

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
December 17, 2020

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:48 a.m. on Thursday, December 17, 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 due to social distancing as a result of COVID-19.

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. Director McMahan and General Legal Counsel Tyler Pepple were in attendance by Webex video conferencing.

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 November 19, 2020 regular meeting of the Board of Directors. The motion carried unanimously.

A motion was made and seconded to approve, as presented, the minutes of the November 30, 2020 special 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 11/2020; the members purge list for 12/2020, the GM/CEO's & Directors' expenses for 11/2020; and CCEC's attorney invoice. The

motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Frank Corrales, Jr. and Controller Brian Cassoday arrived at 8:56 a.m. and gave the financial report for November. Capital Credit general retirement checks were mailed to members on December 14, 2020. The general retirement paid capital credits for the years 1991, 1992 and a portion of 1993 totaling \$1.9M. kWh sold during the first eleven months of 2020 are 45/100 of 1% lower than the first 11 months of 2019. Residential kWh sold for the first eleven months are 1% higher than 2019 and non-residential sales are 2.23% lower than 2019. Year-to-date expenses, less cost of purchased power, are 6.34 % under budget. CCEC IT services has been awarded a new contract for the Oasis Advocacy and Shelter. After discussion, Mr. Corrales and Mr. Cassoday departed the meeting at 9:08 a.m.

The November outage report was reviewed. This month recorded typical tree related outages as the season's first wind and rainstorms occurred. The Coquille district was hit the hardest with 24 outages.

The November asset disposal list was reviewed. The list includes old meters that are being replaced with new TWACS meters.

The October Write Off report was reviewed. CCEC recovered \$21,550 in write offs from this year's retirement of capital credits for the years 1991, 1992 and partial 1993.

The December safety report was reviewed. There were no accidents, recordable injuries or first aid incidents during the month of November. The Rural Electric Safety Achievement Program (RESAP) has been put on hold as a result of COVID, therefore CCEC has been self-auditing our internal practices. As part of our strategic plan to improve processes, our Brookings foreman is beta testing Federated's electronic tailboard app. We will be implementing this new technology to all crews once we have a good understanding of how it is best integrated into CCEC practices.

The November Tree Trimming report was reviewed. Accessible portions of the Agness line have been mowed to the ground and is an example of current vegetation

management practices. This aggressive approach is beneficial for wildfire mitigation.

The Coos-Curry Electric Charitable Foundation has redirected most of their 2020 funds to benefit eight food pantries within our service territory. This month CCECF will be awarding a second round of funding for the Bright Ideas grant program. The foundation is gearing up in early 2021 to offer a virtual Financial Peace program.

Due to Governor Brown's executive order related to COVID-19, Coos and Curry Counties are going to Extreme risk starting tomorrow. CCEC offices will again be closed to members. Mr. Bischoff and the Board discussed a shutoff/disconnect moratorium. To date 401 members have received a total of \$195K in community action pledges. Monies are available for relief for members in need of assistance. A decision was made to continue with CCEC's regular shutoff/disconnect policy.

CCEC's Operation Manager, Randy McDonald, has announced his retirement. His official last day will be January 5, 2021. CCEC will be posting the vacancy announcement internally and externally.

IV. ITEMS OF BUSINESS

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

ORECA sent a letter to Governor Brown, with the support of the member cooperatives, OPUDA and OMEU, expressing disappointment in her notice of intent to sue regarding the Columbia River Environmental Impact Statement.

BPA announced proposed BP-22 rate adjustments of zero percent increase on the power side and an 11.6% increase on the transmission side. They have the ability provide some rate relief and are instead electing to bolster their reserves with forecast surplus. PNGC intends to push back aggressively against BPA's proposed BP-22 rates to secure more benefit for BPA customers.

PNGC determined that with UEC's departure Capital Term Certificates (CTC) totaling approximately \$13M are no longer necessary for routine operations.

The PNGC Board is considering returning CTC's to member coops. CCEC's

portion is about \$850,000.

The PNGC Board has voted to put the PNGC building in Portland up for sale. The building has been mostly vacant since the onset of COVID restrictions in March of 2020. PNGC staff and the Board think a smaller leased space will be more cost effective based on what we have learned working under COVID restrictions.

B. Committee Reports

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

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

- Policy #200-100 GM Succession Management Policy – as amended, and the motion carried unanimously.

Audit Committee - The chair of the audit committee, Director Robison, advised that, earlier in a committee meeting, the committee discussed the need for a pre-audit conference call with CCEC's independent auditors, DeCoria, Maichel & Teague. The committee agreed there is a need for this discussion and a pre-audit conference call will be scheduled for the January CCEC board meeting.

C. Sale of Gold Beach Substation Property to BPA

Mr. Bischoff has concluded negotiations with BPA securing a sale price of \$32K. The Board made a motion authorizing Mr. Bischoff to enter into an agreement with BPA to complete the sale of the property. The motion passed unanimously.

D. Miscellaneous

1. Dan Loshbaugh has been named the voting delegate and Brent

Bischoff the alternate for the virtual 2021 NRTC Annual Meeting to be held February 22-24, 2021.

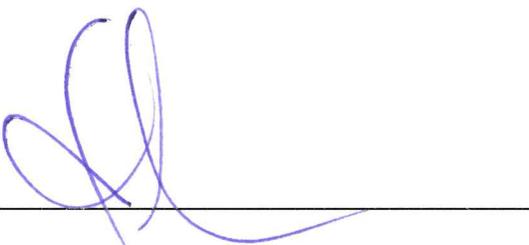
V. EXECUTIVE SESSION

The regular Board meeting adjourned to an executive session at 10:14 a.m. to discuss member issues, contract matters, and employee issues. The regular Board meeting reconvened at 1:23 p.m.

VI. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, January 28, 2021 at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:24 p.m.



Jim Kolen, Secretary

ATTEST:



John Herzog, President