MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC. October 27, 2026

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on October 27, 2026, commencing at 8:30 a.m. in the Colman boardroom.

The meeting was called to order by President Dan Leuthold, who presided, and Secretary Don DeGreef, who acted as Secretary.

Roll call showed the following members present:

Don DeGreef	Dan Leuthold	Chris Rieff
Ann Vostad	Dave Daniel	Gary Fish
Lucas Roskamp	Allan Weinacht	Dr. Leslie Heinemann
Gregg Johnson	Mark Rogen	

Also present were Attorney Mike Nadolski, General Manager Tim McCarthy, Strategic Leadership Team members Ted Smith, Jason Maxwell, Justin Moose, Carrie Vugteveen, and Kimberlee Hansen along with Executive Assistant, Brenda Schelhaas. Guests in attendance were Jay Buchholz, Molly Burmeister, and Chris Graff.

INTRODUCTION OF DISTRICT 9 MEMBER ADVISORY COUNCIL MEMBERS

Director Johnson introduced District 9 Member Advisory Council (MAC) members Nancy Hinricher and Elisabeth Roelofs.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. Director Daniel asked that Board Christmas Party be added under agenda item 24. Other Business. A motion to approve the amended agenda was made by Mr. Daniel, seconded by Mr. Rieff. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the September 29, 2026, regular board meeting was made by Mr. Daniel, seconded by Mr. Johnson. The motion carried.

PRELIMINARY RATES OVERVIEW

Nick Nelson from Power System Engineering (PSE) presented Sioux Valley Energy's Rate and Cost of Service (COS) study results. The goal of the COS was to study the current rates, determine whether an overall rate change is needed, and determine what rate design changes should be considered. PSE's results matched SVE's internal analysis confirming that a rate increase will be necessary in 2027. Discussion was held and the Board requested additional information regarding how increasing the demand charge would affect the kWh charge. PSE was asked to bring back additional information for review by the Board.

EXECUTIVE SESSION

Mr. Rogen made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Roskamp at 9:25 a.m. The motion carried. The executive session adjourned at 10:15 a.m.

REVIEW AND CONSIDERATION OF RATE DESIGN

The Board reviewed and discussed additional rate design information provided by PSE. Mr. Daniel made a motion to approve an 8.1% rate increase, utilizing the rate design that had been presented earlier in the meeting by PSE, seconded by Dr. Heinemann. Mr. Johnson made a motion to amend the motion to include that Staff will need to stay within this budget to meet revenue requirements, seconded by Mr. DeGreef. Both motions carried.

REVIEW AND CONSIDERATION OF MARKET RATE TARIFFS

Mr. Rogen made a motion to approve the market rates that were discussed in executive session, seconded by Mr. Roskamp. The motion carried.

REVIEW AND CONSIDERATION OF REED LOAN APPLICATION

Jason Maxwell presented a REED loan request for $275,000 from The Colton Friends of Baseball. Mr. Weinacht abstained from voting on this loan application. Discussion was held and a motion was made by Ms. Vostad to approve the REED loan application for $275,000, seconded by Mr. Roskamp. The motion carried.

REVIEW AND CONSIDERATION OF PROPOSED WRITE-OFF OF UNCOLLECTABLE ACCOUNTS

Manager McCarthy called upon Kimberlee Hansen to review the proposed write-off of uncollectable electric energy and miscellaneous receivable/loan accounts. The total write-off amount is $33,709.96 compared to $13,187.92 in 2025. SVE will retain $7,875.01 in unretired capital credits to offset part of this write-off, resulting in a net write-off of $25,834.95. The net write-off amount in 2025 was $9,727.24. Mr. Weinacht made a motion to approve the proposed write-off of uncollectable accounts, seconded by Mr. Roskamp. The motion carried.

REVIEW AND CONSIDERATION OF BOARD TECHNOLOGY

Justin Moose reviewed the recent changes to Call to Order. The previous version of Call to Order required an IOS device but with the change to a web-based format, an IOS device is no longer needed. The Board discussed several options. Ms. Vostad made a motion to allow the directors to choose between a stipend or an iPad provided by SVE, seconded by Mr. DeGreef. The motion carried.

