

REGULAR MEETING OF MEMBERS OF THE BOARD

April 20, 2020

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held via conference call on Monday, April 20, 2020, at 10:00 a.m. The following trustees participated on the conference call meeting:

Mitchell D. Rabon	John E. Roberts	Timothy L. Hopkins
Robert K. Miles	Allen L. Beer	Joseph E. Sharpe
Donald K. Lewis	Robert Entzminger	Peggy B. Jeffcoat
William C. Good	Cynthia Able	

Attorney Ken DuBose also participated in the conference call.

President Mitch Rabon called the meeting to order and Robert Entzminger gave the invocation.

President Rabon welcomed Bryan Isgett of McNair, McLemore, & Middlebrooks who reviewed and discussed the 2019 IRS Form 990 which had previously been provided to board members. He addressed questions and reported the 990 will be filed with the IRS. Upon motion made by Keith Lewis, seconded by Joe Sharpe, motion carried, the IRS 990 was accepted as information.

Thomas Black, VP of Engineering, presented and discussed a proposed engineering contract with Power Consulting Engineers and discussed the scope of work covered by the contract. The contract, budgeting information, and prior services by the company having been previously provided to board members were reviewed. The contract will be an agenda item for approval at the May board meeting.

Upon motion made by Tim Hopkins, seconded by John Roberts, motion carried, the minutes of the meeting held March 23, 2020, were approved as presented.

Upon motion made by Kenny Miles, seconded by John Roberts, motion carried, the 224 new consumers for the month of March were accepted as members of Fairfield Electric Cooperative, Inc.

Upon motion made by Joe Sharpe, seconded by John Roberts, motion carried, the May board meeting was rescheduled to Monday, May 18, 2020, at 10:00 a.m.

Vicky H. Melvin, Controller, presented and discussed the financial and statistical reports for the month of March, reported on accumulating delinquent consumer balances resulting from COVID-19, and presented a rate comparison overview for the board.

Bruce Bacon, Chief Executive Officer, presented a review of the cooperative's Strategic Plan through the first quarter of 2020.

Bruce Bacon reported six new security systems were sold and installed, one system was converted from another company, and forty three service calls were completed in the last month.

Bruce Bacon provided updates on bids for the Winnsboro Office roof replacement, Central regarding the Cook Case Settlement details, the continuing COVID-19 public health restrictions, rescheduling annual meeting, the cancellation of the Washington Youth Tour, and the postponement of scholarship interviews.

Bruce Bacon reported on the Paycheck Protection Plan that provides COVID-19 pandemic relief for small businesses. After discussion and upon motion made by Cynthia Able, seconded by Tim Hopkins, motion carried, the following resolution was adopted:

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

**U.S. Small Business Administration
RESOLUTION OF BOARD OF TRUSTEES OF
FAIRFIELD ELECTRIC COOPERATIVE, INC.**

- 1. RESOLVED, that the officers of Fairfield Electric Cooperative, Inc. (hereinafter referred to as “Organization”) named below, or any one of them, or their, or any one of their, duly elected or appointed successors in the office, be and they are hereby authorized and empowered in the name and on behalf of this Organization to execute and deliver to the Small Business Administration, an agency of the Government of the United States of America (hereinafter called “SBA”), in the form required by SBA, the following documents: (a) Application for a loan or loans, the total thereof not to exceed in the principal amount of \$1,609,800.00 (One Million Six Hundred Nine Thousand Eight Hundred Dollars and no/100) maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by SBA; (b) Applications for any renewals or extensions of all or any part of such loan or loans and of any other loans, heretofore or hereafter made by SBA to this Organization; (c) the Note or Notes of this Organization evidencing such loan or loans or any renewals or extensions thereof; and (d) any other Instruments or Agreements of this Organization which may be required by SBA in connection with such loans, renewals, and/ or extensions; and that said officers at their discretion may accept any such loan or loans in installments and give one or more Notes of this Organization therefore, and may receive and endorse in the name of this Organization any checks or drafts representing such loan or loans or any such installments.**

- 2. FURTHER RESOLVED, that any indebtedness heretofore contracted and any Contracts or Agreements heretofore made with SBA on behalf of this Organization, and all acts of officers or agents of this Organization in connection with said indebtedness or said Contracts or Agreements, are hereby ratified and confirmed;**

- 3. FURTHER RESOLVED, that the officers referred to in the foregoing resolutions are as follows:**

<u>Bruce G. Bacon</u>	<u>Chief Executive Officer</u>	_____
	(Title)	(Signature)

- 4. FURTHER RESOLVED, that SBA is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.**

Bruce Bacon reported on the general retirement of capital credits advising checks will be dated and mailed May 4, 2020 with 11,937 checks totaling \$1,385,625.38. Additionally, bill credits of \$74.99 or less will be applied to 15,299 active accounts totaling \$249,063.82. The total amount of capital credits being refunded is \$1,657,529.63.

