

**PIONEER ELECTRIC COOPERATIVE, INC.  
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES**

April 26, 2023

**CALL TO ORDER**

The regular meeting of the Pioneer Electric Cooperative, Inc. (“Pioneer Electric” or “Cooperative”), Board of Trustees (“Board” or “Trustees”) was held in-person on Wednesday, April 26, 2023, at the Cooperative’s headquarters in Ulysses, Kansas. The meeting convened at 8:30 a.m.

Present at the regular meeting were Board President Martie Floyd, Secretary Treasurer John Jury, Assistant Secretary-Treasurer Mike Brewer, and Trustees Steve Arnold, James Bell, David C. Light, Alfred Alexander, Charles Milburn, and Board Counsel Paul Kitzke. Absent and excused was Vice President Jeff Moyer. Also present at the Board meeting were Stephen J. Epperson, Chief Executive Officer (“CEO”); Lindsay A. Campbell, Executive Vice President/Assistant CEO & General Counsel; Chantry C. Scott, Executive Vice President/CFO; Mike Haney, Vice President of Engineering and Operations; Clint Meier, Vice President of Engineering and Operations; and Anita Wendt, Vice President of Energy Services. Also in attendance for the full meeting was Pioneer Electric’s Michelle Brungardt, Executive Assistant. Board President Martie Floyd called the meeting to order.

**INVOCATION & PLEDGE OF ALLEGIANCE**

The meeting opened with an invocation and the Pledge of Allegiance.

**APPROVAL OF MEETING AGENDA AS PUBLISHED OR AMENDED**

A motion was made and seconded to approve the meeting agenda as published or amended.

Motion carried.

### **PUBLIC – INTRODUCTION OF GUESTS**

None.

### **CONSENT AGENDA**

- 1. Approval of March 22, 2023, Regular Board Meeting Minutes**
- 2. Approval of March 22, 2023, Executive Meeting Minutes**
- 3. Approval of New & Reactivated Memberships**
- 4. Approval of Deactivated Memberships**
- 5. Approval of March 2023 Estate Retirement Applications**
- 6. Approval of March 2023 General Fund Checks & Transactions**
- 7. Approval of March 2023 Board Expense Reports**
- 8. Approval of March CEO Expense Report**

After reviewing and discussing expense reports and General Fund Checks, a motion was made and seconded to approve the Consent Agenda. Motion carried.

### **NRECA LEGISLATIVE CONFERENCE UPDATE**

Trustees Michael Brewer and David Light along with CEO Stephen Epperson attended the NRECA Legislative Conference in Washington, DC from April 16<sup>th</sup> through April 19<sup>th</sup>. They all reported that the conference went well and that the overall theme was centered around reliability.

### **SUNFLOWER ELECTRIC UPDATE**

CEO Stephen J. Epperson updated the Board on Sunflower Electric Power Corporation (“Sunflower”) activities for the month of April. Specifically, CEO Epperson provided updates on the 2023 rate design study, Russell Solar, Fort Dodge Solar, and Liberal Solar project updates.

Executive Vice President/CFO Chantry Scott reviewed with the board a presentation on SPP market energy hedging recommendations.

## **CHIEF EXECUTIVE OFFICER'S REPORT**

### **1. Finance & Accounting Update**

#### **a. Financial & Operating/Capital Budget Report**

Chantry Scott, Executive Vice President/CFO, reviewed with the Board the March 2023 Financial and Operating Report numbers. After review and discussion, a motion was made and seconded to approve the March 2023 Financial and Operating Report numbers. Motion Carried. Executive VP/CFO Scott also advised that the 2023 annual audit should be finalized in the next week or two and will be uploaded to BoardPaq once it is available.

### **2. Engineering & Operations**

Ross Riley, Manager of Operations and Engineering, shared a presentation and discussion on the Hamilton Substation site options.

Clint Meier, Vice President of Engineering and Operations, elected to stand on a majority of the Engineering and Operations monthly written report as published for review in the Chief Executive Officer's report posted on BoardPaq. VP Meier shared some photos and updated the board on the progress being made on the new construction of the additional building and concrete work north of the Anixter building. He provided an update on recent promotions and announcement of the retirement of Mike Salsbury, Safety & Compliance Specialist.

