

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

St. Matthews, South Carolina
Minutes of the Board of Trustees Meeting
February 23, 2023

Pursuant to due notice thereof, a regular meeting of the Board of Trustees of Tri-County Electric Cooperative, Inc. (hereinafter called the "Cooperative") was held on February 23, 2023 in the Boardroom at the Headquarters Office in St. Matthews, South Carolina.

The following trustees were present: Barbara Weston, Ida L. Dixon, S. George Wilson, Gary F. Geiger, William Robinson, James R. Dantzler, Willie Jeffries, Joe Strickland, and Jacqueline S. Shaw. Also present were Chad T. Lowder, CEO, Frank Furtick, VP of Engineering and Operations, Michael Weeks, VP of Finance and Administration, Keith Scharf, VP of Safety and Loss Control, Louis Arsenault, VP of Technology and TriCoLink Services, Kristen Zeigler, VP of Human Resources, Rob Hochstetler, President and CEO of Central Electric Power Cooperative, and Cindy Sarratt, who recorded the minutes of the meeting.

CALL TO ORDER – INVOCATION

President Barbara Weston called the meeting to order at 6:00 p.m. Following the Call to Order, Joe Strickland gave the Invocation.

MEMBER COMMENT PERIOD

There were no members present or online during the Member Comment Period.

APPROVAL OF MINUTES OF BOARD MEETING OF January 26, 2023

On motion by George Wilson, seconded by Willie Jeffries, and carried, the minutes of the Board of Trustees Meeting of January 26, 2023 were approved.

REPORTS

FINANCIAL REPORTS

The Financial Reports were not available due to the pending annual audit.

NEW MEMBER REPORT

The CEO reported that 76 new members made application for service in January 2023 and those members are now actively receiving electric service from the Cooperative. On motion by William Robinson, seconded by Gary Geiger, and carried, the following resolution was passed:

RESOLVED, that the application of new members is hereby accepted and approved.

There were 111 Final Bills sent out for the month of January. Those members are no longer receiving electric service from the Cooperative.

SAFETY REPORT

The CEO reported that there were no Lost Time Accidents, no Hours Lost, No OSHA Recordable Accidents, no Employee Injuries, no Vehicle Accidents, no Consumer Damage Claims, and no Miscellaneous Accidents reported in January 2023.

BOARD COMMITTEE REPORTS

AUDIT COMMITTEE

Barbara Weston reported that the Audit Committee met at 5:30 p.m. on February 23, 2023 to review expense accounts for January 2023. All accounts were found to be in order and the report of the Audit Committee was accepted.

ECONOMIC DEVELOPMENT COMMITTEE

No report.

CEO COMPENSATION AND BENEFITS REVIEW COMMITTEE

The CEO Compensation and Benefits Review Committee met following the February board meeting.

ETHICS AND GOVERNANCE COMMITTEE

No report.

POLICY AND BYLAWS COMMITTEE

The CEO reported that Attorney Aaron Christensen is working on language for a bylaw amendment.

UPDATES

CENTRAL UPDATE

Mr. Lowder reported that a Special Called Board Meeting of the Central Board was held on February 8, 2023. The Board approved the Purchase Power Agreement and Request for Transmission Service from the Sandersville Unit in Georgia. Another Purchase Power Agreement is being prepared for baseload generation. Senate Bill S. 523 was proposed which will require Central to have any contract for purchased power agreements with anyone outside of Santee Cooper reviewed by the Joint Bond Review Committee, the State Regulation of Public Utility Review Committee, and the Public Service Commission of South Carolina prior to execution. Seventeen of the nineteen cooperative managers sent a letter to the Joint Bond Review Committee and all the Senators opposing this action. The sub-committee met this morning.

Executive Session

On motion by Joe Strickland, seconded by Willie Jeffries, and carried, the board entered executive session to receive confidential information. Then, on motion by Willie Jeffries, seconded by William Robinson, and carried, the board returned to regular session after having taken no action in executive session.

STATEWIDE UPDATE

Mr. Lowder reported that he attended the Statewide Board Meeting on February 2, 2023 and the main topic of discussion was the same as what was discussed at Central. Also, the new Statewide Broadband Association is being formed. The first meeting is scheduled for March 15, 2023. At this time the representatives of the Statewide Broadband board are the CEO and the Board Chair of the Co-op.

OLD BUSINESS

ECONOMIC DEVELOPMENT UPDATE

The CEO reported that he and Mr. Furtick will be talking with Project Resilience tomorrow. A new project, Palmetto Green, is looking at the Gateway site. Mr. Lowder is talking with the Gue-Gressette family concerning right-of-way for the road entrance to the Tri-County Global Industrial site.

