

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

**October 17, 2018**

**CALL TO ORDER**

The regular meeting of the Board of Directors of Delaware Electric Cooperative, Inc. was held at the office of the Cooperative in Greenwood, Delaware, on Wednesday, October 17, 2018, at 10:06 a.m. Chairman William J. Wells called the meeting to order. The following directors were present: Dean C. Belt, Blaine M. Daisey, Sr., Patricia S. Dorey, William P. Haughey, Jr., Bruce A. Henry, William W. Noel, Jr., Laura T. Phillips, Charles L. Towles and Bruce R. Walton.

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

**APPROVAL OF MINUTES**

The Minutes of September 19, 2018 were approved.

**HUMAN RESOURCES REPORT**

Dawn Smart, Vice President of Human Resources, asked the board to read the Safety Report that is in the drop box.

V.P. Smart called upon Jesse Spampinato, V.P. of Operations and Maintenance, to introduce the new Journeyman Linemen Benjamin Lloyd and Dylan Shockley. V.P. of Technology, Dwayne Street, introduced the new Network & System Administrator, Raymond Olsen.

**FINANCIAL REPORT**

Bruce Campbell, Vice President of Finance & Accounting, reviewed the September 2018 Financial Report with the Board.

## **ENGINEERING, PLANNING & INNOVATION**

Vice President of Engineering Strategy and Innovation, David Shapley, reported that growth continues to outpace last years, not only in new services but Miss Utility as well. Miss Utility tickets continue on an upward trend. Growth is 6% above for this month and 11% above for the year-to-date, when compared with last year.

V.P. Shapley reported that the total number of RF meters currently installed is 22,205, which accounts for ~23% of total meters. Any new meters or replacements set within the RF area will be the new RF meters. Read rates continue to improve.

## **ENGINEERING**

Troy Dickerson, Assistant Vice President of Engineering, reported that year-to-date new services (2,095) have increased by 11.46% from last year, (2,335).

Year-to-date, 3,593 jobs were engineered versus 3,360 last year, a decrease of 1.56%. There were 3,451 year-to-date work order requests, versus 3,398 requests last year, an increase of 6.93% engineered and sent to construction for installation.

Assistant V.P. Dickerson reported that over the past five years, there have been five wildlife related substation outages. There were three outages at Workman Substation, one at Kratz Substation and one at Short Substation. At Kratz, wildlife protection has been installed. For Workman Substation, wildlife protection is ordered.

Infrared Electrical Inspection is completed at every substation and switching station during August of every year. One hundred seventy-six pieces of equipment were tested, of which forty-five showed concerns, nine of which were critical.

Assistant V.P. Dickerson reported that the old meter test board, that has been used since 1990, is retired. A new state-of-the-art meter test board is up and running, which features bar coding meters and the transfer of information automatically to NISC. He reported that the meter technicians were trained on new testing procedures. Current testing procedures were evaluated and minor changes were made.

He also reported 12 group bids were sent out in September for the following: Wire/Cable, Transformers, and Enclosures/Fiberglass Pads. The Wire/Cable bid has been received with a net savings of \$200,000 over quantity purchased.

### **OPERATIONS AND MAINTENANCE**

Vice President of Operations, Jesse Spampinato, presented the Operations Report to the Board. V.P. Spampinato reported year-to-date (SAIDI) ratings are 62.51 minutes per member in 2018 versus 65.01 minutes per member in 2017, a decrease of 3.85% year to date. The (SAIFI) ratings were 0.983 interruptions per member in 2018 versus 0.976 interruptions per member in 2017, an increase of 0.72% year-to-date.

### **MEMBER SERVICE REPORT**

Vice President of Member Services, Rob Book, presented the Member Service Report to the Board. V.P. Book handed out the annual meeting statistics which indicated the meeting as one of the largest attended Annual Meetings. He reminded the Board that DEC's Member Committee meeting is Thursday, October 25, from 5:00-8:00 p.m. The 31st Annual Beebe Ball is Saturday, November 17, 2018 at Rehoboth Beach Country Club from 6:00-11:00 p.m.

