

REA ENERGY COOPERATIVE, INC.
MINUTES OF REGULAR BOARD MEETING
May 28, 2024

The meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, May 28, 2024, 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 5:22 p.m. A director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

One director attended the meeting virtually. The rest of the directors attended in person. Also in attendance were the President & CEO, Cooperative Attorney, Field Applications Supervisor, Manager of Engineering, HR Administrator and Executive Assistant.

Reading of Cooperative Core Value #10

The President and CEO read aloud Cooperative Core Value #10.

ACTION – Approval of April 30, 2024, Regular Board Meeting Minutes

Motion was made to approve April 30, 2024, Regular Board Meeting Minutes. Motion carried.

ACTION – Approval of May 20, 2024, Special Board Meeting Minutes

Motion was made to approve May 20, 2024, Special Board Meeting Minutes. Motion carried.

ACTION – Additions to the Agenda

There were no additions to the agenda.

NEW BUSINESS

Distributed Generation and Net Metering Presentation

Field Applications Supervisor and Manager of Engineering gave a presentation to the Board of Directors regarding the new net metering policies and distributed generation. They answered questions from the Board of Directors.

The Field Applications Supervisor and Manager of Engineering were dismissed from the meeting at 6:12 p.m.

June's Board Meeting Date Change

The June board meeting needs to be rescheduled due to scheduling conflicts.

Motion was made to reschedule June's regular board meeting to July 2, 2024. Motion carried.

Director Plan and 457(b) Executive Compensation

Human Resource Administrator went over the 457(b) compensation plans for Directors and highly compensated employees and answered questions from the Board.

ACTION – Re-Adoption of Director Plan

Motion was made to re-adopt the Director plan. Motion carried.

ACTION – Adoption of 457(b) Executive Compensation

Motion was made to adopt 457(b) Executive Compensation. Motion carried.

The Human Resource Administrator was dismissed from the meeting at 6:22 p.m.

PREA Legislative Event Wrap-up

The PREA Legislative event was held on May 6, 2024, in Harrisburg. Reports from PREA state that over 100 people attended the event and was overall a good turnout.

Broadband Update

Materials needed for the last 50 miles of the Indiana Grant have been awarded to a manufacturer. Additional Tri-M crews have been assigned to complete the make-ready work for the Indiana Grant. The first ten (10) miles of the Escheats build have been completed by TermLink. REA Energy and In The Stix are estimating that all builds for the ring will be completed by end of 2025. REA Energy's marketing team sent out approximately 185 postcards to potential customers in the Cambria County area this month and will continue to market as more phases of the build are completed. Two (2) used splicing vans have been purchased for ITX.

Strategic Planning

2024's Strategic Planning Sessions have been scheduled for August 12-13. The Board of Directors will be sent a link to a survey that will need completed before August.

Credentials and Elections Committee Meeting

Districts 3 and 4 are up for reelection this year. Deadline for petition packets is June 21, 2024, at 3:00 p.m. The Credentials and Elections Committee meeting is scheduled for June 24, 2024, at 3:00 p.m.

Legal Update

The Cooperative Attorney gave an update on real estate properties.

The Board Chairman declared a brief break at 6:43 p.m.
The meeting was reconvened at 6:57 p.m.

President and CEO Report

The President and CEO gave a report to the Directors.

- PREA staff members will be visiting REA Energy on June 5, 2024.
- Construction of the wellness room for nursing mothers will begin next week.
- REA Energy will be at the First Responders Expo to conduct a hot line demo on June 29, 2024. The event will be held at S & T Arena.

CONTINUING BUSINESS

Open Employment Positions

- Two (2) Apprentice Linemen positions are still open; a load tech is interested in transitioning to a lineworker position.
- A new financial analyst started on May 20th.
- Electrical Distribution Design Engineer position is still open.

Equipment Update

The new digger truck is still being repaired by the manufacturer. There have been several hydraulic fluid leaks.

Altec has won the 2026 REA truck bid.

ACTION – Approval of 89 New Members for April 2024

Motion was made to accept 89 new members for April 2024. Motion carried.

Secretary/ Treasurer’s Report

The Secretary and Treasurer gave the Board the financial report for May.

ITX Board Report

The In The Stix Chairman gave a report on the ITX Board meeting that was held on May 17, 2024.

REPORTS

The following were reviewed by the Board of Directors:

| | |
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| Form 7 | |
| Form 7 Significant Variance | |
| Power Bill Cost / Revenue | |
| Escheats Report | |
| Other Accounting Reports | |
| Form 7 & Significant Variance | |
| Accident | Report |
| REA Services Report | |
| Engineering Update Report | |
| Websites Report | |
| SmartHub Update Report | |

ACTION – Approval of all Reports as Presented

Motion was made to approve all reports as presented. Motion carried.

ACTION – Approval of Summary of March 26, 2024 Board Meeting Minutes

Motion was made to approve Summary of March 26, 2024 Board Meeting Minutes. Motion carried.

ACTION – Approval of Summary of April 8, 2024 Special Board Meeting Minutes

Motion was made to approve Summary of April 8, 2024 Special Board Meeting Minutes. Motion carried.

Miscellaneous

Allegheny Capital Credit Allocation – REA Energy received approximately \$1.8 million worth of credit through the patronage of the Allegheny Cooperative.

Adjourn

Motion was made to adjourn the meeting. Motion carried.

The Board Chairman adjourned the meeting at 7:20 p.m.