

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**January 24, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, January 24, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:12 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, Safety & Right of Way Manager, Communications and Marketing Manager and Executive Assistant. One Director and the Cooperative’s attorney, attended via Zoom.

*Reading of Rochdale Principle*

The Cooperative’s President & CEO read aloud Rochdale Principle #1.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the minutes of the December 20, 2022 regular Board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the agenda.

**New Business**

*Nighttime Dispatcher*

The Cooperative's President & CEO announced that one of the nighttime dispatchers resigned. He explained what the job entails and explained why having local dispatchers, instead of contracted dispatchers, is better. A former nighttime dispatcher has been rehired and will start soon.

### *Grants Update*

The Cooperative's President & CEO gave an update on some potential grant money that the Cooperative will be applying for through state funding.

### *Open Positions*

The Cooperative's President & CEO announced the hiring of a new Load Tech and an engineering position will be filled in the middle of this year. He answered some questions from Directors.

### *Board Travel & Training*

The Cooperative's President & CEO reminded the Board there are upcoming classes from PREA for BLC and CCD certifications. He also talked about travel possibilities with attending the Power Xchange conference, the PREA and NRECA Legislative events and Safety Summits with PREA and NRECA.

### *Health Benefits Change*

The Cooperative's President & CEO announced changes to health benefits. A few issues were worked out with the Cooperative's insurance provider.

### *2022 Audit*

The Cooperative's President & CEO said the audit will take place in the first week of March. It should take seven to ten days. The Audit Committee will get together as soon as possible. The last couple of years the auditor did their work remotely. The Cooperative's President & CEO believes the auditors will do some of their work remotely but will come to the office also.

### *NISC Update*

The Cooperative's President & CEO said, as predicted, the call volume at the office has increased significantly with the change over to NISC. Many members needed help getting their account information. There are currently 3,800 members signed up to pay their bills online. 2,027 members have opted to go with paperless billing. There has been much discussion with members about the rate increase. He answered questions from the Board.

### *Treasury – T-Bills*

The Cooperative's President & CEO presented information about T-Bills and investment opportunities being considered. The accounting department is gathering information and researching options with different banks. He will keep the Board informed.

### *Representative Dallas Kephart Visit*

The Cooperative's President & CEO told the Board that a State Representative will visit the Cooperative on Friday, February 17. He will be given a tour of the facility and the Cooperative's President & CEO will highlight our goal of servicing our members and the rural communities. All Board of Directors are invited to attend.

### **Legal Update**

The Cooperative's Attorney reviewed the solicitor's report. He discussed a right-of-way matter that is close to being resolved. He also updated the Board about the Washington Substation property expansion. He answered question from the Directors.

### **President & CEO Report**

The Cooperative's President & CEO said the fuel tanks behind the lower garage at the Indiana office have been removed. The old tanks had no problems and all soil tests were fine.

The Cooperative's President & CEO will start including quarterly reports from ITX Board meetings at the regular Cooperative Board meetings, just as we have quarterly reports for REA Energy Services Board meetings. He spoke about existing easements for broadband, creating uniform fees for attachments and about rates for unmetered services.

The Cooperative's President & CEO told the Board about the number of condemned poles in our system. He explained the old process of pole inspections and treating poles.

Discussion continued on other methods other utilities use to extend the life of a pole. He gave the advantages and disadvantages of some of those methods and answered a few questions from the Board.

### **Executive Session**

Board Chairman called for an Executive Session at 6:10 p.m.

A motion was made and seconded to go into Executive Session. Motion carried.

A motion was made and seconded to come out of Executive Session. Motion carried.

Executive Session ended at 6:30 p.m.

Board Chairman declared a brief break at 6:30 p.m.

The meeting reconvened at 6:45 p.m.

### **Continuing Business**

#### *Memberships*

A motion was made and seconded to accept 34 new members for the month of December 2022. Motion carried.

#### *Secretary / Treasurer's Report*

The Secretary / Treasurer's report was reviewed. Some discussion was held about the possibility acquiring T-bills.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of November 29, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

### **Miscellaneous**

There are no miscellaneous reports.

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:05 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**February 28, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, February 28, 2023, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:28 p.m.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney and Executive Assistant. One Director attended via Zoom.

*Reading Cooperative Core Value #2*

The Cooperative’s President & CEO read aloud the Cooperative Core Value #2.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the minutes of the January 25, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the agenda.

**New Business**

*River Valley Pre-apprenticeship Program*

The Cooperative’s President & CEO met with representatives from a local School District to discuss their pre-apprenticeship linemen program. The district is working to

finalize the curriculum with help from the cooperative. Linemen may go to the school to help with setup and retired linemen may help with training. The Cooperative's President & CEO answered a few questions from the Board.

#### *Annual Identify Theft & Red Flag Policy Report*

The Cooperative's President & CEO reviewed Policy I-1. There were no red flags, inconsistencies or identity theft this past year. There are no recommended changes at this time.

#### *Broadband Inquiry*

The Cooperative's President & CEO spoke about pole attachment fees and the agreement signed in 2007 by a broadband company installing new lines in the Cooperative's territory. Rates will be evaluated. The Cooperative's President & CEO will contact NRECA and have the Cooperative's Financial Analyst calculate new rates. Discussion continued about proper business practices. The Cooperative's President & CEO asked a local broadband installer to submit a report of total number of attachments they've made to the Cooperative's utility poles. He may ask the engineers to check that report. There are issues to resolve and he will keep the Board informed.

#### *Sewage Update*

The Cooperative's President & CEO announced the sewage project on Airport Rd has begun. The work is projected to be complete in September of this year.

#### *Open Position*

The Cooperative's President & CEO announced the resignation of the Marketing Specialist. That position has been posted and the Cooperative has already received applications.

#### *Cash Investment Update*

The Cooperative's President & CEO updated the Board on interest the Cooperative is expected to earn on the cash investment made earlier this year.

### *Member's Letter*

The Cooperative's President & CEO spoke about a letter received from a member. When there are rate increases, the Cooperative normally receives questions and comments similar to what is in this letter. The Cooperative's Reliability Specialist called and talked with the member. He explained what the service charge covers. Explaining that fee helps pay for maintenance of our infrastructure from the substation to the meter itself. He also talked with the member about possible options to rewire their service to include a subpanel, thus eliminating a second meter.

### *Youth Tour Update*

The Cooperative's President & CEO gave an update on the upcoming Youth Tour and gave details and the benefits of going. There weren't as many applicants this year.

### *Kephart Wrap-Up*

The Cooperative's President & CEO received good reviews of the tour conducted at the Indiana office with Pennsylvania State Representative Dallas Kephart attending along with Directors. The Cooperative's President & CEO asked the Board to give suggestions for any changes to improve future visits.

### *Facilities*

The Cooperative's President & CEO reviewed upcoming concrete work at the Indiana warehouse and new camera installs. New flooring will be installed also in the linemen's room and Billing department. Some discussion was held on possible camera options at substations.

### *Harassment Training*

Motion was made and seconded to schedule Harassment training for Thursday, May 11<sup>th</sup> from 9:00 a.m. to noon. Motion carried.

### *Move April Board Meeting*

Motion was made and seconded to move April's Board Meeting from Tuesday, April 25<sup>th</sup> to Thursday, April 20<sup>th</sup>. Motion carried.



### *ITX lift purchase*

The Cooperative's President & CEO presented information on a scissor lift needed for ITX. Terms of that loan will be worked out.

Motion was made and seconded to approve the purchase of JLGT500J lift. Motion carried.

### **Legal Update**

The Cooperative's attorney announced the closing is complete for the purchase of the Washington Substation additional property. The paperwork will be filed tomorrow. He gave the full purchase price and said this purchase has resolved a right-of-way issue as well.

The other legal issue still being worked on with a Right of Way case. There has been a tentative agreement reached. There is no financial offer included with this agreement. The Cooperative's attorney will keep the Board informed.

