

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**  
**LEXINGTON, SOUTH CAROLINA**  
**MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES**  
**March 22, 2023**

**AGENDA ITEM # 1**

**CALL TO ORDER:** Marvin W. Sox, President/Chairman  
(1:00 p.m.) Clifford B. Shealy, Vice President/Vice Chairman  
J. Allan Risinger, Treasurer  
Donette B. Kirkland, Secretary  
J. Carey Bedenbaugh, Jr.  
Eddie C. Best, Jr.  
Kenneth E. Lindler  
Alan R. Lunsford  
Justin B. Watts

**STAFF PRESENT:** B. Robert "Bob" Paulling, President and CEO  
Theresa D. Crepes, VP, Finance and Accounting  
Robert A. Wilbur, VP, Operations  
Lee H. Ayers, VP, Engineering  
Troy A. Simpson, VP, Member Services  
Steven Davidson, VP, Information Technology  
Vicki E. Ross-Bell, Administrative Services Manager

**ATTORNEY PRESENT:** J. David Black via Zoom

**INVOCATION:** Eddie Best

**PLEDGE OF ALLEGIANCE**

**AGENDA ITEM # 2**

**APPROVAL OF MINUTES:** Chairman Sox called the meeting to order and then asked if there were any corrections, additions or deletions to the minutes of the last monthly meeting held on February 22, 2023. There were no corrections to these minutes, and Mr. Shealy made a motion to approve the minutes, as presented. The motion was seconded by Mr. Lunsford and unanimously passed.

**See Resolution # 1**

Chairman Sox called on Mr. Simpson to introduce the new Communications Manager, Mrs. Katrina Goggins.

### **AGENDA ITEM # 3**

**UNFINISHED BUSINESS:** There was no unfinished business to come before the Board at this time.

### **AGENDA ITEM # 4**

#### **DEPARTMENTAL REPORTING:**

**FINANCE AND ACCOUNTING:** Chairman Sox called on Mrs. Crepes for the Finance and Accounting report. Mrs. Crepes reported the year-to-date revenue was \$22,644,050, which is - (\$3,238,986) below budget at the end of February. The year-to-date cost of wholesale power was \$12,594,292, which is under budget by - (\$2,909,022). The year-to-date margins were \$2,076,791, which is \$112,626 above budget. Mrs. Crepes reported that equity was 24.38% at the end of February for a decrease of -0.72%. Mrs. Crepes discussed the 2023 Capital Credit Statistics. She stated that active member accounts received the credit with their March billing, and the checks for inactive accounts will be mailed on April 10, 2023. The deferred credits account balance changed by (\$347,706), and the ending balance was \$2,407,164.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,569 kWh in February. Mid-Carolina's average bill was \$189.47 (account charge \$29.45) compared to Dominion's \$210.81 (account charge \$9.50), Duke – Carolina's \$198.14 (account charge \$11.96), and Duke – Progress \$202.19 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 17,925 kWh. Mid-Carolina's average annualized bill was \$2,116.99 (account charge \$346.75) compared to Dominion's \$2,292.34 (account charge \$114.00), Duke – Carolina's \$2,138.11 (account charge \$143.52), and Duke – Progress \$2,185.51 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$601,331 income year-to-date from CarolinaConnect. There were no further questions or comments, and Chairman Sox thanked Mrs. Crepes for her report.

**OPERATIONS:** Chairman Sox called on Mr. Wilbur for the Operations report. Mr. Wilbur reported the locations and the service district that the Mid-Carolina and Contractor crews worked in February. The right-of-way crews are still working in the Old Chapin and Edmund area and will start in the Barr area soon. There were 105 dead trees cut during the month. Mr. Wilbur stated the System Inspectors are still working in the New Chapin area. The annual pole inspection has started in the Gilbert area. He gave an update on the SCDOT and County projects. Mr. Wilbur discussed several other projects. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for his report.

**ENGINEERING:** Chairman Sox called on Mr. Ayers for the Engineering report. Mr. Ayers reported that the routine inspection and maintenance was completed in February. He stated the transformer protection relays in the New Chapin Substation were upgraded, and Coldstream Substation is planned for the coming month. Mr. Ayers reviewed the fiber construction in subdivisions that is in progress and that has been completed.

Mr. Ayers then showed a chart graphing MWh purchased each month year-to-date from 2019-2023 with a five year running average. The next chart showed the MW Demand purchased each month year-to-date from 2019-2023 with a five year running average. The monthly outage report and notes for February were reviewed. There were no further questions or comments, and Chairman Sox thanked Mr. Ayers for his report.

