

Washington Electric Cooperative, Inc.

Board of Trustees Minutes

September 27, 2018

The Board of Trustees of Washington Electric Cooperative, Inc., met in regular session on Thursday, September 27, 2018. Chairman Paul Fleeman called the meeting to order at 9:00 a.m., in the Cooperative's board room at 440 Highland Ridge Rd., Marietta, Ohio. Trustees answering the roll call were Paul Fleeman, William Bowersock, Gale DePuy, Betty Martin, Shawn Ray, Brent Smith, and Larry Ullman. General Manager/CEO Jack Bragg, Jr., Jennifer Greene, Allen Casto, and Dean McMahan were also present

Ray moved to accept the minutes of the August 23, 2018, WEC board meeting. Smith seconded the motion. Motion carried.

Ullman moved to accept the reports of capital credit estate retirements, new members of the Cooperative and the August 2018 safety report as presented by Bragg. Ray seconded the motion; motion passed.

Martin moved to accept the unaudited July 2018 financial report as presented by Director of Finance and Administration Dean McMahan. DePuy seconded the motion. Motion passed.

Bragg reported on the following meetings and topics:

- NRECA Region 1-4 meeting in Columbus September 5-7.
- Update on the South Olive substation that is nearing completion and is scheduled to be energized soon.
- Discussion of the August 1 closing for the property at the Rouse site that will tentatively begin site work this fall in preparation of construction early next year.
- Discussed several AEP transmission outages in the past week resulting in many WECC consumer outages. Included the 138 KV line to Ball Hollow where there are no back feed alternatives.
- Mid-Ohio Valley Safety Council attendance on September 19.
- Provided an update of the CEO fly-in to Washington D.C. organized by the governmental relations group at OEC.
- In depth update of the WEC Right-of-Way program including the trimming and high volume spray programs.
- Update on personnel changes and the competition now occurring from contractors for line employees.
- Discussion of a potential agreement with a member who wishes to relinquish required electric service to an area with a hillside slip requiring much construction and right of way spending to restore five spans that serve a load that does not generate any margin due to low consumption. A one-time assistance payment will be made with the understanding that if member or successors require service in the future that party will

be required to pay the full cost to establish the service and its future maintenance. After a brief discussion, no one had any concerns over moving forward with the agreement.

- Discussion of the potential relief in the levels of Buckeye Power bill due to decreasing transmission charge from AEP as a result of the tax relief act decreasing corporate tax for AEP and a PJM allocation reduction.

Ray exited the meeting at 10:30 a.m.

In other reports, Martin updated the Board on the September 11 Ohio Electric Cooperatives board meeting. Greene provided a Marketing and Member Services report while Casto gave an update on Metering and Technology.

The date for the October meeting has been moved to October 30 (Tuesday) to accommodate conflicts in schedule.

Ullman was presented his Director Gold certificate by Bragg. This achievement is the culmination of extensive training for board members in the NRECA program.

At 11:16 a.m., Depuy made a motion to enter executive session to discuss personnel matters with a second by Bowersock. It was unanimously agreed to enter executive session.

At 12:01 p.m., on a motion by Depuy and seconded by Smith, the board by unanimous consent exited executive session.

Depuy made a motion to adjourn at 12:02 p.m., seconded by Smith to adjourn the meeting which was agreed to by all board members.

Chairman

Secretary