### **3. Energy Services**

#### **a. Update on Aged Balances & Disconnects for Non-Payment**

Anita Wendt, Vice President of Energy Services, shared with the Board the month-to-date Pioneer Electric and Southern Pioneer March Aged Balance Reports, identifying the number of accounts delinquent and total dollar amount of arrearages by revenue class. A comparison from 2022 was also included revealing that on average there are less of the total of aged balances for Pioneer Electric and a comparable number of aged balances for Southern Pioneer compared to the previous year. VP Wendt also reported on the total number of disconnects for non-pay for each of Pioneer Electric and Southern Pioneer's billing cycles. The Kansas Cold Weather Rule is no longer in effect as of March 31, 2023, so we will see a rise in this number. Overall, the disconnect and accounts receivable process are continuing to go well for both companies, and Energy Services is continuing to promote all the ways to pay online, over the phone and with auto pay.

**b. Energy Services/ "In the News"**

Anita Wendt, Vice President of Energy Services, discussed recent happenings, upcoming events, and Facebook statistics at Pioneer Electric and Southern Pioneer.

**4. Regulatory Update**

Lindsay A. Campbell, Executive Vice President/Assistant CEO & General Counsel, advised she would stand on the majority of the written Regulatory Report as published on BoardPaq. Executive VP Campbell reported that Staff is working with its rate consultant, Power Systems Engineering, to complete and finalize for filing the 2023 consolidated formula based ratemaking plan annual update. She added that the customers should see those rate changes by August. She then reported on additional regulatory initiatives to take place over the next year, including that Staff is working with PSE to complete a rate

redesign filing for all rate classes, which would include implementation of a 3-part rate for Southern Pioneer residential customers. The rate re-design should be filed by the end of summer. Executive VP Campbell also mentioned that they will conduct an open meeting next month for the approval of the Renewable Energy Rider for Pioneer Electric Members.

## **5. Corporate Services**

Lindsay A. Campbell, Executive Vice President/Assistant CEO & General Counsel, advised she would stand on the written Corporate Services Report as published on BoardPaq.

## **6. Administration**

Lindsay A. Campbell, Executive Vice President/Assistant CEO & General Counsel, advised that she would stand on the majority of the written Administrative Report as published on BoardPaq. Manager Morales reviewed with the Board in Executive Session proposed organizational chart changes.

## **GENERAL COUNSEL'S REPORT**

Nothing to report.

## **MATTERS REQUIRING BOARD ACTION**

### **1. National Rural Utilities Cooperative Finance Corporation – Cooperative System Integrity Fund**

After discussion, a motion was made and seconded to donate 5% of Pioneer Electric's CFC patronage capital refund, but not to exceed \$1,000.00. Motion carried.

### **2. Appoint 2023 NCSC Annual Meeting Voting Delegates**

After review and discussion, a motion was made and seconded to appoint CEO Stephen Epperson as the mail-in voting delegate. Motion carried.

### **3. Appoint 2023 CFC Annual Meeting Voting Delegates**

After discussion, delegates were not appointed as there will not be anyone in attendance.

### **4. Grant County Community Foundation Donation**

After discussion, a motion was made and seconded to donate \$3,000 to the Grant County Community Foundation. Motion Carried.

### **OTHER BUSINESS**

1. NRECA New Director Orientation – April 25-28, 2023
2. KEC BOT Meeting – May 3-4, 2023
3. PECI & SPECo May Board Meeting – Friday, May 19, 2023
4. ACES – June 1-2, 2023
5. CFC Forum – June 19-21, 2023
6. CoBank 2023 Energy Directors Conference – July 24-26, 2023
7. KEC Summer Meeting – July 29-31, 2023
8. CoBank 2023 Energy & Water Executive Forum – August 29-31, 2023
9. NRECA Region 7&9 Meeting – September 26-28, 2023.

### **EXECUTIVE SESSION**

A motion was made to go into Executive Session at 2:14 p.m. Motion carried.

A motion was made and seconded to come out of Executive Session at 2:36 p.m. Motion carried.

### **ADJOURNMENT**

A motion was made and seconded to adjourn the meeting at 2:37 p.m. Motion carried.

  
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John Jury, Secretary-Treasurer

APPROVED:

  
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Martie Floyd, President