

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
January 25, 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 January 25, 2024. All Directors were present, along with: Mike Cobb, Mike Stafford, Jim Petreshock, Brian Jones, Jennifer Taylor, Hollie Breeden, Tony Bach, Christel Buffin, 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 John Grant and Bob True, respectively.

**ADOPTION OF
AGENDA**

Upon a motion by Charlie Richardson, second by Eddie McCord, the Board voted unanimously to adopt the January 25, 2024, Board Meeting Agenda as presented.

MINUTES

APPROVED Upon a motion by Alan Ahrman, second by Eddie McCord, the December 21, 2023, Regular Board Meeting Minutes were approved as submitted.

**SAFETY
MOMENT**

Jim Petreshock gave the safety moment on eye safety and the need to protect the eyes from sun light, etc., at all times.

**MEMBER
CONCERNS** None.

NEW MEMBERS

ACCEPTED The Directors then reviewed and accepted the listing of 312 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 December expenses incurred by the President, Consultant and Directors.

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

The Board reviewed 92 member write-offs of \$18,461.86.

The Board reviewed payment of \$15,634.20 in Capital Credits.

Upon a motion by Bob True, second by Rick Messingschlager, 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 January, 2024, in accordance with the summary attached hereto and made a part of these minutes.

Employee Retention Credit Application Status – Mike reported the Coop will not pursue the employee retention credit application. Mike advised the Coop does not fully qualify under applicable Employee Retention Credit criteria of the IRS.

Mike reviewed Important Dates Related to the Coop's Annual Meeting scheduled for June 7, 2024, and Director Elections.

Mike reviewed the Distribution Lines (overhead/underground) maintained by the Coop in 2023 consisting of approximately 4,695 miles of same. The net additional distribution line for 2023 was approximately a plus 32 miles.

Mike discussed the Coop's and EKPC's six (6) highest peak demands dates as compared to TVA.

Mike discussed the final figures for the 2023, \$2.272 million capital credit refunds and disbursements.

CORPORATE SERVICES AND ACCOUNTING

Hollie Breeden presented the Corporate Services and Accounting reports in accordance with the summaries attached hereto and made part of these minutes. Hollie reported 2023 operating margins of \$2,595,009.93 and net margins of \$3,952,412.99. Hollie explained this is exclusive of EKP capital credits which have not yet been received. Hollie reported the cost of power in December was 89 cents of every dollar of revenue.

HUMAN RESOURCES

Mike Cobb presented the Human Resources report for the month of December, 2023, in accordance with the summary attached hereto and made part of these minutes. Mike reported the Coop has gone 23 days as of January 25, 2024, without a lost time injury and 23 days without recordable incident. Mike reported the Coop currently has 125 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 December, 2023, of 66,183 compared to 65,494 for the same period last year. Mike reported energy audits of 323 year-to-date compared to 361 for the same period last year.

OPERATIONS

Brian Jones and Tony Bach presented the Operations report for the month of January, 2024, in accordance with the summary attached hereto and made part of these minutes. Brian Jones advised that Tony has been promoted to the operations manager position.

TECHNOLOGY

Jim Petreshock presented the Technology report for the month of January, 2024, in accordance with the summary attached hereto and made part of these minutes.

ENGINEERING

Jennifer Taylor presented the Engineering report for the month of January, 2024, in accordance with the summary attached hereto and made part of these minutes.

COMMITTEE

REPORTS None.

EKPC REPORT

Alan Ahrman gave the January, 2024, report of the EKPC Board training meeting. There was no actual January 2024 EKPC board meeting. Just a training session.

KEC REP. Rick Messingschlager reported there was no January 2024 KEC meeting.

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

TRAINING/MEETINGS

KEC Legislative Night – February 21, 2024

OEC Regular Board Meeting - February 29, 2024

NRECA Power Xchange - March 3-6, 2024

OEC Regular Board Meeting - March 28, 2024

NRECA Directors Conference - April 6-9, 2024

OEC Audit Committee Meeting – April 18, 2024

NRECA Legislative Conference - April 21-24, 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

Regular Board Meeting

January 25, 2024



A Touchstone Energy Cooperative 

- **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

Jim Petreshock

Review/Discuss Member Compliments and/or Concerns

Review Agenda

- Review New Members: 312
(Listing on Board Table & in Board Paq)
- Review Listing of Terminated Accounts:
188 Members at \$26,293.37
(Listing on Board Table & in Board Paq)

Review of President's, Directors' and Consultant Expenses

- Approve Uncollectible Member Write-offs:
92 Members at \$18,461.86
(Listing on Board Table and in Board Paq)
- Approve Payment of Capital Credits: \$15,634.20
(Tab 11)
- Approval of Consent Agenda Items
 - Motion _____
 - Second _____



President/CEO Report January 25, 2024 Board Meeting



President's Report Topics

- Employee Retention Credit Application Status
- Review Important Dates Related to Owen's Annual Meeting and Director Elections
- 2023 Miles of Distribution Lines
- Peak Demand Discussion
- 2023 Capital Credit Recap
- Other Discussion



Employee Retention Credit Application Status

Owen Electric Cooperative, Inc. 2020 - 2021 Federal Employee Retention Tax Credit Study

Phase	Milestone	Target Date
Qualification Assessment	Introductory Teleconference	Complete
	Qualification Documents Received	Complete
	Qualification Assessment Complete	Complete
Quantitative Analysis	Quantification Documents Received	Complete
	Employee Retention Credit Analysis Delivered	10-24-2023
	Final Numbers and Filing Discussion	TBD
Reporting and Final Deliverable	Final Report Delivered	12-31-2023



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 <u>least 180</u> days before Annual Meeting. Required to meet the February Kentucky Living Issue.			12/10/2023
Appoint Nominating Committee At <u>least 60</u> days before Annual Meeting, but <u>not more than 105</u> days.	March 3/28/2024	2/23/2024	4/8/2024
Appoint Credentials and Election Committee At <u>least 75</u> 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 <u>least 70</u> days before Annual Meeting.	March 3/28/2024		3/29/2024
Review Districts At <u>least 60</u> days before Annual Meeting.	March 3/28/2024		4/8/2024
Post Nominations (by Nominating Committee at their meeting) At <u>least 45</u> 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 <u>least 40</u> days before Annual Meeting.	April 4/25/2024		4/26/2024
Members may nominate by petition Nominations must be presented by the members at <u>least 70</u> days before Annual Meeting.			3/29/2024
12 Notice of Annual Meeting At <u>least 10</u> days, but <u>no more than 60</u> days.		4/8/2024	5/28/2024



Notice of Director Election Process

Will appear in February 2024 Kentucky Living

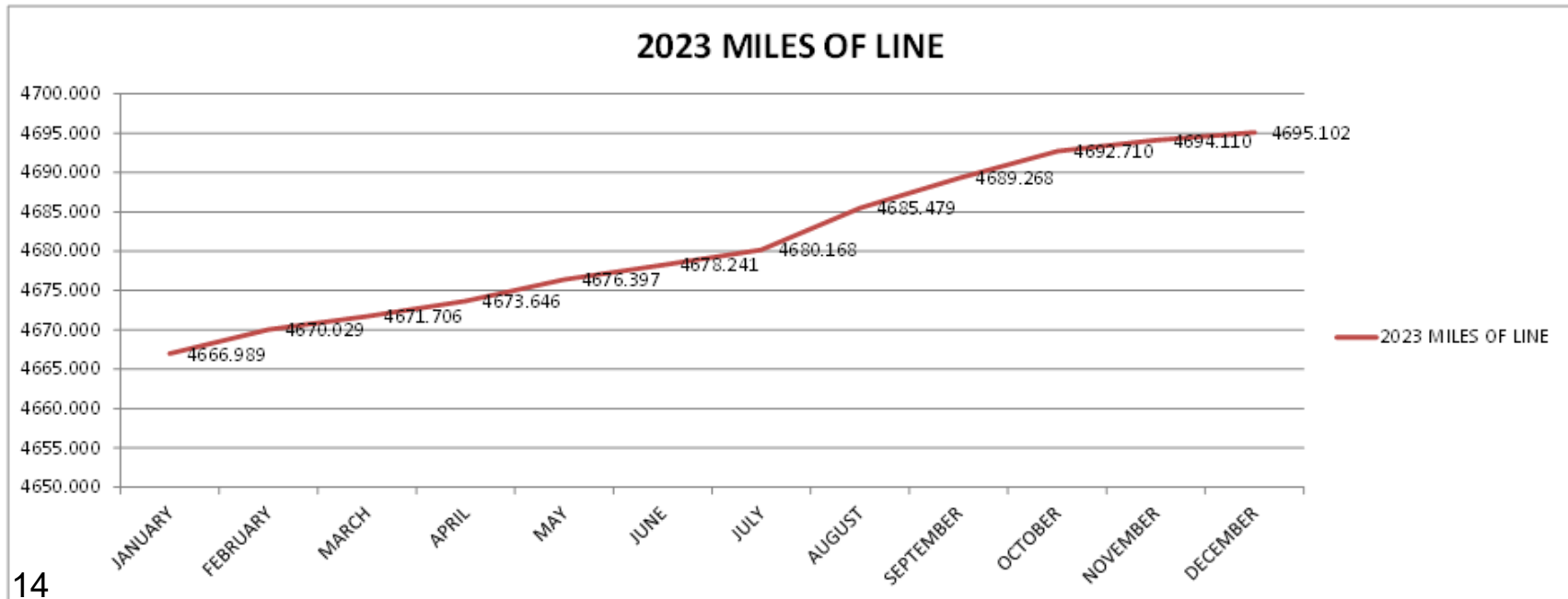
Summary of Owen Electric's bylaws relating to annual election process for directors

