

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

September 21, 2022

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 Wednesday, September 21, 2022, at 10:30 am. 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, Bruce A. Henry, Laura T. Phillips, Charles L. Towles, Jr., William P. Haughey, Jr., Bruce R. Walton, and Blaine M. Daisey.

Also present at the meeting were Gregory Starheim, Tom Beamon, Rob Book, Jesse Spampinato, Dawn Smart, Dave Shapley, Dwayne Street, Troy Dickerson, Jamie Nutter and Lauren Freese, who recorded the minutes of the meeting, and Nick Benner, Gary Hobson and Tim Mesa who attended for their part of the meeting.

INVOCATION / PLEDGE OF ALLEGIANCE

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

INTRODUCTION OF NEW EMPLOYEES

Nick Benner, HR Benefits Administrator, was introduced to the Board as a new employee.

SPECIAL TOPIC: Facilities Planning

Mr. Gary Hobson and Mr. Tim Mesa presented an overview of Cooperative Building Solutions and their approach and schedule for a preliminary facility planning assessment.

APPROVAL OF MINUTES

The Minutes of the Organizational meeting of August 16, 2022 were approved.

The Minutes of the regular meeting of August 18, 2022 were approved.

The Minutes of the Special Rate Hearing of August 18, 2022 were approved.

CORPORATE CALENDAR

President Starheim highlighted certain events on the corporate calendar which included the Employee Satisfaction Survey which will be conducted in the fourth quarter of 2022.

PRESIDENT'S REPORT

President and CEO, Gregory Starheim reported that it has been a very busy month with work on annual employee compensation actions and the development of a new employee benefits plan. He reported on continued supply chain challenges and critical minimum inventory levels and that DEC will be hosting a call between national homebuilders and NRECA. President Starheim also shared information about the increasing wholesale power costs in the U.S.

HUMAN RESOURCES REPORT

Vice President of Human Resources, Dawn Smart, reported open positions at DEC and that a total of 74 people (67 in person and 7 on-line) took the OSHA-10 training.

She updated the Board on current DEC COVID statistics, union relations and grievances and progress on the Culture Improvement action plan.

POLICIES

VP Dawn Smart presented and reviewed proposed revisions to Administrative Policy 400.0. Action was deferred to the October 2022 Board meeting.

FINANCIAL REPORT

Chief Financial Officer, Tom Beamon reported on the financial performance of the cooperative for month-ending July 2022, as well as the creation of a regulatory asset if needed to address the recent unprecedented increases in wholesale power costs. Year-end financial projections will be presented at the October Board meeting to support discussion of a possible 2022 capital credit general retirement.

SPECIAL PROJECTS & INNOVATION REPORT

Vice President of Special Projects & Innovation, Dave Shapley, presented updated information to the Board on the performance of DEC's existing renewable project portfolio and gave an update on the status of DEC's solar projects under development. He also reviewed the annual RPS Comparable Plan 2021 – 2022 Compliance Report which will be submitted to state officials after the Board meeting.

ENGINEERING REPORT

Vice President, Troy Dickerson presented the Engineering Report to the Board. He reported on the performance of the engineering department relating to new services, jobs engineered and staked and un-staked work orders. He also shared information regarding new developments and the ongoing progress of the new Dorey and Frazier Substations.

OPERATIONS REPORT

Vice President, Jesse Spampinato reported on the circuit outage events in August 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, Dwayne Street reported on DEC network and application reliability in August and ongoing DEC efforts to address cyber-security risks. He also noted that DEC will be donating five outdated servers and retired networking equipment to DelTech.

MEMBER SERVICES REPORT

Vice President, Rob Book reported on external communications in August regarding the changes to the recent PCA adjustment and implementation of net-metering statutes. He reviewed several community affairs events that are scheduled to occur in October. He also shared call center statistics for the month and how DEC residential rates compare with other peer electric utilities.

ODEC REPORT

Director Mike Brown reported on the ODEC Board meetings that were held on September 12 and 13 at the Clover Power Station, including the PJM Indian River “Reliability Must Run” tariff that will impact DEC’s transmission costs in 2023.

LEGISLATIVE REPORT

Director Charlie Towles reported that the legislature is still in recess and Jamie Nutter remarked on the recent primary election.

NRECA REPORT

Director Hunter Emory reported on the recent Region 1 meeting including significant policy achievements and that the co-ops priorities are still reliability and supply chain issues.

VMD REPORT

There was no VMD report. Director Dorey is planning to attend the VMD Board Budget meetings being held October 24 – 25 in Virginia.

ADJOURNMENT

Having no other business to come before the Board, the meeting was adjourned at 3:27 p.m.

EXECUTIVE SESSION

Chair Pat Dorey called for an Executive Session. The Board exited the Executive Session meeting at 6:30 pm and adjourned the board meeting at that time.

Secretary

Chairperson