

The aim of Delaware County Electric Cooperative, Inc., is to make electric energy and related services available to members at the lowest cost consistent with sound economy and good management.

NOTICE OF BOARD MEETING

The regular meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. will be held **Tuesday, February 23, 2021 at 5:00 pm** at the Co-op's office, 5 North Depot Street, Delhi, New York to act on the following agenda.

AGENDA

I. Opening Business:

- A. Call to Order
- B. Roll Call - Determination of Quorum
- C. Adoption of Agenda [*packet page 1*]

II. Consent Agenda:

- A. Minutes of January 26, 2021 [*packet pages 2- 6*]
- B. New Memberships [*packet page 7*]
- C. Bad Debt Collection Report [*packet page 8*]
- D. Director Compensation [*packet pages 9-10*]
- E. Corporate Calendar [*packet page 11*]

III. Monthly Financial Reports

- A. 2020 YE Income Statement [*handout*]
- B. 2020 YE Balance Sheet [*handout*]
- C. January 2021 Income Statement [*handout*]
- D. January 2021 Balance Sheet [*handout*]

IV. General Manager's Report [*packet pages 12-14*]

V. Nominating Committee Appointments [*packet page 15*]

VI. CEO Search Committee Report [*oral report by Committee Chair Oles*]

VII. NYSRECA Report [*oral report from attendees*]

VIII. NEAEC Sponsored Director Training (January 26 & 27) [*oral report from attendees*]

IX. CoBank – 2021 Director Election [*President Oles*]

X. NYSERDA Grants [*President Oles*]

XI. Line Extension Policy Review [*packet pages 16-23*]

XII. Lineman Apprentice Progression Proposal [*Sullivan & Pietrantoni, packet page 24*]

XIII. Staffing Discussion [*Sullivan & Pietrantoni, oral report*]

XIV. Revised Budget Presentation [*Cannizzaro, handout*]

XV. New Business:

- A. Corporate Calendar Review

XVI. Future Business:

- A. Regular Board Meeting, Tuesday, 3/23/21 @ 5 pm
 - 1. Student Interviews for Scholarship
 - 2. Review of Compress
- B. 2021 NRECA PowerXchange (NRECA Annual Meeting) and TechAdvantage Experience, 2/22/21 to 3/4/21 online
- C. Legislative Conference, 4/19/21 – 4/23/21, online
- D. Virtual April NYAPP Meeting, 4/21/21 to 4/22/21, 10am -12pm both days
- E. April board meeting, 4/27/21
 - 1. Audits Report
 - 2. NYS ACRE Donations
- F. NYSRECA Business Meeting & Albany Advocacy Day, TBD
- G. NEAEC Annual Meeting, May 20th, 10:00 am – 12:00 pm, virtual meeting, details to be emailed by Lee Ann Hoad from Steuben
- H. NYSRECA Annual Meeting, July TBD
- I. DCEC Family Fun Day, 8/6/21 at 5 pm, Delhi, NY
- J. Report and update on RESAP from Operations after visit from PREA (August board meeting, 8/24/21)
- K. NRECA Regions 1 & 4, 9/8/21 – 9/10/21, National Harbor, MD (*Dates subject to change*)
- L. DCEC's Annual Meeting, 9/10/21
- M. CoBank facilitated Strategic Planning Discussion, date, TBD, Delhi, NY
- N. COVID vaccine for employees if/when it becomes available

XVII. Executive Session

XVIII. Adjournment

Cooperative Stakeholders

- Members
- Employees
- Community
- Business Partners
 - Suppliers
 - RUS
 - CFC
 - Federated
 - Other cooperatives
 - NYSERDA
- Government
- Regulators

**Delaware County Electric Cooperative
Board Meeting Minutes
January 26, 2021**

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held January 26, 2021 at the Co-op's office, 5 North Depot Street, Delhi, New York.

A. Call to Order: The meeting was called to order at 5:13 p.m. by President Oles.

B. Roll Call - Determination of Quorum:

Stephen Oles	P
Edward Pick Jr.	A
Paul Menke	P
Laurie Wehmeyer	P
Kimberly Tosi	P
Steve Burnett	P
Jeffrey Russell	P

DCEC staff members that participated in-person were, DCEC's Interim CEO/General Manager Millie Faulkner, and DCEC's Operations Manager Ryan Sullivan, DCEC's CFO Mark Cannizzaro, DCEC's Engineering Manager Paul DeAndrea. The following were participating via Zoom DCEC's Administrative Assistant Alicia VanZandt and DCEC's Legal Counsel Jeffrey Clark and Theresa Rusnak from Bond, Schoeneck and King. Also present were Cooperative members Micheal Pietrantoni and Steve Little.

C. Adoption of Agenda: President Oles stated that since there were 2 additions to the agenda: 1) NYAPP Meeting Report 2) Fence for Retention Basin.

II. Consent Agenda: A motion was made by Director Wehmeyer to approve the consent agenda as presented. The motion was seconded by Treasurer Menke. The motion passed.

III. Monthly Financial Reports: CFO Mark Cannizzaro reported that the financial reports are not completed and that both the income statement and the balance sheet for the month of January will be presented at the February board meeting.

IV. General Manager's Report: Interim CEO/General Manager Millie Faulkner reiterated that in regards to the notable outages and occurrences a total of 291 members were without power during some portion of Christmas Eve, Christmas Day and the day after Christmas. Mrs. Faulkner commented that all available line staff and Operations staff worked off and on daily to restore power as quickly and safely as possible during this lengthy flooding/wind storm event.

Interim CEO/General Manager Millie Faulkner remarked that no services were disconnected for non-payment because of the on-going moratorium which will remain until the board instructs

management to resume normal procedures.

