

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
February 29, 2024**

PRESENT The regular meeting of the Board of Directors of Owen Electric Cooperative, Inc., was held at the Headquarters Building in Owenton, Kentucky, on February 29, 2024. All Directors were present, along with: Mike Cobb, Mike Stafford, Jim Petreshock, Brian Jones, Jennifer Taylor, Pam McAlister, and Attorney James M. Crawford.

**CALL TO ORDER,
PLEDGE OF ALLEGIANCE
AND INVOCATION**

The meeting was called to order, and the Pledge of Allegiance and invocation were given by Charlie Richardson and Alan Ahrman, respectively.

**ADOPTION OF
AGENDA**

Upon a motion by Charlie Richardson, second by Eddie McCord, the Board voted unanimously to adopt the February 29, 2024, Board Meeting Agenda as presented.

MINUTES

APPROVED Upon a motion by Alan Ahrman, second by Hope Kinman, the January 25, 2024, Regular Board Meeting Minutes were approved as submitted.

**SAFETY
MOMENT**

Mike Cobb gave the safety moment on the dangers of ice and its effect on driving.

**MEMBER
CONCERNS** None.

NEW

EMPLOYEES Jennifer Taylor introduced John Threlkeld, new Metering Systems Administrator

NEW MEMBERS

ACCEPTED The Directors then reviewed and accepted the listing of 338 New Members.

**REVIEW OF LISTING OF
TERMINATED ACCOUNTS**

The Directors then reviewed and accepted as information a listing of the terminated accounts for the month.

**REVIEW OF PRESIDENT'S, CONSULTANT'S AND DIRECTORS'
EXPENSES**

The Directors then reviewed and accepted as information a listing of January expenses incurred by the President, Consultant and Directors.

**UNCOLLECTIBLE WRITE-OFFS AND
CAPITAL CREDIT PAYMENT**

The Board reviewed 50 member write-offs of \$7,422.73.

The Board reviewed payment of \$32,580.97 in Capital Credits.

Upon a motion by Rick Messingschlager, second by Eddie McCord, the Board voted unanimously to approve the Uncollectible Write-Offs, Capital Credit Payments and Consent Agenda Items.

PRESIDENT/

CEO REPORT Mike Cobb presented the CEO Report for the month of February, 2024, in accordance with the summary attached hereto and made a part of these minutes.

Mike reviewed with the Board the following:

Owen's Assignment of EKCP's 2023 Patronage Capital of \$2,554,899;

The Balance Scorecard 2023 Results;

The 2024 performance Targets for the Balance Scorecard;

The important dates related to Owen's Annual Meeting and Director Elections; and,

The February 21, 2024, legislative reception hosted by KEC and Owen held in Frankfort for state lawmakers.

CORPORATE SERVICES AND ACCOUNTING

Mike Cobb presented the Corporate Services and Accounting reports in accordance with the summaries attached hereto and made part of these minutes. Mike reported year-end 2023 net margins of \$6,365,642 and January 2024 net margins of \$1,051,520.12. Mike reported the cost of power in January was 81 cents of every dollar of revenue.

HUMAN RESOURCES

Mike Cobb presented the Human Resources report for the month of January, 2024, in accordance with the summary attached hereto and made part of these minutes. Mike reported the Coop has gone 39 days as of February 23, 2024, without a lost time injury and 39 days without recordable incident. Mike reported the Coop currently has 124 full-time employees.

MEMBER SERVICES

Mike Stafford presented the Member Services report for the month in accordance with the summary attached hereto and made part of these minutes. Mike reported accounts billed for the month of January, 2024, of 66,176 compared to 65,508 for the same period last year. Mike reported energy audits of 53 year-to-date compared to 42 for the same period last year.

OPERATIONS

Brian Jones presented the Operations report for the month of February, 2024, in accordance with the summary attached hereto and made part of these minutes.

TECHNOLOGY

Jim Petreshock presented the Technology report for the month of February, 2024, in accordance with the summary attached hereto and made part of these minutes. Jim reviewed in detail the various firewalls, etc., in place to fend off cyber breaches within the Coop technology systems.

ENGINEERING

Jennifer Taylor presented the Engineering report for the month of February, 2024, in accordance with the summary attached hereto and made part of these minutes. Jennifer reviewed with the Board the 2023 year-end operations and financials related to the DG Unit.

CREDENTIALS

COMMITTEE The following individuals were appointed to the Credentials and Nominating Committees in accordance with the Bylaws, namely:.

Credentials

Harry Brock
Anthony Motley
Jeff Armstrong
Sharon Coppage
Linda Bray-Schafer

Nominating

Steve Petzinger
Carolyn Thomas-Thompson
Rich Mason
Rick Nitschke
Joe Shinkle

Motion by Charlie Richardson, second by Hope Kinman, the Board voted unanimously to appoint the above-named individuals to the Credentials and Nominating Committees.

EKPC REPORT

Alan Ahrman gave the February, 2024, EKPC Board meeting report in accordance with the summary and minutes of said meeting prepared by EKPC staff. The actual summary and minutes cannot be attached to these minutes because of the terms of Confidentiality and Non-Disclosure Agreement EKPC has required the coop's director representative and CEO to sign before being allowed to attend said meetings.

KEC REP. Rick Messingschlager gave the February 2024 KEC meeting report in accordance with the summary and minutes of said meeting prepared by KEC staff.

ATTY. REP. James M. Crawford reported there was no new litigation for the month.

TRAINING/MEETINGS

NRECA Power Xchange - March 3-6, 2024

OEC Regular Board Meeting - March 28, 2024

NRECA Directors Conference - April 8-9, 2024
OEC Audit Committee Meeting – April 18, 2024
OEC Regular Board Meeting - April 25, 2024
OEC Regular Board Meeting – May 30, 2024
Membership Appreciation Days – June 6-7, 2024
Annual Business Meeting – June 7, 2024
OEC Regular Board Meeting – June 27, 2024
CoBank Energy Directors Conference – July 17-19, 2024
OEC Regular Board Meeting – July 25, 2024
KEC Annual Meeting – August 12-13, 2024
OEC Regular Board Meeting – August 29, 2024
OEC Regular Board Meeting – September 26, 2024
NRECA Regional Meeting – October 7-9, 2024
OEC Regular Board Meeting – October 31, 2024
OEC Regular Board Meeting – November 21, 2024
OEC Regular Board Meeting – December 19, 2024

**CONFERENCE
REPORTS** None.

OLD BUSINESS
None.

NEW BUSINESS
None.

**EXECUTIVE
SESSION** None.

ADJOURN Upon a motion by Hope Kinman, second by Charlie Richardson, the Board voted unanimously to adjourn the meeting.


Chairman


Secretary



A Touchstone Energy Cooperative 

Regular Board Meeting

February 29, 2024



- **Directors Present/Absent**
- **Call to Order/Pledge of Allegiance/Invocation**



Agenda & Minutes

- Adoption of Agenda (Tab 3)
- Approval of Minutes of Previous Meeting (Tab 4)

OWEN *Electric*

Safety Moment

Mike Cobb

Review/Discuss Member Compliments and/or Concerns

Review Agenda

- Review New Members: 338
(Listing on Board Table & in Board Paq)
- Review Listing of Terminated Accounts:
226 Members at \$35,484.01
(Listing on Board Table & in Board Paq)

Review of President's, Directors' and Consultant Expenses

- Approve Uncollectible Member Write-offs:
50 Members at \$7,422.73
(Listing on Board Table and in Board Paq)
- Approve Payment of Capital Credits: \$32,580.97
(Tab 11)
- Approval of Consent Agenda Items
 - Motion _____
 - Second _____



President/CEO Report February 29, 2024 Board Meeting



President's Report Topics

- Owen's Assignment of EKPC's 2023 Patronage Capital
- Balance Scorecard 2023 Results
- Discuss 2024 Targets
- Review Important Dates Related to Owen's Annual Meeting and Director Elections
- Legislation Reception
- Other Discussion



