

APPROVED

**H-D ELECTRIC COOPERATIVE, INC.
REGULAR MONTHLY BOARD MEETING
August 21, 2026 (SUMMARY)**

President Bert Rogness called the meeting to order with all directors present. Secretary Todd Moritz conducted roll call all Directors were present. Members of management and legal counsel participated in the meeting as required.

The agenda and the July 17, 2026 Regular Board Meeting minutes and summary were reviewed and approved following discussion.

Treasurer Steve Hansen presented the Treasurer's Report, including cash receipts and disbursements, which was received and placed on file subject to audit. The Board also approved the Directors' July expenses.

Management and Department Reports

• **General Manager Report (Hotzler):** Reported on cooperative and industry-related activities, including East River MAC and financial matters, Crowned Ridge Energy Storage, DOE nuclear waste and resource adequacy developments, Basin Electric financials and tribal payment matters, the McKenzie lawsuit settlement, Tech-Ord expansion, Banner Engineering and Wild Rose dairy road projects, the headquarters sign, and summer staffing. The July Cooperative Scorecard, membership activity report, and July cybersecurity report were also reviewed. The Board approved the July 2026 membership activity report.

• **Finance and Administration (Aberle):** Reviewed consumer kWh sales and revenue, monthly revenue and expense reports, cash flow, investments, and revenue and expense performance per 1,000 kWh through July 31, 2026. The Board discussed the process for handling unclaimed capital credits and agreed that unclaimed accounts will be brought before the Board for future disposition. The Board also reviewed and agreed with the proposed process for scrapping PLC meters and removing the related depreciation from the Cooperative's books. Additional financial statements were made available for Board review.

• **Operations (Kwasniewski):** With Troy Kwasniewski absent, Hotzler presented the Operations Manager's report. The Board reviewed operations activities, the July 21 safety meeting report, and the July outage summary. The Board approved the July 21, 2026 safety meeting report.

• **Member Services/Wiring (Lundberg):** Tom Lundberg presented the Member Services/Wiring report, including service order activity, service order breakdowns, load management updates, and the July service order backlog. The Board discussed current member service activities and workload.

• **East River Report (Rogness):** Provided an update on activities and discussions from East River's most recent board meeting.

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- **SDREA Report (Hansen):** Provided an update on SDREA activities based on reports and emails received since the June board meeting. The next SDREA Board meeting is scheduled for September.

Capital Credits

The Board reviewed estate and early retirement capital credit requests and approved the retirements as presented. The one estate request was approved with \$636.87 payment to the member and \$917.19 retained by the Cooperative.

Other Activities

- Watched and discussed NRECA governance training videos: *1) Going for Gold in Director Education* and *2) Finding the Right Level of Transparency for your Co-op* which addressed making sure there is the appropriate level of transparency for the Cooperative.
- Reviewed and approved the Cooperative's new **AI Policy**, establishing it as **Policy #523** of H-D Electric Cooperative, Inc.
- Reviewed plans for the **2027 H-D Electric Annual Meeting**, which will be held at Cooperative headquarters in Clear Lake on March 23, 2027.
- Selected delegates for the upcoming cooperative meetings
 - **CFC Region VI meeting:** Kevin DeBoer, Delegate; Casper Niemann, Alternate.
 - **Mid-West Electric Consumers** meeting delegates will be addressed in September.
- Discussed changes to the Board evaluation process, including having employees provide feedback on the work of the Board.

Upcoming Meetings

- **SDREA Board Leader Summit** – August 30–31, 2026
- **East River Annual Meeting** – September 9, 2026
- **Line Patrol Charity Ride** – September 11–12, 2026
- **NRECA Regional Meeting 5 & 6** – September 21–23, 2026
- **Mid-West Annual Meeting** – December 8–10, 2026

There being no further business, the meeting was adjourned on motion duly made, seconded, and carried.