V.P. Book reported that September was another strong month for Beat the Peak. More than 200 members signed up for the program, making it the second best month since the summer of 2017. So far this year, 1,400 members have signed-up for the program, an increase from 2017. V.P. Book also reported CEO Bill Andrew appeared on WBOC-TV in early October to, once again, celebrate the 10<sup>th</sup> anniversary of the program.

V.P. Book reported a special video was produced in September focusing on the Co-op's fascinating history and past innovations. The video was used during DEC's S&P presentation in New York and was aired in August on WBOC's Delmarva Life to an estimated audience of 50,000.

V.P. Book reported that planning is now underway for a revamped DEC

website and a new Beat the Peak app to better serve our member-owners.

Marketing and Communications Manager, Jeremy Tucker, represented DEC at Touchstone Energy's Board Strategy Committee meeting in New York City in October. The committee is working on a new editorial focusing on Electric Vehicles and a new "heroes" broadcast campaign featuring kids and linemen.

## **LEGISLATIVE REPORT**

## **TECHNOLOGY REPORT**

Dwayne Street, Vice President of Technology, reported that the Critical Infrastructure Availability for the month of September was at 100% in several areas, and the Wide Area Network (Fiber) was at 99.7%, due to a scheduled 2 hour maintenance for firewall updates on September 13, 2018.

V.P. Street also reported that October was Cyber Security Awareness Month. He reported PCI Compliance had been completed for 2018 and 2019, with minimal infrastructure changes required. The mobile web filtering was extended, which reduced mobile vulnerabilities.

## **REGULATORY REPORT**

V.P. Nielson provided the Board with an update on the Bruce Henry Solar Farm. During the month of September, the solar farm produced 426,743 kWh and had a 957 kW impact on the coincident peak. Inverter No. 6 has been offline periodically due to some type of failure, which is under investigation. For the month, the kWh production was 23.10% less than forecasted. For the year, the solar farm has generated 5,360,678 kWhs.

V.P. Nielson provided an update on the Clean Bay Renewables energy project in Georgetown.

V.P. Nielson provided an update on the Cooperative's retail choice restart. Internal tests of systems processes are currently being performed and it is hoped to test

with a third party supplier in November, with the anticipation of opening up our service area for retail choice in December or January.

V.P. Nielson discussed with the Board the 2019 Strategic Planning Retreat. After some discussion the board agreed to holding the retreat on April 4-5, 2019 at Dover Downs.

### **ODEC REPORT**

Director Bruce Henry discussed, in detail, the Confidential ODEC report summarizing facts released from the August, 2018 ODEC Board Meeting.

### **NRECA REPORT**

Director Noel commented on Senator Coons great recognition of our Co-op. He advised that ACRE 2019 has gone to a calendar year.

### **PRESIDENT'S REPORT**

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

### **ISSUES REQUIRING DECISIONS**

- **Year 2019 Proposed Board Meeting Dates**

The following dates for 2019 board meetings were approved:

January 16, 2019  
February 20, 2019  
March 20, 2019  
April 17, 2019  
May 22, 2019  
June 19, 2019  
July 17, 2019  
August 21, 2019  
September 18, 2019  
October 16, 2019  
November 20, 2019  
December 18, 2019

**PURPA**

Attorney Jamie Nutter explained the resolution of DEC authorizing ODEC to accept certain PURPA obligations and supporting joint implementation plans to the Board.

**ADJOURNMENT**

A number of other issues of interest for the Board were electronically mailed. Chairman Wells asked the Board if they had any questions concerning those items. Having no other business to come before the board, the meeting was adjourned at 2:14 p.m.

**EXECUTIVE SESSION**

Chairman Wells called for an Executive Session. The Executive Session meeting was adjourned at 3:05 p.m.

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Secretary

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Chairman