

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
May 30, 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 May 30, 2024. All Directors were present along with: Mike Cobb, Mike Stafford, Christina Perkins, Brian Jones, Jennifer Taylor, Jim Petreshock, Erin Rehkamp, 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 Rick Messingschlager, the Board voted unanimously to adopt the May 30, 2024, Board Meeting Agenda as presented.

MINUTES

APPROVED Upon a motion by Hope Kinman, second by Eddie McCord, the April 25, 2024, Regular Board Meeting Minutes were approved as submitted.

**SAFETY
MOMENT**

Brian Jones gave the safety moment on the need to use safety glasses in yard work and around the farm.

NEW

EMPLOYEE Mike Stafford introduced new employee Brandy Godawa hired in the call center.

RETIRING

EMPLOYEE Brian Jones introduced Bruce Taylor who is retiring after 34 years of dedicated service.

MEMBER

CONCERNS None.

NEW MEMBERS

ACCEPTED The Directors then reviewed and accepted the listing of 435 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 April expenses incurred by the President, Consultant and Directors.

UNCOLLECTIBLE WRITE-OFFS AND CAPITAL CREDIT PAYMENT

The Board reviewed 50 member write-offs of \$13,231.57.

The Board reviewed payment of \$19,034.19 in Capital Credits.

Upon a motion by Rick Messingschlager, second by Alan Ahrman, 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 May, 2024, in accordance with the summary attached hereto and made a part of these minutes.

Mike reviewed with the Board the following:

The Environmental Surcharge (ES) and Fuel Adjustment (FAC) monthly volatility from a historical perspective. The Coop has little control over either the ES or FAC.

The Coops accumulation of depreciation as a percentage (%) of plant in service. Mike advised a depreciation study will soon be needed by the Coop.

New EPA Regulations and the potential effect on the ES.

The 1 MW and how much power is needed to supply common facilities in our communities.

10 years of Key Historical Trends for the Coop to include employee count, meters served, total balance sheet, equity, tier, operating costs, cost of power and margins.

CORPORATE SERVICES AND ACCOUNTING

Erin Rehkamp presented the Corporate Services and Accounting report in accordance with the summary attached hereto and made part of these minutes. Erin reported \$3,175,862.53 net margins through April 2024 with a net margin loss in April of \$285,479.61. Erin reported the cost of power in April was \$.81 cents of every dollar of revenue.

Erin reported the Coop has gone 129 days as of May 30, 2024, without a lost time injury or a recordable incident. Erin 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 April, 2024, of 66,510 compared to 65,676 for the same period last year. Mike reported energy audits of 155 year-to-date compared to 133 for the same period last year. Christina Perkins

updated the Board on the top 20 key Coop industrial accounts.

OPERATIONS

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

TECHNOLOGY

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

ENGINEERING

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

EKPC REPORT

Alan Ahrman gave the May, 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. STRATEGIC PLANNING

Rick Messingschlager discussed the May 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

Membership Appreciation Days – June 6-7, 2024

Annual Business Meeting – June 7, 2024

EKPC Annual Meeting – June 11, 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

Directors Conference - January 25-28, 2025

OEC Regular Board Meeting - January 30, 2025

OEC Regular Board Meeting - February 27, 2025

NRECA Power Xchange - March 7-12, 2025

OEC Regular Board Meeting - March 27, 2025

OEC Regular Board Meeting - April 24, 2025

NRECA Legislative Conference - April 27-30, 2025

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





OWEN *Electric*

A Touchstone Energy Cooperative 

REGULAR BOARD MEETING

May 30, 2024

Agenda

- 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*

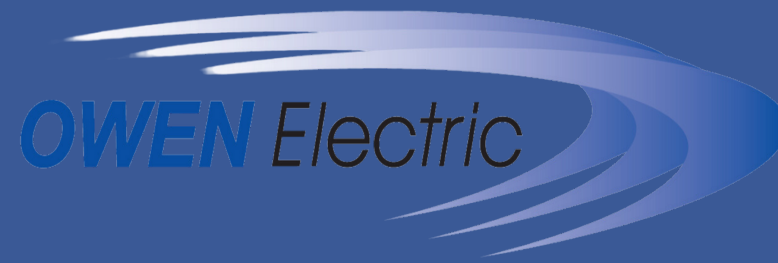
Safety Moment

Brian Jones

A Touchstone Energy[®] Cooperative 



Welcome Brandy Godawa, Member Service Representative



A Touchstone Energy Cooperative 



HAPPY RETIREMENT!

Bruce Taylor

34 Years of Service



A Touchstone Energy Cooperative 

Review/Discuss Member Compliments and/or Concerns

Review Agenda

- Review New Members: 435
(Listing on Board Table & in Board Paq)
- Review Listing of Terminated Accounts:
161 Members at \$21,643.20
(Listing on Board Table & in Board Paq)

Review Agenda

**Review of President's,
Directors' and
Consultant Expenses**



Consent Agenda Items

- Approve Uncollectible Member Write-offs:
50 Members at \$13,231.57
(Listing on Board Table and in Board Paq)
- Approve Payment of Capital Credits: \$19,034.19
(Tab 11)
- Approval of Consent Agenda Items
 - Motion _____
 - Second _____



President/CEO Report

May 30, 2024

Board Meeting



President's Report Topics

- Environmental Surcharge and Fuel Adjustment Monthly Volatility
- Depreciation Review
- New EPA Regulations
- Understanding 1 MW
- Key Historical Trends
- Annual Meeting Review



Owen's Has Not Sought a Rate Increase since 2013
 However, rates have been adjusted once due to an EKPC rate increase
 and twice due to EKPC FAC Adjustments. (Soon to be 3)

DATE RANGE	FACILITY CHARGE	RESIDENTIAL RATE (PER kWh)	ENVIRONMENTAL SURCHARGE (ANNUAL AVERAGE)	FUEL ADJUSTMENT Charge / Credit (ANNUAL AVERAGE)
September 1, 2013	OEC RATE INCREASE			
2013	\$17.10 ↑	\$0.08756 ↑	12.36%	-\$0.00028
2014	\$17.10	\$0.08756	9.46%	\$0.00118
March 1, 2015	OEC REVENUE-NEUTRAL RATE CASE (Phase 2)			
2015	\$20.00 ↑	\$0.08491 ↓	10.08%	-\$0.00379
2016	\$20.00	\$0.08491	7.51%	-\$0.00477
September 1, 2017	FAC CREDIT ROLL-IN			
2017	\$20.00	\$0.08245 ↓	10.31%	-\$0.00523
2018	\$20.00	\$0.08245	9.29%	-\$0.00254
2019	\$20.00	\$0.08245	10.50%	-\$0.00402
February 1, 2020	FAC CREDIT ROLL-IN			
2020	\$20.00	\$0.08089 ↓	12.66%	-\$0.00675
October 1, 2021	EKPC RATE INCREASE			
2021	\$20.67 ↑	\$0.08362 ↑	11.32%	-\$0.00360
2022	\$20.67	\$0.08362	9.08%	\$0.01337
2023	\$20.67	\$0.08362	10.52%	\$0.01200
2024	\$20.67	\$0.08362	9.45% YTD	\$0.00990 YTD
6/1/2024*	FAC ADJUSTMENT ROLL-IN			
2023	\$20.67	\$0.09527 ↑	*Pending before the PSC	



In it's recent order the PSC has calculated FAC Roll-In Rates that differ from what the Coops proposed. In Owen's case they 'shorted' our kWh charge by \$0.00008 (or approximately \$100,000 annually).

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	Order	Proposed	Difference
Big Sandy RECC	0.01184	0.01187	-0.00003
Blue Grass Energy	0.01178	0.01181	-0.00003
Clark Energy	0.01178	0.01183	-0.00005
Cumberland Valley Electric	0.01177	0.01176	0.00001
Farmers RECC	0.01180	0.01185	-0.00005
Fleming-Mason	0.01162	0.01173	-0.00011
Grayson RECC	0.01179	0.01183	-0.00004
Inter-County Energy	0.01157	0.01182	-0.00025
Jackson Energy	0.01180	0.01182	-0.00002
Licking Valley RECC	0.01187	0.01201	-0.00014
Nolin RECC	0.01174	0.01180	-0.00006
Owen Electric	0.01157	0.01165	-0.00008
Salt River Electric	0.01168	0.01170	-0.00002
Shelby Energy	0.01158	0.01160	-0.00002
South Kentucky RECC	0.01180	0.01181	-0.00001
Taylor County RECC	0.01190	0.01194	-0.00004



Environmental Surcharge and Fuel Adjustment Monthly Volatility

ENVIRONMENTAL SURCHARGE & FUEL ADJUSTMENT FACTORS					
BILL MONTH	ES PERCENTAGE	FUEL FACTOR			
Jan-23	10.50%	\$ 0.01791			
Feb-23	7.66%	\$ 0.01193			
Mar-23	0.62%	\$ 0.01981			
Apr-23	10.06%	\$ 0.01300			
May-23	14.50%	\$ 0.01251			
Jun-23	10.36%	\$ 0.00943			
Jul-23	14.10%	\$ 0.01401			
Aug-23	14.41%	\$ 0.00355			
Sep-23	13.45%	\$ 0.00541			
Oct-23	6.78%	\$ 0.01102			
Nov-23	10.52%	\$ 0.01088			
Dec-23	13.28%	\$ 0.01456	12 Mo. Average - 2023	10.52%	\$ 0.01200
Jan-24	12.00%	\$ 0.00910			
Feb-24	10.29%	\$ 0.00497			
Mar-24	9.03%	\$ 0.00704			
Apr-24	2.79%	\$ 0.01458	YTD Average - 2024	0.0945	\$ 0.00990
May-24	13.14%	\$ 0.01380			
Jun-24					
Jul-24					
Aug-24					
Sep-24					
Oct-24					
Nov-24					
Dec-24					

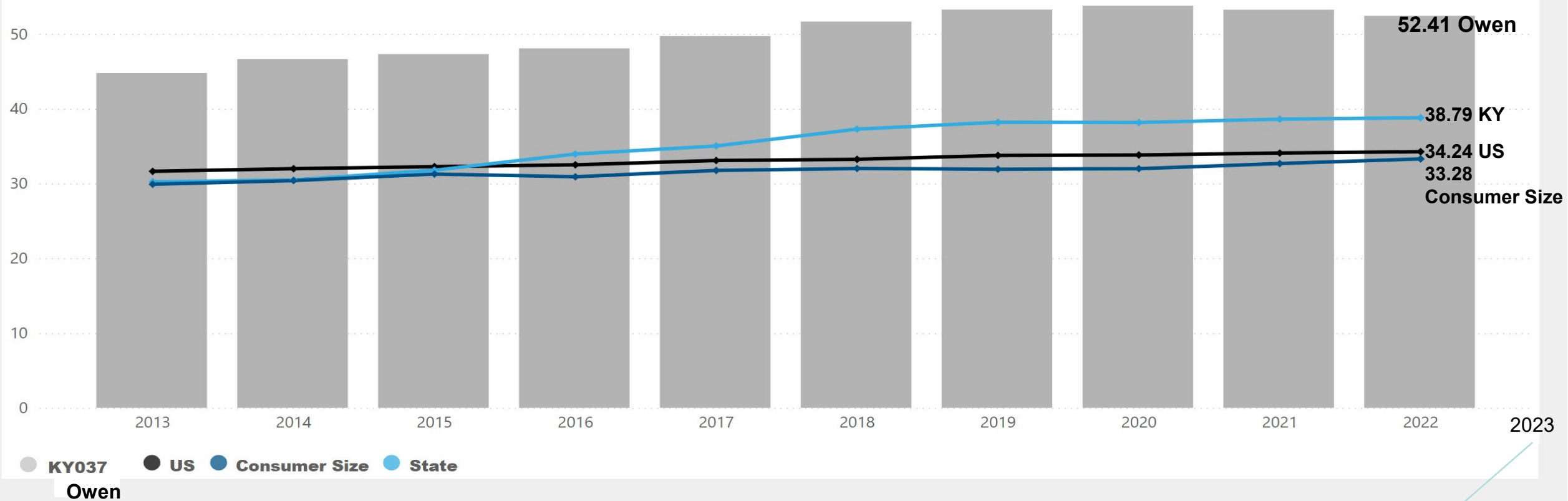
Range: **Highest** / **Lowest**



ES & FUEL ADJUSTMENT (HISTORICAL)