REVIEW AND CONSIDERATION OF UPDATE TO THE BASIN LOAD FORECAST FOR SIOUX VALLEY ENERGY

Manager McCarthy called upon Ted Smith to review the 2027 Basin Load Forecast for the time period from 2027 to 2050. Dr. Heinemann made a motion to approve the 2027 Basin Load Forecast resolution, seconded by Mr. Weinacht. The motion carried.

WHEREAS, Basin Electric Power Cooperative has completed a detailed forecast of total demand and energy requirements for the period of 2027 through 2050; and

WHEREAS, the forecast was prepared in accordance with current Rural Utilities Service regulations using reasonable methodologies; and

WHEREAS, the Board of Directors of Sioux Valley-Southwestern Electric Cooperative Inc. has reviewed the study and its conclusions;

THEREFORE, BE IT RESOLVED, that the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. does hereby adopt and approve the 2027 update of the 2026 Load Forecast prepared by Basin Electric Power Cooperative as a reasonable forecast of the future demand and energy requirements for 2027 through the year 2050.

And that the action taken and/or resolutions adopted as above set out have never been rescinded, altered, amended, modified or repealed, and are of the date hereof in full force and effect.

BOARD REPRESENTATIVE TO SVE SCHOLARSHIP SELECTION COMMITTEE

Carrie Vugteveen asked for a volunteer from the Board to serve on the scholarship committee. Ms. Vostad volunteered to serve on the committee. Mr. Daniel made a motion to approve Ms. Vostad as this year's board scholarship committee member, seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF ATTORNEY'S QUARTERLY EXPENSE STATEMENT

Executive Assistant, Brenda Schelhaas, presented the quarterly expense statement for Attorney Nadolski. A motion to approve payment of the Attorney's expense statement for July through September 2026 in the amount of $17,986.85 was made by Mr. Roskamp, seconded by Mr. Rieff. The motion carried.

Attorney Nadolski provided the Board with a quarterly update.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S QUARTERLY EXPENSE STATEMENT

Ms. Vostad, Treasurer, reported that she reviewed the General Manager's quarterly expense and credit card statements for the period of July through September 2026 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of $1,678.89 was approved by a motion made by Ms. Vostad, seconded by Mr. Johnson. The motion carried.

STRATEGIC PLANNING
Manager McCarthy noted that Carrie Vugteveen is working on incorporating the recent strategic planning outcomes into the Organizational Plan which will be presented at next month's board meeting.

POLICY REVIEW
Manager McCarthy reviewed Board Policy 6 and Board Operating Guides 6-1 and 6-2. Mr. Johnson made a motion, seconded by Ms. Vostad, to approve the board policy and board operating guides. The motion carried.

OTHER BUSINESS
Discussion was held regarding the Board Christmas party. The party will be held on December 17 following the December board meeting. The location is yet to be determined.

REPORTS ON POWER SUPPLY MEETING
L&O Power – Director Roskamp reported on his attendance of the L&O Power meeting.

East River – Director Fish reported on his attendance of the East River board meeting.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT
Manager McCarthy noted that Border States will be presenting at the November board meeting.

Manager McCarthy called upon Chris Graff to provide information about a recent cable failure at Dakota Ethanol and a PCB contaminated transformer spill.

Justin Moose presented information about CrescoNet, a company that provides metering as a service.

Jason Maxwell provided a statistical and financial summary for the period ending September 2026.

Manager McCarthy presented key highlights of the East River General Manager's report including the EPA finalizing the repeal of 2024 power plant regulations and proposed repeal of all remaining greenhouse gas emissions standards for power plants and the Tri-State, McKenzie, and Sierra Club petition for review of FERC orders in the McKenzie complaint proceeding.

ACCEPT GENERAL MANAGER'S REPORT
A motion to accept the General Manager's Report was made by Mr. Weinacht, seconded by Mr. Rieff. The motion carried.

REPORTS ON MEETINGS ATTENDED

All Employee Safety Meeting – Director Roskamp reported on his attendance of this meeting.

NEXT MEETING

The next regular board meeting will be held on Tuesday, November 24, 2026, in the Colman boardroom.

ADJOURNMENT

Mr. Roskamp made a motion to adjourn the Sioux Valley Energy board meeting at 2:08 p.m., seconded by Mr. Rieff. The motion carried.

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Donald DeGreef, Secretary

Date Approved: _____