

RAPPAHANNOCK ELECTRIC COOPERATIVE
BOARD OF DIRECTORS MEETING

MINUTES

WEDNESDAY, JANUARY 24, 2024

The regular meeting of the Board of Directors of Rappahannock Electric Cooperative (“REC”) was held at REC’s headquarters office, located at 247 Industrial Court, Fredericksburg, VA 22408, on Wednesday, January 24, 2024, pursuant to a five-day prior notice, all in accordance with REC’s Bylaws. The following directors were present:

Eugene L. Campbell, Jr., Darlene Carpenter, Linda R. Gray, Michael W. Lindsay, Eric T. Paulson, Sanford Reaves, Jr., Christopher G. Shipe, Randy Thomas, and J. Mark Wood.

Also present were:

*President & Chief Executive Officer, John D. Hewa
Chief Engagement & Consumer Officer, Tracey Steiner
Chief Administrative & Finance Officer, Lawrence (Larry) G. Andrews
Chief Strategy, Technology & Innovation Officer, Peter Muhoro
Chief Grid Operations Officer, Jason Satterwhite
Assistant Secretary & Executive Assistant, Whitney S. Watts
General Counsel, Charles W. Payne, Jr.*

The following REC staff joined the meeting for various presentations:

Director of Safety and Security Officer, John Medved
Director of Enterprise Analytics and Innovation, Eugene Hamrick
Data Strategy & Innovation Architect, Adam Elrod
Director of Government Affairs, Lindsey Watson

Chairman Shipe called the meeting to order at 10:10 a.m. Thereafter, with Mr. Shipe presiding, and with these minutes being transcribed under the direction of Secretary Linda R. Gray, the following proceedings took place (all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the board, or without dissenting vote or abstention, unless otherwise stated).

Larry Andrews conducted the safety briefing.

Eugene Campbell, Jr. gave the meeting invocation.

Approval of Agenda

Chairman Shipe called for any changes, edits, or additions to the agenda. Hearing none, the **board voted to approve the agenda for the January 24, 2024 meeting.**

Introductions & Announcements

Mr. Hewa informed the board that co-op staff members Rachel Lugo and Brian Baer, both earned their Certified Cooperative Communicator designation from NRECA.

Mr. Hewa reminded the board of the upcoming member comment session that is available at the February 21 meeting.

Lastly, Mr. Hewa was pleased to inform the board that BrilliT, REC’s subsidiary was a partner in the successful NRECA grant. This represents a strong win for BrilliT and the team is looking forward to this important work alongside NRECA.

Approval of the Consent Agenda

Chairman Shipe asked if there were any changes or corrections to the Consent Agenda. After review and discussion of the Consent Agenda, the Board **voted to approve the Consent Agenda containing the Minutes of the November 29, 2023 regular meeting, the November 2023 Safety Report, the December 2023 Safety Report, the November 2023 Operating Report and Presentation, the Final 2024 Annual Operating Plan/Presentation (adjusted for final numbers from ODEC) and the triennial policy review for the Policy Against Harassment and Discrimination and the RUS Non-Discrimination Policy.**

Unfinished Business

There was no unfinished business to come before the board.

New Business

RESAP 2023 Results Presentation

John Medved, Director – Safety and Security Officer joined the meeting to present the result of the 2023 Rural Electric Safety Achievement Program (RESAP) audit. The audit was done in collaboration with the VMD Association. Overall REC performed very well with most areas earning an exceeds, satisfies, or partially satisfies requirements. Only one area was noted as needing attention. Mr. Medved shared the safety departments plans to address the areas of opportunity. He will also be working to assist other cooperatives with their RESAP audits this year. There will be an interim checkup in early 2024. Mr. Medved ended his presentation by reminding everyone of the motto to “treat every day as a RESAP day.”

Q4 2023 JD Power Results Presentation

Eugene Hamrick, Director – Enterprise Analytics and Innovation, and Adam Elrod, Data Strategy and Innovation Architect joined the meeting virtually to present the Q4 2023 JD Power results. They began by sharing the ACSI score for 2023 which was an 82. While that finished the year slightly lower than 2022, the Q4 result was an 86, which is much higher than previous quarters of 2023. They then focused on JD Power results for 2023, where REC finished with a score of 736. Overall, the industry was on a downward trend year over year, and REC was no exception. They discussed how price is impacting REC members, as 2023 was a difficult year for power cost adjustments (PCA). REC has established a member satisfaction team and will be using insights from this survey and others to address needs and hopefully see improvement in overall satisfaction.

Member Needs Survey Overview

Tracey Steiner provided an overview of the Member Needs Research Project that has been ongoing with NRECA’s Market Research group. This survey was completed by approximately 6,000 REC member owners. She shared insights from the survey on satisfaction by region, program awareness and participation, desired services, and many other highlights from this valuable feedback. Ms. Steiner noted that this data will inform staff in many areas, one of which is the rollout of the Vividly Brighter suite of offerings. She noted that she looks forward to sharing where REC will head next based on this data.

Reports

HR Committee Report

Sanford Reaves gave the HR Committee report. He noted that during the committee meeting REC’s HR staff provided an overview of 2023 DEI activities and shared highlights of upcoming 2024 training and employee engagement opportunities.

Annual Meeting Committee Report

Mark Wood gave the Annual Meeting Committee report. Mr. Wood shared that the 2024 Annual Meeting will be held on August 7, 2024 and will be in the same virtual format as the last several years. The director election process will begin on March 1, 2024 when forms become available. Mr. Wood thanked the staff who works diligently to ensure all details of the Annual Meeting and director elections are seamless.

Report of the President

Mr. Hewa provided an update on Cooperative business over the past month. He shared that the State Corporation Commission (SCC) filing for Hyperscale Energy was submitted on January 23, 2024 and REC anticipates several months before any ruling. He then turned to Dr. Muhoro who provided a detailed overview of the current grant applications that REC has submitted with various agencies. His update included project details, funding amounts requested, as well as a timeline for when project awards could be anticipated to be announced and subsequently implemented. Lastly, Mr. Hewa informed the board that staff is continuing its work towards REC’s PJM application following the events earlier this month relating to power supply.

Attorney's Report & Executive Session

The Board voted to enter executive session for the attorney's report and executive session agenda items at 1:06 p.m. and after proper motion, voted to exit executive session at 2:24 p.m. The Board entered executive session for purposes of discussing legal, employment, negotiations with third parties, or other items of business controlled by non-disclosure agreements or other confidentiality requirements.

No action was taken during executive session.

Board Travel and Training

Ms. Watts will be confirming details on the upcoming NRECA PowerXchange with those attending.

February Member Communications Review

The Board received a preview of the planned February member communications and report of the prior month's digital engagement statistics.

Chairman Shipe called for any further business.

There being no further business, **the Board voted to adjourn at 2:30 p.m.**

Linda R. Gray, Secretary

Attest:

Christopher G. Shipe, Chairman