Important Dates Related to Owen's Annual Meeting

	Board Meeting Month	Not Before	Not After
Kentucky Living Publications Notice - Summary of Owen Electric Cooperative's Bylaws Relating to Annual Meeting Election Process At <i>least 180</i> days before Annual Meeting. Required to meet the February Kentucky Living Issue.			12/10/2023
<u>Appoint Nominating Committee</u> At <i>least 60</i> days before Annual Meeting, but <i>not more than 105</i> days.	March		
	3/28/2024	2/23/2024	4/8/2024
<u>Appoint Credentials and Election Committee</u> At <i>least 75</i> days before Annual Meeting.	February		
	2/29/2024		3/22/2024
Any Agenda Item proposed by anyone other than the Board of Directors Must be presented at <i>least 70</i> days before Annual Meeting.	March		
	3/28/2024		3/29/2024
Review Districts At <i>least 60</i> days before Annual Meeting.	March		
	3/28/2024		4/8/2024
Post Nominations (by Nominating Committee at their meeting) At <i>least 45</i> days before Annual Meeting. <i>(Nominating Committee meeting must be before this date each year)</i>			
			4/23/2024
Any Agenda Item requiring a vote of the membership which is proposed by Directors Must be placed on the Annual Meeting Agenda by board action at <i>least 40</i> days before Annual Meeting.	April		
	4/25/2024		4/26/2024
★ Members may nominate by petition Nominations must be presented by the members at <i>least 70</i> days before Annual Meeting.			
			3/29/2024
14 Notice of Annual Meeting At <i>least 10</i> days, but <i>no more than 60</i> days.			
		4/8/2024	5/28/2024



Notice of Director Election Process

Will appear in February 2024 Kentucky Living

Summary of Owen Electric's bylaws relating to annual election process for directors

Each member shall receive notice and be eligible to vote and participate in the annual meeting, scheduled for Friday, June 7, 2024. Our process for the election of directors, as defined fully in the Bylaws, is as follows: A Nominating Committee shall be appointed by the Board of Directors prior to April 8, 2024. The Nominating Committee shall meet and nominate qualified individuals for directorship on the Owen Electric Board by April 23, 2024 and post these names at the offices of the Cooperative. If a member wishes to be placed on the ballot for the position for which the term is expiring, the member must secure a petition signed by forty (40) members who reside in the same district and then present the signed petition at the OEC President's office at the headquarters location in Owenton by the close of business (4:30 p.m.) on March 29, 2024. To review more information pertaining to the annual meeting, the election process, and the Board of Directors, refer to the complete Owen Electric bylaws found in the December 2023 edition of *Kentucky Living* or call (800) 372-7612 to request a current copy of Owen Electric's bylaws. For more information, visit www.owenelectric.com/member-resources.



Balance Scorecard Results 2023

OWEN ELECTRIC COOPERATIVE 2023 PERFORMANCE INDICATORS BALANCED SCORECARD - BENCHMARKS VS ACTUALS

AREA	#	INDICATOR	1st Quarter				2nd Quarter				3rd Quarter				4th Quarter				Annual	Annual Targets		
			Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	
Safety	(1)	Recordable Incident Rate																	3.84	1.54	0.76	0.00
	(2)	Severity Rate	6.48	3.24	0.00	17.45	16.22	8.11	0.00	54.03	6.48	3.24	0.00	0.00	3.24	1.62	0.00	0.00	71.48	32.42	16.21	0.00
Reliability (Filtered)	(3)	SAIDI	21.162	17.002	15.617	19.230	29.295	23.537	21.618	27.130	26.267	21.104	19.384	27.690	15.206	12.217	11.221	9.980	84.030	91.930	73.860	67.840
	(4)	SAIFI	0.220	0.196	0.173	0.190	0.334	0.296	0.262	0.260	0.323	0.287	0.254	0.310	0.193	0.171	0.152	0.160	0.920	1.070	0.950	0.840
Cost	(5)	Controllable Exp. Per Member																\$282.93	\$ 305	\$ 302	\$ 299	
Member Service	(6)	Member Satisfaction Scores																91	84	85	86	
Individual Award - Safety and Cyber Training 100% Completed																		88%			100%	
Individual Award - Safety Observation Must Be Shared and Documented During the Year																		70%			100%	

Legend:	Threshold
	Target
	Stretch
	Missed

- (1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) * 200,000 / Total Quarter Hours Worked
- (2) (Number of Days Away + Number of Days Job Transfers) * 200,000 / Total Quarter Hours Worked
- (3) Average time in minutes a member is without power
- (4) Average number of interruptions per member
- (5) Controllable expenses per Form 7 divided by average number of billed accounts (excluding Acct #593.20 - Right of Way)
- (6) Member Satisfaction Score
- (7) All safety and cyber modules must be 100% completed to earn payout
- (8) One safety observation must be shared and documented during the year to earn payout



2024 Performance Targets

**OWEN ELECTRIC COOPERATIVE
2024 PERFORMANCE INDICATORS
BALANCED SCORECARD - BENCHMARKS**

AREA	INDICATOR	2018	2019	2020	2021	2022	2023	2024 Targets			2024 Earning Potential		
								Threshold	Target	Stretch	Threshold	Target	Stretch
Safety	(1) Recordable Incident Rate	-	3.03	1.55	0.76	0.84	3.84	1.54	0.76	-	\$ 100	\$ 150	\$ 200
	(2) Severity Rate	-	0.76	-	37.99	0.93	71.48	32.42	16.21	-	\$ 100	\$ 150	\$ 200
Reliability (Filtered)	(3) SAIDI	92.13	94.97	78.77	71.32	93.57	84.03	83.97	81.56	67.84	\$ 150	\$ 240	\$ 325
	(4) SAIFI	1.02	1.15	1.09	1.08	0.78	0.92	1.07	0.95	0.84	\$ 150	\$ 240	\$ 325
Cost	(5) Controllable Exp/Avg Member	\$ 280.56	\$ 279.64	\$ 276.98	\$ 276.92	\$ 276.42	282.93	\$ 300	\$ 297	\$ 294	\$ 300	\$ 400	\$ 500
Member Service	(6) Member Satisfaction Scores	83	84	87	88	85	91	85	86	88	\$ 300	\$ 400	\$ 500
Individual	(7) Cyber Training	n/a	n/a	n/a	100%	100%	100%	n/a	n/a	100%	n/a	n/a	\$ 100
Individual	(8) Safety Training & Observation	n/a	n/a	n/a	100%	100%	100%	n/a	n/a	100%	n/a	n/a	\$ 125

(1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) * 200,000 / Total Hours Worked

(2) KEC Severity Safety Goal set at Threshold

(3) Average time in minutes a member is without power

(4) Average number of interruptions per member

(5) Controllable expenses per Form 7 lines 5-10 divided by the average number of billed accounts (Excluding Acct #593.20 - Right of Way)

(6) Member Satisfaction Score

(7) All cyber training modules must be 100% completed to earn payout (\$25 earned quarterly)

(8) All safety training modules must be 100% completed plus one documented safety observation (in SOSPEs) to earn annual \$125 payout



The honor of your presence is requested at a

LEGISLATIVE RECEPTION

FEB
WEDNESDAY **21** 6-9 P.M.
2024

THE FOUNDRY ON BROADWAY
317 W. BROADWAY, FRANKFORT, KY 40601

RSVP to Missy Orr
502.815.6370 or morr@kyelectric.coop

HOSTED BY:
Kentucky Electric Cooperatives and
Kentucky's Investor-Owned Electric Utilities



Other: Owen will host the 2025 Linemen's Rodeo

Questions / Discussion



Corporate Services

January 2024

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the frame, creating a modern, layered effect. The rest of the background is plain white.

Safety

SAFETY IS NO ACCIDENT

WE HAVE WORKED

39

DAYS

WITHOUT A RECORDABLE
INCIDENT

As of 02/23/2023

WE HAVE WORKED

39

DAYS

WITHOUT A LOST TIME INJURY

Safety Updates

- On Site Crew visits increased to 4 in January. The focus continues to be about best practices for covering energized parts and areas with different potential.
- Threat assessments is also a focus for 2024.
- Safety Day will be on May 9th. The day will consist of speakers in regard to threat assessment and cyber security. It will also include annual trainings for both field and office employees.
- Communication between departments about safe practices remains essential and it is evident that it is taking place.

Human Resources

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the page, creating a modern, dynamic feel. The text 'Human Resources' is centered on the left side of the page in a clean, dark blue sans-serif font.

Staffing Updates

- Total Employee Count: 124
 - Executive: 2
 - Member Services: 28
 - Operations: 62
 - Engineering: 19
 - Corporate Services: 8
 - IT: 5

- Positions Recently Filled
 - Engineering: Metering Services Administrator

- The February Employee Newsletter has been published.

Medical Plan Update

Below is the November Medical Status Update for 2023.



Medical Plan Update

Below is the December Medical Status Update for 2023. A surplus allocation will be delivered soon.