Board Chairman declared a brief break at 6:30 p.m.

The meeting reconvened at 6:45 p.m.

### **President & CEO Report**

The Cooperative's President & CEO told the Board there are still supply chain issues affecting work at the Cooperative. Most recently, anchors, arrestors and t-brackets have become scarce. Costs of other materials have increased significantly.

The Cooperative's President & CEO announced the auditors have started their work at the Cooperative. He spoke about the PREA Safety summit at Penn State and other upcoming trainings, meetings and conferences. He also spoke about a member of the public having contact with an energized line after a car-pole accident. This man was trying to help the driver of a vehicle, he slipped and as he fell, his hand hit a downed wire that was still energized. His hand was burned but he refused medical treatment. The linemen arrived on scene and opened up the line and grounded as soon as possible. Management was contacted and they called Federated to report the incident. Photos were taken and the incident was documented. The Cooperative's President & CEO doesn't know the name of the gentleman who was injured. He stressed the importance of providing public safety education.

The Cooperative's President & CEO continued to discuss possible funding for broadband through grants. He answered some questions from the Board. He spoke about work being done with ITX. The next ITX Board meeting will be held on Friday, March 17<sup>th</sup>.

### **Continuing Business**

#### *Memberships*

Motion was made and seconded to accept 42 new members for the month of January 2023. Motion carried.

#### *Secretary / Treasurer's Report*

The Secretary and Treasurer's report was reviewed.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of December 20, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

### **Miscellaneous**

The following were reviewed by the Board of Directors:

Thank you card

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:08 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**March 28, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, March 28, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:10 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant.

*Reading Rochdale Principle #3*

The Cooperative’s President & CEO read aloud Rochdale Principle #3.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the February 28, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the agenda.

**Special Presentations**

*Banking & Treasury Presentation*

The Cooperative’s Financial Analyst reviewed the financial security of four banks of various sizes. He presented information about what has happened in the past years with banks and what is currently happening. He explained the Federal Reserve is raising rates due

to inflation and presented charts, percentages and diagrams showing the cause and effect of interest rates. He continued to cover banks' cash, equity, margins and liquidity.

The Cooperative's Financial Analyst announced the completion of the 2021 to 2024 Work Plan and the RUS loan amount that covered costs. There is need for additional funds. Discussion continued on the spread between Federal Loan rates and RUS rates. He will continue to monitor banks and interest rates. He answered questions from the Board.

A motion was made and seconded to approve drawing down additional funds when there is a difference of 1.75% between RUS load rates and Federal rates.

Discussion continued and questions were asked. The original motion was retracted.

A motion was made and seconded to approve drawing down additional funds when there is a difference of 1.5% between RUS load rates and Federal rates.

The Cooperative's Financial Analyst was dismissed from the meeting at 6:12 p.m.

## **New Business**

### *Conflict of Interest*

The Board Chairman reminded Directors to review the Policies on Conflict of Interest, fill out the forms and turn them in.

### *ITX Quarterly Presentation*

The Cooperative's President & CEO presented information from last week's In the Stix quarterly meeting. He talked about financials, grants, wireless upgrades and other entities about partnerships. He showed maps displaying the areas where the fiber ring is being installed. The goal is to complete the first phase by the end of this year. With the other phases to be complete in two to three years. He answered questions from the Board.

### *Local Development*

The Cooperative's President & CEO spoke about ProDisposal purchasing the Co-Gen plant in Ebensburg and their plans to install charging stations for electric garbage trucks. There is a lot of work and planning needed to provide the necessary power at this property. Discussion continued.

### *PREA/AEC CEO Meeting Attendance*

The Cooperative's President & CEO announced a few PREA and AEC employees will attend the next board meeting on Thursday, April 20<sup>th</sup>.

### **Legal Update**

The Cooperative's attorney worked with the Billing department on statutes of limitations and the time frame collections can be made. He gave an update on a Right-of-Way case. He also pointed out the total amount paid for the Washington Substation property. He answered questions from the Board.

Board Chairman declared a brief break at 6:57 p.m.

The meeting reconvened at 7:14 p.m.

### **President & CEO Report**

The Cooperative's President & CEO announced the election season for Board of Directors started March 17<sup>th</sup> and will end on June 16<sup>th</sup>. He also talked about net metering and setup for commercial accounts if they would install solar panels. He spoke about possible rates, setups, and connection into the grid. Net metering will continue to be worked on with a rate structure needed. He answered questions about charges, costs and what Allegheny pays for power generated.

REA Energy Services had a booth at the Indiana Armstrong Builders Home Show in Indiana the weekend of March 24<sup>th</sup>. The Cooperative has been getting a lot of generator installation requests. It is still difficult to get materials for both generators and electrical contracting. Management is also looking into possibly hiring another Load Tech. Discussion continued with the Board.

The conversion to NISC software has changed from implementation to support. With January and February being warmer than usual, electric usage is down and we are just below TIER. The Cooperative's President & CEO announced that the R/W contract with PennLines has been extended. He finished his presentation reporting on the great job done by the Line department to get power back on so quickly during the last wind storm. Even though there was a lot of destruction and damage, power was restored to all members within 36 hours.

## **Continuing Business**

### *Memberships*

Motion was made and seconded to accept 50 new members for the month of February 2023. Motion carried.

### *Secretary / Treasurer's Report*

The Secretary and Treasurer's report was reviewed. A question was asked about the costs listed for security and cameras. That is for updated camera equipment and installation of additional cameras at both offices, warehouses and pole yards.

### *Upcoming Travel*

The Cooperative's President & CEO reminded the Board of upcoming trips and meetings.

### *New Hire Update (Staff Attorney & Marketing/Communications Specialist)*

The Cooperative's President & CEO announced the hiring of a Staff Attorney and new Marketing Specialist at the Cooperative.

## **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of January 24, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

## **Miscellaneous**

The following were reviewed by the Board of Directors:

Thank you card letter from member

Thank you e-mail from member

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:44 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**April 20, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Thursday, April 20, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Vice Chairman called the meeting to order at 5:20 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were President & CEO, the Cooperative’s attorney, President & CEO of Allegheny Electric Cooperative, Vice President of Strategic & Corporate Services at PREA, Vice President of Finance & Accounting at PREA and Executive Assistant. Two Directors attended remotely, via telephone and Zoom.

*Reading Rochdale Principle #4*

The Cooperative’s President & CEO read aloud Rochdale Principle #4.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the March 28, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

The Board Vice Chairman said to strike item 5.7, Director BLC Course, from the agenda.

A motion was made and seconded to approve the agenda as amended. Motion carried.



## **Special Presentations**

The Cooperative's President & CEO welcomed the President & CEO of Allegheny Electric Cooperative, the Vice President of Strategic & Corporate Services at PREA and the Vice President of Finance & Accounting at PREA. The CEO of Allegheny Electric Cooperative spoke with the Board of Directors about the importance of working together with Pennsylvania and New Jersey Cooperatives and doing site visits to learn more about the local cooperatives and the goals they are trying to accomplish. He talked about supply chain challenges, reliability, power generation and broadband. He also answered questions from the board.

### *Indiana Grant*

The Cooperative's President & CEO announced that REA Energy has been awarded grant money for broadband. He presented maps that showed current locations of broadband and the proposed future line locations. Management will be talking with vendors and going out for bids for the broadband installs. The Cooperative's President & CEO answered questions from the Board.

## **New Business**

### *Audit Committee Dates*

The next Audit Committee will meet at the Indiana office on Thursday, May 4<sup>th</sup> in the afternoon. The auditors will be attending virtually.

### *Policy Committee Dates*

The members of the Policy Committee will be contacted to set a day and time for a meeting soon.

### *Escheats Committee Dates*

The members of the Escheats Committee will be contacted to set a day and time for their next meeting.

