

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

December 20, 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 G. Davidson, VP, Information Technology
Vicki E. Ross-Bell, Administrative Services Manager

ATTORNEY PRESENT: J. David Black

INVOCATION: Bob Paulling

PLEDGE OF ALLEGIANCE

AGENDA ITEM # 2

APPROVAL OF MINUTES: Chairman Sox called the meeting to order. He then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on November 21, 2023. There were no corrections to these minutes, and Mr. Lindler made a motion to approve the minutes, as presented. The motion was seconded by Mr. Shealy and unanimously passed.

See Resolution # 1

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 \$132,759,848, which is (\$3,211,579) below budget at the end of November. The year-to-date cost of wholesale power was \$73,977,024, which is under budget by (\$5,287,180). The year-to-date margins were \$9,463,720, which is \$1,535,350 above budget. Mrs. Crepes reported that equity was 24.22% at the end of November for a decrease of - 0.03%. The deferred credits account balance changed by -\$478,107, and the ending balance was \$1,172,525.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 971 kWh in November. Mid-Carolina's average bill was \$129.79 (account charge \$28.50) compared to Dominion's \$141.46 (account charge \$9.50), Duke – Carolina's \$133.88 (account charge \$11.96), and Duke – Progress \$147.94 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 16,717 kWh. Mid-Carolina's average annualized bill was \$2,007.86 (account charge \$346.75) compared to Dominion's \$2,364.98 (account charge \$114.00), Duke – Carolina's \$2,145.64 (account charge \$143.52), and Duke – Progress \$2,329.04 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$3,754,894 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 November. The right-of-way crews completed their work in the Old Chapin and Friarsgate substation areas. They are still working in the Hollingshed and Lake Murray areas. Mr. Wilbur discussed the Carolina Crossroads and Broad River Road relocation projects. He stated the System Inspectors are still working in the Hollywood area.

Mr. Wilbur presented a recommended change the Service Rules and Regulations Provided Services. The recommendation was to add a fee for relocating existing underground service and fiber listed under service installation on the Provided Services. After a discussion on the addition, Mr. Bedenbaugh made a motion to approve the recommendations, as presented. The motion was seconded by Mr. Lunsford and unanimously passed.

See Resolution # 2

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 November. He stated the construction of Holley Ferry Substation is nearing completion. Mid-Carolina crews, CarolinaConnect, and contractors are busy with finishing touches. It should be energized after Christmas. Mr. Ayers discussed the status of the fiber construction in subdivisions.

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 November 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 reported they recently delivered a \$10,000 donation to Becky's Place at Lexington Medical Center from the golf tournament in October. He and Mr. Paulling discussed the Touchstone Energy Bowl game held in Myrtle Beach, SC on December 9, 2023. Mr. Paulling was honored at the game for his participation in the program. The Cooperative participated in a couple of Christmas parades during the month. Mr. Simpson discussed the Cooperative's Brand Identity on Social Media and reviewed the quarterly schedule for the *South Carolina Living* magazine through the April 2024 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 that 55,443 emails were received during the month of November, and 31,938 emails were blocked prior to reaching our email servers. He then reviewed several statistics with accounts and payments. 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. The Trust Board approved 12 applications during the month of November for a total distribution of \$25,311. The Trust Fund balance at the end of the month was \$13,670. Mrs. Ross-Bell shared several photos of recent donations to a couple of schools and families. The Board calendars were reviewed through March 2024. The meeting in March was scheduled for Thursday, March 28, 2024. 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 were two recordable accidents in November. He called on Mrs. Bowdler who gave a demonstration of the electrical box that is presented to elementary schools on electrical safety.

Mrs. Bowdler then presented the results of the Rural Electric Safety Achievement Program "RESAP" onsite evaluation that is conducted every three years. The Cooperative received the following scores: 10 exceeds requirements, 171 satisfies requirements, 15 partially satisfies requirements, and 2 areas that need attention. Overall, the employees of the Cooperative did an excellent job in the RESAP evaluation this year.

Mr. Paulling reported there was one voluntary resignation on December 1, 2023. There is active recruitment for a Community Relations Specialist, a Communications Specialist, a Database/Linux System Administrator, and a part-time Administrative Assistant.

Mr. Paulling gave a 2023 Lookback report highlighting significant events that occurred throughout the year. There were several items of discussion throughout his presentation.

Mr. Paulling presented the 2024 Lee Electrical Construction contract for Board approval. They have requested adjustments to certain units, and a 3.1% increase for both the regular overhead construction and storm restoration services. There is not an increase for underground construction or the hourly rate. Mr. Paulling explained the requested adjustments in detail and answered questions throughout his presentation. Mr. Shealy made a motion to approve the recommendation, as presented. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

See Resolution # 3

Mr. Paulling presented the two 2024 McCall-Thomas Engineering Company, Inc. contracts for Board approval. One contract is for the annual general engineering services, and one is for emergency restoration services. Mr. Bedenbaugh made a motion for the Cooperative to use McCall-Thomas Engineering in 2024 pursuant to the proposed contracts. The motion was seconded by Mr. Best and unanimously passed.

See Resolution # 4

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. He had nothing further to report at this time.

AGENDA ITEM # 8

COMMITTEE REPORTS: Chairman Sox then called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that the Board had received Board Policy 112 – Statement of Functions of Finance and Audit Committee and Board Policy 113 – Records Management Policy prior to the meeting for review. After a discussion, there were no recommended changes to either policy, and the policies will be marked as reviewed. There were no other committee reports at this time.

AGENDA ITEM # 9

ASSOCIATED MEETING REPORTS: Chairman Sox stated that CarolinaConnect's Board met yesterday, and they have almost 33,000 customers now. Mid-Carolina has over 18,000 customers.