Accounting

Financials to be provided at Board Meeting

Accounting Updates

Year End 2023 Financial Reporting (unaudited)

East Kentucky Power Bill due date extended

January 2024 Financials

April 18th Audit Committee Meeting

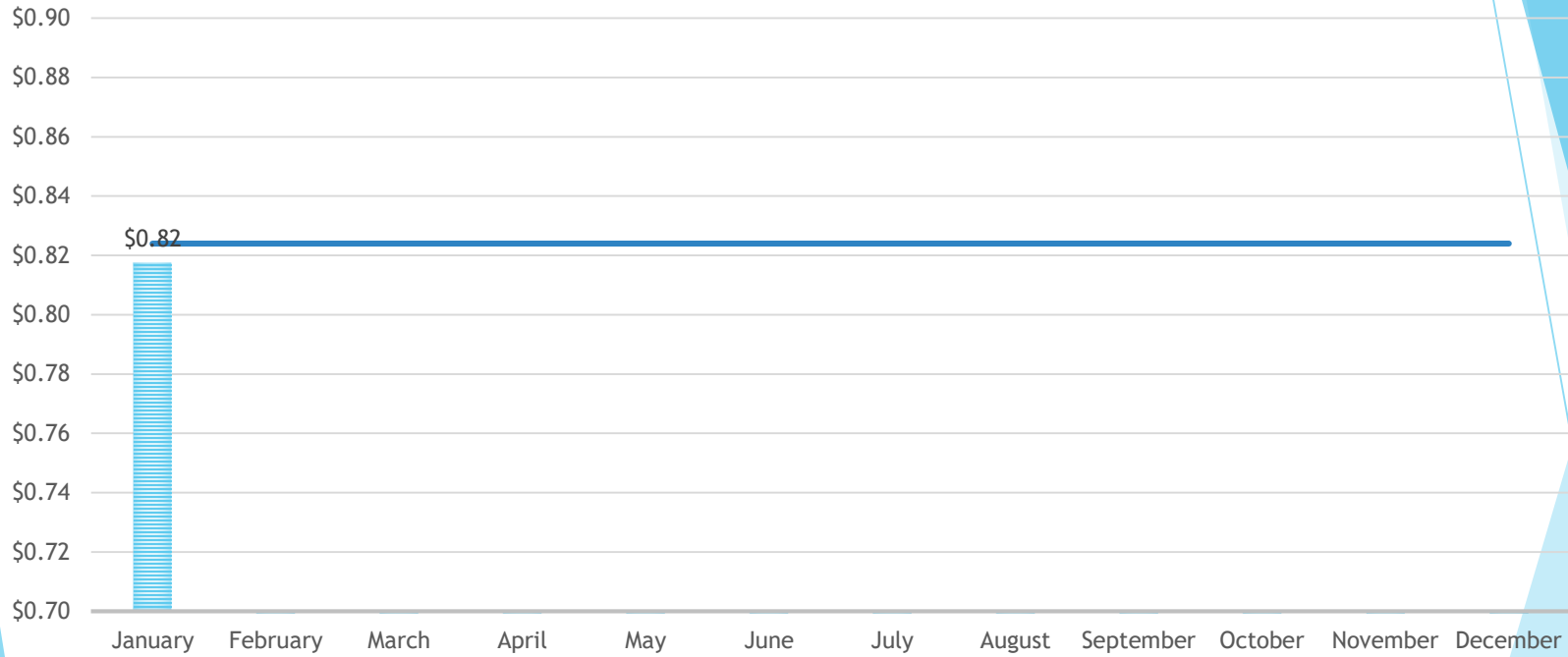
YTD Financial Highlights

2023 Operations Statement	2022 YTD	2023 YTD	Difference
Operating Revenue	\$ 227,863,482.92	\$ 233,854,072.15	\$ 5,990,589.23
Power Production Expense	\$ 211,310.31	\$ 429,768.61	\$ 218,458.30
Cost of Purchased Power	\$ 186,217,312.00	\$ 192,234,745.00	\$ 6,017,433.00
Total Cost of Purchased Power	\$ 186,428,622.31	\$ 192,664,513.61	\$ 6,235,891.30
			\$ -
Total Net Revenue	\$ 41,434,860.61	\$ 41,189,558.54	\$ (245,302.07)
			\$ -
Distribution Expense-Operation	\$ 5,721,311.91	\$ 5,601,690.75	\$ (119,621.16)
Distribution Expense-Maintenance	\$ 5,988,699.32	\$ 6,825,329.69	\$ 836,630.37
Consumer Accounts Expense	\$ 3,980,843.08	\$ 4,119,517.03	\$ 138,673.95
Customer Service & Informational Expense	\$ 788,771.54	\$ 788,838.95	\$ 67.41
Sales Expense		\$ -	\$ -
Administrative & General Expense	\$ 4,986,431.14	\$ 5,230,089.46	\$ 243,658.32
Total Controllable Costs	\$ 21,466,056.99	\$ 22,565,465.88	\$ 1,099,408.89
			\$ -
Depreciation and Amortization Expense	\$ 11,766,993.91	\$ 12,471,397.87	\$ 704,403.96
Tax Expense-Property & Gross Receipts			\$ -
Tax Expense-Other			\$ -
Interest on Long Term Debt	\$ 3,136,414.18	\$ 3,511,320.41	\$ 374,906.23
Interest Charged to Construction-Credit		\$ -	\$ -
Interest Expense-Other	\$ 15,623.17	\$ 136,647.52	\$ 121,024.35
Other Deductions	\$ 58,796.26	\$ 51,196.96	\$ (7,599.30)
Total Non Operating Expenses	\$ 14,977,827.52	\$ 16,170,562.76	\$ 1,192,735.24
			\$ -
Operating Margins	\$ 4,990,976.10	\$ 2,453,529.90	\$ (2,537,446.20)
			\$ -
Non-Operating Margins - Interest	\$ 343,804.90	\$ 868,752.48	\$ 524,947.58
Non-Operating Margins - Other	\$ 125,845.82	\$ (2,416.75)	\$ (128,262.57)
Generation & Transmission Capital Credits	\$ 3,912,025.65	\$ 2,554,899.90	\$ (1,357,125.75)
Other Capital Credits & Patronage Dividends	\$ 289,309.50	\$ 490,877.33	\$ 201,567.83
Total Non Operating Margins	\$ 4,670,985.87	\$ 3,912,112.96	\$ (758,872.91)
			\$ -
Net Margins	\$ 9,661,961.97	\$ 6,365,642.86	\$ (3,296,319.11)

YTD Financial Highlights

2024 Operations Statement	Jan-23	Jan-24	Difference
Operating Revenue	\$ 23,704,689.59	\$ 23,938,927.02	\$ 234,237.43
Power Production Expense	\$ 2,355.00	\$ 20,960.82	\$ 18,605.82
Cost of Purchased Power	\$ 19,582,177.00	\$ 19,546,281.00	\$ (35,896.00)
Total Cost of Purchased Power	\$ 19,584,532.00	\$ 19,567,241.82	\$ (17,290.18)
			\$ -
Total Net Revenue	\$ 4,120,157.59	\$ 4,371,685.20	\$ 251,527.61
			\$ -
Distribution Expense-Operation	\$ 530,056.17	\$ 597,512.96	\$ 67,456.79
Distribution Expense-Maintenance	\$ 540,366.73	\$ 543,747.04	\$ 3,380.31
Consumer Accounts Expense	\$ 407,552.55	\$ 420,576.86	\$ 13,024.31
Customer Service & Informational Expense	\$ 79,339.77	\$ 87,265.81	\$ 7,926.04
Sales Expense		\$ -	\$ -
Administrative & General Expense	\$ 534,801.40	\$ 513,770.44	\$ (21,030.96)
Total Controllable Costs	\$ 2,092,116.62	\$ 2,162,873.11	\$ 70,756.49
			\$ -
Depreciation and Amortization Expense	\$ 1,036,518.36	\$ 1,042,641.94	\$ 6,123.58
Tax Expense-Property & Gross Receipts			\$ -
Tax Expense-Other			\$ -
Interest on Long Term Debt	\$ 270,661.78	\$ 259,511.46	\$ (11,150.32)
Interest Charged to Construction-Credit		\$ -	\$ -
Interest Expense-Other	\$ 30,865.18	\$ 13,877.70	\$ (16,987.48)
Other Deductions	\$ 4,617.24	\$ 6,074.39	\$ 1,457.15
Total Non Operating Expenses	\$ 1,342,662.56	\$ 1,322,105.49	\$ (20,557.07)
			\$ -
Operating Margins	\$ 685,378.51	\$ 886,706.60	\$ 201,328.09
			\$ -
Non-Operating Margins - Interest	\$ 47,410.47	\$ 103,940.58	\$ 56,530.11
Non-Operating Margins - Other	\$ 2,627.08	\$ 60,872.94	\$ 58,245.86
Generation & Transmission Capital Credits	\$ -	\$ -	\$ -
Other Capital Credits & Patronage Dividends	\$ -	\$ -	\$ -
Total Non Operating Margins	\$ 50,037.55	\$ 164,813.52	\$ 114,775.97
			\$ -
Net Margins	\$ 735,416.06	\$ 1,051,520.12	\$ 316,104.06

