

**MINUTES OF THE 86th ANNUAL MEETING OF
GARKANE ENERGY COOPERATIVE, INC.
May 6, 2025
(Koosharem, UT Session)**

Call To Order & Welcome: The Annual Meeting session of the 86th Annual Meeting of Garkane Energy Cooperative, Inc. was held at Koosharem Community Center in Koosharem, UT on May 6, 2025 at the hour of 6:00 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 Mrs. Cazier.

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, Cami Reeder, and Brandon Worthington 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 2025 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 Kylee Woolsey, who spoke of her experience at the leadership camp. She highlighted that she was scared to get out of her comfort zone, being the only attendee from her school. She said it was inspiring to be around other students that were looking to improved themselves and learn new leadership traits. She spoke about the dance, and the classes, and how she found out she had a new fear of heights at the ropes course. She loved it and thanked Garkane for the opportunity.

Reports: Deseret Power Report: CEO Dave Crabtree followed a video report of Deseret Power and gave a report on the overall electric industry and the capacity restraints on power supply. He mentioned how the Bonanza Power Plant is one of the cleanest in the nation, and seeking to make it even more environmentally friendly by researching carbon capture technology. 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 spoke to Garkane's strength of providing power in a very difficult area over such a large territory. Said that Garkane is a shining example of a distributive cooperative providing power in such a difficult service territory while keeping costs low.

CEO Report: CEO Dan McClendon gave a state of the co-op report, giving a brief report on the structure of the cooperative. He told a story of potholes and how the electric industry is full of them and that Garkane is doing its best to stay ahead of them and plan for future potholes. 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 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 the results of the District-1 election by announcing that Melinda Torgersen was the winner. He mentioned the announcement of the District-4 elections would be announced on the following night in Escalante. He stated 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. William Hammon in District-9, and Guy Timpson in District-11 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 how the current presidential administration affects Garkane and the power industry. Dave Crabtree of Deseret Power fielded the question and said that no matter what administration is in the white house, electricity will be an important focus. He said the current administration is good for the members.

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

Neal Brown did the prize giveaway and a total of 108 registered members were present.

**MINUTES OF THE 86th ANNUAL MEETING OF
GARKANE ENERGY COOPERATIVE, INC.
May 7, 2025
(Escalante, UT Session)**

Call To Order & Welcome: The Annual Meeting session of the 86th Annual Meeting of Garkane Energy Cooperative, Inc. was held at Escalante High School in Escalante, UT on May 7, 2025 at the hour of 6:00 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 Guy Timpson.

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, Cami Reeder, and Brandon Worthington and URECA Program Manager Lexie Little, as well as local government officials.

Annual Meeting Proceedings: President Cazier announced that an official notice of Annual Meeting Sessions had been mailed in the Spring 2025 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.

Reports: Deseret Power Report: CEO Dave Crabtree followed a video report of Deseret Power and gave a report on the overall electric industry and the capacity restraints on power supply. He mentioned how the Bonanza Power Plant is one of the cleanest in the nation, and seeking to make it even more environmentally friendly by researching carbon capture technology. He spoke about the rising electricity demand caused by data centers, and how the governor state officials and Deseret's position is that members won't subsidize the increased costs. He praised the rates that Garkane is able to provide despite their challenges, and how their rates are the envy of most every utility in the country. He spoke to Garkane's strength of providing power in a very difficult area over such a large territory. Said that Garkane is a shining example of a distributive cooperative providing power in such a difficult service territory while keeping costs low.

CEO Report: CEO Dan McClendon gave a state of the co-op report, giving a brief report on the structure of the cooperative. He told a story of potholes and how the electric industry is full of them and that Garkane is doing its best to stay ahead of them and plan for future potholes. He 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 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 the results of the District-1 election by announcing that Melinda Torgersen was the winner. He mentioned the announcement of the District-4 elections that came out as a tie. A coin-toss took place before the meeting, with Reed Munson winning the seat. He stated 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. William Hammon in District-9, and Guy Timpson in District-11 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 questions

Adjournment: Ron Cazier adjourned the Koosharem portion of the Annual Meeting session to the following night in Colorado City, AZ.

Neal Brown did the prize giveaway and a total of 53 registered members were present.

**MINUTES OF THE 86th ANNUAL MEETING OF
GARKANE ENERGY COOPERATIVE, INC.
May 8, 2025
(Colorado City, AZ Session)**

Call To Order & Welcome: The Annual Meeting session of the 86th Annual Meeting of Garkane Energy Cooperative, Inc. was held at Cottonwood Elementary School in Colorado City, AZ on May 8, 2025 at the hour of 6:00 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 Ray Clark.

Introductions: After the invocation, President Cazier recognized current board members and thanked the audience for attending. CEO Dan McClendon recognized Garkane employees, former employee Jo C Jessop, Deseret employees Dave Crabtree, Cami Reeder, and Brandon Worthington and URECA Program Manager Lexie Little, as well as local government officials.

Annual Meeting Proceedings: President Cazier announced that an official notice of Annual Meeting Sessions had been mailed in the Spring 2025 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.

Reports: Deseret Power Report: CEO Dave Crabtree followed a video report of Deseret Power and gave a report on the overall electric industry and the capacity restraints on power supply. He mentioned how the Bonanza Power Plant is one of the cleanest in the nation, and seeking to make it even more environmentally friendly by researching carbon capture technology. He spoke about the rising electricity demand caused by data centers, and how the Governor, state officials and Deseret are united in their position is that members won't subsidize the increased costs. He praised the rates that Garkane is able to provide despite the challenges, and how their rates are the envy of most every utility in the country.

He spoke to Garkane's strength of providing power in a very difficult area over such a large territory. Said that Garkane is a shining example of a distributive cooperative providing power in such a difficult service territory while keeping costs low.

CEO Report: CEO Dan McClendon gave a state of the co-op report, giving a brief report on the structure of the cooperative. He told a story of potholes and how the electric industry is full of them and that Garkane is doing its best to stay ahead of them and plan for future potholes. He 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 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 the results of the District-1 election by announcing that Melinda Torgersen was the winner. He mentioned the announcement of the District-4 elections that Reed Munson retained his seat on the Board. He stated 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. William Hammon in District-9, and Guy Timpson in District-11 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 outage notifications and if Facebook was the best place for that information. Neal Brown answered that currently Facebook is the best avenue for outage notifications, but when the news meters are installed, they can provide instant updates and text notifications alerting members of the outages. There was another question regarding costs increasing due to the new meters for solar members. Dan McClendon responded that costs weren't increasing due to the new meters, but that Garkane is looking for ways that solar consumers with battery backup could return power to the grid during peak times and be compensated for it fairly. Another question was asked why would Garkane have a rate increase if Garkane makes a margin of \$2 million in a year. McClendon answered by giving a description of banking requirements and ratio requirements to keep healthy interest rates. Another question was asked about capital credits and the \$56 million on the books owed to the member and when it would be retired. McClendon answered that Garkane is currently at a 23 year rotation with a goal of getting it to a 20 year rotation. That the rotation cycle was down from around 30-years as in times past. Another question was offered about how the current Whitehouse administration policies affect Garkane. Dave Crabtree answered regarding nuclear power and that Utah officials were actively looking at nuclear options

and that the current administration is working towards not shutting down dispatchable generating units to help provide more reliable power. There were no further questions.

Adjournment: Ron Cazier adjourned the Koosharem portion of the Annual Meeting session to the following night in Colorado City, AZ.

Neal Brown did the prize giveaway and a total of 77 registered members were present.