

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
October 27, 2021

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 1:12 p.m. on Wednesday, October 27, 2021, by President Jim Kolen, in the conference room at CCEC Headquarters office, Port Orford, Oregon.

Secretary Herzog called roll and stated a quorum was present. Also present were General Manager/Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer Paul Keeler, Marketing & Member Services Manager Jacob Knudsen, and Executive Assistant Shelly Smith-Napier. General Legal Counsel Tyler Pepple was available by phone.

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

President Kolen 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 September 23, 2021 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 09/2021; the members purge list for 10/2021, the GM/CEO's & Directors' expenses for 09/2021; and CCEC's attorney invoice. The

motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Keeler reviewed the September financials. Through the end of the third quarter, operating revenue is at 78% of the year-to-date budget and the cost of purchased power is at 76.5% of the year-to-date budget. The cost per kWh increased slightly in September going up from 0.0399 cents to 0.0420 cents.

The September asset disposal list was reviewed. CCEC disposed of 82 end of life transformers.

The September write-off report was reviewed. CCEC received a partial payment in the Frontier bankruptcy settlement which accounted for the increase in recoveries.

The September/3rd quarter outage reports were reviewed.

The October safety report was reviewed. There were no reportable injuries or accidents during the month.

The September tree trimming report was reviewed. Year-to-date expenses are within 2% of budget.

The Coos-Curry Electric Charitable Foundation awarded \$100 4H/FAA sponsorships to youth who entered marketable livestock projects at the Coos and Curry County fairs. Round one of Bright Ideas grant funding has closed and a second round will be opening in mid-November. The second FPU offering continues with 7 of the 9 weeks complete.

IV. ITEMS OF BUSINESS

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

A stay has been granted to the moving parties by the US District Court for the District of Oregon until July 31, 2022 concerning the ongoing Columbia River

System Operations litigation.

B. Committee Reports

Policy Committee - Policy committee chair, Director Cockerham, 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 #100-270 Disposition of Capital Assets & Tangible Property – as amended, and the motion carried unanimously.
- Policy #200-020 Director's Insurance Benefits – as amended, and the motion carried unanimously.
- Policy #200-050 New Director Orientation – as presented, and the motion carried unanimously.

C. Proposed Resolution 2021-10 – Conversion of Unclaimed Capital Credits to Permanent Equity

CFO Keeler presented proposed Resolution No. 2021-10 – Conversion of Unclaimed Capital Credits to Permanent Equity to the Board. Following a discussion, a motion was made to adopt Resolution No. 2021-10 – Conversion of Unclaimed Capital Credits to Permanent Equity authorizing management to take all steps necessary to convert the years 1983 through 1986 unclaimed capital credits to permanent equity. The motion was seconded and carried unanimously.

D. Results – 2021 National Survey on the Cooperative Difference

Marketing & Member Services Manager Knudsen presented the findings of the Cooperative Difference survey that was conducted early this year of approximately 250 CCEC members with comparison of CCEC ranking to the national benchmark. CCEC's American Customer Satisfaction Index score remains at 83 unchanged from 2019. Highlights include: 1) Member Engagement

scoring has increased from 72.1 to 78.6 and 2) 68% of members would turn to CCEC for answers on managing energy costs up from 27% in 2019.

E. 10-Year Financial Forecast

CFO Keeler reviewed the assumptions used to create the financial forecast; kWh sales, cost of wholesale power, distribution and transmission plant investments, target times interest earned ratio (TIER) of 1.70, target modified debt service coverage (MDSC of 1.50), a 25-year capital credits rotation cycle and early retirements, and a 3% inflation rate. CFO Keeler reviewed the results of the forecast using the assumptions provided, including equity levels, TIER, and MDSC for the next 10 years. The forecast shows that under the current assumptions, no rate increase will be needed until 2026.

F. CFC One Card – Credit Limit Increase

CFO Keeler requested an increase in the credit limit on the CFC One Card from \$100K to \$250K to be more flexible in CCEC's purchasing needs. A motion was made and seconded to approve the credit limit increase and the motion unanimously passed.

G. Open Discussion

None.

H. Miscellaneous

None.

V. EXECUTIVE SESSION

The executive session was held prior to the regular board meeting.

VI. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, November 18, 2021 at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 2:31 p.m.

 /s/ John Herzog
John Herzog, Secretary

ATTEST:

 /s/ Jim Kolen
Jim Kolen, President