

JO-CARROLL ENERGY, INC. (NFP)
August 26, 2020
Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held via video phone conference on Wednesday, August 26, 2020 at 9:00 A.M.

A Safety Moment was provided by Director Marcy Stanger.

Association of Illinois Electric Cooperatives (AIEC) Report – Senn reported on the Jo-Carroll Energy Annual Meeting that was held on August 22, noting that although the meeting was a different format this year due to Covid-19, everything went well. Director Mattingley also commented on the Annual Meeting and thought it was very well done. Director Smith noted the importance of fiber internet based on questions submitted by the members.

American Public Gas Association (APGA) Report American Public Gas Association (APGA) Report – Director Carroll discussed the latest topics within the gas industry, noting that APGA continues to meet virtually.

Dairyland Power Cooperative (DPC) – Director Mattingley provided highlights from the DPC Report and discussed the financials. Casper discussed efforts to leverage DPC's infrastructure needs to build out more fiber that distribution cooperatives can further develop.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary of the most recent generation numbers and an upcoming planned outage at Prairie State.

Policy 139 – A motion was made, seconded, and carried unanimously to approve Policy 139/Whistle Blower Protection as amended.

Financial Operating Report – Financial Operating Report – CFO Woods provided a summary of the financial operating report. YTD revenue is approximately \$34 million vs. a budgeted amount of \$34.29 million. Total operations and maintenance expenses were approximately \$532,000 over the budgeted amount of approximately \$30 million. The difference was due to the cost of purchased power. All other O&M expenses are under budget by (\$438,509). Operating margins are approximately (\$1.15 million) vs. a budgeted amount of (\$760,000).

Board Issues and Action Items

A motion was made, seconded, and carried unanimously to approve the Dairyland Power Cooperative PURPA Joint Implementation Plan Member Cooperative Board Resolution.

A motion was made, seconded, and carried unanimously to approve Rate Policy 747/ New Large Load Rate, 748/Economic Development and Load Retention Rate Credit Rider and Rate Policy 749/New Large Load Rate Credit Rider. These three rates were developed from incentives offered by DPC to attract new electric load.

A motion was made, seconded, and carried unanimously to approve the Dairyland Power Load Forecast Resolution.

A discussion was had on the current net metering cap of 5% of system load.

Operations and Regulatory Update

Operations Update - Kyle Buros, Senior Vice President and Assistant General Manager provided an operations update and discussed the progress of the fiber install to Chestnut Mountain. Polygon area GT5 will soon move to the next phase. Work continues with the Burns Rd. natural gas project and 20 new gas members have already signed up. Buros also commented on how quickly the outages from the recent Derecho storm were restored, noting that restoration times were much quicker than those for neighboring major utilities. Buros noted that this was one of the most challenging outages for Jo-Carroll Energy and that he was impressed with all of the employees at Jo-Carroll Energy and their hard work to get power restored quickly.

Regulatory Update - Chris Allendorf, V.P. of External Relations and General Counsel provided an update on Covid-19 in the service territory and the state. Allendorf also reported that Northwest Illinois Economic Development (NWILED) has ended their contract with CEDA and have hired Emily Legel to work solely under NWILED as its executive director.

Jennifer Meyer, V.P. of Member Services, discussed the arrears process for outstanding balances. Meyer noted that agencies providing payment assistance are available to members, such as LIHEAP, Neighbor to Neighbor funds, and grants.

Action Resulting from Executive Session – A motion was made to authorize the President & CEO or his designee(s) to execute all documents necessary for the USDA ReConnect grant by and on behalf of the cooperative, which was seconded and carried by a vote of 9-1.

Other Business – None.

Adjournment

Chairman Senn adjourned the meeting at 12:07 P.M.