

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

July 24, 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

STAFF PRESENT: B. Robert "Bob" Paulling, President and CEO
Theresa D. Crepes. VP, Finance and Accounting
Robert A. Wilbur, VP, Operations
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: Alan Lunsford

PLEDGE OF ALLEGIANCE

AGENDA ITEM # 2

APPROVAL OF MINUTES: Chairman Sox called the meeting to order. Mr. Paulling stated that Mr. Ayers was out of town. He then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on June 26, 2024. Mr. Lindler made a motion to approve the minutes, as presented. The motion was seconded by Mr. Bedenbaugh 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 \$77,277,475, which is (\$1,799,233) below budget at the end of June. The year-to-date cost of wholesale power was \$42,137,318, which is under budget by (\$1,510,044). The year-to-date margins were \$4,728,846, which is \$75,275 above budget. Mrs. Crepes reported that equity was 23.39% at the end of June for a decrease of -0.11%. The deferred credits account balance changed by \$14,135, and the ending balance was \$3,714,473.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,628 kWh in June. Mid-Carolina's average bill was \$180.80 (account charge \$29.45) compared to Dominion's \$218.70 (account charge \$9.50), Duke – Carolina's \$226.77 (account charge \$11.96), and Duke – Progress \$240.12 (account charge \$11.78). She then presented a rate comparison chart showing an average annual usage of 17,692 kWh. Mid-Carolina's average annualized bill was \$2,022.62 (account charge \$346.75) compared to Dominion's \$2,528.83 (account charge \$114.00), Duke – Carolina's \$2,364.89 (account charge \$143.52), and Duke – Progress \$2,574.70 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$2,654,777 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 reported the locations and the service district that the Mid-Carolina and Contractor crews worked in June. The right-of-way crews are still working in the Gilbert and South Congaree areas. They have also started working in the Leesville area. Mr. Wilbur stated the System Inspectors are still working in the Irmo area. He then discussed the Carolina Crossroads, Midlands Connection and Broad River Road projects. Mr. Wilbur reported that 19 out of 20 service installations have been completed for DOT Facilities. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for the report.

ENGINEERING: Chairman Sox called on Mr. Paulling for the Engineering report. Mr. Paulling reported that the routine inspection and maintenance was completed in June. He stated that the permitting for Lake Murray substation upgrades are in progress. The design and drawings are being finalized along with the equipment order. Mr. Paulling reported the transformer relays at the Pelion Substation were upgraded. He next discussed the status of the fiber construction in subdivisions.

Mr. Paulling 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 and notes for June were reviewed. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for the report.

MEMBER SERVICES: Chairman Sox called on Mr. Simpson for the Member Services report. Mr. Simpson reported on the different ways the Cooperative is connecting with the Community through the employee's Community Outreach Team and other employee volunteers. He then discussed the Youth Summit that was held earlier in July. Mr. Simpson next showed the Cooperative's Brand Identity on Social Media and reviewed the quarterly schedule for the *South Carolina Living* magazine through the October 2024 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 41,125 accounts enrolled in SmartHub as of July 1, 2024, which represents 68.05% of active accounts enrolled. He stated that 87.41% of all June payment transactions were made electronically. Mr. Davidson reported that an additional 280 members enrolled in TextPower this month, bringing the enrollment total to 41,803. He stated there are now 3,004 members enrolled in Pay-As-You-Go, and 110 payments were made through the new InComm system in June.

Mr. Davidson reported there were 29,071 emails received during the month, and 6,856 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. There were 12 applications approved out of 19 for a total donation of \$22,544. The Trust Fund balance at the end of the month was \$38,158. Mrs. Ross-Bell reviewed the Board calendars through October 2024. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 5

PRESIDENT'S REPORT: Chairman Sox called on Mr. Paulling for his report. Mr. Paulling reported there were no recordable accidents in June. He discussed the Finance and Accounting Manager and a Facilities Technician that started on July 8, 2024. There was one transfer from a Journey Lineman to an Engineering Technician, and there was a resignation from a Line Technician. There is an Apparatus Technician and a Line Technician starting in August. Currently, there is active recruitment for a Member Services Representative and a Fleet Technician.

Mr. Paulling gave a Central and Santee Cooper update.

Mr. Svrcek made a motion to go into Executive Session. The motion was seconded by Mr. Lunsford and unanimously passed.

Ms. Kirkland made a motion to come out of executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

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 thank you note. He had nothing further to report at this time.

AGENDA ITEM # 8

COMMITTEE REPORTS: Chairman Sox stated that the Compensation Committee met just prior to this meeting, and there will be a report in executive session.

Chairman Sox called on Mr. Risinger for the Retiree Welfare Benefit Trust Committee report. Mr. Risinger said the Committee met just prior to the meeting. The Trust Fund is still overfunded, and the Committee does not have any recommended changes. They will meet again in October 2024.

Chairman Sox called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that the Board received Board Policy 205 – Board Campaigns. The policy included a change to be in line with the South Carolina Law for board campaigns. The update states that campaign materials cannot be posted within 500 feet of any entrance to the voter's polling location. Mr. Bedenbaugh made a motion to approve the recommended changes, as presented. The motion was seconded by Mr. Lindler and unanimously passed.

See Resolution # 2

There were no other committee reports at this time.