A list of delinquent accounts totaling \$3,204.24 for the month of March 2020 was presented for consideration for write off as uncollectible. Upon motion duly made without objection, 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 duly made without objection, motion carried, the following resolution was adopted:

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

The estates of 9 deceased members have requested the Board of Directors give consideration to approving the retirement of \$5,371.21 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining such retirement will not adversely impact the Cooperative's financial condition, Management recommends capital credits totaling \$5,371.21 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.

Appointment of positions on the Board of Trustees for Fairfield Electric Trust Corporation / Operation Round Up for 2020 - 2021 were discussed. Upon motion duly made without objection, motion carried, the following board appointments were made. The District 3 Vacancy will be appointed at the May board meeting.

District 1	-	Paul Dove
District 2	-	John Hancock
District 2	-	Haskell Belton
District 3	-	VACANT

The annual meeting ballot question for bylaw amendments and for providing 9 Single-Member Districts & 2 Members Elected At Large was presented for reconsideration as two separate questions. After discussion a board consensus was reached to leave the ballot question as previously approved as follows:

9 SINGLE-MEMBER DISTRICTS AND 2 MEMBERS ELECTED AT LARGE

Ballot Introduction and Question

“In 2019, the South Carolina General Assembly passed governance reform legislation for the state’s electric cooperatives. The recommended bylaw changes below are designed to comply with that legislation. In addition, the General Assembly passed a law requiring cooperative members to consider single-member voting districts. The Board of Directors of the cooperative proposes to divide the service territory into nine geographic districts with each district represented by one trustee on the board. We also propose to have one at-large district which encompasses all nine geographical districts and represented by two trustees on the board. This structure would allow you to vote for candidates in the district where you reside as well as candidates in the at-large district. Your Cooperative’s board recommends that you vote “Yes” for the bylaw changes and the structure recommended for single member voting districts.”

“Do you approve the Board’s recommendation to adopt the proposed bylaw changes and the structure recommended for nine (9) single member voting districts for trustees and an at large district with two (2) trustee positions?”

 YES

 NO

Rescheduling annual meeting was discussed among the board members. With the continuing spread of COVID-19 and with the safety, health, and well-being of our members, employees, and all those in our community as the top priority, the reached consensus was the annual meeting will remain postponed. Rescheduling the annual meeting will be reevaluated monthly based on current public health recommendations at that time.

President Rabon advised the staff recommends giving away a 2008 Chevrolet Impala as the “Grand Prize” at annual meeting. Upon motion made by Allen Beer, seconded by Keith Lewis, motion carried, this was approved.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

The following rate schedules having been previously provided to board members were reviewed and approved as presented upon motion made by Tim Hopkins, seconded by Kenny Miles, motion carried:

- (a) Rate RS Residential Service
- (b) Rate CS Construction Service
- (c) Rate PP Pre-Pay Service
- (d) Rate OL Outdoor Lighting
- (e) Rate SS Solar Service
- (f) Rate SC Small Commercial Service
- (g) Rate LP Large Power Service
- (h) Rate LP-HLF Large Power – High Load Factor Service
- (i) Rate WPCA - Wholesale Power Cost Adjustment Clause

Rate Schedule - RS **RESIDENTIAL SERVICE**

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations.

APPLICABILITY

Applicable to residential, farm, and home consumers where service requirements necessitate the installation of 50 kVA or less transformer capacity. Service under this rate may also be available to multi-phase customers larger than 50 kVA who install energy management systems approved by the Cooperative. Approved energy management systems shall be capable of reducing the customer's contribution to the Cooperative's coincident peak. The Cooperative may, at its option, monitor the operation of the system to assure that the system is operating to the mutual benefit of the consumer and the Cooperative. The capacity of individual motors served under this schedule shall not exceed seven and one-half (7 ½) horsepower without consent from the Cooperative.

