

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

April 21, 2025

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, April 21, 2025, at Ashton, Idaho. Having determined a quorum was present, President Behrens called the meeting to order at 10:00a.m. Executive Assistant, Angie Haws recorded the minutes. The invocation was given by Bryan Case. 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, Jeff Keay, Anna Lindstedt, Brent Robson, Travis Markegard and Doug Schmier.

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, CFO Linden Barney, Member Service Manager Clint Washburn, IT Manager Shannon Hill, Engineering Manager Dave Peterson, Guests Board Candidate District #4 Delwyn Jensen, Accounting Specialist Tina Warnke, NRTC VP of Smart Grid Solutions Milton Geiger, and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES FOR MARCH 24, 2025

**Director Robson made a motion to approve the minutes from the March 24, 2025, Board Meeting as presented. Vice President Crowther seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

NRTC- MILTON GEIGER -UTILITY SCALE BATTERY PROJECT

Milton Geiger NRTC’s VP of Smart Grid Solutions provided a battery energy storage system evaluation. Geiger reviewed wholesale cost assumptions, utility scale scenarios, and outcome analysis identifying critical supporting considerations and evaluation points, and wrapped up the discussion providing data trends, load shaping, use cases, and business case outcomes.

## MEMBER COMMENTS

The board reviewed member comments and communications.

### LARRY STODDARD-SUMMER CABIN IN ISLAND PARK -RESIDENTIAL DEMAND CONCERN

Mr. Stoddard's concerns about the residential demand rate were heard and discussed by the board. While the board appreciates Mr. Stoddard's concerns, the Cooperative's direction on setting residential rates using demand as a billing component is appropriate in moving toward a more equitable process to recover costs from those who are responsible for them.

### SCHOLARSHIP REPORTS

Reports from the following Fall River scholarship recipients were included in the board packet.

MELISSA BAGLEY  
HAYDEN TURNER

## FINANCIAL & STATISTICAL REPORTS

### MARCH 31, 2025, FINANCIAL REPORTS

CFO Barney reported the net margins for March are \$1.2M ahead of budget and there have been more kWh sales per meter than anticipated in the budget. The budget calculation for kWh's per meter was based on a 5-year average and had a 2.5% growth in new services factored in. The actual growth in new services was 3.9% which was higher than anticipated. Slightly higher kWh usage per meter along with higher than anticipated production at the Felt hydro were other factors of the variance. Labor and overhead are also under budget YTD, but we anticipate these costs will get closer to budget as the year progresses. The Cooperative's equity ratio is just over 53%. Fall River generated \$3.1M from operations, \$1.9M was invested in plant and materials and \$1M of principal on long-term-debt was paid down. FR borrowed \$1M on our line of credit. FR has spent 41% of the capital budget YTD which includes carryover items from last year. The Board discussed growth, and impacted areas.

### AUDIT REPORT, LOUIS BRANDLEY – VIRTUAL

Louis Brandley with DeCoria & Company PC reported on the findings of the 2024 audit. Brandley reported DeCoria & Company PC an independent audit firm has audited the accompanying consolidated balance sheets of Fall River Electric Cooperative, Inc. and Subsidiary (Fall River Enterprises, Inc.) as of December 31, 2024, and 2023, and the related consolidated statements of revenues, expenses, and patronage capital, and cash flows for the years then ended, and the related notes to the consolidated financial statements. It is the opinion of DeCoria & Company PC the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Cooperative as of December 31, 2024, and 2023, and the consolidated results of their operations, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Brandley stated the audit went very well and thanked Cooperative staff for their efforts and cooperation. Mr.

Brandley will report on the audit findings to the Cooperative owner members at the Energy Expo Annual Business meeting held June 21, 2025, at North Fremont high school.

#### REVIEW FORM 990

The Form 990 was not yet available and will be reviewed at a future board meeting likely in the fall of 2025.

### COOPERATIVE BUSINESS

#### PROPANE UPDATE

FR Propane GM David McKinnon reported on the Q1 numbers for 2025. McKinnon stated the actual gallons sold YTD 1,774,366 gal. which is up approximately 300k gal from last year's first quarter sales. The actual gross margin per gallon was \$0.14 over the budgeted amount, and the YTD actual net income was \$367k which was also better than budget. McKinnon discussed the net income or losses by service area, costs, climate data, market outlook, and the YTD net return amount to FR Electric of \$406k.

FR Propane Summer Fill and CAP Program promotions will likely begin sometime in May.

