

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

December 14, 2023

CALL TO ORDER

The regular meeting of the Board of Directors of Delaware Electric Cooperative, Inc. was held at the Delaware Electric Cooperative headquarters in Greenwood, Delaware, on Thursday, December 14, 2023 at 9:30 a.m. Chair Patricia S. Dorey called the meeting to order. The following directors were present: William J. Wells, Michael K. Brown, Thomas E. Brown, Hunter J. Emory, Laura T. Phillips, Charles L. Towles, Jr., William P. Haughey, Jr., Bruce R. Walton, and Blaine M. Daisey.

Also present at the meeting were Dwayne Street, Dawn Smart, Jesse Spampinato, Troy Dickerson, Dave Shapley, Kevin Yingling, Bruce Campbell, Kyle Bouika, Jamie Nutter, and Teresa McCann, who recorded the minutes of the meeting.

INVOCATION / PLEDGE OF ALLEGIANCE

Invocation was given by Director Towles, followed by the Pledge of Allegiance.

ZOOM VISIT BY PRESIDENT & CEO ROB BOOK

President & CEO Rob Book visited the Board via a Zoom call. Rob updated the Board on his health progress and stated his gratitude for the outpouring of support from his Co-op and church families. He reported he is looking forward to being able to return in 2024.

INTRODUCTION OF NEW EMPLOYEES

Vice President of Human Resources, Dawn Smart, introduced System Dispatch Coordinator, Christopher Sexton.

APPROVAL OF MINUTES

The Minutes of the regular meeting of November 15, 2023 were approved.

HUMAN RESOURCES REPORT

Vice President Dawn Smart updated the Board on upcoming retirements, open positions, safety, training, and development, pending litigation and employee engagement.

POLICIES

Vice President of Human Resources, Dawn Smart reviewed changes to administrative policies 400.01, 400.04 and 400.15. The Board approved all changes.

Ms. Smart also reviewed changes to administrative policy 400.20. The policy was passed with eight board members in favor of, one abstaining from voting, and one voting no, due to thinking that the policy was too lenient.

SPECIAL PROJECTS & INNOVATION REPORT

Vice President of Innovation and Special Projects, Dave Shapley, gave updated information on the performance of DEC's existing renewable project portfolio and gave an update on the status of DEC's solar projects under development.

FINANCIAL REPORT

Vice President Bruce Campbell reviewed the financial performance of the cooperative for month-ending November 2023.

2024 CAPEX

Vice President Troy Dickerson reviewed the 2024 Capital Expenditure (CAPEX) Plan as part of the budget process. The one-year plan identified all project expenditures needed for DEC to achieve its business objectives across the various functions of the business. The CAPEX Plan was approved by the Board.

COST OF SERVICE STUDY

Vice President, Dave Shapley reviewed the Cost of Service Study with the Board. He explained the study is done every two years with the goal, this year, to eliminate seasonal (summer/winter) rates; simplify the rate classes, provide equity among rate classes, and balance the supply and distribution sides. The Board accepted the Finance Committee recommendation to consider the proposed rate changes, based on the Cost of Service Study.

2024 BUDGET

Vice President, Bruce Campbell presented the proposed 2024 Budget. Director Tom Brown reported the Finance Committee recommended acceptance of the proposed budget. Upon motion made and seconded, the budget was accepted unanimously. Mr. Campbell also reviewed the Bad Debt Write-off report. Upon motion made and seconded, the Bad Debt Write-off was unanimously approved.

ENGINEERING REPORT

Vice President, Troy Dickerson reported on the performance of the engineering department relative to new services, jobs engineered and staked and un-staked work orders. He also shared information regarding new developments and a transformer update.

OPERATIONS REPORT

Vice President, Jesse Spampinato reviewed plans for expanding distribution automation (DA) in more areas as well as the system reliability, construction statistics, vegetation management, load control and Beat the Peak (load control) performance for the month.

TECHNOLOGY REPORT

Vice President of Technology Kyle Bouika reported on DEC's network and application reliability by updating Palos and Global Protect. He reported keeping firewalls updated were a

key defense in system protection. He also reported that efforts continue to educate on recognizing phishing attempts.

MEMBER SERVICES REPORT

Vice President Kevin Yingling reported communication efforts in November addressed capital credits press releases, the Christmas Ad campaign, increasing member identity and social media content that would stress Holiday Safety and Energy Tips.

He also shared call center statistics for the month and how DEC residential rates compared with other peer electric utilities.

ODEC REPORT

Director Mike Brown gave a summary of the ODEC Board meetings that were held on December 11th and 12th. He also suggested an interesting read; a book entitled “The Unpopular Truth: about Electricity and the Future of Energy”.

LEGISLATIVE REPORT

Jamie Nutter shared a recap of potential upcoming legislation.

NRECA REPORT

Director Hunter Emory reviewed highlights from the December NRECA meeting. He also notified the board that he would be stepping down from his role as the NRECA representative. The Board expressed their appreciation for his time in that role. The Board elected Director Tom Brown to serve as NRECA representative starting March 2024.

RECOGNITION

Chair Dorey recognized Director Laura Phillips for completing her Director Gold recertification and presented her with her certificate.

VMD REPORT

There was no VMD report.

COO REPORT

COO Dwayne Street reviewed 2023 goals met over the past year and plans for 2024. He also advised that the possibility exist to have eight to ten retirements occurring in 2024.

ADJOURNMENT

Having no other business to come before the Board, the meeting adjourned at 3:00 pm.

EXECUTIVE SESSION

Chair Pat Dorey called for an Executive Session. The Board exited the Executive Session meeting at 3:26 p.m.

Secretary

Chair