

**DELAWARE ELECTRIC COOPERATIVE
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS**

June 26, 2019

CALL TO ORDER

The regular meeting of the Board of Directors of Delaware Electric Cooperative, Inc. was held at the Dover Downs Casino, on Wednesday, June 26, 2019 at 11:30 a.m. Chairman William J. Wells called the meeting to order. The following directors were present: Dean C. Belt, Michael K. Brown, Blaine M. Daisey, Sr., Patricia S. Dorey, William P. Haughey, Jr., Bruce A. Henry, Laura T. Phillips, Charles L. Towles, Jr., and Bruce R. Walton

Also present at the meeting were J. William Andrew, Rob Book, Bruce Campbell, Mark Nielson, David Shapley, Dawn Smart, Jesse Spampinato, Dwayne Street, and Mary Egerson, who recorded the minutes of the meeting.

APPROVAL OF MINUTES

The Minutes of the regular meeting of May 22, 2019, were approved as mailed.

HUMAN RESOURCES

Dawn Smart, Vice President of Human Resources, asked the Board to read the Safety Report that is in the drop box. Vice President Smart told the Board that there was one lost time injury during the month. The injury was the result of a metal positioning bar for a pole trailer slipping out of the employee's hand and struck their finger. The impact caused a minor finger fracture. There were 13 total work area inspections conducted during the month. Twelve (12) work area inspections received a "satisfactory" rating. One (1) inspection received an unsatisfactory rating.

Vice President Smart reviewed the Delaware Electric Cooperative's Top Workplace 2019 survey results. Included in the survey—Culture, Areas of Strength—employees believe things run efficiently and well at DEC, they feel well-informed about things happening at the Cooperative, they feel a part of something meaningful and that the managers help them to learn and

grow. Areas of improvement-employees want to feel more appreciated, they feel new ideas are not encouraged.

FINANCIAL REPORT

Bruce Campbell, Vice President of Finance & Accounting reviewed the May 2019 Financial Report with the Board.

ENGINEERING PLANNING & INNOVATION REPORT

Vice President Engineering Strategy & Innovation, David Shapley, reported that growth continues to outpace last year, not only in new services but Miss Utility as well. Miss Utility tickets continue on an upward trend. We are 5% below for the month of May and 4% above for the year.

Vice President Shapley reported that the number of RF (radio frequency) meters installed was 30,433, which accounts for ~31% of the total meters. We are about 98% complete on installing these meters.

Vice President Shapley reported that DEC's Electric Vehicle Charging pilot program continues to show economic success, not only in demand reduction, but in avoiding usage during peak time.

ENGINEERING

Vice President David Shapley reported that year-to-date new services of 1,329 was a slight decrease of 11.58% from the 1,350 last year-to-date. 1,945 jobs were engineered compared to 2,049 last year, a decrease of -5.35%. There were 1,909 work order requests, for jobs engineered and sent to construction compared to 1,882 last year an increase of 1.43%.

OPERATIONS & MAINTENANCE REPORT

Vice President, of Operations Jesse Spampinato presented the Operations report to the Board. Vice President Spampinato reported that during the month of May, Delaware Electric Cooperative saw an increase in outage activity, affecting DEC's reliability in an unfavorable direction for the month. At the end of the May, DEC's SAIDI Year-to-date was 25.57 minutes,

compared to last year at 35.84. DEC's SAIFI year-to-date was 0.365 interruptions, compared to last year, 0.590; a 38.14% improvement.

Vice President Spampinato reported that system controls hit the peak for May 2019. Year-to-date, DEC went into load control with Beat the Peak and hit five (5) of the six(6) Coincident Peak days for the year, missing only February due to drastic unforeseen change to the weather.

REGULATORY REPORT

Vice President Mark Nielson provided the Board with an update on the Bruce A. Henry Solar Farm. During the month of May the solar farm produced 762,913 kWh and had a 1,288 kW impact on our coincident peak. For the month, the kWh production was 25.6% greater than forecasted.

Vice President Nielson updated the Board on the negotiations for the development of Phase II of the Bruce A. Henry Solar Farm. A Power Purchase Agreement has been signed by both parties, with construction to be completed by the end of the year. Public announcements will be forthcoming once construction begins.

Vice President Nielson provided an update on the Cooperative's retail choice restart and noted that Direct Energy has withdrawn from participation in the Delaware Electric Cooperative's market.

ODEC REPORT

Director Bruce Henry discussed in detail, the Confidential ODEC report summarizing facts released from the April, 2019 ODEC Board Meeting.

MEMBER SERVICES REPORT

Vice President of Member Services, Rob Book, asked the Board to read the Member Service Report that is in the drop box. He reported there were 6,800 calls to the Call center during the month of May, with 94% answered within 30 seconds.

Vice President Book, reported that the State Fair is Thursday, July 18 through Saturday, July 27, 2019 at the State Fairgrounds in Harrington, Delaware. Tickets for the State Fair will be available at the next board meeting. Please see Rob if you need tickets.

Vice President Book reported that DEC's ACSI Score is 90 for 2019. DEC's Connect App and Website are both on line.

DEC's Annual Meeting will be Tuesday, August 13th at the Delaware State Fairgrounds in Harrington. Music will be provided by the Jones Boys and Junior Wilson. Door prizes will be ten billing credits for \$50.00 each.

LEGISLATIVE COMMITTEE REPORT

Director Charles Towles presented the Legislative Report to the Board. He reported that there is still no RPS or community solar legislation that has been introduced, although there are still persistent rumors that the RPS bill is going to be introduced before June 30th. He reported that HB 95, giving Delaware Electric Cooperative additional flexibility with respect to unclaimed capital credits received final passage on June 13th and is awaiting Governor Carney's signature for enactment into law.

TECHNOLOGY REPORT

Dwayne Street, Vice President of Technology, reported the Critical Infrastructure Availability for the month of May was 100% in several areas, and Wide-Area Network (Fiber) was at 99.8%.

Vice President Street reported that Email Statistics for May 2019 were 140,755 inbound messages, with 69% rejected, and 210 inbound malware detected (blocked). There were 29,684 outbound messages, no malware was detected with eight percent outbound messages rejected.

Vice President Street reported that IT met with the Department of Homeland Security. The Department of Homeland Security reviewed WAN and LAN configurations. DEC will receive a report and security recommendations based on DHS intelligence.

PRESIDENT'S REPORT

President & CEO Bill Andrew summarized the components of the President's Report as outlined on the Board Agenda.

ADJOURNMENT

A number of issues of interest to the Board were electronically mailed. Chairman Wells asked the Board if they had any questions concerning these items. Having none, the meeting was adjourned at 1:43 p.m.

Secretary

Chairman