

REA ENERGY COOPERATIVE, INC.
SUMMARY OF MINUTES OF REGULAR BOARD MEETING
JULY 23, 2024

The meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, July 23, 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 5:08 p.m. A director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All directors were present at tonight’s meeting. Also in attendance were the President & CEO, the Cooperative Attorney, an Engineering Intern, the Manager of Engineering and the Executive Assistant.

Reading of Rochdale Principle #2

The President and CEO read aloud the Rochdale Principle #2.

ACTION – Approval of July 2, 2024, Regular Board Meeting Minutes

Motion was made to approve July 2, 2024, Regular Board Meeting Minutes. Motion carried.

ACTION – Additions to the Agenda

There were no additions to the agenda.

NEW BUSINESS

Intern Presentation – Engineering Intern

REA Energy’s summer engineering intern gave a presentation on the substation phasing project he has been working on during his tenure. He has been developing a three-line phasing diagram for the Cherryhill/Pine Grove Substation with recloser and transformer information. This will help with our digital maps and combine all phasing and equipment information into a simple-to-read diagram. Following the presentation, the engineering intern and the Manager of Engineering answered questions from the board.

The Manager of Engineering and the engineering intern were dismissed at 5:21 p.m.

REA August Board Meeting Date Change

REA Energy's August board meeting has been moved from August 27 to August 20, 2024, to accommodate those who will be participating in the Indiana County Fair.

Motion was made to change the date of August's Board Meeting to August 20, 2024. Motion carried.

ITX Board Meeting Date

The next In The Stix Broadband board meeting date has been set for August 23, 2024 at 12:00 p.m.

Broadband Update

A broadband update town hall was held virtually on July 22, which went well. A recording of the townhall was uploaded to REA Energy's YouTube channel and pushed to REA Energy's social media channels.

Indiana County is in the process of a DCED audit. REA Energy invited the DCED representatives to inspect fiber construction sites, which they were impressed by.

Phase three of the fiber build has been sent out for material and labor bids.

Facilities Update

The Wellness room construction has been completed.

Strategic Planning Session - August 12-13 at Hilton Garden Inn

August 12 session will run from 9:00 a.m. to 3:30 p.m.

August 13 session will run from 9:00 a.m. to 12:00 p.m.

CoBank (strategic planning host) has offered to facilitate a separate strategic planning session for In the Stix Broadband.

Election Update

Annual Meeting notices and ballots will be mailed out by eSpace Communications on August 6, 2024, and ballots are due back to eSpace by September 17, 2024. They will mail the final vote count to Tim Leventry by September 18.

Letter to Board Candidates

This year's candidates for District 4 will be given a letter detailing inappropriate use of REA Energy's logo while on the campaign trail. This letter will be given to every candidate during contested election races.

Motion was made to accept the letter to the Board candidates. One director abstained from the vote. Motion carried.

Insurance Rate Increase

REA Energy has seen an 11.4% increase in insurance rates in 2024. Substation transformers have also increased by 100% over the last 2 years. These are some examples of how the energy industry is still impacted by inflation.

Legal Update

The Cooperative Attorney is currently working on REA Energy Policy C-8, which gives members the opportunity to ask for certain cooperative documents. Suggestions have been made to ensure the policy is aligned with statutory law. The President & CEO will look over the suggestions.

President and CEO Report

REA Energy President and CEO remarked on several topics.

-Claverack, Tri-County, Sussex, and Sullivan cooperatives experiences numerous outages after severe storms went through their service territory. REA Energy sent two crews for mutual aid to help with restoration efforts. They were there for three days.

-There is an option for a 0% interest loan through RUS for creating a smart grid. REA Energy will be pursuing the loan for fiber substation ring builds.

-The sewage company has completed repairs to their pump and hook up letters will be sent by the end of July.

-The new Kawasaki side-by-side recall issue has been repaired and is back in operation.

-An Ebensburg lineworker has resigned. REA Energy is having difficulties replacing journeymen lineworkers and will be looking for apprentice lineworkers to fill the gaps in the workforce.

-A legislative visit is set for August 28 at REA Energy's Indiana office starting at 1:30 p.m. State legislators Representative Jim Struzzi, Representative Brian Smith and Senator Joe Pittman will be in attendance. Directors are encouraged to attend.

-REA Energy's mechanic will be out for a few weeks following surgery.

-New life-saving devices will be given to employees who may be out in the field alone (i.e. staking engineers, ROW employees, etc.).

-The Key Ratio Trend Analysis is available; the results will be discussed in August's board meeting.

-REA Energy is in talks with PREA to get more pole top rescue time for our lineworkers.

The Board Chairman declared a brief break at 6:14 p.m.
The meeting reconvened at 6:31p.m.

CONTINUING BUSINESS

Open Employment Positions

Journeyman Lineworker
Apprentice Lineworker

ACTION – Approval of 159 New Members for May 2024

Motion was made, to accept 159 new members for May 2024. Motion carried.

Secretary/ Treasurer’s Report

The Secretary and Treasurer gave the Board the financial report for July 2024.

REPORTS

The following were reviewed by the Board of Directors:

Q2 Director Expense Report
Q2 Communications Report
Q2 Board Reports
Q2 Safety Performance and Accident Reports
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 & Q2 Outage Report
Websites Report
SmartHub Update Report

-Directors requested to add an In the Stix hook-up monthly report for new customers and a net new members yearly report.

ACTION – Approval of all Reports as Presented

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

ACTION – Approval of Summary of May 28, 2024 Board Meeting Minutes

Motion was made to approve Summary of May 28, 2024 Board Meeting Minutes. Motion carried.

Miscellaneous

Thank you letter from a member
Thank you letter from White Township

Adjourn

Motion was made to adjourn the meeting. Motion carried.

The Board Chairman adjourned the meeting at 6:53 p.m.