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.



2023 Miles of Line Recap

2023 MILES OF LINE													Increase / Decrease
TYPE	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
PRIMARY O/H 1PH	2221.955	2221.266	2221.989	2222.878	2224.113	2224.627	2224.823	2225.086	2226.556	2228.012	2228.456	2228.065	7.915
PRIMARY O/H 2PH	31.623	31.611	31.611	31.611	31.611	31.611	31.611	31.611	31.611	31.611	31.713	31.713	0.110
PRIMARY O/H 3PH	849.067	851.007	851.009	850.973	851.091	851.211	851.501	853.709	853.601	853.957	854.076	855.076	6.028
PRIMARY O/H TOTAL	3102.645	3103.884	3104.609	3105.462	3106.815	3107.449	3107.935	3110.406	3111.768	3113.580	3114.245	3114.854	14.053
PRIMARY U/G 1PH	261.895	262.393	262.764	262.916	263.793	264.218	265.388	266.642	267.482	268.141	268.110	268.312	7.978
PRIMARY U/G 2PH	28.236	28.236	28.262	28.138	28.138	28.146	27.836	27.858	27.880	27.865	27.637	27.637	-0.568
PRIMARY U/G 3PH	142.028	142.939	143.019	143.545	143.778	143.840	143.819	144.217	144.450	144.788	145.296	145.340	3.329
PRIMARY U/G TOTAL	432.159	433.568	434.045	434.599	435.709	436.204	437.043	438.717	439.812	440.794	441.043	441.289	10.739
TOTAL PRIMARY	3534.804	3537.452	3538.654	3540.061	3542.524	3543.653	3544.978	3549.123	3551.580	3554.374	3555.288	3556.143	24.792
SECONDARY O/H	491.369	491.035	490.482	490.000	489.348	489.038	488.934	488.759	488.848	488.255	487.865	487.161	-4.924
SECONDARY U/G	640.816	641.542	642.570	643.585	644.525	645.550	646.256	647.597	648.840	650.081	650.957	651.798	12.457
TOTAL SECONDARY	1132.185	1132.577	1133.052	1133.585	1133.873	1134.588	1135.190	1136.356	1137.688	1138.336	1138.822	1138.959	7.533
TOTALS	4666.989	4670.029	4671.706	4673.646	4676.397	4678.241	4680.168	4685.479	4689.268	4692.710	4694.110	4695.102	32.325





Top Five Demand Peak Owen and EKPC

Owen 6 Highest Peaks		
Date	MW	Local Temp.
1/31/19 5:45	474.24	-7 F
7/11/19 15:45	463.83	93 F
3/5/19 7:00	463.16	8 F
8/18/19 17:15	457.38	95 F
1/29/21 8:30	455.74	16 F
6/17/18 19:15	451.82	94 F

EKPC 6 Highest Peaks

Date	Winter Peak (Including Nucor)	Minimum Monthly Temperature (LEX Airport)
1/17/2024	3,792	-2
12/23/2022	3,747	-5
2/20/2015	3,506	-18
1/2/2018	3,437	-3
1/29/2014	3,428	-6

Date	Summer Peak (Including Nucor)	Maximum Monthly Temperature (LEX Airport)
8/25/2023	2,498	93
8/9/2007	2,487	102
6/15/2022	2,465	98
8/12/2021	2,450	91
8/4/2010	2,439	96

TVA: Record energy demand Wednesday morning

- The Tennessee Valley Authority reached a record high power demand of 34,526 megawatts Wednesday morning (1/17/24), the energy provider said.
- That energy demand came as TVA's system area had an average temperature of 4 degrees.
- TVA is the largest public power corporation in the country, generating 90% of the Tennessee's electric generating capacity and three-fifths of its power plants. It is federally owned and serves 10 million by providing electricity to 153 local power companies.



Texas grid holds firm through frigid temperatures, 3 demand records, 2 conservation calls

The Texas power grid is more resilient than it was in 2021, when Winter Storm Uri caused widespread blackouts and almost 250 deaths.

- ERCOT set new unofficial peak winter demand records of 70,982 MW, 76,340 MW and 78,138 MW on Sunday, Monday and Tuesday, respectively (January 14, 15, 16, 2024).
- ERCOT is a summer peaking system and the all-time record demand is 85,508 MW, set in August.



Board of Directors
Approves Over
\$2 Million Capital Credit
Refund to Members



A Touchstone Energy Cooperative



Gross Amount Refunded	\$	2,272,158.41
Less:		
Uncollectible Accounts	\$	(45,308.98)
Final Bills Paid thru 11/30/23	\$	(2,716.09)
Gains (undeliverables, etc...)	\$	(534,744.00)
Total Net Refund:	\$	1,689,389.34

Disbursement Profile

13,547 Checks of \$75 or more (average check = \$89.62)	\$	1,214,140.47
48,472 Active Accounts Credited For amounts < \$75.00 (average credit = \$9.80)	\$	475,248.87



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

KENTUCKY ELECTRIC COOPERATIVES DUKE ENERGY KENTUCKY POWER An EPCOR Company IGE KU PPL COMPANY



Corporate Services

December 2023



Safety

23

DAYS WITHOUT A LOST TIME INJURY

23

DAYS WITHOUT A RECORDABLE INCIDENT

Safety Updates

- ▶ On-site Crew visits increased to 4 in December
- ▶ The Threat Assessment Team has reconvened and is currently working on a plan to consistently train, communicate, and investigate member and employee threats including but not limited to an active shooter situation
- ▶ First responder signs have been installed to better determine where a threat could be located
- ▶ Training sessions for de-escalation and threat assessment are being prepared
- ▶ There will be ongoing training in the coming months with the crews in the field concerning the role of a "designated observer" when performing energized work within minimum approach distance.



Human Resources

Staffing Updates

➤ Total Employee Count:125

- Executive: 2
- Member Services: 28
- Operations: 62
- Engineering: 19
- Corporate Services: 8
- IT: 5

➤ Positions Recently Filled

- Engineering: Meter System Administrator- Pending
- Operations: Operations Manager- Tony Bach (internal)
- Corporate Services: General Accountant- Tina Woodyard (internal)

Employee Relations Updates

- ▶ In response to the Employee Satisfaction Survey conducted in December, we are committed to improving employee communication and appreciation. Our first initiative is producing a monthly employee newsletter, which began in January.

Owen Electric Cooperative

Vol. 1 | Jan. 2024

Welcome to our Employee Newsletter

we're so glad you're here!

From the Desk of Mike Cobb...

CEO Updates: 2023 was a busy year in many facets. Here are some updates to share.

Emergency Response Plan Updated:

Owen's Emergency Response Plan was updated by the Operations Department and was submitted to the Public Safety Commission in December. A big thanks to all that contributed to the effort and special thanks to Gabby Welch and Christa Buffen for compiling the information and putting it together. A copy is available on the Circuit or by using the link below:

Emergency Response Plan 2023

New EV Tariff Coming Soon:

Owen has been working on a new tariff for residential EV Charging that gained PSC approval in December. This tariff will provide a \$0.02 discount on energy used to charge electric vehicles at home during off-peak hours (8:00 pm - 6:00 am). We're still a few months out from going live with our Residential EV Charging Tariff but we have a running list of interested members. If you know of someone with an EV or you engage with a member who has an EV, make sure to let Julie Carlsch or Mike Stafford know. They'll be happy to add them to our list and get them enrolled in the program in the Spring. For more information, a pdf copy of the tariff is included in this newsletter.

