

Minutes

Board of Directors October 22, 2025

- 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 October 22, 2025.
- CALL TO ORDER** President Peterson called the meeting to order at 9:08 a.m.
All Directors were present at the start of the meeting, except for Director Josephson, who was absent. CEO Carey Hogenson, Finance Manager Shannon Haveri, Energy Services Manager Ken Jones, Operations Manager Brian Bentler, and Attorney Chad Felstul (attended via video conference) were present for all or parts of the meeting, and one member-owner was also present. Adam Riggle took the minutes.
- AGENDA** The agenda had no changes or additions. Osadjan made a motion to approve the agenda, which was seconded by Willemarck. The motion passed.
- MINUTES** The minutes of the September 24, 2025, CLP Board of Directors Meeting were accepted as presented. Weideman made a motion to approve the board minutes, which was seconded by Osadjan. The motion passed.
- CONSENT AGENDA** The consent agenda, which included the following items, was reviewed. Osadjan made a motion, seconded by Weideman, 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: Confidentiality Matters.
- FINANCIALS** Finance Manager Haveri provided an overview of the August 2025 financials.
- ▶ The Operating Margin for the month of August was a positive \$137,283 as compared to a budgeted figure of a negative \$43,55 for a positive variance of \$180,838. Non-Operating Margins Interest for the month of August was positive \$2,316 as compared to a budgeted figure of positive \$6,270 for a negative variance of \$3,954. Non-Operating Margins-Other for the month of August was a negative \$5,594 as compared to a budgeted figure of a negative \$800 for a negative variance of \$4,794. Other Capital Credits & Patronage Other for the month of August was zero as compared to a budgeted figure of positive \$30,227, for a negative variance of \$30,227. This resulted in a total margin for the month of

August of a positive \$134,005 as compared to a budgeted figure of a negative \$7,858 for a positive variance of \$141,863.

- A motion was made by Osadjan and seconded by Willemarck to approve the August financials. The motion passed.

FINANCE MANAGER'S REPORT

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

- NISC Meetings / Training / Conferences
- Met with Allison from CFC
- Met with Caryn from NRECA

MEMBER SERVICES/HR MANAGER'S REPORT

Member Services/HR Manager Hogenson presented a report to the board and addressed any questions. This included:

- Applications, Transfers, and Terminations
- Contributions
- Member, Community, & Employee Events:
 - MREA's New Employee Orientation
 - North Shore Area Partners Meat Raffle Sponsorship – has been postponed until 2026
 - Co-op Month Celebration: Hosted a Pie Social Drive-Thru
 - Toy Drive
 - Annual meeting

ENERGY SERVICES MANAGER'S REPORT

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

- Eaton Load Controllers
 - Currently, quarter of the way complete.
- Solar
- Rebates

OPERATIONS MANAGER'S REPORT

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

- New Service Installation & Revamps
- Right-of-Way (ROW) projects
- Recapped recent outages

CEO REPORT

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

- MREA
 - MREA Board of Directors Meeting
 - Nuclear Energy in Minnesota Forum
- Construction Update
- Strategic Plan Quarterly Review
- Grant Updates
- Cost of Service Study

MEETING REPORTS – GRE BOARD

Weideman reviewed the highlights from the Board meeting GRE:

- GRE Board Meeting Minutes
 - GRE is currently reviewing its proposed budget for 2026.

MEETING REPORTS – GRE MMG

CEO Hogenson reported on:

- GRE MMG Highlights
 - Reviewing proposed budget for 2026.
 - Financials are strong going into the end of the year.

- The MMG has scheduled an additional meeting in December.

BOARD ACTION REQUIRED

Brimson Strong Community Support & Recovery

- The Brimson Strong Community Support & Recovery is requesting a donation to assist those who were displaced and affected by the 2025 Camphouse Fire and Jenkins Creek Fire.
- After a thorough discussion, Osadjan motioned to donate \$1,500 to the Brimson Strong Community Support & Recovery. Peterson seconded it. Willemarck abstained. The motion passed.

The Cooperative Family Fund

- The board tabled a request from the Cooperative Family Fund until January 2026.