POWER COST TO REVENUE



Monthly Total Budget

Ratio Analysis

Distribution Equity is based on Policy 319
Benchmarks are based on debt covenants

<u>KEY METRICS</u>	<u>YTD</u>	<u>Rolling 12 Month</u>	<u>Benchmark</u>
T.I.E.R (TIMES INTEREST EARNED)	5.052	2.126	1.25
O.T.I.E.R (OPERATING)	4.417	-	1.10
DSC (DEBT SERVICE COVERAGE)	3.099		1.35
ODSC (OPERATING)	-	2.548	1.35
MDSC (Modified Debt Service Coverage)		2.073	1.35
DISTRIBUTION EQUITY	-	32.18%	20%-35%
TOTAL EQUITY	-	53.05%	>27%
CURRENT RATIO		1.646	> 1.0
DAYS of CASH on HAND	120		100

Temporary Investments - Board Policy 318

<u>Note Number</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Term in Days</u>	<u>Interest Earnings</u>
CFC Notes	\$ 3,000,000	3.89%	8/15/2024	744	\$ 237,876
CFC Notes	\$ 2,000,000	5.51%	1/3/2024	99	\$ 29,890
CFC Notes	\$ 1,000,000	5.36%	2/2/2024	60	\$ 8,811
CFC Notes	\$ 1,000,000	5.49%	3/4/2024	91	\$ 13,687
CFC Notes	\$ 3,000,000	5.78%	3/25/2024	181	\$ 85,987
CFC Notes	\$ 5,000,000	5.86%	7/15/2024	290	\$ 236,028
				Total at Maturity	\$ 612,280
CFC Commerical Paper		Various	4.93% - 5.12%		\$ 34,100.00



Signed financials will be included in Board Paq



OWEN Electric

Your local co-op since 1937

MEMBER SERVICES REPORT

FEBRUARY 29, 2024



January 2024 Statistics

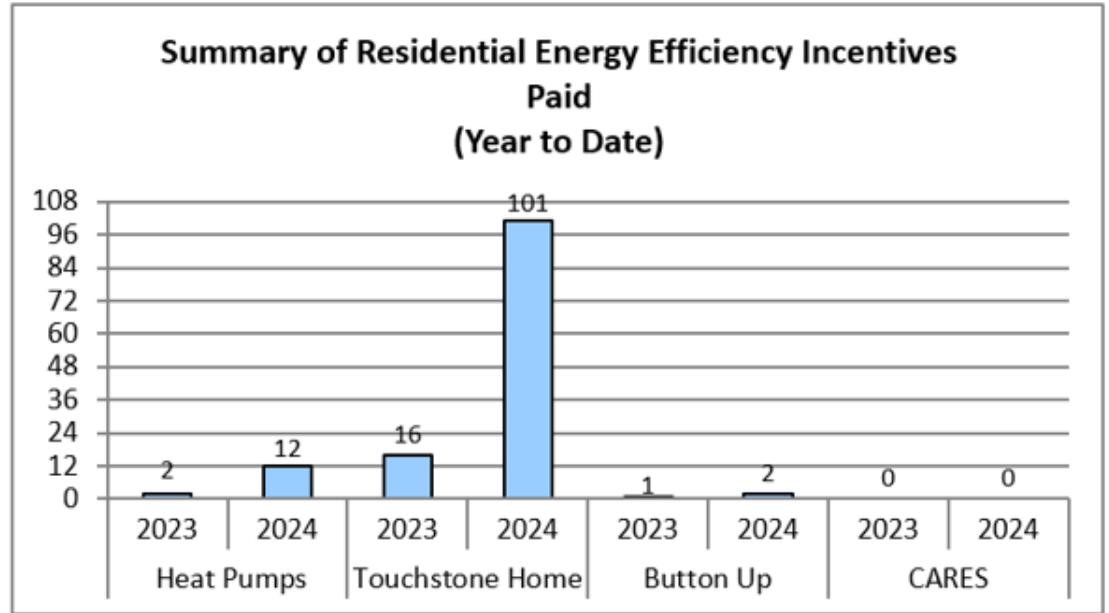
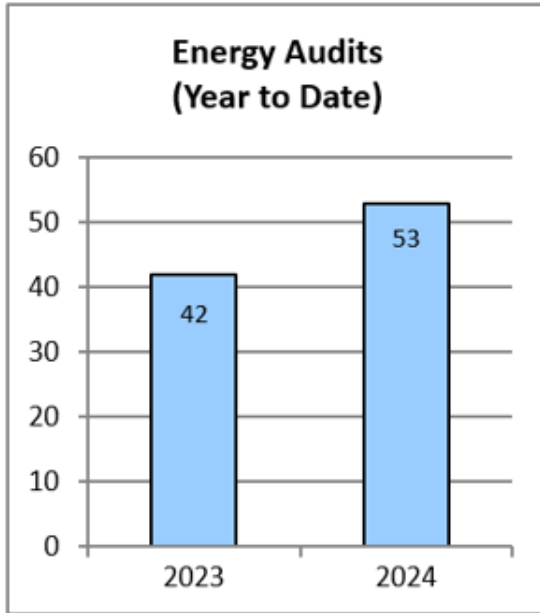
Member Account Activity	Current Month 2024	Last Month 2023	Same Period Last Year 2023
Bank Deposits	\$15,030,932.49	\$11,816,087.55	\$16,316,362.36
Accounts Billed	66,176	66,183	65,508
Total Billing (Excluding Taxes)	\$14,712,564.07	\$13,331,986.12	\$16,037,826.38
Delinquent Notices Mailed	8,561	7,643	9,715
Total Delinquent Amount	\$1,556,985.68	\$2,251,154.92	\$2,072,482.07
Total Penalty Amount	\$77,078.28	\$106,358.09	\$95,447.51
Number of Arrangements	1,460	1,097	1,731
Total Amount of Arrangements	\$314,824.97	\$190,767.04	\$408,346.79
Return Check Amount	\$20,606.12	\$15,184.50	\$25,339.42
Number of Return Checks	104	97	118
Office Pymts (Walk-in & Drive-thru)	2,916	2,761	3,182
Cutoff Tickets	1,407	1,123	1,629
Actual Cutoffs	525	527	451
New Accounts Set Up	491	473	522
Service Orders	2,605	2,173	2,518
Calls Answered by Member Services Reps	9,086	7,529	11,184
Telelink Calls	27,286	24,138	29,868
Member Services Collection Program	\$3,196.41	\$1,465.36	\$4,166.85
Total Collections by Member Services	\$1,038,535.62		

* JAN. '24	JAN. '24	DEC. '23	JAN. '23
COINCIDENT PEAK <i>(kW)</i>	299,698	228,589	219,504
ENERGY <i>(kWh</i> <i>MEASURED @ SUBS)</i>	145,634,627	120,258,322	128,040,485
AVERAGE TEMPERATURE <i>(MEASURED @ CVG)</i>	31.1^o	41.4^o	39.5^o
B RATE TOTALS <i>(kW)</i> & PERCENTAGE OF TOTAL LOAD	25,388 8.47%	30,525 13.35%	33,720 15.36%

*does not include Nucor



Energy Programs Report



Direct Load Control (Simple Saver DSM Program)				
	Monthly Activity		Program Total	
	Installations	Removals		
HVAC	0	3	HVAC	2,607
Water Heater	0	23	Water Heater	1,595
Thermostat	26	1	Thermostat	1,172
Totals	26	27	Totals	5,374



12,309 EMAIL INQUIRIES

213,277 WEBSITE VISITS



584 NEW FACEBOOK FANS
(6% INCREASE FROM 2022)
10,155 TOTAL FANS

13 NEW FOLLOWERS
(1.5% INCREASE FROM 2022)
885 TOTAL FOLLOWERS



28 NEW "X" FOLLOWERS
(1% INCREASE FROM 2022)
2,567 TOTAL FOLLOWERS

Frankfort Youth Tour



Pictured front: Massey Woodyard (Grant), Tanvi Rakesh (Cooper), Karaline Peer (Williamstown), Harper Mann (Williamstown), Ariana Hager (Great Crossing), Neveah Race (Grant)

Pictured back: Reilly Little (Ryle), Quentin Ellis (Cooper), Jackson Grothaus (Our Lady of Lourdes), Roger Phelps (Gallatin)



