

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

May 16, 2022

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, May 16, 2022, virtually and at the main office of Fall River Rural Electric in Ashton, Idaho. Having determined a quorum was present, President Draper called the meeting to order at 10:05 a.m. Executive Assistant Angie Haws recorded the minutes. The invocation was given by Jerry Rigby. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Dede Draper, Vice President Georg Behrens, Secretary/Treasurer Jodi Stiehl

DIRECTORS PRESENT

Husk Crowther, Jay Hanson, Anna Lindstedt, Brent Robson, Doug Schmier, and Jeff Keay

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Jerry Rigby, CFO Linden Barney,, Engineering Manager Dave Peterson, Operations Assistant Suzelle Burch, HR Manager Clint Washburn, Guest UAMPS Doug Hunter, University of Idaho Professor Garth Taylor, and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

Director Robson made a motion to approve the April 25, 2022, Board Meeting Minutes as presented. Director Hanson seconded the motion. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

GUEST – UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS (UAMPS) DOUG HUNTER – HORSE BUTTE, NUSCALE PROGRESS, & SERVICES OFFERED BY UAMPS

Mr. Douglas Hunter is the Chief Executive Officer and General Manager of Utah Associated Municipal Power Systems (“UAMPS”). Mr. Hunter joined UAMPS in December of 1983 and is a 35-year veteran of the electric utility industry. Prior to his appointment as General Manager in 1995, he served as Assistant General Manager and Manager of Municipal Resources of UAMPS. Mr. Hunter holds a Master of Business Administration degree from Utah State University and a Bachelor of Science degree in Biochemistry from the University of California, Davis. He currently serves as the past Chair on the American Public Power Association’s (APPA) Executive Committee and has served on the APPA Board of Directors.

GARTH TAYLOR, PROFESSOR UNIVERSITY OF IDAHO – SE IDAHO WATER OUTLOOK

Mr. Taylor's presentation reviewed Idaho's economy and worldwide agriculture presence. Taylor offered his view on the political landscape, drought, production – imports/exports, irrigation impacts and the concerns for the future, offering statistical data to demonstrate some potential outcomes.

MEMBER COMMENTS

CEO Case stated the member comments were included in the packet for the board members to review.

SCHOLARSHIP RECIPIENT REPORTS -FINAL YEAR

Included in the board packet.

TETONIA OUTAGE MEMBER COMMENTS

Included in the board packet.

TOM ANGELL RESCUE – LANCE STEELE

CEO Case reported FR Propane delivery driver Lance Steele was at the right place at the right time and assisted a customer who was pinned under his vehicle while working on it at his home. Case noted the news articles covering the event were included in the board packet.

FINANCIAL & STATISTICAL REPORT

APRIL 31, 2022, FINANCIAL REPORTS

CFO Barney reported on the financials for March stating the net margins YTD were \$761K better than budgeted. The major driver for increased margins is revenue net of power cost. The average usage per meter is higher than the five-year average used for the budget and slightly higher than last year. The biggest reason for the variance is growth in new services. The budget was based on 2 to 3% growth, and our annual growth rate is at 3.8%. Other budget variances are mainly due to timing of actual expenses versus when they were budgeted. We paid \$1.6m in principal payments on long-term debt and received \$8.9M from additional long-term debt. There has been just over \$1.6M generated from operations YTD and we have invested \$1.4M in plant and materials.

PRELIMINARY REQUEST FOR TWO ELECTRIC F150'S LIKELY 2023 \$85,000/EACH

CEO Case stated the Tesla test drive program has been successful and allowed FR to assist the membership as their energy experts, providing data and resources to help members make educated decisions about this technology. Case stated FR will likely add more EVs to the fleet as vehicles are needed and stated the F150 trucks would be more practical in our area. The board discussed availability, cost comparison, member benefit/programs, future technology, vehicle performance, timing and necessity of purchase, infrastructure, board and management roles. **Director Crowther made a motion to review the financial metrics and if comparable, in favor of FR putting its name on the list for a future**

F150 fleet vehicle purchase in 2022-2023. Director Keay seconded the motion. A voice vote was taken; THE MOTION CARRIED.

COOPERATIVE BUSINESS

ANNUAL MEETING SUMMARY AND FINAL PREPARATIONS
BOARD AND STAFF MEMO WITH SCHEDULE
Included in the board packet.

MAP OF FR'S ENERGY EXPO AT TETON HIGH SCHOOL
Included in the board packet.

FALL RIVER ENERGY EXPO – ANNUAL REPORT
Included in the board packet.