Interim CEO/General Manager Millie Faulkner mentioned that currently there is no update on the Small Business Administration (SBA) Payroll Protection Program (PPP) Loan Forgiveness status.

Interim CEO/General Manager Millie Faulkner stated that the job openings for Operations were once again posted internally with the CDL license revisions. Mrs. Faulkner added that Mr. Jacob Marshall was hired as the new member of the Line Crew.

V. Sexual Harassment Training: DCEC's Legal Counsel Jeffrey Clark and Theresa Rusnak from Bond, Schoeneck and King conducted a virtual sexual harassment training session. Board and management staff participated in this training.

VI. CEO Search Committee Report: See attached report from CEO Search Committee.

VII. Headquarters Project: Reviewed.

VIII. Cooperative COVID-19 Response Update: Interim CEO/General Manager Millie Faulkner notified the board that she distributed, reviewed and answered all questions the staff had about the Updated Employee Plan in Response to COVID-19 Virus.

IX. Student Scholarships in lieu of Legislative Conference: Following the report and presentation of Administrative Assistant Alicia VanZandt, Vice President Russell made the following motion;

- present the 2020 Student Delegate, Jillian Hungerford with a \$1,500 scholarship in lieu of attending the 2020 Legislative Conference in-person.
- award the selected 2021 Student Delegate a \$1,000 scholarship in lieu of attending the Legislative Conference in-person.
- add additional requirements for the 2021 Student Delegate to include active participation in DCEC sponsored events such as Family Fun Day and Annual Meeting.
- allow all student interviews to be conducted via Zoom at the March board meeting.

This motion was seconded by Director Tosi. The motion passed.

X. Update & Review of Project Roundup: Interim CEO/General Manager Faulkner reported that Project Roundup was originally on the March 24, 2020 board meeting agenda. Mrs. Faulkner added that board approved former CEO/General Manager Mark Schneider's recommendations for Project Roundup at the May 12th 2020 board meeting. Mrs. Faulkner also added that to date nothing has been completed to implement the approved Project Roundup Scholarship Program. Mrs. Faulkner added that she could reach out to other Cooperatives that have implemented Operation Round Up and inquire how they distribute funds and select grant recipients.

XI. Stray Voltage Report: Operation Manager Ryan Sullivan updated the board on the annual stray voltage testing and inspection program report.

XII. Vegetation Management: See attached report submitted by Operations Manager Ryan Sullivan.

XIII. Energy Efficiency Programs Report: Operations Manager Ryan Sullivan summarized that DCEC is working on providing additional energy efficiency programs and is working on altering existing programs to better meet the needs of our membership. Mr. Sullivan gave an example that he is considering amending the existing Energy Star Rebate program and allowing more than one new appliance per year. Mr. Sullivan continued to explain that he is finding that members are buying appliances in pairs i.e., washers and dryers or they are remodeling an entire kitchen and upgrading all appliances at once. Mr. Sullivan concluded that future energy efficiency programs could potentially include items such as smart thermostats and heat pumps.

XIV: Possible additional allotment of Peaking Power Allocation: Engineering Manager Paul De Andrea reported that, after further analysis regarding the offer of additional supplemental peaking power from NYPA, this does not appear to be cost effective. Mr. De Andrea's analysis indicated that we would not be saving money unless the incremental power achieved .10 cents per KHW and that has not happened in the last ten years. At this point in time, the Cooperative has declined the offer from NYPA.

XV. EV Charging Station (Charge Point): Engineering Manager Paul De Andrea presented an update on the charging station now operating at the new headquarters. The previous charging station at 39 Elm Street was operated by Transition Catskills and paid the Cooperative for usage consumed by the public. The new station is completely operated by the Cooperative and the usage is currently absorbed in the headquarters electric usage. Mr. De Andrea explained the relatively low cost to operate the EV charging station, including the electric usage, and the Board opted to not charge the public in the interest of one of the 7 Cooperative principles which is "Concern for Community". Director Burnett suggested that we advertise the EV charging station and advertise it as a free benefit to the community. President Oles also talked about considering an AMI based on fiber with the help of MTC and DTC. This device can measure ice buildup as well as assisting with measuring usage on fast charging EV stations. NYPA has millions of dollars earmarked for these types of projects.

XVI. NRECA ACRE Contribution: Reviewed. Interim CEO/General Manager Faulkner reported that in the past DCEC directors have contributed \$25/each to NRECA ACRE and \$125/each to the New York State ACRE in April.

XVII. DCEC Donation "Back To School": Interim CEO/General Manager Faulkner reported that at the June 2020 board meeting the board of directors approved a motion to donate a total of \$10,000 to both Delaware and Schoharie counties proportionate to DCEC's service territory, to help fund back to school programs within those counties. Mrs. Faulkner added that these community programs provide traditional school supplies, plus sneakers, socks, and essential items for children of need within our service territory. Mrs. Faulkner mentioned that it was determined that about 87% of DCEC members live in Delaware County and 13% of DCEC

members live in Schoharie County, therefore, DCEC donated \$8,700 to Delaware Opportunities Inc. which was matched by CoBank with an additional \$8,700 donation and DCEC also donated \$1,300 to Schoharie County Community Action Program Inc. and CoBank provided a matching donation of \$1,300.

XVIII. Faulkner Employment Agreement: A motion was made by Director Burnett to approve the presented resolution with amendments to correct CRO to CEO and the year to 2021. The motion was seconded by Treasurer Menke. The motion passed. Mrs. Faulkner advised the entire board that the contract extension would only be through April 2nd as that would be her retirement date. This notice was in keeping with the contract requirement of at least 60 days notice.