TYPE OF SERVICE

Alternating current, 60 cycle, single or multi-phase at standard secondary voltages, and where applicable, with approved energy management systems, supplied through one meter.

MONTHLY RATE

Basic Facilities Charge		@	\$14.00 per month
Energy Charges:			
First	200 kWh	@	\$0.10750 cents per kWh
Next	800 kWh	@	\$0.10250 cents per kWh
Over	1,000 kWh	@	\$0.09650 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this schedule for single-phase service will be \$14.00. For multi-phase service, the minimum monthly charge will be \$14.00 plus \$1.00 per kVA of required transformer capacity, but not less than the contract minimum.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in our office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/20

EFFECTIVE: 5/1/20

Rate Schedule - CS

CONSTRUCTION SERVICE

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations.

APPLICABILITY

Applicable to temporary service for builders. Approved for lighting and power for a construction site using a single point of delivery per premises from existing overhead lines.

TYPE OF SERVICE

Alternating current, 60 cycle, single or multi-phase at standard secondary voltages supplied through one meter.

MONTHLY RATE

Basic Facilities Charge	@	\$14.00 per month
Energy Charges: All kWh	@	\$0.1075 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this schedule for single-phase service will be \$14.00 for multi-phase service, the minimum monthly charge will be \$14.00 plus \$1.00 per KVA of required transformer capacity, but not less than the contract minimum.

SPECIAL PROVISIONS

If providing temporary service requires the Cooperative to install special equipment which must be removed when temporary service is no longer needed, then the customer may be required to pay the cost of installing and removing the temporary facilities.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in our office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/2020

EFFECTIVE: 5/1/2020

Rate Schedule - PP

PREPAY SERVICE

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations.

APPLICABILITY

Applicable to residential, farm, and home consumers where service requirements necessitate the installation of 50 kVA or less transformer capacity. Service under this rate may also be available to multi-phase customers larger than 50 kVA who install energy management systems approved by the Cooperative. Approved energy management systems shall be capable of reducing the customer's contribution to the Cooperative's coincident peak. The Cooperative may, at its option, monitor the operation of the system to assure that the system is operating to the mutual benefit of the consumer and the Cooperative. The capacity of individual motors served under this schedule shall not exceed seven and one-half (7 ½) horsepower without consent from the Cooperative.

TYPE OF SERVICE

Alternating current, 60 cycle, single or multi-phase at standard secondary voltages, and where applicable, with approved energy management systems, supplied through one meter.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MONTHLY RATE

Basic Facilities Charge		@	\$21.50 per month
Energy Charges:			
First	200 kWh	@	\$0.10750 cents per kWh
Next	800 kWh	@	\$0.10250 cents per kWh
Over	1,000 kWh	@	\$0.09650 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this schedule for single-phase service will be \$21.50. For multi-phase service, the minimum monthly charge will be \$21.50 plus \$1.00 per kVA of required transformer capacity, but not less than the contract minimum.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in our office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

ADOPTED: April 20, 2020

EFFECTIVE: May 1, 2020

Rate Schedule – OL

OUTDOOR LIGHTING

AVAILABILITY

Available in all territory served by the Cooperative, subject to the Cooperative's established Service rules and Regulations.

APPLICABILITY

Applicable only for dusk-to-dawn lighting by means of photoelectric controlled ballast operated mercury, sodium, or other luminaries, and poles conforming to the Cooperative's specifications.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MONTHLY RATE

Nominal				
Lamp				Existing *
Wattage	Lumens	Type	kWh	Wood Poles
39 Wt.	4,900	LED	18	\$11.00
175 Wt.	7,500	MV (Open)	70	\$10.35
100 Wt.	9,500	HPS (Open)	40	\$9.80
400 Wt.	20,000	MV (Cobra)	160	\$18.75
400 Wt.	20,000	MV (Flood)	160	\$20.80
400 Wt.	50,000	HPS (Flood)	40	\$20.80
100 Wt.	9,500	15 Ft. HPS	40	\$15.40
		(Dec.-Carriage)		
175 Wt.	17,000	12 Ft. HPS	57	\$42.20
		(Dec.-Arlington)		

* Where the light fixture is installed on an existing pole or where consumer makes a contribution for the cost of the pole, as provided on Appendix A, required to support the luminaries.

