

MID-CAROLINA ELECTRIC COOPERATIVE, INC.
LEXINGTON, SOUTH CAROLINA
MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

October 30, 2024

AGENDA ITEM # 1

CALL TO ORDER: Marvin W. Sox, President/Chairman
(1:00 p.m.) Alan R. Lunsford, Vice-President/Vice-Chairman
Donette B. Kirkland, Secretary
J. Allan Risinger, Treasurer
J. Carey Bedenbaugh, Jr.
Eddie C. Best, Jr.
Kenneth E. Lindler
Mark A. Svrcek
Justin B. Watts

STAFF PRESENT: B. Robert “Bob” Paulling, President and CEO
Theresa D. Crepes. VP, Finance and Accounting
Robert A. Wilbur, VP, Operations
Lee H. Ayers, VP, Engineering
Troy A. Simpson, VP, Member Services
Steven G. Davidson, VP, Information Technology
Vicki E. Ross-Bell, Administrative Services Manager

ATTORNEY PRESENT: J. David Black

INVOCATION: Troy Simpson

PLEDGE OF ALLEGIANCE

AGENDA ITEM # 2

APPROVAL OF MINUTES: Chairman Sox called the meeting to order. He then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on September 25, 2024. Mr. Lunsford made a motion to approve the minutes, as presented. The motion was seconded by Mr. Lindler and unanimously passed.

See Resolution # 1

AGENDA ITEM # 3

UNFINISHED BUSINESS: There was no unfinished business to come before the Board at this time.

AGENDA ITEM # 4

DEPARTMENTAL REPORTING:

FINANCE AND ACCOUNTING: Chairman Sox called on Mrs. Crepes for the Finance and Accounting report. Mrs. Crepes reported the year-to-date revenue was \$120,402,338, which is (\$933,645) below budget at the end of September. The year-to-date cost of wholesale power was \$67,277,715 which is under budget by (\$1,133,100). The year-to-date margins were \$7,167,435 which is \$203,206 above budget. Mrs. Crepes reported that equity was 23.54% at the end of September for an increase of 0.03%. The deferred credits account balance changed by (\$189,591), and the ending balance was \$4,446,456.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,521 kWh in September. Mid-Carolina's average bill was \$194.86 (account charge \$28.50) compared to Dominion's \$228.58 (account charge \$9.50), Duke – Carolina's \$240.50 (account charge \$11.96), and Duke – Progress \$215.81 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 17,518 kWh. Mid-Carolina's average annualized bill was \$2,255.46 (account charge \$346.75) compared to Dominion's \$2,455.61 (account charge \$114.00), Duke – Carolina's \$2,473.68 (account charge \$143.52), and Duke – Progress \$2,548.95 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$4,072,902 from CarolinaConnect year-to-date. There were no further questions or comments, and Chairman Sox thanked Mrs. Crepes for her report.

OPERATIONS: Chairman Sox called on Mr. Wilbur for the Operations report. Mr. Wilbur discussed the outages caused by Hurricane Helene. He reported there were 59,000 meters who were without power, which represents 97% of the Cooperative's system. As of today, the count of broken poles is over 580. This count increases daily, as storm cleanup continues. Transmission was lost to all but five out of the Cooperative's 21 Substations. Mr. Wilbur discussed the list of crews that assisted in restoration efforts, which consisted of 158 individuals. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for the report.

ENGINEERING: Chairman Sox called on Mr. Ayers for the Engineering report. Mr. Ayers reported on the effects that Hurricane Helene had on the electric and fiber side. He then showed a chart graphing MWh purchased each month year-to-date from 2020-2024 with a five-year running average. The next chart showed the MW Demand purchased each month year-to-date from 2020-2024 with a five-year running average. The monthly outage report for September was discussed. There were no further questions or comments, and Chairman Sox thanked Mr. Ayers for his report.