### *Legislative Event – NRECA Report*

The Cooperative's President & CEO spoke about meeting with the state representatives and the presentations given at the legislative event in Washington D.C. He, along with the Directors who attended, spoke about their experience and recommends if any Director hasn't gone to this legislative event, they should consider it.

#### *ITX Subsidiary*

The Cooperative's President & CEO told the Board about findings from our auditors from the purchase of ITX and talked about impairment requirements and options. He will check with the accounting firms who did the initial evaluation, and a study may need to be done. He answered questions from Directors and will keep the Board members updated.

#### *Move June Board Meeting*

Due to a conflict in schedules, the Board and the Cooperative's President & CEO reviewed calendars and moved the June Board meeting.

Motion was made and seconded to approve moving June's Board meeting from June 27<sup>th</sup> to Tuesday, June 20<sup>th</sup>. Motion carried.

#### **Legal Update**

The Cooperative's Attorney talked about a resolution still in progress dealing with a right-of-way issue. He will keep the Board updated. He answered a few questions.

Vice Chairman declared a brief break at 6:15 p.m.

The meeting reconvened at 6:21 p.m.

#### **President & CEO Report**

The Cooperative's President & CEO told the Board the Cooperative has applied for additional funding for Broadband through a grant with NTIA. He is looking onto other possible organizations and programs for funding. He also updated the Directors on office security, maintenance and upgrades. He said more Versatecs are being replaced by NOJAs and Tripsaver IIs. The Cooperative's President & CEO announced the need to upgrade a 3-Phase line to a coal mine and discussion continued on load factors and usage.

A cybersecurity workshop will take place in October. REA Energy is one of three Cooperatives spearheading the project. Discussion continued on the broadband fiber ring, substation security, recent outages and the new outage viewer.

### **Continuing Business**

#### *Memberships*

A motion was made and seconded to accept 79 new members for the month of March 2023. Motion carried.

#### *Secretary / Treasurer's Report*

The Secretary of the Board received a message from the Cooperative's HR Administrator that the Secretary/Treasurer's Report was not ready for tonight's meeting. She will e-mail a copy of the report to all Board members as soon as it is available.

#### *PREA Board Meeting Report*

A Director gave an overview of the April 10<sup>th</sup> PREA Board meeting. He answered a few questions.

#### *Allegheny Board Meeting Report*

A Director reviewed the Allegheny Board meeting held April 10<sup>th</sup> through April 11<sup>th</sup>. Discussion was held on the ACRE program and possible changes.

#### *Legislative Event – Pennsylvania Logistics*

The Cooperative's President & CEO reviewed the schedule for the Pennsylvania Legislative Event. He asked Board members to contact him about whether or not they plan to attend.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of February 28, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

### **Miscellaneous**

There were no Miscellaneous items.

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Vice Chairman adjourned the meeting at 7:14 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**May 23, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, May 23, 2023, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:43 p.m.

*Roll Call*

All Board of Directors were present. Also in attendance were President & CEO, the Cooperative’s attorney, Network and Systems Manager, Financial Analyst and Executive Assistant.

*Reading Rochdale Principle*

The Cooperative’s President & CEO read aloud the Rochdale Principle # 5.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the April 20, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the agenda.

**Special Presentations**

### *Cyber Security*

The Cooperative's Network and Systems Manager went over the Cyber Security Review. He talked about security increases, segmenting the network by usage, data backup systems and protocol for remote access. He answered various questions and said there will be a meeting with staff in about a month. Staff will review the new operating system at the Cooperative, and a report will be written and shared with the Board.

The Cooperative's Network and Systems Manager was dismissed from the meeting at 6:14 p.m.

### *2022 Audit Report*

The Cooperative's Financial Analyst told the Board the auditors this year were BWB and gave a summary of their report. He reviewed consolidated balance, total assets, liabilities and equity. He also went over an Internal Control Report, Compliance Report and a Governance letter. He finished the review by highlighting two notes made by the auditors. The Financial Analyst answered a few questions from the Board.

The Cooperative's Financial Analyst was dismissed from the meeting at 6:27 p.m.

## **New Business**

### *2022 Audit Report*

A motion was made and seconded to approve the 2022 Audit Report. Motion carried.

### *Facilities*

The Cooperative's President & CEO updated the Board on the fence project at the Ebensburg office, flooring upgrade and furniture change in the linemen's room. There will also be concrete replaced in the warehouse at the Indiana shop. He also talked about work being done on the generator at the Indiana shop.

### *Strategic Planning Dates*

The Cooperative's President & CEO hopes to have a Strategic Planning meeting in early August. A representative from CoBank may be attending. As soon as possible meeting dates become available, the Cooperative's President & CEO will send those out to Board of Directors to schedule a day to meet.

### *Credentials and Election Committee Meeting*

The Cooperative's President & CEO announced there will be a Credentials and Election Committee meeting on Tuesday, June 20<sup>th</sup> in the conference room at the Indiana office beginning at 3:00 p.m.

### **Legal Update**

The Cooperative's attorney updated the Board on a Right of Way case. He also talked about working with engineering on a Right of Way that stills needs signed. He will keep the Board informed on the progress of these issues.

Board Chairman declared a brief break at 6:37 p.m.

The meeting reconvened at 6:49 p.m.

### **President & CEO Report**

The Cooperative's President & CEO spoke about the company now doing pole inspections in REA Energy's service areas. That company provided training for the linemen as well, so linemen will understand the tags on the poles and reports they may receive. The Cooperative also went out for bid for a new company to handle voting for Board of Director elections. The Cooperative's President & CEO briefly talked about RUS funds and interest rates. He also talked about the new operating system and some issues with members missing payments due to inaccurate phone numbers and members not being aware of the system change. The Cooperative made every effort to notify members of autopay changes and account information changes. He answered questions from the Board.

### **Continuing Business**

#### *Secretary / Treasurer's Report*

Board Secretary reviewed the Secretary / Treasurer's report.

#### *Memberships*

A motion was made and seconded to accept 86 new members for the month of April 2023. Motion carried.

### *Broadband Update*

The Cooperative's President & CEO spoke about grant money and other possible funds. He is waiting to receive the contract from Indiana County and will be working with other Co-Op employees on submissions for additional grants. He asked the Board for input on grant applications. Discussion followed. The Cooperative's President & CEO answered questions from the Board. It was suggested that a monthly report be posted for members and customers to know the progress of broadband installation. For example, the amount of miles of lines installed and number of customers added to In the Stix.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of March 29, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

### **Miscellaneous**

The following were reviewed by the Board of Directors:  
Thank you letter

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:21 p.m.



**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**June 20, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, June 20, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:03 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney and Marketing & Business Development Specialist. The Cooperative’s Executive Assistant was absent.

*Reading Rochdale Principle #6*

The Cooperative’s President & CEO read aloud Rochdale Principle #6.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the May 11, 2023 Special Board meeting. Motion carried.

A motion was made and seconded to approve the minutes of the May 24, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

Additions to the agenda were required attire for the Summer Logistics Meeting in Penn State, appreciated meeting to discuss cyber security and the request to discuss food options for the Annual Meeting.

A motion was made and seconded to approve the agenda as amended. Motion carried.

## **New Business**

### *Broadband Update*

- The Cooperative's President & CEO updated the board about REA/ITX's broadband efforts. REA has not received the contract from the Indiana County Commissioners as of yet, but are in talks with commissioners about the contract.
- REA/ITX is in the process of setting up supply and construction companies for the Indiana fiber ring build and spoke on paying prevailing wage for those companies.
- REA is also looking to lease a building to house materials for the fiber build out.
- The Cooperative's President & CEO met with Cambria County commissioners to discuss installing fiber to their towers, but the PA grant is not for tower/emergency fiber connections, but for the entire community.
- USDA Community Connect Grant application was submitted on June 19, 2023, and the grant team is hopeful about a positive outcome.
- NTIA awards were announced. The majority of allocated funds went to a single company Zayo.
- ITX is working on creating a fiber redundancy for the Ebensburg REA Office with 400mpbs download/400 mpbs upload speeds.
- ITX purchased a used truck to replace their old one. We are also compiling a list of equipment needs and upgrades for ITX.