XIX: New Business:

A. Report of Office Safety Meetings Schedule: CFO Mark Cannizzaro reported that a new office safety meeting schedule was created and the first meeting will be on the 28th. Mr. Cannizzaro added that during these office safety meetings safety procedures are reviewed and a monthly inspection and inventory of the first aid kit and batteries for the AED Defibrillator are checked.

B. Corporate Calendar Review: Reviewed.

XX. Future Business:

- A. Regular Board Meeting, Tuesday, 02/23/2021 @ 5:00 pm
- B. CoBank-facilitated Strategic Planning Discussion, date TBD, Delhi, NY
- C. COVID vaccine for employees if/when it becomes available.
- D. NEAEC Sponsored Director Training Report from Attendees (1/26 & 1/27)
- E. NYSRECA Business Meeting – Thursday, 1/28/2021 at 9:30 am, teleconference info to be mailed.
- F. NYSRECA Business Meeting Report
- G. 2021 NRECA PowerXchange (NRECA Annual Meeting) and TechAdvantage Experience, 2/22/21 to 3/4/21 Online
- H. Review of Compass
- I. Review of 2021 Budget Changes Due to Personnel Changes (CEO)
- J. Appointment of Nominating Committee
- K. Report of Operations Visit from PREA (Maybe August?)
- L. Student Interviews for Scholarships or Legislative Conference
- M. NYS ACRE Donations

XIII. Executive Session: A motion was made to go into executive session at 9:20 pm by Director Burnett. The board invited the three Managers; DCEC's Interim CEO/General Manager Millie Faulkner, DCEC's CFO Mark Cannizzaro, and DCEC's Operation Manager Ryan Sullivan to join the executive session. The motion was seconded by Director Wehmeyer. The motion passed. A motion was made to come out of executive session at 11:25 p.m. by Director Burnett. The motion was seconded by Director Tosi. The motion passed.

XIV. Adjournment: There being no further business on the agenda, President Oles adjourned the meeting at 11:30 p.m.

Respectfully submitted,

Edward “Rusty” Pick, Jr.,
Secretary

Delaware County Electric Cooperative, Inc.

5 North Depot Street, P. O. Box 471, Delhi, New York 13753-0471
607-746-2341

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NEW MEMBERSHIPS – February 23, 2021

ACCT #	LOCATION	FIRST NAME	LAST NAME	ADDRESS	CITY, STATE, ZIP	FORMER/ RENTING/ NEW SERVICE
18542-001	DE 4-18-4	885 Glen	Burnie Rd., LLC	22 Lincoln Pl #3R	Brooklyn, NY 11217	John J. Vogel
18540-001	GI 2-38-10A	Ashley	Stone	825 Shew Hollow Rd.	Stamford, NY 12167	Constance Bilinski
18539-001	KO 2-42-30A	Biagio	Samangelo	1708 North Rd.	Bloomville, NY 13739	James DePierro
18232-001	JE 2-15-11D	Ashley	Thomas	143 Zona Rd.	Jefferson, NY 12093	New Service
18537-001	JE 2-26-4B	Gregory	Mattice	377 Churchill Rd.	Stamford, NY 12167	Peter Martoglio
18532-001	DE 4-6-14A	Andres	Pastoriva	325 East 41 st Street Apt 506	New York, NY 10017	Rosemary Morin
18528-001	DA 2-11-3	Matei	Liuba	960 Main St. P.O. Box 334	Hobart, NY 13788	Richard Deats
18525-001	CO 4-77-6	John	Senzanili	6 North Second St.	Cortlandt Manor, NY 10567	Silvester Senzamici
18543-001	ME 1-85-31A	Rebecca & Steven	Little	5580 Peakes Brook Rd.	Delhi, NY 13753	Rebecca Little
18538-001	KO 1-48-5B	James	Fisher	11 Pine St., Apt. 2602	Montclair, NJ 07042	Michael Scarimbolo
18527-001	CO 4-76-11E	Joanne	Romero	344 S. 3 rd St., Apt. 1B	Brooklyn, NY 11211	Margaret Governale
18521-001	CO 4-68-10	Natalie	Petruch	1248 Fall Clove Rd.	DeLancey, NY 13752	Patrick Kaja
18523-001	HA 4-57-10	Anthony	Simonetti	460 Ocean Side St.	Islip Terrace, NY 11752	Steven W. Tait
18510-001	ME 1-76-4B	Robbie	Weaver	2306 Back River Rd.	DeLancey, NY 13752	Linda Hafele
18535-001	DE 4-27-6B	Eric	Merring	343 Bob Holloway Rd.	DeLancey, NY 13752	Kenneth H. Merring
18552-001	JE 2-37-21A	Ion & Miorita	Popescu	P.O. Box 153	Jefferson, NY 12093	Ion C. Popescu
18547-001	TO 3-67-1	Tyler	Evans	3929 Dryden Rd.	Walton, NY 13856	John Shlonsky



RESOLUTION

February 23, 2021

BE IT RESOLVED, THAT WE, The Board of Directors of the Delaware County Electric Cooperative, Inc., 39 Elm Street, Delhi, NY 13753, do hereby authorize the transfer of \$476.06 representing uncollectible accounts for utility customers per the following listing, to accumulated provision for uncollectible accounts.

<u>ACCOUNT</u>	<u>SER. ADD.</u>	<u>CUSTOMER</u>	<u>SEASONAL</u>	<u>RESIDENTIAL</u>
16092002	DA 1-29-15C	Kevin Briggs	\$	\$ 280.43
12726001	MD 1-9-3	Casady Gifford		114.05
9463002	KO 2-62-10A	Harry Kovsky		81.58
			\$	\$ 476.06

February 23, 2021

EDWARD G. PICK, JR., SECRETARY

2021 Director Compensation Report				Report Date:		18-Feb-2021		
	<u>Director</u>	<u>Officer</u>	<u>CCD</u>	<u>Per Diem</u>	<u>Pers Mileage*</u>		<u>Comp YTD**</u>	<u>Balance Due (YTD)</u>
1	Burnett	No	Yes	\$ 350	17	\$ 9.52	\$ 700.00	\$ 719.04
2	Menke	Yes	Yes	\$ 375	15	\$ 8.40	\$ 750.00	\$ 766.80
3	Oles	Yes	Yes	\$ 375	14	\$ 7.84	\$ 1,125.00	\$ 1,140.68
4	Pick	Yes	Yes	\$ 375	44	\$ 24.64	\$ 375.00	\$ 399.64
5	J. Russell	No	Yes	\$ 375	44	\$ 24.64	\$ 750.00	\$ 799.28
6	K. Tosi	No	No	\$ 300	20	\$ 11.20	\$ 600.00	\$ 622.40
7	Wehmeyer	No	Yes	\$ 350	52	\$ 29.12	\$ 700.00	\$ 758.24
	TOTAL:						\$ 4,300.00	\$ 4,487.04
NOTES:		1) Board policy identifies \$300 per diem compensation + \$25 for officers + \$50 for CCD directors.						
		* 2) Mileage to/from regular meetings @ IRS per mile rates of.....						\$0.560
		** 3) Compensation YTD reflects total taxable amount earned (excludes reimburseable expenses such as mileage)						
		4) Compensation for co-op-related "Short Activities" @ \$100 per meeting (per Jan2013 Board Resolution)						

DCEC Corporate Calendar Review

February	
Preparation of Form 7 Report / Submit by 3/31 (RUS, CFC, NYPA, Co-Bank)	Cannizzaro/CEO
Form 990 Report Prep (Feb-Mar)	Cannizzaro
Financial Audit (Jan-Mar)	Cannizzaro/CEO
Payroll submission to NRECA (W2 for 401k calc) – due mid Feb	Cannizzaro
DEC Hazardous Waste Annual Report (>2,200 lbs.) due 3/1	Sullivan
Confirm pesticide labels are up to date	Sullivan
Provide annual notice of Herbicide Treatment in Newsletter	Sullivan/VanZandt
NRECA Annual Meeting	CEO/Board
Substation Infrared Inspections	Sullivan
Strategic Plan Review	CEO/Board
Board appoints Nominating Committee (Directors identify members)	Board
Update Standard Costs	Sullivan
Member-owned DG checks to members based on prior year power costs	Alwine/Cannizzaro
Billing complete for NYC permit fees	Rifenbark
March	
Financial Audit - Report to Board	Cannizzaro/CEO
Form 990 Report Prep (Feb-Mar)	Cannizzaro
Financial (Form 7) Report / Submission by 3/31 (RUS, CFC, NYPA, Co-Bank)	Cannizzaro/CEO
Annual Meeting Kick-off Planning (incl consideration of Bylaw changes)	CEO/VanZandt/Board
Legislative Youth Tour Interviews/Selection	CEO/Board
Update Truck Maps - printed	Sullivan
Phase Balance Study completed	Sullivan/DeAndrea
NRECA Reliability Survey	Sullivan/DeAndrea
Dept of Energy EIA Survey	Sullivan
NYSRECA Legislative Conference (tbd)	CEO/VanZandt
Board decision/approval of proposed bylaw changes (for Annual Meeting)	Board
Update System Dispatch Book for Dispatchers & Office	Sullivan/DeAndrea
Nominating (Director Search) Committee Meeting	CEO/VanZandt
Power Cost Risk Update to Board	CEO

DCEC BOARD MEETING GENERAL MANAGER'S REPORT January 19, 2020 – February 18, 2021

ENGINEERING & OPERATIONS

Notable Outages & Occurrences: The Cooperative has experienced a relatively low occurrence of major outages despite frequent storms and snowfall. Recently, a pole was broken by a plow operated by the Town of Gilboa and thankfully no one was injured. The recent snow and ice storm that occurred on February 16th resulted in 1 outage off of the Delhi sub requiring two crews with a second minor outage located in Jefferson occurring during the day as well.

Disconnections: No services were disconnected for non-payment this month. This moratorium on disconnects for non-payment will continue until the board of directors instructs management to resume normal collections and disconnection procedures since the NYS executive order is still in place. NYAPP has gathered information regarding the impact that the moratorium is having on utilities. Bruce Geiger has written a letter to the NYS Senate and Assembly requesting that in addition to any moratoriums being extended through executive order, that the utilities reserve the ability to mandate that their members (or consumers) apply for HEAP or enter into Deferred Payment Arrangements (DPA) in order to be covered under the moratorium. This would prevent individuals from taking advantage of the moratorium in order to simply not pay their utility bills.

Pole Inspections / Line Inspections / Stray Voltage Testing: Stray voltage testing is on hold at this time due to snow. Pole and Line Inspections will resume as weather allows.

FINANCE & ACCOUNTING & HUMAN RESOURCES:

Small Business Administration (SBA) Payroll Protection Program (PPP) Loan Forgiveness Application: The latest communication from The Delaware National Bank was on February 18, 2021 via an email from Dee Hillis. Dee Hillis indicated that she had received correspondence from the SBA basically confirming that her submitted paperwork on our behalf was received and we are in their queue to be reviewed.

2020 Audit: The auditing firm of Fiore Fedeli Snyder Carothers, LLP was on site to conduct the audit of the 2020 financials on February 16th through February 19th. They are scheduled to meet with President Oles and Treasurer Menke for the audit update on Thursday, February 18th. Mark Cannizzaro has done an excellent job considering this is his first audit for the Cooperative and he was only in his role for the last quarter of 2020 regarding familiarity with the financials.

Operations Staffing Update: Both positions that were advertised for the operations staff have now been filled and the employees have started employment with the Cooperative. Jacob Marshall was hired as the apprentice lineman and his date of hire was January 25, 2021. David J. Terry, II was hired as a Line Clearance Arborist on the Right-of-Way crew and his date of hire was February 16th, 2021.

CEO Transition: I continue to engage in good, productive conversations with Mike Pietrantonio regarding everything from staffing to morale. He has been very understanding and cooperative and seems eager to be an integral part of any and all improvements regarding the entire line personnel. Mark Cannizzaro and Ryan Sullivan continue to be the primary contact for the staff that they supervise. I strongly believe that this has restored a more definitive chain of command that helps to maintain a sense of order for all personnel. I have notified all employees that my contract was extended at the last board meeting with my final day being April 2nd. I look forward to being able to transition the permanent CEO to continue the progress being made with employee, member and all Cooperative matters.

Member-Funded Employee Celebration: The generous donation made by a member to the employees for a luncheon, currently has a balance of \$540.00. I would like to recommend that these funds be used for a “meet and greet” breakfast on the first day of the new CEO’s employment. It would be nice if the entire board could join us and introduce the new CEO and then stay and mingle with the employees while enjoying breakfast. I think that

this would also create the opportunity for the new CEO to address the employees and provide any pertinent information that he/she sees fit while allowing the employees to also get to know he/she. This can all be done in the high bay area so that we are COVID safe. The directors' breakfasts would be paid for by the Cooperative and not deducted from the donation meant for the employees.

Covid-19 Update: To date, the Cooperative has had 3 staff members test positive for the Coronavirus. In each case, the affected employee and all employees that felt they may have been exposed have been quarantining at home. Everyone has been cooperative and the cases have not spread to other employees.

Mark Cannizzaro: Mark and his wife are expecting the birth of their 2nd child. The official due date is the first week in March but it could be any day now. When that blessed event occurs, Mark will be out of the office for approximately two weeks. Ryan and I will be covering the Finance office duties.

Alicia VanZandt: Ally and I had a very sincere and heartfelt discussion and mutually agreed that she would no longer be participating in taking the minutes of the board meetings. She will continue her role in every other aspect of the board interactions but due to some new personal situations, this is best for all. Her job description has been updated to reflect this change effective immediately. The management team will be responsible for the recording of the board minutes going forward.

POWER SUPPLY / PROJECT INITIATIVES:

Headquarters Project: The issues with the bathrooms in the original part of the headquarters have all been corrected. As of this date, both bathroom floors have been repainted and the sheetrock/drywall patch in the women's bathroom has been repaired. Both bathrooms have been repainted. Also, the CEO's office was repainted.

Hydropower Generation Curtailment: A letter was received February 16th from Darryl Jacobs from NYPA. The recent weather and icing conditions from the storm on the 15th resulted in a reduction of the generation of hydropower at the Niagara Power Project. Darryl's letter stated that they were in the process of procuring Substitute Energy. Per Paul De Andrea, "this is not quite the same as incremental power and the cost is unknown at this time. The last time the term substitute energy was used was October of 2012." It is unclear at this time when this adjustment will be seen in our invoices. This is all allowable under the current terms of our contract with NYPA.

LEGAL, GOVERNANCE & LEGISLATIVE/INDUSTRY AFFAIRS:

NRECA Government Relations: I have not received any updated information from NRECA since my last Manager's Report. As all of you know, the transition to the new administration is causing everyone to "reshuffle". The items that most utilities are keeping a watchful eye on are the monies that may become available for HEAP in the proposed stimulus package and the position that President Biden's administration takes on fossil fuels, renewable energy and global warming in general.

NYSRECA Government Relations Committee: NYSRECA met via teleconference on Friday, February 12, 2021. The call focuses primarily on government relations, with an emphasis on proposed bills in the Senate and Assembly.

1. Bruce Geiger continues to work with NYAPP on the moratorium placed on utilities by executive order due to the pandemic. Please see my comments above regarding this.
2. Bruce Geiger will be reaching out to Governor Cuomo regarding broadband and New York State's proposal to waive fees for low income families to get access to internet. The affected utilities would like to see NYS subsidize the cost of these waivers due to the large expense involved with make ready work for the installation of the cables. Very recently, Governor Cuomo pocket-vetoed (took no action by the deadline date which essentially equates to a veto) a bill that would have required the state Public Service

Commission to conduct an in-depth study of where broadband internet coverage is weak or non-existent. This of course affects all types of funding and action that could have aided in the build out of broadband to most rural areas.

3. A bill has been introduced in the New York State Senate that relates to the right to clean air and water and a healthful environment. Bruce said that he would be keeping an eye on this and report back to NYAPP accordingly.
4. The CLCPA is very active with all committees meeting and continuing to move forward with various proposals.
5. Bryant Dillon reported that the RUS Forgiveness Funding is still moving forward within Biden's stimulus package proposal.
6. Bryant has organized a virtual meeting for an introduction with Congressman Andrew Garbarino. It is scheduled for Wednesday, March 3, 2021.
7. After a 3 month long disputed election, Congresswoman Claudia Tenney has emerged as the winner for the 22nd Congressional District and Anthony Brindisi has now conceded the race.

NYAPP:

1. Susan Stohr has reported that the New York Public Service Commission has made a request to Governor Cuomo to expand its ranks to 7 seats. It was stated that this expansion is being requested due to a vast amount of responsibility and new programs being introduced.
2. NYAPP has sent a letter to Governor Cuomo requesting that utility workers be stated as essential workers as to be eligible for the COVID-19 vaccine.
3. NY has retained its 3 Congressional seats on the House Energy and Commerce Committee. Congressman Paul Tonko is joined by Congresswoman Yvette D. Clark and Congresswoman Kathleen M. Rice.
4. After a 3 month long disputed election, Congresswoman Claudia Tenney has emerged as the winner for the 22nd Congressional District and Anthony Brindisi has now conceded the race.

NEAEC: Lee Ann Hoad has announced that the NEAEC annual meeting will be held virtually this year. It is scheduled for May 20th, 2021 from 10:00 a.m. to 12:00 p.m.

Tri-County REC: Craig Eccher, President & CEO of Tri-County Rural Electric Cooperative in Mansfield, PA., recently announced that they have signed an asset purchase agreement with First Energy "Penelec" for their Waverly, NY assets. Once the acquisition is complete, they plan to convert these assets to a Cooperative. This acquisition involves approximately 3,800 meters over 179 miles of line.

MEMBER SERVICES & PUBLIC RELATIONS:

Open House: The Open House for the new headquarters building will have to be put on hold until COVID-19 restrictions are lifted and we can be assured of a safe celebration.

Annual Family Fun Day: The annual Family Fun Day is in the preliminary planning stages, however, the event will be subject to the current pandemic situation and will have to be evaluated as to if it will be safe to hold.

2021 Annual Meeting: The same scenario as the Annual Family Fun Day.

SAFETY REPORT:

Injury Report: 3 minor injuries were reported to the HR department this month.

Safety Committee Activity: No activity to report.



2021 Nominating Committee

MEMBER	REGION
1. John J. Lynch Jr.	Central
2. Rachel Polens	Central
3. Thomas Courtenay-Clack	Northern
4. Joseph E. Carroll	Northern
5. Robert Cairns	Southern
6. Mark Rossley	Southern



POLICY

SUBJECT: Line Extensions for New Services

POLICY: It shall be the policy of the Cooperative to have descriptive and specific procedures and practices relating to the treatment of new service requests, including associated fees the Cooperative will charge for various services.

PROCEDURE: The following is a summary of the requirements and costs associated with line extensions to new services. The Cooperative may have additional requirements.

- I. Pre-Design: Pertains to when DCEC is contacted to provide an estimate for the cost of providing electric service to a new service location.
Applicant required to:
 - a. Complete new service request
 - b. Pay in advance a non-refundable application/site visit fee of \$150.00

Upon the applicant completing the above requirements, a meeting at the site will be scheduled with the applicant and Cooperative personnel to assess the site and gather necessary information to allow the Cooperative to develop a plan for providing service and determine the cost to the applicant.

- II. Pre-Construction: Pertains to when an applicant has notified the Cooperative of their desire to have the Cooperative proceed with the construction to the new service location.
Applicant required to:
 - a. Sign the Cooperative's standard right-of-way easement agreement
 - b. Complete and sign a membership agreement or connect contract
 - c. Pay all fees and charges (as noted herein). The Cooperative charges a fixed price for single phase line extensions for new services. If actual construction costs of a single phase extension exceed the Cooperative's estimated costs for reasons other than inaccurate or incomplete information provided by the member to the Cooperative, then no additional payments related to cost over-runs are required of the member. Likewise, if actual construction costs are lower than the Cooperative's estimated costs, no refunds are paid by the Cooperative to the member. If new information becomes available to the Cooperative or the member prior to construction of the line extension and that new information would likely impact the estimated cost of construction, then the party with the new information must provide the information to the other party as soon as reasonably practical.



The Cooperative, at its sole discretion, may decide to re-estimate the cost of construction based on such new information. The member may elect to pay the newly estimated cost of construction or stop work on the project and receive a refund of any aid to construction that they have paid already (refund excludes non-refundable fees such as site visit fees). Wire lengths used in estimated costs shall be based on field measurements performed by the Cooperative's staff and shall include the length of secondary wires running from the Cooperative's transformer to a weatherhead above a pole-mounted meter (often referred to as a "secondary loop") or the weatherhead above a meter on a home or other structure. Three phase line extensions are provided by the Cooperative at actual cost rather than fixed cost. If actual construction costs of a three phase extension are higher or lower than the Cooperative's estimated costs, then additional payments by the member or refunds to the member are required.

- d. Provide wiring inspection on service entrance – refer to specification for type of secondary service installation - meter base to be purchased at the Cooperative or at a third party vendor.
- e. Pay for other related permit and acquisition costs related to project.

If a return design trip is required, there will be an additional charge of \$150.00. Upon completion of the above requirements, the Operations Department shall schedule the construction of the new service.

III. General Construction Requirements

The Cooperative shall have the exclusive right to determine route and method of construction. The Cooperative will determine whether primary underground installations are possible after November 1st. Underground trench excavation and/or conduits are provided by Member. Electric service lines and equipment installed by the Cooperative will remain the property of the Cooperative.

In most cases, new electric service to a member location requires a distribution transformer, which steps the voltage down from primary distribution voltage (either 7,200 Volts or 14,400 Volts) to house voltage (120/240 Volts). The transformer may be pole mounted in the case of overhead service to the home or pad mounted within a small vault at ground level in the case of underground service to the home. In either case, accessibility to the transformer by Cooperative crews with their equipment aids in safe and reliable service to the member.

The applicant shall agree to accommodate a distribution transformer pole or distribution transformer vault location that, in the judgement of the Cooperative's System Coordinator, is reasonably accessible to



Cooperative equipment including bucket trucks. Recognizing that transformer poles and transformer vault locations that are accessible to bucket trucks add to the safety and reliability of the electric system, the applicant shall pay the reasonable cost of placing the transformer pole or transformer vault in such a location or shall otherwise pay for the cost to make the location accessible by means such as extending a driveway, removing trees, etc. The Cooperative's System Coordinator shall have the responsibility and authority to determine what steps are reasonable and practical, on a case by case basis, in an effort to make the transformer pole or transformer vault accessible.

Applicant required to:

- a. Pay additional fees such as \$55.00 easement recording fees
- b. Pay incremental costs if applicant requests and the Cooperative approves an alternate method or route of construction.
- c. Pay relocation costs if applicant requests relocation of existing facilities
- d. Sign security light agreement, if applicable
- e. Reapply if the project does not proceed within 24 months. The Cooperative reserves the right to re-evaluate costs upon reapplication.

IV. Single Phase Primary Overhead Line extension charges (applicable to all rate classes)

- a. \$14.00 per foot
- b. Rock blasting, tree clearing, multiple riser poles, multiple transformers, need for off-road equipment, meter pole and other extraordinary costs will be over and above the stated costs in lettered item a above. Extraordinary costs are charged to the member based on estimated time and materials.
- c. Construction Fee/Footage for structures such as campers, signs, wells, storage buildings, personal garages, telephone and cable repeaters, temporary service, (i.e., any site that does not include both a well and a septic system): \$500 plus \$14.00 per foot – includes primary pole if needed but not meter pole.

V. Multi-Phase Primary Overhead Line extension charges (applicable to all rate classes)

- a. Estimated charges of \$22.00 per foot
- b. Rock blasting, tree clearing, multiple riser poles, multiple transformer banks, need for off-road equipment and other extraordinary costs will be over and above the stated costs in lettered item "a" above. Extraordinary costs are charged to the member based on estimated time and materials. If actual construction costs of a three phase extension are higher or lower than the Cooperative's estimated costs,



then additional payments by the member or refunds to the member are required.

VI. Single Phase Primary Underground Line extension charges (applies to all rate classes)

- a. \$29.00 per foot
- b. Tree clearing, ditch digging, need for off-road equipment, sand and/or conduit will be in addition to lettered item "a" above. Extraordinary costs are charged to the member based on estimated time and materials.
- c. Construction Fee/Footage for structures such as campers, signs, wells, storage buildings, personal garages, telephone and cable repeaters, temporary service, (i.e., any site that does not include both a well and a septic system): \$1,900 plus \$29.00 per foot.
- d. The member or member's contractor is responsible to coordinate with the Cooperative to prepare the site for underground cable installation. The member or member's contractor must notify the Cooperative when digging and preparation of the ditch is to be started and when it is complete. An additional trip fee will be charged to the member in cases where the member or the member's contractor incorrectly states that the site is ready for installation, causing a wasted trip for the Cooperative's line crew.

VII. Multi-Phase Primary Underground Line extension charges (applies to all classes)

- a. Estimated charges of \$38.00 per foot
- b. Tree clearing, ditch digging, need for off-road equipment, sand and/or conduit will be in addition to lettered item "a" above. Extraordinary costs are charged to the member based on estimated time and materials. If actual construction costs of a three phase extension are higher or lower than the Cooperative's estimated costs, then additional payments by the member or refunds to the member are required.
- c. The member or member's contractor's is responsible to notify the Cooperative when the site is ready for underground cable installation, meaning that digging and preparation of the ditch is complete. An additional trip fee will be charged to the member in cases where the member or the member's contractor incorrectly states that the site is ready for installation, causing a wasted trip for the Cooperative's line crew.
- d. This method is for permanent dwellings and commercial services only.

VIII. Miscellaneous

Line extensions and new services shall carry the stipulation that the member shall be responsible for a 2-year minimum charge from the date service was made available.



\$150.00 non-refundable application/site visit fee will be applied toward project cost at the time the line extension is constructed. Lengthy or complicated line extensions may require more than one application/site visit fee.

In certain circumstances, the Cooperative may include incremental facilities in the project design that will benefit future projects. The costs for these added facilities will not be the responsibility of the applicant.

Any member or landowner requesting changes to existing Cooperative facilities, i.e., line relocations, will pay the full estimated costs of construction as CIAC (Contribution in Aid-to-Construction) prior to the start of construction. The estimated cost will be calculated using line extension prices as described in the Line Extension Policy effective at the time the estimate is performed plus the estimated cost of retirements. After completion of construction and a complete accounting of the job costs, the actual costs will be trued up against the aid payment. If actual construction costs of a line relocation are higher or lower than the Cooperative's estimated costs, then additional payments by the member/landowner or refunds to the member/landowner are required.

Service and transformer upgrades will be subject to site visit fees and applicable line extension charges, which will be determined by Cooperative personnel in accordance with this policy on a case by case basis.

The Cooperative will install a new security light free of charge if the light can be installed on an existing Cooperative pole and the member signs a security light agreement with a 2-year minimum charge from the date of the security light installation. Security lights requiring a line extension will follow the provisions herein.

Developers requesting a primary extension for a development or subdivision will be required to pay the full cost of installing the required facility labor, overhead, and material. The Cooperative will determine and design the facilities that are required for the line extension.

The Cooperative may decide to waive certain line extension construction fees if, in management's sole discretion, that line extension may result in general benefit to the Cooperative and its members. Factors to be considered in making that determination shall include whether the line extension may permit new services within, or expansion without, the Cooperative's service territory.



IX. Self-Clearing of New ROW by Members and Their Contractors

Members may elect to perform tree clearing of new right-of-way themselves or may hire a contractor to perform the same. In such cases, the Member shall have the ROW cleared to the Cooperative's specification, which is available on the Cooperative's website and shall be made available to the member upon request. The member shall pay a \$150 nonrefundable fee to the Cooperative to have the Cooperative's Tree Crew Foreman or his representative inspect the cleared ROW prior to the installation of conductor. If the ROW clearing does not meet the Cooperative's ROW specification, then the member can bring the ROW into compliance with the specification and have the ROW inspected again at an additional cost of \$150 to the member. Alternatively, the member may elect to have the Cooperative bring the ROW into compliance with the specification, in which case the cost of such work will be added to the line extension cost to be paid by the member.

X. Financing of Contribution In Aid of Construction (CIAC)

The Cooperative may offer to Members, not developers of subdivisions or spec builders, financing of CIAC for CIAC amounts greater than \$500. The Member may finance up to 75% of the CIAC for 2 years of monthly payments with an interest rate equal to three percent (3%) plus the 2-year Treasury Yield Curve Semiannual Rate, as published by the Rural Utilities Service of the United States Department of Agriculture on their Rural Utilities Loan Interest Rates website. Loan approvals are subject to reasonable and customary credit checks. Loan payments by the Member to the Cooperative shall commence with the first monthly electric service billing and continue for a total of 24 equal payments. The Member's CIAC down payment, prior to financing the remainder of the CIAC, shall be at least \$500 or 25% of the CIAC, whichever is greater.

The following example shows how the interest rate paid by the Member would be calculated based on the 2-year Treasury Yield Curve Semiannual Rate.

10/12/2017 TREASURY YIELD CURVE SEMIANNUAL RATES

3-mo	6-mo	1-yr	2-yr	3-yr	5-yr	7-yr	10-yr	20-yr	30-yr
1.09	1.27	1.41	1.51	1.66	1.95	2.16	2.33	2.62	2.86

To calculate the interest rate to be paid by the Member:

$$3\% + 1.51\% = 4.51\%$$

Members who finance CIAC are required to sign a financing agreement. Financed CIAC payments will be considered part of the Member's



electric account receivable. Failure to make a loan payment or payments will make the Member's electric service subject to disconnection in accordance with the Cooperative's Disconnect Policy. If a member terminates service with the Cooperative at the relevant service location prior to completion of all scheduled loan payments, the remaining principle amount of CIAC owed by the Member may be transferred to another active account of that member or "final billed" to the member. Amounts not repaid upon final billing are subject to all the same credit and collections procedures as other forms of accounts receivables, including turning debts over to a collection agency and reporting such occurrences to credit rating agencies.

XI. Partial Reimbursement of Contribution In Aid of Construction (CIAC)

In cases where subsequent new services or line extensions extend from the relevant line extension within two (2) years of energization of the relevant line extension, the Cooperative will reimburse or forgive a proportional amount of the CIAC, as determined in a nondiscriminatory manner by Cooperative Management. Factors in determining the proportional amount will include the portion of the relevant line extension that benefits the subsequent new service and the amount of time that has passed since the relevant line extension was energized. In no event shall any portion of CIAC be reimbursed due to subsequent line extensions or new services that occur more than two (2) years after the date that the relevant line extension was energized. A portion of the amount of aid reimbursed shall be charged to the new member responsible for the subsequent new service or line extension.

The exclusive remedy available to a Member who disagrees with Cooperative Management's determination of the amount of CIAC to be reimbursed shall be the right to request a review of Management's determination by the Cooperative's Board of Directors. The Member must provide a written request for Board review. The Member shall have the right, but not the obligation, to appear before the Board of Directors to present their request in person. However, appearing in person does not excuse the Member from their obligation to provide a written request.

RESPONSIBILITY: Operations Manager



DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	April 26, 2011
Revised by Board of Directors	July 23, 2013
Revised by Board of Directors	April 22, 2014
Revised by Board of Directors	August 25, 2015
Revised by Board of Directors	October 24, 2017
Revised by Board of Directors	February 20, 2018
Revised by Board of Directors	November 27, 2018
Reviewed by Board of Directors	August 27, 2019
Reviewed by Board of Directors	August 25, 2020

Memorandum of Agreement
on Apprentice Lineman Wage Progression

This Memorandum of Agreement (the "MOA") is made between Delaware County Electric Cooperative, Inc. ("the Cooperative") and Local #10 I.B.E.W. ("the Union"), collectively "the Parties."

The Cooperative and the Union are parties to a collective bargaining agreement that covers the period August 24, 2018 through August 23, 2023 (the "Outside CBA").

The Parties, having met and discussed the detailed implementation of Apprentice Lineman 1st Year and Apprentice Lineman 2nd Year wages and requirements for trainings/certifications, have agreed to amend the Outside CBA. Specifically, a new article will be added as follows:

APPENDIX "A" HOURLY WAGES

	Effective 8/24/20	Effective 8/24/21	Effective 8/24/22
2nd Class Lineman	\$ 34.32	\$ 34.92	\$ 35.53
Apprentice Lineman 2nd Year (6-12 months*)	\$ 32.88	\$ 33.46	\$ 34.04
Apprentice Lineman 2nd Year (0-6 months*)	\$ 31.44	\$ 31.99	\$ 32.55
Apprentice Lineman 1st Year (6-12 months**)	\$ 29.23	\$ 29.74	\$ 30.26
Apprentice Lineman 1st Year (0-6 months*)	\$ 27.01	\$ 27.48	\$ 27.96
* Time in position			
** Based on Move to On-Call			

This MOA shall commence upon its execution and shall expire coincident with the expiration of the 2018 Outside CBA, unless the Parties mutually agree to extend thereafter.

All other terms and conditions of the Outside CBA shall remain the same.

IN WITNESS WHEREOF, THE PARTIES HEREUNTO AGREE TO THE TERMS HEREIN:

Local Union No. 10 International Brotherhood of
Electrical Workers

Date: _____

By: _____
Business Agent

Delaware County Electric Cooperative, Inc.

Date: _____

By: _____
CEO & General Manager