2023 Member Satisfaction Score Highest Ever:

Owen Electric achieved its highest ever ACSI score in 2023 - a "9" (on a scale from 1 - 100). This score places us well above the average score for investor-owned utilities, municipalities and our sister electric cooperatives. In 2023, we were one of the highest scored co-ops in the country! A huge thanks to all Co-op members who helped with this achievement!

Wholesale Power Tariff Change Results in Substantial Cost Savings:

In late 2022 we presented the idea to Owen's Board of notifying EKCPC of our intent to be billed under their 'E1' tariffed rate rather than their 'E2' tariffed rate and the results are presented below. The final wholesale power bill from EKCPC is in for 2023 and they saved \$69,151 for the year! A special Mike Stafford for evaluating the tariff options and leading us to this effort.



Table titled 'WHOLESALE POWER INVOICE' comparing Owen Electric's invoice to EKCPC's invoice. It shows significant savings in various categories, resulting in a total savings of \$69,151.

Finally, here is an update on Owen's RF (radio frequency) AMI Meter Exchange:

Single phase (SPH) - 86% complete. Between our personnel and the contractors, we have installed 63,978 RF meters in the field. Our contractor is working on the last substation area. They have 425 locations remaining to visit and change out the meter. They will likely finish by the end of January 2024. Our Field Service Representatives will be required to visit and exchange the meter at 557 locations. These were locations the contractor was unable to complete the work due to issues (steep, locked gate, meter inside, customer refusal, etc.). The goal is to complete those by the end of 2024.

Multiphase (MPH) - 52% complete. Our personnel have exchanged 591 PLC meters to RF. We will continue to exchange the remaining 523 PLC meters throughout this year and into 2025.

This has been a multi-year effort. Thanks to Tim Cannack for providing this information and the metering department and all others who have been involved in this project!

I hope you've found these updates informative and useful. Stay tuned for more next month!

Mike Cobb

Did you know?

Hey Everyone!

This month's educational article is brought to you by the Technology Department. For this month's topic we will provide a little deeper insight into Virtual Private Network (VPN) connections as they relate to our business practices at Owen Electric. A VPN connection as defined within our Acceptable Use Manual, is a virtual point-to-point connection using a special protocol and encryption to extend a private network across a public network such as the internet. A VPN connection can be

https://app.smartsheet.com/dashboards/6XQZn866CXh9mwp8GghJ6q32R67FvqKpwX5JXm1

established (either a physical piece of equipment (hardware VPN) or by computer application (software VPN)). Both cases are in use by the Cooperative, but we will focus on the software VPN experience.

Our software VPN solution uses a computer program installed by the Technology Department which is used to allow users to remotely connect to our internal network. The capability has been around for some time, but it wasn't widely used until COVID-19. Unlike the hardware based VPN our software VPN has an extra layer of security since it requires Two Factor Authentication (2FA) for remote access. The 2FA is another level of security used to verify that the user by using 2 different authentication factors based on knowledge, possession of inheritance, which include, something you know using attempting to connect to the Cooperative network is an authorized user. Our 2FA uses a combination of knowledge which is your username and password and possession which is the 2FA app on your mobile device. The Technology Department's process to provide VPN access involves three parts: the setup of the VPN software on your laptop, user account permissions and then account setup within our cloud based 2FA service. Once that is complete, the Technology Department will coordinate with the user to ensure that everything is working.

The processes to connect the software based VPN from the users perspective is a simple three step process: Open the VPN client program, submit their username/password combination and then approve the remote access request within the 2FA program. However, behind the scenes there are a lot of connections being made. There are no less than 8 unique steps that must be completed in the proper sequence involving a total of 4 servers and your laptop. Upon completion of the authentication process the VPN connection will be established and the application will allow users access to predefined network assets within our network. For example, network file shares on QEDSAR, web services for various applications (AMI, Call Managers, the Internal Outage Map) and programs such as LIPN can be run.

Sometimes users have a difficult time connecting over VPN. Why? As one may imagine with as many steps and systems involved with this process each step has a unique impact on the process. As always if you experience any issue please reach out to the helpdesk at helpdesk@owenelectric.com or x4357. Here are some quick items to check and help diagnose VPN problems:

- 1. Am you on a Wi-Fi network? A bad Wi-Fi signal between your computer and your Wi-Fi router can impact communications and result in timeouts that can prevent a proper connection. Can you try to move closer to the router or try a wired connection to your internet router?
2. Do you have a stable internet connection through your service provider? A poor internet connection can also impact communications and result in timeouts that can prevent proper connection. You can check your network speed and delay (latency) if you run a speed test at www.speedtest.net.
3. Is your cellular signal sufficient where you are located? A bad cellular signal can result in a delay in the push notification through the 2FA software.
4. Have you recently upgraded your mobile phone? If so, the Technology Department will need to send you two new links to download the 2FA program and an activation code to link your device with your 2FA program.
5. When is the last time you used VPN? If you have not been active on VPN for many months then your activation code may have expired. In this case, you will need to contact the Technology Department to re-issue an activation code for your 2FA program.

Employee Spotlight

BRAD TOWLES

Brad has been a service planner for his tenure at Owen Electric. Aside for performing line design for new services in Canton and Gallatin counties he has been heavily involved in re-configuration jobs and joint Use attachments regarding communications and rural. Use attachments regarding communications and rural. Use attachments regarding communications and rural.



Get to know Brad:

- 1. What do you love most about your job? I like meeting the new and existing members and designing new services.
2. Describe an interesting pastime hobby that you have. I love to fish, play golf, and hunt.
3. Do you follow any sports teams? Reds, bengals, Cowboys, and Wildcats.
4. What's your favorite memory from working at the company? Working with some of the legends when I was a summer help, Jack Ogden, Dave Wainwright, Jimmy Daniels, and Phillip Keith.
5. If you could pick any super power what would it be? I wish I could fly.
6. Would you choose a beach, lake or mountain trip? Beach trip for sure.
7. Sweet, Salty, or Sour? Sweet!

Let's Celebrate!

HAPPY BIRTHDAY!

- John Fitzgerald-Jan 2
-Ribbecca O'Leary-Jan 4
-Ashley Barrera-Jan 5
-Evan Menough-Jan 14
-Aliam Drenth-Jan 22
-Jimmy McCabe-Jan 30

HAPPY WORK ANNIVERSARY! Thank you for your continued commitment to Owen Electric!

- Virgil Wealty-20 years!
-Tara Thornberry-20 years!
-Rya Howard-1 year
-Jennifer Taylor-8 years
-Bobby Von Boken-17 years
-Christina Boiling-18 years
-Bryan Valls-18 years
-Simon Paters-17 years
-Brad Towles-17 years
-Bilama Forsee-5 years
-Nate Piccini-18 years
-Mike Marston-36 years
-Chris Smith-15 years
-Jeremy Wright-21 years
-Tom Nelke-5 years

OUTSTANDING PERFORMANCE- Jamie Taylor was recently recognized by one of our members for the outstanding service she provided. Read the kind note we received below. Hey to go, Jamie! Thanks to you and our outside team for representing the Co-op so well!

Good afternoon, I had the opportunity to visit your branch in Florence, KY in the Government Building yesterday 1/24/24. I was greeted by Jamie Taylor. Ms. Taylor was so very pleasant to work with and direct,

just wanted to let you know how lucky you are to have an employee who goes the distance for your customers because these days that is very rare.

HR Updates

-New in 2024 we will be including the families of our incredible employees in our birthday celebrations! Any child 16 or under can expect to receive a birthday card and small gift from the Co-op mailed to their home address. If you are unsure we have their dependent's information, please contact HR.

-As a reminder, the wellness program has restarted for 2024! You can start logging into ManageWell to reach up to the help desk on our 01 goals and monthly challenges.

-Payments for 2023 wellness program rewards are expected any day. They will come in the form of a Touchstone Mastercard and HR will disperse them as soon as they are received.

-The Corporate Services Department is actively researching new system programs to help streamline the process for updating employee's personal information and benefit elections. Stay tuned for more information!

Mark your Calendar!

