

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

June 26, 2024

**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 and remotely via Online Microsoft Office Teams on Wednesday, June 26, 2024, at the Cooperative’s headquarters in Ulysses, Kansas. The meeting convened at 8:30 a.m.

Present at the regular meeting were Board President Michael Brewer, Vice President Jeffrey Moyer, Secretary-Treasurer John Jury, Assistant Secretary-Treasurer David Light, and Trustees Alfred Alexander, James Bell, Charles Milburn, Mark Goehring, and Board Counsel/General Counsel Paul Kitzke. Trustee Lori Deyoe was in partial attendance remotely via Online Microsoft Office Teams. Also present at the Board meeting were Lindsay A. Campbell, Chief Executive Officer (“CEO”); Chantry C. Scott, Executive Vice President, Assistant CEO and CFO; and Anita Wendt, Vice President of Energy Services. Clint Meier, Vice President of Engineering and Operations was absent and excused. Also in attendance for the full meeting was Pioneer Electric’s Michelle Brungardt, Executive Assistant; Larissa Layman, Legal and Regulatory Affairs Coordinator; and Chris Wagner, Manager of Purchasing, Materials, and Facilities. In partial attendance for the meeting was Pioneer Electric’s Kristen Koehn, Manager of Energy Solutions; Melissa Morales, Manager of Human Resources; and Ross Riley, Manager of Engineering and Operations. Board President Michael Brewer 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 May 30, 2024, Regular Board Meeting Minutes**
- 2. Approval of May 30, 2024, Executive Meeting Minutes**
- 3. Approval of New & Reactivated Memberships**
- 4. Approval of Deactivated Memberships**
- 5. Approval of May 2024 Estate Retirement Applications**
- 6. Approval of May 2024 General Fund Checks & Transactions**
- 7. Approval of May 2024 Board Expense Reports**
- 8. Approval of May 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.

## **KEC MANAGER'S MEETING UPDATE**

Lindsay A. Campbell, CEO, and Chantry C. Scott, Executive Vice President, Assistant CEO and CFO, attended the KEC Manager's Meeting June 5-6, 2024, in Wichita, KS. Lindsay A. Campbell, CEO, reported that the meeting went well, and it had excellent leadership presentations.

Chantry C. Scott, Executive Vice President, Assistant CEO and CFO, shared that the meeting was very informational as briefings on EPA rules and rulings and implications for cooperatives concerning reliability was given. Additionally, there was a Build America, Buy America (“BABA”) presentation.

#### **CFC FORUM/ACES MEMBERS CONFERENCE UPDATE**

Board Trustees Michael Brewer, James Bell, Jeff Moyer, and Pioneer’s CEO, Lindsay A. Campbell, Larissa Layman, Legal and Regulatory Affairs Coordinator, and Michelle Brungardt, Executive Assistant attended the 2024 CFC/Forum and ACES Members Conference June 15-19, 2024, in Indianapolis, IN. The group reported that the conference offered exceptional speakers with content on leadership, geopolitical updates, markets, and industry trends and topics.

#### **PSE RATE DESIGN SEMINAR**

Larissa Layman, Legal and Regulatory Affairs Coordinator, Chris Wagner, Manager of Purchasing, Materials, and Facilities, and Kristen Koehn, Manager of Energy Solutions, attended the Rate Design Seminar May 30-31, 2024, in Broomfield, Colorado. They all shared that the seminar was informational and offered a substantial amount of education concerning rate design, cost of service studies, and energy innovation.

#### **SUNFLOWER ELECTRIC UPDATE**

CEO, Lindsay A. Campbell, updated the Board on Sunflower Electric Power Corporation (“Sunflower”) activities for the month of June. CEO Campbell shared updates on power supply and the EPA’s new Greenhouse Gas Emission Rules. Additionally, CEO Campbell reported on transmission policy updates and matters in the current 205 FERC Filing.

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

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

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

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, reviewed with the Board the June 2024 Financial and Operating Report numbers. After review and discussion, a motion was made and seconded to approve the June 2024 Financial and Operating Report numbers. Motion Carried.

#### **b. IRS Form 990**

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, distributed to the Board the Form 990 Questionnaire used to collect information necessary to complete the required IRS Form 990. Exec VP, Assist CEO & CFO Scott reviewed the form and answered any questions from the Board.

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

Due to the absence of Clint Meier, Vice President of Engineering and Operations, Ross Riley, Manager 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.

#### **a. Hamilton Transmission Line and Substation Project Update**

Ross Riley, Manager of Engineering and Operations, updated the Board on projects currently in progress and other projects that have been recently completed at Pioneer Electric and Southern Pioneer.

### **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 June Aged Balance Reports, identifying the number of accounts delinquent and total dollar amount of arrearages by revenue class. A comparison from 2023 was also included revealing that aged balances for Pioneer Electric and Southern Pioneer are less in comparison 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. 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. Company "In the News" Report**

Anita Wendt, Vice President of Energy Services, discussed recent happenings, gave a Youth Tour update, shared upcoming events, and Facebook statistics at Pioneer Electric and Southern Pioneer.

