

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

November 17, 2025

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, November 17, 2025, at the Ashton, ID. district office. Having determined a quorum was present, President Crowther called the meeting to order at 10:02 a.m. Executive Assistant, Angie Haws recorded the minutes. The invocation was given by Travis Markegard. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Brent "Husk" Crowther, Vice President Jodi Stiehl, and Secretary/Treasurer Jeff Keay

DIRECTORS PRESENT

Georg Behrens, Dede Draper, Brent Robson, Travis Markegard, and Anna Lindstedt. Doug Schmier attended virtually.

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, Guests, Linden Barney CFO, Shannon Hill IT Manager, Clint Washburn Member Service Manager, Dave Peterson Engineering Manager, Andy Kalicak and Curtis Nolan with Cooperative Building Solutions, Tim Piskorski Project Manager, and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES FOR OCTOBER 28, 2025

**Director Robson made a motion to approve the minutes from the October 28, 2025, Board Meeting as presented. Director Markegard seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

COOPERATIVE BUILDING SOLUTIONS-ANDY KALICAK & CURTIS NOLAN

Cooperative Building Solutions Andy Kalicak, Curtis Nolan, and Tim Piskorski provided a review of the facility planning study for each FR office. The components of the review established goals and set priorities, assessed property condition, assessed functionality, and assessed needs of the Cooperative.

The Master planning facility goals were to develop a long-term plan addressing the needs associated with the ongoing growth of the electric cooperative and propane business for all sites.

- Achieve facility planning with a financially responsible approach and community perception in mind.

- Address needs for improved visitor experience at high traffic locations
- Address the office experience for staff to create an environment that enhances staff efficiencies, recruitment and retainage.
- Improve spaces for operations staff including crew room and support spaces, vehicle storage and vehicle maintenance.
- Assess needs for site acreage at each location and material yard functionality and safety.

CEO Case noted a few of the facility study items that may need to be addressed in the short term, within the next five years, and others may be down the road five to ten years and are important to be mindful of long term as the Cooperative continues to grow. Future efficiency gains with a new enterprise software package and advancements in practical applications of AI is unknown at this time, however, it is expected technology will accelerate efficiencies and reduce additional staff needs. This study was commissioned to assist Fall River's planning for the Cooperative's future.

#### MEMBER COMMENTS

The board reviewed member comments and communications.

#### FINANCIAL & STATISTICAL REPORTS

##### OCTOBER 31, 2025, FINANCIAL REPORTS

CEO Case stated due to the quick turnaround this month, the financials for October are not yet available and will be sent out to the board with notes once completed. It is anticipated the reports will go out the week of November 24<sup>th</sup>.

#### COOPERATIVE BUSINESS

##### FALL RIVER 2026 BUDGETS, WORK PLANS, AND GOALS

CEO Case reported the 2026 Operating and Capital Budgets reflect Fall River's continued commitment to reliability, affordability, and innovation amid a rapidly evolving energy landscape. They are designed to strengthen the Cooperative's infrastructure, enhance operational efficiency, and position Fall River for the next generation of member service and system growth. This year's budget supports several transformative initiatives that align with FR's long-range strategic objectives and the 2026 Work Plan.

Major infrastructure investments are:

- Drummond to Macks Inn 115kV Transmission Upgrade
- Midway Substation Construction
- Felt Hydroelectric Relicensing and Automation

##### PROPOSED BUDGETS, WORK PLAN AND GOALS EXECUTIVE SUMMARY

CEO Case stated the 2026 operating and capital budget plans embody Fall River's forward-looking commitment to proactively plan for the future while balancing prudent financial management with needed innovation. The year ahead will be transformative, marked by the completion of major infrastructure milestones, software modernization, and the integration of next-generation technologies that will strengthen reliability, control costs, and enhance the member experience.

The Board discussed member engagement noting a 2026 pilot project for payments and plans to provide members with more tools and resources on topics like backup generators, as well as a checklist of important items to have in the home to be prepared for disasters.

PROPOSED 2026 OPERATIONAL BUDGET FOR REVIEW AND APPROVAL  
**Director Behrens made a motion to approve the 2026 Operational Budget as presented. Director Lindstedt seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

PROPOSED 2026 CAPITAL BUDGET FOR REVIEW AND APPROVAL  
**Director Behrens made a motion to approve the 2026 Capital Budget as presented. Director Markegard seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

PROPOSED 2026 WORK PLAN AND GOALS

**Director Robson made a motion to approve the 2026 Work Plan and Goals as presented. Director Markegard seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### PNGC POWER SUPPLY UPDATES

##### FALL RIVER DECLARATION OF INTENT -SIGNED AGREEMENT

Fall River signed our declaration and BPA Preservation Agreement which maintains Fall River's rights to BPA preference power should the Cooperative choose to leave PNGC.

#### BPA UPDATES

##### WHOLESALE POWER COSTS TO INCREASE AN ADDITIONAL 2% OF FINANCIAL RESERVE COST RECOVERY

For future year 2026 BPA will apply a targeted 2% power-rate increase under BPA's cost-recovery mechanisms to begin rebuilding financial reserves toward policy targets after recent low-water years. This modest adjustment aligns with BPA's established CRAC/FRP framework for in-period cost recovery and risk management while maintaining long-term rate stability.

#### BPA PROPOSES A STRAWMAN SETTLEMENT FOR THE RESIDENTIAL EXCHANGE FOR PUBLIC POWER AND IOUS TO CONSIDER

The Residential Exchange Program is a statutory mechanism created under the Northwest Power Act of 1980 to ensure residential and small-farm consumers across the Pacific Northwest share in the benefits of low-cost federal hydropower, regardless of whether they are served by consumer-owned or investor-owned utilities. The REP provides bill credits to eligible customers served by IOUs whose power supply costs exceed Bonneville's Priority Firm (PF) Exchange rate.

