

JO-CARROLL ENERGY, INC. (NFP)

April 24, 2019

Board Meeting Minutes Summary

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held at the cooperative's headquarters in Elizabeth, Illinois on Wednesday, April 24, 2019 at 9:00 A.M.

A Safety Moment was provided by Director Pat Smith.

Chairman's/AIEC Report – Director Senn noted that we are preparing for the Jo-Carroll Energy Annual Meeting.

APGA Report – Director Carroll provided an update on regulatory matters being followed by the American Public Gas Association (APGA). Chris Allendorf will be setting up meetings for Carroll, Casper, and other APGA representatives with federal legislators for the upcoming APGA Legislative Conference in Washington D.C.

Dairyland Power Cooperative (DPC) Report – Director Tindell provided highlights from the Dairyland Report and commented on restoration efforts in Wisconsin and Minnesota after winter/spring storm “Wesley”. Tindell noted that fuel deliveries have been disrupted because of flooding along the Mississippi.

Prairie Power Inc. (PPI) Report – President and CEO Casper provided the PPI generation reports and highlights from the PPI board meeting he recently attended.

Executive Committee Report – Director Senn provided a list of items that were reviewed and discussed during the Executive Committee Meeting.

Policy 125 (Employee Assistance Program) – A motion was made, seconded and carried unanimously to approve Policy 125 as amended.

Governance Overview Topic – Director Holesinger defined the relationship between the Board of Directors and the Cooperative's Attorney and described their respective roles.

CEO's Report – CFO Woods presented a review of the financial statement, discussed operating revenue and total operations and maintenance.

Financial Operating Report – YTD margins for March were approximately \$3.5 million vs. a budgeted amount of approximately \$2.7 million. The current equity of the cooperative is 24.98% compared to 24.67% this month last year. By general consent, the board moved to file the financial operating report with the auditor.

Strategic Objectives – Kyle Buros, Senior VP and Assistant General Manager noted that staff is looking to improve the distributed generation application process for both the cooperative and members. Buros commented on key performance indicators like efficiency, asset optimization, value, and growth. Buros also provided an update on fiber and the ReConnect grant application through the USDA.

External Relations Update – Chris Allendorf, Vice President of External Relations & General Counsel, discussed current legislative issues. Allendorf provided an update on

the activities of Northwest Illinois Economic Development (NWILED). The Build-it-Grow-it program is currently taking place in Stockton. NWILED is working with realtors on potential development of the Galena Honeywell production facility.

Board Issues and Action Items –

A motion was made, seconded, and carried unanimously to approve the Discounted Estate Capital Credit Retirements.

A motion was made, seconded, and carried unanimously to approve the 2018 Margin Allocations.

A motion was made, seconded, and carried unanimously to approve Rate Policy 902 - Large Load Delivery and Service Rate - as amended.

A motion was made, seconded and carried unanimously to approve a Bluestem Energy Solutions Power Purchase Agreement for up to 9-MW of solar power.

Executive Session – A motion was made, seconded and carried unanimously to go into Executive Session at 10:56 A.M. A motion was made seconded and carried unanimously to come out of Executive Session at 11:36 A.M.

Action Items as a Result of Executive Session - A motion was made, seconded and carried unanimously to authorize the President and CEO to negotiate and execute necessary documents and agreements for the sale of certain transmission assets owned by the cooperative as a result of the 2007 Alliant acquisition.

Chairman Senn adjourned the meeting at 11:42 A.M.