### *District Elections Update*

- Directors of District 1 and District 2 are running unopposed, making them candidates-elect.
- Diamond Services, the previous balloting company, has gone bankrupt. REA has spoken with new balloting company Co-op Ballots.

### *Annual Meeting*

- One Board of Director discussed food options for the Annual Meeting, including having ice cream. The office staff will conduct research on having food at the meeting. There are concerns about Armark having a conflict of interest if we bring in outside food. Concerns of cost were also raised.

### *Credentials and Election Committee meeting*

- Only one person was absent at the Elections and Credentials Committee meeting.

### *Facilities Update*

- King Construction's replacement of truck bay's concrete flooring is almost completed.

### *Summer Meeting Logistics*

- Attire was discussed for the Summer Meeting Logistics on Wednesday, June 28<sup>th</sup>, and on Thursday, June 29<sup>th</sup>. No summer attire during Penn Stater meetings.
- Booklet for meetings has been uploaded in Boardable
- One Board member inquired about a creamery tour for directors.

### *Escheats Committee Report*

- The Escheats Committee met June 13, 2023 to discuss reallocation of funds to support broadband build outs. Policy has been changed to allocate 2.9 million dollars towards broadband efforts.
- \$200,000 will be kept for civic projects within REA's service area.
- One Director mentioned that Members Sharing with Members will not be touched in the policy change.

### *Policy Committee Report*

- C-30 – Cogeneration and Small Power Production has been changed to reflect new wholesale rates for net metering. The policy originally had full retail rates for net metering. There is also a new limit on how much energy is sent back into the grid. PJM is not accepting new large solar array projects, and is limiting how much companies are sending back into the grid. REA will have to terminate permanent contracts to change rates from full retail to wholesale pricings. An access or minimum use fee for solar use was also discussed. If large transmissions-only cogeneration systems are put in place, REA's substations will need protected against surges coming from those systems. Cogeneration will not affect REA's energy purchasing. A Director discussed the policy language pertaining REA's right to inspect array systems, and if we will require inspections from now on.
- D-21 - Observed Behavior from Appendix B – Reasonable suspicion form has been updated to reflect specific and more modern behaviors.
- Rate Schedule SPP – This pertains to Allegheny's side for cogeneration and small power production.
- C-13 – Disposition of Funds Collected Through the Operation Round-Up Program - Committee met June 13, 2023 to discuss reallocation of funds to support broadband build outs. Policy has been changed to allocate 2.9 million dollars towards broadband efforts. \$200,000 will be kept for civic projects

within REA's service area. A Director mentioned that Members Sharing with Members will not be touched in the policy change.

- B-11 – Directors – Per Diem and Expense Allowances – Policy pertaining compounded per diems have been updated: Directors to only receive one per diem per day versus one per diem per event if multiple events occur within 24 hours.
- D-18 – Non-Harassment Policy – Policy has been modernized to reflect all types of harassment. Corrective actions are on a case-by-case basis.

#### *Mission, Vision, Values and Safety statements*

- Statements have been simplified.
- Mission Statement: To provide our members with safe, reliable, and affordable electricity, and offer other innovative solutions for the rural community through our subsidiaries.
- Vision Statement: Empowering our members with the knowledge to use energy wisely in an everchanging industry, while being a trusted resource for our members and respected business with our communities.
- Values: Safety – Reliability – Integrity – Accountability – Communication – Fiscally Responsible – Commitment to Community
- Statement on Safety: We shall foster a culture of safety within the organization by training and motivating our stakeholders to recognize risk, safeguard themselves, protect others and promote safe work practices.
- A Director discussed adding “building communities” and “quality of life” to Mission and Vision Statements.
- Another Director suggested a change from “broadband” to “technologies”

#### **Legal Update**

- The Cooperative's attorney updated the Board on the Right-of-Way case.

#### **President & CEO Report**

- The Disaster Recovery Team met to discuss the flash-arc incident with REA's electrical updates.
- Renovations have begun on the Washington substation, and the substation has started to shift before renovations began.
- Sewage pipe buildout is on track for completion.
- An employee from the Billing Department is retiring on July 7, 2023
- A Director discussed concerns about PJM's handling power generation with legacy generation plants going offline. PJM handles energy for 60 million people. There has been no comment from Allegheny about possible solutions.

## **Continuing Business**

### *Memberships*

A motion was made and seconded to accept 88 new members for the month of May 2023. Motion carried.

### *Secretary / Treasurer's Report*

- The Secretary / Treasurer's Report was reviewed.

## **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of April 20, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

## **Miscellaneous**

- Region 1 Federated Director position opening was announced.

## **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:23 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**MINUTES OF REGULAR BOARD MEETING**  
**July 25, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, July 25, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:08 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney, Accounting & Finance Manager, Financial Analyst and Executive Assistant.

*Reading Rochdale Principle #7*

The Cooperative’s President & CEO read aloud Rochdale Principle #7.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the June 20, 2023 Special Board meeting. Motion carried.

*Additions to Agenda*

The Cooperative’s President & CEO requested to add a Capital Credits presentation. This will be added to the agenda after the Form 990 presentation.

A motion was made and seconded to approve the agenda as amended. Motion carried.

**New Business**

### *990 Presentation*

The Cooperative's Accounting & Finance Manager gave a presentation on the Form 990. She reviewed the Cooperative's Mission Statement, Revenue Less Expenses, Net asset margins, Governance, Compensation and Financial Statements. She answered some questions from the Board.

### *Capital Credits*

The Cooperative's Financial Analyst reviewed the equity range determined by the Board in past meetings. He went over equity, KRTAs and possible scenarios for retiring Capital Credits. Discussion continued on paying Capital Credits either by year or by percentage. He answered questions from the Board of Directors.

A motion was made and seconded to pay Capital Credits for 1982 and 1983. Motion carried.

The Cooperative's Accounting & Financial Manager and the Financial Analyst were dismissed at 5:53 p.m.

### *Audit Committee Meeting*

The Cooperative's President & CEO told the Board that the Cooperative went out for bids for a new auditor. A meeting is scheduled for the Audit Committee to meet after the Strategic Planning meeting on August 9<sup>th</sup>.

### *Real Estate Discussion*

The Cooperative's President & CEO talked about the option to purchase a property in Indiana County. The other property in Cambria County that was being considered for ITX is too small and the Cooperative won't be pursuing that purchase.

### *Strategic Planning Discussion*

The Cooperative's President & CEO reminded the Directors that the Strategic Planning meeting will be held at the Hilton Garden Inn, in Indiana on August 9<sup>th</sup> and 10<sup>th</sup> beginning at 9:00 a.m. on both days.

## **Legal Update**

The Cooperative's attorney updated the Board on a Right-of-Way case. He went over the settlement and agreement. He answered some questions from the Directors.

## **President & CEO Report**

The Cooperative's President & CEO announced the Health & Wellness Committee has started up again. They are offering their first health challenge for the fall season. Other employees have started preparing for the Annual Meeting. He spoke about the possibility of offering ice cream or refreshments at the meeting.

The Cooperative's President & CEO gave the status on facility projects. The concrete work is complete at the Indiana shop. The paving is also complete in the parking lot where the gas pumps used to be.

Healthcare quotes are being worked on as well as a compensation review. The Cooperative's HR Administrator is reviewing the Employee Handbook as well. The Cooperative's President & CEO went over two worker's comp cases. One occurred when an employee was stung by multiple bees and the other an employee was bit by a dog.

With a retirement in the Billing department, a full-time position as well as a part-time position is open. The Cooperative's President & CEO answered a few questions from the Board.

