

PIONEER ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES

January 22, 2025

CALL TO ORDER

The regular meeting of the Pioneer Electric Cooperative, Inc. (“Pioneer Electric” or “Cooperative”), Board of Trustees (“Board” or “Trustees”) was held in-person on Wednesday, January 22, 2025, at the Cooperative’s headquarters in Ulysses, Kansas. The meeting convened at 8:30 a.m.

Present at the regular meeting were Board President Michael Brewer, Vice President Jeffrey Moyer, Secretary-Treasurer John Jury, Assistant Secretary-Treasurer David Light, and Trustees Darcy Alexander, James Bell, Lori Deyoe, Charles Milburn, Mark Goehring, and Board Counsel/General Counsel Paul Kitzke. Also present at the Board meeting were Lindsay A. Campbell, Chief Executive Officer (“CEO”); Chantry C. Scott, Executive Vice President, Assistant CEO and CFO; Clint Meier, Vice President of Engineering and Operations; and Melissa Morales, Vice President of Human Resources. Also in attendance for the full meeting was Pioneer Electric’s Michelle Brungardt, Executive Assistant; and Larissa Layman, Legal and Regulatory Affairs Coordinator. In partial attendance at the meeting were Pioneer Electric’s Kristen Koehn, Manager of Energy Solutions and Chris Wagner, Manager of Purchasing, Materials, and Facilities. Board President Michael Brewer called the meeting to order.

INVOCATION & PLEDGE OF ALLEGIANCE

The meeting opened with an invocation and the Pledge of Allegiance.

APPROVAL OF MEETING AGENDA AS PUBLISHED OR AMENDED

A motion was made and seconded to approve the meeting agenda as published or amended.

Motion carried.

PUBLIC – INTRODUCTION OF GUESTS

None present.

CONSENT AGENDA

- 1. Approval of December 18, 2024, Regular Board Meeting Minutes**
- 2. Approval of December 18, 2024, Executive Meeting Minutes**
- 3. Approval of New & Reactivated Memberships**
- 4. Approval of Deactivated Memberships**
- 5. Approval of December 2024 Estate Retirement Applications**
- 6. Approval of December 2024 General Fund Checks & Transactions**
- 7. Approval of December 2024 Board Expense Reports**
- 8. Approval of December CEO Expense Report**

After reviewing and discussing expense reports and general fund checks, a motion was made and seconded to approve the Consent Agenda. Motion carried.

CEO CLOSEUP

CEO, Lindsay A. Campbell, attended NRECA's 2025 CEO Close-Up held in Marco Island, Florida. CEO Campbell reported that it was a great leadership conference that offers great value. It was also reported that the general and breakout sessions were excellent concerning governance, artificial intelligence, preparation for data centers, and a legal update on labor law.

SUNFLOWER ELECTRIC UPDATE

CEO, Lindsay A. Campbell, updated the Board on Sunflower Electric Power Corporation (“Sunflower”) activities for the month of January. Sunflower Electric’s Corey Linville, Senior Vice President and Chief Operations Officer joined the meeting in-person to share a presentation on Generation Resource Planning.

CHIEF EXECUTIVE OFFICER’S REPORT

1. Finance & Accounting Update

a. Financial & Operating/Capital Budget Report

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, reported to the Board that once the year-end processes are complete and the 2024 year is closed out, the December 2024 reports will be uploaded to OnBoard for review. Preliminary reports were reviewed with the Board.

2. Engineering & Operations

Clint Meier, Vice President of Engineering and Operations, elected to stand on a majority of the Engineering and Operations’ monthly written report as published for review in the Chief Executive Officer’s report posted on OnBoard. VP Meier also updated on FEMA reconstruction, Osmose pole changeout progress, past due account of Silver Starr Management, and a solar farm that is to start construction in the 4th quarter of 2025 in Stevens County.

VP Meier also gave an update on the City of Hugoton and shared that the Hugoton Middle School is in need of a new transformer. VP Meier proposed to execute an agreement to acquire and install a new transformer on behalf of the City of Hugoton with the total cost of \$29,500, with the agreement that the City of Hugoton will reimburse Pioneer Electric if

the City and its assets are not acquired by Pioneer Electric. After review and discussion, a motion was made and seconded to execute the agreement to help the City of Hugoton as discussed. The labor for the installation would be billed to the City per the previous service agreement. Motion carried.

Chris Wagner, Manager of Purchasing, Materials, and Facilities share with the Board about an incident that happened in the power plant building with an element on one of the heaters over the weekend. Due to the incident, Manager Wagner proposed to the Board a budget deviation to replace the radiant heaters in all buildings that have element heaters to include the power plant building, truck barn, and equipment building for a total cost of \$91,000. After review and discussion, a motion was made and seconded to approve the budget deviation to replace the heaters at all locations and in addition purchase any necessary sensors, fire detectors and alert system. Motion carried.

