

MINUTES OF THE 85th ANNUAL MEETING OF GARKANE ENERGY COOPERATIVE, INC. April 30, 2024 (Bicknell, UT Session)

Call To Order & Welcome: The Annual Meeting session of the 85th Annual Meeting of Garkane Energy Cooperative, Inc. was held at Wayne Community Center in Bicknell, UT on April 30, 2024 at the hour of 6:30 p.m., M.D.T. Board President Ron Cazier called the meeting to order, after which there was a video presentation of the National Anthem. The invocation was offered by Board Member Tracy Potter.

Introductions: After the invocation, President Cazier recognized current board members and thanked the audience for attending. CEO Dan McClendon recognized Garkane employees, Deseret employees Dave Crabtree, Jeff Peterson, Clay McCarthur, Danny Clark, Jeff Peterson, Cami Reeder, and URECA Program Manager Lexie Little.

Annual Meeting Proceedings: President Cazier announced that an official notice of Annual Meeting Sessions had been mailed in the Spring 2024 issue of the Highlights to the members in accordance with the Bylaws. Copies of the minutes of the previous year's Annual Meeting sessions were approved by the Board of Directors prior to the meeting, but it was mentioned they were made available online for members to review. President Cazier stated a quorum, as prescribed in the Bylaws, was present, and the meeting was called to order and any business that could be transacted would have to be added to the agenda prior to the meeting, and since there was none, no business would be conducted at the meeting.

Garkane Annual Report Status: Multi-Media Presentation: A Multi-media presentation was presented by Neal Brown-Marketing & Member Service Manager, outlining the status of the Cooperative and reviewing important events of the past year. It outlined a brief financial status of the Cooperative.

Youth Speaker: Neal Brown introduced Lacey Ellett, who spoke of her experience at the leadership camp. She highlighted that her favorite part was the last day of getting out of her comfort zone and wishing she had earlier in the week. But she talked about the speakers making a big impact and overcoming hard trials had helped her in her daily life. She thanked Garkane for providing her with the opportunity.

Reports: Deseret Power Report: CEO Dave Crabtree gave a report on the overall electric industry and the capacity restraints on power supply. He mentioned how Deseret is in a good position for the next five to ten years and always looking for ways to keep wholesale power costs low. He reported the need for more dispatchable power, and how wind and solar are great, but an undersupply during peak times can't replace dispatchable power like coal and gas power plants. He spoke to Garkane's strength of providing power

in a very difficult area over such a large territory. He asked for questions and there were none.

CEO Report: CEO Dan McClendon gave a state of the co-op report, giving a brief report on the structure of the cooperative. He mentioned the recent rate increase and the state of the electric industry on the possibility of future rate increases. He introduced the cooperative's mission, vision, and value statements and explained the geographical nature of the cooperative in relation to state and nationwide co-ops. He spoke about member equity levels and how the members own 53% of the cooperative, and for every 10 poles they pass, they own roughly five of them. He explained the benefits of having equity, helps with lower rates. He concluded by explaining the capital credit process and the rotation cycle of 20-years. He mentioned how a 20-year cycle is standard for the industry and that Garkane continues to get closer to that retirement cycle. He explained the difference between net margin and net profit, and how profit goes back to shareholders in investor-owned utilities, and net margin gets allocated back to the members to be repaid at a future date. He thanked the members for attending and for the opportunity to serve them.

Elections: President Ron Cazier provided information about the cooperative's bylaws which state (Section 4:05) If only one (1) Nomination is made, and such candidate satisfies the Director Qualifications, such candidate shall automatically be appointed as a Director, without the need to hold a Director election in accordance with this Bylaw Section. Chad Williams in District 2, Terry Griffiths in District 5, Andy Gant in District 7 were the only candidates that filed a nomination petition, and thus shall be re-appointed to three-year terms as directors.

Questions/Comment period: One member asked about the possibility of power being bought back from home battery systems, and how that coincides with the SHINE program. James Clegg talked about the SHINE program and the benefits, and Dan McClendon discussed battery backups and how Garkane is looking into it for options in the future.

