.

FINANCIAL & STATISTICAL REPORTS

JULY 31, 2026, FINANCIAL REPORTS

CFO Barney reported on the financials through July noting YTD net margins are \$296K below budget. Revenue net of power costs makes up the majority of the lower net margins. He stated the revenue is 4.7% below budget, noting the warmer winter/spring weather. Power costs are 21% higher than last year with virtually the same load on the system. Barney stated the other significant variances included building maintenance and repair costs as well as annual FERC fees. The Cooperative has generated \$3.7M YTD through operations and \$4.9M has been invested in plant and materials. The Cooperative has paid \$1.7M of principal payments of long-term debt and just over \$2.8M borrowed with \$1.7M advanced on credit lines. The capital budget reflects \$10.1M has been spent YTD including carryover amounts from last year. Equity through July is just over 53% and the annualized growth rate in services is 2.5%.

The Board discussed areas of growth, software conversion, pole replacements, and reporting data.

CEO Case recognized Fall River's new Engineering Manager, John Nunnelee, noting his knowledge and experience will be a valuable asset to the Cooperative and expressed appreciation for his addition to the team.

COOPERATIVE BUSINESS

FALL RIVER BY-LAW AND PETITION FOR MEMBERS VOTE

Attorney Rigby reported on the next steps regarding the proposed bylaw change, which was approved by an overwhelming majority of the members who voted. Fall River's Bylaws require two-thirds of the membership to vote to ratify the bylaw change. Because the required threshold was not met, Fall River will petition the court to ratify the decision of the voting members. Attorney Rigby will keep the Board apprised of the filing, upcoming dates, and court proceedings. FR Members will be notified of the notice of the hearing through the FR "Flashes" newsletter.

NWPPA AUGUST RECESS TALKING POINTS

NWPPA August recess talking points regarding reducing wildfire risk were included in the board materials.

PPC TALKING POINTS FOR BPA ISSUES

PPC outlined key issues related to Benefiting Northwest Ratepayers and Protecting BPA Competitiveness.

- Residential Exchange Program Revisions
- Supporting BPA Leadership Change
- Protecting BPA and the Public Power Model
- New BPA Contracts: Foundational for Meeting Public Power's Needs
- Providing Adequate Federal Staffing for Critical Functions
- Columbia River System Operations Litigation
- BPA Needs Additional Tools to Execute on Critical Transmission Infrastructure
- Supporting Markets+ Day Ahead Market
- Advancing Practical Cost Allocations for the Willamette Valley Projects
- Ensuring Regional Resource Adequacy, Including BPA's Central Role
- Closing Out on Columbia River Treaty Modernization

BPA ADMINISTRATOR, TRAVIS KAVULLA, MEETINGS IN BOISE AND MECA
CEO Case provided an update on recent meetings with new BPA Administrator Travis Kavulla in Boise and at MECA. The Board reviewed Fall River and PNGC talking points, JOE status, and PPC information regarding markets and market governance, as included in the Board packet.

PNGC BOARD MEETING AND PROJECT PROGRESS REPORT

WHITE PINE POWER UPDATE

The PNGC Power July progress report updating the status on the White Pine Power project was included in the board packet.

BOARD HIGHLIGHTS

CEO Case reviewed noteworthy items from the August PNGC board meeting. The primary focus for the meeting was the FY 2027 budget, BPA Provider of Choice Tier 2 elections, short-term Bridge Power requirements, future financing structure, and third quarter performance.

NORTHWEST POWER AND CONSERVATION COUNCIL EXECUTIVE SUMMARY

The Board reviewed the Northwest Power and Conservation Council Executive Summary included in the Board packet. Discussion included the 45% increase in the conservation target and associated conservation costs, as well as differing conservation plans and funding levels for Oregon/Washington and Idaho/Montana.

BOARD & MANAGEMENT TEAM EXERCISE KRTA WITH A REVIEW

The Board and Management Team reviewed the CFC Key Ratio Trend Analysis (KRTA), including KRTA definitions and the Top 20 Key Ratio Trend Analysis, as included in the Board packet. CEO Case conducted a critical thought exercise which the board and management participated in. The exercise resulted in discussions on identifying the appropriate benchmark comparisons, factors to consider which are unique to Fall River, what other ratios to consider and what questions should the board and management team ask. Fall River, overall, saw positive and at times significant improvements or trends in our KRTA. The Board and management also identified a few ratios we have concerns with and discussed Fall River's approach to address those concerns.

