



# Minutes

## Board of Directors February 25, 2026

- CONVENE** The meeting of the Cooperative Light & Power (CLP) Board of Directors was convened at 9:00 a.m. at CLP, Two Harbors, Minnesota, on February 25, 2026.
- CALL TO ORDER** President Peterson called the meeting to order at 9:03 a.m. All Directors were present at the start of the meeting. CEO Carey Hogenson, Finance Manager Shannon Haveri, Member Services and HR Manager Megan Olmscheid, Energy Services Manager Ken Jones, and Operations Manager Brian Bentler, one member-owner and one guest, were present for all or parts of the meeting. Adam Riggle took the minutes.
- AGENDA** The agenda included one addition: a presentation by the CEO of Betula Extracts after the board meeting minutes were approved. Osadjan made a motion to approve the agenda, which was seconded by Willemarck. The motion passed.
- MINUTES** The minutes of the January 28th, 2025, CLP Board of Directors Meeting were accepted as presented. Josephson made a motion to approve the board minutes, which was seconded by Weideman. The motion passed.
- GUEST SPEAKER** Brian Garhofer, CEO of Betula Extracts, gave a presentation to the board on his company and its products.
- ▶ This year, Betula Extract's revolving RUS loan expires. He is looking for an extension.
  - ▶ An extension was previously granted to Betula Extracts. Per the loan guidelines, the board would need to amend the guidelines to grant that extension.
  - ▶ Weideman made a motion to table the discussion for close session. Which was seconded by Osadjan. The motion passed.
- CONSENT AGENDA** The consent agenda, which included the following items, was reviewed. Weideman made a motion, seconded by Osadjan, to accept the Consent Agenda. The motion passed.
- ▶ Monthly Payments – Check Register
  - ▶ Correspondence
- MEMBER QUESTIONS** The board received no member questions.
- BOARD EDUCATION** The board viewed NRECA Governance Talk: Building a Culture of Safety.
- FINANCIALS** Finance Manager Haveri provided an overview of the December 2025 Pre-audit financials.

- ▶ The Operating Margin for the month of December was a negative \$655,310 as compared to a budgeted figure of a positive \$104,265 for a negative variance of \$759,575. This was primarily due to the new \$500,000 revenue deferral booked in December. Non-Operating Margins-Interest for the month of December was positive \$12,380 as compared to a budgeted figure of positive \$5,267 for a positive variance of \$7,113. Non-Operating Margins-Other for the month of December was a positive \$33,777 as compared to a budgeted figure of a negative \$1,300 for a positive variance of \$35,077. Other Capital Credits & Patronage Other for the month of December was positive \$793,212 as compared to a budgeted figure of positive \$50,000, for a positive variance of \$743,212. This resulted in a total margin for the month of December of a positive \$184,059 as compared to a budgeted figure of a positive \$158,232 for a positive variance of \$25,827. These figures are pre-audit and subject to change.
- ▶ A motion was made by Weideman and seconded by Willemarck to approve the financials. The motion passed.

FINANCE  
MANAGER'S  
REPORT

Finance Manager Haveri presented a report to the board and addressed any questions. This included:

- ▶ Form 7
- ▶ GRE Power Bill
- ▶ Member Solar Program
- ▶ ROW Budget Contractor/CLP Crews

MEMBER  
SERVICES/HR  
MANAGER'S  
REPORT

CEO Hogenson presented a report to the board and addressed any questions. This included:

- ▶ Applications, Transfers, and Terminations
- ▶ Contributions
- ▶ PAC/ REPAC Donations
- ▶ Strategic Planning
  - CEO Hogenson presented to the board the progress that was made during Quarter four of 2025.
- ▶ Member, Community, & Employee Events:
  - Youth Tour: After the board reviewed all the applications submitted. Weideman made a motion to nominate applicant two for the Youth Tour, and Willemarck seconded the nomination. The motion passed.
  - Arrowhead Home & Builder's Show
  - Annual Meeting: Guest Speaker

ENERGY  
SERVICES  
MANAGER'S  
REPORT

Energy Services Manager Jones presented a report to the board and addressed any questions. This included:

- ▶ Load Management Update
- ▶ Rebates
- ▶ Zero Homes
- ▶ Annual Co-generation report

OPERATIONS  
MANAGER'S  
REPORT

Operations Manager Bentler presented a report to the board and addressed any questions. This included:

- ▶ Line projects
  - The team is working on the line from Finland to Little Marais.
  - Lake State is working in Isabella.
- ▶ NISC: Services Orders
- ▶ Forester Report and Right-of-Way (ROW) projects
- ▶ New Bucket Truck