## **Continuing Business**

### *Memberships*

A motion was made and seconded to accept 89 new members for the month of July 2023. Motion carried.

Board Chairman declared a brief break at 6:37 p.m.

The meeting reconvened at 6:52 p.m.

### *Secretary / Treasurer's Report*



The Secretary and Treasurer's report was reviewed. There were no questions from Directors.

#### *PREA Board Meeting Report*

A Director spoke about the PREA Board meeting, which was held in State College on June 28<sup>th</sup>. Some topics discussed were the Inflation Reduction Act, Tax & Clean Energy incentives, ACRE and escheats.

#### *Allegheny Board Meeting Report*

Another Director gave a recap of the Allegheny Board meeting that was held on June 28<sup>th</sup>. The Allegheny Board reviewed six possible scenarios of financial forecasts and are working on purchasing power for the upcoming year. They also approved allocations of Capital Credits back to Cooperatives. Those allocations will be received as a credit. The Director answered a few questions from the Board.

#### *ITX Update*

The Cooperative's President & CEO spoke about the JLG lift recently purchased to help with service installs. There have been more equipment upgrades to increase broadband speeds. There will be a 3<sup>rd</sup> quarter meeting held in September. It may be held after the Annual Meeting. He also talked about some grants that have a prevailing wage and the need to get an estimate for a cost per mile. Research will continue on best options and he may schedule a Strategic Planning session for broadband.

#### *Grants Update – Indiana, USDA, State*

The Cooperative's President & CEO reviewed the broadband letter received from Cambria County. He spoke about other broadband companies and possible grants. He continues to work with employees at the Cooperative to apply for grants at the local, state and federal levels. A survey was recently sent to members on broadband usage and interest. Work on the budget continues.

#### *Policies*

A Director spoke about changes to policies B-11, C-13, C-30 and D-18. She asked that Directors review these and contact her with questions or other possible changes. These policies will be presented at the next Board meeting for approval.

## *ACRE*

Board Chairman reminded the Directors that financial support for ACRE will be due in September. Some Directors are on Auto Renewal. Those who are not, were given a paper copy of the enrollment form if they are interested. Some discussion was held on the importance of ACRE.

## **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of May 23, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

## **Miscellaneous**

The following were reviewed by the Board of Directors:

Email from the CEO of NRECA

Marion Center VFD Facebook post 7/18/2023

Thank you card from Youth Tour student

## **Adjourn**

Motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:28 p.m.

**REA ENERGY COOPERATIVE**  
**SUMMARY minutes of Regular Board Meeting**  
**August 22, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, August 22, 2023, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:13 p.m.

**Roll Call**

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney and Marketing and Business Development Specialist. The Cooperative’s Executive Assistant was absent.

*Reading of Cooperative Core Value #7*

The Cooperative’s President & CEO read aloud the Cooperative Core Value #7

*Approval of July 25, 2023 Regular Board Meeting Minutes*

A motion was made and seconded to approve the minutes of the July 25, 2023 REA Energy Board meeting minutes. Motion carried.

*Additions to the Agenda*

- No additions were presented.

**New Business**

- a. Employee Update
  - i. Newest Employee

- ii. Organizational Change – with a retirement in the Reliability department soon, there will likely be an internal move into that position.

b. Annual Meeting Preparation Date

September 11, 2023 at 12:00 p.m.

c. Compensation Committee Date

September 11, 2023 at 2:00 p.m.

d. Equipment Update

Still waiting for large digger and large bucket truck order.

e. ACTION – Move September Regular Board Meeting Date

A motion was made and seconded to change the September Regular Board Meeting to September 19, 2023. Motion carried.

f. ITX Board Meeting Date is set for September 29, 2023

g. Safety Meeting – Representative from United REC

On August 31, 2023 at 9:00 a.m. a representative from United REC will speak to the linemen about his experience of making electrical contact. Several Directors also wish to be in attendance.

### **Legal Update**

REA Energy's Corporate Attorney spoke about an ongoing leasing agreement case. REA's ROW supervisor added emergency access and emergency ROW tree removal in case it is needed.

### **President and CEO Update**

Washington Substation contractor has tri-am and rebuild has started this week.

REA Energy will be renting land, which will be fenced in for future fiber purchasing for ITX.

Strategic Planning Sessions was well received by both directors and staff.

Financial documents will be presented as soon as the accounting staff has them.

Work on the Annual Meeting has begun.

The Cooperative's President & CEO met with two other electric Cooperatives to discuss their fiber builds. Their build is almost completed. Questions were asked about serving non-members.

Another electric Cooperative might want to partner with REA Energy / ITX for future builds, and discussion was had about possibly adding them to the BEAD grant.

### **Continuing Business**

#### *Policy B-11 Director Compensation*

A motion was made and seconded to approve Policy B-11. Motion carried.

#### *Policy C-13 Round Up & Act 187*

A motion was made and seconded to approve Policy C-13 and Act 187. Motion carried.

#### *Policy C-30 Cogeneration and Small Power Production*

A motion was made and seconded to approve Policy C-30. Motion carried.

#### *Policy D-18 Non-Harassment*

A motion was made and seconded to approve Policy D-18. Motion carried.

#### *Reasonable Suspicion Record Form*

A motion was made and seconded to approve Reasonable Suspicion Record Form. Motion carried.

#### *Mission, Vision, Values, and Statement of Safety*

A motion was made and seconded to approve changes to Mission, Vision, Values and Statement of Safety. Motion Carried.

#### *ITX and Grant Update*

ITX and REA Energy employees have been working on grant applications this summer. There was one request from ARPA, which was taken care of promptly.

We're still waiting for word about funding for the Indiana grant, but some of the

ring has been built. Discussion was had about pre-ordering supplies in case we receive grant funding, but if that is done, the grants will not pay on said order.

#### *New Members for July 2023*

A motion was made and seconded to accept 95 new members for the month of July 2023. Motion Carried.

### **Reports**

The following were reviewed by the Board of Directors:

- a. Annual Report
- b. Portal Report
- c. Engineering Update Report
- d. Secretary/Treasurer Report
- e. Accident Report
- f. REA Services Report
- g. Website Reports
- h. Penn Lines – August 2023
- i. Watt's New

#### ***Approval of all Reports as presented***

A motion was made and seconded to approve the Summary minutes of June 20, 2023 Board meeting. Motion carried.

### **Miscellaneous**

Thank You Letters

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned meeting at 6:02 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY of MINUTES OF REGULAR BOARD MEETING**  
**September 19, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, September 19, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:02 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant. The Cooperative’s attorney attended via Zoom.

*Reading REA Cooperative Core Value #2*

The Cooperative’s President & CEO read aloud REA Energy’s Cooperative Core Value #2.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the August 22, 2023 Regular Board meeting. Motion carried.

*Additions to Agenda*

A Director asked that the PREA and Allegheny Reports be added to the Agenda. The Board Chairman added those items under New Business.

A motion was made and seconded to approve the agenda as amended. Motion carried.

## **Special Presentation**

### *Cash Update*

The Cooperative's Financial Analyst gave a presentation on the Cooperative's current cash balances, general funds, operating funds and spoke about liquidity. He also updated the Board on Capital Credits, RUS loans and interest earnings. Discussion continued about hedging, short-term cash needs, margins and cash burn rate. The Financial Analyst gave the Cash Management Summary and answered questions from the Board.

The Cooperative's Financial Analyst was dismissed at 5:53 p.m.

## **New Business**

### *Establish Standing Committees*

The Board Chairman asked Directors to review the current Committees. Each Director is to let the Chairman know which Committee they would like to be on.

A motion was made and seconded to keep the standing Committees that the Cooperative currently has. Motion carried.

### *PREA New Rate Structure*

The Cooperative's President & CEO told the Board about changes with PREA's rate structure. They are also looking for ways to cut costs. Some meetings may be eliminated and fees will be increased for additional attendees to attend meetings or seminars.

