

**Southwestern Electric Cooperative, Inc.  
Minutes of the Regular Meeting  
August 26, 2021  
Greenville, IL**

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, August 26, 2021, at 6:30 p.m. at the office of Southwestern Electric Cooperative headquarters in Greenville, IL pursuant to notice given. President Ann Schwarm called the meeting to order and led in the Pledge of Allegiance to the flag.

The following directors were present constituting a quorum:

Jerry Gaffner  
Sandy Grapperhaus  
Annette Hartlieb  
Bill Jennings  
Sandy Nevinger  
Ann Schwarm  
Jared Stine  
Marvin Warner  
Ted Willman

Staff members present were Chief Executive Officer Bobby Williams, Chief Financial Officer Becky Jacobson, and Executive Assistant Brooke Scott.

**Approval of Minutes:**

Minutes of the regular board meeting held on July 29, 2021, were considered. On a motion made by Nevinger, seconded by Warner and carried, the minutes were approved as presented.

**Staff Reports & Presentations**

**Report of Operations and Construction**

CFO Becky Jacobson's report included:

- Cash Flow Statement and Balance Sheet review.
  - Total Utility Plant.

- Work-in-progress (WIP).
- Cash position status.
- Accounts Receivable.
- OAR.
- Long-term Debt.
- Statement of Operations for seven months ended July 31, 2021.
  - Total Sales of Electricity.
  - Cost of Power.
  - Three-year trend for MISO Ancillary Services, Capacity, Ameren NITS, and Purchased Energy.
  - Operating and Maintenance Expense.
  - Net Operating Margins.
  - Net Margins.

#### Operating Report and Work Order Summary Approval

Grappnerhaus made a motion to approve the Operating Report and Work Order Summary in the amount of \$337,240.42 for July 2021. Hartlieb seconded; motion carried.

#### CEO's Report:

CEO Bobby Williams' report included:

- No lost time accidents for June.
- Status of Maple Grove Transmission Line project.
- Job openings.
- Scheduling a special board meeting to discuss Freedom operations.
- Franchise Agreements.
- Server room shutdown.
- Highlights from the Staff Reports.

#### EV Rate Presentation:

At 7:30 p.m. Energy Manager Julie Lowe and VP of Member Services Susan File entered the meeting to discuss the EV Rate.

The presentation included:

- Data used to develop options for Time-of-Use (TOU) EV Rates.
- EV Rate Options.
  - 2-Tier (Summer and Winter).
  - 3-Tier (Summer and Winter).
- Feedback from EV pilot program members.
- Results.
- Example.
- Proposals.

The board agreed to implement the TOU EV Rate parallel with unbundling rates in January 2022.

Lowe left the meeting at 8:23 p.m. The meeting recessed at 8:23 p.m. and reconvened at 8:30 p.m.

**Report from the Credentials & Election Committee Meeting/Annual Meeting Discussion:**

The Credentials and Election Committee meeting was held this evening at 6 p.m. All committee members were in attendance. Hal Langham was appointed as the 2021 chairperson for the committee. Absentee voting begins tomorrow. File reviewed the setup for the Annual Meeting. With no further questions to address, File left the meeting at 8:42 p.m.

The board discussed the board candidate questionnaire and promotional material guidelines. Next year, the executive committee will meet with the board candidates to discuss director roles and review campaign guidelines.

**Membership Applications and Terminations**

July's list of membership applications and August's list of terminations were sent to the board prior to the meeting.

A motion was made by Hartlieb, seconded by Nevinger, and carried to accept 126 applications for membership for July 2021, in accordance with Section 2 of the bylaws.

A motion was made by Warner, seconded by Grapperhaus, and carried to formally acknowledge the termination of 8 memberships for August 2021, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to the members' estates totaling to \$23,485.

**Unfinished Business:**

The board reviewed the draft agreement with SWECI member number 37470. Schwarm and Williams will schedule a meeting with the member to discuss the agreement.

Several board committees may meet before the end of the year. Policy and Bylaws Committee Chairperson Sandy Nevinger asked for the board's viewpoint on net present value for estate payouts; the

majority were open to it. The Policy and Bylaws Committee would like to see the net present value for 2021 total capital credit estate payouts.

**New Business:**

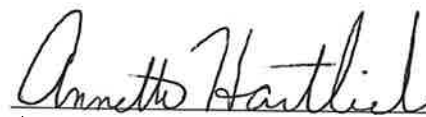
Motions are needed to elect voting delegates for the 2021 CFC Director Election. A motion was made by Nevinger, seconded by Jennings, and carried, to appoint Grapperhaus as voting delegate for the 2021 CFC Director Election. A motion was made by Stine, seconded by Warner, and carried, to appoint Jennings as alternate for the 2021 CFC Director Election.

A new a/c unit is needed in the Freedom control room. The cost for the new unit is \$6,200. Nevinger made a motion, seconded by Willman and carried, to approve the installation of the a/c unit at Freedom.

Several members have contacted Jennings about various topics after receiving his campaign letter in the mail.

**Adjournment:**

With no further business to come before the board, the meeting adjourned at 9:19 p.m.

  
Annette Hartlieb, Secretary

Attest:

  
Ann Schwarm, President