** Special underground packages mounted on fiberglass poles.

ADDITIONAL CHARGES

1. Where consumer requests reconnection of a light within 12 months of the date of disconnection of such light or where consumer requests relocation of a light fixture to another existing pole, a charge as provided on Appendix A will be made if no new pole or conductors are required. Where consumer requests relocation of a light fixture which requires additional construction (additional poles and/or conductor) the consumer will be required to pay, in advance of construction, the cost of installation (material, labor and overhead), excluding the cost of the light fixture.

2. Service for lighting will be made available from existing overhead or underground transformers except that any trenching required to provide underground service will require a contribution-in-aid of construction, as provided on Appendix A. Where paving or other obstructions exist, the consumer will be required to perform all trenching and/or boring, install duct (furnished by the Cooperative) backfill, and restore paving to the mutual satisfaction of all parties concerned.

3. For installations made after November 1, 1994, where it is necessary for the Cooperative to install a transformer for the exclusive purpose of providing secondary service (120/240 volts) for lighting luminaries, the consumer will be required to make a non-refundable contribution-in-aid of construction equal to the installed cost of the transformer, as provided on Appendix A, for each such transformer required.

4. Where one (1) or more additional poles (lift poles) are required to provide lighting service at the location desired by the consumer, a non-refundable contribution-in-aid of construction in the amount per pole, as provided on Appendix A, will be required.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

5. The above monthly rates will apply only to fixtures and poles designated as standard equipment by the Cooperative. Contributions-in-aid of construction will be charged to cover the cost difference of other than standard fixtures and poles, provided the Cooperative agrees to install such equipment. However, at its option, the Cooperative, either in lieu of or in combination with any contribution, may develop and offer a monthly rate for such non-standard pole and/or fixture. In the event the Cooperative agrees to install lighting systems and luminaries not presently included in this schedule, monthly rates and kWh sales assignments will be determined as provided for in Appendix B to this schedule. In addition, where custom lighting packages are requested, the Cooperative may, at its option, provide such packages under a special contract under which the monthly rates, installation charges, etc. will be determined and included in such contract. Such rates may not necessarily be determined in accordance with Appendix B.

CONDITIONS OF SERVICE

1. The Cooperative will furnish, install, operate and maintain the lighting equipment, including lamp, luminaries, bracket attachment, control device, poles and necessary wiring, electrically connected so that the power for operation of the light does not pass through the meter for the consumer's other usage.

2. The Cooperative will maintain the lighting equipment, including lamp replacement, at no additional cost to the consumer. Lamp replacement and other service or maintenance activities shall be performed during regular business hours as soon as practical after notification of the Cooperative by the consumer that service has been interrupted. However, the consumer shall reimburse the Cooperative for the cost of any such maintenance work that is required because of vandalism or willful or negligent destruction.

3. Service poles and lines will not be installed on property not owned by the consumer requesting service, unless the landowner specifically agrees to such installation and where consumer agrees to pay the entire cost of installation.

4. The Cooperative will not extend its primary distribution system to serve outdoor lights unless the consumer (a) agrees to pay, in advance of construction, the entire cost (including material, labor and overhead) for the required primary line facilities and (b) executes an agreement for a term and minimum bill acceptable to the Cooperative; failing which, the Cooperative will require consumer to pay, in advance of construction, the additional estimated cost of removal of primary facilities, less the value of materials returned to stock.

5. Additional poles required to provide lighting service to non-permanent mobile homes or seasonal consumers will not be installed unless consumer pays, in advance of construction, the cost of labor and overhead for installation and removal of poles and conductor plus ten percent (10%) of material and equipment cost, excluding the cost of the lighting fixture.

6. Lighting equipment shall remain the property of the Cooperative, including poles installed when the consumer makes a contribution-in-aid of construction. The consumer shall protect the lighting equipment from deliberate damage.

7. Poles for support of the luminaries are to be wood or other poles of the Cooperative's existing distribution system or extensions from the system.