FIBER TO THE HOME PROJECT UPDATE

Mr. Lowder stated that there may be a TriCoLink board meeting in March following the Cooperative board meeting to discuss the audited financials. Mr. Lowder then gave a Project report. Additionally, a Team is working diligently to submit an application for the Accelerated Deployment Grant Program, which is designed to reimburse utilities for construction costs from March 15, 2021 to June 30, 2022. The grant is in the amount of \$9,999,999.99. Mr. Lowder then gave an ARPA Projects Report.

MONTHLY OUTAGE REPORT

Mr. Lowder reported there were no major outages in January.

NEW BUSINESS

CONFLICT OF INTEREST FORM

Mr. Lowder requested that each Trustee complete the annual Conflict of Interest Form for the Auditors.

2022 BAD DEBT WRITE-OFF

On motion by Gary Geiger, seconded by Joe Strickland, and carried, the board write off \$92,123.74 for 2022.

ELECTION OF CRC VOTING DELEGATE AND ALTERNATE

On motion by William Robinson, seconded by Jim Dantzler, and carried, Chad Lowder was elected as Voting Delegate and Gary Geiger was elected as Alternate Voting Delegate to CRC.

REPORT OF NRECA DIRECTORS CONFERENCE

Barbara Weston and Jackie Shaw attended the NRECA Directors Conference online. Both agreed that it was an outstanding conference.

MODIFICATION OF EMPLOYEE HEALTHCARE PLAN

Executive Session

On motion by Jim Dantzler, seconded by Gary Geiger, and carried, the board entered executive session to receive confidential information. Then, on motion by George Wilson, seconded by Willie Jeffries, and carried, the board returned to regular session after having taken no action in executive session.

The CEO reported that we need to modify our employee healthcare plan so that the employee healthcare plan will match the Plan document and the Bylaws. On motion by George Wilson, seconded by Joe Strickland, and carried, the board voted to modify the Employee Healthcare Plan to eliminate benefits for inactive trustees/directors. The purpose of this Plan modification is to comply with current bylaws that were approved by the membership and to recognize the current opinion of the Office of Regulatory Staff that no financial benefits can be provided to inactive trustees/directors. Gary Geiger abstained from voting on the motion due to a conflict of interest. Written notice will be given to any inactive trustees/directors currently receiving any benefits.

CEO COMMENTS

FEDERAL INFRASTRUCTURE GRANT APPLICATION

Frank Furtick updated the board on infrastructure grant applications that the cooperative has filed for electric utility infrastructure improvements.

FACILITY PLAN UPDATE

The CEO gave the board an update on the plan to improve and expand the Cooperative facilities. Jonathan Binnicker is the Project Manager of this project and he will be working with a consultant to develop the plan by budget time later this year, with the goal of implementing the plan in 2024.

2023 ELECTRIC COOPERATIVE RODEO

The CEO announced that the 2023 Electric Cooperative Lineman's Rodeo is scheduled for March 24-25, 2023 and will be held at Palmetto Electric Cooperative's Ridgeland Facility.

TCEC

February 23, 2023

Page 5

BROADBAND EVENT AT BENEDICT COLLEGE

Mr. Lowder announced that he received a call from Vice President Kamala Harris' office inviting him to attend and represent Tri-County and TriCoLink at an event at Benedict College to promote rural broadband on Friday, February 24, 2023.

MARCH BOARD MEETING

The March board meeting will be held at Noon on Thursday, March 23, 2023. Jason Peacock will present the Annual Audit Review at the April board meeting.

ECSC SUMMER CONFERENCE

Mr. Lowder announced that registration for the ECSC Summer Conference will be opening up on March 13, 2023. The board was urged to complete the sign up sheet that was distributed to each board member so that travel arrangements can be made on March 13th. The Summer Conference is scheduled for June 5-7, 2023.

TRUSTEE ASSOCIATION CONFERENCE

Ida Dixon reported that the Trustee Association Conference will be held May 1-3 in Charleston at Hyatt Place. There will be a small increase in fees for the conference this year. Each co-op was asked to provide one or two items for door prizes. There are tentative plans for a tour of the Volvo Plant.

Also, an error was brought up about the 2023 Meetings posted in BoardPaq. That Meeting Schedule will be corrected.

ADJOURNMENT

There being no further business, on motion by Gary Geiger, seconded by Joe Strickland, and carried, the meeting adjourned at 8:19 p.m.

Jacqueline S. Shaw, Secretary

Approved:

Barbara F. Weston, President