

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
January 23, 2025

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 10:44 a.m. on Thursday, January 23, 2025, by President Jim Kolen, in the conference room at the CCEC Port Orford office, Port Orford, Oregon.

Director Herzog called roll and stated a quorum was present, including Directors Cockerham, Kolen, Loshbaugh, Radabaugh and Robison. Also present were Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer (CFO) Paul Keeler, Marketing & Member Services Manager (MMSM) Keith Buchhalter, Executive Assistant (EA) Marie Coleman, Engineering Manager Matt Mjelde and Operations Manager Scott Adams. Director McMahan and General Legal Counsel Tyler Pepple were in attendance via Webex video conference.

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

A motion was made and seconded to approve, as presented, the minutes of December 19, 2024, regular meeting of the Board of Directors. The motion carried unanimously.

II. MEMBER PARTICIPATION

A. Member Attendance and Open Comment Period

Member Mark Nast was in attendance. No member comments were made.

B. Member Request to Present

No members requested to present to the board.

III. CONSENT AGENDA

A motion was made and seconded to approve Items A through E under the consent agenda, to-wit: the list of new members for 12/2024; the members purge list for 01/2025, the write off report for 12/2024, the GM/CEO's & Directors' expenses for 12/2024, and the

attorney's invoice. The motion carried unanimously.

IV. MANAGER'S REPORT

CFO Keeler reviewed the Financial Report for December 2024. Operating revenues for 2024 YTD are \$1M lower than budgeted and \$1.6M higher than 2023 YTD. The year to date cost of purchased power is \$950K under budget and \$1M lower than 2023 YTD. As of December 31, 2024, equity as a percentage of total assets was 41.78%. kWh sold to consumers and used by CCEC for December 2024 are 4.85% higher than the December 2023 sales. Year-to-date net margins are \$4.3M lower than budgeted with a \$6M loss for the year, mostly from Beacon's net loss. CFO Keeler answered questions and concluded his report.

The fourth quarter and year to date outage reports were reviewed. This quarter experienced substantial storm activity, with tree-related outages accounting for 91.55% of the fourth quarter outages. The annual SAIDI report shows a significant increase in system outage durations during July and August. Protection system sensitivity settings were increased on key fire susceptible areas for wildfire risk mitigation during these months. The engineering department then made setting adjustments based on two months of experience which brought the average system outage duration lower than the previous 5 years for the remainder of the fire season. The annual CAIDI report for July and August is lower than the 5-year average and then increased with end of the year storms. The annual SAIFI stays within expected ranges with an increase for July and August. The average member's power was on 99.97% of the time, excluding major event days and power supplier outages.

The fourth quarter and year to date tree trimming reports were reviewed. 2024 YTD tree trimming cost is overbudget by 6%. Because of the sensitivity of our membership and wildfire concerns, member requests for tree maintenance continues to increase each year. We secured a partial tree crew this year to address member tree requests which allows ROW clearing to continue on schedule.

The January safety report was reviewed. GM/CEO Bischoff reported there were no internal accidents or injuries this month. CCEC's 2024 safety record is very good. The January training topics for crews were fall protection and ladder safety and the meeting

concluded with annual ladder inspections. The 2024 Federated Safety and Loss Assessment report was reviewed. Federated Rural Electric Insurance Exchange noted that CCEC has established programs for safety and loss prevention.

The CCECF report was reviewed. The Dolly Parton Imagination Library enrollment increased to 51.4% of Curry County children ages 0-5. Financial Peace University (FPU) classes are being planned for early Spring and Fall of 2025. CCECF will host the 2025 Regional STEM fair on May 9, 2025 with 3 schools participating. The Bright Ideas Grants applications are open and due by April 20, 2025 with grant awards of up to \$1500. Luck of the Draw scholarship applications are open with a submission deadline of March 16, 2025. The foundation is pursuing grant opportunities through the Three Rivers Foundation. The application window will open in March or April.