2015 - 2016			2017 - 2018			2019 - 2020			2021 - 2022		
BILL MONTH	ES PERCENTAGE	FUEL FACTOR	BILL MONTH	ES PERCENTAGE	FUEL FACTOR	BILL MONTH	ES PERCENTAGE	FUEL FACTOR	BILL MONTH	ES PERCENTAGE	FUEL FACTOR
Jan-15	12.75%	-0.00237	Jan-17	11.76%	-0.00661	Jan-19	11.83%	-0.00380	Jan-21	13.97%	-0.00605
Feb-15	8.01%	-0.00092	Feb-17	6.54%	-0.00316	Feb-19	7.62%	0.00117	Feb-21	9.37%	-0.00398
Mar-15	2.00%	-0.00313	Mar-17	0.89%	-0.00169	Mar-19	7.35%	-0.00448	Mar-21	3.30%	-0.00243
Apr-15	9.03%	-0.00301	Apr-17	6.79%	-0.00450	Apr-19	8.44%	-0.00288	Apr-21	7.31%	-0.00493
May-15	7.91%	-0.00449	May-17	11.66%	-0.00792	May-19	11.93%	-0.00536	May-21	9.00%	0.00186
Jun-15	12.52%	-0.00688	Jun-17	9.85%	-0.00495	Jun-19	10.23%	-0.00209	Jun-21	10.95%	-0.00565
Jul-15	14.49%	-0.00857	Jul-17	14.67%	-0.00698	Jul-19	13.99%	-0.00517	Jul-21	19.91%	-0.00703
Aug-15	12.88%	-0.00145	Aug-17	11.46%	-0.00453	Aug-19	12.17%	-0.00329	Aug-21	17.38%	-0.00424
Sep-15	10.10%	-0.00185	Sep-17	11.93%	-0.00559	Sep-19	11.06%	-0.00422	Sep-21	11.68%	-0.00301
Oct-15	9.00%	-0.00359	Oct-17	9.61%	-0.00506	Oct-19	8.32%	-0.00479	Oct-21	9.84%	-0.00318
Nov-15	10.03%	-0.00386	Nov-17	13.53%	-0.00816	Nov-19	10.90%	-0.00672	Nov-21	9.51%	-0.00276
Dec-15	12.23%	-0.00544	Dec-17	15.00%	-0.00361	Dec-19	12.11%	-0.00659	Dec-21	13.61%	-0.00183
Jan-16	9.91%	-0.00432	Jan-18	11.75%	-0.00344	Jan-20	14.09%	-0.00765	Jan-22	10.94%	0.01133
Feb-16	8.46%	-0.00263	Feb-18	9.96%	-0.00193	Feb-20	9.63%	-0.00024	Feb-22	10.52%	0.01840
Mar-16	6.98%	-0.00404	Mar-18	3.45%	-0.00015	Mar-20	7.13%	-0.00461	Mar-22	10.16%	0.00693
Apr-16	2.05%	-0.00276	Apr-18	2.26%	0.00525	Apr-20	10.34%	-0.00669	Apr-22	4.26%	0.00667
May-16	7.05%	-0.00669	May-18	11.89%	-0.00161	May-20	11.70%	-0.00850	May-22	10.81%	0.01224
Jun-16	9.36%	-0.00762	Jun-18	9.80%	-0.00217	Jun-20	17.41%	-0.01061	Jun-22	10.07%	0.00846
Jul-16	8.80%	-0.00721	Jul-18	10.70%	-0.00225	Jul-20	18.19%	-0.01168	Jul-22	12.26%	0.00891
Aug-16	9.17%	-0.00583	Aug-18	9.82%	-0.00067	Aug-20	17.71%	-0.00683	Aug-22	12.58%	0.00857
Sep-16	4.90%	-0.00310	Sep-18	8.96%	-0.00675	Sep-20	14.70%	-0.00418	Sep-22	6.00%	0.01538
Oct-16	5.50%	-0.00336	Oct-18	10.53%	-0.00603	Oct-20	6.71%	-0.00433	Oct-22	4.14%	0.01511
Nov-16	7.87%	-0.00395	Nov-18	11.57%	-0.00557	Nov-20	10.83%	-0.00687	Nov-22	8.64%	0.02194
Dec-16	10.07%	-0.00573	Dec-18	10.82%	-0.00516	Dec-20	13.42%	-0.00877	Dec-22	8.56%	0.02653

97 - Accumulative Depreciation as a % of Plant in Service



2023 – 52.87%

New EPA Regulations Place Reliable and Affordable Electricity At Risk:

Late last month, the EPA announced four major new regulations that will significantly impact our power supplier, East Ky Power, (and ultimately Owen Electric's ability) to provide reliable and affordable electric to our members. Below is an article from NRECA that summarizes the new rules and the concerns surrounding the regulation's impacts:

"The Environmental Protection Agency released four major new regulations for the electric industry April 25th, including a much-anticipated rule to cut emissions from power plants, a sweeping move that NRECA CEO Jim Matheson said will aggravate reliability concerns for electric cooperatives and other utilities nationwide.

"The path outlined by the EPA is unlawful, unrealistic and unachievable," Matheson said "It undermines electric reliability and poses grave consequences for an already stressed electric grid."

The power plant rule constrains existing coal and new natural gas plants by requiring them to deploy carbon capture and sequestration (CCS), a technology that is not yet proven or commercially available. The other three new rules tighten standards for mercury and air toxics and wastewater and impose requirements on legacy coal ash sites.

"This barrage of new EPA rules ignores our nation's ongoing electric reliability challenges and is the wrong approach at a critical time for our nation's energy future," Matheson said. He noted that the power plant rule would force the early retirement of always-available generation sources and limit construction of new natural gas plants just as the power sector is facing a surge in demand from factors like transportation electrification and the rapid expansion of data centers to support artificial intelligence, e-commerce and cryptocurrency.

Under the new rule, existing coal-fired units that plan to operate past the start of 2039 must reduce emissions of carbon dioxide by 90% by 2032. Units retiring before 2039 must co-fire with natural gas at a 40% rate starting in 2030.

Existing coal units that commit to close by 2032 will be exempt from the new requirements. The rule also requires new natural gas plants operating as baseload—above a 40% capacity factor—to capture or avoid 90% of their carbon emissions by 2032. Operation of a natural gas unit without additional emissions controls is limited to 20% capacity factor.

The standards will inhibit cooperatives' ability to economically and reliably replace lost coal generation. Cooperatives building new gas-fired facilities will either need to install CCS capturing nearly all emissions or run new gas units that can only operate a small portion of the time.

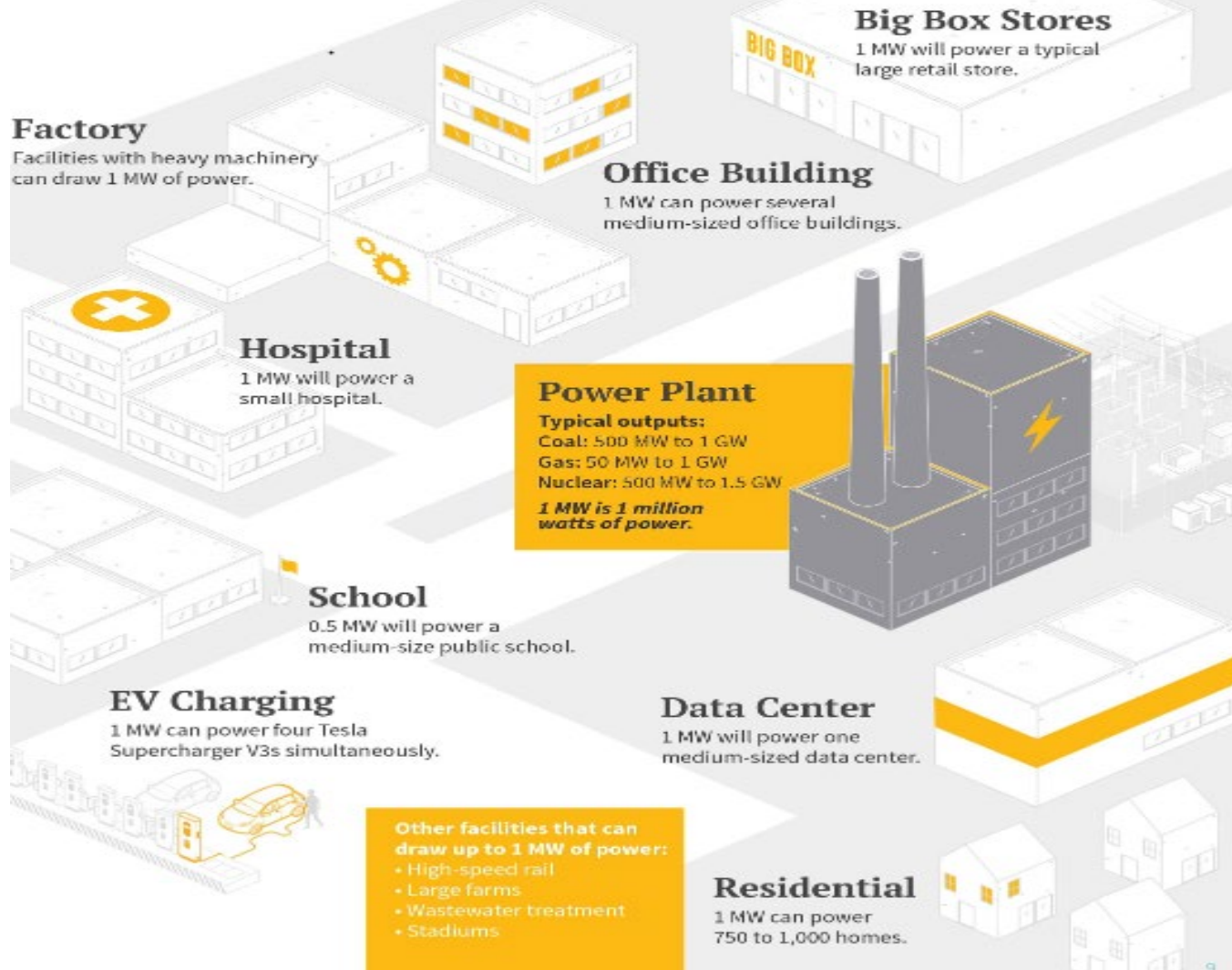
The updated mercury and air toxics rule sets new limits on certain coal plant emissions. The effluent standards regulate wastewater discharges into water bodies near coal plants. And the legacy coal ash rule covers surface impoundments at inactive power plants and historical coal ash disposal sites.”

¹By Molly Christian, NRECA Staff Writer

What Is 1 MW?

First in a series

Exploding demand for electricity, lingering supply chain challenges and short-sighted public policy aimed at rapidly eliminating fossil fuels from power generation have forced large portions of the United States to confront unprecedented power shortages and soaring costs. This series of infographics will look at the most critical elements at play in this time of transition for our industry and our society. This month, we examine the familiar measurement of 1 megawatt and how much power is needed to supply common facilities in our communities.

