

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
July 28, 2021

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 9:07 a.m. on Wednesday, July 28, 2021, by President Jim Kolen, in the conference room at the Beacon Broadband office, Harbor, Oregon.

President Kolen called roll and stated a quorum was present. Director Herzog was absent. 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 amended, the minutes of the July 24, 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 06/2021; the members purge list for 07/2021, the GM/CEO's & Directors' expenses for 06/2021; and CCEC's attorney invoice. The motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Keeler reviewed the June financials. Operating revenue is up \$1.5M over the prior year, and \$1.3M higher than budget. Cost of power is \$43K higher than prior year, and 4.5% higher than budget. Average residential member bill is \$102 vs \$99 a year ago. Current liabilities decreased by \$1M from the end of May as the liability for gross revenue tax of \$1M was paid. At the end of June, the retained margins & equity of the Coop were just below \$63M, and the equity level as a percentage of assets is 56.8%.

The June asset disposal list was reviewed. Meter disconnect collars and a laptop were disposed of.

The June write-off report was reviewed. Collections were down for the month compared to the first 5 months of 2021.

The June outage reports were reviewed. The Q2 outage reports were reviewed. The Customer Average Interruption Duration Index (CAIDI) was 60.5 minutes vs. 130.9 minutes in Q1-2021, and 121.7 minutes in Q2-2020, an industry benchmark is 120 minutes. The System Average Interruption Frequency Index (SAIFI) was 0.17 down from 0.19 in Q1-2021, the benchmark is 1.3. The System Average Interruption Duration Index (SAIDI) was 10.5 minutes vs. 25.1 in Q1-2021. 84 minutes is an industry benchmark.

The July safety report was reviewed. There was one OSHA recordable injury that resulted in no lost time.

The June tree trimming report was reviewed. Fire season is in effect and crews are following Coos Forest Protective Association industrial guidelines.

The Coos-Curry Electric Charitable Foundation will start marketing for the Financial Peace University program beginning in September.

A new Human Resources Director will start on August 2, 2021 and will be

introduced to the board at the August meeting.

IV. ITEMS OF BUSINESS

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

BPA BP 22 Rate Case Update: BPA released the draft record of decision on the BP-22 rate case. BPA FY 2022-2023 power rates will decrease 2% - 2.5% on average and transmission rates will increase 6% - 8% on average. This will result in an overall decrease in the wholesale power bill beginning Oct. 1, 2021.

PNGC will be sending a letter to Governor Brown, with support of the PNGC members, expressing disappointment in her filing of suit regarding the Columbia River Environmental Impact Statement. The Board has given consent to be a co-signer on the letter to Governor Brown.

Mr. Bischoff also gave updates on the Columbia River Treaty, the Northwest Power and Conservation Council resource adequacy modeling, the sale of PNGC's Portland building, and the PPC summary of the June 26-29, 2021 regional heatwave event.

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 for review, proposed new, revised, or rescinded language.

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

- Policy #100-180 Publicity - - was deferred until August.
- Policy #200-110 Audit Committee Charter – was deferred until August.

A motion was made and seconded to rescind the following policy:

- Policy #100-150 Memberships in Local Organizations – and the motion carried unanimously.

C. Stone Butte Radio Tower Move Presentation – Matt Mjelde, Engineering Manager

Engineering Manager Matt Mjelde arrived at 9:17 a.m. and presented a proposal to relocate the Stone Butte radio tower due to its proximity to an active rock mining operation. The new proposed site is approximately 1000 ft east of the current location, outside the permitted mining area and maintains alignment with the passive reflector repeater. The site does require a taller tower of 180 feet. Mr. Mjelde outlined proposed adjustments to the 2021 capital budget to cover the cost of the radio tower purchase and move to the new site. A motion was made and seconded to approve adjustments to the capital budget and authorize the project to move the Stone Butte radio tower to the new site. The motion passed unanimously. Mr. Mjelde departed the meeting at 9:55 a.m.

D. CCEC Board of Directors Officer Term Limits

A discussion was held regarding the implementation of officer term limits. A motion was made and seconded to have 2-year officer term limits, the motion failed 4 against, and 1 for (Cockerham).

E. Open Discussion

The board would like to learn more about the factors that go into the PNGC wholesale power bill and how it is calculated. GM/CEO Bischoff will invite PNGC for a presentation to help educate the board.

A discussion was had about the sale of electric only vehicles by the year 2027.

F. Miscellaneous

