APPROVED

H-D ELECTRIC COOPERATIVE, INC.
REGULAR MONTHLY BOARD MEETING
September 18, 2026 (Summary)

Management and Department Reports

- **General Manager Report (Hotzler):** Reported on East River MAC and financial matters, EPA power plant regulations, Banner Engineering's work for Wild Rose Dairy, the headquarters sign, county pre-disaster mitigation, wildfire mitigation plans, the Mitchell Tech ribbon cutting, legislative committee issues, and AMI. Stein Signs provided an updated estimate for the headquarters sign, which exceeds the budgeted amount and the Board authorized the change. The August Cooperative Scorecard, membership activity report, and cybersecurity report were also reviewed. The Board approved the August 2026 membership activity report.
- **Finance and Administration (Aberle):** Reviewed consumer kWh sales and revenue, monthly revenue and expenses, cash flow, investments, and revenue and expense per 1,000 kWh through August 31, 2026. The Board discussed the financial reports. The Statement of Operations, Balance Sheet, Part O Form 7, and East River Power Bill were available for Board review.
- **Operations (Kwasniewski):** Reviewed operations activities, the August 25, 2026, safety meeting report, and the August outage summary. The Board approved the August 25, 2026, safety meeting report.
- **Member Services/Wiring (Lundberg):** Reviewed and discussed Member Service Activity and discussed with the Board. Presented updates on service order activity, the August service order breakdown, load management, and the service order backlog.
- **East River Report (Rogness):** Provided updates on East River's budget, Basin Electric, GEVO issues, and large-load projects, with 600 MW in progress.
- **SDREA and Attorney Reports:** No reports were presented.

Capital Credits

The Board reviewed estate and early capital credit retirement requests and approved the retirements as presented. The total amounts were $3,072.51 retained by the Cooperative and $2,021.83 refunded.

Other Activities

- **NRECA Governance Videos:** Mr. Hotzler presented the governance videos *Appraising and Compensating the CEO* and *AI – Separating the Hype from Reality*.
- The Board entered executive session at 11:10 a.m. to review the Board Annual Survey, the 2027 H-D Pay Plan, and the Manager's Annual Survey. The Board recessed for lunch and reconvened afterward. Executive session concluded at 2:50 p.m.

- **Board Annual Survey:** The Board reviewed the annual survey completed by employees, with 17 of 23 employees participating. The results were discussed at length.
- **2027 H-D Pay Plan:** Mr. Hotzler presented the proposed pay plan, and the Board discussed the plan.
- **Manager Annual Survey:** Ms. Aberle provided the Board with the Manager Annual Survey results. Mr. Hotzler left the boardroom while the Board reviewed the survey and was subsequently invited back to discuss the results.

Following executive session, the Board approved Resolution 26-59, authorizing the compensation plan.

- **Meeting Delegates:** Kevin DeBoer was unanimously selected as the delegate for both the RESCO meeting at the NRECA Regional Meeting and the Midwest Consumers meeting.
- **Past Monthly Meeting Reports:** The East River Annual Meeting was discussed.

Upcoming Meetings

- NRECA Regional Meeting 5 & 6 – September 21–23, 2026
- Mid-West Electrical Consumers – December 8–10, 2026

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