MEMBER SERVICES: Chairman Sox called on Mr. Simpson for the Member Services report. Mr. Simpson reported on the Bright Ideas Grant program. He pointed out that they received more applications this year than in the past and 20 grants been awarded. Mr. Simpson discussed the Charity Golf Tournament that was held October 21, 2024, and he will provide the total raised next month. He next showed some of the Cooperative's recent storm posts on Social Media and reviewed the quarterly schedule for the *South Carolina Living* magazine through the February 2025 issue. There were no further questions or comments, and Chairman Sox thanked Mr. Simpson for his report.

INFORMATION TECHNOLOGY: Chairman Sox called on Mr. Davidson for the Information Technology report. Mr. Davidson reported there were 41,756 accounts enrolled in SmartHub as of October 1, 2024, which represents 68.89% of active accounts enrolled. He stated that 85.32% of all September payment transactions were made electronically. Mr. Davidson reported that an additional 3,513 members enrolled in TextPower this month, bringing the enrollment total to 47,321. He stated there are now 3,023 members enrolled in Pay-As-You-Go, and 187 payments were made through the new InComm system in September.

Mr. Davidson reported there were 25,173 emails received during the month, and 9,862 emails were blocked prior to reaching the Cooperative's email servers. He then gave an update on Cyber Security. There were no further questions or comments, and Chairman Sox thanked Mr. Davidson for his report.

ADMINISTRATION: Chairman Sox called on Mrs. Ross-Bell for the Administration report. Mrs. Ross-Bell referred to the monthly Operation Round-Up report. The Trust Board approved 63 applications out of 74 for a total donation of \$63,911. The Trust Fund balance at the end of the month was \$2,557. She reviewed the Board calendars through December 2024. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 5

CEO'S REPORT: Chairman Sox called on Mr. Paulling for his report. Mr. Paulling reported there was a recordable accident in September that occurred during the storm. There were three new hires since the last meeting. The Facilities Technician and the Member Services Clerk positions were just filled.

Mr. Paulling recapped the proposed 2025 Budget presentation. Chairman Sox asked for any comments or questions. There were no additional comments or questions, and Mr. Risinger made a motion to approve the 2025 Budget, as presented. The motion was seconded by Ms. Kirkland and unanimously passed.

See Resolution # 2

Mr. Paulling read the letter to members that will be in the *South Carolina Living* regarding the rate adjustment effective January 1, 2025. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for his report.

AGENDA ITEM # 6

LEGAL REPORT: Chairman Sox called on Mr. Black for the legal report. Mr. Black discussed several pending legal matters. There were no further questions or comments, and Chairman Sox thanked Mr. Black for his report.

AGENDA ITEM # 7

CHAIRMAN'S REPORT: Chairman Sox read a couple of thank you notes. He then reported that the Board needed to appoint Trustees for the Electric Cooperatives of South Carolina (ECSC). Chairman Sox stated that Mr. Paulling and Ms. Kirkland currently serve as Trustees. Mr. Lunsford made a motion for Ms. Donette B. Kirkland and Mr. B. Robert "Bob" Paulling to serve as the ECSC Trustees in 2025. The motion was seconded by Mr. Bedenbaugh and unanimously passed. Chairman Sox stated the Board also needs to appoint a Voting Delegate for the meeting in December. Mr. Lunsford made a motion for Ms. Donette B. Kirkland to serve as the Voting Delegate for the Annual Meeting that will be held on December 11, 2024, and Mr. B. Robert "Bob" Paulling to serve as the Alternate Voting Delegate. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

See Resolution # 3

Chairman Sox then presented a resolution that was drafted on behalf of the Board of Trustees. This resolution is a formal way to thank all of the Cooperative employees for their tireless and safe efforts in restoration of the electric and fiber system outages caused by Hurricane Helene. After a discussion, Mr. Lindler made a motion to approve the resolution, as presented. The motion was seconded by Mr. Best and unanimously passed.

See Resolution # 4

Chairman Sox had nothing further to report at this time.

AGENDA ITEM # 8

COMMITTEE REPORTS: Chairman Sox called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that the Board received Board Policy 304 – Member Advisory Committees. There was a recommendation to delete the sentence that states the Board shall approve all new members, which will make the policy consistent with current practices. Mr. Lindler made a motion to approve the policy with the recommended change. The motion was seconded by Mr. Svrcek and unanimously passed.

