

MEETING MINUTES



April 27, 2023 Board of Directors Meeting Minutes

Dakota Electric Association Board Members in Attendance

DISTRICT 1

John DeYoe
David Jones
Jerry Pittman

DISTRICT 2

Terry Donnelly
Bill Middlecamp
Clay Van De Bogart

DISTRICT 3

Ken Danner
Margaret Schreiner

DISTRICT 4

Paul Bakken
Stacy Miller

Staff in Attendance

Jon Beyer
Melissa Cherney
Adam Heinen

Ryan Hentges
Corey Hintz
Betty Jo Kiesow

Sara McGrane
Greg Miller
Mjyke Nelson

Davin Peterson
Jeff Schoenecker
Craig Turner

Minutes

| TOPIC | DETAILS |
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| Call to order | Chair Paul Bakken called the regular meeting of the Dakota Electric Association Board of Directors to order at 8:30 a.m. and presided. A quorum was present. |
| Agenda adoption | ✓ A motion was made, seconded, and carried to adopt the agenda. |
| Consent agenda | ✓ A motion was made, seconded, and carried to approve the consent agenda as amended. Resolution 23-4-1 was pulled for further discussion. <ul style="list-style-type: none">▪ Minutes of the March 23, 2023 board meeting▪ March board legal fees |
| Resolution | ✓ A motion was made, seconded, and carried to approve the 2022 patronage capital allocation – resolution 23-4-1. |
| SRSQ report | Director of Engineering Craig Turner presented the 2022 Safety, Reliability and Service Quality report (SRSQ). ✓ A motion was made, seconded, and carried to approve the 2022 SRSQ report and SRSQ standards for 2023 – resolution 23-4-2. |

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| Quarterly finance update | Vice President of Financial Services and CFO Corey Hintz provided a first quarter financial update noting operating expenses are 15.5 million or 3.1 percent favorable to budget and power costs are \$35.3 million or 3.7 percent favorable to budget. However, overall kilowatt sales are 433 million kWh or 2.2 percent unfavorable to budget and revenue is \$50.3 million or four percent unfavorable to budget. |
| CEO report | CEO Hentges provided an overview of his first month at Dakota Electric noting a lot of time spent meeting with staff and directors to gain insight. He shared some of the feedback from a staff survey noting flexibility in the workplace as a high staff priority. CEO Hentges then provided an update regarding reliability, safety, changes to CIS systems, approval of the EV pilot rate by the Public Utilities Commission (PUC) and the beginning of disconnect season starting April 30. CEO Hentges also spoke to future initiatives including monthly staff meetings, distribution of the strategic plan to staff and strategy execution. |
| Great River Energy | Directors Margaret Schreiner and Clay Van De Bogart provided a Great River Energy update including auditor selection, 2022 reliability report, employee hiring, rates discussion, safety and the annual reorganization noting Director Schreiner was appointed as Great River Energy Board Vice Chair. |
| Minnesota Rural Electric Association | Director Stacy Miller provided a Minnesota Rural Electric Association update including the adoption of their three-year strategic plan document and several CEOs met to discuss legislative priorities and safety. Director Miller also noted the 2023 Energy Issues Summit is scheduled for August 7, 2023 at the Radisson Blu in Bloomington, MN. |
| Attorney update | Attorney Sara McGrane provided an overview of this month's work on Dakota Electric related topics including a title objection for the Elko substation, Human Resources training and election issues. |
| 2023 Director compensation | <ul style="list-style-type: none"> ✓ A motion was made, seconded, and carried to approve a four percent increase to director retainers effective June 1, 2023 in alignment with 2023 staff merit increases. |
| Board Director dress code | <ul style="list-style-type: none"> ✓ A motion was made, seconded, and carried to implement a business casual dress code for board meetings in alignment with changes to the staff dress code policy. |
| Adjournment | <ul style="list-style-type: none"> ✓ A motion was made, seconded, and carried to adjourn at 11:17 a.m. |