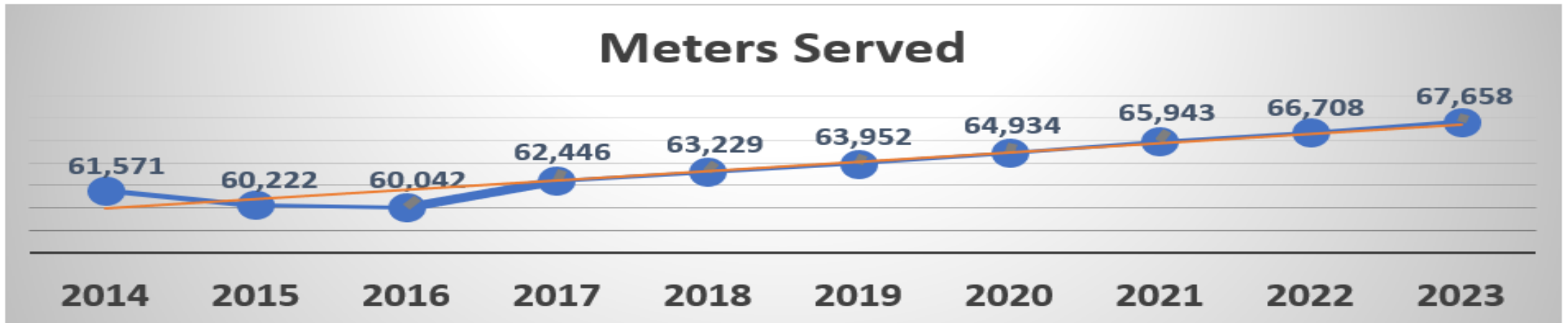
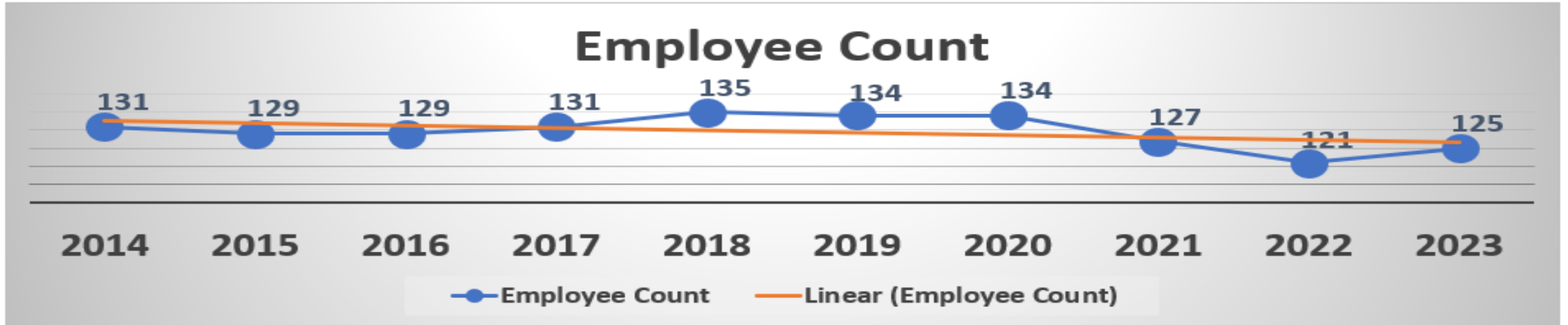




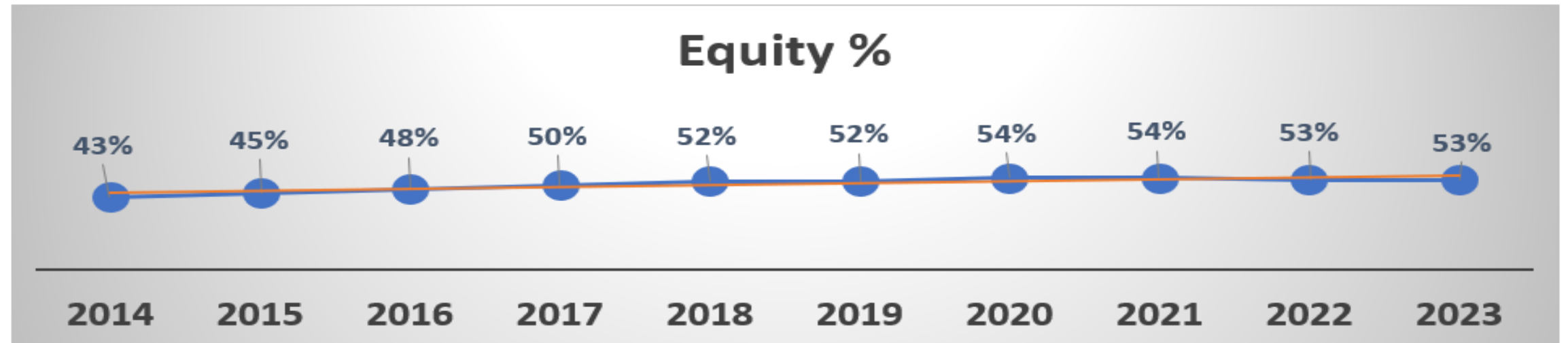
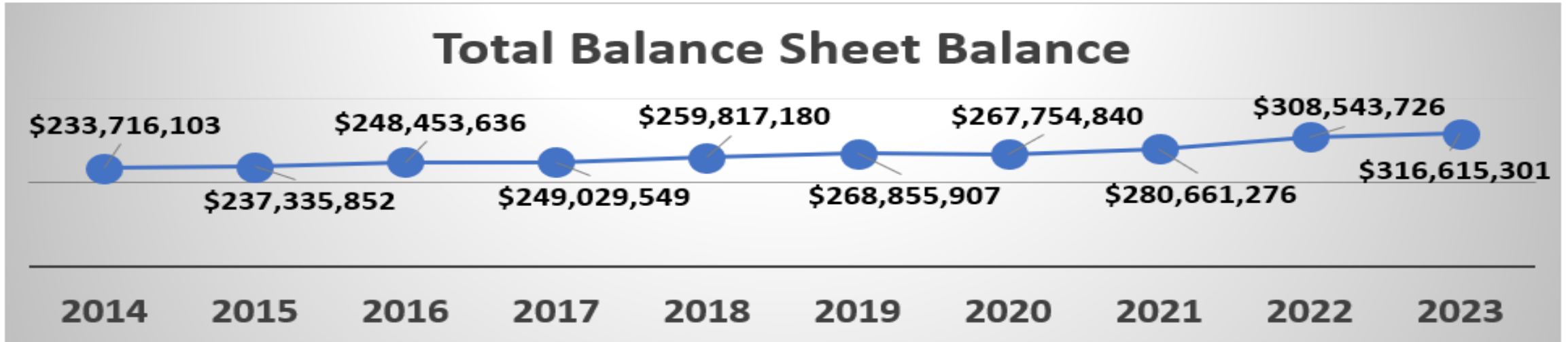
Key Historical Trends

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenue	\$ 183,628,186	\$ 162,985,353	\$ 166,981,371	\$ 166,195,246	\$ 176,863,975	\$ 173,381,752	\$ 160,171,579	\$ 181,116,999	\$ 227,863,483	\$ 233,854,072
Cost of Purchased Power	\$ 146,111,508	\$ 124,320,035	\$ 128,136,426	\$ 126,953,029	\$ 135,659,618	\$ 132,620,856	\$ 119,456,182	\$ 139,764,990	\$ 186,217,312	\$ 192,234,745
Operating Margins	\$ 3,831,451	\$ 4,526,924	\$ 3,837,993	\$ 2,842,830	\$ 4,281,383	\$ 2,044,561	\$ 2,258,380	\$ 4,843,451	\$ 4,990,976	\$ 2,453,530
Total Margins	\$ 12,874,356	\$ 11,943,257	\$ 11,731,945	\$ 6,628,249	\$ 10,468,156	\$ 8,669,059	\$ 6,569,353	\$ 8,484,972	\$ 9,661,962	\$ 6,365,642
Meters Served	61,571	60,222	60,042	62,446	63,229	63,952	64,934	65,943	66,708	67,658
Total Utility Plant	\$ 250,520,500	\$ 255,357,580	\$ 265,342,081	\$ 275,635,321	\$ 287,500,307	\$ 299,014,644	\$ 310,933,411	\$ 325,589,044	\$ 344,308,044	\$ 354,474,861
Long Term Debt	\$ 90,579,114	\$ 84,782,690	\$ 80,443,456	\$ 75,152,980	\$ 75,029,627	\$ 81,286,418	\$ 79,458,105	\$ 86,222,695	\$ 90,559,494	\$ 103,284,746
Total Balance Sheet Balance	\$ 233,716,103	\$ 237,335,852	\$ 248,453,636	\$ 249,029,549	\$ 259,817,180	\$ 268,855,907	\$ 267,754,840	\$ 280,661,276	\$ 308,543,726	\$ 316,615,301
Equity %	43%	45%	48%	50%	52%	52%	54%	54%	53%	53%
OTIER	1.84	2.03	1.91	1.72	2.13	1.58	1.73	2.62	2.59	1.70
TIER	3.81	3.73	3.78	2.68	3.75	3.46	3.12	3.85	4.08	2.81
Total Margins & Equities	100,171,648	107,234,033	118,099,318	124,564,380	135,922,290	141,060,138	145,140,936	152,386,932	164,533,197	168,433,491
Interest on Long Term Debt	4,580,204	4,378,558	4,212,992	3,942,486	3,804,853	3,525,114	3,096,287	2,981,636	3,136,414	3,511,320
Employee Count	131	129	129	131	135	134	134	127	121	125