See Resolution # 5

The Board also received Board Policy 305 – Safety and Loss Control. There were no recommended changes to this policy, and it will reflect that it was reviewed today. There were no other committee reports at this time.

AGENDA ITEM # 9

ASSOCIATED MEETING REPORTS: Chairman Sox stated that CarolinaConnect's Board Meeting was held yesterday. CarolinaConnect is still working on restoring internet service to their customers due to Hurricane Helene,

Mr. Risinger did not have a Central update at this time.

Ms. Kirkland stated that CEEUS will have an open house of their new office on November 13, 2024. She gave a brief update about Statewide's Winter Conference that will be held in December 2024.

Mr. Lunsford gave an update about the Trustee Association Committee that met on October 25, 2024. There were discussions on the restoration efforts from Hurricane Helene and the upcoming Statewide's Winter Conference.

Chairman Sox reported that Federated recently had an increase in premiums. Electric contacts and wildfires continue to be on the rise.

Mr. Best attended an online course earlier in the month regarding electric vehicles. He discussed the key points regarding rate structures for charging electric vehicles.

There were no other reports at this time.

AGENDA ITEM # 10

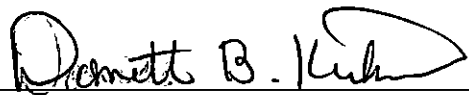
NEW BUSINESS: Chairman Sox called for any new business. There was no new business to come before the meeting at this time. Mr. Bedenbaugh made a motion to enter executive session. The motion was seconded by Mr. Lindler and unanimously passed.

AGENDA ITEM # 11

EXECUTIVE SESSION: There was no action taken during executive session.

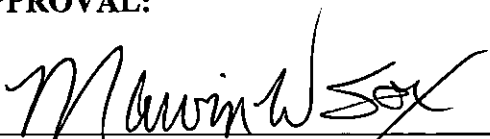
AGENDA ITEM # 12

ADJOURNMENT: There was no further business, and the meeting was adjourned at 4:05 p.m.



Donette B. Kirkland, Secretary

APPROVAL:



Marvin W. Sox, President/Chairman of the Board

**S.C. 37 LEXINGTON
MID-CAROLINA ELECTRIC COOPERATIVE, INC.**

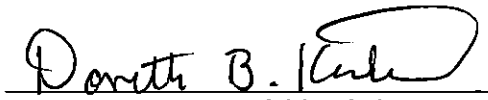
RESOLUTION

1

WHEREAS, the Board of Trustees reviewed and had no changes to the minutes of the regular monthly meeting held on September 25, 2024; and

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the September 25, 2024, meeting as presented.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 30th day of October 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

2

WHEREAS, Mr. Paulling presented and explained the Cooperative's proposed budget for 2025 at the annual Budget Presentation meeting held on October 23, 2024; and

WHEREAS, Mr. Paulling reviewed the highlights of the proposed budget for 2025 at the Board Meeting held on October 30, 2024; and

WHEREAS, after careful consideration, the Board of Trustees approved the proposed budget for 2025;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves and adopts the Cooperative's budget for the year 2025, as presented.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 30th day of October 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

3

WHEREAS, the Board of Trustees is responsible for nominating two people to serve on the Board of The Electric Cooperatives of South Carolina, Inc. (ECSC); and

WHEREAS, the Board of Trustees is responsible for appointing a Voting Delegate and Alternate Voting Delegate to the Annual Meeting of ECSC; and

WHEREAS, the Board of Trustees desires to make the appointments and nominations as hereinafter stated;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby makes the following appointments and nominations:

ECSC Board Trustees for 2025

Ms. Donette B. Kirkland and Mr. B. Robert “Bob” Paulling

2024 Annual Meeting for ECSC

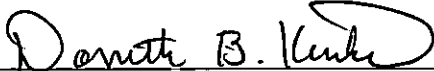
Voting Delegate

Ms. Donette B. Kirkland

Alternate Voting Delegate

Mr. B. Robert “Bob” Paulling

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 30th day of October 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