January 22-24, 2024 OEC HQ: CPR Training-please check for an email from Trevor Evans with additional details around your scheduled training dates.

February 13, 2024 OEC HQ: Mardi Gras! What better way to celebrate Mardi Gras than with lots of food? We will have a day of grazing with each department responsible for a different course!

- Breakfast: Operations and Engineering
-Lunch: Member Services and IT
-Desserts: Corporate Services

OEC Fun Fact

Most of you know that Owen Electric is a Touchstone Energy Cooperative. Touchstone Energy is a national network and brand that provides resources and services to its member cooperatives. You're used to seeing their logo on cooperative signage and apparel, but do you know what the logo represents? The "three embers" as we often fondly refer to them, represent the human connections of the Cooperative system - owners, members, directors of the Board, and employees.



Safety Moment

Use a boot dryer every day to dry my boots but as the temperature has cooled, my boots decided to remove the top extension of the boot dryer to dry them out. Insulation got stuck coming in the house from the barn. It just so happened that I walked by the laundry room shortly after the dryer and noticed a unique smell coming from the boot dryer only to determine that the dryer gloves were not allowing the heat to properly escape and it began to melt the plastic on the tubes closest to the heater. Luckily I caught it before any major damage was done. There is specific instructions written on the dryer which read "No Boots Below This Line" which I paid no attention to. My recommendation is to always pay attention to and follow manufacturer recommendations and do not use a tool, in this case a boot dryer, for something other than it is designated for.

Josh Hearme

https://app.smartsheet.com/dashboards/6XQZn866CXh9mwp8GghJ6q32R67FvqKpwX5JXm1



Accounting

Financials to be provided at Board Meeting

Accounting Updates

Employee Retention Credit Ongoing and Pending

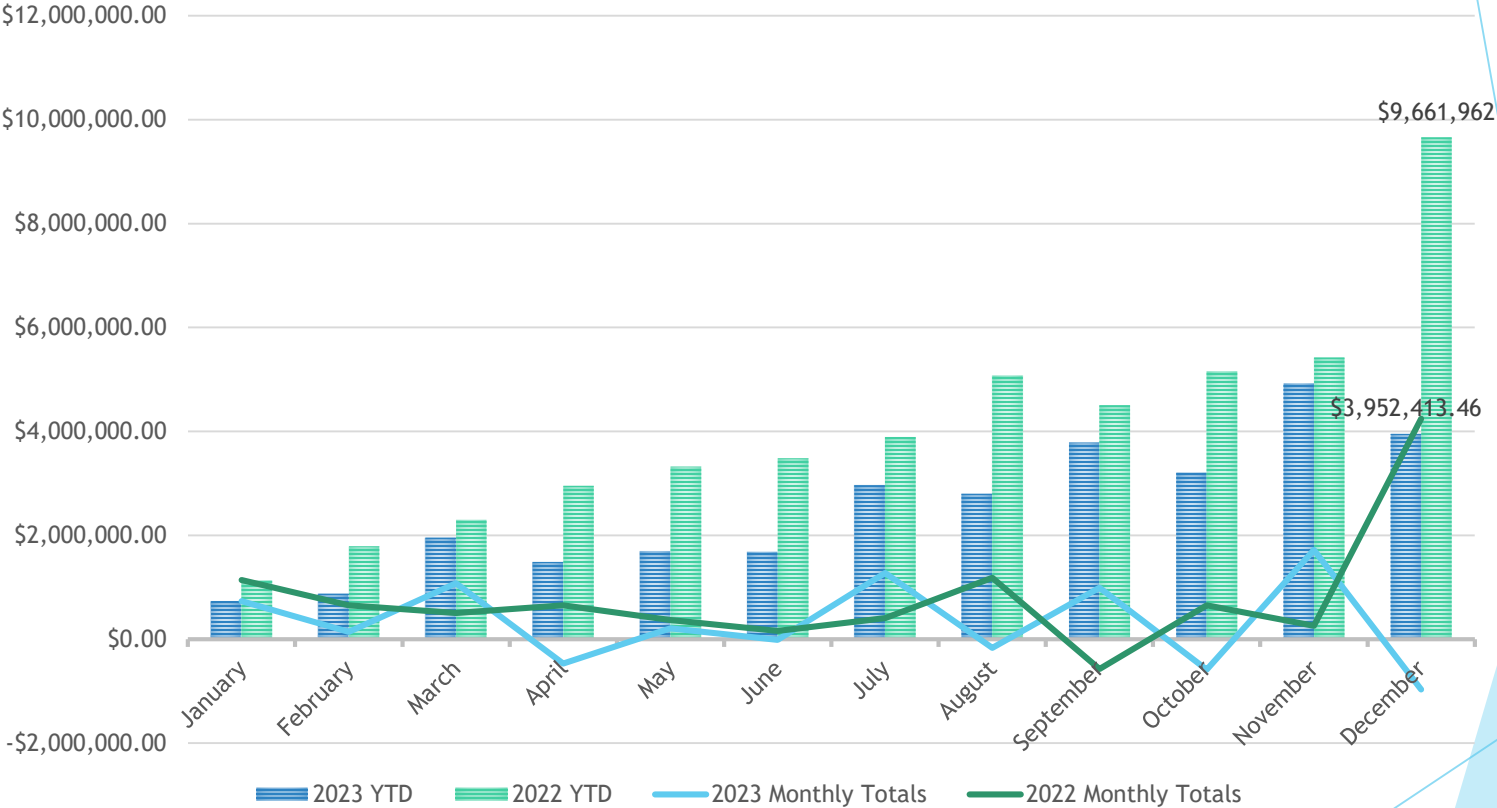
New member in our department Tina Woodyard

