

REGULAR MEETING OF MEMBERS OF THE BOARD

JUNE 22, 2026

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, June 22, 2026, at 12:30 p.m. at Fairfield Electric Cooperative headquarters in Blythewood, South Carolina. The following board members were present:

Cynthia E. Able
Ronald D. Friday
Robert K. Miles
Peggy D. Swearingen

Eileen U. Donohue
William Michael Good
Derial L. Ogburn

Robert Entzminger
Timothy L. Hopkins
Mitchell D. Rabon

Absent: Donald Keith Lewis

Attorney John K. DuBose, III was present.

President Mitch Rabon called the meeting to order.

Robert Entzminger gave the Invocation.

Erik Marsha, VP of Finance, with Fairfield Electric Cooperative, Inc. reviewed the 2025 IRS 990 Form prepared by the firm, Elliott Davis. Mr. Marsha reviewed the materials and discussed several aspects of the reporting with the Board.

- Fairfield Electric Cooperative, Inc. is a 501(c)(12). Therefore, FEC is exempt from taxes.
- FEC revenue comes from the members of the Cooperative.
- The Cooperative has a 36% equity ratio, well in excess of the RUS requirement of a 30% equity ratio.
- 70% of FEC costs are CEPC payments for wholesale power.

Upon motion made by Michael Good, seconded by Robert Entzminger, motion carried, the 2025 IRS 990 was approved.

Erik Marsha, VP of Finance, with Fairfield Electric Cooperative, Inc. reviewed the Value of a Solar Rate.

- The Surplus Generation Policy Rider (meter consumption) was discussed. Excess Energy Credits derived from member solar is applied to member invoices.
- The current rate of 4.4 cent has been in place since the was adopted in 2019 with no adjustments.

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- An increase for Value of Renewable Generation (solar) was recommended to 4.7 cents per KW as the “buy back” value of member produced power going into the FEC system.
- The buyback rate accounts for carrying costs of FEC for capital improvements and administration.
- The buyback rate is equitable and assures members without solar are not subsidizing members with solar.

Upon motion made by Ronald Friday, seconded by Cynthia Able, motion carried, the increase in renewable generation from 4.4 cents to 4.7 cents was approved.

Upon motion made by Derial Ogburn, seconded by Ronald Friday, the Board entered into Executive Session.

Erik Marsha, VP of Finance, with Fairfield Electric Cooperative, Inc. reviewed Fairfield Electric’s Security Services via a presentation.

- A Contractual matter involving monitored security services were discussed.

Upon motion made by Timothy Hopkins, seconded by Peggy Swearingen, motion carried, the Board exited Executive Session and into the regular board meeting.

Upon motion made by Derial Ogburn, seconded by Ronald Friday, motion carried, the Board approved execution of the Purchase and Sale Agreement between FEC and Lake Norman Security Patrol, Inc. d/b/a Security Central and Alarmsouth.

Attorney John DuBose discussed Fairfield Electric’s existing Bylaws and Policies regarding campaign practices as contained in Policy 31 and Bylaw 4.06.

A proposed amendment to Policy 31 will be presented to the Board at the next meeting. The proposed amendment to Policy 31 are to reconcile it with the recently amended Bylaw 4.06.

Upon motion made by Ronald Friday, seconded by Peggy Swearingen, motion carried, the minutes of the **meeting held on April 20, 2026**, were approved as presented.

Upon motion made by Ronald Friday, seconded by Peggy Swearingen, motion carried, the minutes of the **meeting held on May 15, 2026**, were approved as presented.

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Upon motion made by Peggy Swearingen, seconded by Michael Good, motion carried, **564 new consumers** for the months of April and May 2026 were accepted as members of Fairfield Electric Cooperative, Inc.

A list of **delinquent accounts totaling \$9,120.26** for the months of April and May 2026 was presented for consideration for write-off as uncollectible. Upon motion made by Robert Entzminger, seconded by Peggy Swearingen, motion carried, authorization was granted to write these off against the cooperative's reserve for uncollectible accounts.

A list of **deceased patron's estates requesting payment of their capital credits** was presented for consideration. After discussion and upon motion made by Michael Good, seconded by Peggy Swearingen, motion carried, the following resolution was adopted.

The estates of 25 deceased member(s) have requested the Board of Directors to consider approving the retirement of **\$12,113.66** as an administrative convenience to the estates. After reviewing the cooperative's financial statements and determining whether such retirement will adversely impact on the cooperative's financial condition, management recommends capital credits totaling **\$12,113.66** be approved for payment. In addition, it should be noted that such approval does not obligate this board or any future board to retire the capital credits of the estates of deceased members presented at any future date.

Bruce Bacon, **Chief Executive Officer**, provide the CEO Report and reviewed and discussed:

Financial Reports for the months of April & May 2026

- Wholesale power costs are higher than projected. Normal weather should equalize the budget over coming months.

Operation Round Up had a meeting on June 15, 2026, and donations were made to 2 families, 4 organizations and 1 fire victim.

Security Business Update for the months of April & May 2026
New Systems Sold & Installed was 0 System Take Overs was 1
Service Calls were 61

The Winnsboro and Blythewood offices will be closed on Friday, July 3, 2026, in observance of Independence Day. Service personnel will be on standby for any outage or emergency.

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ACRE/ECHO campaigns are underway with contributions being deducted in July 2026.

FEC was organized on June 8, 1939. On Monday, June 8, 2026, cookies were given to members in celebration of the Cooperative's anniversary.

