

REGULAR MEETING OF MEMBERS OF THE BOARD

June 24, 2024

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, June 24, 2024, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

Cynthia E. Able	Robert Entzminger	Michael Good
Bruce E. Honeycutt	Timothy L. Hopkins	Donald Keith Lewis
Robert K. Miles	Derial L. Ogburn	Mitchell D. Rabon
Ronald D. Friday	Peggy D. Swearingen	

Attorney John K. DuBose was present.

President Mitch Rabon called the meeting to order. Robert Entzminger gave the invocation.

President Mitch Rabon introduced and welcomed Ronald D. Friday to the Board of Trustees. Mr. Friday formally introduced himself to the Board and discussed his educational and professional background and calling to serve on the Board. The Board welcomed Mr. Friday.

Upon motion made by Bruce Honeycutt, seconded by Donald Keith Lewis, motion carried, the **minutes of the meeting held on April 29, 2024** was approved as presented.

Upon motion made by Bruce Honeycutt, seconded by Donald Keith Lewis, motion carried, the **minutes of the meeting held on May 17, 2024** was approved as presented.

Upon motion made by, Timothy L. Hopkins, seconded by Robert Entzminger, motion carried, 532 **new consumers** for the months of April and May, 2024 were accepted as members of Fairfield Electric Cooperative, Inc.

A list of **delinquent accounts** totaling \$6,208.43 for the months of April and May, 2024, was presented for consideration for write off as uncollectible. Upon motion made by Cynthia Able, seconded by Donald Keith Lewis, motion carried, authorization was granted to write these off against the cooperative's reserve for uncollectible accounts.

A list of deceased patron's estates requesting payment of their **capital credits** was presented for consideration. After discussion and upon motion made by Robert Entzminger, seconded by Michael Good, motion carried, the following resolution was adopted:

The estates of 29 deceased members have requested the Board of Directors consider approving the retirement of \$13,837.25 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining that such retirement will not adversely impact the Cooperative's financial condition, Management

recommends capital credits totaling \$13,837.25 be approved for payment. In addition, it should be noted that such approval does not obligate this Board or any future Board to retire the capital credits of the estates of deceased members presented at any future date.

CEO Report. Bruce Bacon, Chief Executive Officer, reviewed and discussed:

- April revenues were slightly down from budgeted due to mild weather.
- Month of May revenues are slightly over projected budget.
- Maintenance expenses have increased due to storms.
- Operation Round Up had a meeting on June 17, 2024. Donations were made to three families and two organizations. The meeting was very productive.
- Cooperative offices will close for July 4th in observance of Independence Day and emergency stand by crews will be on call to respond if needed.
- Acre/Echo campaigns. Political campaigns that FEC supports.
- The Founders Day celebration at both offices was well received. Celebratory cookies were given to customers on June 6 & 7, 2024.
- Strategic Plan update
 - Bruce Bacon reviewed the strategic plan developed by the Board.
 - The cost-of-service study is kicking off. GDS was selected to conduct a rate analysis to be completed by the end of summer.
 - The development maintenance plan and capital repairs and planning document was briefly discussed.
 - The Cooperative will explore whether Fee in Lieu of Tax incentives could decrease property taxes by December 2024.
 - The Cooperative is working on methods to identify electrical vehicle owners. The Cooperative will explore a plan for charging fees at special rates.
 - The Cooperative is exploring Distributed Energy Resources (DER). This is a multiyear project.
 - Cyber security education is ongoing for staff.
- ORS Response update
 - ORS sent a general request for information that is a standard yearly ORS request. A response has been provided to ORS.
- Upcoming: At the July Board Meeting, Trey Boone will discuss the Wage and Salary Study.
- SCPSA Rate Figures were discussed
 - SCPSA is projecting an average 5% increase to SCPSA direct consumers. Fuel cost adjustments are not included in the rate figure adjustments. Cook exceptions are not included in the SCPSA rate figures. A low double digit rate increase might ultimately be passed through to the Cooperative by SCPSA and Central Cooperative. The situation will be monitored, and the Cooperative will continue to

plan for the expected significant rate increase that will be passed through by SCPSA and Central Cooperative.

- Bruce Bacon reported that SCPSA has committed to providing solid numbers by the middle of summer.
- Dominion Energy is seeking 14.2% rate increase with South Carolina Public Service Authority with an effective date of September.
- As background for Mr. Friday, the Cook lawsuit, its settlement, and the Cook exceptions were discussed.
- ECSC is working on providing detailed consumer education information for the Cooperatives on SCPSA rate increases.