Preliminary Financials

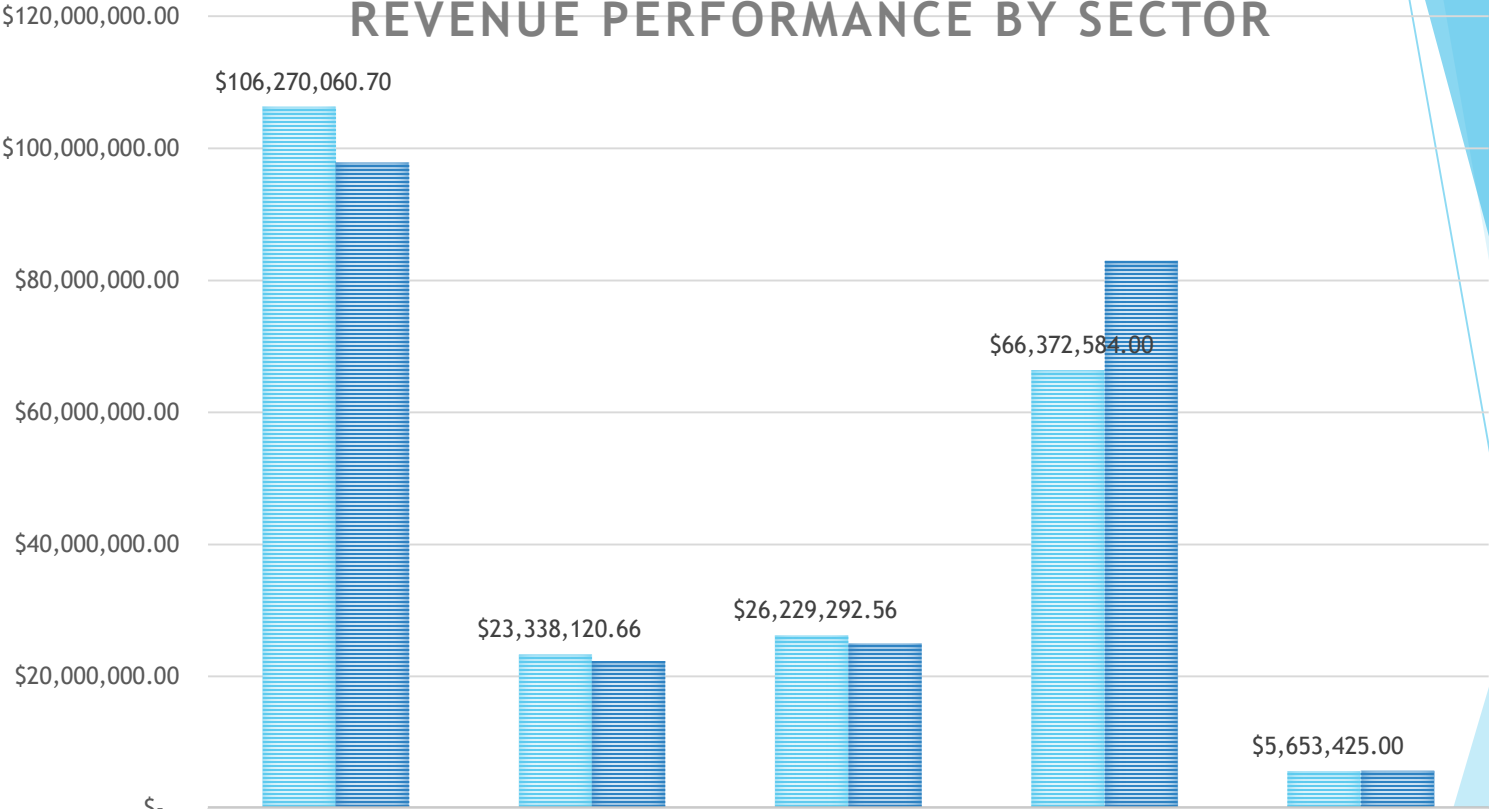
YTD Financial Highlights - Preliminary

2023 Operations Statement	2022 YTD	2023 YTD	Difference
Operating Revenue	\$ 227,863,482.92	\$ 233,830,020.47	\$ 5,966,537.55
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	\$ 41,165,506.86	\$ (269,353.75)
			\$ -
Distribution Expense-Operation	\$ 5,721,311.91	\$ 5,521,004.84	\$ (200,307.07)
Distribution Expense-Maintenance	\$ 5,988,699.32	\$ 6,797,320.90	\$ 808,621.58
Consumer Accounts Expense	\$ 3,980,843.08	\$ 4,093,592.61	\$ 112,749.53
Customer Service & Informational Expense	\$ 788,771.54	\$ 782,224.11	\$ (6,547.43)
Sales Expense		\$ -	\$ -
Administrative & General Expense	\$ 4,986,431.14	\$ 5,208,164.10	\$ 221,732.96
Total Controllable Costs	\$ 21,466,056.99	\$ 22,402,306.56	\$ 936,249.57
			\$ -
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	\$ 48,824.57	\$ (9,971.69)
Total Non Operating Expenses	\$ 14,977,827.52	\$ 16,168,190.37	\$ 1,190,362.85
			\$ -
Operating Margins	\$ 4,990,976.10	\$ 2,595,009.93	\$ (2,395,966.17)
			\$ -
Non-Operating Margins - Interest	\$ 343,804.90	\$ 868,752.48	\$ 524,947.58
Non-Operating Margins - Other	\$ 125,845.82	\$ (2,226.75)	\$ (128,072.57)
Generation & Transmission Capital Credits	\$ 3,912,025.65	Allocation Pending from EKPC	\$ (3,912,025.65)
Other Capital Credits & Patronage Dividends	\$ 289,309.50	\$ 490,877.33	\$ 201,567.83
Total Non Operating Margins	\$ 4,670,985.87	\$ 1,357,403.06	\$ (3,313,582.81)
			\$ -
Net Margins	\$ 9,661,961.97	\$ 3,952,412.99	\$ (5,709,548.98)

2023 NET MARGINS



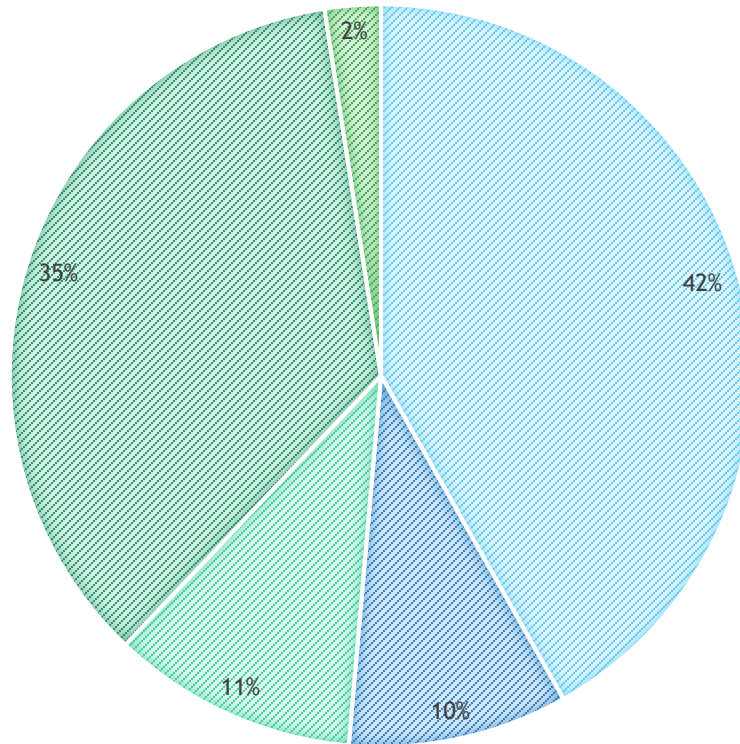
REVENUE PERFORMANCE BY SECTOR



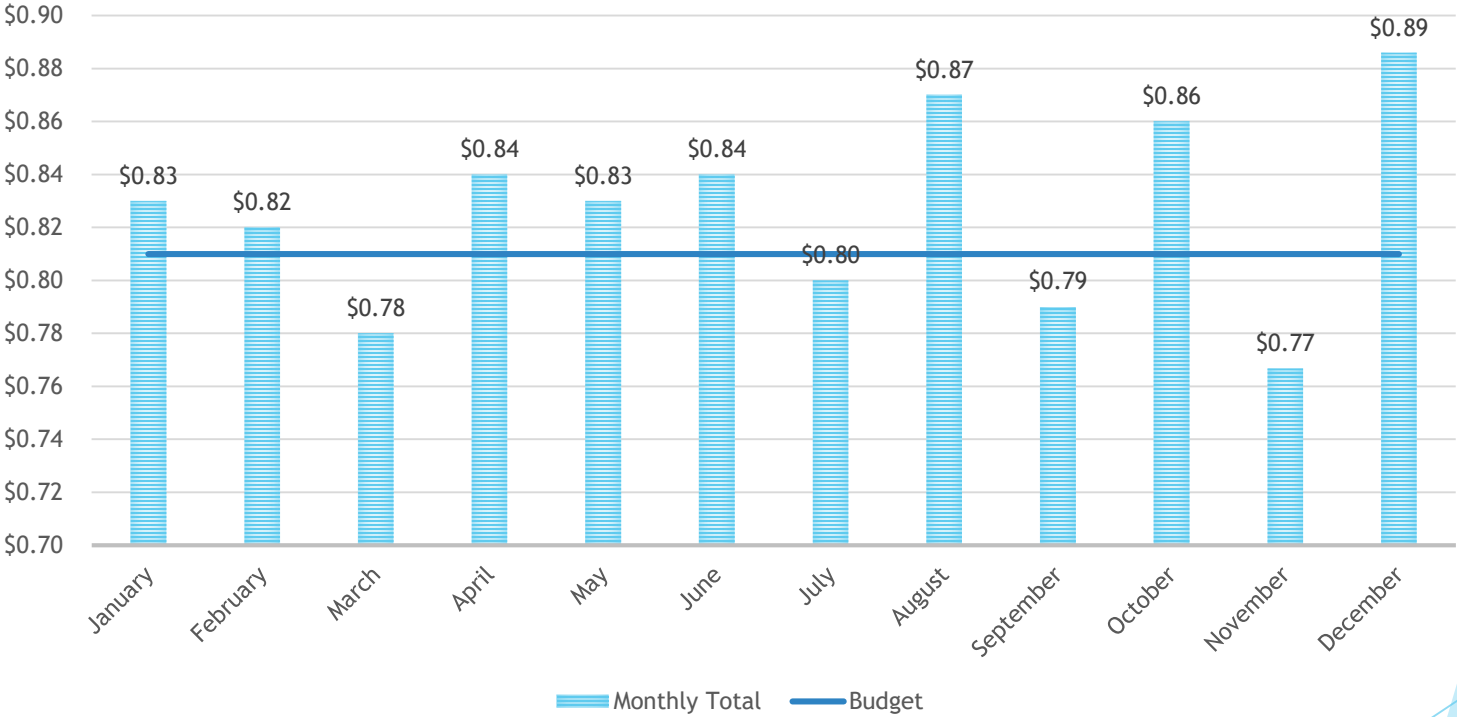
	Residential	Small Commercial	Large Commercial	Nucor/Gallatin Steel	Other
2022 Annual Total	\$106,270,060.70	\$23,338,120.66	\$26,229,292.56	\$66,372,584.00	\$5,653,425.00
2023 Annual Total	\$97,795,695.64	\$22,362,692.65	\$25,029,975.74	\$82,943,754.00	\$5,697,902.44