Strategic Plan Update:

- Enhanced member communication and engagement.
- Community involvement:
 - Education – hosting energy conservation workshops
 - Educational videos
 - Increased sponsorship and participation in local events
- Expansion of demand-side management programs.
- Human Resources related matters.
- Leadership development, mentoring and training alternatives
- Employee wellness
- Grid modernization
- Vehicle Management – including a practical replacement schedule.
- Cyber Security
- AI application
- Fleet tracking
- Strengthening safety programs
- Maintain an efficient disaster recovery plan while exploring possibilities for improved safety and efficiency.
- Enhance digital and physical security measures at substations.
- Improve reliability of systems.
- Better service to customers
- Minimize outages in the future.
- Where practical, relocate existing lines to road frontage for easier access.

ORS Response Update: The yearly ORS audit has been received.

Trey Boone will attend the July board meeting to discuss FEC's Wage and Salary Study.

Upcoming Events:

2026 Summer School for Directors / June 26 – 30, in Louisville, KY

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2026 Trustee Association Conference / August 12 – 14, 2026 at Embassy Suites by Hilton Charleston Harbor in Mt. Pleasant, SC

2026 NRECA Regions 2 & 3 Meeting / October 14 – 16, 2026 in Orlando, FL

2026 ECSC Winter Conference / November 30 – December 03, 2026, in Asheville, NC

- Board Education and Policy Development Support

2026 NRECA Winter School / December 11 – 15, 2026 in Nashville, TN

Mitch Rabon and Cynthia Able discussed the **2026 Trustee Association Conference** scheduled for August 12-14, 2026 at the Embassy Suites by Hilton Charleston Harbor, Mt. Pleasant, SC.

Upon motion made by Peggy Swearingen, seconded by Robert Entzminger, motion carried, the following trustees were approved to attend for the following dates:

Cynthia E. Able	Dates: August 12-14, 2026
Eileen U. Donohue	Dates: August 12-14, 2026
Robert Entzminger	Dates: August 12-14, 2026
Ronald D. Friday	Dates: August 12-14, 2026
Timothy L. Hopkins	Dates: August 12-14, 2026
Donald Keith Lewis	Dates: August 12-14, 2026
Derial L. Ogburn	Dates: August 12-14, 2026
Mitchell D. Rabon	Dates: August 12-14, 2026
Peggy D. Swearingen	Dates: August 12-14, 2026

Mitch Rabon and Cynthia Able discussed the **2026 NRECA Regional Meeting** scheduled for October 14 – 16, 2026 in Orlando, Florida.

Upon motion made by Ronald Friday, seconded by Peggy Swearingen, motion carried, the following trustees were approved to attend for the following dates:

Cynthia E. Able	Dates: October 13-16, 2026
Eileen U. Donohue	Dates: October 13-16, 2026
Robert Entzminger	Dates: October 13-16, 2026
Ronald D. Friday	Dates: October 13-16, 2026

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Timothy L. Hopkins	Dates: October 13-16, 2026
Derial L. Ogburn	Dates: October 13-16, 2026
Mitchell D. Rabon	Dates: October 13-16, 2026
Peggy D. Swearingen	Dates: October 13-16, 2026

Mitch Rabon and Bruce Bacon provided an **update on Central Electric Power Cooperative.**

- It is estimated that approximately 30% of power supply available by CEPC will be allocated to data centers within eight (8) years.
- FEC will monitor the possible impacts of data centers on FEC membership.
- Mitch Rabon discussed the defensive data center rate rules development by CEPC to insulate members from large industrial load additions.
- The merger of NextEra and Dominion Energy was discussed. NextEra will become the largest utility in the United States with the merger.
- The merger and entry of NextEra into South Carolina will be a massive change to the energy space in South Carolina. NextEra is heavily involved in renewable energy.

Derial Ogburn provided an **update on The Electric Cooperatives of SC.**

- Mr. Ogburn expressed his optimistic view of the new leadership at ECSC.
- Derial Ogburn provided an update on the ribbon cutting for the training center.

Robert Entzminger provided an **update on CEE US, Inc.**

- Mr. Entzminger wishes to renew effort to receive information on the salaries of the top five (5) executives.
- The new facility in VA is performing well and CEE US may be expanding that operation.
- The Trade Show was successful.

Tim Hopkins provided an **update on the Trustee Association.**

- Nothing new to add.
- Next meeting of the Trustee Association is set for August.

Cynthia Able provided the **Treasurer's Report.**

- Board budget financials are solid and there are only two additional major conferences remaining.

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- The budget established for conference attendance is in good shape, with half of the year gone and less than half of the budgeted funds used. There are only 2 major conferences remaining for Board member attendance, so there are no expected budgetary issues.
- Ms. Able is working on a Board policy for conference attendance.

Old Business: NONE.

New Business:

- Ronald Friday reviewed information with the Board from the Safety Leadership Summit that Mr. Friday attended in St. Louis, MO. Mr. Friday provided a handout to the Board members which covered accidents and the fundamentals of accident investigations.
- Cynthia Able discussed the CFC conference with the Board.
 - Software advancements for bookkeeping were discussed.
 - The conference highlighted the incredible population growth and economic development that has occurred in South Carolina.
 - Data Center proliferation was discussed. The opportunities and challenges of data centers for local communities were discussed.
- Robert Entzminger and Peggy Swearingen provided further context and discussion of the CFC conference information.

There being **no further business** to come before the Board, a motion was made by Michael Good, seconded by Cynthia Able, motion carried and approved, the meeting was adjourned.

Signed: _____

Robert K. Miles, Secretary
APPROVED

ATTEST: _____
Mitchell D. Rabon, President