CEO REPORT

CEO Hogenson went over her report with the board. This included updates on:

- ▶ MREA
  - Travel plans for the MREA Annual Meeting
- ▶ NRECA
- ▶ Construction Update
- ▶ Grants

MEETING  
REPORTS – GRE  
BOARD

Weideman reviewed the highlights from the GRE Board meeting:

- ▶ GRE Board Meeting Minutes
- ▶ GRE Regional Meeting Recap
- ▶ Further updates were given during the closed session

MEETING  
REPORTS – GRE  
MMG

CEO Hogenson went over her report with the board. This included updates on:

- ▶ GRE Peaking Plants during the winter storm
- ▶ Discussion of the Rate Design. Further updates were provided during the closed session.

BOARD ACTION  
REQUIRED

Wildfire Mitigation Plan

- ▶ Weideman made a motion to table the approval of the Wildfire Mitigation Plan until the March 25<sup>th</sup> board meeting to allow time for the board to review the plan. Osadjan seconded, and the motion passed.

Board Policy II-4 Meter Reading & Payment of Electric Energy Bills

- ▶ Updated language in the policy. Osadjan made a motion to accept the changes to Board Policy II-4, Meter Reading & Payment of Electric Energy Bills. Willemarck seconded, and the motion passed.

Board Policy III-3 Board of Directors – Per Diem and Mileage

- ▶ During the September 9th, 2025, board meeting, the board of directors approved setting the meeting per diem at \$450, with the president's additional per diem at \$125, and decided to eliminate the monthly retainer.
- ▶ Updated policy language to match the actions taken during the September 9th, 2025, Board of Directors Meeting. Osadjan made a motion to accept the changes to Board Policy III-3 Board of Directors – Per Diem and Mileage. Weideman seconded, and the motion passed.

Board Policy IV-14 Depository

- ▶ Updated language in the policy. Weideman made a motion to accept the changes to Board Policy IV-14 Depository. Josephson seconded, and the motion passed.

UNFINISHED  
BUSINESS

Cost of service study refresher

- ▶ Rachel Hockert with Star Energy presented the cost-of-service study, refresher.
  - Hockert introduced two options to the board. Both Option A and Option B included a minor increase, based on current projections and costs.
  - After an in-depth discussion, Osadjan made a motion to select option B for the cost-of-service study refresh. Josephson seconded, and the motion passed.
  - **Option B Rates: GS1 SAC \$55.00 \$/kWh 0.1492, GS3 SAC \$72.00 \$/kWh 0.1492, DEM SAC 110.00 \$/kWh 0.1420 Summer Demand \$16.00 Other Demand 13.00, LGP SAC 165.00 \$/kWh 0.1143 Summer Demand \$22.00 Other Demand 19.00, GEN SAC 165.00 \$/kWh 0.1260 All Demand 10.00.**

MEMBER  
QUESTIONS

The board received a member's questions after the cost of the service study refresher presentation was completed.

- ▶ In comparison to neighbors, was the average monthly bill taken from the mean or the median for the average monthly bill?
  - Hockert answered. The SACs were taken from publicly available data from a neighboring cooperative and an investor-owned utility, and the average KW usage was taken from our own data.
- ▶ When will the new cost of services study be made available?
  - Hockert. This study is a refresher on what we currently have in place; an actual cost-of-services study won't be conducted until later in the year or next year.
- ▶ Other utility providers have Time of Use rates for weekends and holidays. Why don't we offer the same breakdowns?
  - Hockert. Right now, billing is working on refining this program. Once everything is fine-tuned, they plan to implement a weekend and holiday rate.

NEW BUSINESS      There was no New Business

CLOSED  
SESSION

At 11:04 a.m., Osadjan made a motion, seconded by Weideman, to enter into a Closed Session to discuss GRE, revolving loan with Betula Extracts, and a member request. The motion passed. At the conclusion of the discussion, Josephson made a motion, seconded by Osadjan, to exit the session at 12:49 p.m. No actions were taken in Closed Session. After the closed session, Weideman made a motion to extend the revolving loan to Betula Extracts for up to two years, in accordance with RUS guidelines and regulations. Willemarck seconded, and the motion passed.

NEXT MEETING

The next meeting of the Cooperative Light & Power Board of Directors will be held at CLP on March 25, 2026, at 9:00 am.

ADJOURN

There being no further business to come before the board, Osadjan made a motion to adjourn, and Josephson seconded it. The meeting was adjourned at 12:50 p.m.

  
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Jessica Willemarck, Secretary

CORPORATE SEAL