

JO-CARROLL ENERGY, INC. (NFP)
Board Meeting Minutes Summary
April 25, 2018

The board met on Wednesday, April 25, 2018, at the Jo-Carroll Energy Headquarters. The following is a summary of the meeting activities. The Agenda, as amended, and the Consent Agenda were approved.

Chairman's Report – Chairman Senn thanked Director Ron Hallendorff for his years of service as a Jo-Carroll Energy Director. Hallendorff's commitment and support he provided over the years has been much appreciated.

AIEC (Association of Illinois Electric Cooperatives) and NRECA Report – Senn reported on upcoming proposed resolutions, as well as providing an update on topics discussed at the latest AIEC meeting.

APGA Report – Director Carroll provided an update on regulatory matters being followed by the American Public Gas Association (APGA), as well as the conference on end-use of natural gas.

Cooperative Finance Corporation (CFC Webinar) Report – Director Tindell discussed his recent participation in a CFC webinar that focused on wind, solar and energy storage.

Dairyland Report – Mattingley discussed declining energy usage and its effect on Class A Members and provided updates from the most recent Dairyland Power board meeting.

Executive Session – A motion was made, seconded and carried unanimously to move into executive session at 9:54 A.M. and to come out of Executive Session at 10:36 A.M.

Action Items as a Result of Executive Session – A motion was made, seconded and carried unanimously to authorize the President and CEO to negotiate and take other actions as may be necessary to perform fully under the terms of the 2016 Utility Service Agreement.

PPI Report – Director Hallendorff reported on Prairie Power Inc.'s (PPI) most recent generation figures and provided operational highlights from Prairie State Units 1 and 2. Hallendorff also thanked the board and staff for working with him over the years and noted he will be comfortable retiring knowing the cooperative is in good hands.

Board Policy Update –

- a. **Policy 117** – A motion was made, seconded and carried unanimously to approve Board Policy 117 as is.

CEO's Report –

- a. **Financial Operating Report** – President and CEO Casper reported that the Cooperative's operating margins for March were approximately \$167,944 which was approximately \$740,000 under budget. The current equity of the cooperative is approximately 24.67%, compared to 24.55% at this time last year. Casper, along with Pat Keleher, also updated the board on the Cost of Service Study that is currently in progress.
- b. **Technical Presentation** – President and CEO Mike Casper provided a presentation on Energy Storage for both residential and small commercial-scale applications.

Operations & Regulatory/Legislative Update –

- a. **Senior Vice President and Assistant General Manager** – Buros provided an update on Broadband and noted the enthusiasm shown by members. We are currently in the process of applying for USDA grants to help offset the cost of several fiber projects. Buros also discussed the Dairyland transition process and reported that things are going smoothly.
- b. **External Relations Update** – Chris Allendorf, Vice President of External Relations & General Counsel, provided the board with an overview of matters concerning the State of Illinois and the federal government. Allendorf reported that businesses participating in NW Illinois Economic Development (NWIL, formerly TCEDA) have shown an increase in their overall revenue.

Board Issues

- a. **Discounted Estate Capital Credit Retirements** – A motion was made, seconded, and carried unanimously to approve the discounted estate retirements as presented.
- b. **Select Attendees for NRECA Course 977.1** – Attendees were selected for the NRECA Course 977.1.
- c. **Select Attendees for the AIEC Annual Meeting** – Attendees for the AIEC Annual Meeting were selected.
- d. **Member Advisory Committee (MAC) Member's Attendance at the open Board Meeting in October** – A special invitation to MAC Members to encourage them to attend the October open board meeting was discussed.
- e. **Implementing a Power Cost Adjustment (PCA)** – Staff provided the board with a presentation on the various causes for margins shifts. The board will periodically review the PCA charge.

f. **Dairyland Power Cooperative Wholesale Power Contract Resolution (DPC WPC) –**

A motion was made seconded and carried unanimously to amend the DPC WPC through a resolution.

Adjournment

Chairman Senn adjourned the meeting at 11:55 A.M.