

MEETING MINUTES

October 24, 2024, Board of Directors Meeting Minutes

Dakota Electric Association Board Members in Attendance

DISTRICT 1

John DeYoe
David Jones
Jerry Pittman

DISTRICT 2

Terry Donnelly
Bill Middlecamp
Clay Van De Bogart (virtual)

DISTRICT 3

Ken Danner
Margaret Schreiner
Cyndee Fields

DISTRICT 4

Paul Bakken
Jenny Hoeft
Stacy Miller

Staff/Guests in Attendance

James Bender
Corey Hintz
Sara McGrane

Jon Beyer
Betty Jo Kiesow
Mjyke Nelson

Ryan Hentges
Tim Masa
Trina Sandlie

Adam Heinen
Nicole McEathron
Jeff Schoenecker

Members in Attendance

Derik Dautel

Minutes

TOPIC	DETAILS
Call to Order	Chair Bakken called the regular meeting of the Dakota Electric Association Board of Directors to order at 8:30 a.m. and presided. A quorum was present.
Agenda Adoption	✓ Discussion took place around postponing the Long-Range Financial Forecast agenda topic until the December meeting. No objections were made. The decision was made to substitute that topic with a check-in on a possible November Board retreat. A motion was made, seconded, and carried to adopt the agenda.
Member Comments	Derik Dautel provided a brief overview of his perspectives on Board shortfalls and opportunities for improvement.
Consent Agenda	✓ A motion was made, seconded, and carried to approve the consent agenda. <ul style="list-style-type: none">September 26, 2024, Meeting MinutesSeptember 2024, Board Legal Fees
Unclaimed Capital Credits Disbursement	✓ A motion was made, seconded, and carried to approve Resolution 24-10-1 concerning the unclaimed capital credit disbursements for 2024-2025.

Executive Closed Session	<p>✓ A motion was made, seconded, and carried to move into closed session at 8:40 a.m.</p> <p>Adam Heinen, VP of Regulatory Services, provided an update on the current rate case.</p> <p>The Board closed the Executive Session at 10:00 a.m.</p>
Bylaw Discussion & Elections Committee Report	<p>The Board along with Sara McGrane, Legal Counsel, reviewed suggested changes to Dakota Electric’s Bylaws. Discussion took place around engagement of members and options for finalizing the changes. McGrane noted the final, red-lined version would be brought forward for a vote at the December meeting.</p> <p>Margaret Schreiner shared an update on the recent work of the Elections Committee.</p> <p>✓ A motion was made, seconded, and carried to approve the election timeline and Circuits template language regarding elections.</p> <p>Discussion concerning the proposed SBS contract and possible amendments occurred.</p> <p>A motion was made, seconded and a roll call vote was taken to approve an amended SBS contract. The motion did not pass with 4 votes in favor and 8 votes against.</p> <p>✓ A motion was made, seconded and carried to approve Resolution 24-10-2 related to the SBS contract provided to the Board.</p> <p>Continued discussions took place concerning the proposed revisions to the Election Policy with additional insights to historical processes. McGrane noted the final, red-lined version would be brought forward for a vote at the December meeting.</p>
Facility Update	<p>Jeff Schoenecker, VP of Utility Services, and CEO Hentges provided an introduction to the facility update and guest presenters, Tim Masa and James Bender from CBS. Discussion took place around overall design elements, future planning and project timeline.</p>
Bad Debt Write-off	<p>✓ A motion was made, seconded, and carried to approve Resolution 24-10-3 concerning the write off of bad debts from the year 2023.</p>
Maximum Debt Limit	<p>Corey Hintz, VP of Financial Services, reminded the Board of two options up for consideration related to maximum debt limit (MDL.)</p> <p>✓ A motion was made, seconded and a roll call vote was taken to approve Resolution 24-10-4 concerning removing the specified maximum debt limit (MDL) and replacing it with unlimited in the Supplement Mortgage and Security Agreement with lenders CFC and CoBank. The motion passed with 6 votes in favor, 5 votes against and 1 vote to abstain.</p>
CEO Report	<p>CEO Hentges provided an overview of strategic alignment with a balanced scorecard, strategic plan and related projects. Hentges continued by sharing an update on the newly hired Director of Executive Services and various highlights from the Board report. Hentges concluded by noting updates that will take place at the December Board meeting.</p>
Total Rewards Overview	<p>Trina Sandlie, VP of People and Culture, provided an overview of Dakota Electric’s Total Rewards program.</p>

2025 Labor Considerations	CEO Hentges discussed the potential for additional labor in 2025, as well as the results of a recent compensation analysis.
Quarterly Financials Update	Corey Hintz, VP of Financial Services, provided an overview of financial highlights from September 2024 year-to-date.
November Board Retreat	<p>Chair Bakken and Director Fields shared that a consensus could not be reached for scheduling a November Board retreat and therefore it would not take place. Discussion occurred regarding the addition of a November meeting to the 2025 Board meeting schedule.</p> <p>✓ A motion was made, seconded, and carried to add Thursday, November 20, 2025 to the Board meeting calendar.</p> <p>A motion was made and withdrawn after further discussion took place about the addition of a November 2024 Board meeting</p>
Great River Energy Report	Directors Middlecamp and Schreiner provided a Great River Energy update in addition to the written report.
Executive Closed Session	<p>✓ A motion was made, seconded, and carried to move into closed session at 3:15 p.m.</p> <p>CEO Hentges provided an overview of the GRE wind contracts up for consideration.</p> <p>The Board closed the Executive Session at 3:37 p.m.</p>
GRE Wind Contracts	<p>✓ A motion was made, seconded, and carried to approve Resolution 24-10-6 for the Power Purchase Contract which executes a purchase agreement with the Big Bend Wind Energy, and Resolution 24-10-7 for the Power Purchase Contract which executes a material amendment of existing purchase agreement with Three Waters Wind Energy.</p>
MREA Report	Director DeYoe provided an update from the recent work and priorities of MREA.
Attorney Report	Attorney Sara McGrane provided a written overview of this month's legal work.
Declaration of Intent – 2025 Election Incumbents	Directors Jones, Donnelly, Fields and Miller declared their intent to run as incumbents in the 2025 annual election.
Adjournment	<p>✓ A motion was made, seconded, and carried to adjourn at 3:45 p.m.</p>