

# MINUTES OF REGULAR MEETING OF DIRECTORS

June 29, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, June 29, 2021 at the Headquarters facility. The meeting was called to order at 8:20 AM by President Pyatt. Present for the meeting were:

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

Shane Hermetz, GM/EVP  
Kay Taylor, Staff  
Brooke Guthman, Staff  
Bart Swisher, Staff  
Brad Austin, Staff

Casey Twomey, Attorney  
Travis Deterding, Staff  
Art Pontow, Staff  
Cheryl Bauersachs, Staff

Absent: None

**MEMBER and GUEST COMMENTS:** Member, Mr. Neil Schaller, and guest, Mr. Paul McKnight entered the meeting at 8:46AM. Mr. Schaller and Mr. McKnight requested that the Board review the first two months of Mr. Schaller's billing statements after his solar panel system was installed for accuracy. They asked that the Board allow a neighbor to receive service under rate schedule A-1 and not rate schedule A for production of a future solar panel installation. They also asked the Board to consider multiple other items to make Board Policy 515 more friendly to members installing solar panels. After discussion, the Board asked that Mr. Schaller work with management on the issues and that management would bring responses back to the full Board. Mr. Schaller and Mr. McKnight left the Board room at 9:03AM.

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 (\$2859.19) for the month, the AIEC report, the NRECA report, the CRC report, the CFC report, the right of way report, the EECA safety report, the EECA Strategic Scorecard, the regulatory report, the Power Cost Adjustment report, and the outage report were approved on a motion by Mr. Prest and seconded by Mr. Jarrett, motion carried.

**SIPC DIRECTOR REPORTS:** The SIPC report on Electric Systems was given by Mr. Hermetz. Mr. Hermetz discussed the current electric systems and transmission-level projects. Discussion followed. The SIPC report on Power Production was given by Mr. Pyatt. Mr. Pyatt discussed current and pending regulatory compliance concerns, along with the status of power production at the Marion and Prairie State power plants. 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. A motion was made to approve these reports by Mr. Hicks and seconded by Mr. Campbell, motion carried.

**ENGINEERING\OPERATIONS REPORT:** Mr. Austin presented the Engineering and Operations Report. A current listing of members requesting an interconnection of co-generation 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 an update on the possibility of receiving grant funding for the installation of electric vehicle charging. Discussion followed.

**IT REPORT:** Mr. Swisher presented the IT report. He informed the Board that of the ongoing concern of cybersecurity. He discussed the services we provide under contract for Clay Electric Cooperative, along with other related projects in his department. Discussion followed.

**MEMBER SERVICES REPORT:** Mrs. Guthman 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 2021 Annual Meeting, the Annual meeting scholarships, and the status of activities in the front office. Discussion followed.

**FINANCIAL REPORTS:** Mrs. Bauersachs presented the Human Resources and Finance Report. She updated the Board on current month and year to date finances Total margin for May 2021 was \$87,625.76 vs budget of \$127,107.43. Operating Revenue was \$2,802,488.84 down 5.87% from May last year at \$2,977,253.78. KWH sales were 22,038,648 down 0.51% from last May at 22,151,884. KWH purchases were 22,582,626 an increase of 1.29% from May last year at 22,293,935. Variance of Major Costs from budget was Power Cost \$60,066.94 higher, Distribution Expense \$87,309.33 lower, Depreciation \$21,103.32 lower, Interest Expense \$23,921.87 lower, Customer Expenses \$3,935.75 lower, Sales Expense \$2,437.92 lower, and General and Administrative Expenses were \$37,456.49 lower. Discussion followed. Dennis Luehr updated the Board on the CFC Summer Summit, the Cooperative's equity position, and cash flow. Discussion followed.

**LEGAL REPORT:** Attorney Casey Twomey and Attorney Elisha Sander report that there was nothing new to report from Legal.

**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 discussed net metering and provided comment on the concerns discussed by member, Mr. Schaller, earlier in the meeting. Discussion followed. He also discussed other concerns from members on the issues of solar generation and member comments in the past month regarding capital credits retirements. Discussion followed. He also provided an update on the 2021 Legislation session in Springfield and provided safety tips to protect users against cyber-thieves. Upon a motion by Mr. Liefer, seconded by Mr. Asaturian, the General Manager's report was approved.

**OTHER BUSINESS:**

Upon a motion by Mr. Campbell, seconded by Mr. Bame, and a vote taken thereon, it was unanimously agreed that **EECA would provide a commitment letter to NRECA, addressing Board support for the Department of Energy electric grant proposal.**

Upon a motion by Mr. Hicks, seconded by Mr. Bame, and a vote taken thereon, it was agreed upon by a vote of 8 voting YES 1 voting NO to **retire \$1,392,045 of Capital Credits as General retirements, retiring years 1989 and 1990, all using the FIRST IN, FIRST OUT method (FIFO) method and to continue estate retirements as submitted by members.**

Upon a motion by Mr. Liefer, seconded by Mrs. Homan, and a vote taken thereon, it was unanimously agreed to **amend rate schedule A, rate schedule A-1, rate schedule B, rate schedule C, rate schedule LP-1, rate schedule L, and rate schedule P, as presented.**

Upon a motion by Mr. Campbell, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously agreed to **amend Board policy 109, Disconnection for Non-Payment.**

Upon a motion by Mr. Prest, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously agreed to **adopt Board policy 311, Equity Management.**

**EXECUTIVE SESSION:** N/A

**MEETINGS:** The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, July 27, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:24 AM.

Date Approved: July 27, 2021

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Kevin Liefer, Board Secretary/Treasurer

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Recorded by Shane Hermetz, EVP/GM