

REA ENERGY COOPERATIVE, INC.
MINUTES OF REGULAR BOARD MEETING
JULY 2, 2024

The meeting of the Board of Directors of REA Energy Cooperative, Inc. (the "Cooperative") was held Tuesday, July 2, 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 5:02 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Directors were present. Also in attendance were the President & CEO, Cooperative Attorney, Manager of Engineering and Executive Assistant.

Reading of Rochdale Principle #1

The President and CEO read aloud the Rochdale Principle #1.

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

Motion was to approve May 28, 2024, Regular Board Meeting Minutes. Motion carried.

ACTION – Additions to the Agenda

No additions were brought forward.

NEW BUSINESS

Construction Work Plan – Manager of Engineering

The Manager of Engineering presented the proposed construction work plan for 2025-2028. This workplan will focus on addressing copperweld locations, OCRs and pole replacements. REA Energy will be rebuilding some of the older, wooden framed substations with modern steel ones during this work plan. Due to a slight increase in load over the past 4 (four) years, REA Energy will be adding three-phase lines and regulators for load balancing and replacing aging intelligent electrical devices. Total approximate cost for the 2025-2028 work plan is \$42,159,228.

ACTION- Approval of 2025-2028 Construction Work Plan Draft

Motion was to approve the 2025-2028 Construction Work Plan Draft. Motion carried.

The Manager of Engineering was dismissed from the meeting at 5:42 p.m.

Annual Meeting Pastoral Choice

A Director volunteered to find a pastor for this year's annual meeting.

Credentials and Elections Committee Meeting Recap

This year's Credential and Elections Committee met on June 24, and all three candidates were approved to run in the election. The Director for District 3 was the only candidate for that district and was consequently elected following cooperative by-laws when only one candidate runs. District 4 will have a contested race with two candidates: the incumbent and a former REA Energy Director.

CFC Forum Recap

This year's CFC Forum was held in Indianapolis, Indiana. It was reported that the forum was informative, and they had fantastic speakers.

Summer Meeting Recap

This year's PREA Summer Meeting was held in Lancaster in June. Branden Bauer and his wife, Katelyn from United Electric spoke about his electrical contact accident.

District Elections Update

We will again be utilizing Co-op Ballot (eSpace Communications) for the election mailings.

Discussion Regarding Policy C-8 – Member Requests for Cooperative Information

The board of directors discussed possible changes for policy C-8, which allows director candidates to obtain the membership mailing list during campaign season. The mailing list can be either a hard copy or an electronic copy. The candidates must also sign an agreement to protect the members' information and prohibits them from replicating the list for any reason. The board agreed to investigate changing the language in the agreement to pose stricter penalties for those who misuse the list. Discussions will continue in the upcoming months.

Strategic Planning Session Discussion- August 12-13

The Strategic Planning Sessions are scheduled for August 12-13. CoBank will be facilitating the sessions. Approximately 7-10 topics will be discussed during the

sessions. SWOT surveys have been completed and CoBank is analyzing the results. The board discussed creating a separate Strategic Planning Session for In the Stix Broadband.

Broadband Update

Phase 1: Indiana County grant – Tri-M is building this phase of the build. Indiana County, REA Energy, and the DCED will have a meeting regarding the build next week.

Phase 2: Escheats build – ITX is working on this phase.

Phase 3: Substation ring build – The finance department is looking to get financing through RUS for this phase.

Facilities Update

The wellness room is currently under construction and should be completed later this month.

Legal Update

The Cooperative Attorney gave an update on real estate.

President and CEO Report

The President and CEO reported on several topics:

- The IT Manager will be attending RECAP, which is a forum about cybersecurity. As 2024 is an election year, cybersecurity threats are increasing. Shane will be testing other cooperatives' IT security systems for RECAP.
- The new financial analyst resigned after working for three weeks and went back to their previous position. REA Energy is in the process of searching for a candidate to fill that position.
- A new staking engineer began working this month.
- REA Energy is investigating the possibility of a Morgan Stanley owned datacenter moving into the service territory.
- Truck deliveries are on schedule.
- A Member Service Representative gave birth to a baby boy on June 30, 2024. Both mother and baby are doing well.

The Chairman of the Board declared a brief break at 6:46 p.m.
The meeting was reconvened at 7:01 p.m.

CONTINUING BUSINESS

Open Employment Positions

Journeyman Lineworker
Apprentice Lineworker

Part-time Member Service Representative
Financial Analyst

ACTION – Approval of 117 New Members for May 2024

Motion was made to accept 117 new members for May 2024. Motion carried.

Secretary/ Treasurer’s Report

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

REPORTS

The following were reviewed by the Board of Directors:

**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 to approve all reports as presented. Motion carried.

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

Motion was to approve Summary of April 30, 2024 Board Meeting Minutes. Motion carried.

Miscellaneous

Indiana County Emergency Expo – June 29, 2024
Member E-mail regarding distributed generation policy change
Cooperative Family Fund letter
Thank you letter from Jim Struzzi
Tri-County Annual Meeting invitation
Thank you letter from Youth Tour delegate

Adjourn

Motion was to adjourn the meeting. Motion carried.

The Chairman of the Board adjourned the meeting at 7:26 p.m.