

REA ENERGY COOPERATIVE, INC.  
REA ENERGY SERVICES  
SUMMARY OF THE MINUTES OF REGULAR BOARD MEETING  
February 27, 2024

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) and REA Energy Services was held Tuesday, February 27, 2024, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**REA Energy Cooperative– Regular Board Meeting**

**Call to Order**

The Board Chairman called the meeting to order at 5:14 p.m

*Roll Call*

Eight Directors attended in person. Also in attendance were the President & CEO, the Cooperative’s attorney, and the Executive Assistant. One Director attended virtually. Two employees from In the Stix and REA Energy’s Financial Analyst were special guests for the In The Stix, LLC special presentation.

*Reading REA Cooperative Core Value #7*

The President and CEO read aloud REA Energy’s Cooperative Core Value #7.

**ACTION**

*Approval of Minutes*

**Motion was** to approve the minutes of the January 23, 2024, Regular Board meeting. Motion carried.

*Additions to Agenda*

No additions were made to the agenda.

**SPECIAL PRESENTATION**

Escheats Funding Request  
ITX Board Meeting Report  
Escheats Meeting Report

In The Stix, LLC’s fiber plant engineer, gave a presentation regarding a six (6) phase plan to build fiber internet connections across 100 miles with Escheats funding. The proposed phases are within Cambria County and will connect to the Indiana County fiber ring. The build would pass approximately 950 commercial and residential properties, along with eight (8) cooperative substations and metering points. ITX estimates a take rate of around fifty percent; spur builds will pick up “islanded” customers who may not have any internet options. The projected total for the builds is approximately \$2.4 million with an expected completion time in 2025.

The balance of the buildout will go into the cooperative's work plan, the amount needed will be dependent on any monies received from grants. The Escheats Committee moved to present to the full board for approval the motion to move \$2.5 million from the escheats fund for broadband buildout.

#### **ACTION**

*Approval of Escheats funding request to build fiber facilities as presented.*

**Board of Directors were all in favor** to approve Escheats funding request to build fiber facilities as presented. Motion carried.

The In The Stix employees and REA Energy's Financial Analyst were dismissed from the meeting at 6:00 p.m.

#### **NEW BUSINESS**

#### **ACTION**

*Approval to grant additional online training for Directors.*

**Motion was made** to approve additional online training for Directors. Motion carried.

#### **ACTION**

Approval of By-Law Article III, Section II, xiii-xv Change.

**Motion was made to** approve changes made to By-Law Article III, Section II, xiii-xv. Motion carried.

#### **ACTION**

ITX Board Elections Resolution

**Motion was made** to approve resolution regarding ITX Board Elections. Motion carried.

#### Co-Gen and Outages Update

The President and CEO spoke on multiple incidents that occurred on February 26, 2024. A salvage company was removing retired utility poles, and one of the poles fell onto REA Energy's energized three phase line. This incident caused a 1,500-plus member outage in Cambria County. On the way to the outage a cooperative's line crew's bucket truck was struck from behind by a sedan. A separate crew was dispatched to restore power while damage was assessed to the bucket truck and sedan. The bucket truck sustained a scratch, while the sedan suffered extensive damage from the wreck and a subsequent fire. REA's crew had put out the fire before EMS arrived on the scene. Power was restored to area's affected within six (6) hours. Due to the damage caused to the lines, an insulator failed the next day. the insulator was replaced on February 27, 2024.

#### **LEGAL UPDATE**

REA Energy's Attorney reported that there are no ongoing legal matters at this time.

The Chairman declared a brief break at 6:11 p.m.

The meeting was reconvened at 6:27 p.m.

## **PRESIDENT & CEO REPORT**

- The President and CEO relayed to the Board of Directors that CDL physicals have been completed for 2024.
- The President and CEO attended a fiber training this month, which proved to be extremely insightful.
- REA's generator has been replaced, and the old generator was sold. The new generator has the capability of powering the entire building.
- REA Energy's billing department completed a bi-annual audit, and discovered several accounts that were being charged an incorrect rate. This could have stemmed from the conversion from one system to another in 2023. Corrections have been made and notices were sent out to those accounts that were affected.
- REA Energy has been receiving phone calls from broadband companies for partnerships with REA/ITX for the BEAD grant this year. REA Energy and ITX have agreed to not pursue the BEAD grant, due to a high match requirement.
- The first hotline demonstration in 2024 is scheduled for April 23 at Iselin Fire Company.
- The underground fuel tank at the Ebensburg office will be removed this year.
- One lineworker submitted his resignation. His last day will be March 8. The journeyman lineworker position has already be posted on the website and on social media channels.

## **CONTINUING BUSINESS**

### **Indiana Grant Update**

The President and CEO gave an update regarding the Indiana County fiber ring grant. REA Energy signed off on the Indiana grant's payment timeline. The ARC portion of the build will need to be completed by September 30, 2024.

ARPA grant awards should be announced in April 2024.

### **Open Employment Positions**

Journeyman Lineworker

Electrical Distribution Design Engineer

REA Energy will have an engineering intern this spring.

### **Eminent Domain for Livermore Substation Rebuild**

REA Energy spoke with future landowners regarding the eminent domain. We should know more this week.

### **Equipment Update**

A bucket truck and a digger have been delivered this month, and a side-by-side will be delivered next week.

An order for two (2) more service trucks and another bucket truck will be made for next year.

### **ACTION**

#### **Accept new members**

79 New Members for January 2024.

**Motion was made** to accept 79 new members for January 2024. Motion carried.

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

REA Energy's Secretary and Treasurer went over last month's financial reports.

### **REPORTS**

The following were reviewed by the Board of Directors:

Form 7 - December 2023 and January 2024  
Form 7 Significant Variance  
Power Bill Cost / Revenue  
Escheat Balance Report  
Other Accounting Reports  
NISC SmartHub Report  
Accident Report  
Engineering Update Report  
Website Visits for REA Cooperative and REA Services  
Penn Lines and Watt's New  
REA Energy Social Media Analytics  
REA Services Activity Report

### **ACTION**

Approval of SUMMARY of December 19, 2023, Board Meeting.

**Motion was made** to amend the SUMMARY of December 19, 2023, Board Meeting Minutes. Motion carried.

### **ACTION**

Approval of all Reports as presented.

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

### **MISCELLANEOUS**

Thank you letter from Committee for Wreaths for Indiana County Veterans

NISC Capital Credits Letter and Check

Thank you note from a student regarding Youth Tour

### **ADJOURNMENT**

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

The Chairman adjourned the meeting at 6:49 p.m.