This proposed 16-year REP settlement concept represents BPA's effort to avoid renewed litigation, simplify Average System Cost (ASC) and Priority Firm Exchange Rate (PFx) structures, and balance cost responsibility between IOUs and public power. While it provides stability and removes mid-period cost risk, the front-loading of benefits represents a near-term rate pressure for preference customers like Fall River.

FRREC should actively engage in the upcoming BPA public processes and coordination through NRECA, PNGC, and PPC to ensure:

1. Statutory rate test integrity remains intact
2. Preference rate impacts are minimized, particularly 2029–2034
3. IOUs do not gain unintended windfalls through ASC calculations or secondary revenue mechanisms
4. Eliminates IOUs demand for physical energy and their attributes – Carbon Free Hydro

## **NWPPA AWARDS FALL RIVER WITH TWO 3<sup>RD</sup> PLACES FOR OUR ANNUAL REPORT AND “WHAT IS PATRONAGE CAPITAL”**

CEO Case reported FR fared well and received two third place Northwest Public Power Association (NWPPA) awards amongst substantial competition. Case praised staff for a job well done.

## **2026 ORGANIZATIONAL CALENDAR**

The board discussed some meeting dates with conflicts and possible changes to the FR board meeting schedule. It was determined the 2026 FR board meetings that were originally scheduled for January 26<sup>th</sup> and April 27<sup>th</sup> will be rescheduled to January 20<sup>th</sup> and April 20<sup>th</sup> due to conflicts with other organization meeting schedules.

**Director Behrens made a motion to approve changes to the 2026 FR Board Meeting Calendar for the months of January and April as discussed. Director Markegard seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

## **COOPERATIVE REPORTS**

Director Lindstedt reported on industry topics.

Director Draper reported on PPC meetings she attended.

Director Behrens reported on ICUA meetings he attended and extended the invitation to ICUA Legislative Conference in January for those who would like to attend.

Vice President Stiehl reported on industry topics.

Secretary Keay reported on the upcoming Propane board meeting.

President Crowther reported on ICUA meetings he attended.

## **CONSENT AGENDA**

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

**Director Robson made a motion to approve the consent agenda as discussed. Vice President Stiehl 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 1:04 p.m. Director Behrens 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 2:23 p.m. Director Markegard seconded the motion. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE**

#### MANAGEMENT DISCUSSION ITEMS

##### NISC CONVERSION-ACCOUNTING IS LIVE AND MEMBER SERVICES IS PREPARING TO SWITCH

CEO Case stated the enterprise software conversion is going well, staff are working diligently and putting a lot of effort into the training for this process. Case noted the accounting department has gone live with the conversion and the Member Service department is in the process of switching over at the beginning of the year.

**PATRONAGE CAPITAL LETTER AND PROCESS WITH NISC PAYMENTS SHOULD ARRIVE TO MEMBERS BY DECEMBER 15<sup>TH</sup>**  
The ability to pay cash back is based upon the financial stability and strength of the Co-op. This year over 9,900 owner-members are receiving a share of nearly \$1.8 million dollars in cash back payments. This represents a portion of the patronage capital from 2007. Over the course of the Cooperative's 87 years in business, FR has paid back to our members over \$37,200,000. Owner members who had service in 2007 should receive the letter and patronage capital payments by December 15, 2025

##### FALL RIVER FOOD DRIVE SCHEDULED AS FOLLOWS:

DECEMBER 12, FRIDAY – BROULIM'S REXBURG 4-6PM  
DECEMBER 18, THURSDAY -FOOD ROUNDUP & MARKET PLACE 11AM-1PM  
DECEMBER 19, FRIDAY – BROULIM'S DRIGGS 4-6PM

##### HYDRO FACILITIES UPDATE

Buffalo and Chester generated a total of 633,108 kWh in October. This amounts to 2.1% of all the kWh billed by PNGC in October and 2.1% of all kWh sold and used by Fall River in October.

Felt Hydro produced 1,841,476 kWh in October. When this is included with Buffalo and Chester, it amounts to 8.2% of all the kWh billed by PNGC in October and 8.4% of all kWh sold and used by Fall River in October.

### **ISLAND PARK**

Island Park Hydro was offline during the month of October.

### **BUFFALO**

Buffalo Hydro generated 157,421 kWh during the month of October.

### **FELT**

Felt Hydro produced 1,841,476 kWh during the month of October.

### **CHESTER**

Chester Hydro produced 475,687 kWh in the month of October.

### **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**

Nothing to report.

### **ENGINEERING AND OPERATIONS COMMITTEE**

Nothing to report.

### **FINANCE COMMITTEE**

The Pre-Audit conference call will take place in January possibly on the 15th.

### **POLICY COMMITTEE**

Chairman Keay noted the Committee met this morning prior to board meeting and policies reviewed will be forwarded to the full board next month. The Committee will meet again in May of 2026.

### **ATTORNEY REPORT**

Attorney Rigby reported on water rights, electric generation and changes as a result of the new administration and new litigation.

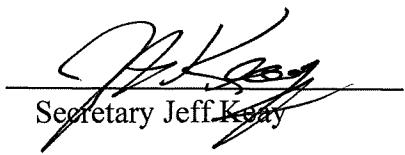
### **2025 CALENDAR**

Included in the board packet.

ADJOURNMENT

**Director Robson made a motion to adjourn the meeting at 2:34 p.m. Secretary Keay seconded the motion. THE MOTION CARRIED BY UNANIMOUS CONSENT.**

DATE APPROVED: December 22, 2025



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Secretary Jeff Keay