REPORT ON WASHINGTON D.C. VISITS – DEDE DRAPER
IDAHO TALKING POINTS
Included in the board packet.

NRECA ISSUE PAPERS
Included in the board packet.

RIVERPARTNERS CAMPAIGN & LETTER
Included in the board packet.

ROBERT BRYCE PRESENTATION PROVIDED TO MONTANA
Included in the board packet.

SCHOLARSHIP AWARD POTENTIAL SCRIPT
Included in the board packet.

COOPERATIVE REPORTS

President Draper reported she will attend the upcoming FR Propane board meeting.

Vice President Behrens reported he attended the PNGC meeting and will attend the upcoming ICUA meeting

Director Schmier reported he will attend NWPPA meetings.

CONSENT AGENDA

Director Hanson made a motion to approve the consent agenda. Director Schmier seconded the motion which included expense vouchers, new memberships, purchase of power agreements, check register, safety report, and discounted patronage capital refunds report. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS

VOTE

EXECUTIVE SESSION

Director Robson made a motion to go into Executive Session at 1:43 p.m. Director Hanson 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 1:55 p.m. and Director Hanson seconded. A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

MANAGEMENT DISCUSSION ITEMS

BPA TOPICS

BPA QUESTIONS FOR B2H MEETING AT ICUA
Included in board packet.

BPA ENLISTING REGIONALLY RESPECTED E3 FOR LSRD ANALYSIS
Included in the board packet.

FR SUPPORT FOR BPA PROPOSED SYSTEM SIZING
Included in the board packet.

BUILD THE BRAND

CEO Case stated Fall River's management team selected ten staff members to form a "Build the Brand" committee to solicit ideas and monitor progress over the course of 2022. The committee represents staff members from member services, operations, engineering, accounting, and propane. CEO Case also participated. The first meeting was held on January 26, 2022, with quarterly meetings planned for the remainder of '22 at specific dates yet to be determined.

FALL RIVER BOARD OPTIONS FOR LOGO APPAREL
Included in the board packet.

NRTC TECHNOLOGY PLANNING

SUMMARY

CEO Case stated that NRTC will be meeting with the management team and key staff to create a ten-year technology plan.

TECHNOLOGY PLANNING AGREEMENT
Included in the board packet.

EXECUTION OF THE LTD APPROVED LAST MONTH
Included in the board packet.

INVESTMENT AND RISK MANAGEMENTT

Included in the board packet.

SKIP COLLIER, IN-HOUSE EMPLOYEE TRAINING- ELECTRIC UTILITY SYSTEM
OPERATION – DISTRIBUTION 101

Included in the board packet.

LEADERSHIP DEVELOPMENT FEEDBACK

Included in the board packet.

HYDRO FACILITIES UPDATE

Island Park and Buffalo and Chester hydros generated a total of 1,696,506 kWh in April. This amounts to 5.8.% of all the kWh billed by PNGC in April, and 6.2% of all kWh sold and used by Fall River in April.

Felt hydro produced 1,472,000 kWh in April. When this is included with Island Park, Buffalo, and Chester it amounts to 10.9% of all the kWh billed by PNGC in April, and 11.6% of all kWh sold and used by Fall River in April.

ISLAND PARK

Island Park hydro produced 1,041,765 kWh during the month of April.

BUFFALO

Buffalo hydro produced 162,094 kWh during the month of April.

FELT

Felt hydro produced 1,472,000 kWh during the month of April.

CHESTER

Chester hydro produced 492,647 kWh in April.

DONATIONS

Included in the board packet.

FALL RIVER'S MANAGEMENT REPORT

Included in the board packet.

REPORTS

EXECUTIVE COMMITTEE

Nothing to report.

ADMINISTRATIVE COMMITTEE

Nothing to report.

ENGINEERING & OPERATIONS COMMITTEE

Nothing to report.

FINANCE COMMITTEE

Nothing to report.

POLICY COMMITTEE

Chairman Schmier reported that the Policy Committee will meet in July.

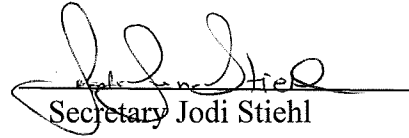
ATTORNEY REPORT

Attorney Rigby will report next month.

ADJOURNMENT

There being no further business, **Director Hanson made a motion to adjourn. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE. The meeting was adjourned at 2:31 p.m.

DATE APPROVED: June 11, 2022


Secretary Jodi Stiehl