

Regular Meeting Minutes
Salem Electric Board of Directors
23 January 2024 6:00 p.m.

1. CALL TO ORDER: The Salem Electric Board of Directors meeting was called to order by President Anderson. Directors present: Jeff Anderson, Jan Bargen, Dave Bauer, Tim Klarr, John Taylor, Joe Van Meter, and Angie Villery. Staff members present: Tony Schacher, General Manager; Jacob Knudsen, Member Services Manager; Chris Krieck, Administrative Services Manager; JB Phillips, Engineering & Operations Manager; Michael Richman, IT Manager; Michele Adkins, Executive Coordinator; and Randi Johnson, Executive Assistant. (A list of the members, employees, and guests in attendance is in the Supplemental Minutes Book.)
2. APPEARANCE OF INTERESTED MEMBERS: A member asked about the December 2023 executive session.
3. MEETING AGENDA: **MOTION** made by Van Meter, seconded by Klarr, and **carried unanimously** to approve the Meeting Agenda.
4. CONSENT CALENDAR: **MOTION** made by Bauer, seconded by Klarr, and **carried unanimously** to approve the Consent Calendar with the removal of Item D – Financial Report and Item F – Member Services Report.
5. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR: Item D: Questions regarded lines 14 and 15 on the balance sheet, line 12 on the statement of operations, the checks written report, and the 2023 top vendors list. Item F: Questions regarded commercial/industrial conservation funds distributed. **MOTION** made by Klarr, seconded by Bargen, and **carried unanimously** to approve Items D and F.
6. ACTION/INFORMATION ITEMS:
 - Board & Industry Meetings Calendar – Action: Due to conflicts with holidays and industry meetings, staff proposed moving the March board meeting to March 20, the April board meeting to April 17, the September board meeting to September 18, the November board meeting to November 20, and the December board meeting to December 18. **MOTION** made by Van Meter, seconded by Bauer, and **carried unanimously** to adopt the revised meeting calendar.
 - Appointment of NRECA and NRTC Voting Delegate and Alternate Delegate – Action: Anderson appointed Bauer voting delegate and Klarr alternate delegate for the NRECA annual meeting. Anderson appointed Van Meter voting delegate and Bauer alternate delegate for the NRTC annual meeting.
 - Safety Report – Information: Phillips discussed the culture of safety at the cooperative and reviewed goals and objectives of the Safety Improvement Plan and the Rural Electric Safety Achievement Program. The Board emphasized its commitment to safety and asked about safety program funding, continuous improvement processes, safety trends, and near-miss reports.

7. MONTHLY REPORTS:

Year-End Summary Report:

IT reviewed technology upgrades and cybersecurity enhancements that were completed in 2023.

Member Services highlighted several accomplishments for the year including implementation of prepaid billing, self-serve reconnects, and an electric vehicle registration program. The department created process improvements which resulted in a savings of hundreds of hours of employee time and improved the overall response time to members. The number of members enrolled in paperless billing also increased.

The Engineering & Operations Department was over budget for the year, largely due to increased material and contract labor costs, and highly fluctuating material lead times. Projects completed helped to increase reliability and the co-op achieved an average outage time of 5.4 minutes per member for the year.

Administrative Services noted that net margins, operating revenue, total expenses, power cost, and operating expenses were higher than budgeted, and utility billing revenue and MWh sales were slightly higher than anticipated. Residential services account for 63% of utility billing revenue, with general service making up 36% and street lighting 1%.

Manager's Report:

Engineering and Operations: SE crews assisted Consumers Power Inc. (CPI) in restoring power to its members after the recent ice storm.

Schacher discussed a donation request from Northwest RiverPartners for its 2024 media campaign and asked whether the Board would like to contribute. **MOTION** made by Van Meter, seconded by Klarr, and **carried unanimously** to contribute \$1,000.

Schacher stated that the City of Keizer has adopted a resolution to negotiate franchise agreements with Salem Electric, PGE, and NW Natural. He informed the Board that excess power sold to California during fiscal year 2023 triggered a reserve distribution, and revenue from the sale will be reverted to BPA preference customers. Schacher discussed the Federal Columbia River Power System and noted that the Lower Snake River Dams were instrumental in providing power to the region during the severe cold weather this month, while wind power was essentially nonexistent. The Board had significant discussion about the future of power supply in the Pacific Northwest if a settlement between the U.S. Government and the Six Sovereigns is approved by the courts and the dams are breached. Schacher highlighted January employee service anniversaries.

Strategic Plan Report: Schacher reviewed the strategic plan and provided a quarterly progress report of each strategic initiative.

Outside Meeting Reports: Directors commented on ORECA activities and NRECA training.

8. APPEARANCE OF INTERESTED MEMBERS: Member comments regarded clean fuel credits, electric vehicle charging in cold weather, offshore wind projects along the Atlantic seaboard, and the U.S. settlement regarding the Columbia River System Operations.

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9. NEW BUSINESS/GOOD OF THE ORDER: None.
10. EXECUTIVE SESSION: None.
11. ADJOURN: With no further business to come before the Board, the meeting adjourned at 8:32 p.m.

Dave Bauer, Secretary/Treasurer

Approved Pursuant to Board Action on
February 27, 2024

Jeff Anderson, President

SALEM ELECTRIC BOARD MEETING AGENDA
6:00 p.m. Tuesday January 23, 2024

1. CALL TO ORDER
2. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
3. MEETING AGENDA (Approve)
4. CONSENT CALENDAR (Approve)
 - A. Minutes of Prior Meetings
 - December 20, 2023, Regular Meeting..... 1-3
 - December 20, 2023, Executive Session 4
 - B. Acceptance of new members (155)
 - C. Release of members no longer taking service (148)
 - D. Financial Report5-18
 - E. Engineering & Operations Report19-24
 - F. Member Services Report25-28
 - G. Director Remuneration Forms29-54
5. CONSIDERATION OF ITEMS REMOVED FROM CONSENT CALENDAR (Approve)
6. INFORMATION/ACTION ITEMS
 - Board & Industry Meetings Calendar – Action (Schacher)..... 55
 - NRECA and NRTC Voting Delegate Selection – Action (Anderson)
 - Safety Report – Information (Schacher/Phillips)
7. MONTHLY REPORTS
 - Department Updates (Department Managers)
 - Manager’s Report (Schacher)
 - Strategic Plan Update (Schacher)
 - Outside Meetings Reports (Directors)
8. APPEARANCE OF INTERESTED MEMBERS (5 minutes per member)
9. NEW BUSINESS/GOOD OF THE ORDER
10. EXECUTIVE SESSION
11. ADJOURN (Next Meeting: February 27, 2024, 6:00 p.m. For upcoming agenda items, refer to the Annual Agenda Items Calendar on Call to Order (Documents, Board Meeting General).