#### SCHOLARSHIP RECOMMENDATIONS FORWARDED BY THE ADMINISTRATIVE COMMITTEE

The Administrative Committee reviewed the scholarship applications and submitted their recommendations to award scholarships to the following individuals:

***At Large*..... 2**

Ian Fillmore  
Leo Nakamaru

***Helping Hands*..... 3**

Izzy Blaisdell  
April Crane  
Anna Pettit

***South Fremont H.S.*..... 1**

No applicants. Recommendations were made by the Committee.  
Orrin Miller  
Rodrigo Resendiz-Guerrero

***Madison* ..... 1**

Ruth Bowden

***Sugar/Salem*..... 1**

Tyler Williams

***Rigby*..... 1**

Elise Martin

***Ririe* ..... 1**

Jace Nelson

<b>Teton H.S.</b> .....	10
Ella Bleffert	
Adysen Clayton	
Brynlee Foley	
Clinton Hill	
Kaden Hill	
Hannah Hoth	
Jarrett Jenkins	
John McKellar	
Garrett Wilson	
Alexander Wood	
<b>Wyoming</b> .....	1
Zane Lindquist	
<b>North Fremont H.S.</b> .....	7
Ashley Orme	
Sierra Reynolds	
Madysen Rogers	
Henry Burke	
Ella Cude	
Celest Turpin	
<b>West Yellowstone H.S.</b> .....	3
Alma Clark	
Emily Martinez	
Sophia Watt	
<b>Lineman College</b> .....	1
None	

**Director Robson made a motion to approve the Administrative Committee Scholarships to be awarded to the individuals as recommended with one additional scholarship to be awarded in 2025 as presented. Director Keay seconded the motion. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.**

#### FALL RIVER ENERGY EXPO & ANNUAL MEETING

##### EXECUTIVE SUMMARY OF THE ENERGY EXPO

CEO Case reviewed the highlights of the upcoming Fall River Expo and Annual Member Meeting and Energy Expo which will be held on June 21, 2025, at the North Fremont High School. Breakfast will be served in the cafeteria between 8AM and 10AM. The Business Meeting will begin at 10AM in the auditorium and will be available to watch live on Fall River Electric's Facebook page for those who are unable to attend in person. In-person voting will be at registration in the gymnasium up until the business meeting start time at 10 A.M. and members registering will receive a door prize and conservation kit. The Energy Expo will be held from 8AM to 11AM in the gymnasium. Various vendor booths, the four Fall River booths (conservation, engineering, operations & member services) and the FR Propane booth will all have STEM activities for kids to participate in. Youth attending the Energy Expo will be given a punch card and when they have visited all five Fall River booths, they will receive a Fall River logo backpack. Fall River

will also be offering Tesla test drives and electrical safety demonstrations. The outdoor kid's area will include cotton candy in addition to safety demonstrations, bounce house, inflatable slide, rock-climbing wall, bucket truck rides, and drone demonstrations. If inclement weather hampers the outdoor activities, we have planned some indoor activities.

#### INVITATION AND INTERNAL MEMO

Included in the Board packet.

#### 2024 ACCOMPLISHMENT HIGHLIGHTS

CEO Case stated the list of some of the top 2024 FR accomplishments that will be provided to members attending the upcoming Energy Expo as included in the board packet. Significant progress was made on projects and work plans.

#### MAP OF EVENT

A map of the Energy Expo events taking place at North Fremont high school was included in the board packet.

#### FALL RIVER RETAIL RATE INCREASE

##### PRESS RELEASE

##### **Fall River Electric Rates to Increase**

March 28, 2025

ASHTON, Idaho — Fall River Electric Cooperative rates will increase just slightly with billing statements received after May 1, 2025. The increase will be collected by a modest increase in the monthly demand charge. The increase in demand is necessary to better align power demand costs to Co-op rates while ensuring greater fairness to all members and helps recoup infrastructure costs from customers who are driving higher usage.

There will be NO increase in the kilowatt hour charge or the monthly access fee.

##### **The reasons for the increase include:**

- Higher demand for electricity due to increased energy usage by member homes and businesses.

New growth in services (more than seven hundred new connections in 2024) with more people moving into our area.

- Higher wholesale power costs especially for “tier two” power purchases, as well as the expected Bonneville Power Administration (BPA) increase of 8.3% on power and a 24% increase in transmission costs.

- Inflation in both materials and maintenance costs that ensure a reliable power grid.

“We have had a long stretch without rate increases, nine years in fact before having a slight increase in early 2024. We have focused on controlling costs and being efficient in delivering services to our members,” said Fall River Electric CEO/General Manager Bryan Case.