### **4. Regulatory and Legislative**

Lindsay A. Campbell, CEO, advised she would stand on the written Regulatory and Legislative Report as published on BoardPaq.

#### **a. Southern Pioneer's KCC Rate Design Docket No. 24-SPEE-415-TAR**

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, updated the Board on Southern Pioneer's Application filed on November 30, 2023, seeking to update rate design to address cross-class and intra-class subsidizations and to

modernize its rates and tariffs to better serve its customers' needs and demands as they have evolved with changes in the industry. Southern Pioneer participated in an evidentiary hearing with intervening parties on June 4<sup>th</sup> at the KCC for the outstanding issues of the three-part residential rate design and the requested increases to customer charges. KCC Staff were supportive of the implementation of a residential demand charge as well as an increase in customer charge. Southern Pioneer filed an initial reply brief on June 14<sup>th</sup>. An Order from the Commission is anticipated on July 30<sup>th</sup>.

**b. Southern Pioneer's 2024 Consolidated FBR Docket No. 24-SPEE-688-RTS**

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, updated the Board on the 2024 Fourth Annual Consolidated Formula Based Rate ("FBR") Filing that was made on May 1, 2024. Southern Pioneer is currently working on getting a procedural schedule established and is also responding to data requests from intervening parties. All parties are working together to get a Technical Conference scheduled within the next two weeks.

**c. Southern Pioneer's Renewable Energy Program Docket No. 24-SPEE-540-TAR**

Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, updated the Board on the filing for approval of a Renewable Energy Program ("RE Program") for Southern Pioneer. This RE Program will align with Pioneer Electric's current RE Program providing qualifying customers the opportunity to participate directly in and receive benefits of utility-scale solar and wind renewable projects. KCC Staff filed a Report and Recommendation ("R&R") on May 31<sup>st</sup> recommending approval

of the program with three stipulations that Southern Pioneer was agreeable to. All parties in the docket reached agreement and KCC Staff will proceed with preparing a Settlement Agreement to be filed on June 26<sup>th</sup>.

## **5. Corporate Services and Energy Solutions**

### **a. REMDC Meeting Update**

Kristen Koehn, Manager of Energy Solutions, attended the Rural Electrical Management Development Council (“REMDC”) Conference May 19<sup>th</sup>-May 22<sup>nd</sup> in Brainerd, Minnesota. Manager Koehn reported that the conference was very insightful and that there were presentations on leveraging the latest technologies in the industry that included topics concerning data analysis and artificial intelligence, information on different roles that cooperatives are playing in the renewable market, load shed best practices, and concerns that the Midwest Reliability Organization (“NERC”) has regarding uncertain energy availability and it’s plan to mitigate risks.

### **b. 4101(d) Grant Funding Update**

Kristen Koehn, Manager of Energy Solutions, updated the Board on Pioneer’s awarded GRIP and Build Kansas Fund awards and shared that the requested information for those have been submitted to the Department of Energy (“DOE”). Additionally, Manager Koehn mentioned that the Build America, Buy America (“BABA”) funding remains on hold and is pending DOE approval.

### **c. Sunflower Strategy for Municipal Contracts**

Kristen Koehn, Manager of Energy Solutions, shared recent strategy discussions concerning municipality strategies.

**d. Morton Co. Developer Project**

Kristen Koehn, Manager of Energy Solutions, shared about a recent inquiry made to Pioneer Electric concerning a possible renewable energy project in Morton County.

**6. Administration**

Lindsay A. Campbell, CEO, advised that she would stand on the majority of the written Administrative Report as published on BoardPaq.

**7. Update to Executive Offices**

Lindsay A. Campbell, CEO, sought Board approval for a \$20,000 budget deviation to update executive offices. After review and discussion, a motion was made and seconded to approve a budget deviation of \$20,000 to update the executive offices. Motion carried.

**GENERAL COUNSEL'S REPORT**

None.

**MATTERS REQUIRING BOARD ACTION**

**1. Appointment of Nominating Committee**

Anita Wendt, Vice President of Energy Services presented the names of individuals appointed to attend and participate in an upcoming Nominating Committee Meeting on July 10<sup>th</sup> at Pioneer Electric to appoint nominees for the 2024 Annual Meeting ballot for districts 3, 4, and 8. After the nominees are appointed, their names will then be posted at the Pioneer office and voted on at the 2024 Annual Meeting. After review and discussion, a motion was made and seconded to approve the listed name of individuals as presented to attend and participate in the upcoming Nominating Committee meeting on July 10<sup>th</sup>. Secretary-Treasurer John Jury, was in objection to the list of names, requested NRECA



review the process before proceeding, and stated, “I am in opposition to the presented names with the concern that the proposed list of individuals appointed to attend and participate in the upcoming Nominating Committee Meeting do not equitably and fairly represent the rural districts they are in, and the Board has decided not to offer equitable representation.” Motion carried.