Capital Credits Retirement Early Estates Resolution

- Weideman made a motion to accept the Capital Credits Retirement Early Estates Resolution, which authorized \$20,000 for early retirements, and it was seconded by Willemarck. The motion passed.

Capital Credits Retirement Refund Resolution

- Osadjan made a motion to accept the Retirement Refund Resolution, which would retire \$180,000 this coming year, \$151,763.97 would be used to close out 1996, with the remaining amount applied to 1997. Willemarck seconded the motion. The motion passed.

UNFINISHED BUSINESS

Strategic Plan Quarterly Update & CEO Expectations

- CEO Hogenson informed the board about her training plans and conference attendance scheduled for 2026.

NEW BUSINESS

Felstul gave the board an update on CoBank and the process of updating the CLP name on loan documents.

CLOSED SESSION

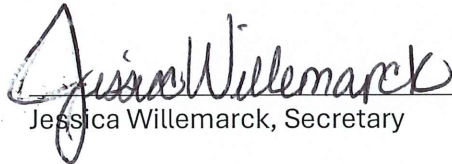
At 10:36 a.m., Osadjan made a motion, seconded by Weideman, to enter into a Closed Session to discuss GRE's budget proposal & the employee survey results. The motion passed. At the conclusion of the discussion, Osadjan made a motion, seconded by Weideman, to exit the session at 12:18 p.m.

NEXT MEETING

The next meeting of the Cooperative Light & Power Board of Directors will be held at CLP on November 26, 2025.

ADJOURN

There being no further business to come before the board, Osadjan made a motion to adjourn, and Willemarck seconded it. The meeting was adjourned at 12:19 p.m.


Jessica Willemarck, Secretary

CORPORATE SEAL

RESOLUTION to IMPLEMENT REVENUE DEFERRAL PLAN

WHEREAS, during the winter of 2022-2023, there was a drastic increase in the amount of dead and broken trees due to storms, spruce budworm, and other factors. This has caused an increase in outages as well as increased demand for Right of Way (ROW) Clearing. On the other flip side, Cooperative Light & Power has experienced under budget power costs and under budget administrative & general costs for 2025, which has increased our margins, although these costs are expected to increase for next year. CLP would like to allocate some of these extra 2025 margins to our Right of Way program. This involves having an on-staff forester, working on ROW rotations, and increasing the territory cleared. These ROW costs will be highest in the early years, but by keeping to a schedule, both the costs and the outages will decrease over time. Currently approximately 75% of our outages are related to trees.

AND WHEREAS, the Board of Directors of the Cooperative Light & Power believes that it is in the best interest of the membership for long-term rate stability to implement a revenue deferral plan and defer a portion of the aforementioned extraordinary revenue to future years;

AND WHEREAS, the Board of Directors of the Cooperative Light & Power is not aware of any potential impact on its tax exempt or "cooperative" status;

AND WHEREAS, the state Public Utilities Commission has no jurisdiction over the cooperative's rate making activities and therefore no approval is necessary.

NOW THEREFORE IT BE RESOLVED, that the Cooperative Light & Power wishes to implement a RUS approved revenue deferral plan to defer \$500,000 revenue and to provide for the revenue recognition in the following manner:

2026=\$500,000

Revenue Deferral Plan Total=\$500,000.

AND BE IT FURTHER RESOLVED, that the cash equivalent of the deferred revenue shall be segregated in a special cash fund until such time as it is subsequently amortized back into revenue.

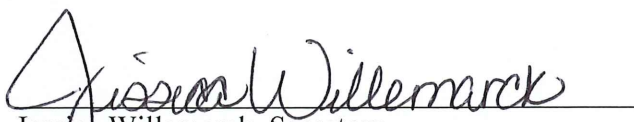
AND BE IT FURTHER RESOLVED, that the Cooperative Light & Power will accept the responsibility for implementation of the plan.

CERTIFICATE OF SECRETARY

I, Jessica Willemarck, certify that I am Secretary of the Cooperative Light & Power, Board of Directors and that the above and foregoing is a true excerpt from the minutes of a regular board meeting held on the 26th day of November, 2025, at which a quorum was present and that the above portion of the minutes have not been rescinded or modified.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of Cooperative Light & Power this 26th day of November, 2025.

(SEAL)


Jessica Willemarck, Secretary