## TALKING POINTS

Included in the board packet.

## LESSONS LEARNED/REMINDER GOVERNANCE AND ETHICS – INSTANT POLL

The Board participated in an instant poll on various board governance and employee ethics scenarios providing a good review and discussion.

## BOARD GOVERNANCE

## EMPLOYEE ETHICS

## PNGC & BPA

### NOT OPPOSE THE BPA COUNTEROFFER TRANSMISSION SETTLEMENT

CEO Case summarized the counter proposal for the BPA transmission rate settlement noting revenue requirements, rate levels, and the overall average transmission rate increase.

BPA's final offer included a \$50 million reduction of the BP-26 Transmission Revenue Requirement –as compared to the initial proposal – and a commitment to return all RDC amounts to customers as rate relief. Additionally, BPA will hold workshops for the New Technology Pilot Program and a potential Short Distance Discount pilot for during the BP-26 rate period. While FR and Public Power is somewhat disappointed on the revenue requirement aspect of BPA's final offer, BPA's commitment to return all of the RDC funds as rate relief is a major concession. Fall River, PNGC and PPC did not object to the settlement counteroffer, as we believe the rate and RDC outcomes are likely to be better than achieved through continued litigation and will provide certainty and some rate relief to customers.

### BPA PROPOSED TRANSMISSION SETTLEMENT

Included in the board packet.

## NRECA LEGISLATIVE RALLY

President Behrens noted several FR Board members would be attending. CEO Case stated this is a good opportunity to meet with those in Washington to express the concerns of Electric Cooperatives and our owner members. The schedule of events and other important information for the upcoming Legislative Rally was included in the board packet.

## NRECA BOARD SEAT AND PARTICIPATION MARCH 2026

CEO Case reported that he has served on the NRECA Board for seven years and will not be seeking reelection to the NRECA Board at the end of his term next year. Case encouraged those that may have an interest in pursuing this opportunity to reach out to the ICUA for more information.

## ECONOMIC IMPACT OF US TRADE POLICY ANNOUNCEMENTS – RVK FIDUCIARY ADVISORS FOR NRECA BENEFITS

Communication on NRECA benefits in light of US tariff policies and their effects, providing an update on developments and context while evaluating potential implications for the market and portfolios.

## ENTERPRISE SOFTWARE – NISC CONVERSION TIMELINE

CEO Case stated the conversion from SEDC/Meridian to NISC, Fall River's new enterprise software solution will consume a significant amount of staff time for the next two years. IT Manager Shannon Hill reviewed the processes, timelines, and the focus areas for the implementation of the upcoming conversion. Case noted this is the right time to make this significant investment and we have the right staff in place to successfully accomplish this major undertaking.

## FALL RIVER MEMBER CERTIFICATE 1941

Included in the board packet.

## COOPERATIVE REPORTS

Secretary Stiehl reported on the Administrative Committee scholarship process, MECA meetings attended, and the Montana legislative Wildfire Bill.

Vice President Crowther reported on evaluating FR scholarship applications.

Director Markegard reported on WREA meeting virtually attended.

Director Keay reported on NRECA Cyber Security Class he will be attending next month and upcoming propane board meeting.

Director Lindstedt reported on an AI class attended.

President Behrens reported on ICUA meeting attended, and upcoming NRECA Legislative Conference.

## CONSENT AGENDA

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

**Director Robson made a motion to approve the consent agenda as discussed.**

**Director Markegard seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

## EXECUTIVE SESSION

**Director Robson made a motion to go into Executive Session at 1:31 p.m. Vice President Crowther seconded the motion.** A voice vote was taken; THE MOTION

CARRIED BY UNANIMOUS VOTE.

**Vice President Crowther made a motion to go out of Executive Session at 2:28 p.m. Director Robson seconded the motion. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.**

**Director Keay made a motion authorizing the CEO to execute a land purchase within the parameters as discussed in Executive Session. Secretary Stiehl seconded the motion. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.**

#### MANAGEMENT DISCUSSION ITEMS

##### QUARTERLY WORK PLAN AND GOALS UPDATE

CEO Case reported progress is on track for meeting the 2025 goals and work plan as outlined. The progress report was included in the board packet.

##### GRANT AWARD UPDATES

CEO Case provided updates regarding: The grant projects for the Fransen Mill transmission pole wrapping project and placing distribution facilities from overhead to underground; The Drummond to Macks Inn wrapping transmission poles with fire resistant mesh, which includes 400 poles; and the grants we are awaiting further correspondence on, one Rural and Remote grant for utility scale solar and undergrounding that the funding has been withdrawn.