8. The Cooperative reserves the right to specify the number and location of service points.

9. Lighting service shall be provided only at locations that are accessible to the Cooperative's equipment for servicing purposes. The consumer shall allow authorized representatives of the Cooperative to trim trees and shrubs as necessary for maintenance of the lighting equipment and for removal of the lighting equipment upon termination of service under this schedule.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

10. The Cooperative shall not be obligated to construct or extend any of its facilities, the estimated cost of which shall exceed four times the anticipated continuing annual revenue, excluding Monthly Adjustment Factor revenue. For outdoor lighting, the Cooperative shall provide luminaries, with lamp, photo-electric relay control equipment, and upsweep arm not over six feet in length.

11. Where service is permanently discontinued on an obsolete lighting fixture at the consumer's options, it shall not again be available under this schedule.

TERM OF CONTRACT

The minimum contract term shall be for not less than one year; however, the Cooperative reserves the right to require the consumer to execute a multi-year contract prior to the installation of any lighting fixtures requiring one or more poles, except that all non-residential installations requiring one or more poles will require a written contract for not less than five (5) years.

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in our office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/20

EFFECTIVE: 5/1/20

APPENDIX A
SCHEDULE OF FEES AND CHARGES

<u>Reference</u>	<u>Item</u>	<u>Description</u>	<u>Amount</u>
"Monthly Rate"		Contributions for Poles	
		O.H. - Additional Wood Pole	\$160
		URD-Additional Wood Pole	\$270
		URD-17 Ft. Fiberglass Pole	\$375
		URD-25 Ft. Fiberglass Pole	\$440
"Additional Charges"	1	Relocation Charge-Fixture Only	\$50
		-Pole and Fixture	\$150
"Additional Charges"	2	Underground Excess	
		Footage Charge	\$1.50
"Additional Charges"	3	Transformer Installation	
		Charge	
		- O.H.	\$435
		- URD	\$1,000
"Additional Charges"	4	Lift Pole Charge	\$325
		(30 Ft. Wood)	
"Conditions of Service"	5	Installation and	
		Removal Charge for	
		Non-Permanent/Seasonal Installations	\$375

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

Note: (1) \$165.00 in pole cost included in basic rate. For any other types of poles the charge will be the estimated or actual installed cost of the pole, including conductors, trenching, anchors, pedestals, etc., less \$165.00.

APPENDIX B

**DETERMINATION OF MONTHLY RATES
AND**

KWH SALES ASSIGNMENTS FOR NON-STANDARD LIGHTING RATES

I. Determination of charges for non-standard lighting fixtures and installations

A. Installations on existing pole or where consumer pays contribution for pole

$$\begin{aligned} & \textit{Installed Cost} \\ & \textit{of Fixture} \times .02063 \quad + \quad \textit{kWh}_p \times .03089 \quad + \quad \$3.08 \end{aligned}$$

B. Installations on additional 30-foot wood pole (overhead)

$$\begin{aligned} & \textit{Installed Cost} \\ & \textit{of Fixture} \times .02063 \quad + \quad \textit{kWh}_p \times .03089 \quad + \quad \$6.16 \end{aligned}$$

C. Installations on other types of poles (overhead or underground)

$$\begin{aligned} & \textit{Installed Cost} \\ & \textit{of Fixture} \times .02063 \quad + \quad \textit{kWh}_p \times .03089 \quad + \quad \textit{Cost of pole} \times .01896 \end{aligned}$$

Where:

$$\textit{kWh}_p = \frac{\textit{kWh}_s}{1-L}$$

$$L = \textit{System Loss Factor}$$

II. Determination of kWh sales assignment per fixture

$$\frac{\left[\begin{array}{c} \textit{Nominal} \\ \textit{Lamp} \\ \textit{Wattage} \end{array} \right]}{1000} \times \left[1 + \frac{\textit{Ballast}}{\textit{Factor}} \right] \times \frac{\textit{Daily Operating Hours}}{365 \textit{ days}} \div 12 \textit{ mo.} = \frac{\textit{Monthly kWh}_s}{}$$

For ballast factor, see page 3 or use following formula:

$$\left[\frac{\textit{Line Wattage}^1}{\textit{Nominal Lamp Wattage}} \right] - 1 = \textit{Ballast Factor}$$

¹ Line Wattage data is available from manufacturer's catalog under "Technical Data."