FALL RIVER VISION AND STRATEGIC OBJECTIVES

The Board reviewed and discussed the current FR Vision and Strategic Objectives to ensure their relevance especially considering the technology and industry changes taking place. It was determined there was no major change to Fall River's direction. One minor addition was suggested, and it was determined management would propose an updated vision and strategic objectives to be reviewed at an upcoming board meeting.

BOARD CULTURE UPDATE AND DISCUSSION

The board culture discussion topic was omitted in the interest of time and will be discussed at a future board meeting.

CEO SUCCESSION PLANNING – EMERGENCY AND PLANNED CEO RECRUITMENT

CEO This material included in the board packet was moved and will be discussed at the September board meeting.

ARMCHAIR ENGINEER – DISCUSSION

The video was provided in the board materials which addressed this year's delay in returning adult salmon due to increased spill. The link addressed a complex topic and provided insightful information about the unintended consequences of increased spill and the impact to juvenile and adult salmon.

COOPERATIVE REPORTS

Director Behrens reported on ICUA meetings he attended.

Director Robson reported on the FR Propane board meeting he attended.

Director Lindstedt reported on industry related INL discussions and will provide notes to the board.

Director Schmier reported on NWPPA meetings that he attended.

Director McLean reported on positive member feedback.

President Crowther reported on the FR Bylaw Change process.

CONSENT AGENDA

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

Director Schmier made a motion to approve the consent agenda as presented. Director Robson seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

President Crowther proposed a change to the meeting agenda.

Director Robson made a motion to amend the meeting agenda as discussed.

Vice President Stiehl seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

MANAGEMENT DISCUSSION ITEMS

CRISIS COMMUNICATION GUIDELINE

CEO Case noted the crisis communication plan guidelines were recently reviewed and updated. The guidelines include plan objectives, definitions, designated individuals, processes, key communications, media, and management of communications.

FALL RIVER SURPLUS EQUIPMENT SALE

Fall River's surplus equipment sale will take place August 31st through September 11, 2026. The sale includes vehicles, utility equipment, trailers, and shop equipment with minimum bids established on several items. The sale process was outlined, and marketing for the sale will begin August 27th. The items are available to members, employees, board members and vendors of FR.

ANNUAL WORK ORDER CONSTRUCTION INSPECTION REPORT

The Annual Work Order Construction Report conducted by a third party was included in the Board materials for review. CEO Case noted that the report was useful and provided insight.

WYOMING WILDFIRE MITIGATION PLAN SUBMITTAL

CEO Case reported the required Wildfire Mitigation plan application for Wyoming was submitted. The plan will go before the commission and is currently pending for review and approval.

PROPANE ACTIVITIES

Management reported on propane activities, including the Summer Fill Special of \$1.849 per gallon through August 31 and the successful bid to provide propane service to the Fremont School District.

HYDRO FACILITIES UPDATE

Island Park, Buffalo and Chester generated a total of 3,345,806 kWh in July. This amounts to 6.6% of all the kWh billed by PNGC in July and 7.1% of all kWh sold and used by Fall River in July.

Felt Hydro produced 2,280,736 kWh in July. When this is included with Island Park, Buffalo and Chester, it amounts to 11.1% of all the kWh billed by PNGC in July and 11.9% of all kWh sold and used by Fall River in July.

ISLAND PARK

Island Park Hydro produced 2,478,447 kWh during the month of July.

BUFFALO

Buffalo Hydro generated 129,984 kWh during the month of July.

FELT

Felt Hydro produced 2,280,736 kWh during the month of July.

CHESTER

Chester Hydro produced 737,375 kWh in the month of July.

DONATIONS

The year-to-date donations report was included in the board material for review.

FALL RIVER MANAGEMENT REPORT

The Board reviewed Fall River's Management Report which provided departmental updates and was included in the Board packet.

REPORTS

BOARD COMMITTEES

EXECUTIVE COMMITTEE

Charman Crowther reported the Committee will complete an FAQ in the fall.

ADMINISTRATIVE COMMITTEE

Chairman Stiehl reported the Committee will meet in November. The Chairman requested additional information regarding scholarships.

ENGINEERING AND OPERATIONS COMMITTEE

Chairman Robson reported the Committee will meet in September.

FINANCE COMMITTEE

Chairman Lindstedt reported the Committee will meet September 28th immediately following the regular board meeting.