2023 REVENUE PERCENTAGE BY SECTOR

■ Residential ■ Small Commercial ■ Large Commercial ■ Nucor/Gallatin Steel ■ Other



POWER COST TO REVENUE



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)	2.126	2.126	1.25
O.T.I.E.R (OPERATING)	1.739	-	1.10
DSC (DEBT SERVICE COVERAGE)	2.622		1.35
ODSC (OPERATING)	-	2.576	1.35
MDSC <small>(Modified Debt Service Coverage)</small>		2.089	1.35
DISTRIBUTION EQUITY	-	31.66%	20%-35%
TOTAL EQUITY	-	53.06%	>27%
CURRENT RATIO		1.716	> 1.0
DAYS of CASH on HAND	114		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	\$ 1,477,000	4.77%	12/15/2023	393	\$ 76,911
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	\$ 689,191
CFC Commerical Paper		Various	4.75% - 4.94%		\$ 22,321.10



Signed financials will be included in Board Paq



OWEN Electric

Your local co-op since 1937

MEMBER SERVICES REPORT

JANUARY 25, 2024



December 2023 Statistics

Member Account Activity	Current Month 2023	Last Month 2023	Same Period Last Year 2022
Bank Deposits	\$11,816,087.55	\$11,819,644.72	\$12,443,103.38
Accounts Billed	66,183	66,327	65,494
Total Billing (Excluding Taxes)	\$13,331,986.12	\$11,226,340.60	\$14,666,733.22
Delinquent Notices Mailed	7,643	7,991	7,483
Total Delinquent Amount	\$2,251,154.92	\$1,284,769.35	\$1,255,525.55
Total Penalty Amount	\$106,358.09	\$64,041.48	\$62,291.81
Number of Arrangements	1,097	1,039	1,215
Total Amount of Arrangements	\$190,767.04	\$177,531.73	\$221,740.47
Return Check Amount	\$15,184.50	\$29,059.99	\$25,468.43
Number of Return Checks	97	101	74
Office Pymts (Walk-in & Drive-thru)	2,761	2,741	3,024
Cutoff Tickets	1,123	1,235	1,343
Actual Cutoffs	527	552	314
New Accounts Set Up	473	543	565
Service Orders	2,173	2,662	2,466
Calls Answered by Member Services Reps	7,529	7,727	8,883
Telelink Calls	24,138	22,893	29,226
Member Services Collection Program	\$1,465.36	\$2,609.95	\$5,368.27
Total Collections by Member Services	\$1,035,553.96		



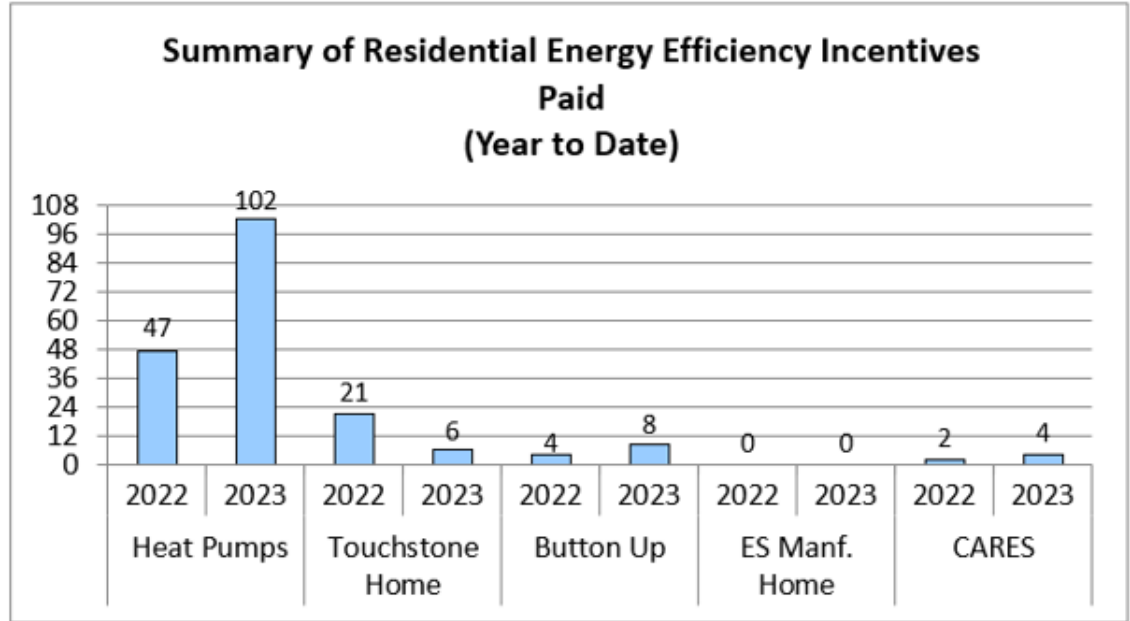
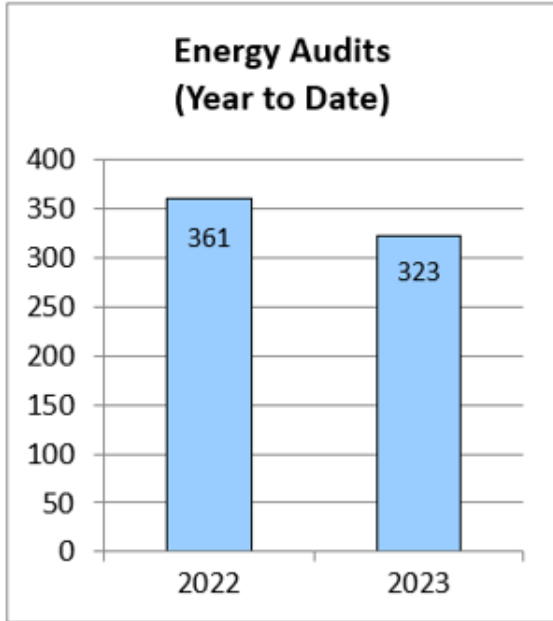
Statistics continued...

*	DEC. '23	NOV. '23	DEC. '22
COINCIDENT PEAK <i>(kW)</i>	228,589	235,436	346,827
ENERGY <i>(kWh</i> <i>MEASURED @ SUBS)</i>	120,258,322	104,779,566	136,559,484
AVERAGE TEMPERATURE <i>(MEASURED @ CVG)</i>	41.4^o	46.6^o	36.0^o
B RATE TOTALS <i>(kW)</i> & PERCENTAGE OF TOTAL LOAD	30,525 13.35%	29,297 12.44%	13,731 3.96%

***does not include Nucor**



Energy Programs Report



Direct Load Control (Simple Saver DSM Program)				
	Monthly Activity		Program Total	
	Installations	Removals		
HVAC	0	1	HVAC	2,611
Water Heater	0	1	Water Heater	1,618
Thermostat	22	1	Thermostat	1,156
Totals	22	3	Totals	5,385