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

APPENDIX B

**LIGHTING CHARACTERISTICS MODEL
LIGHTING BALLAST ANALYSIS**

<u>Line No.</u> (a)	<u>Lamp Nominal Wattage</u> (b)	<u>Estimated Monthly kWh</u> (c)	<u>Annual kWh</u> (d)	<u>Daily kWh</u> (e)	<u>Daily Operating Hours</u> (f)	<u>Estimated kW Demand</u> (g)	<u>Total Wattage</u> (h)	<u>Ballast Wattage</u> (i)	<u>Ballast Factor</u> (j)
HPS									
1	50	22	264	0.7233	11	0.0658	65.7534	15.7534	0.3151
2	70	30	360	0.9863	11	0.0897	89.6638	19.6638	0.2809
3	100	42	504	1.3808	11	0.1255	125.5293	25.5293	0.2553
4	150	62	744	2.0384	11	0.1853	185.3051	35.3051	0.2354
5	200	79	948	2.5973	11	0.2361	236.1146	36.1146	0.1806
6	250	100	1200	3.2877	11	0.2989	298.8792	48.8792	0.1955
7	400	156	1872	5.1288	11	0.4663	466.2516	66.2516	0.1656
8	1000	363	4356	11.9342	11	1.0849	1084.932	84.9315	0.0849
MV									
9	175	69	828	2.2685	11	0.2062	206.2267	31.2267	0.1784
10	400	156	1872	5.1288	11	0.4663	466.2516	66.2516	0.1656
11	1000	363	4356	11.9342	11	1.0849	1084.932	84.9315	0.0849
MH									
12	400	150	1800	4.9315	11	0.4483	448.3188	48.3188	0.1208
13	1000	362	4344	11.9014	11	1.0819	1081.943	81.9427	0.0819
14	1500	542	6504	17.8192	11	1.6199	1619.925	119.92	0.0800

Rate Schedule - SS

RESIDENTIAL SOLAR SERVICE – 12

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations which include the Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems (EPS) Interconnection Standard.

APPLICABILITY

Applicable to solar installations for residential, farm, and home consumers where service requirements necessitate the installation of 50 kVA or less transformer capacity. Approved energy management systems shall be capable of reducing the customer's contribution to the Cooperative's coincident peak. The Cooperative may, at its option, monitor the operation of the system to assure that the system is operating to the mutual benefit of the consumer and the Cooperative.

TYPE OF SERVICE

Alternating current, 60 cycle, single phase at standard secondary voltages, and where applicable, with approved energy management systems, supplied through one meter.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MONTHLY RATE

Basic Facilities Charge	@	\$14.00 per month
Energy Charges:		
First 1,000 kWh	@	\$0.11500 cents per kWh
Over 1,000 kWh	@	\$0.09650 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA. Further, no energy credit or payment will be provided for excess energy production.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this schedule for single-phase service will be \$14.00.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in our office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

ADOPTED: April 20, 2020

EFFECTIVE: May 1, 2020

Rate Schedule - SC

SMALL COMMERCIAL SERVICE

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations.

APPLICABILITY

Applicable to small commercial and general service consumers, for all uses, where service requirements necessitate the installation of 50 KVA or less transformer capacity. The capacity of individual motors served under this schedule shall not exceed seven and one-half (7 ½) horsepower without consent from the Cooperative.

TYPE OF SERVICE

Alternating current, 60 cycle, single or multi-phase at standard secondary voltages, supplied through one meter.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MONTHLY RATE

Basic Facilities Charge	@	\$28.00 per month
Energy		
First 200 kWh	@	\$0.10125 cents per kWh
Next 2,800 kWh	@	\$0.09825 cents per kWh
Over 3,000 kWh	@	\$0.09325 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this schedule for single-phase service will be \$28.00. For multi-phase service, the minimum monthly charge will be \$28.00 plus \$1.00 per kVA of required transformer capacity, but not less than the contract minimum.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in the Cooperative's office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/20

EFFECTIVE: 5/1/20

Rate Schedule - LP **LARGE POWER SERVICE**

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations, and subject further to the execution of a supplemental contract for service between the Cooperative and the consumer.

APPLICABILITY

Applicable for large power service, requiring more than 50 kVA of installed transformer capacity, for all uses.