Operations Board Report 2023 Year End Totals

February 2024

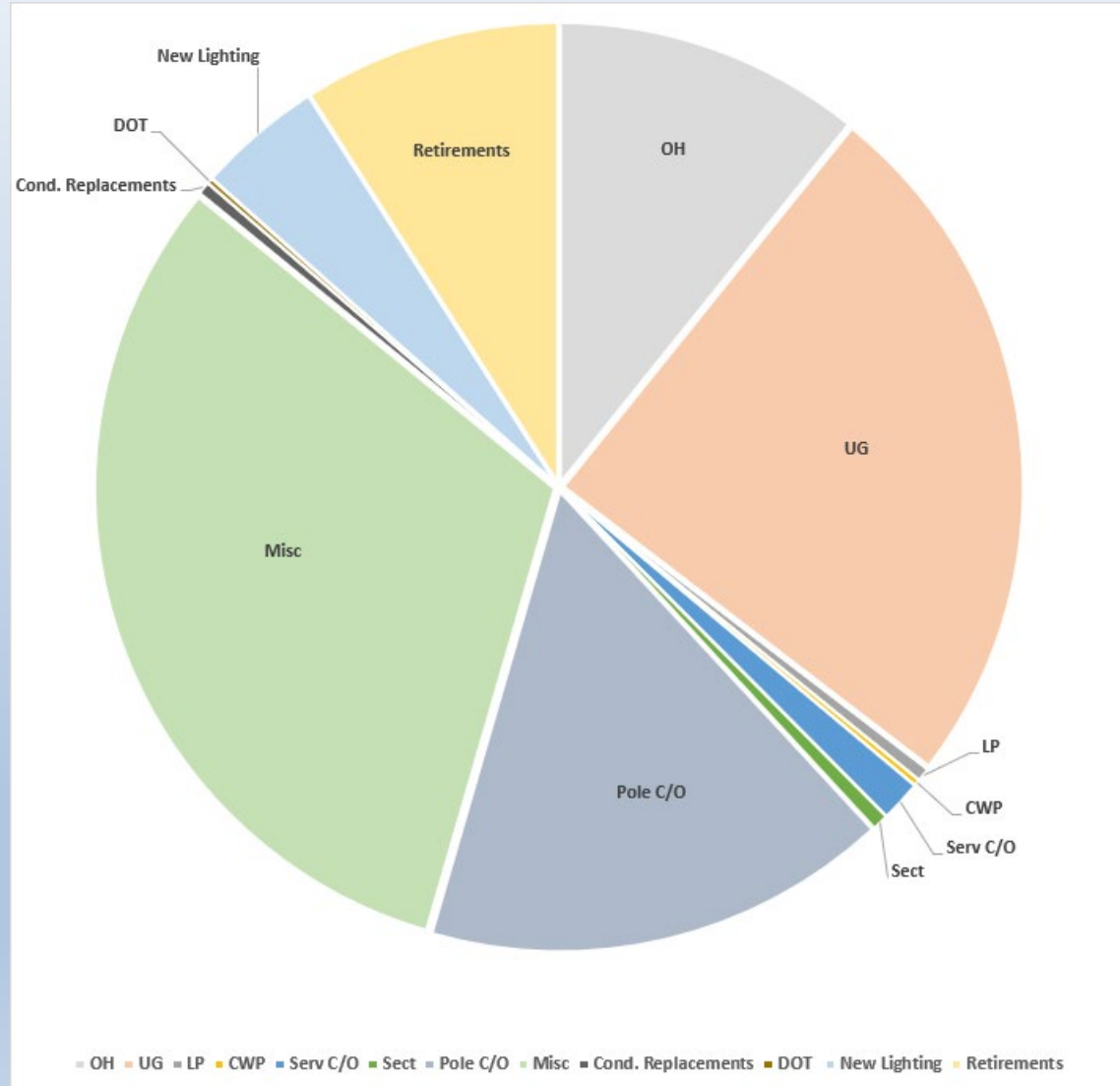
2023 Construction

	2021	2022	2023
Jobs Worked	3736	3466	3796
Temporaries	493	399	406
Retirements	208	202	269
Retired Temporaries	350	347	410



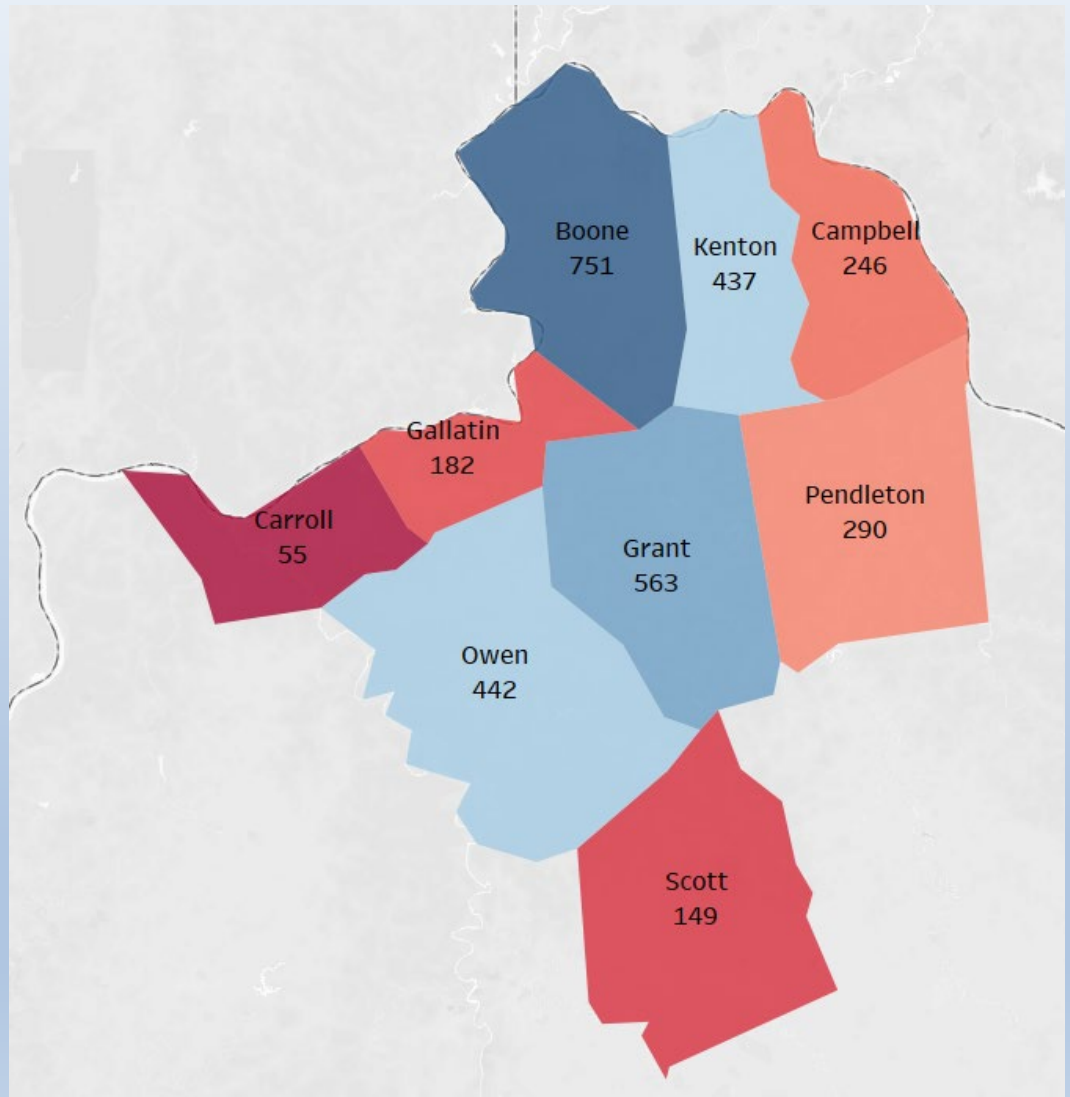
2023 Construction

<u>Work Type:</u>	<u>Quantity:</u>
• 607 – Misc.	978
• 101 – UG.	766
• 606 – Pole C/O	510
• 100 – OH Const	336
• 999 – Retirements	282
• 701 – New Lights	137
• 602 – Serv C/O	45
• 603 – Sectionalizing	18
• 102 – Lg. Power	15
• All others	27