### *Thanksgiving Choice*

The Board Chairman reminded Directors to turn in their forms for the Thanksgiving Choice.

### *PREA Meeting Update*

A Director gave a recap of the recent PREA meeting. That meeting was held remotely, via Zoom. He spoke about revisions to the budget and voting on that will be at the next meeting. Other topics discussed were about cybersecurity, AI and establishing a system



on responding to cyber attacks. They are hoping to create a cyber reporting protocol for Cooperatives to use. The next PREA meeting will be held on November 1<sup>st</sup>.

### *Allegheny Meeting Update*

A Director reviewed topics covered at the Allegheny Board meeting. There were discussions about the energy transition task force, Federal and State funding for Cooperatives and the increase of Electric Vehicle sales. The next Allegheny meeting will be on November 1<sup>st</sup>.

### *Employee Day*

The Cooperative's President & CEO reminded the Board of Directors that the Employee Day will be on Friday, October 13<sup>th</sup>. Directors who would like to attend, can arrive around 11:45 a.m.

Board Chairman declared a brief break at 6:09 p.m.

The meeting reconvened at 6:22 p.m.

### **Executive Session**

Board Chairman called for an Executive Session at 6:22 p.m.

A motion was made and seconded to come out of the Regular Board Meeting. Motion carried.

A motion was made and seconded to go into Executive Session. Motion carried.

A motion was made and seconded to come out of Executive Session. Motion carried.

Executive Session ended at 6:51 p.m.

### **Legal Update**

The Cooperative's Attorney updated the Board on a Right-of-Way case. He just received the final proposal of the agreement and will give a copy to the Cooperative's

President & CEO to review. After it is finalized, the work at the property should be completed this fall. He answered questions from the Board.

### **President & CEO Report**

The Cooperative's President & CEO spoke about an upcoming Cyber Security test to take place at the Cooperative. This is through NRECA and PREA. Also, a Zero Contact exercise program with PREA will be done with the Linemen and management.

The Cooperative's President & CEO will be a guest speaker at PREA's Broadband Summit in Harrisburg. Multiple states will be attending. He also spoke about grant money available through Indiana County for broadband. He is looking to hire a Project Manager for ITX. Lastly, he reports the Engineering position at the Indiana office will be reposted and answered some questions from the Directors.

### **Continuing Business**

#### *Memberships*

A motion was made and seconded to accept 85 new members for the month of August 2023. Motion carried.

#### *Secretary / Treasurer's Report*

The Secretary and Treasurer's report was reviewed. There were no questions from Directors.

#### *Annual Meeting Follow-up*

The Cooperative's President & CEO received good feedback from members who attended the Annual meeting either in person or online.

#### *2024 Annual Meeting dates*

A motion was made and seconded to schedule the 2024 Annual Meeting for Tuesday, September 19<sup>th</sup>. Motion carried.

### *ITX Update*

The Cooperative's President & CEO spoke about a cell tower becoming available in Cambria County that ITX may be able to acquire. He will keep the Board posted on this.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of July 25, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

### **Miscellaneous**

There were no Miscellaneous items to review.

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:17 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY of MINUTES OF REGULAR BOARD MEETING**  
**October 24, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, October 24, 2023, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 5:04 p.m. A Board of Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney, HR Administrator, Financial Analyst and Executive Assistant. Two Directors attended via Zoom.

*Reading REA Cooperative Core Value #3*

The Cooperative’s President & CEO read aloud REA Energy’s Cooperative Core Value #3.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the September 19, 2023 Regular Board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the agenda.

**Special Presentation**

*Budget Draft*

The Cooperative's Financial Analyst reviewed the draft budget. He presented the Income statement, Balance sheet, projected year-end figures, cost of power and interest rates. Discussion continued on operations expenses, maintenance, sales, depreciation and tier. The Financial Analyst answered questions from the Board on escheats money, broadband costs and rates.

The Cooperative's President & CEO also talked about Right of Way costs and answered a question about reclosers. The Board was asked to review this draft budget. It will be up for approval at next month's Board meeting.

The Financial Analyst was dismissed at 5:48 p.m.

#### *Compensation Committee Report*

The Cooperative HR Administrator gave Directors their open enrollment papers and information on accident coverage. She presented the 2024 Wage & Salary Plan. There are no new positions being posted in 2024 but there are two current positions that need filled. She reviewed topics discussed at the Compensation Committee meeting.

A motion was made and seconded to approve the wage changes discussed at the Compensation Committee meeting. Motion carried.

The HR Administrator was dismissed at 5:56 p.m.

#### **Executive Session**

Board Chairman called for an Executive Session at 5:58 p.m.

A motion was made and seconded to come out of the Regular Board Meeting. Motion carried.

A motion was made and seconded to go into Executive Session. Motion carried.

A motion was made and seconded to come out of Executive Session. Motion carried.

Executive Session ended at 7:05 p.m.

A motion was made and seconded to go back into regular session. Motion carried.

Board Chairman declared a brief break at 7:05 p.m.

The meeting was reconvened at 7:20 p.m.

### **New Business**

#### *NRECA Affiliate Membership*

The Cooperative's President & CEO explained about compliance testing and the requirements for NRECA Affiliate Membership. He answered a few questions from the Board.

#### *2024 Annual Meeting Date*

The Cooperative's President & CEO announced the 2024 Annual Meeting is scheduled for Thursday, September 19<sup>th</sup>.

#### *PREA/AEC Winter Meeting format*

The Cooperative's President & CEO told Directors the PREA/AEC Winter meeting will be held Wednesday, November 1<sup>st</sup> through Friday, November 3<sup>rd</sup>. A director mentioned the Christmas auction and encouraged others to participate. The Cooperative's President & CEO has the employees in the Billing department making a basket for the Christmas auction.

#### *Christmas Choice*

The Chairman of the Board reminded Directors to turn in their forms for the Christmas Choice.

#### *Move December's Board Meeting*

A motion was made and seconded to move the December Board Meeting from Tuesday, December 26<sup>th</sup> to Tuesday, December 19<sup>th</sup>. Motion carried.

#### *In The Stix Management Agreement*

A copy of the In The Stix Management Agreement was provided to the Board and reviewed.

A motion was made and seconded to approve the In The Stix Management Agreement. Motion carried.

### *Healthcare Update*

The Cooperative's President & CEO told the board the Cooperative will stay with the current health coverage due to negotiation of good rates.

### *Broadband Update*

The Cooperative's President & CEO is waiting on statement of payments and values from Indiana County. The PA grant will be announced in February 2024. The Community Connect grant is to be announced by the end of this year.

### *ITX Board Report*

The Cooperative's President & CEO spoke about the topics discussed at the last ITX meeting. The Operating agreement was reviewed, an update was given on a tower opportunity. A new truck was recently purchased along with other materials. Eighty people have become customers of ITX. The Cooperative's President & CEO answered a few questions.

### *ITX Invoice*

The Cooperative's President & CEO presented an invoice for approval. This is to purchase fiber built by ITX since the Cooperative has purchased ITX.

A motion was made and seconded to pay the invoice for ITX. Motion carried.

### **Legal Update**

The Cooperative's Attorney attended the CEO and Legal Conference in State College. He spoke about the benefits of that meeting. He announced a Right of Way case is almost complete. He also answered a few questions from the Board.

## **President & CEO Report**

The Cooperative's President & CEO has attended a few meetings about broadband. He was a speaker at the Sustainability Summit in Harrisburg. The Cooperative hosted seven representatives from Harrisburg from the Broadband Authority. They visited our facilities and toured different sites to see our work with broadband installations.

The Cooperative's President & CEO also announced an upcoming retirement, a promotion of a current employee and a possible new hire for the reliability department. There has been training for the line department with PREA and their Zero Contact program. There will be a meeting on cybersecurity through the NRECA soon as well.

## **Continuing Business**

### *Memberships*

A motion was made and seconded to accept 91 new members for the month of September 2023. Motion carried.

