

Berkeley Electric Cooperative
Board Meeting
January 23, 2023
Minutes

The Berkeley Electric Cooperative Board of Trustee's meeting was held **Monday, January 23, at 1:00 P.M.** at the Moncks Corner Headquarters.

The meeting was called to order by Chairman DeWitt, Mr. Fuller gave the invocation and we stood to honor the flag and recited the Pledge of Allegiance.

The following Trustees were present:

Connie Shuler	Henry H. Chavis, Sr.	Robert Vandross
Willis Sanders	H. Wayne DeWitt	Lee Clayton
Sam Gourdine	Sheila Powell	Bob Jenkins

President & CEO Michael S. Fuller, Executive Administrator Ashley Edens, and the following staff: VP of Finance Joel Stevens, VP of Engineering and Operations Tim Mobley, VP of Member Services Amy Langdon, VP of Public Relations Tony Vincent, Director of Construction and Design Thomas Barnette as well as General Counsel John B. Williams were in attendance.

Chairman DeWitt called for approval of minutes from the December board meeting which was held on December 16, 2022. Upon motion by Mrs. Shuler, seconded by Mr. Chavis, and unanimously passed; it was

RESOLVED, that the Board of Trustees hereby approves the minutes of the December 16, 2022, as presented.

Committee Reports

ECSC Board Report-Willis Sanders

Mr. Sanders stated there was not a ECSC board meeting this month.

Central Meeting Report – Mr. DeWitt

Mr. DeWitt stated there was a board meeting on January 18th, 75-80% percent of the meeting was held in executive session. The next meeting is scheduled for the first week of February. Mr. Basha introduced the new Central CFO Ryan Thomas.

CEEUS Meeting Report-Mr. Gourdine

Mr. Gourdine stated there was not a CEEUS board meeting this month. The CEEUS Equipment Tradeshow will be held on March 29th.

Building and Facilities Committee-Mrs. Powell

Mrs. Powell turned the meeting over to Mrs. Langdon to discuss a few building projects that was presented to the committee. The purpose of these projects is to provide a safe working environment for the employees in the Awendaw district office and the Goose Creek district office that is consistent with what is available in the other district offices. The estimated total for both projects would be \$810,574 plus fees. Upon motion by Mr. Gourdine, seconded by Mr. Chavis, and unanimously passed; it was

RESOLVED, that the Board of Trustees hereby approves the Awendaw District Office and the Goose Creek District safety improvements, as presented.

Financial Reports- Mr. Stevens

Mr. Stevens reviewed the financial reports from November 2022. Mr. Stevens reviewed over portions of the statement of operations and the balance on the Form 7.

Monthly Adjustment Factor (MAF) Rate Revision-Mr. Stevens

Mr. Stevens presented the Monthly Adjustment Factor rate revision. The Wholesale Power Cost Adjustment (WPCA) currently stands as a reduction of 1.5 cents/kWh. We are proposing to move WPCA to a 1.0 cent/kwh reduction. The rate revision modernizes legacy margin stabilization rate. Attached is the updated proposed rate revision. Upon motion by Mr. Sanders, seconded by Mr. Vandross, and unanimously passed; it was

RESOLVED, that the Board of Trustees hereby approves the Monthly Adjustment Factor Rate Revision. The Wholesale Power Cost Adjustment (WPCA) will be reduced to a 1.0 cent/kwh, as presented.

Rate Messaging Timeline-Mr. Vincent

Mr. Vincent presented the below rate messaging timeline.

February 8- Board receives: FAQ sheet and copy of article to appear in March edition of SC Living magazine. *Early February-*BEC employees, retirees informed of impending changes.

*March 1-*New rate becomes effective. *March 3-*SC Living magazine begins arriving at members' homes, businesses also post on Facebook. *March 8-*First billing cycle sees new rate.

Employee Retention Credit (ERC)-

Mr. Stevens discussed the opportunity to receive funds for the Employee Retention Credit. This enacted in the early stages of COVID-19 pandemic to reward companies for retaining employees instead of cutting workforce. Mr. Stevens reviewed over the qualifications for this funding.

Synergi Partners prepares all the documents in exchange for 15% of the credit. They will

determine eligibility, gather data, calculate credit, prepare credit package for IRS. They will also probe any audit support required. If Synergi determines we are eligible and prepares the credit, we owe 15% regardless of whether we file for credit. Upon motion by Mr. Sanders, seconded by Mrs. Shuler and unanimously passed; it was

RESOLVED, that the Board of Trustees hereby approves that we move forward with the Employee Retention Credit process with Synergi Partners.

President/CEO Reports-Mr. Fuller

Mr. Fuller gave a recap of our load during Winter Storm Elliott.

Attorney Report-Mr. Williams

Mr. Williams discussed a few legal cases that he is working on.

Executive Session-

The Chairman then called for an Executive session and upon motion by Mrs. Shuler, seconded by Mr. Chavis and unanimously passed, the Board went into Executive Session. A contractual matter was discussed. Upon a motion by Mr. Clayton, seconded Mrs. Shuler and unanimously passed the Board came out of Executive Session.

Directional Boring Contract-Mr. Barnette

Pinnacle Construction has been our primary boring contractor since 2015 and have been doing a great job of meeting our needs. We expect to see continued growth in our area and have several large projects planned to improve our system. We have negotiated pricing for the next two years and they are proposing a 10% average increase in their units. This increase is well in-line with what we're seeing in materials and labor in our industry.

We are recommending that we award this contract to Pinnacle Construction for February 1st, 2023 to February 28th, 2025 in the amount of \$ 4.5 million. Upon motion by Mr. Chavis, seconded by Mr. Vandross and unanimously passed; it was

RESOLVED, that the Board of Trustees hereby approves that we award Pinnacle Construction the Directional Boring Contract in the amount of \$4.5 million from February 1st, 2023 to February 28th, 2025.

New Business-


The Chairman then called for new business. There was none.

Old Business – None.

There being no further business to come before the Board, a motion was made to adjourn.



H. Wayne DeWitt, Chairman



Connie Shuler, Secretary

BERKELEY ELECTRIC COOPERATIVE, INC.
Moncks Corner, South Carolina

MONTHLY ADJUSTMENT FACTOR
SCHEDULE "MAF-4"

APPLICABILITY

This schedule is applicable to and becomes a part of each electric service rate schedule of the Cooperative in which reference is made to Schedule "MAF." As prescribed under the various rate schedules, the energy sold by the Cooperative shall be increased or decreased by a factor computed in accordance with the formula below. This factor shall be computed, no less than annually but more frequently if needed, for the periods January through December.

$$WPCA = \left[\left(\frac{E}{\text{kWh}} \right) - (B + CF) \right] \div (1 - L)$$

Where:

- WPCA = Monthly wholesale power cost adjustment factor in dollars per kWh sold.
- kWh = The estimated energy in kWh, purchased or generated for resale under this schedule, for the applicable calendar year.
- E = The estimated annual power production expense from all sources for kWh above.
- B = The base cost of wholesale power included in the Cooperative's retail rates.
- L = The projected annual energy loss percentage for the applicable calendar year.
- CF = The WPCA correction factor will be set in the above formula for a twelve-month period beginning each calendar year. Should, however, it appears at any time during the twelve-month period that continued use of the WPCA factor, then in effect for the remainder of the twelve-month period will result in a substantial under or over recovery of the Cooperative's wholesale power cost and other expenses/margins, the Cooperative shall modify the existing WPCA factor, through the Correction Factor, to recover the applicable costs more accurately.

Effective with all bills rendered on or after March 1, 2023.

Revised: January 23, 2023