Mr. Risinger said they had a good Central Strategic Planning meeting on December 6-7, 2023.

Ms. Kirkland reported that the *South Carolina Living* magazine is doing well. This is the first year since 2019, that the magazine has over \$1 million in ad sales revenue. The production costs for the magazine is below budget year-to-date.

Mr. Shealy reported that the ECSC Trustee Association Committee met the ECSC Winter Conference. The Committee will meet again on January 10, 2024, to decide on speakers for the 2024 ECSC Trustee Association meeting.

Chairman Sox reported that Mr. Phil Erwin, Federated's President and CEO, attended the ECSC Winter Conference.

Several board members took the NRECA course during the ECSC Winter Conference, and they all commented it was a good course.

There were no other reports at this time.

AGENDA ITEM # 10

NEW BUSINESS: There was no new business to come before the meeting at this time. Mr. Bedenbaugh made a motion to enter executive session. The motion was seconded by Mr. Watts and unanimously passed.

AGENDA ITEM # 11

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

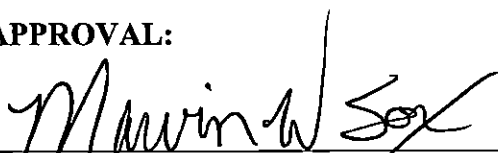
AGENDA ITEM # 12

ADJOURNMENT: There was no further business, and the meeting was adjourned at 4:25 p.m.



Donette B. Kirkland, Secretary

APPROVAL:



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 November 21, 2023; and

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the November 21, 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 20th day of December 2023, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON
MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

2

WHEREAS, Mr. Wilbur presented an addition to the Service Rules and Regulations Provided Services; and

WHEREAS, the recommendation was to add a fee for relocating existing underground service and fiber; and

WHEREAS, after a discussion, the Board of Trustees agrees with the recommendation;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the additional fee for relocating existing underground service and fiber listed under service installation on the Provided Services of the Cooperative's Service Rules and Regulations. The recommendations are attached hereto.

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 20th day of December 2023, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.
PROVIDED SERVICES AND APPLICABLE CHARGES**

<u>ELECTRICAL SERVICES</u>	<u>CHARGE</u>
Membership Fee	\$ 15.00
No or Bad Credit Deposit (Minimum)	\$ 500.00
Final notice processed and mailed	\$ 4.00
Trip or Reconnect non-payment by Meter Technician (regular/after hours)	\$ 35.00/50.00
Trip or Reconnect non-payment by Service/Line Crew (regular/after hours) ...	\$ 75.00/125.00
Return check charge	\$ 25.00
Connect new service after regular hours (existing meter connection).....	\$ 50.00
Residential Surge Guard installation	\$ 250.00
Commercial Surge Guard installation	\$ 300.00
Residential Energy Audit	\$ 25.00
Commercial Energy Audit	\$ 50.00
Additional required facilities	\$ Cost Difference of Standard Installation
Manual Switch Installation for outdoor lighting.....	\$ 200.00
Change out type of outdoor lighting (at consumer request)	\$ 200.00
Relocate outdoor lighting pole (30' typical)	\$ Actual Costs
Upgrade facilities due to change in character of service.....	\$ Actual Costs
<u>METERING FEE</u>	
Meter Test Fee – (single & poly phase)	\$ 25.00
Meter Relocate Fee	\$ Actual Costs
Meter Tampering Fee	\$ 150.00
<u>SERVICE INSTALLATION</u>	
Account set-up fee.....	\$ 10.00
Pay As You Go set-up fee	\$ 35.00
Connect service after regular hours by service crew	\$ 75.00
Primary underground installation	\$ 17.50/ft.
(single phase, not in underground subdivision, new construction only)	
Secondary underground installation (not in underground subdivision)	\$ 300.00 plus 6.50/ft.
Replace existing overhead service with underground service	\$ 300.00 plus 6.50/ft.
Replace existing overhead service and fiber with underground.....	\$ 500.00 plus 8.00/ft.
Relocate existing underground service	\$ 300.00 plus 6.50/ft.
Relocate existing underground service and fiber	\$ 500.00 plus 8.00/ft.
<u>GENERAL</u>	
House moving assistance (A deposit for estimated cost as well as a signed contract will be required with an advance of a five (5) day notice)	\$ Actual Costs
Unclaimed Capital Credit Account Maintenance	\$ 5.00/month

Members of the Cooperative are automatically enrolled in Operation Round Up®. By rounding up electric bills to the next highest dollar, these funds are distributed to approved local charities and needy individuals. Members may opt-out by contacting the Cooperative.

REVISED: 11/21/2023 12/20/23

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 3.1% increase for both the regular overhead construction and storm restoration services from Lee Electrical Construction, Inc.; 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 2024.

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 20th day of December 2023, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

4

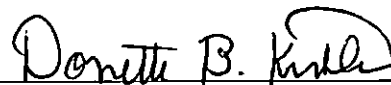
WHEREAS, Mr. Paulling recommended that the Cooperative continue to secure necessary general engineering and emergency restoration services from McCall-Thomas Engineering Company, Inc. during 2024; and

WHEREAS, Mr. Paulling presented to the Board of Trustees a proposed contract for the Electric System Design and Construction and a proposed contract for Emergency Restoration services with McCall-Thomas Engineering Co., Inc. dated as of January 1, 2024, and recommended that both said contracts be approved and executed on behalf of Mid-Carolina Electric Cooperative, Inc.; 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 contracts with McCall-Thomas Engineering Company, Inc. dated as of January 1, 2024, and the President is hereby authorized and directed to execute the contract on behalf of Mid-Carolina Electric Cooperative, Inc.

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 20th day of December 2023, at which meeting a quorum was present.



Donette B. Kirkland, Secretary