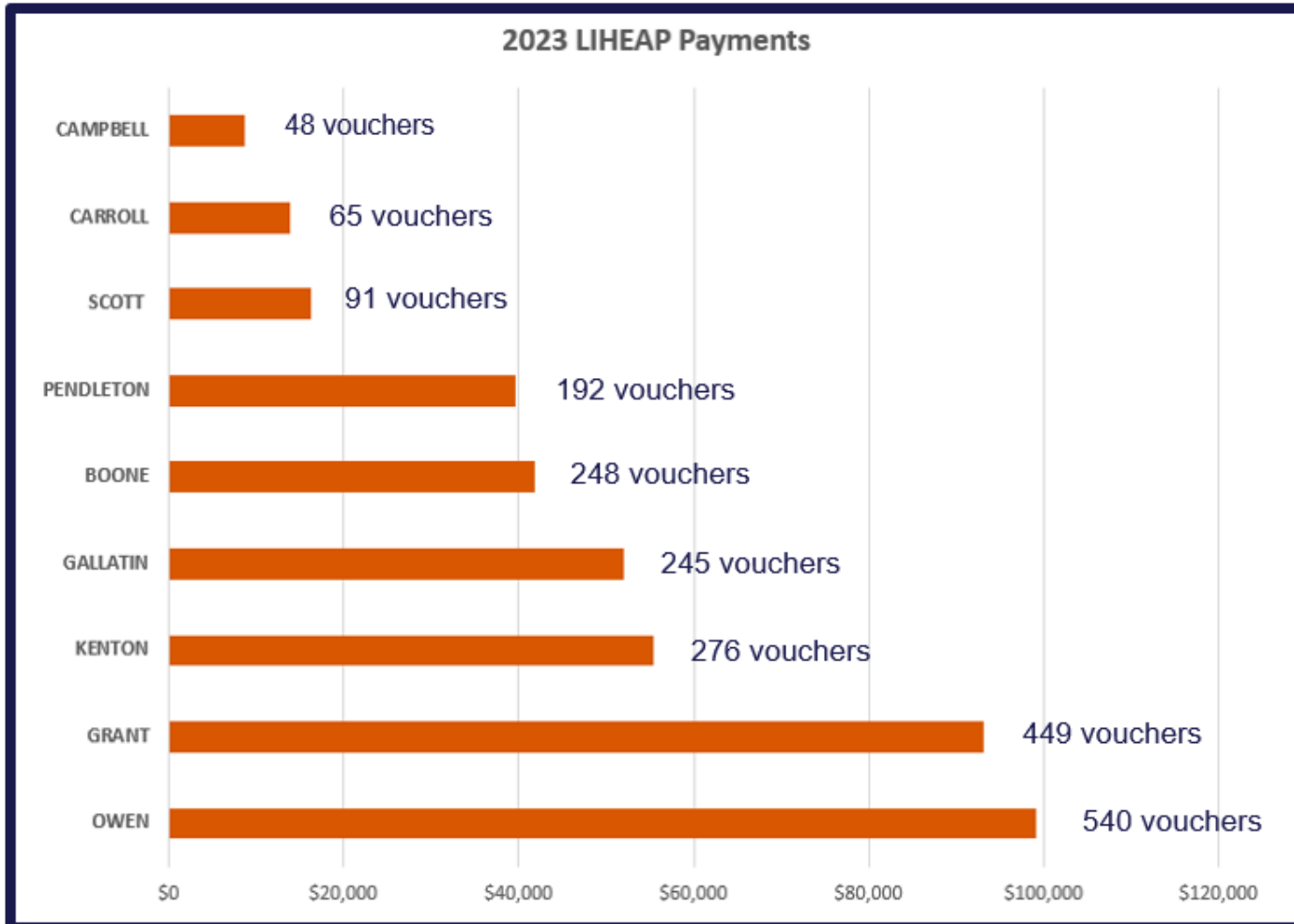


2023 Wintercare Donations

WINTERCARE CONTRIBUTIONS		
	MEMBERS	CO-OP MATCH
JANUARY	\$826.24	\$826.24
FEBRUARY	\$716.59	\$716.59
MARCH	\$568.69	\$568.69
APRIL	\$408.52	\$408.52
MAY	\$457.30	\$457.30
JUNE	\$461.33	\$461.33
JULY	\$546.10	\$546.10
AUGUST	\$488.98	\$488.98
SEPTEMBER	\$571.35	\$571.35
OCTOBER	\$550.46	\$550.46
NOVEMBER	\$580.05	\$580.05
DECEMBER	\$559.86	\$559.86
2023 TOTAL:		\$13,470.94

AVERAGE MONTHLY MEMBER
CONTRIBUTION:

\$561.29



2023 – Year in Review

- RECORD HIGH “91” ACSI SCORE
- SUBSTANTIAL SAVINGS ON EKPC POWER BILL WITH “E” RATE
- \$1,000,000 COLLECTIONS MILESTONE



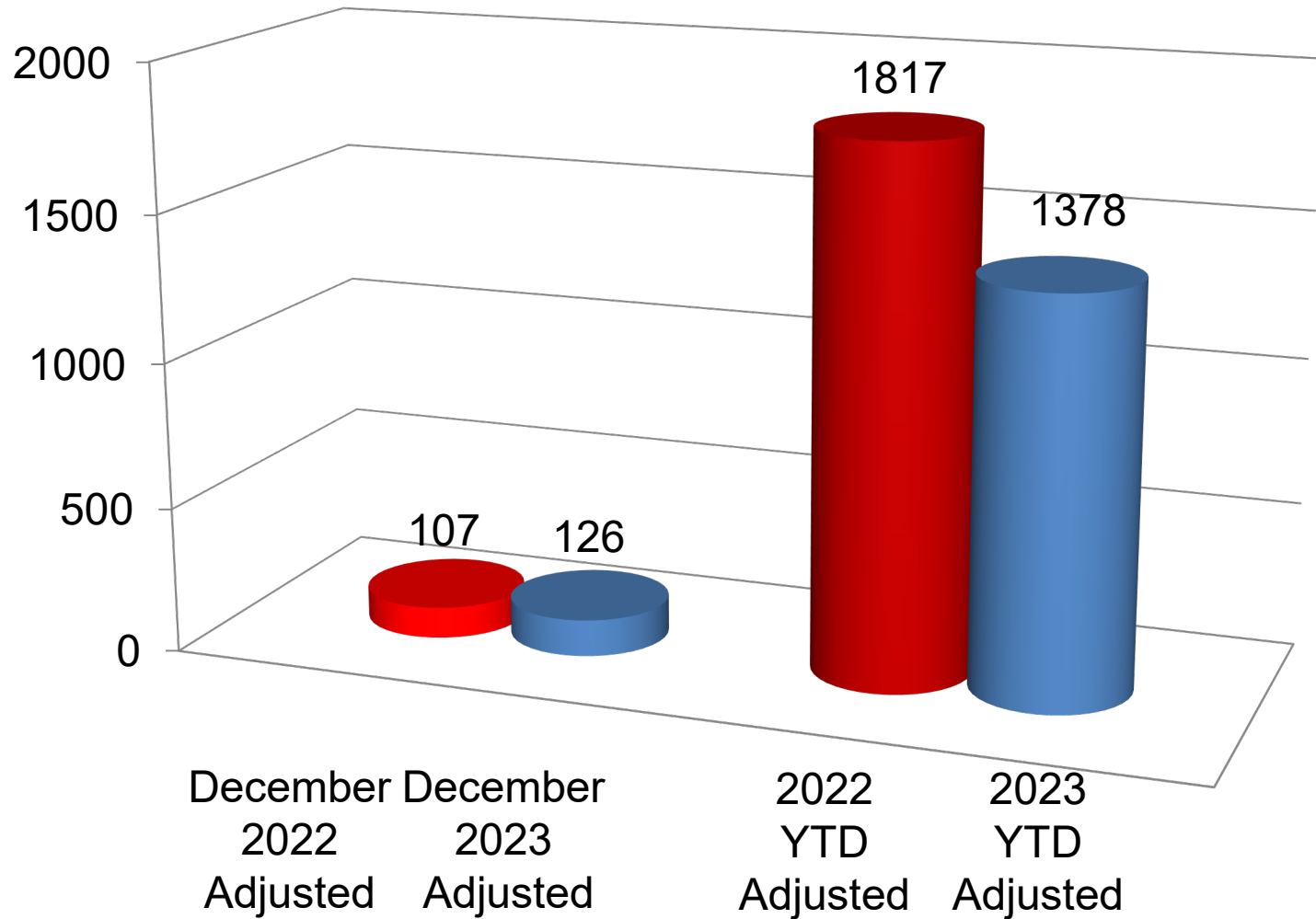
- RECORD IN REBATE/INCENTIVE PARTICIPATION
- EV OFF-PEAK CHARGING PILOT
- EV CHARGE STATION ADVERTISING