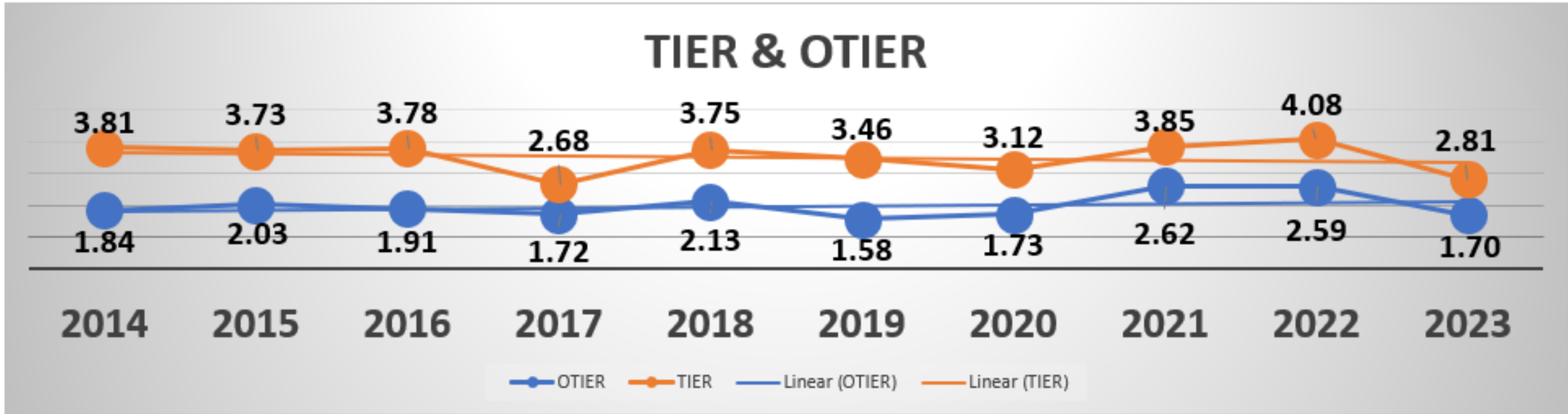
Key Historical Trends



Key Historical Trends

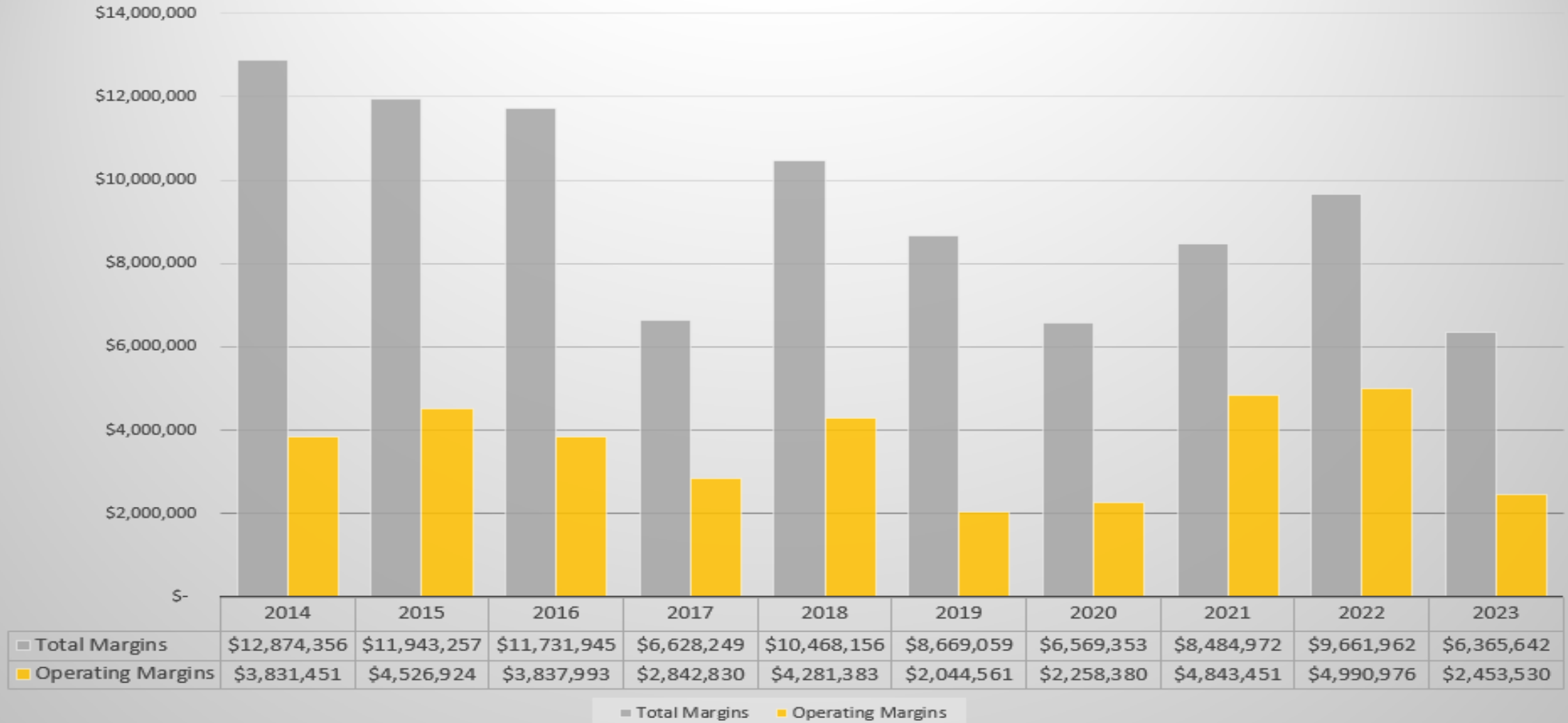


Key Historical Trends



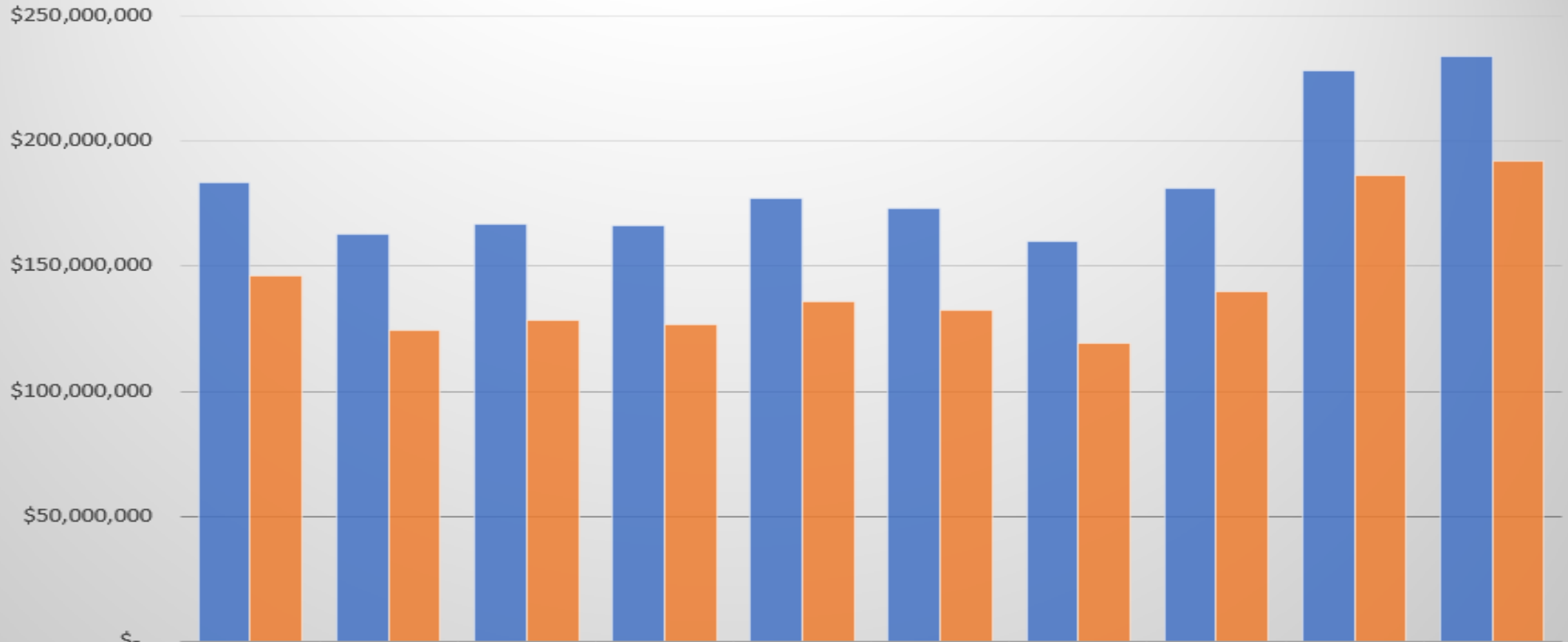
Key Historical Trends

Operating vs. Total Margins



Key Historical Trends

Revenue vs. Purchase Power



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
■ Operating Revenue	\$183,628,1	\$162,985,3	\$166,981,3	\$166,195,2	\$176,863,9	\$173,381,7	\$160,171,5	\$181,116,9	\$227,863,4	\$233,854,0
■ Cost of Purchased Power	\$146,111,5	\$124,320,0	\$128,136,4	\$126,953,0	\$135,659,6	\$132,620,8	\$119,456,1	\$139,764,9	\$186,217,3	\$192,234,7

■ Operating Revenue ■ Cost of Purchased Power

Owen Electric Cooperative Annual Meeting of Members

**Arthur Service Center
13179 Walton-Verona Rd.
Walton, KY 41094**

**Friday, June 7
Registration: 4–6 p.m.
Business Meeting: 6 p.m.**

The annual meeting of the members of Owen Electric Cooperative will be held at the Arthur Service Center, Walton, Kentucky, at 6 p.m. Eastern Daylight Time, Friday, June 7, 2024. The business session will be held for the purpose of taking the following actions:

- 1. Report of the officers and directors
- 2. The election of two (2) directors to serve four (4) years each
- 3. To consider any and all other business that may properly come before the meeting or any adjournments thereof

Report of Nominating Committee

In connection with the election of two directors scheduled for this meeting, the following members have been nominated for directors by the Nominating Committee and certified by the Credentials and Elections committee. These committees were appointed by the Board of Directors of the cooperative—pursuant to the bylaws.

For four-year terms:
District 1
Charlie Richardson

District 3
Robert True

Registration of members will start at 4 p.m. Eastern Daylight Time, Friday, June 7, 2024. All members must register in order to participate in the business meeting, to be eligible for prize drawings, and to receive appreciation gifts. Students registering for the enhanced scholarship drawing must be accompanied by registered parent or guardian (proper ID required for registration).

The drawing for one \$2,000 scholarship will take place following the business meeting; student and parent or guardian must be present to win. Members must also be present to win one of three grand prizes. Other prizes and \$1,000 scholarships will be drawn the week following the annual business meeting. Recipients need not be present to win.

Owen Electric Cooperative, Inc.
Hope Kinman, Secretary-Treasurer



2024

Owen Electric's Annual Meeting & Member Appreciation Days

THURSDAY-FRIDAY, JUNE 6-7

Registration • Bucket and Bulb Pickup

Thursday-Friday, June 6-7

8 a.m.-4:30 p.m.

Owen Electric offices

Registration & Annual Business Meeting

Friday, June 7

Registration: 4-6 p.m.

Meeting: 6 p.m.

Arthur Service Center

13179 Walton-Verona Rd., Walton, KY

Bucket and bulb pickups also available

Prizes

Drawn at the annual business meeting:

- Three \$500 energy gift certificates
(to be credited to winners' Owen Electric accounts).
- \$2,000 scholarship

Must be present to win.

Drawn the following week:

- Fourteen \$1,000 scholarships
- YETI Roadie cooler
- 43" VIZIO flat screen TV
- Even more prizes!

Need not be present to win.

Eligibility & Info: www.owenelectric.com



FREE
energy-saving
lightbulbs for
members who
attend!

Each registered
member will
receive a bucket,
LED bulbs and
insulated grocery
tote.





Michael Cobb
President/CEO



John Grant
District 5, Southern
Boone County
Chairman



Rick Messingschlager
District 6, Kenton County
Vice Chairman



Hope Kinman
District 7, Northern
Boone County
Secretary-Treasurer



Charlie Richardson
District 1, Owen County



Eddie McCord
District 2, Gallatin and
Carroll counties



Robert True
District 3, Grant and
Scott counties



Alan Ahrman
District 4, Pendleton
and Campbell counties



Corporate Services

May 2024

The logo for OWEN Electric, featuring the company name in a blue sans-serif font. The word "OWEN" is in a bold, uppercase font, while "Electric" is in a regular, lowercase font. The text is positioned to the left of a stylized blue swoosh that curves around the right side of the name.