### *Secretary / Treasurer's Report*

The Board of Directors reviewed the Secretary and Treasurer's report.

### *Committees 2023*

The Board Chairman received a couple of calls from Directors about which committees they would like to serve on. He reviewed which director will service on the various committees.

## **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of August 22, 2023 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.



### **Miscellaneous**

The following were reviewed by the Board of Directors:

Thank you letter from member  
Complaint letter  
Patronage letters

### **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:52 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**November 28, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, November 28, 2023, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

The Chairman of the Board of Directors called the meeting to order at 5:30 p.m. A Board of Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant.

*Reading of Cooperative Core Value*

The Cooperative’s President & CEO read aloud the Cooperative’s Core Value # 4.

*Approval of Minutes*

***A Motion was made*** to approve the minutes of the August 22, 2023 regular Board meeting. Motion carried.

*Additions to Agenda*

A Director asked that an Action item be added to the agenda to approve the discussion held at the Executive Session at last month’s Board meeting concerning compensation.

***A motion was made*** to approve the revised agenda as amended. Motion carried.

**Special Presentations**

*Final Budget*

The Cooperative’s Financial Analyst pointed out changes made to Allegheny Margins. Likely in the middle of 2024, a decision will need to be made on whether a rate increase is needed or not. The Financial Analyst also highlighted that the Cooperative’s marketing budget, REA Services and ITX were shifted to the end of the book. The President and CEO and the Financial Analyst spoke about Allegheny Margins and the Cooperative’s current TIER. Discussion continued on where the TIER needs to be. Both the CEO and

Financial Analyst spoke to the Board about the impact of raising rates and their goal is to hold off on raising rates in 2024. They answered questions from the Board. Lastly, the Financial Analyst spoke about footnotes in the budget and answered questions from the Board.

*A Motion was made* to approve the Final Budget as presented. Motion carried.

The Financial Analyst was dismissed from the meeting at 5:44 p.m.

### **Legal Update**

The Cooperative's Attorney announced that a Right of Way case is almost complete. As of December 4<sup>th</sup>, the right-of-way cutting will begin.

### **President & CEO Report**

The Cooperative's President and CEO updated the Board on an IT audit held at the Cooperative recently. It was a good event showing that the IT department is doing a good job. The IT Manager will attend a future Board Meeting to offer additional training in cybersecurity. New fiber lines have been installed into the Indiana office. ITX will splice into those soon.

The Cooperative's President and CEO spoke about a letter recently sent to members with DG meters, solar meters and digesters that explains the changes to their bills. He also gave a briefing on ITX and work being done in the Ebensburg area. There are broadband opportunities in the future that the President and CEO is keeping an eye on. He has been asked to be a consultant for a new broadband system in the Adams, Warren and Northwestern electric cooperative territories. Lastly, the President and CEO spoke about the need to move some items on the budget. He answered questions from Board of Directors.

### **New Business**

#### *CFC Forum Travel*

The Cooperative's President and CEO spoke about attending past CFC Forums and the upcoming event in Indianapolis in June 2024. If any Board of Directors are interested in attending, they are to fill out a survey in the Boardable program.

#### *Bad Debt Write-offs*

The Cooperative's President and CEO reviewed the bad debt write-offs and answered a couple questions.

*A motion was made* to approve the writing off of bad debt. Motion carried.

### *Load Limiting Policy Review*

The Cooperative's President and CEO explained the Load Limiting process and answered questions from the Board of Directors. He also mentioned that with the new meters in the Cooperative's territory, the level of demand can be adjusted from the office if needed.

### *Board Resolution – NRECA Adoption Agreement*

Last month, REA Energy Cooperative joined the NRECA's affiliate membership. The Resolution presented is to isolate ITX and REA Energy and that the retirement plans will not be connected.

***A motion was made***, to approve the Board Resolution as presented. Motion carried.

### *Christmas Greeting*

Board of Directors reviewed the Christmas Greeting that will be given to employees.

***A motion was made*** to approve the Christmas Greeting to employees. Motion carried.

### *ITX Board Meeting Date*

The next ITX Board Meeting will be held Friday, December 8<sup>th</sup>, starting at noon.

### *Allegheny Rate*

The Cooperative's President and CEO spoke about the Allegheny Rate and how they lowered the rate only for the remainder of 2023, then the rate will go back to the regular amount. The allocation next year should be close to the same amount we received this year. Discussion continued and the President and CEO answered a few questions.

### *Open Positions*

The Cooperative's President and CEO announced that there are still two job openings in the Engineering department. More interviews are being held next week.

### *Budget Moves*

The Cooperative's President and CEO asked the Board for approval to move a few items on the budget from 2024 to 2023. The items are for the purchase of a pick-up truck and side-by-side, and to start tree trimming in December.

***A motion was made*** to approve moving the items mentioned to this year's budget. Motion carried.

## **Continuing Business**

### *Grant Updates*

The Cooperative's President and CEO gave an update on the status of grant applications. There has been some delay on the application with Indiana County. The President and CEO will have REA Energy's Staff Attorney reach out to the County Commissioners if necessary. Discussion continued with the President and CEO and the Board. The President and CEO will continue to work on moving forward on the progress of the fiber ring. The President and CEO answered questions from the Board.

The Chairman of the Board declared a brief break at 6:37 p.m.

The meeting reconvened at 6:53 p.m.

### *PREA Board Report*

A Director gave a summary of the topics discussed at the last PREA Board meeting, held November 1<sup>st</sup> through the 3<sup>rd</sup>. The two-year budget was approved, there will be an increase in PREA dues in January. A strategic planning meeting will be held in January in Harrisburg and more statewide training will be made available soon for Director education. Also, the Director announced that funds have been released for LIHEAP. The Director answered a couple questions.

### *Allegheny Report*

A Director spoke about the Allegheny meeting held in Hershey from November 1<sup>st</sup> through the 3<sup>rd</sup>. A rate study was done, Patronage Capital was discussed, and a strategic planning session was scheduled. CFC will facilitate the discussion at the Strategic Planning session. Discussion continued on RGGI and applications for nuclear powerplants in the United States. The Director answered questions from the Board.

### *Memberships*

**A motion was** to accept 109 new members for the month of October 2023. Motion carried.

### *Secretary / Treasurer's Report*

The Board's Secretary and Treasurer reviewed the Secretary / Treasurer's report.

### *Christmas Lunch*

The Cooperative's President and CEO invited the Board to the Christmas lunch being held on Friday, December 22<sup>nd</sup> at 11:45 a.m. at the Indiana office. Any Director who wants to attend needs to let him know.

### *Executive Session discussion*

At the October 24, 2023, Board meeting, compensation for the President & CEO and Board of Directors was discussed in Executive Session. There was not a motion made to accept or decline what was discussed after the Executive Session. A Director wanted to make the Board aware of this and asked that this action item be taken care of.

*A motion was made* to accept what was discussed in Executive Session concerning the President & CEO and Board Compensation at the October 24, 2023 Board meeting. Motion carried.

### **Reports**

The following were reviewed by the Board of Directors:

**Form 7 – October 2023**  
**Form 7 – Significant Variance**  
**Power Cost/Revenue**  
**Escheat Balance Report**  
**NISC SmartHub Report**  
**Engineering Report**  
**Accident Report**  
**Websites Reports**

### **Approval of Summary minutes of September 19, 2023 Regular Board Meeting**

*A motion was made* to make corrections to the Summary minutes of September 19, 2023 Board meeting as discussed. Motion carried.

*A motion was made* by to approve the Summary minutes of September 19, 2023 Board meeting with changes. Motion carried.

*A motion was made* to approve the reports as presented. Motion carried.

### **Miscellaneous**

The following were reviewed by the Board of Directors:

**CFC letter**  
**Thank you letter from Member**  
**Thank you letter from IRMC**  
**Sell, Neff & Associates letter**

### **Adjourn**

*A motion was made* to adjourn the meeting. Motion carried.