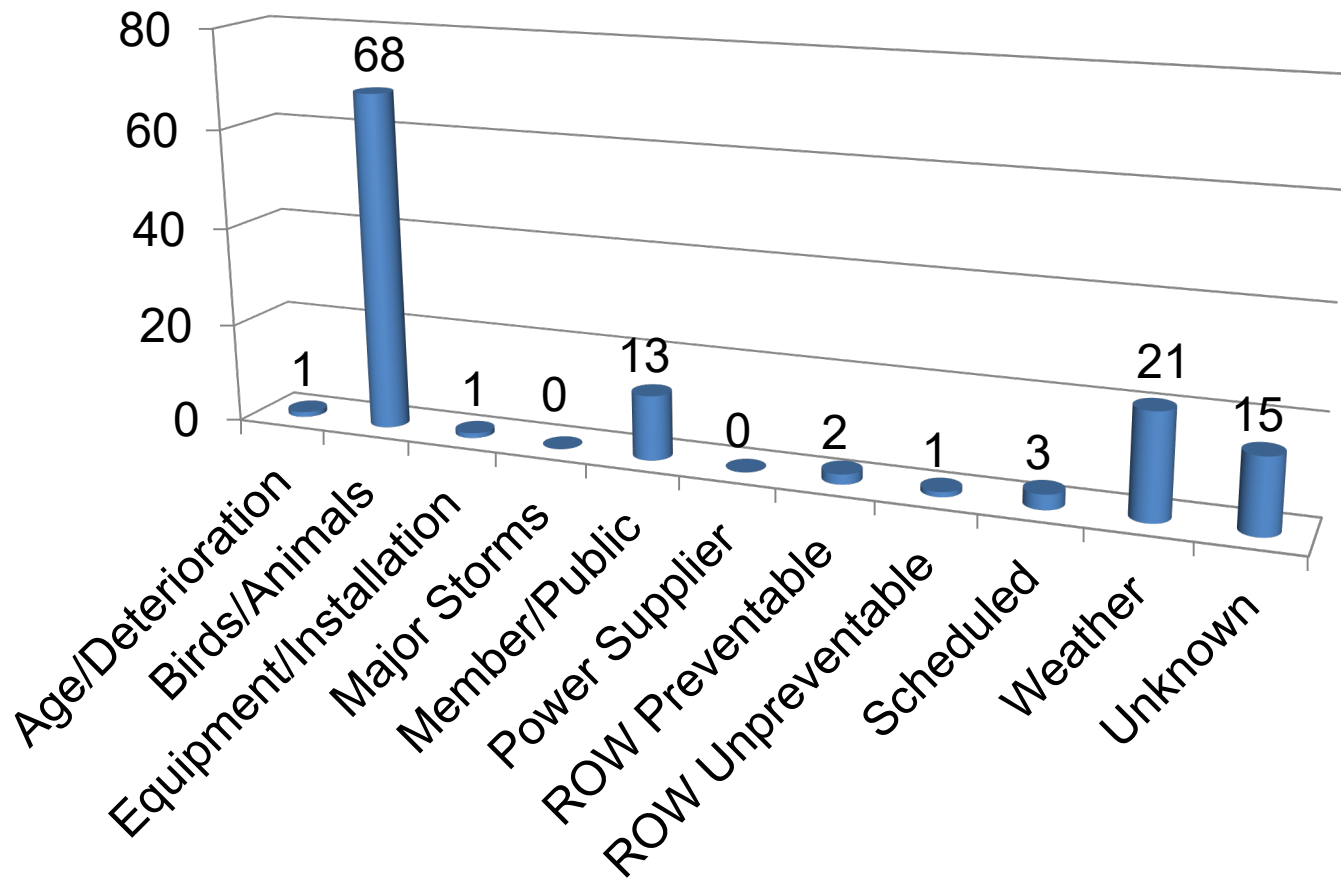
Operations Board Report

January 2024

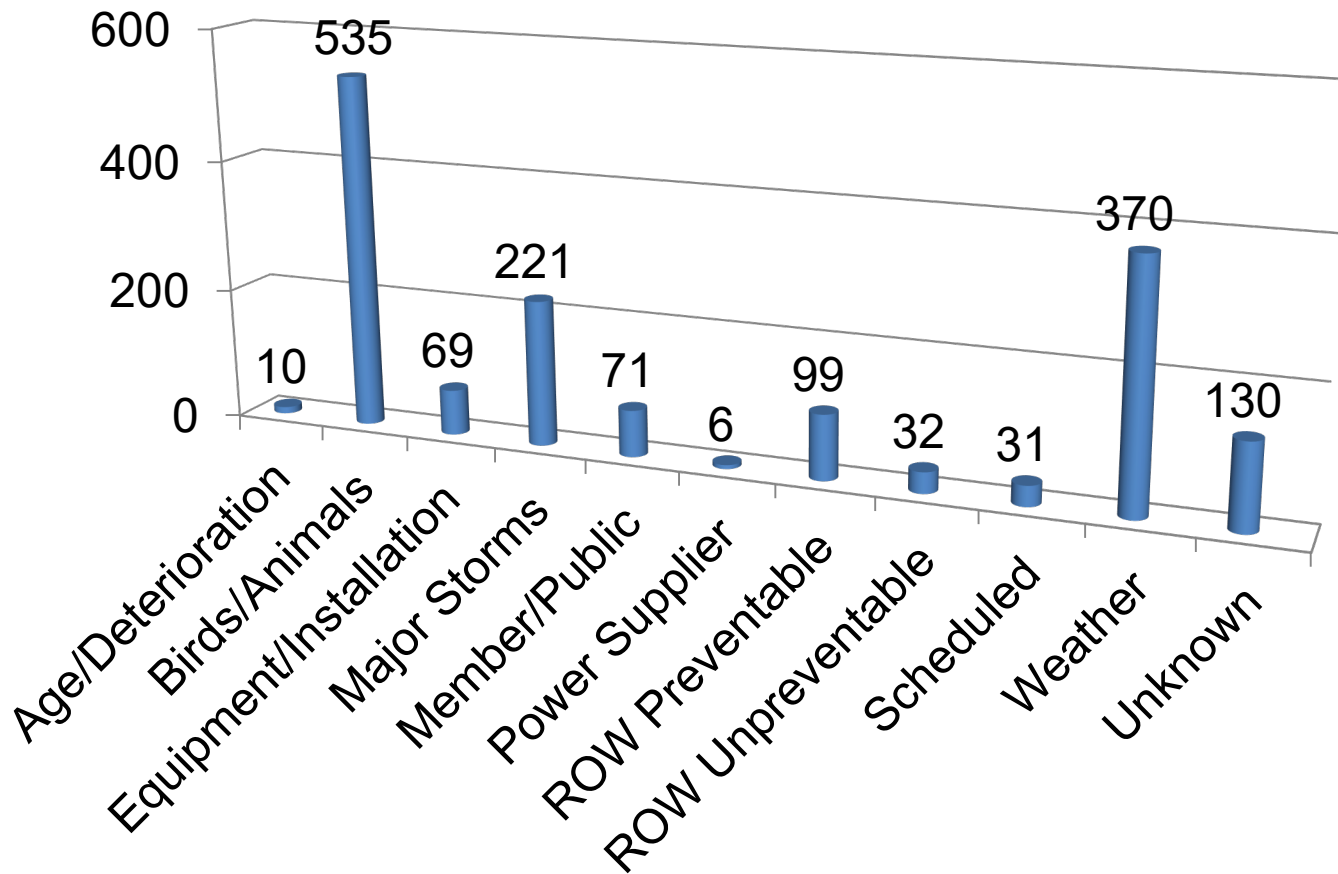
2023 Interruptions



Number of Interruptions by Outage Type – Dec.



Number of Interruptions by Outage Type – 2023



Organizational Change



- Tony Bach
- 24+ years with Co-op
- Field Dist Supv – Walton
- Accepted the Operations Manager Position



Technology Report

January 2024



Engineering

Jennifer Taylor

2023 Reliability KPI

	Q1	Q2	Q3	Q4	YTD
SAIDI	19.24	27.13	27.69	9.980	83.970
SAIFI	0.190	0.260	0.310	0.160	0.910
MED	3	0	1	0	3

THRESHOLD
TARGET
STRETCH

	SAIDI	SAIFI
Threshold	91.93	1.07
Target	73.86	0.95
Stretch	67.84	0.84
Yearly Indices		

Joint Use Update

PSC Informal Conference on Jan. 5th

- Following the LRC meeting on Broadband in Dec., PSC scheduled an informal conference to discuss the efficacy of the pole attachment regulation
- Charter, LGE/KU, Ky Power and KEC were largest contributors to the discussion
- Sean Knowles provided most response on behalf of coops
- Biggest issue presented by Charter is speed of permits
- Follow up informal meeting part 2 is expected



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

February 21, 2024-Legislative Reception, 6:00pm, Frankfort, KY
February 29, 2024-Regular Board Meeting, 9:00am, HQ-Owenton, KY
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, Nashville, TN
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



Information Agenda

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