

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
November 18, 2021

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:22 a.m. on Thursday, November 18, 2021, by President Jim Kolen, in the conference room at CCEC Headquarters office, Port Orford, Oregon.

Secretary Herzog called roll and stated a quorum was present. Also present were General Manager/Chief Executive Officer (GM/CEO) Brent Bischoff, Chief Financial Officer Paul Keeler, Marketing & Member Services Manager Jacob Knudsen, and Executive Assistant Shelly Smith-Napier. General Legal Counsel Tyler Pepple was in attendance via teleconference.

A motion was made and seconded to approve, as presented, the regular Board meeting agenda and the motion carried unanimously.

President Kolen advised the Board that no member had applied, under P#300-030, to attend the Board meeting and speak to the Board.

A motion was made and seconded to approve, as presented, the minutes of the October 27, 2021 regular meeting of the Board of Directors. The motion carried unanimously.

II. CONSENT AGENDA

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the list of new members for 10/2021; the members purge list for 11/2021, the GM/CEO's & Directors' expenses for 10/2021; and CCEC's attorney invoice. The

motion carried unanimously.

III. MANAGER'S REPORT

Chief Financial Officer (CFO) Keeler reviewed the October financials. Operating revenue is at 86% of the year-to-date budget and the cost of purchased power is at 84.8% of the year-to-date budget. kWh sold during October was 8.14% higher than October 2020. The cost per kWh decreased slightly in October going up from 0.0420 cents to 0.0391 cents.

The October write-off report was reviewed.

The November safety report was reviewed. There were no reportable injuries or accidents during the month.

IV. ITEMS OF BUSINESS

A. Wholesale Power Issues (BPA, PNGC Power and PPC)

PNGC has identified the residential exchange program (REP) as a significant uncertainty in the strategic plan working toward renewal of the post 2028 BPA power sales contract. The present settlement gives IOUs REP credits that they pass to their residential and agricultural customers. The REP settlement expires at the same time as the BPA power sales contract but there is no plan at this time for resolving the Residential Exchange issue post 2028.

B. Draft 2022 CCEC Budget

CFO Keeler distributed the 2022 proposed operating budget and capital budget to the board. He confirmed the draft budget meets the requirements of CCEC's Equity Management policy (#100-260) with an estimated TIER of 1.82, Modified Debt Service Coverage (MDSC) of 2.03 and an equity rate above 50%.

The estimated revenue is projected at \$39.3M and the net margin is projected at

\$1.9M. GM/CEO Bischoff discussed the inclusion of 3 new full-time positions. CFO Keeler will scrutinize the draft in more detail and will present any changes at the December board meeting and will ask for board approval of the 2022 budget.

C. Retirement and Payment of Capital Credits

CFO Keeler presented two options for the 2021 retirement of capital credits to the membership. Option 1: retire the approved 2021 budgeted amount of approximately \$2.2M and maintain an equity level of 55.41%, or Option 2: retire approximately \$3.1M and maintain an equity level of 54.78%. CFO Keeler also suggested applying retirement payments of less than \$10 to members' accounts as it is more cost effective than incurring the cost of mailing a check. A motion was made and seconded to approve option 2 and apply retirements of less than \$10 to members' accounts and the motion passed unanimously.

D. Open Discussion

None.

E. Miscellaneous

1. Director Radabaugh and Director McMahan will continue to serve as the appointed 2022 ORECA Board Member and Alternate. Director Radabaugh will continue to serve as the 2022 ACRE Committee Designee.
2. The 2022 CCEC board meetings will be held on the 4th Thursday of each month apart from June. The June annual meeting and board meetings will be held on the 3rd Thursday, June 16, 2022.
3. GM/CEO Bischoff presented the NRECA Gold Certificate to Director Radabaugh and the NRECA Board Leadership Certificate to Director Cockerham.

V. EXECUTIVE SESSION

The regular Board meeting adjourned to an executive session at 11:00 a.m. to

discuss member issues, contract matters and employee issues. The regular meeting reconvened at 11:08 a.m. The board held an exclusive executive session at 12:38 p.m. and adjourned at 1:12 p.m.

VI. ADJOURN

The next regular meeting of the Board of Directors is scheduled for Thursday, December 16, 2021 at CCEC's office in Port Orford, Oregon.

The meeting adjourned at 1:13 p.m.

/s/ John Herzog
John Herzog, Secretary

ATTEST:

/s/ Jim Kolen
Jim Kolen, President