

MINUTES OF REGULAR MEETING OF DIRECTORS

February 23, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday February 23, 2021 at the Headquarters facility. The meeting was called to order at 8:28 AM by President Pyatt. Present for the meeting were:

Paul Pyatt, President
Paul Hicks, Vice President
Kevin Liefer, Sec.-Treasurer
Kevin Bame
Ken Jarrett
Randall Campbell
Steve Prest
Rick Asaturian

Shane Hermetz, GM/EVP
Dennis Luehr, Staff
Brooke Guthman, Staff
Bart Swisher, Staff
Brad Austin, Staff
Cheryl Bauersachs, Staff
Kay Taylor, Staff
Art Pontow, Staff – via video-conference

Elisha Sanders, Attorney

Absent: N/A

MEMBER and GUEST COMMENTS: Mrs. Missy Greathouse and Mrs. Sarah Taylor joined the meeting via videoconference to discuss the Illinois Agricultural Mediation Program. Discussion followed. Mrs. Greathouse and Mrs. Taylor exited the meeting at 8:50 AM.

The **CONSENT AGENDA**, consisting of the consideration of prior month's board meeting minutes, review of the list of checks written during the prior month (the EVP/GM expenses were reviewed by the Secretary/Treasurer), the prior month's treasurer's report, capital credit estate refunds (\$9,554.42) for the month, the AIEC report, the NRECA report, the CRC report, the CFC banking report, the right of way report, the EECA safety report, the EECA Strategic Scorecard, the regulatory report, and the outage report were approved on a motion by Mr. Jarrett and seconded by Mr. Liefer, motion carried.

SIPC DIRECTOR REPORTS: The SIPC report on Electric Systems was given by Mr. Hermetz. Mr. Hermetz discussed the current electric systems projects and the various transmission system projects at SIPC. Discussion followed. The SIPC report on Power Production was given by Mr. Pyatt. Mr. Pyatt discussed the status of fuels, fuel markets, regulatory compliance, and electricity production. Discussion followed. The SIPC report on Admin and Finance was given by Mr. Jarrett. Mr. Jarrett reviewed current finances for the month and year to date. Discussion followed. Mr. Hermetz updated the Board on the impacts of the extreme weather over the past few weeks and their impact on EECA and SIPC. Discussion followed. A motion was made to approve these reports by Mr. Campbell and seconded by Mr. Asaturian, motion carried.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report. A current listing of members requesting an interconnection of a solar panel was shared in the Board materials. Mr. Austin updated the Board on the status of various construction projects in the area, the status of the electric metering system, and presented a report on the newly operational 2MW solar panel system near the Southern Illinois Airport. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He informed the Board on recent changes in credit card security and the upcoming replacement of credit card terminals at the office. Discussion followed.

MEMBER SERVICES REPORT: Mrs. Guthman and Mrs. Taylor presented the Member Services Report. Copies of the upcoming month's Illinois Country Living center section, the employee newsletter, and the ICL Page 11 ad were presented in the Board materials. Mrs. Guthman updated the Board on the status of kiosks and credit card payment systems and an update of the new billing format project. Discussion followed. Mrs. Kay Taylor updated the Board on cross-training of employees, member comments on high bills, and an update on our newest MSR. Discussion followed.

FINANCIAL REPORTS: Mr. Luehr and Mrs. Bauersachs presented the Human Resources and Finance Report. Total margin for January 2021 was \$900,917.75 vs budget of \$414,983.67. Operating Revenue was \$4,297,339.75 up 7.48% from January last year at \$3,998,417.64. KWH sales were 33,953,859 up 5.39% from last January at 32,216,631. KWH purchases were 35,252,013 an increase of 6.55% from January last year at

33,086,421. Variance of Major Costs from budget was Power Cost \$79,032.53 higher, Distribution Expense \$82,776.33 lower, Depreciation \$26,007.92 lower, Interest Expense \$26,368.50 lower, Customer Expenses \$16,560.44 lower, Sales Expense \$1,950.45 lower, and General and Administrative Expenses were \$71,998.81 lower. Mr. Luehr updated the Board on the projected year end finances, including yearend margin and equity positions, and an update on the year end audit. Discussion followed.

LEGAL REPORT: Attorney Elisha Sanders and Mr. Hermetz presented EECA policy 119 – Metering Tampering and also presented Section 230.130 of the Public Utilities Act – Disconnection of Service. A discussion was held on the concern of handling members that consistently tamper with electric metering equipment.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. Items of correspondence, along with questions from last meeting were discussed, and member compliments/complaints were shared. Mr. Hermetz presented a new policy for Board consideration – Electronic Meeting Attendance policy. Mr. Hermetz discussed the upcoming 2021 Annual meeting of members, proposed delaying changing to rate schedule (LP-1) for a period of one year, and shared articles of interest regarding the events in the Texas electric grid. Discussion followed. Upon a motion by Mr. Prest, seconded by Mr. Liefer, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Prest, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously approved **to amend EECA policy 108, Capital Credits.**

Upon a motion by Mr. Campbell, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously approved **to amend EECA policy 515, Co-Generation.**

Upon a motion by Mr. Campbell, seconded by Mr. Prest, and a vote taken thereon, it was unanimously approved **to amend rate schedule LP-1.**

Upon a motion by Mr. Jarrett, seconded by Mr. Prest, and a vote taken thereon, it was unanimously approved **to approve the SIPC Resolution granting written consent in lieu of the annual meeting of members.**

EXECUTIVE SESSION: The Board entered executive session at 11:20 AM. They returned to regular session at 12:04 PM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, March 30, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 12:04 PM.

Date Approved: March 30,2021

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM