



June 16, 2020

MEMO TO: DCEC DIRECTORS

MEMO FROM: MARK SCHNEIDER

SUBJECT: JUNE 23, 2020 BOARD MEETING

Important information about the June 23, 2020 board meeting:

- Group and individual board member photos will begin at 4:30 pm at 39 Elm Street.
- For the board meeting itself, we will move to 5 North Depot Street where we can spread out to a safe social distance in the Kiff high bay area. This may create the opportunity for a quick tour of the construction site for those who are wearing:
 - Long pants.
 - Closed toed shoes with a substantial sole, and laces that tie tightly around the foot.
 - Hard hat, safety glasses, high visibility vest. The hard hat, safety glasses, and high visibility vests will be provided for anyone who does not have their own.
- Unless Governor Cuomo makes unanticipated re-opening acceleration announcements between now and June 23rd, certain social distancing and/or masking requirements will still be effect. Therefore, any time we cannot maintain at least 6 feet between us, we will be wearing masks. One will be provided for you if you do not bring your own.
- For those directors who still require or prefer participation via teleconference, a teleconference number will be made available:
 - Dial-in Number: (866) 316-1519
 - Passcode: 963796#
- Directors, senior staff, and consultants who wish to make an optional contribution to the New York State Action Committee for Rural Electrification (NYS-ACRE) may still bring a check to the June meeting. Contributions are not mandatory and are not tax deductible. The NYS-ACRE executive treasurer let us know that contributions in the range of \$150 would align well with the current NYS-ACRE budget. Those contributions that have already been received have already been forwarded to NYS-ACRE and should have cleared your checking account by now.

NOTICE OF BOARD MEETING

A regular meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. will be held **Tuesday, June 23, 2020 at 5:00 pm.** At the CoOp's operations headquarters, 5 North Depot Street, Delhi, New York to act on the following agenda. In light of the declared state of emergency in New York State due to the COVID-19 virus, directors and other meeting participants are permitted to participate via telephone, notwithstanding any bylaw requiring in-person participation:

Dial-in Number: (866) 316-1519 Passcode: 963796#

The board of directors will act on the following:

AGENDA

I. Opening Business:

- A. Call to Order
- B. Roll Call - Determination of Quorum
- C. Adoption of Agenda [packet page 2]

II. Consent Agenda:

- A. Minutes of May 26, 2020 Board Meeting [packet pages 3-6]
- B. New Memberships [packet page 7]
- C. Bad Debt Resolution and Collection Report [packet pages 8-9]
- D. Director Compensation [packet pages 10-11]

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

IV. Monthly Financial Reports

- A. April 2020 Reports [packet pages 15-17]
- B. May 2020 Reports [via e-mail and handout during meeting]

V. COVID-19 Cooperative Response Update

- A. Operational and Member Services Response [oral report by CEO Schneider]
- B. Planning for 2020 Annual Meeting during COVID-19 Pandemic & Emphasis on Absentee Voting [oral report by Mrs. VanZandt]
- C. Planning for Youth Delegate Activities during COVID-19 Pandemic [oral report by CEO Schneider]
- D. Payroll Protection Program Loan Forgiveness Application [packet pages 18-19]
- E. Continuation of Suspension of Disconnects for Non-Payment and Penalties [proposal by CEO Schneider]

VI. Headquarters Project [packet page 20]

VII. Policies

- A. Smoking [packet pages 21-22]
- B. Vehicle Use [packet page 23-24]

VIII. 18-Month Editorial Calendars

- A. Updated Member Communications Editorial Calendar [packet pages 25-26]
- B. New Internal Communications Editorial Calendar [packet pages 27-29]

IX. Options for Charitable Contributions to Benefit Children Impacted by COVID-19 [discussion led by Mrs. VanZandt]

X. Update on Truck Grounding/Barricading in Accordance with OSHA [discussion led by Mr. Sullivan & Mr. Pietrantonio]

XI. CFC Compass 10-Year Financial Forecast Model Report [packet pages 30-35]

XII. Meeting Report NEAEC Annual Business Meeting Teleconference, Wednesday, 5/27/2020 [oral report by attendees]

XIII. Periodic Document Review

- A. Corporate Calendar [packet pages 36-38]
- B. Strategic Plan [packet page 39-41]

XIV. New Business:

XV. Future Business:

- A. Regular Board Meeting, Tuesday, 7/28/2020 @ 5:00 pm [Finance Committee meeting, Power Cost Risk, Vegetation Mngmt. Report]
- B. NYSRECA Annual Meeting, 7/23/2020, remote via Webex [board to decide on participation and per diem]
- C. CoBank-facilitated Strategic Planning Discussion, date TBD, Delhi, NY
- D. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, remote via Webex [board to decide on participation and per diem]
- E. Annual Meeting of Members, 9/18/2020, Delhi, NY
- F. NYAPP Annual Conference rescheduled, 10/20/2020 – 10/22/2020, Saratoga, NY
- G. Youth Leadership Conference, 11/7/2020 – 11/11/2020, Washington, DC

XVI. Executive Session

XVII. Adjournment

Cooperative Stakeholders

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

Cooperative Values

- Safety
- Service
- Open Communications
- Integrity/Honesty
- Professionalism
- Respect

**Delaware County Electric Cooperative
Board Meeting Minutes
May 26, 2020**

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held May 26, 2020. Due to the declared state of emergency in Delaware County because of the COVID-19 virus, the meeting was held via phone conference.

A. Call to Order: The meeting was called to order at 5:04 p.m. by President Oles.

B. Roll Call - Determination of Quorum:

Stephen Oles	P
Edward Pick Jr.	P
Paul Menke	P
Laurie Wehmeyer	P
Frank Winkler	P
Steve Burnett	P
Jeffrey Russell	P

DCEC's CEO/General Manager, Mark Schneider; DCEC's Administrative Assistant, Alicia VanZandt; DCEC's Operations Manager Ryan Sullivan; and DCEC's Legal Counsel, Jeff Clark were all participating via telephone.

C. Adoption of Agenda: There being no suggested changes to the agenda, President Oles declared that the agenda stands as originally published in the board packets.

II. Consent Agenda: Secretary Pick made a motion to accept the consent agenda with the following amendments; Minutes of May 12, 2020 Board Meeting typo on page 5, first sentence on top of page should read, additions are designed and built to be structurally sound by themselves. Additional amendment to Bad Debt Resolution and Collection Report, account number 5747002 to be removed as that debt is considered settled. Lastly, DCEC Corporate Calendar Review under July, Board Self-Evaluation Survey (odd years only, next 2019 should be updated to 2021). The motion was seconded by Director Wehmeyer. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor.

III. General Managers Report: Reviewed.

IV. COVID-19 Impacts on Revenues and Accounts Receivable: Report was emailed to the entire board. CEO/General Manager Schneider stated that the seasonal members have financial impacts from job loss and job reductions. He added that local members are also not paying bills and unemployment is up. Schneider remarked that many members have a decrease in hours of work and businesses are closed which was a small reduction in usage early on in the year. CEO/General Manager Schneider mentioned that reductions have leveled off and now and there is steady usage from the key accounts such as, Amphenol, Sportsfield, and Friesland Campina.

CEO/General Manager Schneider believes that many of the members that are having difficulties paying now will soon be able to and the financial impacts of COVID-19 have leveled out and normalized. CEO/General Manager Schneider also commented that the impact of electric heat usage and the increase of seasonal home occupancy unexpectedly made up for many of the COVID related financial issues.

V. COVID-19 Cooperative Response Update:

A. Operational and Member Services Response: Reviewed.

B. Planning for possible 2020 Annual Meeting during COVID-19 Pandemic: The board unanimously approved the proposed bill insert. For additional convenience the board would also like to offer the membership an electronic version of the request form for absentee ballots. The board also agreed to help encourage submission of absentee ballots to apply a \$10 bill credit for any member that provides a completed absentee ballot this year. The board discussed in depth the option of providing a free dinner at the 2020 Annual Meeting and decided to start that practice next year due to COVID-19 related precautions.

C. Planning for possible 2020 Family Fun Day during COVID-19 Pandemic: A motion was made by Vice President Winkler to cancel the 2020 Family Fun Day event and to donate portions of the Family Fun Day budgeted funds to a youth oriented cause selected by the board at the June board meeting. The motion was seconded by Director Wehmeyer. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor. President Oles instructed CEO/General Manager Schneider to present three recommendations of kid oriented causes for the board to choose from at the June meeting.

D. Planning for Youth Delegate Activities during COVID-19 Pandemic: CEO/General Manager Schneider recommended either offering a scholarship or taking the Student Delegate on a trip to Washington D.C. to see Senators and Congressional Leaders when it is safe to travel without exposure to COVID. The board agreed on the offered recommendations above and instructed Management to clearly communicate the plan of action with both the student and her parents. President Oles also requested this item be added to future board agendas when updates are available.

E. Cooperative Participation in Payroll Protection Program:

1. **Latest SBA/Treasury Guidance:** Reviewed.
2. **Loan Forgiveness Considerations:** A motion was made by Secretary Pick to authorize President Oles and CEO/General Manager Schneider to submit an application for SBA PPP program loan forgiveness for the full eligible amounts for wages, health insurance, retirement contribution, state/local payroll taxes, and other allowable expenses not to exceed the Coops direct cost of its COVID response. The motion was seconded by Director Russell. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor.

F. Continuation of Suspension of Disconnects for Non-Payment and Penalties: A motion was made to extend the suspension of disconnects for non-payment, penalties, and sending bad debt to collections agencies until further notice by Secretary Pick. The motion was seconded by Director Wehmeyer. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor.

VI. Headquarters Project: CEO/General Manager Mark Schneider signed a contract with Tom Howard Construction on Friday, May 22, 2020. CEO/General Manager Schneider stated that the numbers presented within this packet on pages 28 and 29 have decreased slightly. President Oles requested a revised HQ Project Cost Estimate Summary be emailed to the entire board of directors showing the updated numbers. CEO/General Manager added that the Code Enforcement Officer has requested to review the stamped Emseal drawings and to work with SEI to make sure foundation is correct.

VII. Policies:

A. Last Day Worked Policy: A motion was made to approve this policy as written by Secretary Pick. The motion was seconded by Director Burnett. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor.

B. Wage and Salary Action for Non-Union Employees Policy: A motion was made by Vice President Winkler to approve the policy as amended under PROCEDURE, first bullet should read Level of Performance and/or work related contributions to DCEC over the last year (as reflected in their performance review). The motion was seconded by Director Burnett. Roll call vote: Pick-Aye. Menke-Aye. Wehmeyer-Aye. Winkler-Aye. Burnett-Aye. Russell-Aye. Oles-Aye. The motion passed with 7 votes in favor.

VIII. NEAEC Bylaws Change to Allow Block Island, RI Memberships: CEO/General Manager Mark Schneider recommends that Secretary Pick vote in favor of allowing Block Island join NEAEC tomorrow at the NEAEC Business Meeting. No objections.

IX. New Business:

Operations Manager Ryan Sullivan gave an informal update on ROW clearing miles and pole inspections stating that the Right-Of-Way Crew Cleared 35.56 miles thus far in 2020. Operations Manager Sullivan added that, that is 5.56 miles ahead of budget, heading into what Right of Way Crew Foreman Randy Tweedie describes as good Right-Of-Way that has mainly just trims not much in the way of ground cutting. Lastly, Operations Manager Sullivan remarked that DCEC's Contractor Bob Coager has inspected 893 poles in 2020, as well as done many meter reads and cable height measurements.

CEO/General Manager Schneider informed the board that RUS updated the cushion of credit

liquidation has been processed, effective May 28, 2020. The CoC was applied to the Cooperative's highest interest rate loans.

B. Future Business:

A. Next Regular Board Meeting, Tuesday, 6/23/2020 @ 5:00 pm [Board Group Photo @ 4:30 pm]

B. NEAEC Annual Business Meeting Teleconference, Wednesday, 5/27/2020 @ 10 am

C. June update to board on truck grounding and/or barricading

D. NYSRECA Annual Meeting, 7/23/2020, Otsego County Location TBD

E. DCEC Family Fun Day, Friday, 8/7/2020, 5 pm, Delhi Courthouse Square [Cancellation Considered]

F. CoBank-facilitated Strategic Planning Discussion, date TBD, Delhi, NY

G. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, Indianapolis, IN

H. Annual Meeting of Members, 9/18/2020, Delhi, NY

I. NYAPP Annual Conference rescheduled, 10/20/2020 – 10/22/2020, Saratoga, NY

J. Youth Leadership Conference, 11/7/2020 – 11/11/2020, Washington, DC

XI. Executive Session: None.

XII. Adjournment: There being no further business on the agenda, President Oles adjourned the meeting at 7:23 pm.

Respectfully submitted,

Edward "Rusty" Pick, Jr.,
Secretary

Delaware County Electric Cooperative, Inc.

39 Elm Street, P. O. Box 471, Delhi, New York 13753-0471
607-746-2341

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NEW MEMBERSHIPS – June 23, 2020

ACCT #	LOCATION	FIRST NAME	LAST NAME	ADDRESS	CITY, STATE, ZIP	FORMER/ RENTING/ NEW SERVICE
18311-001	KO 2-53-10	Samuel	Capriotti	137 Hobbs Hollow Rd.	Kortright, NY 13739	Josh Needle
18234-001	KO 2-42-31	Christina	Carey	193 Braehead Rd.	Bloomville, NY 13739	Seth Carey
18193-001	DE 4-6-2C	Mathew P.	Burkert	498 Frank Hafele Rd.	Delhi, NY 13753	New Service
18308-001	CO 4-78-11	Elvis	Cornea	63-60 79th St.	Middle Village, NY 11379	Ronald Bator
18307-001	DA 2-22-33A	Barry	Pellicciotti	106 Josephs Dr.	Saugerties, NY 12477	Matt Senatore
18310-001	HA 4-13-20	Jose	Milito	19 Patricia Lane	Lake Grove, NY 11755	Edwin Maldonado
18317-001	GI 2-37-43A	Yuan	Ling Liang	4209 247 St.	Little Neck, NY 11363	Charles G. Valerio
18320-001	AN 7-17-6	Maureen	Hackett	21 Willow Rd.	Bronxville, NY 10708	Mortimer Berkowitz
18312-001	GI 2-49-6E	Ben	Marchesi	24 Brook St.	Sayville, NY 11782	Salvatore Davi
18319-001	DE 4-9-15A	James	Arrufat	200 Janke Rd.	Delhi, NY 13753	Frank Lumia
18179-001	HF 2-14-23F	Daniel	Bruculeri	47 South Bay Dr.	Babylon, NY 11702	New Service
18314-001	DE 4-18-3A	Nedra	Weaver	1344 Glen Burnie Rd.	Delhi, NY 13753	Thomas G. Jaquish



RESOLUTION**June 23, 2020**

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 \$1,791.45 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>
8513001	KO 2-22-25	Brenda Wilsey		\$ 917.80
17250001	MA 3-24-32	Jessica Sherman		668.79
4183001	KO 2-71-15A	Lorraine F. Olsen		204.86
			<hr/>	<hr/>
			\$	\$ 1,791.45

June 23, 2020

EDWARD G. PICK, JR., SECRETARY



June 23, 2020

BAD DEBT COLLECTION

*** PLEASE NOTE:** The amounts below were recovered through capital credit retirements, Southern Tier Credit Center & DCEC through May 2020.

Original Amount Turned Over For Collections	Name	**Amount Collected CC to UA	Amount Collected from So. Tier	Amount Collected from DCEC	Commission Paid this Month *	Balance Due
\$ 16.51	Alfred Rogers	\$	\$	\$ 16.51	\$	\$ - 0 -
275.59	Michael Roe	175.19				100.40
155.22	Ashley Brewer (<i>pd prior to sweep of capital credits</i>)			155.22		- 0 -
852.58	Marguerite Mehegan-Mondore	119.13				733.45
226.17	Danielle Simon		60.00		18.00	74.89

* Commission is 30% of the total amount collected last month.

50% if legal services are required.

If payment is made directly to us, the commission will be the following month.

** Under \$30.00 does not get reported to Southern Tier Credit Center.

*** Billing department did a small balance write off for the balance due amount.

**** Capital credits are applied on a discounted basis towards outstanding debt per the Capital Credits Applied to Bad Debt Policy.

2020 Director Compensation Report				Report Date:		16-Jun-2020		
	<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	\$ 350.00	17	\$ 9.78	\$3,150.00	\$2,100.00
3	Menke	Yes	Yes	\$ 375.00	15	\$ 8.63	\$5,250.00	\$2,249.99
4	Oles	Yes	Yes	\$ 375.00	14	\$ 8.05	\$3,750.00	\$2,250.00
5	Pick	Yes	Yes	\$ 375.00	44	\$ 25.30	\$5,250.00	\$2,250.00
7	J. Russell	No	Yes	\$ 350.00	44	\$ 25.30	\$4,200.00	\$2,800.00
8	Wehmeyer	No	Yes	\$ 350.00	52	\$ 29.90	\$3,150.00	\$2,100.00
9	Winkler	Yes	Yes	\$ 375.00	34	\$ 19.55	\$3,375.00	\$2,250.00
	TOTAL:						\$24,975.00	\$13,899.99
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.....						\$0.575
		** 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 BOARD MEETING
GENERAL MANAGER'S REPORT
May 19, 2020 – June 16, 2020

ENGINEERING & OPERATIONS

Notable Outages & Occurrences:

- The largest outage this month affected 296 members on the Andes substation feeder 3 hours and 44 minutes on May 31, 2020 at 1:30 am. The outage added approximately 12 minutes to the SAIDI total for 2020. The outage was caused by a tree falling on the line.

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.

Pole Inspections / Line Inspections / Stray Voltage Testing

- Bob Coager continued pole inspections this month and delivered inspection results weekly. Mr. Coager reports that he feels he is right on track to complete his contracted scope of work in 2020.

FINANCE & ACCOUNTING & HUMAN RESOURCES:

Rural Utilities Service (RUS) Federal Financing Bank (FFB) Borrowing

- The Cooperative drew down another \$327,000 from FFB on May 26, 2020 with an interest rate of 1.236% inclusive of the RUS 1/8% administrative fee.
- We are currently eligible for another \$125,000 in draw-downs for work orders completed and closed out in April.
- When we modified our 2017-2020 Construction Work Plan to include the headquarters project, we moved \$2,150,000 to the headquarters category. That funding will be made available in a special borrowing mode known as the “contract method” whereby the Cooperative can draw down loan funds to pay headquarters contractors prior to the entire headquarters project being completed and closed out. RUS General Field Representative, Sara Jordan is working with us to get a waiver of bidding requirements in place. As soon as that waiver is received, we will be eligible to draw down RUS loan funds to pay headquarters project costs. This is a wonderful development because we will almost certainly be able to draw down funds while historically low interest rates are still available. As of this writing on 6/16/2020, the available interest rate is 1.305%.

Cash Management

- Due to the need for a large amount of cash to fund the headquarters construction, the Cooperative has accumulated ~\$2.8 million in cash on hand to support headquarters and normal operations. As mentioned last month, we are utilizing the Delaware National Bank of Delhi (DNB) to hold deposits up to \$3.0 million, all of which are collateralized by DNB. With headquarters construction bills beginning to roll in this month, we have probably seen our peak for cash on hand and cash balances will now begin to return toward normal.

Internal Communications Calendar

- Steve Oles, Ryan Sullivan, Alicia VanZandt and I met with Anne Harvey of Touchstone Energy to discuss the tools and techniques for effective communications with employees. Anne brought to light a number of options to improve upon our draft strategy. A draft of the 18-month internal communications calendar is available in

this month's packet. Alicia VanZandt has done the majority of the work in this area and her work is very much appreciated.

Internal Communications Problems

- It was brought to my attention by multiple employees that my communications to employees about the expectations of employees during furlough periods was unclear, ambiguous, and even interpreted as contradictory at times. In particular, employees were misled by my poor communications about the requirements related to the use of paid time off (PTO) during furlough periods. I apologized to all employees for causing confusion through my poor communications. After becoming aware of the problem, I investigated each employee's use of PTO during furlough periods. I then instructed Mrs. Faulkner to credit 11 hours total of PTO across 5 different employees in order to address the inequity created by my poor communications.

Sale of 39 Elm Street

- The sale of 39 Elm Street resulted in a net gain on the retirement/sale of the asset in the amount of \$127k. After consultation with the RUS auditing accountant and our own auditors, it has been decided to account for the gain as an extraordinary income, which will contribute to the permanent equity of the Cooperative.

POWER SUPPLY / PROJECT INITIATIVES:

Headquarters Project

- The HQ project was one of my main areas of focus this month. Information on the HQ project is included separately in your packets.

NYPA / SUNY Delhi Solar Project

- Progressed has once again slowed on the solar project. The COVID-19 pause has stalled much of the on-site work. Also, the defined wetland area in the vicinity of the project site is larger than expected, which is causing re-positioning of some of the solar array. There is also a question of which agency will take regulatory responsibility for enforcing wetland protections. It could be either the Army Corp of Engineers or the NYS DEC. Since the two regulators have different requirements, the array configuration cannot be finalized until a single regulator takes responsibility for the project.

NYPA Customer Portal Design

- NYPA is testing the design of their new customer portal to be used by municipal, cooperative, and industrial customers. Paul DeAndrea and I are among the many customer testers of the new digital customer interface.

LEGAL, GOVERNANCE & LEGISLATIVE/INDUSTRY AFFAIRS:

Board Meeting Schedule Returns to Normal, Sort of

- As the Southern Tier Region enters Phase 3 of the gradual re-opening, the Cooperative is allowed to hold meetings/events with up to 25 attendees, but we must continue to respect social distancing or masking requirements. The Kiff high bays at 5 North Depot Street are the Cooperative's best location to accommodate a group of ~10 people and still be able to maintain social distancing so that masked can be removed while participants are seated.

Delgado Policy Meeting with Rural Electric Cooperatives

- Representative Delgado was kind enough to spend ½ of time with representatives of the 4 NYS rural electric cooperatives on a Zoom meeting on June 1, 2020. Topics discussed included the RURAL Act, the Payroll Protection Program, electric vehicle charging

programs, impacts of the COVID-19 crisis, rural broadband, and the low income heating energy assistance program (LIHEAP).

Northeast Association of Electric Cooperatives

- The NEAEC held its annual business meeting via teleconference on May 27, 2020. The full slate of officers from 2019-2020 was re-elected to serve in 2020-2021. The budget was approved. A policy on NEAEC spending on youth education was tabled after some discussion. The Operations and Accounting meeting/training was cancelled for the fall of 2020. The highlight of the meeting was a bylaws change whereby Block Island Power Authority in Rhode Island will be granted membership in the organization.

Nominating Committee

- The Cooperative's nominating committee met by combination of in-person attendance in the Carriage House and telephonic participation for their June 3, 2020 meeting. They continue to recruit new board candidates; i.e., their work is not yet complete.

MEMBER SERVICES & PUBLIC RELATIONS:

Intern Anna Post

- Summer intern, Anna Post is spending ~80% of her time working with Eric Teodoro and others on the records digitization effort. This project will greatly improve our ability safely and securely store historical member records, which is very helpful to do prior to the August move to 5 North Depot Street.
- The remaining ~20% of Anna's time was to be spent preparing for and attending public and member relations events, most of which have been cancelled for the summer of 2020 due to COVID-19 risks. Therefore, Ally and Anna will be working together to enhance digital means of member and public communications.

SAFETY REPORT:

Injury Report:

- No injuries to report.

Motor Vehicle Accident Report

- On June 5, 2020 employees of the Cooperative caused a motor vehicle accident on Route 10 just North of Delhi. There were no injuries and no damage to Cooperative vehicles, but there was cosmetic damage to a vehicle other than the Cooperative vehicles. The damage resulted from multiple hot water heaters coming off a trailer being pulled by a Cooperative pickup truck. The incident investigation revealed that the load straps that were applied were not applied appropriately given the nature of the hot water heater containers being transported. The hot water heaters, as boxed by the manufacturer, have a relatively high center of gravity, are flexible, and are compressible. These factors directly led to the accident. In the future, hot water heaters will only be transported on their sides or within trucks or trailers with sides high enough to completely contain the units during transport.

Safety Committee Activity

- Office mayday response training was conducted by Ryan Sullivan on May 4, 2020.

05/20/2020 11:29:11 am

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General Ledger

Financial And Operating Report Electric Distribution

INCOME STATEMENT FOR APR 2020

Item	-----Year - To - Date-----			Current Month -----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	3,394,081	3,278,556	3,551,388	755,809	822,949
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	758,599	686,183	1,024,533	176,274	236,841
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	470,485	524,996	478,024	165,483	118,504
7. Distribution Expense - Maintenance	508,489	414,051	456,584	141,472	141,867
8. Customer Accounts Expense	84,595	95,281	106,425	26,409	26,658
9. Customer Service and Informational Expense	3,749	7,196	6,943	3,878	1,737
10. Sales Expense	0	0	881	0	221
11. Administrative and General Expense	446,720	536,986	412,115	113,770	99,223
12. Total Operation & Maintenance Expense (2 thru 11)	2,272,638	2,264,694	2,485,505	627,285	625,050
13. Depreciation & Amortization Expense	329,336	336,304	327,521	84,641	82,236
14. Tax Expense - Property & Gross Receipts	1,000	1,000	1,000	0	0
15. Tax Expense - Other	0	0	0	0	0
16. Interest on Long-Term Debt	199,446	192,692	193,509	47,206	47,943
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	100	112	100	28	25
19. Other Deductions	0	0	0	0	0
20. Total Cost of Electric Service (12 thru 19)	2,802,520	2,794,802	3,007,634	759,161	755,254
21. Patronage Capital & Operating Margins (1 minus 20)	591,561	483,755	543,754	-3,351	67,695
22. Non Operating Margins - Interest	37,511	38,758	37,128	9,895	9,334
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	16,367	28,211	17,467	949	-633
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	10,558	12,033	16,400	1,148	0
28. Extraordinary Items	0	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	655,997	562,757	614,748	8,641	76,395
Operating - Margin	591,561	483,855	543,754	-3,351	67,695
Non Operating - Margin	64,436	78,902	70,994	11,992	8,700
Times Interest Earned Ratio - Operating	3.97	3.51			
Times Interest Earned Ratio - Net	4.29	3.92			
Times Interest Earned Ratio - Modified	4.24	3.86			

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General Ledger

Financial And Operating Report Electric Distribution

BALANCE SHEET FOR APR 2020

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	33,145,247	34,692,971	1,547,724
2. Construction Work in Progress	448,216	312,244	-135,972
3. Total Utility Plant (1 + 2)	33,593,464	35,005,215	1,411,752
4. Accum. Provision for Depreciation and Amort.	11,764,537	12,458,896	694,359
5. Net Utility Plant (3 - 4)	21,828,927	22,546,319	717,392
6. Non-Utility Property (Net)	623,573	0	-623,573
7. Invest. in Subsidiary Companies	0	0	0
8. Invest. in Assoc. Org. - Patronage Capital	322,241	332,476	10,235
9. Invest. in Assoc. Org. - Other - General Funds	950,000	9,134	-940,866
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	246,522	245,695	-827
11. Invest. in Economic Development Projects	0	0	0
12. Other Investments	0	7,834	7,834
13. Special Funds	0	34,000	34,000
14. Total Other Property & Investments (6 thru 13)	2,142,336	629,139	-1,513,197
15. Cash - General Funds	373,542	880,596	507,054
16. Cash - Construction Funds - Trustee	100	100	0
17. Special Deposits	0	0	0
18. Temporary Investments	0	0	0
19. Notes Receivable (Net)	0	0	0
20. Accounts Receivable - Sales of Energy (Net)	530,139	679,649	149,510
21. Accounts Receivable - Other (Net)	408,902	328,138	-80,764
22. Renewable Energy Credits	0	0	0
23. Material and Supplies - Electric & Other	677,914	892,634	214,720
24. Prepayments	325,334	314,654	-10,680
25. Other Current and Accrued Assets	303,406	303,384	-22
26. Total Current and Accrued Assets (15 thru 25)	2,619,337	3,399,156	779,819
27. Regulatory Assets	1,184,230	1,072,096	-112,134
28. Other Deferred Debits	722,457	624,129	-98,329
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	28,497,287	28,270,839	-226,449

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General Ledger

Financial And Operating Report Electric Distribution

BALANCE SHEET FOR APR 2020

	Last Year		This Year		Variance
LIABILITIES AND OTHER CREDITS					
30. Memberships	58,065		59,370		1,305
31. Patronage Capital	8,423,694		8,695,668		271,973
32. Operating Margins - Prior Years	540,464		425,105		-115,359
33. Operating Margins - Current Year	591,561		483,855		-107,706
34. Non-Operating Margins	64,436		78,902		14,466
35. Other Margins and Equities	1,068,850		1,159,913		91,063
36. Total Margins & Equities (30 thru 35)	10,747,071		10,902,813		155,743
37. Long-Term Debt - RUS (Net)	0		0		0
38. Long-Term Debt - FFB - RUS Guaranteed	11,794,566		11,382,795		-411,771
39. Long-Term Debt - Other - RUS Guaranteed	0		0		0
40. Long-Term Debt - Other (Net)	3,556,777		3,037,389		-519,388
41. Long-Term Debt - RUS Econ. Devel. (Net)	0		0		0
42. Payments - Unapplied	-1,960,821		-2,061,085		-100,264
43. Total Long-Term Debt (37 thru 41 - 42)	13,390,522		12,359,098		-1,031,424
44. Obligations Under Capital Leases - Noncurrent	0		0		0
45. Accumulated Operating Provisions	0		0		0
46. Total Other Noncurrent Liabilities (44 + 45)	0		0		0
47. Notes Payable	0		464,218		464,218
48. Accounts Payable	379,295		168,527		-210,769
49. Consumers Deposits	45,250		55,320		10,070
50. Current Maturities Long-Term Debt	0		0		0
51. Current Maturities Long-Term Debt - Econ. Devel.	0		0		0
52. Current Maturities Capital Leases	0		0		0
53. Other Current and Accrued Liabilities	296,806		419,386		122,580
54. Total Current & Accrued Liabilities (47 thru 53)	721,351		1,107,451		386,099
55. Regulatory Liabilities	0		0		0
56. Other Deferred Credits	3,638,344		3,901,477		263,133
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	28,497,287		28,270,839		-226,449
Current Assets To Current Liabilities	3.63	to 1	3.07	to 1	
Margins and Equities To Total Assets	37.71	%	38.57	%	
Long-Term Debt To Total Utility Plant	39.86	%	35.31	%	

CoC Liquidating May of 2020

Payroll Protection Program Loan



Payroll Protection Program Loan Forgiveness Plan Summary

Presented to the Board of Directors on June 23, 2020

- DCEC applied for a PPP loan on 4/9/2020.
- DCEC accepted a loan draw-down for \$464,218.14 on 4/14/2020.
- At the time of our application and loan signing, there were doubts within the national cooperative community about whether rural electric cooperatives would be deemed eligible and there were concerns about the interpretation of the certification that “current economic uncertainty makes this loan necessary to support the ongoing operations of the Applicant.” Since then, both of those concerns have been resolved by Small Business Administration clarifying guidance in the form of final rulings and published questions and answers.
- The original loan had an 8-week period of performance starting on 4/14/2020 and ending on 6/9/2020, during which the Cooperative’s allowable expenditures were to be tracked. At least 75% of the funds were to be spent on payroll related expenditures while up to 25% could be spent on mortgage interest, operating rents, and utilities. Recently Congress updated the law to extend the period of performance and lower the percentage of funds that can be spent on non-payroll expenditures, but I do not believe the Cooperative will need to rely on any of the new flexibility given the preferences already expressed by the board of directors.
- On 5/26/2020 the board passed a motion authorizing President Oles and CEO Schneider to apply for loan forgiveness on the payroll related expenditures during the 8-week period of performance plus an amount to cover any other direct COVID-19 costs incurred by the Cooperative.
- The table below summarizes the loan forgiveness amount for which the Cooperative is eligible and the loan forgiveness amount that we plan to request, through formal application, on or about the last week in June of 2020.

Line #	Cost Category	Full Eligible Amount	Planned Forgiveness Request
1	Wages	\$ 303,080.53	\$ 303,080.53
2	Health Insurance	\$ 19,406.79	\$ 19,406.79
3	Retirement Contribution	\$ 17,200.98	\$ 17,200.98
4	State/Local Payroll Taxes	\$ 71.91	\$ 71.91
5a	Mortgage Interest Paid	\$ 34,117.41	\$ -
5b	Operating Equipment Leases	\$ 10,694.76	\$ 10,694.76
	Utilities		
6a	* NYSEG	\$ 1,142.53	\$ -
6b	* DTC	\$ 1,514.24	\$ -
6c	* Kiff	\$ 6,950.63	\$ -
6d	* C3 Conferencing	\$ 660.79	\$ -
7	Other Direct COVID Costs (Note 2)	N/A	\$ -
	Totals	\$ 384,073.90	\$ 339,688.30



-
- Note that direct COVID costs are not an allowable expenditure, so I substituted our operating leases as a proxy for our direct COVID costs, which I estimated at ~\$10,000.
 - There is not a strict timeline for when our loan forgiveness applications is due to be submitted to Delaware National Bank (DNB) of Delhi, so our loan forgiveness application will be self-imposed based on our need to resolve all matters related to the PPP loan prior to 12/31/2020. DNB and the SBA have a total of 90 days after we submit our application to give us a final ruling on loan forgiveness. With this in mind, and working back from the end of the year, this is how I determined our loan forgiveness application date of late June:
 - In order to resolve any accounting questions prior to year-end and to account for the results of the loan forgiveness decision in our 2021 budget planning, we would like to have a final answer from the SBA by the board meeting on 10/27/2020.
 - Giving DNB and the SBA their required 90 days plus a buffer of 30 days, we need to submit our loan forgiveness application approximately 17 weeks prior to the October board meeting, which places our loan forgiveness application in the last week in June.
 - Unless the facts and circumstances surrounding our PPP loan change significantly subsequent to the publishing of this update, and unless the board of directors issues new orders, then President Oles and I will submit a loan forgiveness application to DNB in the approximate amount of \$339,688 on or about June 25, 2020.



Headquarters Construction Update

Presented to the Board of Directors on June 23, 2020

Achievements

- Train Depot structure salvage and demolition complete
- Kiff Building renovation demolition complete
- Kiff Building renovation framing ~90% complete
- Foundations dug and partially complete for member entrance canopy, member toilet room, and linking structure
- Site clean-up complete by excavation sub-contractor

Problems

- None

Status of \$80,000 Contingency Budget

- \$79,000 remaining
- \$1,000 utilized to add a doorway between the mezzanine storage area (room 200) and the Kiff high bay area 111A.

Contracts in Place

- General Contractor - Tom Howard Construction of Davenport, NY
 - Dianich Excavating
 - M&P Rogers Electric
 - Chad Winne Heating and Plumbing
- 3rd Party Testing - SJB Services of Cortland, NY
- Security Installation – Eastern Security Services of Syracuse, NY
- Salvage and Demolition – Skippy Services of Hamden, NY
 - Don Brown, Contractor (assistance with demolition/salvage)



POLICY

SUBJECT: Smoking

POLICY: The purpose of this workplace policy is to comply with New York Law, which was enacted to protect all employees and visitors from the harmful effects of secondhand smoke.

In compliance with the New York State Clean Indoor Air Act, as amended, all indoor areas of the workplace shall be smoke-free without exception.

Smoking is prohibited in any indoor work area under the control of the Cooperative and in which Cooperative employees perform services. This prohibition includes, but is not limited to, the following indoor areas of employment: public and private offices, conferences and meeting rooms, employee cafeterias/lounges, lunchrooms, break rooms, Cooperative-owned vehicles, warehouses, hallways, restrooms, classrooms, employee medical facilities, areas containing office equipment used in common, field offices, garages and operating headquarters.

Smoking is only permitted in the outdoor designated areas and during break periods. Employees found smoking in the prohibited work areas listed above or outside of scheduled break times will be in violation of this policy.

Compliance with this Smoking Policy is mandatory for all employees and individuals visiting the Cooperative; there are no exceptions.

Any conflicts or violations that arise under this policy should be reported to any supervisor or the General Manager. Employees may also file a formal complaint with the General Manager. The General Manager shall be designated as an agent to assist in the enforcement of this policy. Employees who violate any provision set forth in this policy may be subject to disciplinary action, up to and including termination, and civil penalties, as permitted by law.

Copies of these rules will be posted and distributed to all employees upon request.

This policy may be amended from time to time by resolution of the Board of Directors of the Cooperative. All amendments shall be in conformance with New York State law and employees will be notified accordingly.

PROCEDURE: As outlined in Policy.



RESPONSIBILITY: Board of Directors and General Manager.

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Feb 27, 1990
Reviewed by Board of Directors	Mar 28, 1995
Reviewed by Board of Directors	Jan 25, 2005
Revised by Board of Directors	Mar 4, 2008
Reviewed by Board of Directors	Feb 25, 2014
Revised by Board of Directors	Dec 22, 2015
Reviewed by Board of Directors	Mar 7, 2017
<u>Revised by Board of Directors</u>	<u>June 23, 2020</u>



POLICY

SUBJECT: Vehicle Use for Cooperative Business

BACKGROUND:

Employees and directors are at times required to travel by automobile to meetings, conferences, and training events on behalf of the Cooperative. This policy is intended to encourage employees and directors to utilize the lowest cost form of vehicular transportation while offering flexibility to the traveler. In most instances, the vehicle provided by the Cooperative is the lowest cost option. However, in special circumstances such as when spouses are traveling with the Cooperative representative, there may be a preference to use a personal vehicle instead of the Cooperative provided vehicle.

POLICY:

It is the policy of the Delaware County Electric Cooperative, Inc. (the Cooperative) that employees and directors shall be encouraged to utilize the Cooperative provided vehicle whenever practical. In instances where a Cooperative vehicle is not available, then the employee or director shall be reimbursed for use of a personal vehicle at the current rate recommended by the Internal Revenue Service (IRS). If more than one employee/director are traveling together in one personal vehicle, only the employee/director providing the personal vehicle will receive reimbursement. In instances where a Cooperative vehicle is available, but the employee/director elects to use a personal vehicle, then the employee/director shall be reimbursed at one half the current rate recommended by the IRS.

It is the responsibility of the employee/director to acquire and maintain ~~current and appropriate~~ applicable auto insurance coverage if the employee/director uses a personal vehicle for Cooperative business travel.

It is the responsibility of the employee/director to request a Cooperative vehicle. Failure to request a Cooperative vehicle prior to using a personal vehicle for Cooperative travel will result in reimbursement at one half of the IRS recommended rate.

Persons who are not employees/directors of the Cooperative are not permitted to ride in Cooperative vehicles unless doing so meets a business need of the Cooperative. For example, a Cooperative employee may take a Department of Energy employee, an NRECA employee, a contractor hired by the Cooperative, a Cooperative member, a Rural Utilities Service employee, or a Cooperative Finance Corporation employee in a Cooperative vehicle if doing so serves a business need of the Cooperative. Examples of impermissible passengers in Cooperative vehicles include family members or friends not serving a business need of the Cooperative.

Spouses of employees may ride in Cooperative owned vehicles to and from Cooperative meetings or events with prior permission from the General Manager. Spouses of directors may



ride in Cooperative owned vehicles to and from Cooperative meetings and events with prior permission from the Board of Directors.

Prior to driving a Cooperative-provided vehicle, an employee or director must demonstrate possession of a current valid driver's license to the Cooperative. A copy of the license will be kept on file at the Cooperative's office. The license must be of the appropriate class and must include the appropriate endorsements (e.g., air brake endorsement as required). If the status of an employee's or director's license changes in such a way that limits that employee or director in legally carrying out his responsibilities to the Cooperative, then the employee or director must report the status change to the Cooperative before using a Cooperative vehicle again. It is the responsibility of each employee or director to understand and comply with any restrictions or limitations placed on his own drivers license by the issuing authority or court order.

RESPONSIBILITY: General Manager

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC

Approved by Board of Directors	September 24, 2013
Reviewed by Board of Directors	September 22, 2015
Revised by Board of Directors	March 28, 2017
<u>Reviewed by Board of Directors</u>	<u>June 23, 2020</u>

				Family Fun Day
				Annual Meeting
Editorial Calendar				
month-year	topics	catch phrase/theme	catch phrase/theme	ways to communicate
Start really advertising Annual Meeting				
Jul-20	3 Ways to Get Kids Interested in Saving Energy	Surprising Energy Hogs	“Alexa, Can You Help Me Save Energy?”	Newsletter, Facebook, website, email blast, Smarthub messages, bill print messages, video
Aug-20	Renewable Energy Update	Sealing Air Leaks, Step-By-Step	Top 4 Ways Americans are Using Energy	Newsletter, Facebook, website, email blast, Smarthub messages, bill print messages, video
Sep-20	Electrifying Farming Equipment	Winterizing Your Manufactured Home	Combatting Cyber Threats	Bill insert, Facebook, website, Annual Meeting, Smarthub alerts, bill print messages, email blast
Oct-20	The Future of Energy Storage	Ensuring Efficient Basements and Crawl Spaces	Co-ops and the Communities They Serve	Bill insert, Facebook, website, Annual Meeting, Smarthub alerts, bill print messages, email blast
Nov-20	4 Efficient Gadgets for Your Kitchen	Safe Holiday Season	How to Save \$\$ on Electric During the Holidays	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast, video
Dec-20	Upgrade Electronics for Energy Efficiency	Things are Looking Up: Efficient Attics	High-Speed Internet for All	Bill insert, Facebook, website, newsletter, Smarthub alerts, bill print messages, email blast
Jan-21	Smart Security Options	What Owning an EV Really Looks Like	Recap of 2020	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast
Feb-21	Electrifying End-Use Appliances	The Challenges of Efficiency Upgrades	The Future is Bright	Bill insert, Facebook, website, smarthub alerts, bill print messages, email blast
Mar-21	Value of the Electric Grid	Energy Efficient Landscaping	Batteries Large and Small	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast, video

Editorial Calendar				
month-year	topics	catch phrase/theme	catch phrase/theme	ways to communicate
Apr-21	Indoor Agriculture	Window Upgrades (part I)	Lineworker Appreciation Day	Bill insert, Facebook, website, smarthub alerts, bill print messages, email blast, video
May-21	National Electrical Safety Month	Window Upgrades (part II)	How to Get the ENERGY STAR Rating	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast, video
Jun-21	The Kind of Audit You Actually Want	The Upside of Electric	5 Considerations Before Going Solar	Bill insert, Facebook, website, smarthub alerts, bill print messages, newspapers, Family Fun Day
Start really advertising Family Fun Day				
Start really advertising Annual Meeting				
Jul-21	Family Fun Day	Why We Plan Outages	Thank You for Being a Member	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast, video
Aug-21	Hunting Safety Graphic	Everyday Value	Patrolling the Line for Reliability	Bill insert, Facebook, website, smarthub alerts, bill print messages, newspapers, Family Fun Day
Sep-21	Make Your Voice Heard	How Well Do You Know Co-ops?	Annual Meeting	Newsletter, Facebook, website, smarthub alerts, bill print messages, email blast, video
Oct-21	National Co-op Month	Cybersecurity Awareness Month	Giving Back to Our Community	Bill insert, Facebook, website, smarthub alerts, bill print messages, newspapers, Family Fun Day

Editorial Calendar for Internal Communications

Good internal communication skills are key for success at work. Without efficient and clear communication, a message can turn into error, misunderstanding, frustration, or even disaster by being misinterpreted or poorly delivered.

DCEC is interested in developing a strong straightforward internal communications plan that will help meet our goals listed below.

Goals:

- Consistency in communication strategy and delivery.
- Authority by showing there is a logical communication plan.
- Streamlined workflow by planning deadlines well in advance.
- Better collaboration among teams, leadership and various departments.
- Organization so employees can avoid running around trying to get management approval or coworkers help last minute.
- Respect for all employees processes, roles, and timelines.

Execution & Delivery Tools:

The overall strategy and delivery will be the responsibility of the Administrative Assistant to develop, edit, and implement as directed by management and board of directors. Just like with the newsletter some content will need to be supplied by additional staff members, for example topics such as employee benefits. That responsible staff member is listed below in the chart as the “Responsible Party” but the Administrative Assistant will ultimately be responsible for execution and completion of each topic within the communication plan.

Below is a list of DCEC’s current tools that are used to communicate internally:

- Paystub insert
- Emails
- Meetings
- Displays on bulletin board
- Posters
- Texts
- Notices posted by time clock
- Secure login portion of website

Proposed Editorial Calendar

Month Year	Topic	Responsible Party	Deadline	Ways Communicated
Jun-20	Headquarters Update & Move Timeline	General Manager	5/29/2020	Paystub insert, Emails, Meetings, Displays on bulletin board, Notices posted by time clock
Jul-20	2020 Family Fun Day	Administrative Assistant	6/30/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Aug-20	2020 Annual Meeting	Administrative Assistant	7/31/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Sep-20	Cyber Security	ISD, General Manager	8/31/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Oct-20	Employee Benefits / Open Enrollment	HR	9/30/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock, Meeting, Secure portion of website
Nov-20	Employee Development and Learning for 2021	HR	10/30/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Dec-20	Cooperative News	General Manager	11/23/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Jan-21	Recap of 2020 and What's NEW for 2021	General Manager	12/23/2020	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
Feb-21	Celebrate Employee Success Stories and Share Wins	HR	1/29/2021	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock

Mar-21	Employee Feedback, Debate, and Discussion	All Employees	2/26/2021	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock, Meeting
Apr-21	Lineworker Appreciation Day	Administrative Assistant	3/31/2021	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock
May-21	National Electrical Safety Month - Important safety information	Operations Manager	4/30/2021	Paystub insert, Emails, Displays on bulletin board, Posters, Notices posted by time clock



CFC Compass 10-Year Financial Forecast Model, 2020 – 2029

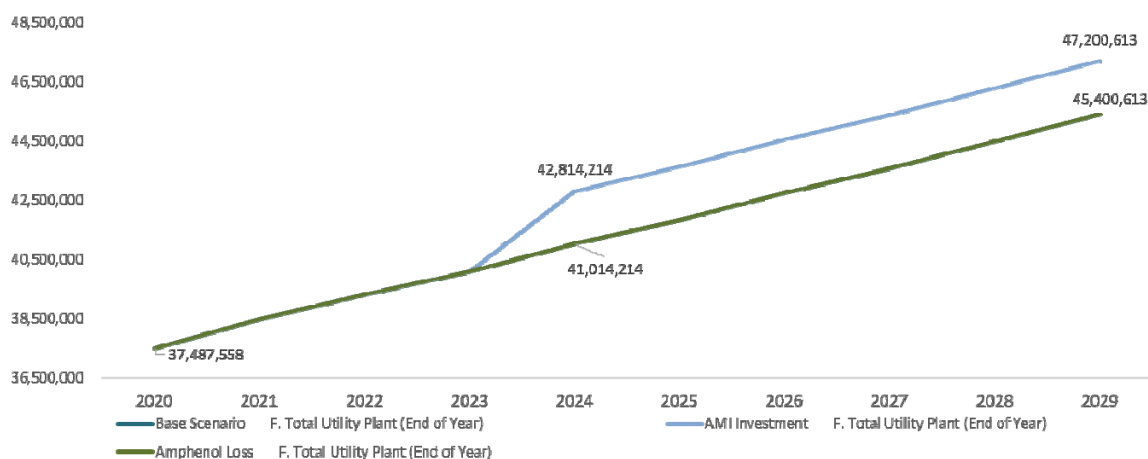
Three Models Created

This year we created 3 Compass models:

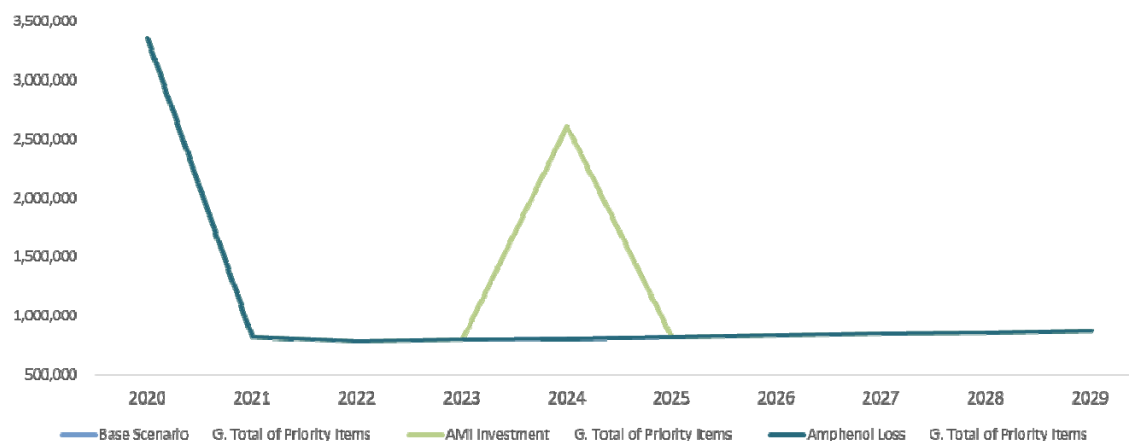
- Base Scenario: Base case scenario with “normal” expectation
- AMI Investment: Scenario in which we replace our Automated Metering Infrastructure (AMI) at a cost of \$1.8 million in 2024.
- Amphenol Loss: Scenario in which we lose our largest member consumer, Amphenol, in 2024. This causes an abrupt loss of \$1.18 million per year in revenues.

The graph below shows Total Utility Plant, which is the key differentiator between the Base Scenario and the AMI Investment Scenario. Total Utility Plant is the measure of the Cooperative’s total investment in real property, general plant such as vehicles, and distribution plant such as poles, wires, and transformers. In the AMI Investment Scenario, the Cooperative invests an additional \$1.8 million in a new generation of AMI technology in the year 2024.

\$ Total Utility Plan – Years 2020 through 2029

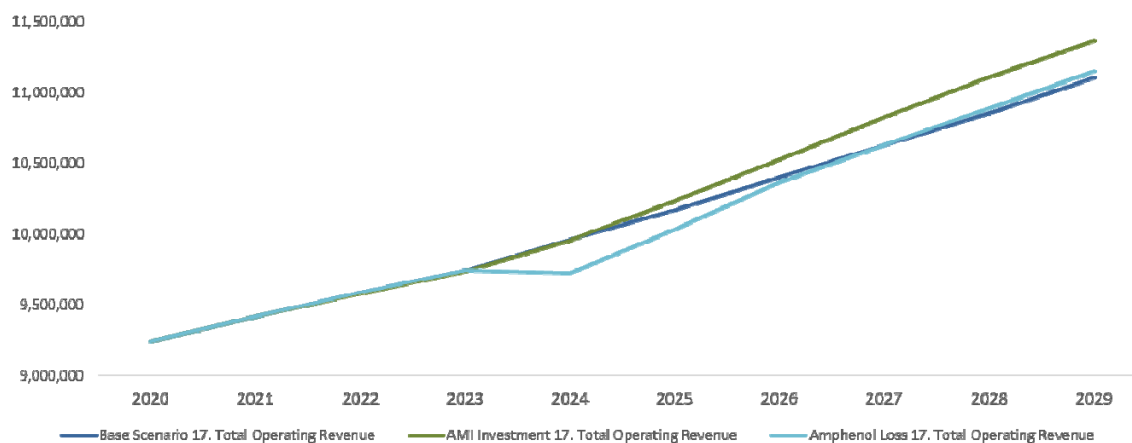


Another convenient way to look at the Cooperative’s investment is to examine the Cooperative’s Total Priority Items for investment. This is a measure of the investments in the Cooperative’s balance sheet in any given year. Note that the Base Scenario and the Amphenol Loss Scenario completely overlap so you can only view the difference between the AMI Invest Scenario and the other scenarios. The biggest spike in investment occurs with the headquarters construction project in 2020. Then the AMI Invest Scenario spikes again in 2024 with the investment of \$1.8 million in the next generation of AMI.



The graph below shows Total Operating Revenue, which is the key differentiator between the Base Scenario and the Amphenol Loss Scenario. Total Operating Revenue includes electric revenue from all members and other items such as pole attachment fees. In the Amphenol Loss Scenario, the Cooperative's largest member consumer, Amphenol Aerospace, stops purchasing electric service from the Cooperative, causing an immediate revenue reduction of \$1.18 million annually in 2024. In order to make up for that lost revenue, the scenario includes rate increases on other members, starting in 2024, which eventually bring the revenues back in line with the Base Scenario. These rate increases are shown in a later graph within this document. It is also observable on the graph below that revenues for the AMI Invest Scenario are forced to be higher than the base case starting in 2025. This is because the members must come up with the cash to support the additional debt service associated with the borrowing for the AMI investment in 2024.

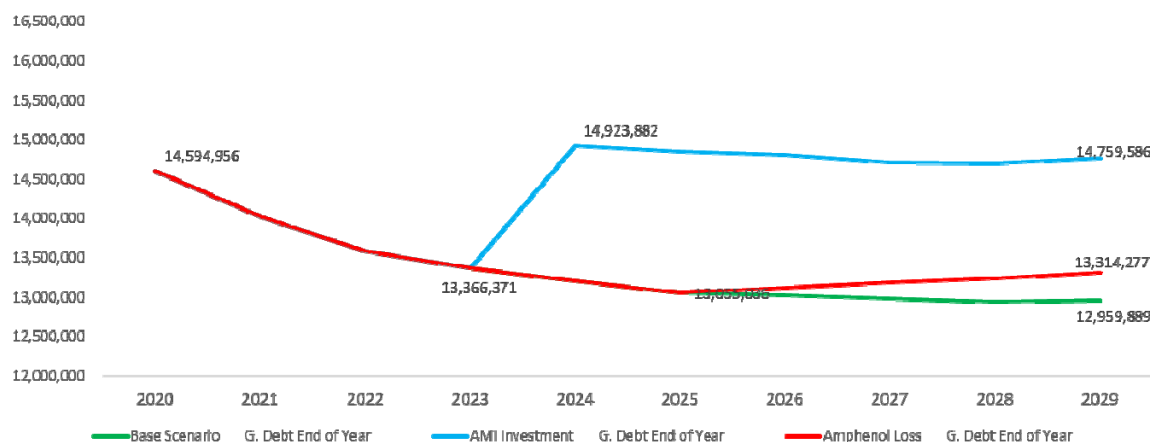
\$ Total Operating Revenue – Years 2020 through 2029





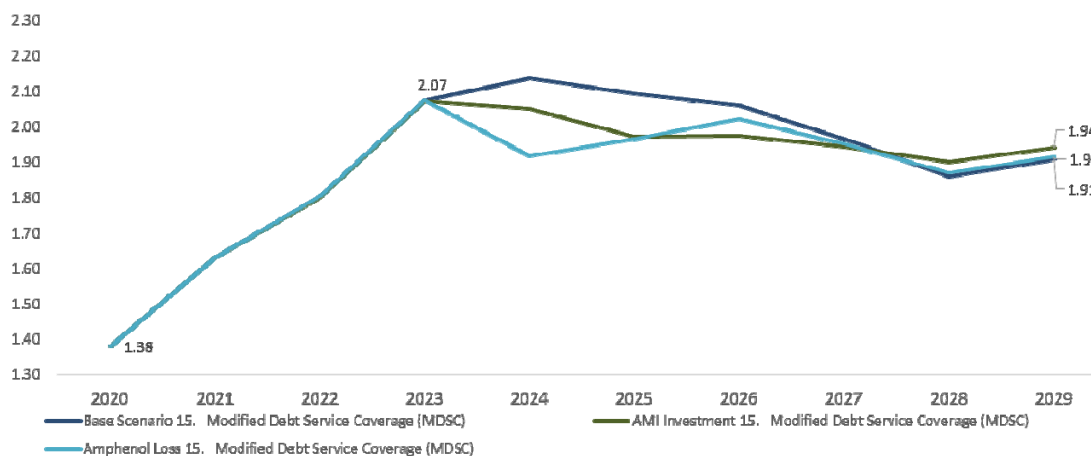
Of course, the other source of funding for the Cooperative, other than member revenues, is debt through the Rural Utility Service, Cooperative Finance Corporation, or CoBank. The graph below shows the Cooperative's projected debt at the end of each year for each of the 3 scenarios. The dramatic shift happens in 2024 when the Cooperative must take on an additional \$1.8 million in debt in order to invest in the new generation of AML. Also notably, additional debt is required to manage the Cooperative's cash needs in the case of the loss of Amphenol.

\$ Debt End of Year – Years 2020 through 2029



The graph below shows the Cooperative's projected Modified Debt Service Coverage Ratio (MDSC). MDSC is a measure of the Cooperative's ability to make its debt service payments to all its lenders with the revenues available to it. The three scenarios diverge from each other starting in 2024. The light blue Amphenol Loss Scenario gets lower in 2024 due to decreased revenues. The green AMI Invest Scenario gets lower in 2024 due to increased borrowing and therefore debt service payments. In each of these scenarios, the projected rate increases on the members "make up" the need for revenue to stabilize MDSC over time.

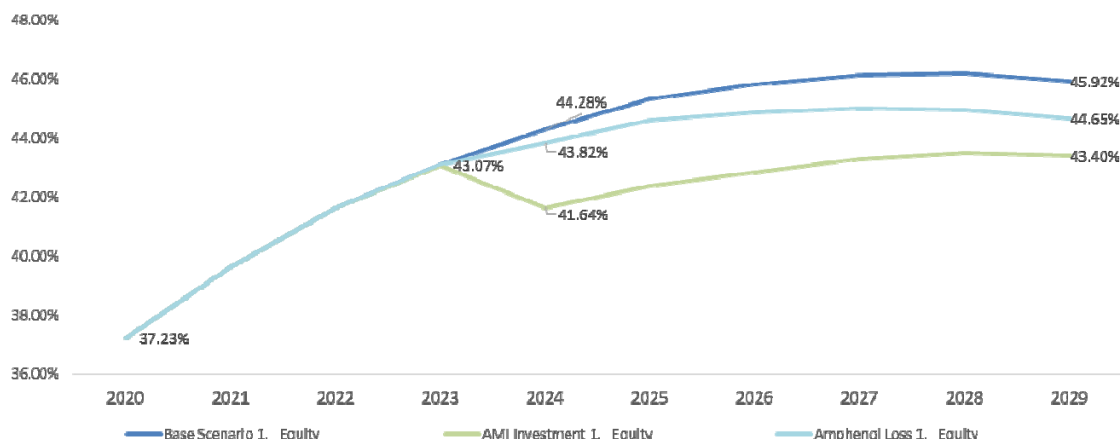
Modified Debt Service Coverage Ratio (MDSC), Years 2020 through 2029





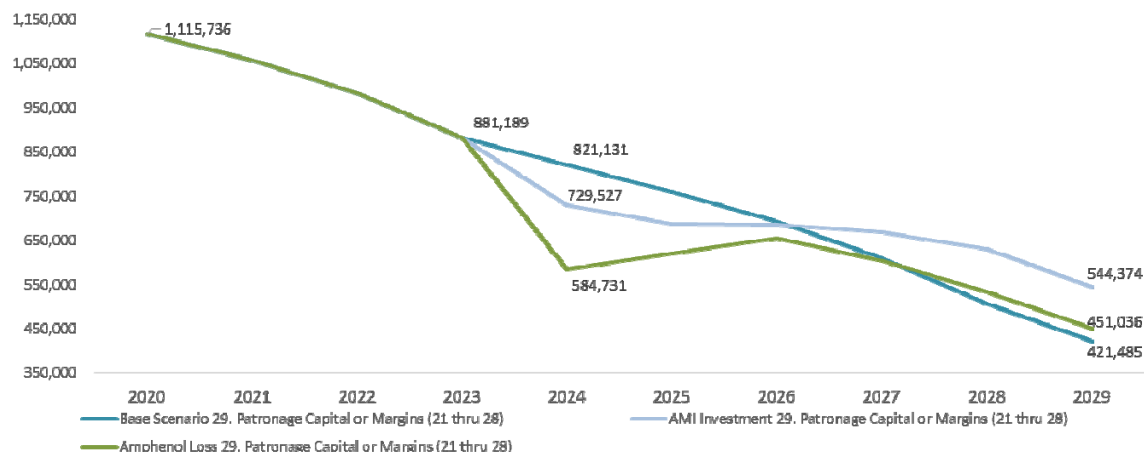
The graph below shows Equity as a Percentage of Assets. This is the best indication of how much of the Cooperative is owned by the members versus how much is owned by the banks. This ratio is one of our key financial goals and objectives and we currently have a target of reaching 42% equity by 12/31/2024. The graph shows that the target equity is not reached in the AMI Invest Scenario.

Equity as Percentage of Assets, Years 2020 through 2029



The graph below shows the dollars of Year End Margin projected for each of the scenarios. Both of the “what-if” scenarios hurt margins in 2024, but for different reasons. The AMI Investment Scenario hurts margin by increasing interest expense significantly. The Amphenol Loss Scenario hurts margin by significantly reducing revenues. By year 2029, both of the “what-if” scenarios require higher margins than the Base Scenario, because both “what-if” scenarios require bigger principal payments as part of debt service. That money for the principal payments comes from the members in the form of higher revenues and they make margins higher because principal payments are not an expense. Recall that Cooperative’s margins equal the Cooperative’s revenue minus the Cooperative’s expenses.

\$ Year End Margin, Years 2020 through 2029





The remainder of this document shows the impact of all three scenarios on the projected rates for residential and seasonal members. The table below summarizes the projected rates.

Projected Monthly Service Charges Paid by Residential & Seasonal Members, Years 2020-2029

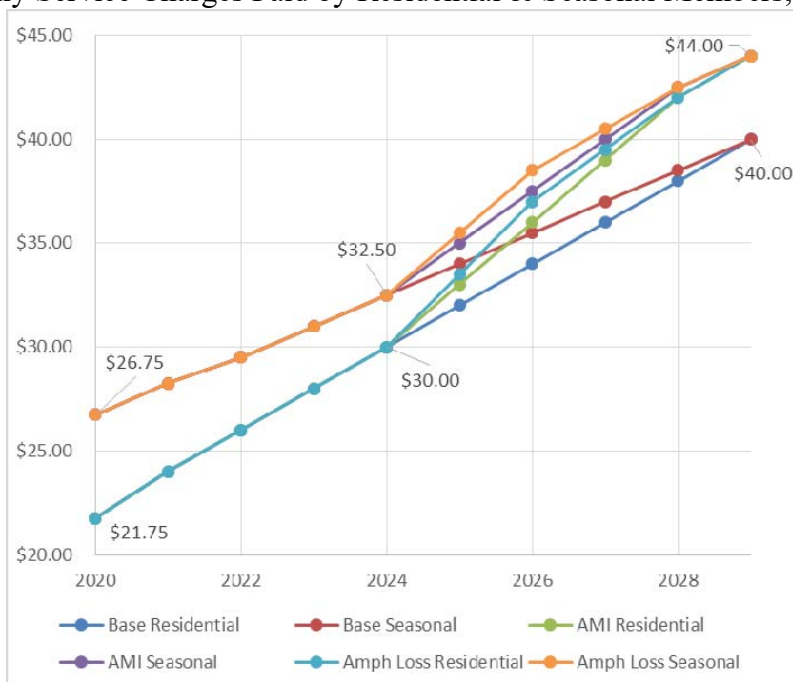
Year	Base Residential	Base Seasonal	AMI Residential	AMI Seasonal	Amph Loss Residential	Amph Loss Seasonal
2020	\$ 21.75	\$ 26.75	\$ 21.75	\$ 26.75	\$ 21.75	\$ 26.75
2021	\$ 24.00	\$ 28.25	\$ 24.00	\$ 28.25	\$ 24.00	\$ 28.25
2022	\$ 26.00	\$ 29.50	\$ 26.00	\$ 29.50	\$ 26.00	\$ 29.50
2023	\$ 28.00	\$ 31.00	\$ 28.00	\$ 31.00	\$ 28.00	\$ 31.00
2024	\$ 30.00	\$ 32.50	\$ 30.00	\$ 32.50	\$ 30.00	\$ 32.50
2025	\$ 32.00	\$ 34.00	\$ 33.00	\$ 35.00	\$ 33.50	\$ 35.50
2026	\$ 34.00	\$ 35.50	\$ 36.00	\$ 37.50	\$ 37.00	\$ 38.50
2027	\$ 36.00	\$ 37.00	\$ 39.00	\$ 40.00	\$ 39.50	\$ 40.50
2028	\$ 38.00	\$ 38.50	\$ 42.00	\$ 42.50	\$ 42.00	\$ 42.50
2029	\$ 40.00	\$ 40.00	\$ 44.00	\$ 44.00	\$ 44.00	\$ 44.00

In estimating these rates, I assumed:

- 1) The majority of revenue increases will need to come through increases to fixed monthly service charges paid by small consumers such as residential and seasonal members.
- 2) The residential and seasonal rates should converge over time as the fixed monthly service charge gets closer to covering the Cooperatives fixed costs.

The same data is shown graphically below. Note that the Base Case Scenario residential and seasonal rates converge at \$40 in year 2029. Note that in both “what-if” scenarios (AMI Invest and Amphenol Loss) the residential and seasonal rates converge at \$44 in year 2029.

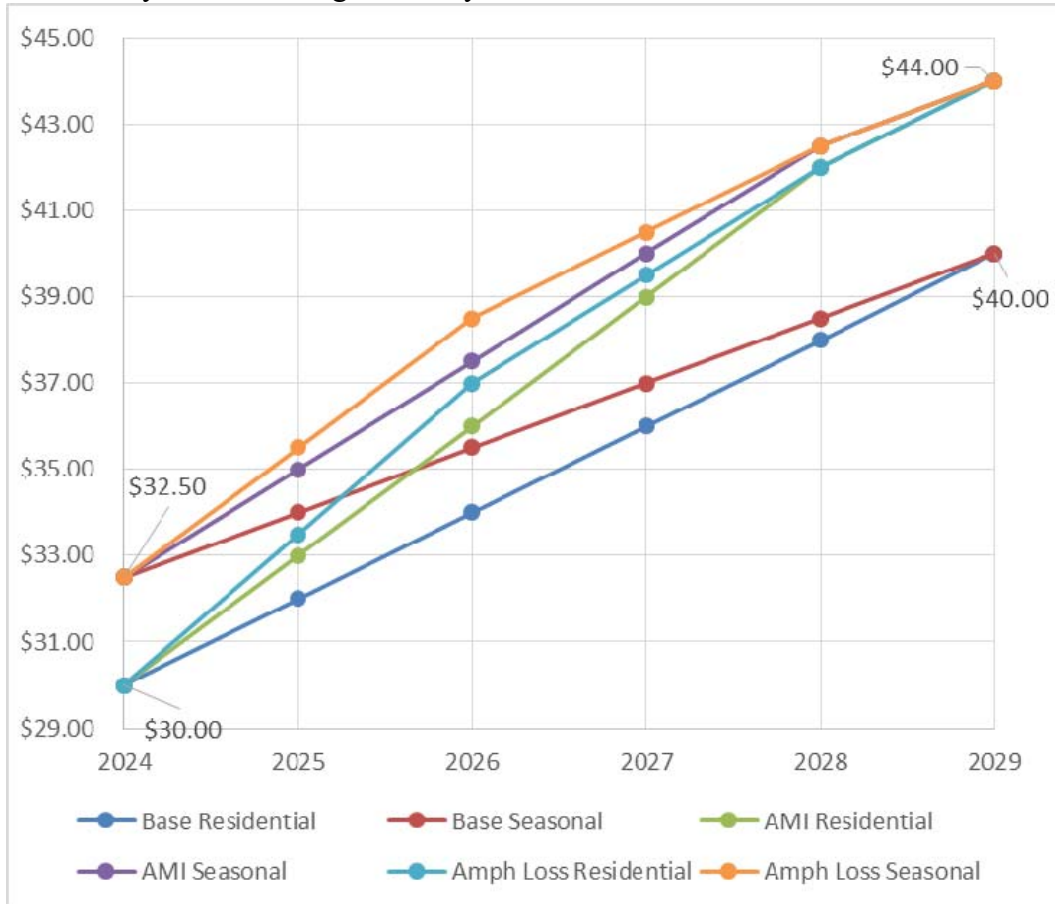
Projected Monthly Service Charges Paid by Residential & Seasonal Members, Years 2020-2029





Since all three scenarios are identical through year 2024 and since I want you to be able to see clearly the ways that the rates evolve in years 2025 through 2029, I've provided another graph below, which covers year 2024 through 2029 only. Hopefully that will make it easier to see the trends.

Projected Monthly Service Charges Paid by Residential & Seasonal Members, Years 2024-2029



DCEC Corporate Calendar Review

Last Updated 6/10/2020

January	
Calculate Usage and Revenue for Dec 15-31 time frame	Rosemary
Year-End Process in Billing Follow Through	Rosemary
Year-End Inventory	Betty
Financial year-End “soft close”	Millie
Financial Audit (Jan-Mar)	Millie/Mark
Year-End Accomplishments Review / Goals & Objectives Approval	Mark/Board
Employee Performance Reviews	Mark
Organization & Staffing Committee Meeting – inc. CEO evaluation	Mark/Board
Exempt Employee Salary Action	Mark
Stray Voltage Annual Report to Board	Ryan
Update PPAC “System Loss Factor” based on prior year analysis	Mark
Hazardous Waste Disposal Annual Report (kept in-house)	Ryan
Hazardous Waste Disposal Annual Document Log (kept in-house)	Ryan
Submit DEP/NYC annual pesticide permit application (secure by April)	Ryan
Legislative Youth Delegate kick-off (interviews/selection by late March)	Mark/Alicia
NYSRECA Meeting	Mark/Board
DEC pesticide annual reporting – due 2/1	Ryan
Review & Update SPCC Plan on even years	Bucky/Paul
Consider GM contract renewal/update	Mark/Board
Member-owned DG usage/generation calculation/add to historical data	Rosemary
Member-owned DG end net metering for 10-year grandfathered members	Rosemary
Vegetation Management Update to Board	Mark/Ryan
Schedule Substation Herbicide Vegetation Contractor	Betty
Complete/Post OSHA 300A	Millie/Bucky
Conduct Annual Red Flag Refresher Training & Present Red Flag Report to the Board	Mark
February	
Preparation of Form 7 Report / Submit by 3/31 (RUS, CFC, NYPA, Co-Bank)	Millie/Mark
Form 990 Report Prep (Feb-Mar)	Millie
Financial Audit (Jan-Mar)	Millie/Mark
Payroll submission to NRECA (W2 for 401k calc) – due mid Feb	Millie
DEC Hazardous Waste Annual Report (>2,200 lbs.) due 3/1	Ryan
Confirm pesticide labels are up to date	Ryan
Provide annual notice of Herbicide Treatment in Newsletter	Ryan/Ally
NRECA Annual Meeting	Mark/Board
Substation Infrared Inspections	Ryan
Strategic Plan Review	Mark/Board
Board appoints Nominating Committee (Directors identify members)	Board
Update Standard Costs	Ryan
Member-owned DG checks to members based on prior year power costs	Rosemary/Millie
March	
Financial Audit - Report to Board	Millie/Mark
Form 990 Report Prep (Feb-Mar)	Millie
Financial (Form 7) Report / Submission by 3/31 (RUS, CFC, NYPA, Co-Bank)	Millie/Mark
Annual Meeting Kick-off Planning (incl consideration of Bylaw changes)	Mark/Alicia/Board
Legislative Youth Tour Interviews/Selection	Mark/Board
Update Truck Maps - printed	Ryan
Phase Balance Study completed	Ryan/Paul
NRECA Reliability Survey	Ryan/Paul
Dept of Energy EIA Survey	Ryan
NYSRECA Legislative Conference (tbd)	Mark/Alicia
Board decision/approval of proposed bylaw changes (for Annual Meeting)	Board
Update System Dispatch Book for Dispatchers & Office	Ryan/Paul
Nominating (Director Search) Committee Meeting	Mark/Alicia
Power Cost Risk Update to Board	Mark

April	
NYS ORPS Equalization & Assessment report (4/15)	Millie/Ryan
Submission of Audited Financials to RUS - due 4/30	Millie
Form 990 Report - Board Approval/Submission to IRS (due by 5/15)	Millie
DEC Pesticide Business/Agency Registration (April/May, tri-annual, next in 2022)	Ryan
Finance Committee Meeting (Apr/Jul/Oct)	Millie/Mark/Board
Vegetation Management Update to Board	Mark/Ryan
Shop Fence Walk-Thru and Repairs	Ryan/Todd
Schedule Bucket Truck Testing	Betty/Ryan
Confined Spaces Gas Tester Calibration	Ryan
May	
Form 990 Report - Board Approval/Submission to IRS (due by 5/15)	Millie
Prelim communication of Annual Meeting (w/ bylaw changes if any)	Mark/Alicia
NEAEC Annual Meeting	Mark/Millie
Confirm Spring Crew Visits are Complete	Bucky/Mark
Capital credits allocation - prior year	Rosemary
Capital credits member notification via bills – prior year	Rosemary
Strategic Plan Review	Mark/Board
Organization & Staffing Committee Meeting	Mark/Board
June	
Fuel Contract procurement Review (for next year)	Mark/Ryan
Renew Purchase of TCCs with NYISO/NYPA	Mark
Semi-annual review of Corporate Calendar (Jun/Dec)	Mark
Plan Membership Survey - 3-year interval, next 2021	Mark
RESAP Audit and Safety Improvement Plan	Bucky/Mark
Confirm website prices and warranty information up to date (water heaters, etc.)	Ryan/Ally
Power Cost Risk Update to Board	Mark
Send Double-Wood Letters to Responsible Parties	Ryan
July	
Heating System Boiler Inspection (every 2 years, odd years)	Ryan
Emergency Restoration Plan - Review/Exercise	Ryan/Bucky
CFC Annual Forum	Mark
NYSRECA Annual Meeting	Mark/Board
Tax Exempt Form Review (even years only)	Rosemary
Line Extension Policy Rate Review	Ryan/Bucky
Board Self-Evaluation Survey (odd years only, next 2021)	Alicia/Board
Finance Committee Meeting (Apr/Jul/Oct)	Mark/Millie/Board
Vegetation Management Update to Board	Mark/Ryan
Request updated vendor liability insurance certificates	Mark
August	
NYS ORPS Significant Inventory Report - due 8/15	Mark/Ryan
Union Contract Year-End – Payroll Increases	Millie
OEC Annual Meeting	Mark
Vacation Roll-Over Request Forms	Mark
Review Pole Attachment Rates	Mark/Ryan
CEO Goals & Objectives Mid-Year Review	Mark/Board
Organization & Staffing Committee Meeting (Jan/Aug)	Mark/Board
Substation Herbicide Vegetation Treatment	Betty
Family Fun Event	Alicia
September	
Fleet Review (for budget planning)	Mark/Ryan
ROW & Line-Inspection contracting Plan	Mark/Ryan
DCEC Annual Meeting	Alicia
Cooperative Officers Job Descriptions Review	Mark/Board
Organizational Meeting of Board (incl. Committee appointments)	Mark/Board

NRECA Region 1 Annual Meeting	Mark/Board
NRECA Survey - Directors, Attorneys, Auditors	Mark
Complete Membership Survey - 3 year cycle, next 2021 (Sept-Dec)	Mark
Renewal of LTDI, Life Ins, Dental, Business Travel & Acc Insurance	Mark/Millie
Confirm Summer Crew Visits Complete	Bucky/Mark
Strategic Plan Review	Mark/Board
4-year RUS Work Plan Review	Mark/Board
NRECA Salary Submittal (for benefits determination) - "11/15 report"	Millie
Power Cost Risk Update to Board	Mark
October	
Year-End Financial Projection (Capital Credit Retirement Assessment)	Millie/Mark
Finance Committee Meeting (Apr/Jul/Oct)	Millie/Mark
Re-instatement of Accounting/Audit Firm (resolution)	Mark/Board
Capital Credit retirement - decision by Board	Mark/Board
Kick-off Budgeting Process (prelim capital budget)	Mark
Employee Enrollment Notice (125, life insurance, other)	Millie
ERP Plan Exercise & Certification	Bucky
Vegetation Management Update to Board	Mark/Ryan
Oneida-Madison EC Annual Meeting	Board
Steuben REC Annual Meeting	Board
Contact disconnected members - assess health impairment of no winter service	Rosemary
Inactive service report for Operations to retire services	Rosemary
Economic Development Power audit responses	Mark
Substation Transformer Oil Testing	Ryan
All-Employee Meeting (last week October)	Mark/Millie
Confined Spaces Gas Tester Calibration	Ryan
November	
Year-end Financial Projection (Formulary Rate Planning)	Mark
Capital Credit Retirement (if applicable)	Mark
Operating Plan/Budget Presented (Nov), Approved (Dec)	Mark/Millie
Finalize Training Plan (incl. PREA)	Mark/Ryan
ROW Clearing & Line Inspection contract approval	Mark/Ryan
Employee Open Enrollment	Millie
CFC Membership Survey	Millie
NYPA 10-year Load Forecast	Mark/Ryan
Newsletter notification - 3rd party notification for disconnect notices	Alicia
Change lead filter in coffee water supply	Mark
Update DOT Unified Registration System (URS) bi-annual update odd years	Ryan
Renew DOT Unified Carrier Registration (UCR) annual update	Ryan
December	
Employee Performance Reviews – prep (Dec), deliver (Jan)	Management Team
CEO Performance Review – kick off & plan Jan O&S Committee Mtg	Board
Operating Plan/Budget Presented (Nov), Approved (Dec)	Mark/Millie
Christmas Party	Alicia
Capital credit general retirement (if applicable)	Rosemary
Billing complete for Pole Attachments	Tara/Ryan
Billing complete for NYC permit fees	Tara/Ryan
Update phone menu systems with holiday schedule	Alicia
Semi-annual review of Corporate Calendar (Jun/Dec)	Mark
Strategic Plan Review	Mark/Board
Power Cost Risk Update to Board	Mark
Year End Process in Billing Kickoff	Rosemary
Send Double-Wood Letters to Responsible Parties	Ryan



STRATEGIC PLAN SUMMARY

2017-2020

Mission

DCEC is committed to safely, reliably, and cost effectively providing electric energy and related services to our members.

Values

- Safety
- Service
- Open Communications (internal/external)
- Integrity/Honesty
- Professionalism
- Respect

Stakeholders

- Members
- Employees
- Community
- Business Partners (suppliers, RUS, CFC, Federated, other distribution co-ops, NYSEDA, NISC, UUS, CoBank, etc.)
- Government and Regulators

Planning and Execution Timeline

This strategic plan (“the Plan”) was developed by the Cooperative’s Board of Directors and Management on May 31, 2017. The Plan will be reviewed and modified, if appropriate, by the Board on a quarterly basis. The strategic goals are to be achieved over a 3 or 4-year period ending on December 31, 2020. The Board anticipates a major update to the Plan in the spring of 2020.

Responsibility

The Cooperative’s CEO/General Manager (“the CEO”) is responsible for execution of the Plan and for reporting quarterly to the Board on progress toward the strategic goals. The CEO’s Annual Goals and Objectives, which are utilized by the Board to evaluate the CEO’s performance, shall be consistent with and serve the Strategic Goals in the Plan.

Prioritized Strategic Goals

#1 - Reliability

Goal: Identify and implement measures designed to improve transmission and distribution system reliability.

Task 1: Operations Manager will coordinate the addition of fused cut-outs for each tap and distribution transformer fed from each 3-phase distribution feeder throughout the service territory.

Task 2: Engineering Manager will monitor NYSEG transmission reliability, identify root causes for significant reliability impacts, and hold NYSEG accountable for preventable reliability impacts through direct communications when possible and PSC involvement otherwise.

Quantifying Success:

SAIDI Total Excluding Transmission and Major Storm¹ (KRTA #144 - #140 - #141) improves from 5-yr avg of 398 to 1-yr value 378 (benchmarked on a 5% improvement to our 5-yr avg)

SAIDI Transmission (KRTA #140) improves from 5-yr avg of 156 to 1-yr value of 44 (benchmarked on 5-yr avg of median value for Northeast cooperatives)

#2 - Operating Cost Efficiencies

Goal: Develop and implement a plan of action to achieve greater operating cost efficiencies, specifically focusing on staffing levels, engagement of contractors and shared service opportunities with other cooperatives.

Task 1: CEO will use attrition and re-organizational opportunities to reduce total Cooperative staffing in accordance with feedback by Organization & Staffing Committee of Board.

Task 2: CEO will monitor work practices and implement changes as appropriate to reduce inefficiency.

Task 3: CEO and Finance Manager will seek and implement shared services with NY cooperatives.

Quantifying Success:

Full time employee count (KRTA #4) reduced from current 25 to 22

Total Controllable Expenses per Consumer (KRTA #87) reduced from current \$775/consumer to \$700/consumer (compare to NYS median \$695)



STRATEGIC PLAN SUMMARY

2017-2020

#3 - Member Communications

Goal: Improve and enhance member communications, implement plans to deepen DCEC's engagement with its members.

Task 1: CEO and Administrative Assistant will create an 18-month editorial calendar incorporating appropriate modes of member contact, including practical/operations issues such as vegetation management or facilities investment as well as member affinity issues such as "the cooperative difference" or "linemen appreciation" for review/approval by Board.

Task 2: CEO and Administrative Assistant will incorporate annual events targeting newer members, separate from the annual meeting.

Quantifying Success:

For each monthly member communications priority, connect with members 7 different times, 7 different ways with a consistent message.

Annual event targeting engagement of newer members, particularly families

#4 – Employee Cross-Training

Goal: Develop and implement a program to cross-train DCEC employees in a manner that enhances employee value and mitigates the risks associated with unexpected absences or position vacancies.

Task 1: CEO, Finance Mgr. and Ops. Mgr. will develop a prioritized matrix of key staff functions, the normal responsible individual, and current/proposed backup individuals for each key function for review/approval by Board.

Task 2: CEO, Finance Mgr. and Ops. Mgr. will develop a multi-year training and re-training plan to assure that individuals with back-up responsibilities are appropriately trained and practiced so that they can seamlessly perform key back-up functions.

Task 3: CEO, Finance Mgr. and Ops. Mgr. will develop a list of key CEO responsibilities that require Board involvement in the absence of the CEO, and provide appropriate documentation of such to the board.

Quantifying Success:

Each and every key task has a trained and practiced back-up person, which allows for the absence of any staff person, including the CEO, without interruption to the smooth operation of the Cooperative's business.

#5 – Facilities Planning

Goal: Craft and execute a comprehensive facilities plan.

Task 1: CEO and Operations Manager will document the qualities, features, capabilities, and required space for all the Cooperative's existing and foreseeable functions at a consolidated headquarters facility.

Task 2: CEO and Operations Manager will manage the performance of due diligence including flood certification, engineering feasibility study (including layout, storm water, waste water, power supply, zoning, and budgetary costs), appraisals, and all employee input for any site(s) that may be pursued by the Cooperative and meet the requirements described in Task 1.

Task 3: CEO & Operations Manager will coordinate engineering & design documentation, consistent with aforementioned requirements, pending board approval, for a single selected site for a consolidated headquarters facility. Documentation will be appropriate for a bid package.

Quantifying Success:

Completion of requirements document and presentation to the Board.

Completion of due diligence documentation and presentation to the Board.

Completion of a bid package and presentation to the Board.

Quantifiable Strategic Trends

Year	'15	'16	'17	'18	'19
SAIDI Transmission, KRTA #140 (<44 min.)	1	519	82	47	
SAIDI Total minus Transmission and Major Storms, KRTA #144 – KRTA #140 – KRTA #141 (<270 minutes)	422	378	482	447	
# Employees, KRTA #4 (<22)	27	27	25	24	24
Controllable Expenses per Consumer, KRTA #87 (<\$700)	743	775	789	827	
# Months met Member Comm. Goals (=12)	0	0	0	12	12
# Newer Member Events (=1 event)	0	0	0	1	1
# Key Duties Backed Up (=all, value from matrix to be developed by Finance Manager)	No Data	No Data	40 %	50 %	63 %



STRATEGIC PLAN SUMMARY

2017-2020

Strengths

- Good board, management and staff
- Our ability to critically look at our weaknesses
- Noted that strengths outweighed the weaknesses
- Our strategic plan is a working document routinely reviewed by board
- Board works well together through mutual respect
- Distribution system is in excellent condition
- The cooperative network

Weaknesses

- Culture issues
- Limited growth opportunities in number of members
- Members are disengaged
- We tend to be reactive in member communications, not proactive
- Not sure we're always good at effective communication
- Overstaffing

Opportunities

- New members and younger members are an engagement opportunity
- Shared services and ability to contract services
- Broadband expansion
- Better use of technology
- Extend hydro contract through 2040
- More political involvement to change laws to be more cooperative friendly

Threats

- Limited growth, flat or negative growth
- Increasing costs
- Reliability of transmission service
- Changing member demographics
- State and Federal regulations
- Uncertainty of energy prices
- Not effectively communicating cooperative values to new members and members as a whole
- Cyber security/physical security