OWEN Electric

Safety

129

DAYS WITHOUT A LOST TIME INJURY


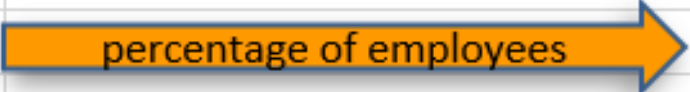



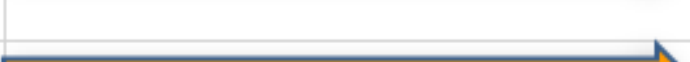
129

DAYS WITHOUT A RECORDABLE INCIDENT

Safety Updates

- ▶ Safety Day was a success!
 - ▶ Focused on Threat Assessment, Cybersecurity, and EAPs
 - ▶ Great feedback from employees
- ▶ OEC has organized an Apprentice Team and will initiate monthly training of Apprentices, focusing on skills enhancement and safe work practices
- ▶ Community Safety Demonstrations
 - ▶ Southern Elementary
 - ▶ Jonesville Fire Department

Leading Safety Indicators

<u>Leading Indicators</u>		
<i>Crew Visits</i>		5
<i>Safety Suggestions</i>		23%
<i>Near Miss Reports</i>		0
<i>Hazards Reported</i>		0
<i>Risk Assessments</i>		0
<i>Corrective Actions</i>		0



Human Resources

Staffing Updates

- Total Employee Count: 124
 - Executive: 2
 - Member Services: 27
 - Operations: 62
 - Engineering: 19
 - Corporate Services: 9
 - IT: 5
- The Call Center Representative position has been filled. Welcome Brandy Godawa.



Accounting

Financials to be provided at Board Meeting

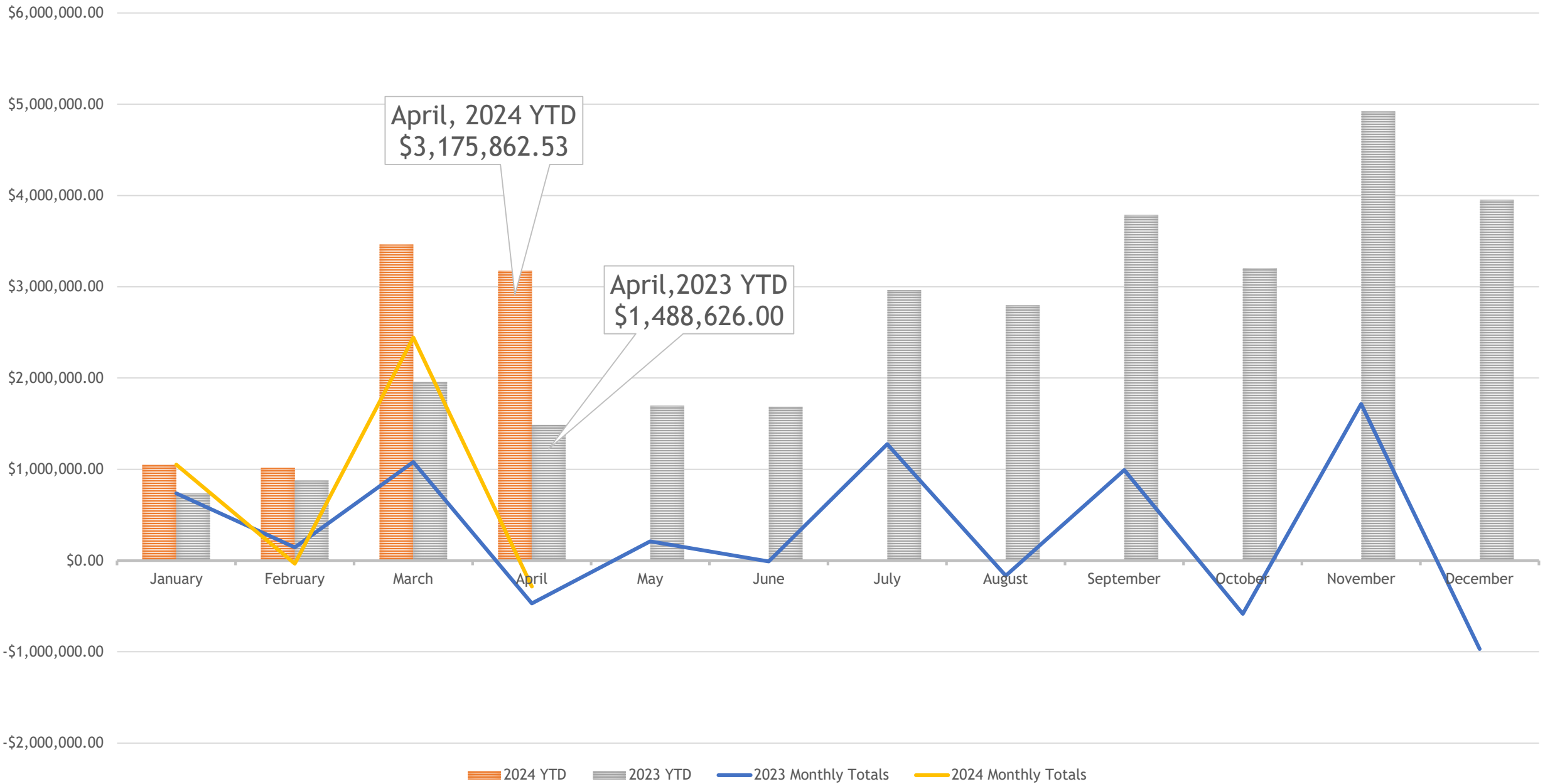
Accounting Updates

- ▶ All 2023 Annual Reporting is Complete
- ▶ Beginning Internal Audits with Dean Dorton
 - ▶ Employee Reimbursements
 - ▶ IT

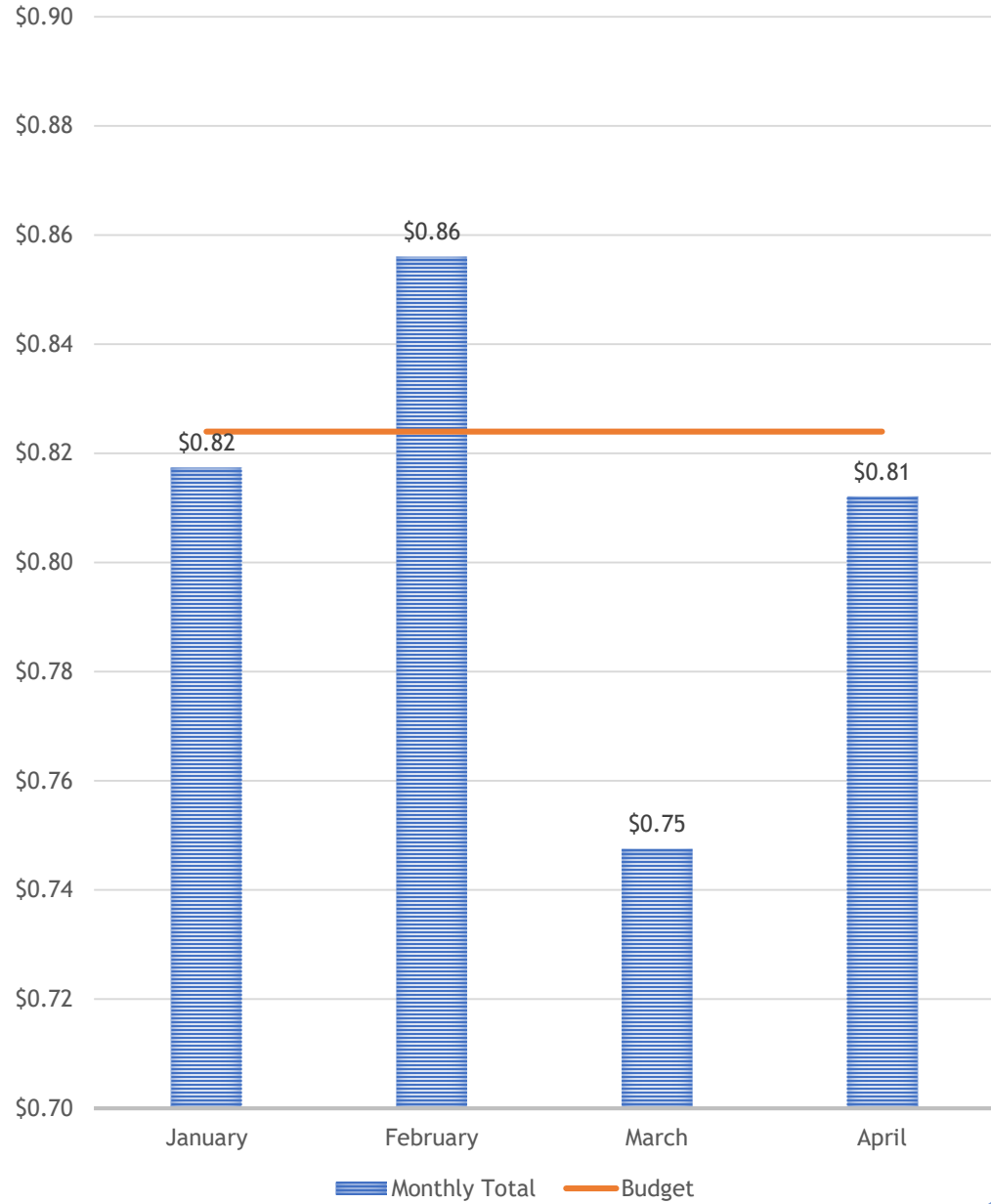
Apr-24						
Operations Statement Comparisons	YTD 2023	YTD 2024	Difference	Apr-23	Apr-24	Difference
Total Operating Revenue	\$ 77,113,082.51	\$ 81,136,788.37	\$ 4,023,705.86	\$ 17,145,786.15	\$ 15,619,118.88	\$ (1,526,667.27)
Power Production Expense	\$ 117,931.88	\$ 133,724.15	\$ 15,792.27	\$ 8,755.44	\$ 43,137.33	\$ 34,381.89
Cost of Purchased Power	\$ 62,777,629.00	\$ 65,395,053.00	\$ 2,617,424.00	\$ 14,418,871.00	\$ 12,640,826.00	\$ (1,778,045.00)
Total Cost of Purchased Power	\$ 62,895,560.88	\$ 65,528,777.15	\$ 2,633,216.27	\$ 14,427,626.44	\$ 12,683,963.33	\$ (1,743,663.11)
Total Net Revenue	\$ 14,217,521.63	\$ 15,608,011.22	\$ 1,390,489.59	\$ 2,718,159.71	\$ 2,935,155.55	\$ 216,995.84
Distribution Expense-Operation	\$ 1,950,395.53	\$ 1,792,093.39	\$ (158,302.14)	\$ 477,295.80	\$ 519,504.63	\$ 42,208.83
Distribution Expense-Maintenance	\$ 2,198,303.08	\$ 2,240,667.97	\$ 42,364.89	\$ 493,627.96	\$ 557,068.32	\$ 63,440.36
Consumer Accounts Expense	\$ 1,415,485.03	\$ 1,443,742.76	\$ 28,257.73	\$ 344,505.41	\$ 341,763.38	\$ (2,742.03)
Customer Service & Informational Expense	\$ 257,826.12	\$ 249,633.04	\$ (8,193.08)	\$ 56,369.47	\$ 68,458.29	\$ 12,088.82
Administrative & General Expense	\$ 1,869,877.41	\$ 1,829,156.18	\$ (40,721.23)	\$ 473,715.91	\$ 466,314.31	\$ (7,401.60)
Total Controllable Costs	\$ 7,691,887.17	\$ 7,555,293.34	\$ (136,593.83)	\$ 1,845,514.55	\$ 1,953,108.93	\$ 107,594.38
Depreciation and Amortization Expense	\$ 4,129,520.20	\$ 4,192,348.94	\$ 62,828.74	\$ 1,036,846.38	\$ 1,054,850.39	\$ 18,004.01
Interest on Long Term Debt	\$ 1,114,687.75	\$ 1,261,650.21	\$ 146,962.46	\$ 348,429.22	\$ 305,716.67	\$ (42,712.55)
Interest Expense-Other	\$ 61,419.30	\$ 43,961.55	\$ (17,457.75)	\$ 10,618.40	\$ 10,686.25	\$ 67.85
Other Deductions	\$ 8,595.64	\$ 13,423.02	\$ 4,827.38	\$ 492.52	\$ 1,410.39	\$ 917.87
Total Operating Expenses	\$ 5,314,222.89	\$ 5,511,383.72	\$ 197,160.83	\$ 1,396,386.52	\$ 1,372,663.70	\$ (23,722.82)
Operating Margins	\$ 1,211,411.57	\$ 2,541,334.16	\$ 1,329,922.59	\$ (523,741.36)	\$ (390,617.08)	\$ 133,124.28
Non-Operating Margins - Interest	\$ 206,673.05	\$ 449,005.51	\$ 242,332.46	\$ 53,632.51	\$ 105,085.11	\$ 51,452.60
Non-Operating Margins - Other	\$ 1,588.43	\$ 123,937.98	\$ 122,349.55	\$ 52.36	\$ 52.36	\$ -
Other Capital Credits & Patronage Dividends	\$ 68,952.53	\$ 61,584.88	\$ (7,367.65)	\$ -	\$ -	\$ -
	\$ 277,214.01	\$ 634,528.37	\$ 357,314.36	\$ 53,684.87	\$ 105,137.47	\$ 51,452.60
Net Margins	\$ 1,488,625.58	\$ 3,175,862.53	\$ 1,687,236.95	\$ (470,056.49)	\$ (285,479.61)	\$ 184,576.88