POLICY COMMITTEE

Chairman Draper reported the Committee will meet in March of 2027.

ATTORNEY REPORT

Attorney Rigby reported on industry related items and water rights.

ERIC ANDERSON – STRATEGIC EQUITY REVIEW AND DISCUSSION – CFC

Eric Anderson with CFC presented an in-depth strategic equity review and discussed key considerations with the Board. Anderson reviewed the cooperative business model, equity challenges, and the importance of maintaining a well-balanced financial profile. He also reviewed key equity ratios and discussed the financial impacts of growth, patronage capital, and margin adequacy. Equity modeling and various scenarios were presented to illustrate potential equity levels while minimizing rate impacts.

NRTC – CHRIS BRADLEY, MILTON GEIGER, JOSHUA PEPPL

Chris Bradley, Milton Geiger, and Joshua Pepple with NRTC presented the economics and analysis for the Section 247 Grant and utility-scale battery applications for dark start and peak arbitrage. NRTC also provided an introduction to Virtual Power Plants (VPP), Distributed Energy Resource Management Systems (DERMS), and demand/capacity management.

CEO Case asked the Board for direction regarding pursuing the Section 247 Grant. The Board consensus included moving forward with an updated 30% engineered project cost evaluation with an update for October. If Fall River decides to move forward, the Cooperative would forward 20% of project costs to get in the queue for the purchase of the battery. It was noted, the battery market is very competitive presently and to secure the batteries needed for the project.

Director Schmier made a motion to advance to the next step in pursuing the Section 247 Grant (utility scale batteries for dark start and peak arbitrage). Vice President Stiehl seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

ADJOURN STRATEGIC PLANNING FOR THE DAY

The strategic planning meeting recessed for the day at 5:05 p.m.

TUESDAY, AUGUST 25, 2026

President Crowther called the meeting to order at 9:00 a.m.

GDS CONSULTING – RUSS SCHNIEDER

RETAIL RATE AND PROPOSED EV CHARGER RATES

Russ Schneider with GDS Consulting presented and discussed the retail rate and proposed EV charger rates, the initial Retail Rate Cost of Service Analysis and assumptions, and strategic objectives for Time-of-Use retail rates. Discussion also included Virtual Power Plants (VPP), flexible demand, and demand-side management. The Board discussed the various options and recommendations. President Crowther noted the recommended Residential Rate increase will be added to the September board agenda for further discussion.

Schneider provided an analysis of Fall River's existing EV charging rate based on the Cost-of-Service Analysis (COSA). The analysis included charging stations in Ashton, Island Park, and Driggs.

Schneider reported that the current rate of \$0.48/kWh improves cost recovery but does not fully recover the estimated cost of service.

Director Behrens made a motion to increase the FR EV Charger rate effective October 15, 2026, to 70 cents per kWh as recommended. Director Schmier seconded the motion.

The Board discussed costs, future plans, and member comments.

Secretary Markegard proposed an amendment to the original motion to increase the EV Charger rate to 77 cents per kWh effective October 15, 2026. Director Robson seconded the motion.

The Board discussed the amended motion.

A voice vote was taken; THE MOTION DID NOT PASS.

President Crowther inquired if there was to be any additional discussion on the original motion, there was none.

A voice vote was taken on the original motion to increase the EV Charger rate to 70 cents per kWh effective October 15, 2026; THE MOTION CARRIED UNANIMOUSLY.

The board reviewed the Cost-of-Service analysis for the remainder of the retail rates with a recommendation to increase rates by 7.8% in 2027 and reviewed various potential retail rates for each of Fall River's rate classes. The board requested management and GDS provide additional retail rate options for Residential rates which will be presented to the board in September.

In addition, GDS reviewed potential rates structures for time of use rates. This proposed rate structure would be considered for 2028 with a goal to get agreement on a rate structure. This will be discussed at a future board meeting.

EXECUTIVE SESSION

Director Robson made a motion to go into Executive Session at 11:58 a.m. Vice President Stiehl seconded the motion. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

A motion was made to exit Executive Session at 12:28 p.m. The motion was seconded. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

A motion was made to adjourn the meeting at 12:34 p.m.

The motion was seconded. A voice vote was taken; THE MOTION CARRIED UNANIMOUSLY.

DATE APPROVED: September 28, 2026


Secretary Travis Markegard