3. Safety Update

In the absence of Tolan Seger, Manager of Safety and Compliance, Clint Meier, Vice President of Engineering and Operations, reported that Manager Seger and Ryan Delay, Safety and Compliance Specialist are participating in a training to get certified to become Red Cross CPR/First Aid Instructors. Additionally, VP Meier updated the Board on the Safety Improvement Plan for 2025, and that the department will continue to focus on crew visits, expectations and accountability for safety, and organizational safety culture.

4. Energy Services

a. Update on Aged Balances and Disconnects for Non-Payment

Melissa Morales, Vice President of Human Resources, shared with the Board the month-to-date Pioneer Electric and Southern Pioneer January Aged Balance

Reports, identifying the number of accounts delinquent and total dollar amount of arrearages by revenue class. A comparison from 2024 was also included revealing that aged balances for Pioneer Electric and Southern Pioneer are less in comparison to the previous year. VP Morales also reported on the total number of disconnects for non-pay for each of Pioneer Electric and Southern Pioneer's billing cycles. The Kansas Cold Weather Rule went into effect as of November 1, 2024, therefore, the number of disconnects has reduced dramatically. Overall, the disconnect and accounts receivable process are continuing to go well for both companies, and Energy Services is continuing to promote all the ways to pay online, over the phone, and with auto pay.

b. Company "In the News" Report

Melissa Morales, Vice President of Human Resources, discussed recent happenings, hosting the Junior Leadership class, and recent donations given at Pioneer Electric and Southern Pioneer.

5. Regulatory and Legislative

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, advised he would stand on the written Regulatory and Legislative Report as published on OnBoard. Assist CEO Scott updated the Board on preparation for Southern Pioneer's upcoming filing to update and modernize Rules and Regulations. Additionally, Southern Pioneer is preparing to file an application to disallow the option to pay by credit card for STR customers and requesting an expedited schedule and Order from the KCC to curtail excess merchant fees of which would be in the public interest.

6. Corporate Services and Energy Solutions

a. Potential New Large Loads

Kristen Koehn, Manager of Energy Solutions, updated the Board on developments concerning potential new large loads.

b. 2024 Renewable Impacts

Kristen Koehn, Manager of Energy Solutions, presented to the Board a renewable kWh Analysis to evaluate the potential benefits of renewables.

7. Administration

Lindsay A. Campbell, CEO, advised that she would stand on the majority of the written Administrative Report as published on OnBoard.

GENERAL COUNSEL'S REPORT

None.

MATTERS REQUIRING BOARD ACTION

1. Property Tax Surcharge

Larissa Layman, Legal and Regulatory Affairs Coordinator, reviewed with the Board the property taxes that were paid by Pioneer Electric on a county-by-county basis from 2023-2024, the amount of property taxes currently embedded in base rates, and the difference between what was paid and what is embedded in base rates, which difference will need to be collected in the form of the property tax surcharge rider. Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, provided and reviewed with the Board the proposed Property Tax Surcharge Rider tariff sheet and offered to answer any questions regarding the 2025 Property Tax Surcharge Rider. After review and discussion of the

presentation given by Assist CEO Scott, a motion was made and seconded to approve the Property Tax Surcharge Rider with an effective date of February 1, 2025. Motion carried.

2. Special Donation Request to L.H.E.A.T (Local Health Equity Action Team)

Melissa Morales, Vice President of Human Resources, proposed a \$5,000 donation to contribute to a local project to install an inclusive playground at the Barb Dye Park in Ulysses that has been designed to accommodate individuals of all abilities to participate in outdoor park activities. After review and discussion, a motion was made and seconded to donate \$5,000 to L.H.E.A.T. as presented. Motion carried.

OTHER BUSINESS

1. **NRECA 2025 Director's Conference – January 25-28, 2025**
2. **Kansas Electric Cooperatives Winter Conference – February 1-3, 2025**
3. **NRECA PowerXchange – March 7-12, 2025**
4. **NRECA 2025 TechAdvantage – March 9-12, 2025**
5. **2025 CoBank Western Plains Customer Meeting – March 12-14, 2025**
6. **NRECA New Director Orientation – March 26-28, 2025**

EXECUTIVE SESSION

A motion was made and seconded to go into an Executive Meeting at 11:50 a.m. Motion carried.

A motion was made and seconded to come out of the Executive Meeting at 12:15 p.m. Motion carried.


ADJOURNMENT

With there being no further business, a motion was made and seconded to adjourn the meeting. Motion carried. Meeting adjourned at 12:15 p.m. Motion carried.



John Jury, Secretary-Treasurer

APPROVED:



Michael Brewer, President