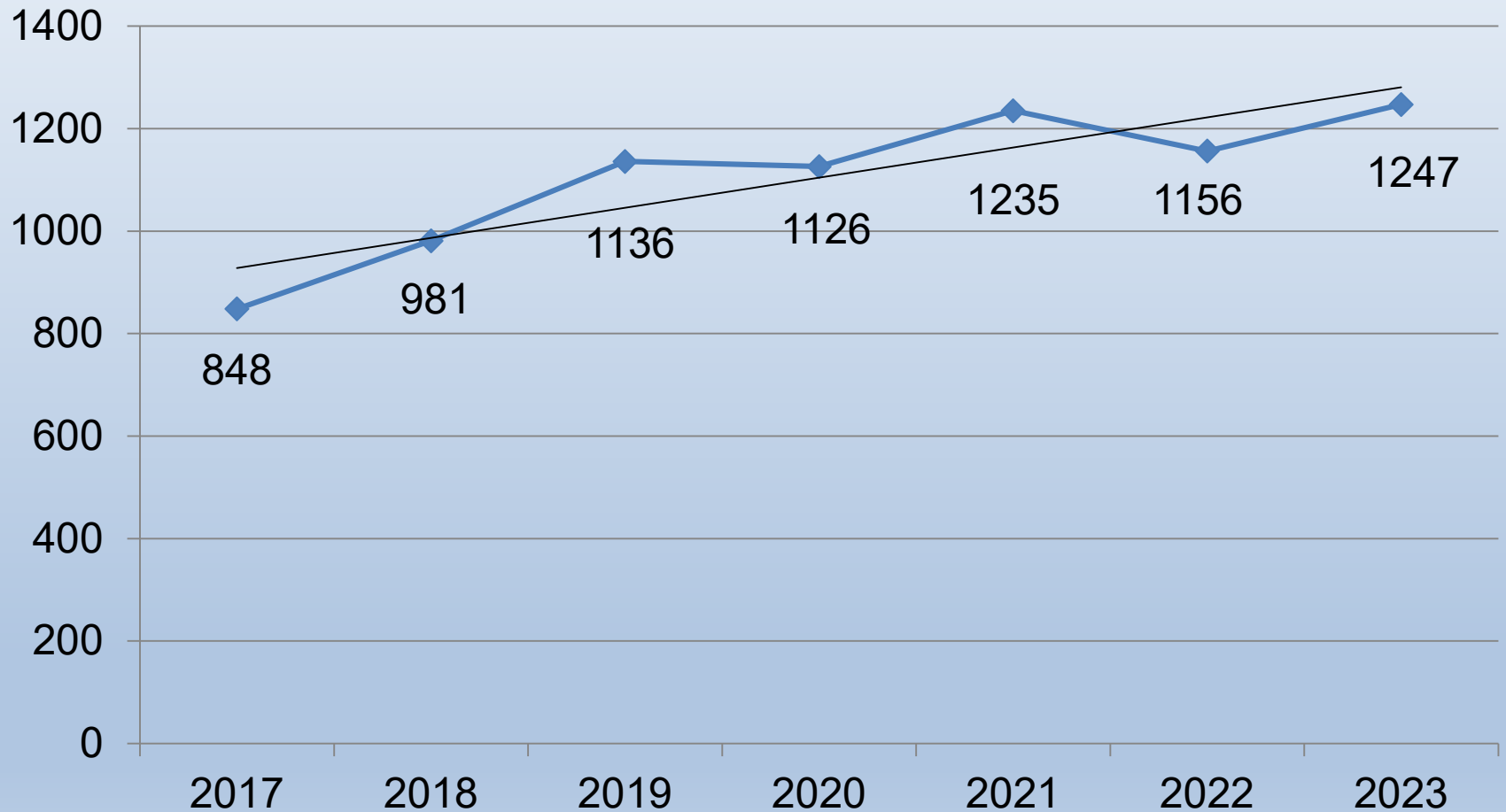
2023 Construction

- Boone – 751
- Grant – 563
- Kenton – 437
- Owen – 442
- Pendleton – 290
- Campbell – 246
- Gallatin – 182
- Scott – 149
- Carroll – 55





Number of Permanent Service Connects 2017-2023

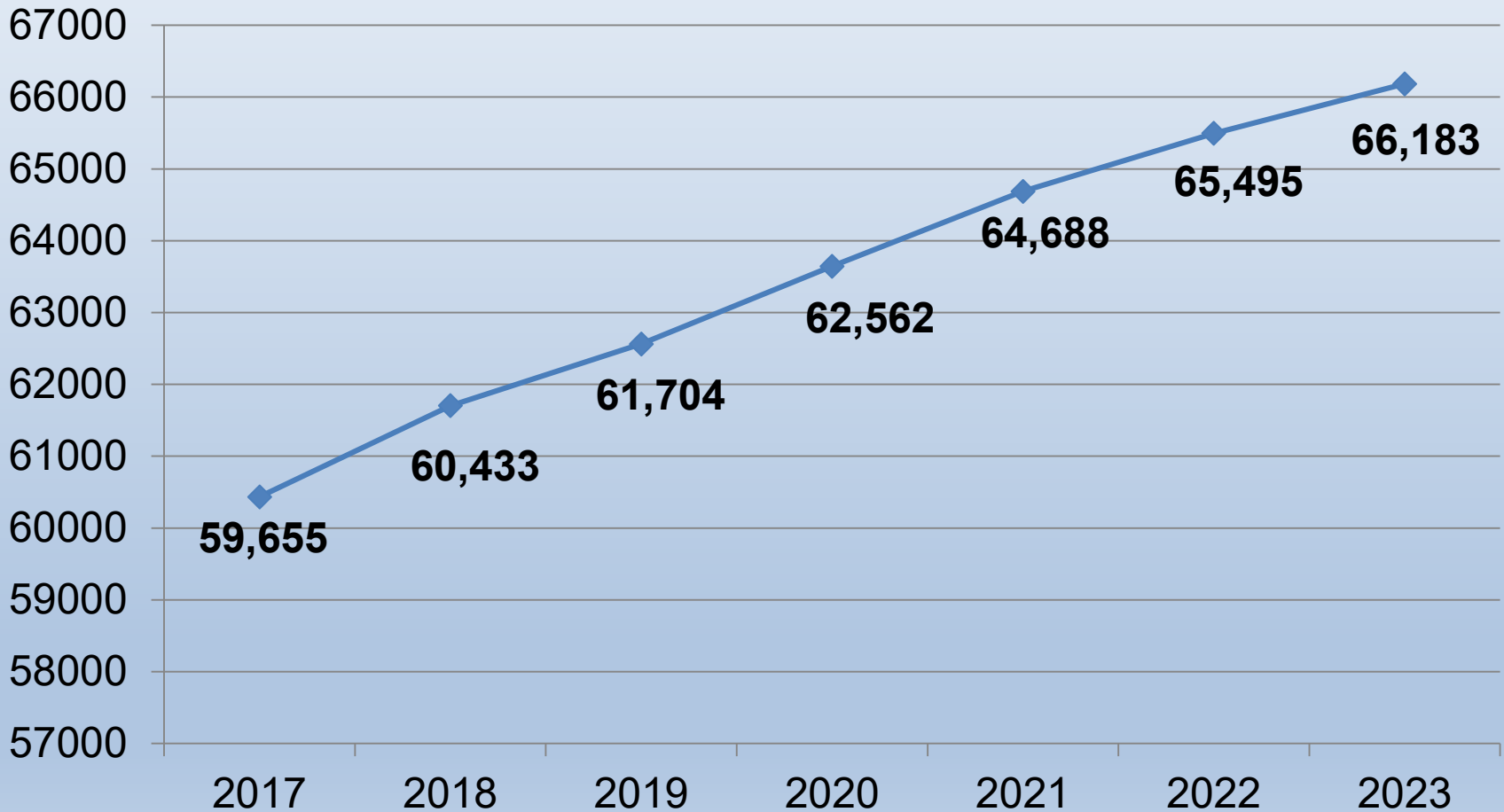


Meters Billed by County

County	2022	2023	Increase	% Increase
Boone	24,548	24,927	379	1.54%
Kenton	13,977	14,128	151	1.08%
Grant	7,392	7,465	73	.99%
Owen	5,271	5,288	17	.32%
Campbell	4,053	4,105	52	1.28%
Pendleton	3,690	3,684	-6	-.16%
Gallatin	3,459	3,465	7	.20%
Scott	1,927	1,929	2	.10%
Carroll	1,178	1,191	13	1.10%
Total	65,495	66,183	688	1.05%