Balance Sheet		Apr-24					
Line No.	Assets and Other Debits	Line No.	Liabilities and Other Credits				
1.00	Total Utility Plant in Service	\$	356,595,214.34	30.00	Memberships	\$	1,336,150.00
2.00	Construction Work in Progress	\$	1,896,724.50	31.00	Patronage Capital	\$	152,889,118.99
3.00	Total Utility Plant in Service	\$	358,491,938.84	32.00	Operating Margins-Prior Year	\$	5,499,307.13
4.00	Accum Prov For Dep & Amort	\$	(188,840,072.53)	33.00	Operating Margins- Current Year		
5.00	Net Utility Plant	\$	169,651,866.31	34.00	Non-Operating Margins	\$	3,469,254.77
6.00	Non-Utility Property (net)			35.00	Other Margins & Equities	\$	8,292,112.07
7.00	Invest in Subsidiary Companies			36.00	Total Margins & Equities	\$	171,485,942.96
8.00	Inv in Assoc Org- Pat Capital	\$	100,898,517.77	37.00	LT Debt RUS	\$	80,498,174.59
9.00	Inv in Assoc Org Other Gen Fnd			40.00	LT Debt Other	\$	25,653,344.55
10.00	Inv in Assoc Org- Non Gen Fnd	\$	1,367,414.00	43.00	Total LT Debt	\$	106,151,519.14
11.00	Inv In Econ Devel Projects			45.00	Accum Operating Provisions	\$	12,763,934.14
12.00	Other Investments	\$	16,703.49	46.00	Total Other Noncurr Liability	\$	12,763,934.14
13.00	Special Funds	\$	27,809.02	47.00	Notes Payable		
14.00	TOT Other Prop & Investments	\$	102,310,444.28	48.00	Accounts Payable	\$	13,829,905.06
15.00	Cash- General Funds	\$	1,577,465.56	49.00	Consumer eposits	\$	2,304,601.66
16.00	Cash- Construction Fund Trust			53.00	Other Current & Accrued Liab	\$	4,830,871.12
17.00	Special Deposits	\$	1,450.00	54.00	Total Current & Accrued Liab	\$	20,965,377.84
18.00	Temporary Investments	\$	16,707,095.57	56.00	Other Deferred Credits	\$	2,488,359.71
19.00	Notes Recievable (Net)						
20.00	Accts Recv- Sales Energy (Net)	\$	15,966,309.94				
21.00	Accts Recv- Other (Net)	\$	63,933.63				
22.00	Renewable Energy Credits						
23.00	Material & Supplies- Elec & Other	\$	2,216,265.30				
24.00	Prepayments	\$	370,668.62				
25.00	Other Current & Accr Assets	\$	325,636.62				
26.00	Total Current & Accr Assets	\$	37,228,825.24				
27.00	Regulatory Assets	\$	4,291,770.05				
28.00	Other Deferred Debits	\$	372,227.91				
29	Total Assets and Other Debits	\$	313,855,133.79	57.00	Total Liabilities & Other Credit	\$	313,855,133.79

2024 NET MARGINS



POWER COST TO REVENUE



Ratio Analysis

Distribution Equity is based on Policy 319

Benchmarks are based on debt covenants

Key Metrics	2024	Benchmark
TIER	3.52	1.25
OTIER	3.01	1.10
Distribution Equity	22.49%	20%-35%
Equity Ratio	54.54%	>27%
Current Ratio	1.78	>1.0
Days of Cash on Hand	132	100

Temporary Investments-Board Policy 318		Apr-24				
Note Number	Principal Amount	Interest Rate	Maturity Date	Term in Days		Interest Earnings
Select Note	\$ 2,000,000.00	6%	\$ 45,475.00	180		\$55,726.03
Medium Term	\$ 5,000,000.00	6%	\$ 45,488.00	290		\$236,027.78
Medium Term	\$ 3,000,000.00	4%	\$ 45,519.00	744		\$237,876.16
Select Note	\$ 3,000,000.00	6%	\$ 45,586.00	210		\$96,657.53
Medium Term	\$ 2,000,000.00	6%	\$ 45,672.00	300		\$94,849.32
Total at Maturity						\$721,136.82
CFC Commercial Paper		Various	4.71% - 5.07%			\$28,913.84



Signed financials will be included in Board Paq



OWEN Electric

Your local co-op since 1937

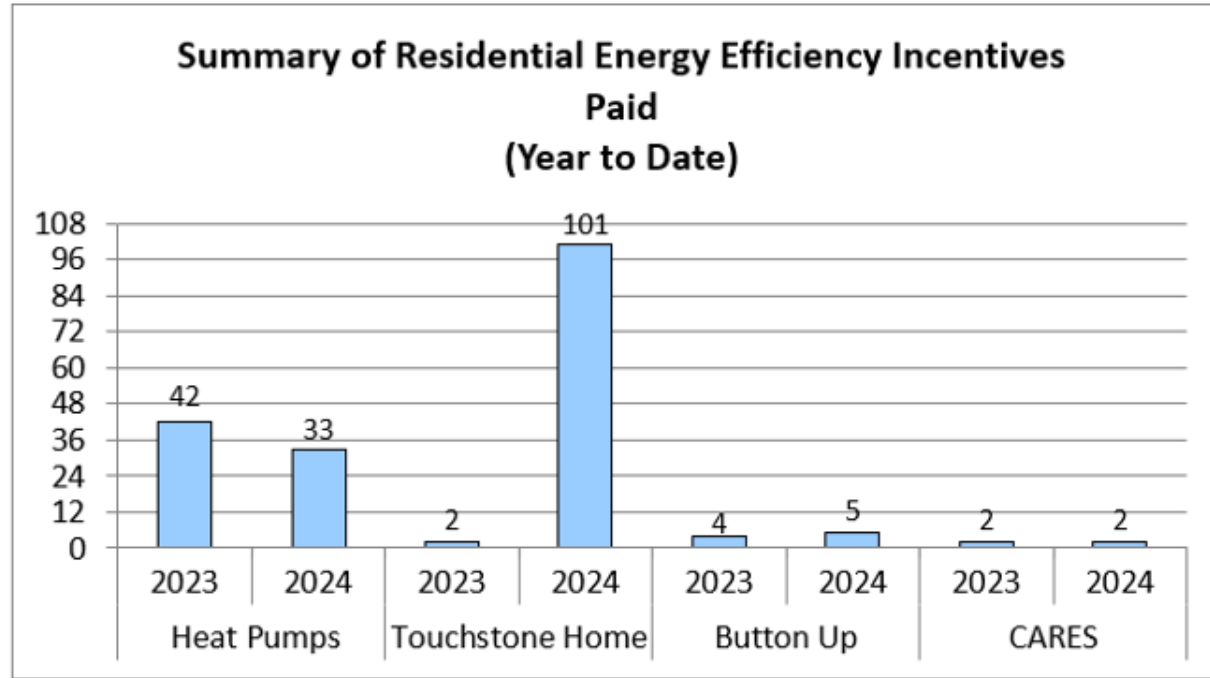
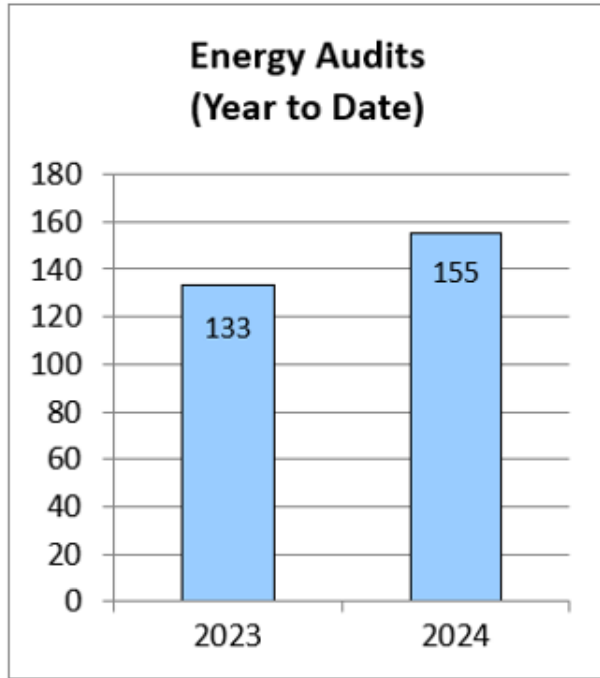
MEMBER SERVICES REPORT

MAY 30, 2024

Member Account Activity	Current Month 2024	Last Month 2024	Same Period Last Year 2023
Bank Deposits	\$12,158,909.67	\$13,734,980.24	\$12,642,009.79
Accounts Billed	66,510	66,448	65,676
Total Billing (Excluding Taxes)	\$11,011,958.52	\$11,362,305.43	\$12,335,798.28
Delinquent Notices Mailed	8,696	8,070	6,669
Total Delinquent Amount	\$1,491,941.79	\$1,630,081.53	\$1,329,861.53
Total Penalty Amount	\$72,322.44	\$81,520.92	\$62,184.60
Number of Arrangements	1,279	1,212	1,228
Total Amount of Arrangements	\$270,480.07	\$316,312.88	\$265,772.72
Return Check Amount	\$14,344.05	\$21,440.09	\$21,843.03
Number of Return Checks	76	95	60
Office Pymts (Walk-in & Drive-thru)	2,832	2,807	2,810
Cutoff Tickets	1,421	1,222	1,420
Actual Cutoffs	634	616	505
New Accounts Set Up	567	600	532
Service Orders	2,895	3,053	2,480
Calls Answered by Member Services Reps	8,311	8,052	7,862
Telelink Calls	23,933	22,660	24,889
Member Services Collection Program	\$3,835.26	\$4,997.08	\$2,899.03
Total Collections by Member Services	\$1,052,824.34		

*	APR. '24	MAR. '24	APR. '23
COINCIDENT PEAK <i>(kW)</i>	170,401	202,127	184,491
ENERGY <i>(kWh</i> <i>MEASURED @ SUBS)</i>	93,423,490	105,635,670	96,781,130
AVERAGE TEMPERATURE <i>(MEASURED @ CVG)</i>	57.1^o	47.6^o	54.7^o
B RATE TOTALS <i>(kW)</i> & PERCENTAGE OF TOTAL LOAD	27,567	28,235	31,846
	16.18%	13.97%	17.26%

*does not include Nucor



Direct Load Control (Simple Saver DSM Program)			
	Monthly Activity		Program Total
	Installations	Removals	
HVAC	0	-7	HVAC 2,580
Water Heater	0	-2	Water Heater 1,593
Thermostat	53	-5	Thermostat 1,288
Totals	53	-14	Totals 5,461

	APR. '24	MAR. '24	APR. '23
LICENSED COOPERATIVE SOLAR PANELS	282	282	260
ENVIROWATTS	BIOMASS	272	296
	SOLAR	2	2
	WIND	1	1
	HYDRO	1	1
EV CHARGING STATION ADS	2	2	0
RESIDENTIAL EV CHARGING PILOT PARTICIPANTS	31	20	n/a

2024

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Need not be present to win.