Bruce Honeycutt expressed concern and interest in quantifying the total cost increase to Cooperative customers.

- Bruce Bacon discussed the **Blythewood Road Widening Project**.
 - Richland County's road widening project for Blythewood Road is in its beginning stages for the portion in front of Cooperative headquarters. Richland County is acquiring right of way in front of the Cooperative headquarters. Richland County has provided an appraisal and a "cost to cure" payment for property improvements that will need to be relocated due to the road widening. Richland County has offered FEC \$38,300 to purchase the land and to pay for improvement relocations.

A motion was made by Peggy Swearingen, seconded by Donald Keith Lewis, motion carried, as follows:

I move that we authorize the Chairman to execute the title to real estate conveying additional right of way to Richland County in substantially the same form as the deed included in the agenda package, subject to final approval of the deed language by legal counsel.

- Bruce Bacon discussed the **Cobblestone Substation Site**.
 - Richland County is providing a new substation site to FEC in return for FEC abandoning a substation parcel on land needed for the SCOUT project.
- Mitch Rabon gave an **update on Central Electric Power Cooperative (CEPC)**.
 - Mr. Rabon believes, and has heard concerns, that the proposed facility at the Canadys site will likely result in talks to extend the coordinating agreement.
 - The implication of the Opt Out vote on the Shared Resource were discussed with the Board. CEPC opted out of generation through a shared resource with SCPSA.
- Derial Ogburn gave an **update on the Electric Cooperatives of SC (ECSC)**.
 - Derial Ogburn believes ECSC needs to step up its legislative efforts.
 - Derial Ogburn believes the FEC Trustees need to talk to Trustees of other SC Cooperatives and drive substantive thought and discussion regarding the challenges facing SC Cooperatives.

- Robert Entzminger gave an **update on CEE US**.
 - There are now 40 Trustees to account for new members of CEE US resulting from the Mid Atlantic expansion.
 - 34 more Trustees will join with Maryland and Delaware entities joining.
 - In budget meeting CEE US is still not providing all relevant information (salaries of executives) that Mr. Entzminger believes is relevant to the CEE US budget unless Mr. Entzminger agrees to a non-disclosure agreement that would prevent him from discussing the information with the Cooperative Board. Mr. Entzminger continues to abstain from budget votes based upon lack of information.

- Timothy Hopkins gave an **update on the Trustee Association’s activities**.
 - Mr. Hopkins attended the May 15, 2024, meeting for Johnny Roberts.
 - Two new members joined:
 - Kevin Simms, Lynches River Electric Cooperative
 - Allen Lunsford, Mid-Carolina Electric Cooperative
 - Dewitt McCraw, Broad River Electric Cooperative, is the new President
 - Mr. Hopkins reported that the Association consensus is that the Charleston area is the preferred choice for future meetings.
 - Mr. Hopkins believes that Trustees should run the Trustee Association meetings and set the agendas for the meetings, not ECSC staff.
 - Mr. Hopkins believes Fairfield Electric Cooperative should explore meetings with Lynches River Electric Cooperative, Tri-County Electric Cooperative, and Black River Electric Cooperative to discuss regional economic concerns and opportunities.

Mitch Rabon discussed the upcoming **2024 Summer School for Directors in Branson MO** on the dates of July 19 – 23, 2024. Upon motion made by Bruce Honeycutt, seconded by Timothy Hopkins, motion carried, Ronald Friday, was approved to attend.

Mitch Rabon discussed the upcoming **2024 Co-Bank Energy Directors Conference in Boston, MA** on the dates of July 17 - 19, 2024. Upon motion made by Timothy Hopkins, seconded by Derial Ogburn, motion carried, Cynthia Able and Peggy Swearingen, were approved to attend.

Mitch Rabon discussed the upcoming **2024 Regions 2 & 3 Meeting in Columbia, SC** on the dates of October 7 - 9, 2024. Upon motion made by Donald Keith Lewis, seconded by Timothy Hopkins, motion carried, the following Trustees were approved to attend with their guests.

Cynthia E. Able
 Bruce E. Honeycutt
 Robert K. Miles
 Ronald D. Friday

Robert Entzminger
 Timothy L. Hopkins
 Derial L. Ogburn
 Peggy D. Swearingen

Michael Good
 Donald Keith Lewis
 Mitchell D. Rabon

Old Business: None

New Business: None

Upon motion made by Bruce Honeycutt, seconded by Robert Entzminger, there being no further business, the meeting was adjourned.

Signed: _____
Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President