

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

June 17, 2020

CALL TO ORDER

The regular meeting of the Board of Directors of Delaware Electric Cooperative, Inc. was held, via teleconference, on Wednesday, June 17, 2020 at 10:08 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, Tom Beamon, Mark Nielson, David Shapley, Troy Dickerson, Dawn Smart, Kyle Bouika, Jesse Spampinato, Jamie Nutter, and Monika Lowe, who recorded the minutes of the meeting.

APPROVAL OF MINUTES

The Minutes of the regular meeting of May 20, 2020 were approved.

HUMAN RESOURCES

Vice President of Human Resources, Dawn Smart, presented the safety report to the Board. There were no injuries for the month of May.

Vice President Smart reported, two work area inspections were found unsatisfactory, but were immediately were corrected.

Vice President Smart also introduced new hires, Grace Malcom, Data Scientist, and Shannon Brown, Controller.

FINANCIAL REPORT

Chief Financial Officer Tom Beamon reviewed the May 2020 Financial Report with the Board.

CFO Beamon focused on the aging receivables, the number of accounts with 60-day and 90-day balances are specifically being monitored.

CFO Beamon reported May's budget being better than anticipated due to power cost difference and no changes in expenses. At this time, the budget is ahead of where we planned to be YTD.

RISK MANAGEMENT COMMITTEE

Vice President of Risk Management, Bruce Campbell presented an overview of how DEC has responded to the pandemic. Changes in the Emergency Restoration Plan will be made with COVID-19 details under the pandemic section.

ANNUAL AUDIT REPORT

Director Laura Phillips will be meeting with the auditors in July and will present her report to the board next month.

ENGINEERING, PLANNING & INNOVATION REPORT

Vice President of Engineering, Strategy and Innovation, David Shapley, reported that growth continues to outpace last year. Miss Utility tickets were down 1% for the month of May. A total of 24,000 tickets have been called in YTD.

Vice President Shapley reported the number of RF meters presently installed on our system accounts for approximately 44% of the total AMI meters in service.

Vice President Shapley reported artificial intelligence (AI) is projected to be installed and running July 1st.

ENGINEERING

Assistant Vice President of Engineering, Troy Dickerson, reported that year-to-date new services increased 3.83% from last year's numbers. New service requests were also up 10% from last year.

Assistant Vice President Dickerson reported lots in developments going back to construction continue to exceed the numbers in past years.

OPERATIONS & MAINTENANCE

Vice President of Operations, Jesse Spampinato, presented the Operations Report to the Board. Vice President Spampinato reported May's average SAIDI minutes were 6.89 minutes. Compared to last year this shows a favorable 48% YTD. The average SAIDI minutes are 12.52.

Vice President Spampinato reported 0.141 interruptions on the SAIFI report. Compared to last year this shows a favorable 36% YTD for SAIFI. The average interruptions are 0.197.

Vice President Spampinato reported the Customer Average Interruption Duration Index (CAIDI) minutes were 48.96 minutes compared to May 2019 were 59.22. Customer Average Interruption Frequency Index (CAIFI) reported 1.059 interruptions, compared to May 2019 was 1.072.

Multiple outages were reported for the month of May, a particularly large outage on May 20th, due to a contractor cutting a wire causing a large outage. Members affected were out of power for up to 41 minutes.

Vice President Spampinato reported system controls ran load management four times in the month of May, three times being the average for the month.

REGULATORY REPORT

Vice President of Staff Services, Mark Nielson, provided the Board with an update on the Bruce A. Henry Solar Farm. In May, the solar farm produced 689,605 kWh and had a 195 kW impact on our coincident peak. For the month, the kWh production was 8.73% greater than forecasted.

Vice President Nielson noted that Phase II of the Bruce A. Henry Solar Farm generated 505,710 kWh for May with a 301 kW impact on demand.

Vice President, Mark Nielson, provided an update on various other potential solar developments including ODEC/EDF, Tangent, Ultra, Ameresco and others.

ODEC REPORT

Director Bruce Henry discussed, in detail, the Confidential ODEC report summarizing facts released from the June 2020 ODEC Board Meeting.

MEMBER SERVICES REPORT

Vice President of Member Services, Rob Book, presented the Member Services report to the Board. Book reported there were 4,420 calls to the Call Center during the month of May, with 92% answered within 30 seconds.

Vice President Book reported the American Customer Satisfaction Index (ACSI) results reported a score of 91 for 2020. DEC's score with ACSI has been on the uptick for the last few years.

Vice President Book presented DEC's limited reopening plan to the board. Meetings are still encouraged to be held virtually and all DEC travel has been suspended until October 31st. Vice President Book anticipates the re-opening of the Lobby to be in July with the requirements to wear a mask and maintain social distancing.

Vice President Book reviewed the procedure of the Moratorium going forward as the State of Emergency Moratorium expires. DEC will commence a 30-day transition period during which DEC will continue to avoid disconnecting DEC members due to non-payment or assess late payment fees. Members will be offered not less than a 4-month repayment arrangement for past due amounts with no disconnect or late fees if the current bill amount is being paid as well as the term requirement of the arrangement.

Vice President Book proposed a Corporate Resolution, authorizing a waiver of tariff and policy requirements to support members experiencing COVID-19 related financial difficulties. A motion was made, seconded, and unanimously approved.

LEGISLATIVE REPORT

Jamie Nutter, Esq. reported Delaware House working to authorize voting by mail in the 2020 Election.

Nutter also reported legislation will meet June 18, 2020 to formulate a ban against law enforcement use of chokeholds.

Nutter reported legislation has proposed an extension of the moratorium to March of 2021. The proposal has not been voted on.

TECHNOLOGY

Manager of Technology, Kyle Bouika, reported that the Critical Infrastructure Availability for the month of May was 100% in several areas. The Wide Area Network (Fiber) server was at 99.98% due to IT performing yearly maintenance. SCADA servers were at 100%.

Bouika reported multiple departments are currently working remotely. Since March 24, 2020, the call center has answered and made over 13,000 phone calls which is equal to over 600 hours. Improvements continue to be made to make the network more stable for remote work.

Bouika reported most virtual meetings are made using Zoom, since January the use of Zoom has intensely increased throughout the company.

Bouika reported, artificial intelligence program, Darktrace has shown to be an asset for the company. When traveling a new IP address was given to an employee, which established a red flag to investigate possible compromises. Luckily, the employee was able to confirm their travel which allowed IT to dismiss the red flag.

NRECA REPORT

Director Michael Brown asked the board to the NRECA report on dropbox. Brown reported the NRECA has set a date of September 8, 2020 for employees to return to the office. A regional meeting will be held virtually the week of October 12th-16th. Director courses have been made available virtually throughout the next couple months in result to COVID-19.

VMD REPORT

Director Patricia Dorey reported a long-time board member, Wayne Browning passed May 27, 2020.

Director Dorey reported, eight DEC students received scholarships which was the highest number awarded and the highest number of applicants.

Director Dorey reported the virtual Annual meeting date has been set for July 28th. Director Dorey will be taking over as President of the VMD Board.

PRESIDENT'S ROUNDTABLE

President & CEO, Bill Andrew reported how well the staff and employees have worked, while under the State of Emergency. Overall, DEC is doing well in respect to the budget and its' margins, 2020 is expected to be one of the best, despite this year's events.

ADJOURNMENT

Having no other business to come before the Board, the meeting was adjourned at 2:21 p.m.

EXECUTIVE SESSION

Chairman Wells called for an Executive Session. The Executive Session meeting was adjourned at 3:00 p.m.

Chairman

Secretary