AGENDA ITEM # 9

ASSOCIATED MEETING REPORTS: Chairman Sox stated that CarolinaConnect's Board Meeting will be held on July 30, 2024.

Mr. Risinger didn't have anything further to add to Mr. Paulling's Central report earlier.

Ms. Kirkland reported that Statewide and CEEUS Board Meetings will be held on August 1, 2024.

Chairman Sox reported that Federated will meet in August.

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. Lindler made a motion to enter executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

AGENDA ITEM # 11

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

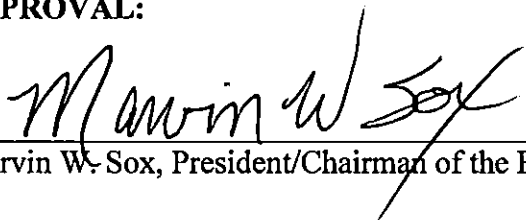
AGENDA ITEM # 12

ADJOURNMENT: There was no further business, and the meeting was adjourned at 4:35 p.m.



Donette B. Kirkland, Secretary

APPROVAL:



Marvin W. Sox, President/Chairman of the Board

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

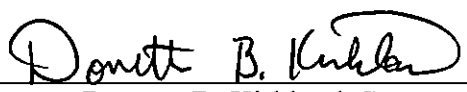
RESOLUTION

1

WHEREAS, the Board of Trustees reviewed and had no changes to the minutes of the regular monthly meeting held on June 26, 2024; and

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the June 26, 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 24th day of July 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

2

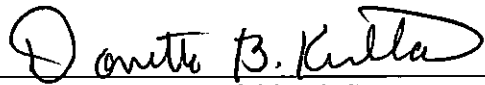
WHEREAS, the Policy Committee made a recommended change for Board Policy 205 – Board Campaigns; and

WHEREAS, the recommendation was a change to be in line with the South Carolina Law for board campaigns; and

WHEREAS, the update states that campaign materials cannot be posted within 500 feet of any polling location;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of approves the recommended changes to be in line with the South Carolina Law for board campaigns that says campaign materials cannot be posted within 500 feet of any entrance to the voter’s polling location. 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 24th day of July 2024, at which meeting a quorum was present.



Donette B. Kirkland, Secretary

**MID-CAROLINA ELECTRIC COOPERATIVE, INC.
BOARD OF TRUSTEES POLICY 205**

SUBJECT: BOARD CAMPAIGNS

I. OBJECTIVE

To set forth a policy prohibiting advocacy or campaigning near the polling place to reasonably ensure that cooperative members can vote without harassment, intimidation, or interference. The polling place, for purposes of this policy, is the location where votes are collected for tabulation.

II. POLICY CONTENT

Be it resolved that the Board of Trustees has established the following policy concerning Board candidate campaigns:

- A. Bribery: Members, including candidates for the Board, may not procure, by the payment, delivery, or promise of money or other article of value, another person to vote for or against any candidate or measure at any election conducted by the Cooperative. It is also prohibited for a member to accept such procurements.
- B. Threats: Members, including candidates for the Board, may not, by threats or any other form of intimidation, procure, offer, or promise to endeavor to procure another to vote for or against any candidate or measure in any election conducted by the Cooperative. Members, including candidates for the Board, may not threaten, mistreat, or abuse voters with a view to control or intimidate them in the free exercise of their rights of suffrage.
- C. Interference: Members, including candidates for the Board, may not:
1. interfere with voters who are inside of the polling place or are marking their ballots;
 2. unduly influence or attempt to unduly influence voters in the preparation of their ballot;
 3. endeavor to induce voters to show how they marked their ballot; or
 4. aid or attempt to aid voters by means of any mechanical device in marking their ballot.
- D. Distribution of campaign literature: A candidate for the Board may not distribute any type of campaign literature or place any political posters within ~~100~~500 feet of any entrance used by the voters to enter the polling locations on a Cooperative election with any such material. A candidate may wear within ~~100~~500 feet of the polling place a label no larger than 4.25 inches by 4.25 inches that contains the candidate's name and the office sought. If the candidate enters the polling place, the candidate may not display any of this identification including, but not limited to, campaign stickers or buttons.
- E. Vandalizing or removing political campaign signs: Members, including candidates for the Board, may not deface, vandalize, tamper with, or remove a lawfully placed political campaign sign prior to the election without the permission of the candidate. This section does not apply when a political campaign sign is removed because of noncompliance with applicable law.

**Board Policy 205
Board Campaigns**

- F. Campaign signs on poles: Members, including candidates for the Board, may not place campaign signs on telephone/utility poles. The staples and nails left in the poles are very dangerous for the workers who must climb these poles in the performance of their work.
- G. Cooperative intellectual property: Before or during the election, no campaign material (print or electronic) can be used that includes the NRECA, Cooperative, or Touchstone Energy logo, as these are registered trademarks for use by the Cooperative only.
- H. Poll watchers: Each candidate may appoint one Poll Watcher per location who should be introduced to Cooperative staff as soon as possible on Election Day. The Poll Watcher will be permitted to observe the voting process and the vote counting and report any irregularity or problem to the CEO or Corporate Attorney. The Poll Watcher will not be allowed to campaign for any candidate during the voting process.

III. RESPONSIBILITY

- A. The Chief Executive Officer shall ensure compliance with this policy.
- B. The General Counsel shall advise and support the Chief Executive Officer regarding compliance with this policy.