Adjournment: Ron Cazier adjourned the Bicknell portion of the Annual Meeting session to the following night in Orderville, UT.

Neal Brown did the prize giveaway and a total of 98 members were present.

MINUTES OF THE 85th ANNUAL MEETING OF GARKANE ENERGY COOPERATIVE, INC. May 1, 2024 (Orderville, UT Session)

Call To Order & Welcome: The Annual Meeting session of the 85th Annual Meeting of Garkane Energy Cooperative, Inc. was held at Valley High School in Orderville, UT on May 1, 2024 at the hour of 6:30 p.m., M.D.T. Board President Ron Cazier called the meeting to order, after which there was a video presentation of the National Anthem. The invocation was offered by Board Member Andy Gant.

Introductions: After the invocation, President Cazier recognized current board members and thanked the audience for attending.

Annual Meeting Proceedings: President Cazier announced that an official notice of Annual Meeting Sessions had been mailed in the Spring 2024 issue of the Highlights to the members in accordance with the Bylaws. Copies of the minutes of the previous year's Annual Meeting sessions were approved by the Board of Directors prior to the meeting, but it was mentioned they were made available online for members to review. President Cazier stated a quorum, as prescribed in the Bylaws, was present, and the meeting was called to order and any business that could be transacted would have to be added to the agenda prior to the meeting, and since there was none, no business would be conducted at the meeting.

Garkane Annual Report Status: Multi-Media Presentation: A Multi-media presentation was presented by Neal Brown-Marketing & Member Service Manager, outlining the status of the Cooperative and reviewing important events of the past year. It outlined a brief financial status of the Cooperative.

Youth Speaker: Neal Brown introduced Becka Rogers, who spoke of her experience at the leadership camp. She mentioned how she overcome many fears that week, but especially fear of heights and relied on the help of others to overcome those fears. She was very grateful for the camp and thanked Garkane for providing her with the opportunity.

Reports: Deseret Power Report: CEO Dave Crabtree gave a report on the overall electric industry and the capacity restraints on power supply. He mentioned how Deseret is in a good position for the next five to ten years and always looking for ways to keep wholesale power costs low. He reported the need for more dispatchable power, and how wind and solar are great, but an undersupply during peak times can't replace dispatchable power like coal and gas power plants. He spoke to Garkane's strength of providing power in a very difficult area over such a large territory. He asked for questions and there were none.

CEO Report: CEO Dan McClendon recognized Garkane employees, Deseret employees Dave Crabtree, Clay McCarthur, Brandon Worthington and URECA Program Manager Lexie Little. He then gave a state of the co-op report, giving a brief report on the structure of the cooperative. He mentioned the recent rate increase and the state of the electric industry on the possibility of future rate increases. He introduced the cooperative's mission, vision, and value statements and explained the geographical nature of the cooperative in relation to state and nationwide co-ops. He spoke about member equity levels and how the members own 53% of the cooperative, and for every 10 poles they pass, they own roughly five of them. He explained the benefits of having equity, helps with lower rates. He concluded by explaining the capital credit process and the rotation cycle of 20-years. He mentioned how a 20-year cycle is standard for the industry and that Garkane continues to get closer to that retirement cycle. He explained the difference between net margin and net profit, and how profit goes back to shareholders in investor-owned utilities, and net margin gets allocated back to the members to be repaid at a future date. He thanked the members for attending and for the opportunity to serve them.

Elections: President Ron Cazier provided information about the cooperatives bylaws which state (Section 4:05) If only one (1) Nomination is made, and such candidate satisfies the Director Qualifications, such candidate shall automatically be appointed as a Director, without the need to hold a Director election in accordance with this Bylaw Section. Chad Williams in District 2, Terry Griffiths in District 5, Andy Gant in District 7 were the only candidates that filed a nomination petition, and thus shall be re-appointed to three-year terms as directors.

Questions/Comment period: There were no comments by the audience.

Adjournment: Ron Cazier adjourned the Orderville portion of the Annual Meeting and concluded the annual meeting sessions for 2024.

Neal Brown did the prize giveaway and a total of 96 members were present.