4

WHEREAS, Hurricane Helene caused widespread damage to our electric and fiber systems, resulting in the largest outage event in the history of Mid-Carolina Electric Cooperative, Inc. (MCEC) impacting the lives of countless members and the operations of essential services; and

WHEREAS, in response to this unprecedented challenge, MCEC employees, line crews and mutual aid crews displayed extraordinary dedication, skill, teamwork and commitment to safety while working tirelessly under difficult conditions to restore these essential services for MCEC members; and

WHEREAS, the Board of Trustees has been profoundly impressed by the extraordinary efforts demonstrated by MCEC employees, line crews and mutual aid crews, recognizing their critical role in restoring power and internet service as quickly as possible and supporting the recovery of the communities MCEC serves; and

WHEREAS, the Board of Trustees acknowledges the personal and professional sacrifices made by employees, line crews and mutual aid crews and recognizes that their actions exemplify the highest standards of passion, honor, and care;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc., extends its deepest gratitude and appreciation to all MCEC employees, line crews and mutual aid crews for their heroic efforts with passion, honor and care in power and internet restoration during and after Hurricane Helene.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 30th day of October 2024, at which meeting a quorum was present.


Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

5

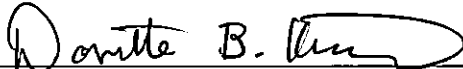
WHEREAS, the Policy Committee made a recommended change for Board Policy 304 – Sponsorships and Awards; and

WHEREAS, the recommendation was to clarify the listed relationships and to be consistent with other Cooperative policies; and

WHEREAS, the Board agrees with the recommendation;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of approves the recommended change to the Board Policy 302 – Sponsorships and Awards for clarification and to be consistent with other Cooperative policies. The policy is attached hereto.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc. do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 25th day of September 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES POLICY 304**

SUBJECT: MEMBER ADVISORY COMMITTEES

I. ORIENTATION

To develop Member Advisory Committees throughout the Cooperative's service area in order to accomplish the following:

- A. To create a two-way communication link between the members, the Board of Trustees and Management of the Cooperative.
- B. To assist the Board of Trustees in obtaining a better understanding of the feelings of the members that relate to their needs in the community, the Cooperative, its operation and future goals.

II. POLICY CONTENT

The Board of Trustees of Mid-Carolina Electric Cooperative, Inc. has resolved that the following policy concerning Member Advisory Committees be established.

A. Selection and make-up of the Committee members.

- 1. The Board of Trustees hereby establishes Member Advisory Committees.
- 2. Each Member Advisory Committee shall be representative of the membership of the Cooperative. It is the intent of this policy to create a communication link with the membership and gain their active participation. Therefore, no employee will be eligible to be a committee member.
- ~~3. The Board of Trustees shall approve all Advisory Committee members.~~

B. Committee Responsibility

- 1. Each Advisory Committee will meet two times a year in a scheduled meeting (spring and fall) and more frequently if needed.
- 2. Trustees should try to attend and participate in the Committee meetings.
- 3. The Committee will seek information and opinions from the members in the district and share the results of such member communications with Trustees. Member Committees will serve to facilitate communication between the Cooperative and its members and to make both suggestions and recommendations in an advisory capacity to the Trustees for improvement in the services provided by the Cooperative. Cooperative Bylaws reserve certain responsibilities for exercise solely by the Board of Trustees, and in no case shall authority be delegated to or usurped by any member committee.

**Board of Trustees Policy 304
Member Advisory Committees**

4. The Committee will help the Trustees to gain understanding with the members in matters relating to their Cooperative and its operations.
5. Recommendations and suggestions from the Committee will be made by the Trustees in attendance to the full Board. It is further understood that the Board, in exercise of prudent management of the affairs of the Cooperative, reserves the right to act either favorably or unfavorably upon such recommendations, in accordance with its proper appraisal of the situations involved and the merits of the recommendations as viewed by the Board.

C. Staff Assistance

1. The Staff will be available to inform and assist, not direct, member committees in carrying out their responsibilities.
2. A member of the Staff may serve as secretary for the member meetings.

III. RESPONSIBILITY

The CEO is responsible for administering the portion of the policy relating to Staff involvement and assistance to the Committee.