##### DISCOUNT RATE FOR EARLY RETIREMENT OF PATRONAGE CAPITAL

CEO Case noted a slight change on the discount rate for early retirement of patronage capital from 7.60% to 7.68%.

##### AVOIDED COST RATE FOR 2025

Included in the board packet.

#### NWPPA AWARDS FALL RIVER

##### SAFETY AWARD OPERATIONS-2<sup>ND</sup> PLACE

The NWPPA Safety Contest Awards are presented to utilities based on the lowest total injury and illness (incidence) rate for the preceding year. Fall River was awarded second place in its category. The award was presented at the NWPPA Engineering & Operations Conference this month.

##### PAUL J. RAVER COMMUNITY SERVICE AWARD

The NWPPA Paul J. Raver Community Service award is presented to an electric system for superior leadership in enhancing the role of the electric systems in achieving community betterment of an individual city, county, local area, state, or the region as a whole.

Fall River Electric was selected to receive this award for the Stuff the Trailer/Senior Class food drive that it engaged with high school seniors from the following schools;

Teton High School



North Fremont High School  
West Yellowstone High School  
South Fremont High School

The schools collected 9,450 pounds of non-perishable food and when combined with FR's food drive collection, a total of 12,029 pounds of food was collected and delivered to local food banks/pantries.

**FALL RIVER ENERGY EFFICIENCY LOW INCOME WASHER/DRYER PROGRAM**  
CEO Case introduced the FR Energy Efficiency Low Income Washer/Dryer Conservation Program intended to reduce the financial burden of laundry for low-income families by providing affordable and convenient access to energy-efficient washers and dryers. FR will provide up to 100 qualified low-income members with a new, energy-star certified washer and dryer set worth no more than \$1600.00 by partnering with local vendors and agencies. Fall River Helping Hands will be discussing assisting with the required member fee of \$100.00 for members who have already qualified for Energy Assistance or Helping Hands assistance.

**BPA REPORTING DEADLINES FOR 2025**  
Included in the board packet.

**HYDRO FACILITIES UPDATE**  
Island Park, Chester, and Buffalo generated a total of 1,282,301 kWh in March. This amounts to 3.5% of all the kWh billed by PNGC in March and 3.6% of all kWh sold and used by Fall River in March.

Felt Hydro produced 1,817,862 kWh in March. When this is included with Island Park, Chester, and Buffalo, it amounts to 8.3% of all the kWh billed by PNGC in March and 8.6% of all kWh sold and used by Fall River in March.

**ISLAND PARK**  
Island Park hydro produced 585,470 kWh during the month of March.

**BUFFALO**  
Buffalo hydro generated 133,497 kWh during the month of March.

**FELT**  
Felt hydro produced 1,817,862 kWh during the month of March.

**CHESTER**  
Chester Hydro produced 563,364 kWh in the month of March.

**DONATIONS**  
Included in the board packet.

FALL RIVER'S MANAGEMENT REPORT  
Included in the board packet.

REPORTS BOARD COMMITTEES, MEETINGS, AND MEMBER COMMENTS

EXECUTIVE COMMITTEE

Nothing to report.

ADMINISTRATIVE COMMITTEE

Chairperson Stiehl reported the Administrative Committee met this morning to determine recommendations for FR 2025 scholarships.

ENGINEERING AND OPERATIONS COMMITTEE

Chairman Robson reported the Committee is scheduled to meet today following the regular Board meeting.

FINANCE COMMITTEE

Nothing to report.

POLICY COMMITTEE

Chairman Crowther reported the Committee will meet in May.

ATTORNEY REPORT

Attorney Rigby reported on Columbia Treaty issues and the effect of the current Administration's efforts to reduce the size and influence of the federal government.

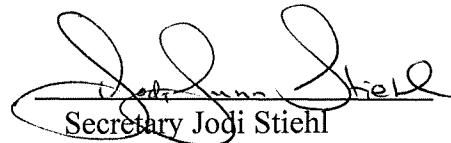
2025 CALENDAR

Included on the board agenda.

ADJOURNMENT

**A motion was made by Director Robson and seconded by Director Markegard to adjourn the meeting at 2:43p.m. THE MOTION CARRIED BY UNANIMOUS CONSENT.**

DATE APPROVED: May 19, 2025



Secretary Jodi Stiehl