**MEMBER SERVICES:** Chairman Sox called on Mr. Simpson for the Member Services report. Mr. Simpson showed the outdoor ad that will be displayed on the billboard outside of the Cooperative's office in honor of Lineman Appreciation Day in April 2023. He discussed the recent and upcoming ways the Cooperative is connecting with the community. Mr. Simpson gave a report on the Cooperative's social media engagement. The quarterly schedule for the *South Carolina Living* magazine was presented through the June 2023 issue. There were no further questions or comments, and Chairman Sox thanked Mr. Simpson for his report.

**INFORMATION TECHNOLOGY:** Chairman Sox called on Mr. Davidson for the Information Technology report. Mr. Davidson reported there were 38,183 accounts enrolled in SmartHub as of March 1, 2023, which represents 64.3% of active accounts enrolled. He discussed the number of emails that the Cooperative received during the month of February, as well as how many emails were blocked. Mr. Davidson reported on upcoming projects. He discussed the Santee Cooper Settlement Phase 2 checks that were mailed out in February. Mr. Davidson gave an update on Cyber Security. There were no further questions or comments, and Chairman Sox thanked Mr. Davidson for his report.

**ADMINISTRATION:** Chairman Sox called on Mrs. Ross-Bell for the Administration report. Mrs. Ross-Bell referred to the monthly Operation Round-Up report. In February, the Trust Board approved 10 applications out of 22 for a total distribution of \$26,557. The Trust Fund balance at the end of the month was \$37,060. Mrs. Ross-Bell discussed the visits to Sharing God's Love and Mission Lexington during the month of February.

Mrs. Ross-Bell reviewed the Board calendars through June 2023. Mr. Watts made a motion to approve Mr. Bedenbaugh, Mr. Lindler, Mr. Lunsford and Mr. Shealy to attend the ECSC Trustee Association meeting that will be held May 1-3, 2023, in Charleston, SC. The motion was seconded by Mr. Best and unanimously passed. The May Board Meeting was changed from May 24, 2023 to May 31, 2023. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

## **AGENDA ITEM # 5**

**PRESIDENT'S REPORT:** Chairman Sox called on Mr. Paulling for his report. Mr. Paulling reported there was one recordable accident in February. There was a resignation of a Part-Time Custodian, so there is active recruitment to fill that position.

Mr. Paulling presented and discussed a resolution for the Board to approve and adopt a new rate rider. Central developed a Market Purchase Renewable Energy Credit ("M-REC") Program and Rate Schedule that will give qualifying commercial and industrial ("C&I") retail members the opportunity to purchase Renewable Energy Credits ("RECs") to offset up to all of their energy consumption, resulting in that portion of energy consumed to be considered renewable. After a lengthy discussion, Mr. Lindler made a motion to approve the resolution adopting the rate rider, as presented. The motion was seconded by Mr. Shealy and unanimously passed.

**See Resolution # 2**

Mr. Paulling presented the 2023 Lee Electrical Construction contract for Board approval. They have requested adjustments to certain units, and an 8% increase for the regular overhead construction. The request includes a 6% increase for underground construction or the hourly rate, which includes storm restoration services. Mr. Paulling explained all of the requested adjustments in detail, and answered questions throughout his presentation. Mr. Lunsford made a motion to approve the recommendation, as presented. The motion was seconded by Ms. Watts and unanimously passed.

**See Resolution # 3**

Mr. Paulling gave an update on the recent meetings that have been held at the State House. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for his report.

**AGENDA ITEM # 6**

**LEGAL REPORT:** Chairman Sox called on Mr. Black for the legal report. Mr. Black discussed several pending legal matters. There were no further questions or comments, and Chairman Sox thanked Mr. Black for his report.

**AGENDA ITEM # 7**

**CHAIRMAN'S REPORT:** Chairman Sox read several thank you notes. Chairman Sox had nothing further to report at this time.

**AGENDA ITEM # 8**

**COMMITTEE REPORTS:** There were no committee reports at this time.

**AGENDA ITEM # 9**

**ASSOCIATED MEETING REPORTS:** Chairman Sox stated that CarolinaConnect's Board meeting will be held on March 28, 2023, and they have passed 24,000 customers now. Mr. Paulling discussed the new Broadband Association that has been formed recently under the Electric Cooperatives of South Carolina umbrella. There is a cost of \$3,000 to join and \$1,000 per month. Mr. Paulling requested approval to increase the 2023 Budget by \$12,000 to join the Broadband Association. Mr. Shealy made a motion to approve the recommendation, as presented. The motion was seconded by Mr. Lunsford and unanimously passed.

**See Resolution # 4**

Chairman Sox stated that the CEEUS Equipment Show is on March 29, 2023.

Mr. Paulling stated that everything went well at the SC Power Team's recent Economic Development Review meeting.

Chairman Sox, Mr. Lindler, Mr. Lunsford and Mr. Bedenbaugh each gave a brief overview of the NRECA courses they recently participated in.

There were no other reports at this time.