The CEO Report was reviewed. Topics included wholesale power, the power system, cooperative community, grants, and personnel.

V. ITEMS OF BUSINESS

A. Committee Reports

Audit Committee – The chair of the audit committee, Director Loshbaugh, advised that earlier in the committee meeting the committee held a preaudit planning meeting with independent audit managers Lindsay Godfrey and Caleb Dozier of Aldrich CPA's & Advisors. Mr. Dozier addressed the audit process, scope of services and deliverables. The audit field work is scheduled for the week of February 17, 2025.

B. GM/CEO Succession Recommendation per Policy #200-010

GM/CEO Bischoff recommends the management team are all capable individuals, available to be appointed at the board's discretion as Acting GM/CEO in accordance with the policy should need arise.

C. Construction Work in Plan (CWP) and Long Range Plan (LRP) Progress Report – Engineering Manager Matt Mjelde and Operations Manager Scott Adams

CCEC Engineering Manager Matt Mjelde presented the CWP and LRP progress update. Topics included 2024 new services, the mobile substation

restoration, feeder G6 upgrade for Geisel to Gold Beach tie, BPA Gold Beach Expansion project, Gold Beach to Pistol River tie line project, feeder C1C upgrade for the Bandon Dunes area, and the Brookings substation upgrade project. Grant awards, grant application assistance, miscellaneous 2024 work, and challenges were also discussed. Mr. Mjelde and Mr. Adams answered questions from the board, concluded their presentation at 12:06 p.m. and departed the meeting.

D. 2025 Rate Adjustment Initial Discussion

CFO Keeler presented the Board with information on the process and calculations involved in determining the necessary rate adjustment and options for implementing the proposed 2025 rate adjustment. An updated cost of service forecast was reviewed outlining options for the incremental rate adjustments needed. Management recommends a 7.50% rate adjustment, effective for energy billings beginning May 1, 2025, while also recognizing up to 50% of the remaining BPA deferred credits as revenue in 2025. A motion was made and seconded to approve management's recommendation. Discussion followed, a vote was had, and the motion carried with one opposed (Cockerham). At the February board meeting staff will bring options and a recommendation for rate increase implementation across the rate classes.

E. 2025 CCEC Annual Meeting Agenda

The board discussed the 2025 annual meeting. In July of 2024 the board chose to offer a satellite meeting for 2025. The annual meeting of members will be held in the Port Orford boardroom and all district offices will open their local conference rooms for members to attend through Webex. GM/CEO Bischoff will invite PNGC's President/CEO Jessica Matlock to be a virtual presenter. The agenda will remain similar to 2024.

F. 2025 CCEC Annual Meeting – Director Positions Up for Re-Election

Director Cockerham is up for re-election in District 1 & 2, Director Loshbaugh is up for re-election in District 3-4-5 At Large, and Director Radabaugh is up for re-election in District 5.

G. Member Satisfaction Survey Results – MMSM Buchhalter

Marketing & Member Services Manager Buchhalter presented the results of

CCEC's 2024 American Customer Satisfaction Index (ACSI) Survey. CCEC scored ninety (90), a seven point increase from 2023, and was recognized by Touchstone Energy as being one of 22 member cooperatives that received the top five ACSI scores of 2024. The average annual score is 78.

H. Open Discussion

None.

I. Miscellaneous

1. 2025 PAC contribution cards were distributed to directors in attendance. PAC cards will be returned at the February meeting.
2. Corporate Services requested new W-9 forms for directors needing to update information and also updated the Director Reimbursement Request form, which was made available to all directors.

VI. EXECUTIVE SESSION

The Board went into an executive session at 1:10 p.m. to discuss member issues, contract matters and employee issues. The regular meeting reconvened at 1:57 p.m.

VII. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, February 27, 2025, at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:57 p.m.

ATTEST:



Jim Kolen, President



John Herzog, Secretary