The Chairman of the Board of Directors adjourned the meeting at 7:09 p.m.

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY OF REGULAR BOARD MEETING**  
**December 19, 2023**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the "Cooperative") was held Tuesday, December 19, 2023, in the boardroom of the Cooperative's headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

The Board Chairman called the meeting to order at 5:09 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

*Roll Call*

All but one Board of Directors were present. Also in attendance were the Cooperative's President & CEO, REA Energy's Staff Attorney and Executive Assistant. The Cooperative's Attorney and one Director were present via Zoom.

*Reading REA Cooperative Core Value #5*

The President and CEO read aloud REA Energy's Cooperative Core Value #5.

*Approval of Minutes*

**Motion was made** to approve the minutes of the November 28, 2023 Regular Board meeting. Motion carried.

*Additions to Agenda*

The Board Chairman added a thank you letter from Elaine Maudie of the Wreaths for Indiana County Veterans Committee to item 4.9.

**Motion was made** to approve the agenda as amended. Motion carried.

**New Business**

*Eminent domain*

REA Energy Staff Attorney, explained to the Board the upcoming eminent domain proceedings to gain a portion of land from a property owner, to rebuild the Livermore Substation. The current location of the Livermore Substation cannot be expanded and is near a drainage ditch, which may create a water issue. REA Energy is proceeding with due diligence in contacting the property owner regarding the portion of land we are interested in, but to no avail. The land that REA Energy is

interested in acquiring is .52 acres. REA Energy will continue attempting to contact the property owner and will proceed in condemnation if she does not respond.

*Motion was made to approve eminent domain proceedings for Livermore Substation rebuild. Motion carried.*

#### *Capital Credits (Deceased members)*

The Cooperative's President and CEO and Staff Attorney spoke about the changes that were made to the applications to have Capital Credit checks reissued to kin of deceased members. The new application is more streamlined and will not require family members to reopen an estate for a Capital Credit less than \$1000.00. Member Services has stated that the new application makes check reissuing an easier process.

REA Energy's Staff Attorney was dismissed from the Board meeting at 5:45 p.m.

#### *ITX Board Meeting*

The Chairman of the In The Stix Broadband, LLC Board reported the highlights from December 8, 2023 ITX Board meeting. Having problems concluding the Indiana County grant execution, waiting on the final contract from the county. The reason appears to be the uncertainty of the availability of Appalachian Regional Commission (ARC) funds. The County is indicating that the project may not be eligible for ARC funding. REA Energy and ITX sent an invoice to Indiana County for approximately \$150,000, which covers what has been built already. The County will have 30 days to pay the invoice.

A new website was built for ITX, [www.itxbb.net](http://www.itxbb.net). Employees have reported there has been an increase in requests for installation since the new site went live.

Approximately ½ (one-half) mile of fiber was ran from the REA headquarters office to the bridge crossing PA-286 E., This will be connected to Duquesne Communications' lines and used in-house by the cooperative.

#### *ITX Financial Report*

ITX is on pace to meet a break-even pace due to equipment and supply restocking that happened earlier this year. Some transactions will be pushed into the first or second quarter of 2024 for tax purposes.

#### *Employee Medical*

There are six (6) employees going into surgery in the months of December and January. Members might see a slight delay in response due to staffing shortage during those months.



## *Solar Projects*

Indiana Gazette approached REA Energy regarding a complaint made by Solar United Neighbors (S.U.N.), who is accusing the cooperative of reducing its net metering and cutting back on the solar market, while making it more expensive. REA Energy asked the Indiana Gazette submit questions relative to the upcoming article and relative the statements made by S.U.N. For sake of fairness to our other members who have essentially subsidized those distributed generation (DG) systems, and since REA Energy is solely a distribution cooperative, only a certain amount of energy is allowed to be sold back to the grid. REA Energy also keeps each system below a certain threshold of production to allow other DG systems to be built in each substation service area.

Directors request that they are emailed with the Indiana Gazette article link for their perusal.

Behind the Meter Projects – Penns Manor School District approached REA Energy regarding placing a solar array on the school grounds. REA Energy will update the Board as the process proceeds.

## *Determination of Allocations for Escheated funds*

REA Energy's President and CEO discussed a new scoring system that will be in place to rank future projects for Escheated Funds. Once projects have been ranked via a five (5) component grading system, the projects will be priced out and sent to the Escheat Funds Committee for a vote. Once the Escheat Fund Committee votes on the projects, the vote will be brought to the Board of Directors.

## *Cash and Loans*

REA Energy currently has \$6,000,000 to draw down from the AS8 loan. While it was originally going to be drawn down in 2024, with interest rates falling, pulling the funds to invest could generate approximately \$150,000 in interest. The President and CEO asked for Board approval to pull and invest the funds when interest rates fall to 4.1% or below.

**Motion was** to allow funding to be pulled funds from AS8 loan to invest when interest rates fall 4.1% or below. Motion carried.

The Chairman declared a brief break at 6:17 p.m.

The meeting was reconvened at 6:26 p.m.

## **Legal Update**

The Cooperative's Attorney said that the Right-of-Way matter has been resolved. Right-of-Way cutting begun on December 4, 2023, and we have received no calls or complaints.

## **President & CEO Report**

- REA Energy's President and CEO reported that we received a digger truck and will be ordering a bucket truck, which will not be delivered until early 2025. A Ford F-250 and a Kawasaki side-by-side were also purchased.
- Since becoming a NRECA affiliate, ITX has been saving approximately \$6,000 a month in workmen's comp premiums.
- Right-of-way cutting has begun on Indiana North substation and will continue into 2024.
- Both Indiana and Ebensburg offices will be receiving Narcan doses as a precaution. Employees will receive training on how to administer the medication.
- With the completion of the ITX fiber build at REA Energy's Indiana Office, we will be cutting ties with a communications company.
- REA Energy's President and CEO and ITX met with Somerset REC and AECOM to discuss the upcoming GRIP grant to build out fiber around Somerset and REA's service territories. AECOM is confident that REA Energy can use our infrastructure as an in-kind match.
- REA Energy will be conducting year-end reporting with NISC next week. Some applications might have intermittent down times as those processes are completed.
- The Board also discussed contract terms for two of the In The Stix Broadband's staff members. The matter will be discussed further in the upcoming months.

## **Continuing Business**

### *Retirement*

The Reliability Supervisor hasn't announced his retirement yet, but we expect it soon.

### *Open Positions*

There are two (2) available positions at REA Energy: Field Application Technician and Electrical Distribution Design Engineer.

### *Memberships*

**Motion was** to accept 115 new members for the month of November 2023. Motion carried.

## ***Secretary / Treasurer's Report***

The Board of Directors reviewed the Secretary and Treasurer's report.

### **Reports**

The following were reviewed by the Board of Directors:

- Form 7 – November 2023
- Form 7 – Significant Variance
- Power Cost / Revenue
- Escheat Balance Report
- Other Accounting Reports
- NISC SmartHub Report
- Accident Report
- 3<sup>rd</sup> Quarter Safety Report
- Engineering Update Report
- Websites Reports
- REA Services Report

Approval of Summary minutes of October 24, 2023 Regular Board Meeting

**Motion was** to approve the Summary minutes of October 24, 2023 Board meeting. Motion carried.

*Approval of all Reports as presented*

**Motion was** to approve the reports as presented. Motion carried.

### **Miscellaneous**

The following were reviewed by the Board of Directors:

The Chairman of the Board spoke on the recent wreath donation made to the Wreaths of Indiana County Veterans Committee. It was also discussed about a monetary donation that should be made to the same Committee. Donation amount from 2022 was \$300, which is what the Board would like to donate this year.

### **Adjourn**

**Motion was made** to adjourn the meeting. Motion carried.

The Chairman adjourned the meeting at 6:41 p.m.