TYPE OF SERVICE

Alternating current, 60 cycle, multi-phase at standard voltages, or other voltages as might be mutually agreeable.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

MONTHLY RATE

Basic Facilities Charge	@	\$55.00 per month
Demand Charge: All kW	@	\$7.00 per kW
Energy Charge: First 200 kWh per kW of demand	@	\$0.07400 cents per kWh
Next 200 kWh per kW of demand	@	\$0.06900 cents per kWh
Over 400 kWh per kW of demand	@	\$0.06500 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the highest one of the following charges as determined for the consumer in question:

1. The sum of the service charge and the demand charge.
2. A charge of \$1.00 per KVA of required transformer capacity.
3. The minimum monthly charge as specified in the contract.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of 15 consecutive minutes during the month for which the bill is rendered, as indicated by a demand meter and adjusted for power factor.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. The measured demand will be adjusted to correct for average power factors lower than 85 percent. Such adjustments will be made by increasing the measured demand 1 percent for each percent by which the average power factor is less than 85 percent lagging.

TERM OF CONTRACT

Not less than one year up to and including 300 kVA of required transformer capacity, nor less than five years where more than 300 kVA of transformer capacity is required.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

TERMS OF PAYMENT

The above rate is net. If full payment is not received in the Cooperative's office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/20

EFFECTIVE: 5/1/20

Rate Schedule - LP-HLF

LARGE POWER - HIGH LOAD FACTOR SERVICE

AVAILABILITY

Available in all territory served by the Cooperative near lines of adequate capacity, subject to the Cooperative's established Service Rules and Regulations, and subject further to the execution of a supplemental contract for service between the Cooperative and the consumer.

APPLICABILITY

Applicable, at the option of the consumer, for high load factor large power service, requiring more than 50 kVA of required transformer capacity, for all uses.

TYPE OF SERVICE

Alternating current, 60 cycle, multi-phase at standard voltages, or other voltages as might be mutually agreeable.

MONTHLY RATE

Basic Facilities Charge	@	\$55.00 per month
Demand Charge: All kW	@	\$13.75 per kW
Energy Charge: All Energy	@	\$0.04900 cents per kWh

POWER COST ADJUSTMENT

The monthly rate will be increased or decreased by an amount per kilowatt-hour in accordance with the Cooperative's Wholesale Power Cost Adjustment formula, Schedule WPCA.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the highest one of the following charges as determined for the consumer in question:

1. The sum of the service charge and the demand charge.
2. A charge of \$1.00 per KVA of required transformer capacity.
3. The minimum monthly charge as specified in the contract.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated by a demand meter and adjusted for power factor.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. The measured demand will be adjusted to correct for average power factors lower than 85 percent. Such adjustments will be made by increasing the measured demand 1 percent for each percent by which the average power factor is less than 85 percent lagging.

TERM OF CONTRACT

Not less than one year up to and including 300 kVA of required transformer capacity, nor less than five years where more than 300 kVA of transformer capacity is required.

TAX ADJUSTMENT

In addition to all other charges contained herein, the consumer shall pay any sales, use, franchise, or other tax, now or hereafter applicable to the service rendered hereunder or imposed on the Cooperative as a result of such service; provided, however, that no such tax shall be charged if the consumer has furnished to the Cooperative evidence of the consumer's exemption from such liability for such tax.

TERMS OF PAYMENT

The above rate is net. If full payment is not received in the Cooperative's office within fifteen (15) days of the billing date, the gross will apply. The gross rate is the net rate plus either ten percent of the net rate or \$10.00, whichever is lower.

REVISED: 4/20/20

EFFECTIVE: 5/1/20

Rate Schedule WPCA **WHOLESALE POWER COST ADJUSTMENT CLAUSE**

APPLICABILITY

This schedule is applicable to and becomes a part of each electric rate schedule in which reference is made to Schedule WPCA.

FORMULA

The amount charged for each kWh of energy sold by the Cooperative may be increased or decreased in accordance with the following:

$$WPCA = \frac{C - (B \times P)}{S_q} + \frac{A}{S_a}$$

Where:

WPCA = Wholesale power cost adjustment factor, per kilowatt-hour sold.

C = The estimated total cost of power to be purchased by the Cooperative for the next succeeding regular quarterly period (i.e., January – March, April – June, July – September, and October – December), excluding cost of power associated with consumers billed under retail rates which are based on direct flow-through of actual power cost incurred (“pass through rates”).