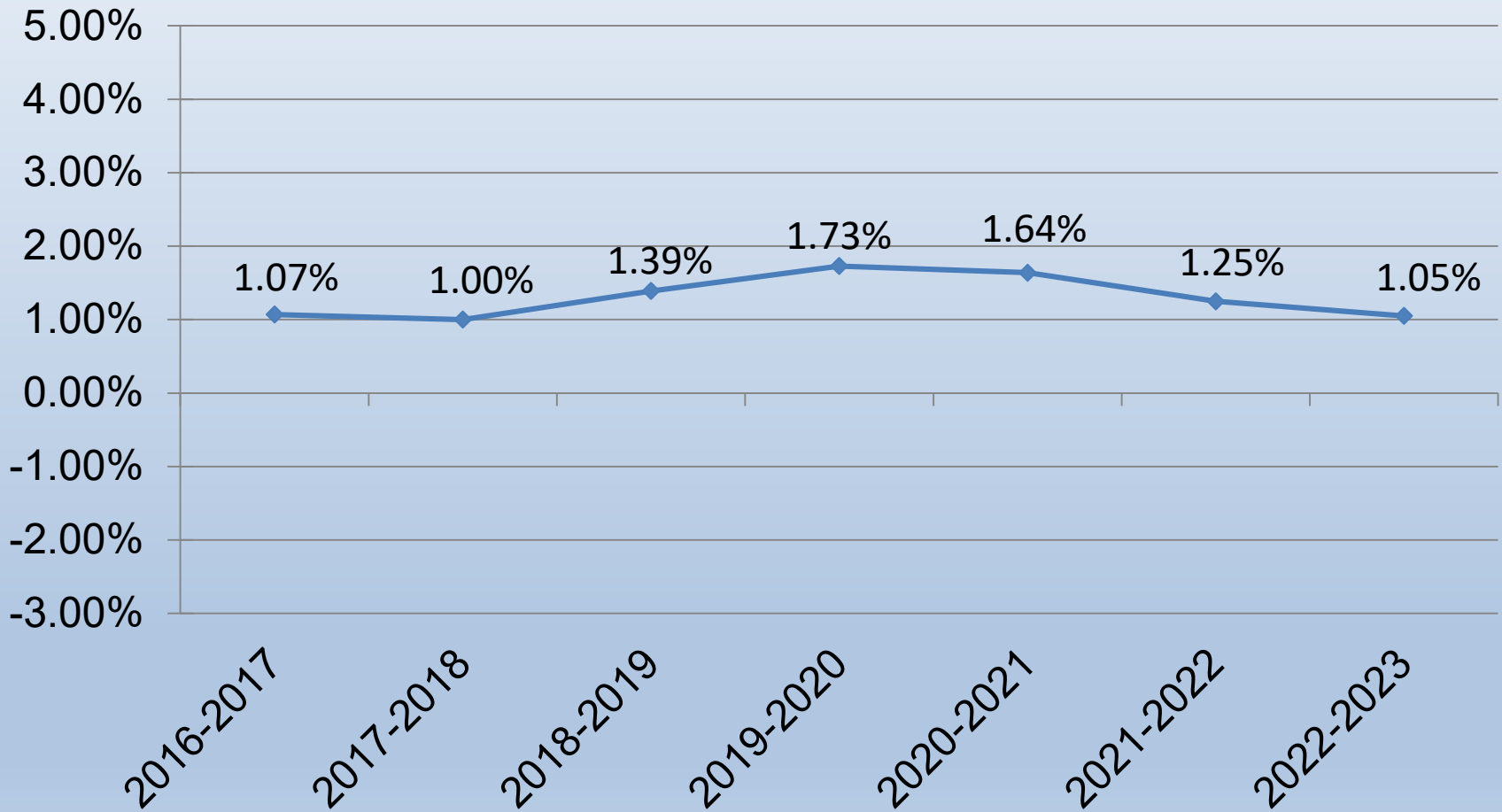


Number of Meters Billed December Totals for 2017-2023





Annual Growth (By Meters Billed)





Technology Report

February 2024



Engineering

Jennifer Taylor

2024 Reliability KPI

	Q1	Q2	Q3	Q4	YTD
SAIDI	10.180				10.180
SAIFI	0.060				0.060
MED	0				0

THRESHOLD
TARGET
STRETCH

Currently trending towards Stretch in SAIFI and Threshold for SAIDI for Q1, through the month of January.

55% of SAIDI came from 1 outage on Munk 404, when a recently replaced Step-Up Transformer Failed, leading to an extensive outage.

Joint Use Update

PSC Informal Conference on Feb. 9th

- Second of three intended informal conference meetings at the PSC.
- Main topic of the day was “temporary attachments”
- Charter is pushing hard for this allowance
- The point was made that the NESC doesn't allow for temporary violations and the electric utilities couldn't condone that.
- Next meeting scheduled for March 1st

DG Run Time

	2023	Life to Date
Hrs Ran	5,727	45,835
% Run Time	65.38%	68.98%
KWH	1,354,758	85,603,760
Efficiency	39.87%	39.35%
Peaks Hit	10/12	77/90

- Majority of the missed peaks were when we were trying to run the unit as a peaker plant during high gas prices.
- January 2023 was the last month down due to high gas prices. Also off in May for the head replacement, and then end of 2023 we started running into switchgear failures prompting low runtime for those months.
- Missed January 2024 due to a failed PLC that CAT was unable to fix on site.
 - Boyd now has the required software to support these devices for us.

DG Review for 2023

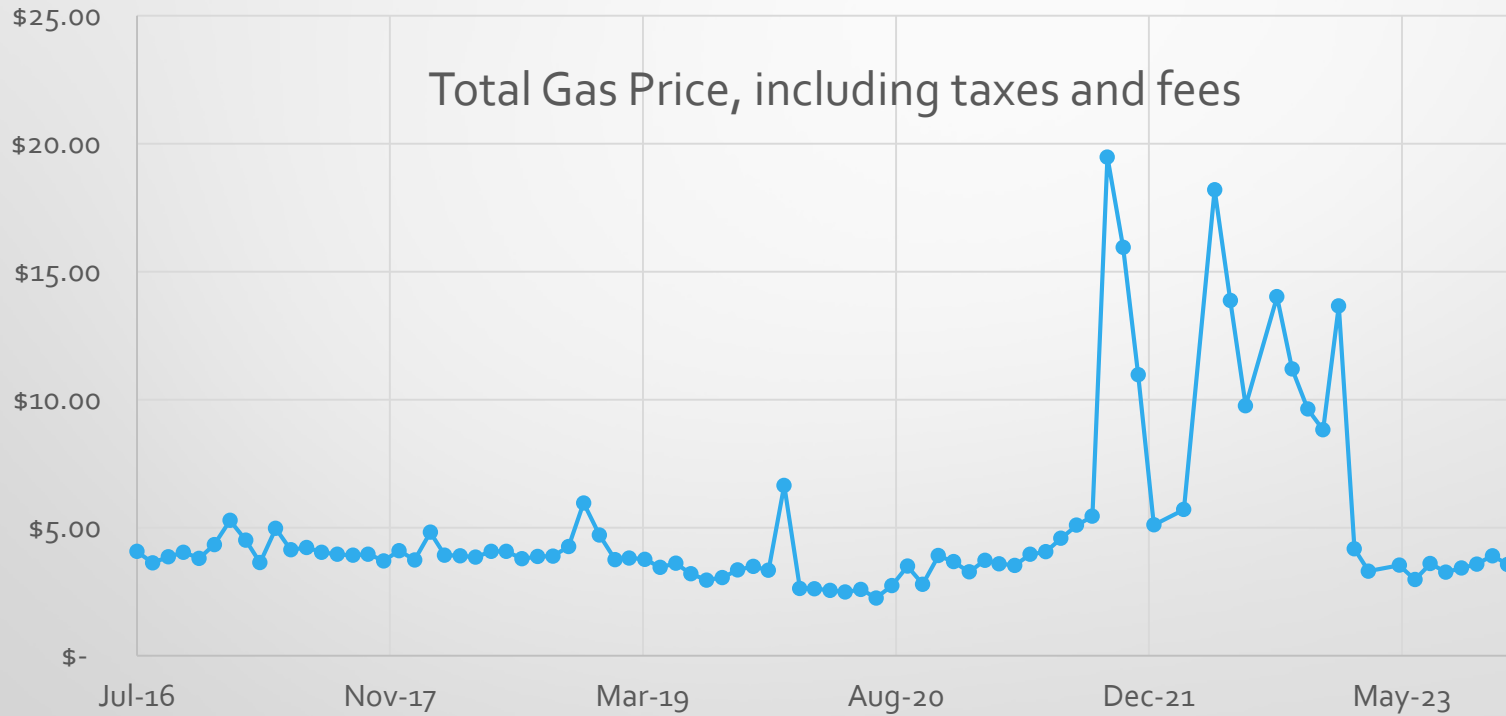
- CAT replaced 8 heads free of charge this past May, they plan to take those back and give us another 8 at the end of 2024 so they can test the performance.
- The unit has run over 45,000 hours, which is over half way to its design life without an out-of-frame overhaul (at 75,000-90,000) hours, which would extend the life another 70,000-90,000 hrs. That is a \$250,000 minimum cost (2014 quote).
- 45,000 hr maintenance would usually include all new heads, but they have all recently been changed by CAT free of charge and have less than 8,000 hrs on them.
- The unit is showing age in a few areas, mainly the switchgear, involving the computers and relays, the control cables, and ancillary motor control equipment, such as lube pumps and fuel valves.