**AGENDA ITEM # 10**

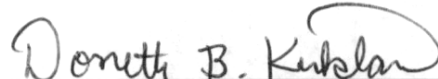
**NEW BUSINESS:** Chairman Sox called for any new business. There was no new business to come before the meeting at this time. A motion was made by Mr. Bedenbaugh to enter into executive session. The motion was seconded by Mr. Lindler and unanimously passed.

**AGENDA ITEM # 11**

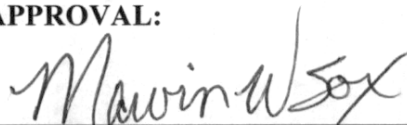
**EXECUTIVE SESSION:** There was no action taken during the brief executive session.

**AGENDA ITEM # 12**

**ADJOURNMENT:** There was no further business, and the meeting was adjourned at 4:15 p.m.

  
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Donette B. Kirkland, Secretary

**APPROVAL:**

  
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Marvin W. Sox, President/Chairman of the Board

**S.C. 37 LEXINGTON**

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 1**

**WHEREAS**, the Board of Trustees reviewed and had no changes to the minutes of the regular monthly meeting held on February 22, 2023; and

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the February 22, 2023 meeting, as presented.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 22<sup>nd</sup> day of March 2023, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary



**S.C. 37 LEXINGTON**  
**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**  
**ADOPTING MARKET RENEWABLE ENERGY CREDIT (M-REC)**  
**PROGRAM AND RIDER**  
**RESOLUTION**

#2

**WHEREAS**, Mid-Carolina Electric Cooperative, Inc. ("Mid-Carolina") is one of the twenty electric distribution cooperatives which are members of, and purchase wholesale power from, Central Electric Power Cooperative, Inc. ("Central"); and

**WHEREAS**, to assist Central's members in providing more renewable energy programs for their retail consumers, Central developed a Market Purchase Renewable Energy Credit ("M-REC") Program and Rate Schedule that will give qualifying commercial and industrial ("C&I") retail members the opportunity to purchase Renewable Energy Credits ("RECs") to offset up to all of their energy consumption, resulting in that portion of energy consumed to be considered renewable; and

**WHEREAS**, under the M-REC Program, Central will purchase RECs on the market and once acquired, Central will provide all necessary documentation to demonstrate REC retirement on behalf of the retail member; and

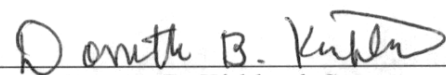
**WHEREAS**, the retail member will be billed for the market price of the RECs purchased on their behalf plus a fixed administration fee, to cover the costs associated with Central acquiring and retiring the RECs; and

**WHEREAS**, Central Staff also developed a companion M-REC Rider for Central's Members to adopt, to implement a rate and qualification criteria for participating in the M-REC Program; and

**WHEREAS**, Mid-Carolina desires to participate in Central's M-REC program and based on the recommendation of Mid-Carolina Staff, the Board of Trustees desires to approve the M-REC Program and M-REC Rider.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF MID-CAROLINA ELECTRIC COOPERATIVE, INC. AS FOLLOWS:** The attached Market Renewable Energy Credit Rider (M-REC Rider) and associated M-REC program documents, as presented to the Board of Trustees, are hereby adopted to be effective immediately.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 22<sup>nd</sup> day of March 2023, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary

**S.C. 37 LEXINGTON**

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 3**

**WHEREAS**, Mr. Paulling recommended that the Cooperative continue to secure electrical construction from Lee Electrical Construction, Inc.; and


**WHEREAS**, Mr. Paulling presented to the Board of Trustees a proposed contract for renewal with adjustments to some units, and a 8% increase for the regular overhead construction from Lee Electrical Construction, Inc.; and

**WHEREAS**, there will be a 6% increase for underground construction or the hourly rate, to include storm restoration services; and

**WHEREAS**, after due consideration, the Board of Trustees concurs with Mr. Paulling's recommendation;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the aforesaid contract with Lee Electrical Construction, Inc. for services rendered during the year of 2023.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 22<sup>nd</sup> day of March 2023, at which meeting a quorum was present.

  
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Donette B. Kirkland, Secretary



**S.C. 37 LEXINGTON**

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

**RESOLUTION**

**# 4**

**WHEREAS**, Mr. Paulling requested \$12,000 be added to the 2023 Budget to join the Broadband Association under the Electric Cooperatives of South Carolina; and

**WHEREAS**, there is a \$3,000 cost to join the association; and

**WHEREAS**, there is also a cost of \$1,000 per month to be a member;

**WHEREAS**, the Board of Trustees reviewed and discussed Mr. Paulling's recommendation;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves and authorizes the addition of \$12,000 to the 2023 Budget for the costs to join the Broadband Association under the umbrella of Electric Cooperatives of SC.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 22<sup>nd</sup> day of March 2023, at which meeting a quorum was present.

  
Donette B. Kirkland, Secretary