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FREE energy-saving lightbulbs for members who attend!

Each registered member will receive a bucket, LED bulbs and insulated grocery tote.

AGENDA

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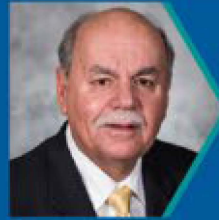
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Owen Electric Cooperative, Inc.
Hope Kinman, Secretary-Treasurer



Michael Cobb
President/CEO



John Grant
District 5, Southern Boone County Chairman



Rick Messingschlager
District 6, Kenton County Vice Chairman



Hope Kinman
District 7, Northern Boone County Secretary-Treasurer



Charlie Richardson
District 1, Owen County



Eddie McCord
District 2, Gallatin and Carroll counties



Robert True
District 3, Grant and Scott counties



Alan Ahrman
District 4, Pendleton and Campbell counties

2023 Annual Report Data

KY 71 Alliance

\$312M Capital Investment

400 Jobs

Avg. wage \$67K/year

Budget: 50K

BeNKY

\$383M Capital Investment

1419 Jobs

Avg. wage of \$48K/year

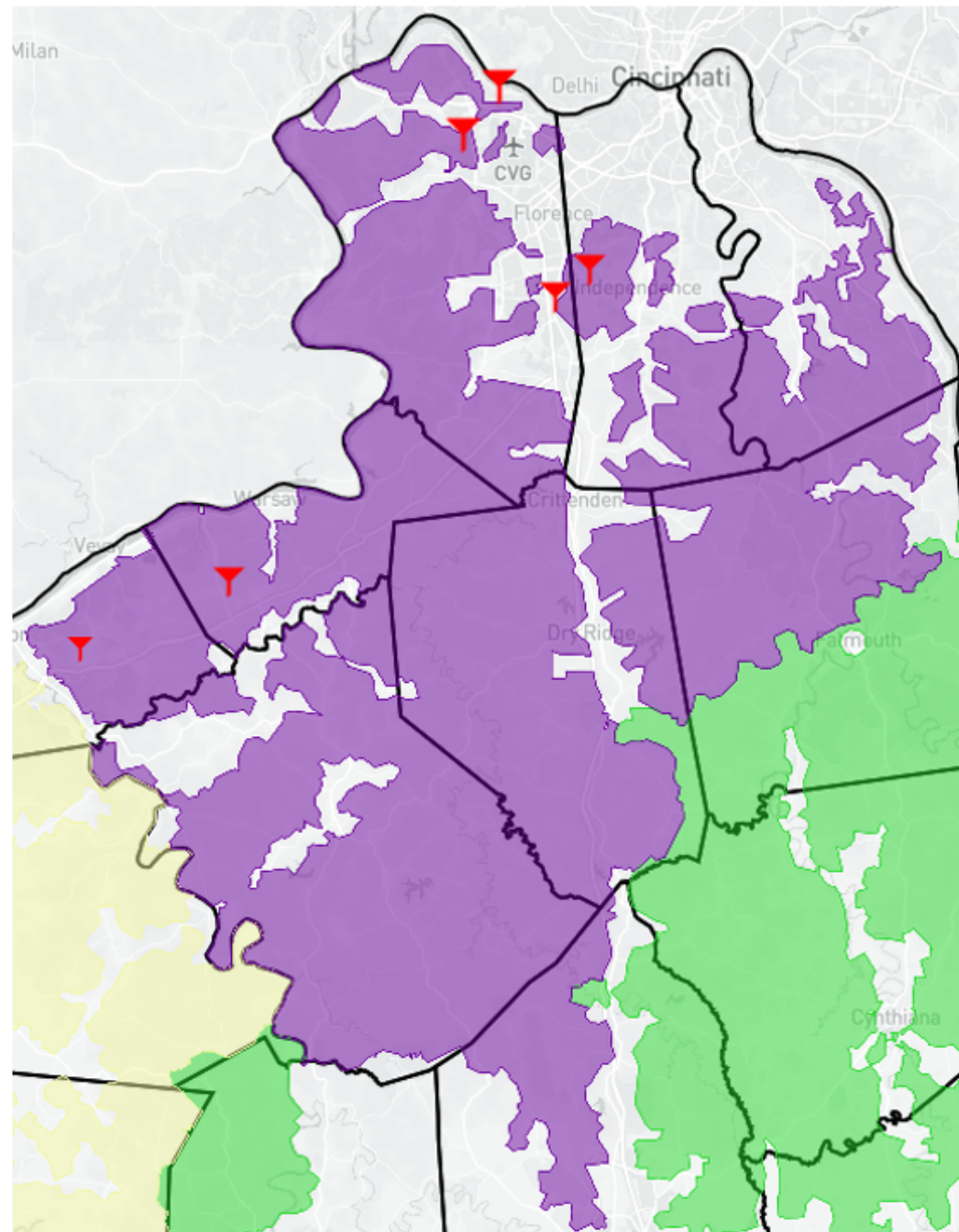
Budget: 300M

EKPC GURU via GIS

WebTech

22 active site listings

15 tentative site listings





Renewable Energy Options
for Businesses

from Kentucky's Touchstone Energy Cooperatives

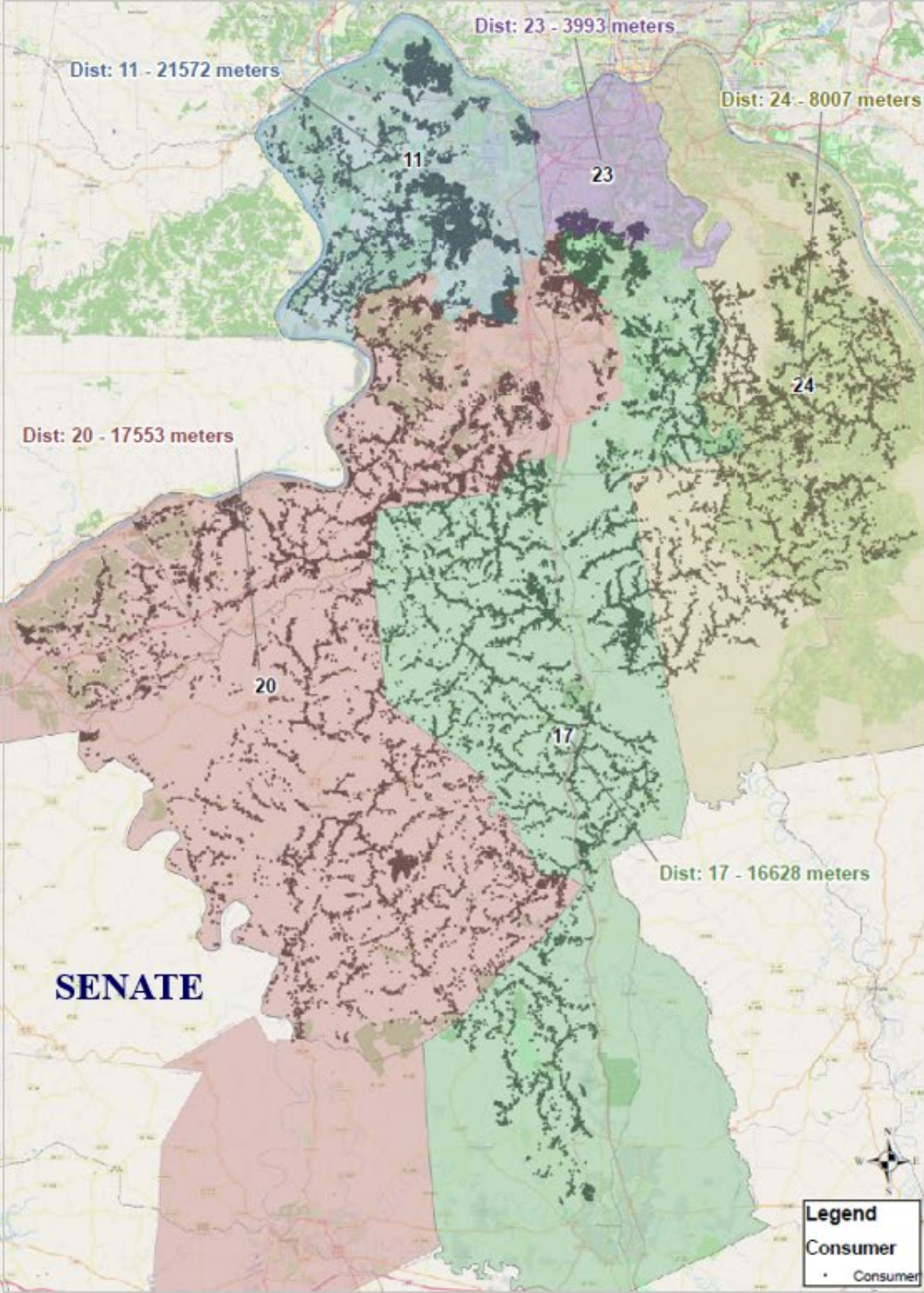
togetherwesaveky.com

The logo for envirowatts features a stylized green leaf icon to the left of the text "envirowatts", where "envirow" is in green and "atts" is in blue.

