

Utilities District of Western Indiana REMC
Regular Meeting of the Board of Directors
Minutes for January 22, 2024

The Board of Directors of the Utilities District of Western Indiana Rural Electric Membership Corporation met at the office of the corporation, Bloomfield, Indiana, at 6:30 p.m. on January 22, 2024.

President W. Edward Cullison called the meeting to order at 6:30 p.m.

Ms. Hendrix gave the invocation.

The following directors reported present:

Todd Carpenter	Dax Collins (exit 8:20)	W. Edward Cullison
Melinda Hendrix (virtual)	David Kirkling	Michael Williams

Others present were CEO Doug Childs; COO Shane Smith; CFO Michael Sullivan; Office Manager Lydia Campbell; Dispatch Manager Britt Miller; Hoosier Energy CEO Donna Walker; Hoosier Energy Executive Vice President of Operations and COO Rob Horton; Amanda Craft (virtual); and member Richard Nichols.

Mr. Carpenter motioned to excuse the absence of Ms. Haywood. Mr. Collins seconded the motion and all approved.

Mr. Cullison called for additions or corrections to the meeting agenda. Hearing none, Mr. Collins made a motion to approve the agenda. Mr. Williams seconded, and the motion carried.

Mr. Cullison also called for additions or corrections to the minutes of the December 18, 2023, regular session board meeting. Mr. Williams made a motion to accept the minutes as presented. Mr. Carpenter seconded, and the motion carried.

In continuing with the Board Education Series, guest speakers Hoosier Energy CEO Donna Walker and Executive VP & COO Rob Horton presented on trending topics affecting the electric industry. Many global political and economic risks continue to affect power, natural gas, and coal futures. The wars overseas, inflation, and interest rates are among a few. Fuel supplies remain at risk during extreme cold weather events. MISO reliability and resource assessments indicate risk areas for the country and forecast energy curtailment plans to manage demand.

Hoosier Energy rate perspectives show stability from 2012 through 2021 with volatility appearing in 2022 and remaining for the next decade due to the newly implemented rate design, a direct result of national and global risks factors.

Hoosier Energy extended wholesale power contracts with all 18 member cooperatives for an additional five years. The new 5% member flexibility policy is viewed positively by all involved parties. Capacity requirements are substantially in place through 2032.

Ms. Craft provided a brief report for the review of both traditional and social media communications. Her team assists with newsletter creation and social media inquiries and posts. They helped to update the rebate program online forms and created an outage text template for future weather-related events.

Mr. Sullivan presented the cooperative monthly/quarterly financial reports. He reviewed the Financial Highlights report which showed 2023 revenue was up when compared to 2022 totals even though kWh sales were down. The increase in sales revenue was directly due to the tracker.

Mr. Sullivan provided a brief review of loan processes through Cooperative Financial Cooperation (CFC). He spoke with representatives of CFC recently to discuss the process of loan initiation. UDWI looks to borrow \$30 million over the next five years. This projection is based on staff calculations driven by the current construction and long-range work plans. The current mortgage allows for a max of \$75 million

total debt. The cooperative's current debt is approximately \$26 million, with \$10 million of principal being paid down over the next five years.

Mr. Smith presented the operations department reports.

He added a new graph to the end of the Operations and Engineering Report depicting the 5-year overtime hours trends. The calendar year 2023 was the highest due to the major weather and outage events.

The Outage Dashboard reflected the major events also, putting 2023 over the 5-year average figures.

The Vegetation Management report showed 18% production above target for line clearance. This year, we will need to bid out work to contractors as 70 miles will be added to the targeted goal.

Mr. Smith reviewed the System Statistics report in detail. He explained each individual category as well as the new graphs on page two.

Mr. Childs presented the Manager's Reports.

First, he reported on HHM business. The Board of Directors met on January 17, 2024.

Total clearing for 2023 equated to 733 miles, one-quarter of the entire member system.

The December 2023 Hoosier Energy invoice was available for review. The cost per MWh was \$5.00 lower than the previous month.

The Hoosier Energy (H.E.) Annual Meeting is scheduled for April 3, 2024. Pursuant to their Bylaws Article III Section 3, each member cooperative is entitled to be represented at the meeting by a delegate with the authority to cast one vote on all matters. In the same article and section of the Bylaws, each member system is required to submit its nominee for the board of directors. Mr. Williams suggested Ms. Haywood remain as the voting delegate and Mr. Carpenter as the UDWI REMC board representative. Mr. Dugan seconded the motion, and the vote passed. H.E. requires the two provided certificates to be updated and returned annually.

Lastly, Mr. Childs presented employee accomplishments and shared comments from members.

Mr. Cullison called for a review and revision of cooperative and board policies and bylaws.

The board reviewed the changes and updates suggested by cooperative legal counsel.

The following policies were presented for review, approval, or rescission.

- Rescind - Board Policy No. 205.0 – Signatures for Communications and Financial Reports
- Rescind - Board Policy No. 206.0 – Service of Consultants
- Approve - Board Policy No. 207.0 – Contributions and Donations

Mr. Williams made a motion on the suggestion to rescind the two policies. Ms. Hendrix seconded the motion; the vote passed. Mr. Kirkling made a motion to approve the remaining policy as recommended. Mr. Dugan seconded the motion; the vote passed.

The Board continued the discussion from the last meeting on the concept of a training retreat provided by Solidity Consulting LLC. As requested, a proposed program overview was provided. After discussion, the Board agreed that the program needs to include more information and detail. Mr. Williams suggested the topic be tabled until the February meeting to allow more time for program overview updates.

Mr. Kirkling seconded the motion; the vote passed.

Mr. Cullison called for individual Director Committee reports. No committee met in the last four weeks.

District 2 Director Todd Carpenter reported on updates and events at Hoosier Energy.

The Board of Directors met on January 16, 2024. The main topics discussed were the Palisades project and strategic priorities. Guest speakers were John Cassady and Ryan Heater of IEC.

Treasurer Michael Williams reported on updates and events at Indiana Electric Cooperative (IEC).

The Board of Directors did not hold a January meeting. IEC hired a new VP of Government Relations. He is proactive and has set goals to get state representatives more involved in cooperative business. He would like to see 100% FORE participation among all member cooperatives.

Mr. Cullison offered reminders for upcoming training and meetings.

Indiana Electric Cooperatives (IEC) is offering a CCD Refresher Course for those that have received the certification and want to brush up on the information gained from previous classes. The course will be held onsite (with virtual option available) on February 9, 2024, from 9:00 a.m. to 4:00 p.m.

The next three UDWI REMC board meetings were approved and scheduled February 26, 2024, March 25, 2024, and April 22, 2024.

The 2024 Annual Meeting of Member is scheduled for April 24, 2024, at UDWI headquarters.

With no further business presented, Mr. Cullison adjourned the regular session meeting at 9:00 p.m. to convene into an executive session. The session included Mr. Childs, Mr. Smith, Mr. Sullivan, and all directors in attendance. Mr. Cullison officially adjourned the meeting at 9:23 p.m.

APPROVED:

W. Edward Cullison, President

Lydia Campbell, Office Manager