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

B = The base cost of wholesale power per kilowatt-hour purchased by the Cooperative which is recovered in the Cooperative's retail rate schedules (excluding power cost and kilowatt hours purchased for consumers served under "pass-through rates"), **currently \$0.06845**.

P = The estimated total kilowatt-hours to be purchased by the Cooperative for the next succeeding regular quarterly period (i.e., January – March, April – June, July – September, and October – December), excluding kilowatt-hours purchased for consumers served under "pass through" rates.

S_q = The estimated total kilowatt-hours to be sold by the Cooperative for the quarterly period used in the determination of factors C and P above, less kilowatt-hours sold under "pass through" rates.

A = The accumulated amount of power cost either under or over recovered, as of the previous month, and to be refunded (if over recovered) or recovered (if under recovered) over the remaining months of the calendar year. This will be the accumulated amount determined from monthly calculations of the difference between the dollar amount of WPCA revenue and the amount of power cost that exceeds the product of the Base Power Cost (Factor B, hereof) times the kWh purchased, excluding kWh purchased associated with "pass-through" rates.

S_A = The estimated sales of kilowatt-hours sold for the remaining months of the calendar year, excluding kilowatt-hour sales associated with "pass-through" rates.

The WPCA factor C will be computed according to the above formula for each quarterly period of the calendar year (i.e., Jan –Mar, Apr-June, July-Sept, and Oct-Dec). Should it appear at any time over the course of the calendar year that continued use of the initially calculated Factor C values, then in effect for the remainder of the calendar year, will result in a material under or over recovery of power cost for the calendar year, the Cooperative may adjust the initially calculated Factor C values to reflect the Cooperative's best estimate of power cost to be incurred for the calendar year. In addition, in the event the Cooperative believes that the over/under recovery amount (Factor A) does not accurately reflect the amount of power cost that will be over or under recovered as of the end of the calendar year, the Cooperative may make an appropriate adjustment to Factor A to more accurately reflect the recovery of actual power cost to be incurred for the calendar year.

Date of Board Approval: April 20, 2020

Effective for All Bills Rendered: May 1, 2020

Policy Bulletin # 33, Cash and Investment Management, having been previously provided to board members was adopted upon motion made by Tim Hopkins, seconded by Keith Lewis, motion carried.

Policy Bulletin No. 33 **Cash and Investment Management**

I. Objective:

To set forth Fairfield Electric Cooperative, Inc. cooperative's policy regarding management of cash and temporary investments. To provide guidance to management for the purposes of preserving liquid asset purchasing power and realizing investment income consistent with minimal risk.

II. Policy Content:

A. Management is responsible for organizing the cash and investment function with some combination of internal and external resources, selecting safekeeping banks and reporting to the board routinely regarding investment amounts, and earnings.

B. Cash collections on processing consumer payments and other cash receipts shall be monitored on a daily basis to ascertain adequate balances to meet financial obligations. The Cooperative's short term line of credit shall be used to offset short duration cash deficits.

REGULAR MEETING OF MEMBERS OF THE BOARD CONTINUED

April 20, 2020

C. As long as the cooperative remains in compliance with lender agreements, funds of the cooperative may be invested in short-term securities bearing high credit ratings or direct or guaranteed U.S. government obligations without prior board approval.

III. Responsibility:

- A. The Board of Trustees is responsible for any changes or revisions to this policy.
- B. The Chief Executive Officer is responsible for administration of this policy.

Adopted: April 20, 2020

Effective: April 20, 2020

IMPORTANT NOTICE

This policy is not a contract between Fairfield Electric Cooperative, Inc. and any individual or entity and it should not be construed as such. This policy is a guide and describes the practices Fairfield Electric Cooperative will follow in most cases.

Fairfield Electric Cooperative, Inc. reserves the right to revise, vary, or modify policies. Fairfield Electric Cooperative, Inc. also reserves the right to vary policies in compelling circumstances as needed in the discretion of the Chief Executive Officer of Fairfield Electric Cooperative, Inc.

There was no activity to report on behalf of the Trustee Association.

Under old business, Bruce Bacon announced the ECSC Summer Conference was cancelled due to COVID-19.

There was no new business to come before the board.

There being no further business to come before the Board, upon motion made, seconded, and carried, the meeting adjourned at 11:45 a.m.

Signed: _____

Peggy B. Jeffcoat, Secretary
APPROVED

ATTEST: _____

Mitchell D. Rabon, President