

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
May 28, 2020

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:38 a.m. on Thursday, May 28, 2020, by President John Herzog, in the conference room at CCEC Headquarters office, Port Orford, Oregon. This meeting was offered via video conference for board members electing to attend remotely as Oregon reopens under Phase One of the Governor's Executive Order 20-25 regarding COVID-19 social distancing and the limit on persons gathering.

Secretary Kolen called roll showing all directors in attendance and stated a quorum was present. Also present were General Manager/Chief Executive Officer (GM/CEO) Brent Bischoff and Executive Assistant Shelly Smith-Napier. Marketing and Member Services Manager Jacob Knudsen and General Legal Counsel Tyler Pepple were present via video conference.

A motion was made, seconded, to approve, as presented, the regular Board meeting agenda and the motion carried unanimously.

President Herzog advised the Board that no member had applied, under P#300-030, to attend the Board meeting and speak to the Board.

A motion was made and seconded to approve, as presented, the minutes of the April 23, 2020 regular meeting of the Board of Directors. The motion carried unanimously.

II. CONSENT AGENDA

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the list of new members for 04/2020; the members purge list for 04/2020, the GM/CEO's & Directors' expenses for 04/2020; and CCEC's attorney invoice. The motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Frank Corrales, Jr. arrived at 8:40 a.m. Mr. Corrales compared the monthly delinquent receivables as of the end of March to the end of April. The number of accounts reaching delinquent status has increased from 863 to 973, with a dollar increase of roughly \$12,000. As of the end of March CCEC had 39 prepaid accounts reaching disconnect status, as of May 21 the number has grown to 110 accounts with amounts due increasing from \$907 and \$12,987. Actual bottom line margins are less than budget in April due to March invoices received late in the month of April after March 2020 financial statements had been completed. kWh sold during the month of April 2020 were 87/100ths of 1% lower than the month of April 2019. April 2020 operating revenue was 2.30% less than budget. Year-to-date total expenses excluding cost of purchased power were 4.25% under budget. CCEC will begin the annual process of running unclaimed capital credit ads in our local newspapers. We are also planning to allocate 2019 capital credits to our members in June 2020, and mail out 2019 capital credit statements to our members in July 2020. We have looked into the Paycheck Protection Program (PPP), a \$669 billion business loan program, with the possibility of loan forgiveness, established by the Coronavirus Aid, Relief and Economic Security Act to help businesses pay their workers. In order to apply for the loan, we must certify in good faith that the "current economic uncertainty makes the loan request necessary to support the on-going operations of the applicant." We will not be applying for a PPP loan, as management believes that we cannot in good conscience make this certification with our current strong financial position. As a note, NRECA is estimating that rural electric cooperatives will face a \$10 billion revenue loss by 2022 due to COVID-19, due to load loss and unpaid bills. On the local level, the April 2020 unemployment rate for Curry County is at approximately 18%. Corrales departed the meeting at 8:54 a.m.

The April outage reports were reviewed.

There was no Asset Disposal list for April.

The April Write Off report was reviewed. April trends with previous months and years. The effects of the COVID-19-initiated moratorium on disconnections has not yet

reached the Write Off report.

The May safety report was reviewed. The safety meetings continue to be conducted via video conferencing due to COVID-19 social distancing and limits on persons gathering. The topic covered was OSHA visits. There were no accidents during the month of April. During May a CCEC employee working in the field was bit by a small dog; the incident is not recordable since first aid was the only care needed.

The Tree Trimming report was reviewed. Crews are focusing their efforts on fire danger areas as we approach fire season.

GM/CEO Bischoff reported on the Coos-Curry Electric Charitable Foundation (CCECF) noting the focus of the foundation has transitioned from school and community activities into ways to provide for those in need during COVID-19 related economic closures. The foundation donated to the Common Good food bank in April and continues to make donations to other food banks in our service territory. The foundation is working on other opportunities to provide much needed assistance to our communities.

IV. ITEMS OF BUSINESS

A. Wholesale Power Issues (BPA, PNGC Power and PPC)

Mr. Bischoff reviewed a letter sent by PPC to BPA strongly encouraging BPA to discontinue the Financial Reserves Surcharge for the remainder of the present rate period in order to provide some relief to its customers during the COVID pandemic.

B. Committee Reports

Policy Committee - The chair of the policy review committee, Director Cockerham, advised that, earlier in a committee meeting, the committee discussed the policies and/or rate schedules proposing new, revised, or rescinded language.

A motion was made and seconded to approve the following proposed, revised policies:

- Policy #200-080 Computer-Tablet Use by Board of Directors – as presented, and the motion carried unanimously.
- Policy #300-070 Retirement of Deceased Patron’s Capital Credits, as presented, and the motion carried unanimously.

C. Extend CCEC moratorium on Member Disconnects/Late Fees/Collections

GM/CEO Bischoff reviewed the moratorium on disconnects and late fees effective since March 17, 2020 and set to expire on May 31st. He recommended extending the moratorium since many members continue to experience financial hardship caused by the COVID related closures. A motion was made and seconded to extend the moratorium until July 31st. The motion passed unanimously.

D. Plans for CCEC’s 2020 Annual Meeting

Staff anticipate no significant changes in number of attendees for the upcoming annual meeting. Due to social distancing restrictions, if there is an influx of members, a plan will be in place to accommodate additional attendees, first in the lunchroom and then via phone conference from their vehicles. CCEC’s attorney will be present at the annual meeting. Following discussion of annual meeting advertising, a motion was made and seconded to do additional annual meeting advertising in the local newspapers. The motion failed (2 for and 4 against).

E. Northwest River Partners (NWRP) Funding Request

NWRP is running a social media campaign titled *Our Power is Water*. The intent is to raise awareness among the younger generation of the clean and renewable benefits of the Columbia River hydropower system. Since the campaign is showing good results, NWRP is asking for additional funding to extend the campaign. Grant and Chelan County PUD’s (of Washington State) are contributing matching funds. Since CCEC’s NWRP membership is through

PNGC, Mr. Bischoff will find out PNGC's intent to contribute to the ad campaign before recommending a contribution by CCEC.

F. Miscellaneous

1. Mr. Bischoff was assigned to be the voting delegate for the Energy Northwest.
2. The 2020 CCEC and CCECF scholarship winners and remote video awards presentations were reviewed with the Board.

V. EXECUTIVE SESSION

The regular Board meeting adjourned to an executive session at 10:31 a.m. to discuss member issues, contract matters, and employee issues. The regular Board meeting reconvened at 1:51 p.m.

VI. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, June 25, 2020 at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:52 p.m.

/s/ Jim Kolen

Jim Kolen, Secretary

ATTEST:

/s/ John Herzog

John Herzog, President