**2. Quarterly Write-Off of Uncollectible Accounts**

Anita Wendt, Vice President of Energy Services, presented and discussed with the Board, the quarterly write-off of uncollectible accounts for the second quarter. After discussion, a motion was made and seconded to write off twenty-three (23) uncollectible electric accounts in the amount of \$2,849.54, one (1) miscellaneous receivable account in the amount of \$104.50, and refer all to CBK, Inc. for collection. Motion carried.

**3. Resolution Authorizing Special Capital Credit Retirement and Applying Against Uncollectible Accounts**

Anita Wendt, Vice President of Energy Services, reviewed with the Board the Resolution Authorizing General Capital Credit Retirement and Applying Against Uncollectible Accounts. After review and discussion, a motion was made and seconded to approve the “Resolution Authorizing General Capital Credit Retirement & Applying Against Uncollectible Accounts”. Motion carried.

**Resolution Authorizing Special Capital Credit Retirement to Apply Against Remaining Balances of Uncollectible Accounts Approved for Write Off as of June 26, 2024**

**WHEREAS**, Pioneer Electric Cooperative, Inc., (“Pioneer Electric”) has sold electricity to consumers on credit; and

**WHEREAS**, at its June 26, 2024, meeting, the Pioneer Electric Board of Trustees (the “Board” or “Trustees”) approved the write off of certain accounts deemed uncollectible that had been incurred on or before June 26, 2024.

**NOW, THEREFORE, BE IT RESOLVED**, the Board, in accordance with Pioneer Electric Bylaws and Policy No. 43, Capital Credits, hereby authorizes a Special Capital Credit Retirement to apply the net present value of any unretired capital credits of a consumer with an uncollectible written-off account against the remaining balance of the uncollectible account approved for write off on or before the June 26, 2024 Board meeting; and

**BE IT FURTHER RESOLVED** that the unpaid discounted amount relevant to this special retirement will be retained as permanent equity of Pioneer Electric; and

**BE IT FURTHER RESOLVED**, the Board authorizes that the Special Capital Credit Retirement use the appropriate discount rate according to Board-approved Policy No. 43, Capital Credits.

#### **4. Approval of OnBoard Contract**

Larissa Layman, Legal and Regulatory Affairs Coordinator, shared with the Board that the current Board management software will no longer be available by the end of December 2024. Layman reported that staff has been working with KEC and researching options for a new Board management software to transition to. A presentation was provided for the OnBoard software detailing subscription options, features, and a special pricing structure for electric cooperatives. It was proposed to purchase a 3-year premium OnBoard subscription for \$18,000 and a one-time implementation fee of \$1,000. After review and discussion, a motion was made and seconded to approve the proposed purchase of the OnBoard subscription and implementation fee with a total amount of \$19,000. Motion carried.

#### **5. Janitorial Services for Pioneer Electric**

Chris Wagner, Manager of Purchasing, Materials, and Facilities, shared with the Board that Jantzen Janitorial, Pioneer Electric's current cleaning company will be retiring at the end of June. Manager Wagner proposed hiring Sparkle Janitorial and presented the company's bi-weekly rates. Additionally, Manager Wagner mentioned that it would be

ideal to hire one part-time employee for 20 hours a week to come in and clean the building on the days that Sparkle Janitorial isn't cleaning. After review and discussion, a motion was made and seconded to hire Sparkle Janitorial, and a part-time employee as presented.

Motion carried.

### **OTHER BUSINESS**


1. NRECA Legal Seminar 64 – July 15-17, 2024
2. CoBank Energy Directors Conference – July 17-19, 2024
3. NRECA Summer School for Directors – July 19-23, 2023
4. PECI Summer Strategy Session – July 31, 2024, at 8:30 a.m. to be held at Pioneer Electric Cooperative
5. KEC Summer Meeting – August 3-5, 2024, Overland Park, KS
6. CoBank 2024 Energy & Water Executive Forum – August 27-29, 2024
7. Pioneer Electric/Pioneer Communications Annual Meeting – Grant County Civic Center – September 3, 2024, at 6:00 p.m.
8. NRECA Region 7 & 9 Meeting – September 24-26, 2024
9. Board Photo's – October 23, 2024, at 7:30 a.m. at Pioneer Electric
10. Community Health Fair – Grant County Civic Center – Saturday, October 26, 2024 – 7:00 a.m. to 11:00 a.m.

### **EXECUTIVE SESSION**

None.

### **ADJOURNMENT**

A motion was made and seconded to adjourn the meeting at 1:26 p.m. Motion carried.

  
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John Jury, Secretary-Treasurer

APPROVED:

  
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Michael Brewer, President