DG Upcoming Expenses

- The “in-frame” overhaul is recommended at 45,000 hours which includes replacing heads and main bearings, inspect and clean generator end, install new exhaust manifold, clean and inspect aftercooler and radiator. (Heads already completed)
 - This work is going to be a minimum of \$40,000, but if damage is found in the generator windings, or additional seals, that may end up being closer to \$60,000.
- Normal maintenance such as spark plugs, oil changes, and valve recessions will continue to happen.
 - In total through the year this should be around \$35,000 in parts and labor
- The routine EPA Inspection will be required later this summer. Typical costs around \$15,000 for the testing and reporting.
- We’ve been experiencing an issue with the switchgear and still trying to identify the root problem. Boyd/CAT and EKPC technicians are assisting. If that doesn’t work we may ultimately have to call in CAT ISO from California to identify and fix it.
 - It would be a minimum of \$14,000 for CAT ISO to be onsite, with the additional equipment costs, which could be \$15,000 or more depending on which equipment is actually broke.
- Natural Gas should be in the \$450,000 range for the year, greatly dependent on run time and gas prices.
- Additionally, with the run time on the unit something unexpected will likely break, adding to the overall maintenance costs for the year.

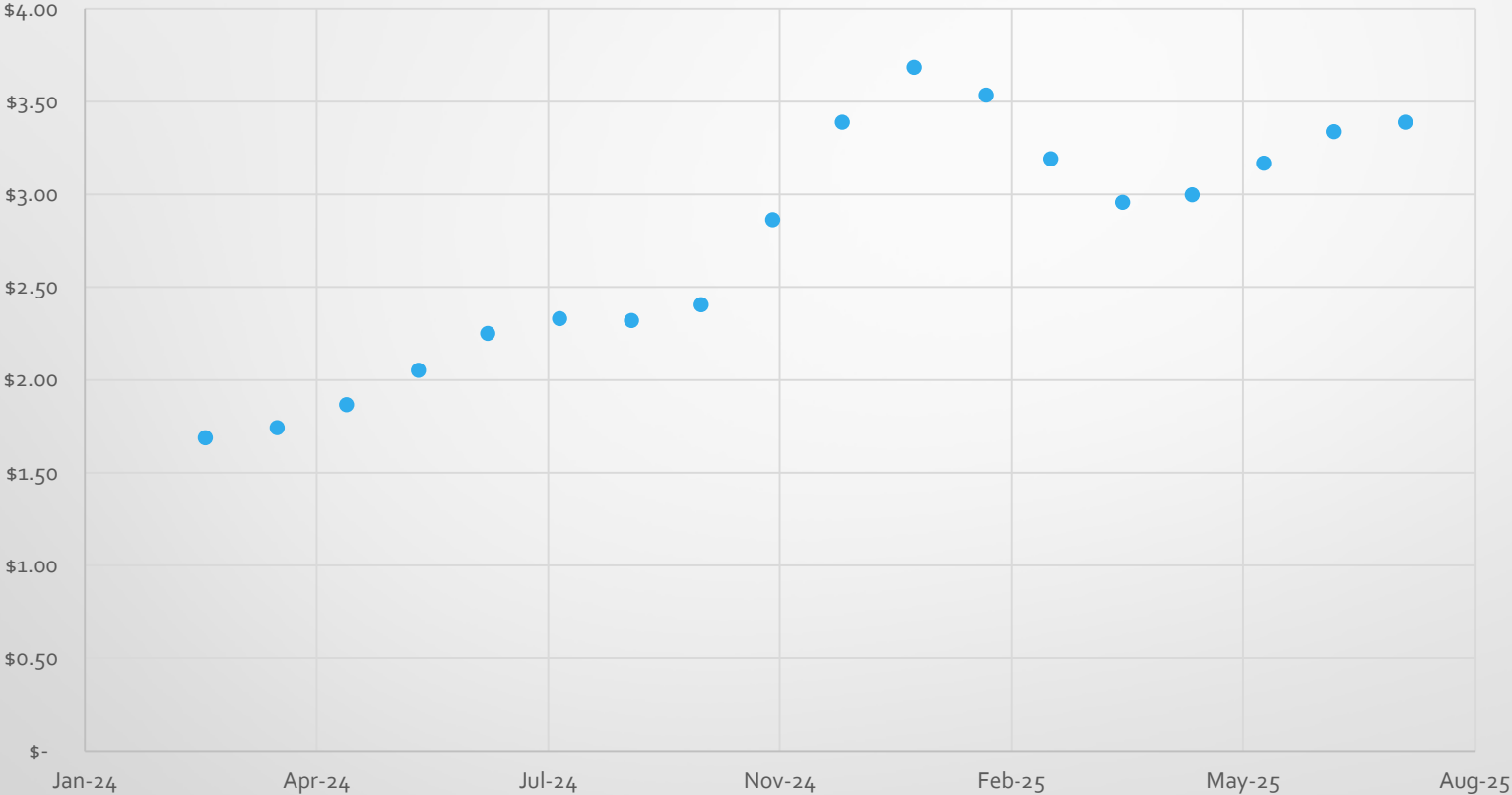
Gas Prices Historical

- Gas prices have fallen to \$1.80/mmbtu as of 2/22/24



Gas Prices Futures

Current Future Nymex Gas Price



DG Financials Year End 2023

Financials:	2022	2023	LTD
Avoided EKP Power Costs	\$ 278,060	\$ 791,492	\$ 5,463,511
DG Power Production Costs	\$ 211,310	\$ 429,769	\$ 3,819,806
Net Power Production Savings	\$ 66,749	\$ 361,724	\$ 1,643,705
DG Depreciation Expense	\$ 253,199	\$ 254,754	\$ 1,786,890
Total Margin (Power Savings less Depreciation)	\$ -186,450	\$ 106,970	\$ -143,184
	2022	2023	LTD
EKPC Power Cost/kWh	\$ 0.087272	\$ 0.084560	\$ 0.072507
DG Total Power Cost/kWh	\$ 0.078026	\$ 0.042335	\$ 0.044626
Total Net Savings/kWh	\$ 0.009245	\$ 0.042225	\$ 0.027881

Tech Advantage

Monday Breakout Session – Tim Cammack



3:30pm - 4:30pm

**More than Just Meter Readings-Improving
Member Benefits, Process Efficiency, and
Revenue Protection**



Tim Cammack, Engineering Technology Manager, Owen Electric

We are aware there can be added benefits with AMI systems beyond meter readings. This session will discuss some examples of those real-world benefits for distribution cooperatives. Learn how the knowledge of AMI data and triggered events can be used to improve Revenue Protection (tampering, theft) discovery. Understand how to implement improvements to existing procedures and processes for Voltage analysis, prevention of damage to equipment, and DER discovery.

Review/Discuss/Approve- Appoint Nominating/Credentials Committee

Motion: _____

Approve: _____



EKPC Report



Report Presented By:
Alan Ahrman



KEC Report

KENTUCKY ELECTRIC
COOPERATIVES

Report Presented By:
Rick Messingschlager



Attorney's Report

Presented By: Jim Crawford

Information Agenda



2023/2024 Board Meetings & Training

March 1-6, 2024-NRECA Power Xchange, San Antonio, Texas
March 28, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
April 6-9, 2024-NRECA Directors Conference, HQ-Owenton, KY
April 25, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
May 30, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
June 6-7, 2024-Membership Appreciation Days
June 7, 2024-Annual Business Meeting, 6:00pm, Walton, KY
June 27, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
July 17-19, 2024-CoBank Energy Directors Conference, Boston, MA
July 25, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
August 12-13, 2024-KEC Annual Meeting, Louisville, KY
August 29, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
September 26, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
October 7-9, 2024-NRECA Regional Meeting, Columbia, SC
October 31, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
November 21, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
December 19, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY



Information Agenda

- Conference Reports
 - As needed
- Old Business
- New Business
- Executive Session
- Miscellaneous
- Adjourn
 - Motion _____
 - Second _____