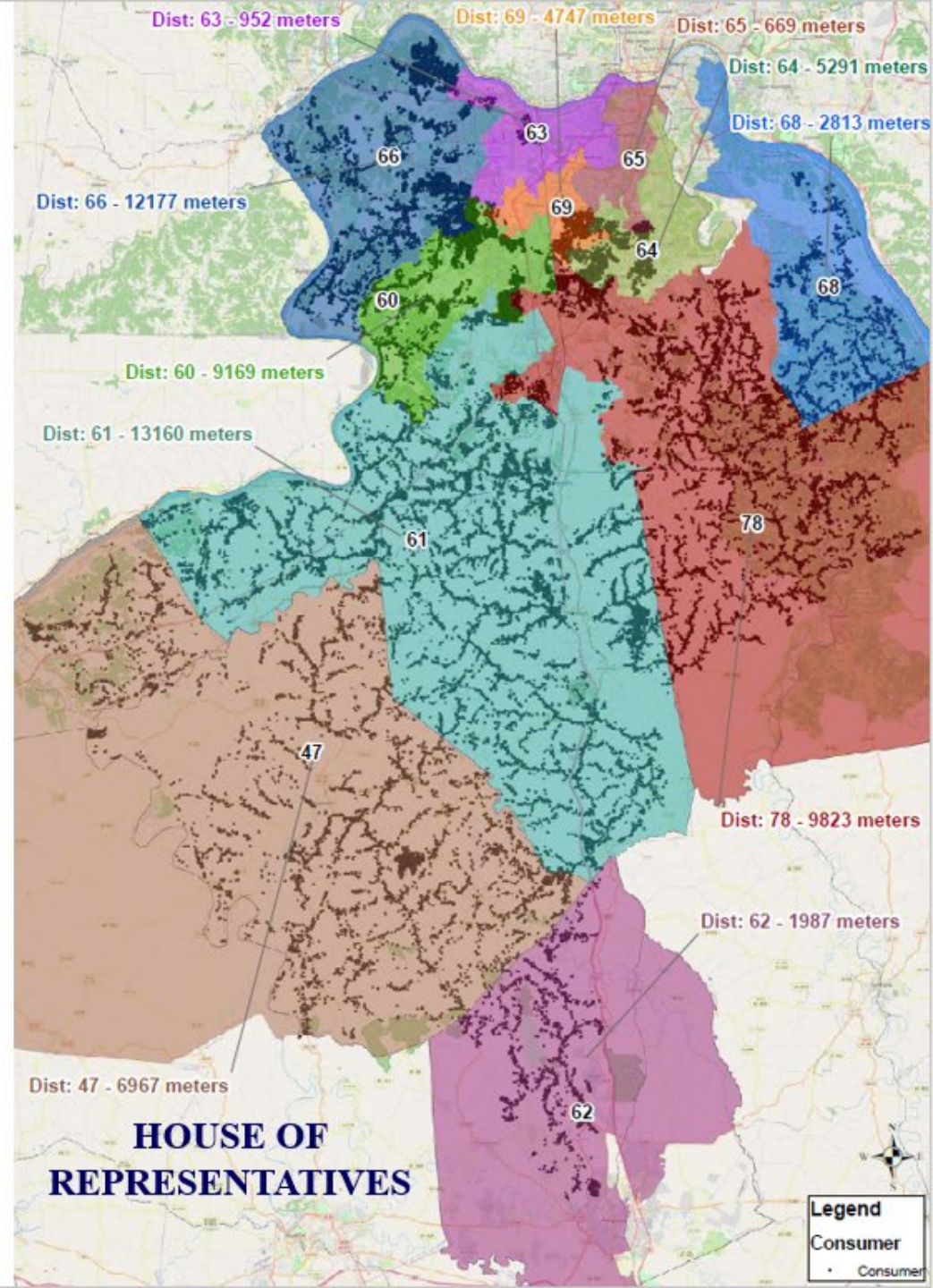


REC Program

Sustainability Summit



KENTUCKY GENERAL ASSEMBLY



Operations Board Report

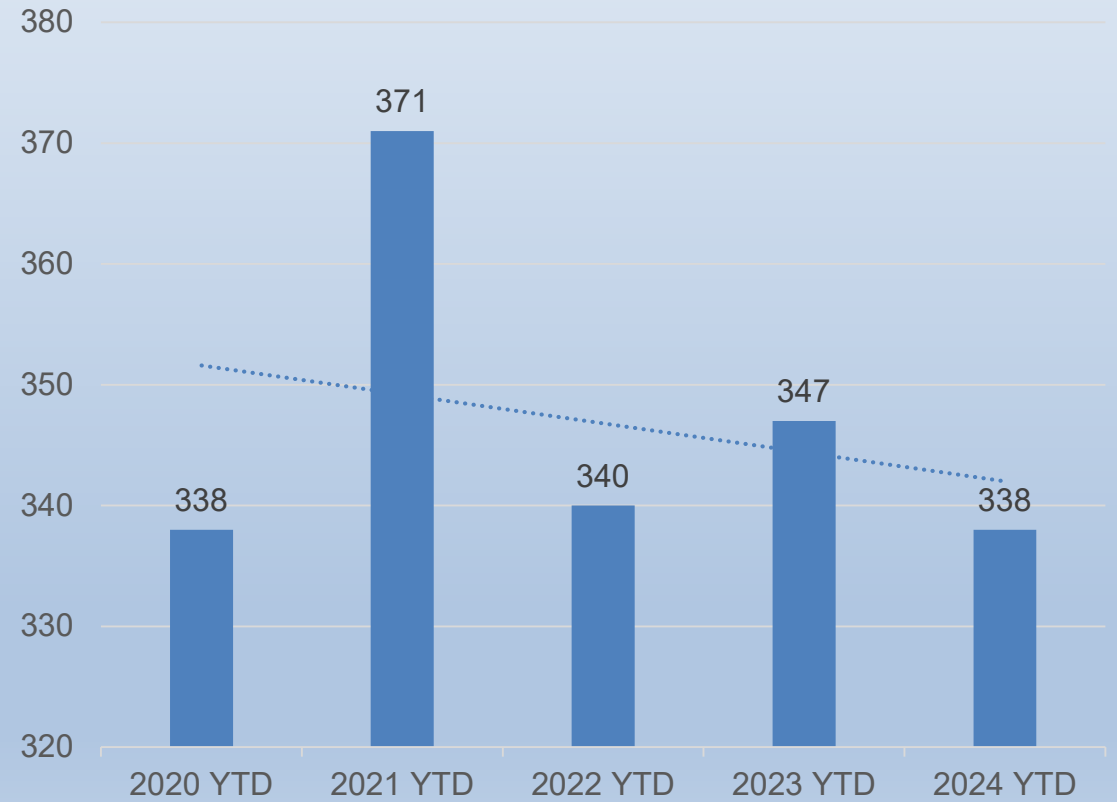
May 2024

Construction

Jobs Completed YTD



P/S Connects YTD



Happy Retirement



- Bruce Taylor
- Crew Leader – Underground Crew
- 34 Years of Service
- Retirement – May 2024
- Duties include:
 - Apprentice Lineman
 - Journeyman Lineman
 - Crew Leader

• Thank You Bruce!



Technology Report

May 2024



Engineering

Jennifer Taylor

2024 Reliability KPI

	Q1	Q2	Q3	Q4	YTD
SAIDI	15.460	3.940			19.380
SAIFI	0.130	0.060			0.190
MED	0	0			0

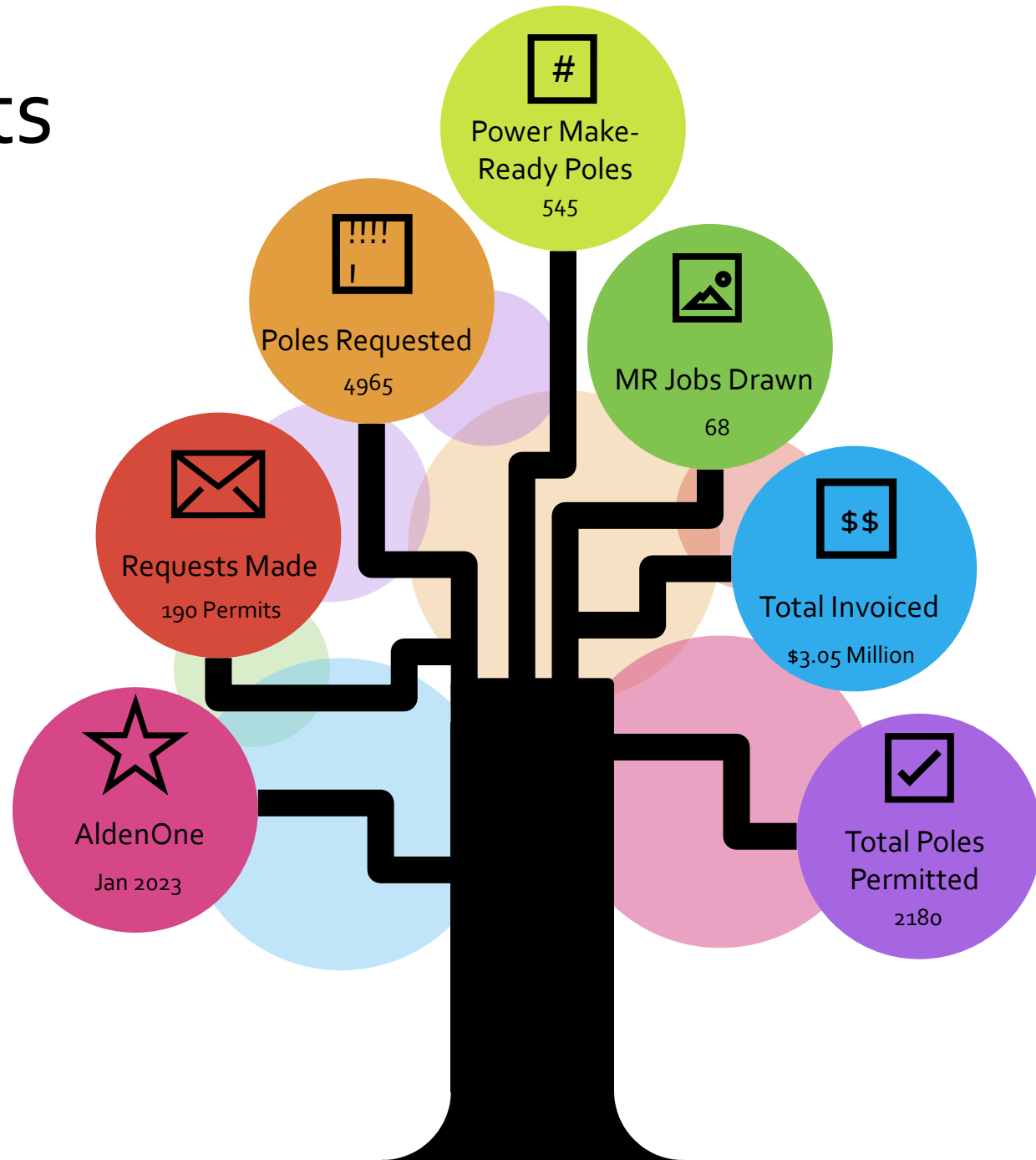
THRESHOLD
TARGET
STRETCH

On target to meet stretch for Q2 so far.

Two large outages on Grantslick 2 were removed as they were power provider related. Cause of outages were bird nests.

Joint Use Requests

Since January 2023



Joint Use Update

- PSC released the proposed changes to 807 KAR 5:015 on May 16th.
- Another IC was held on May 17th.
- KEC and others supplied written comments on May 21st.
- Emergency Amendment will go to the Governor May 28th.
- Submission to the Legislators on June 3rd
- Upon approval, the emergency regs will be in effect for 270 days.
- Utilities will need to submit revised tariffs to reflect changes end of July.
- Big changes include:
 - Self help remedy can now include pole replacement
 - The pole volumes for various timers have all increased
 - More time was given for large orders, but that number went from 1000 to 3000 poles
 - For greater than 3000 poles special contracts can be developed on mutually agreed timelines



EKPC Report



Report Presented By:
Alan Ahrman

Report Presented By: Rick Messingschlager

Attorney's Report Presented By: Jim Crawford

Information Agenda

2024/2025 Board Meetings & Training

June 6-7, 2024-Membership Appreciation Days

June 7, 2024-Annual Business Meeting, 6:00pm, Walton, KY

June 11, 2024-EKPC Annual Meeting, Winchester, 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

January 25-28, 2025-Directors Conference, Ponte Vedra Beach, FL

January 30, 2025-Regular Board Meeting, 9:00am, HQ-Owenton, KY

February 27, 2025-Regular Board Meeting, 9:00am, HQ-Owenton, KY

March 7-12, 2025-NRECA Power Xchange, Atlanta, GA

March 27, 2025-Regular Board Meeting, 9:00am, HQ-Owenton, KY

April 24, 2025-Regular Board Meeting, 9:00am, HQ-Owenton, KY

April 27-30, 2025-NRECA Legislative Conference, Washington, DC

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