

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD NOVEMBER 21, 2019**

The Regular Meeting of the Board of Directors of South Central Indiana Rural Electric Membership Corporation was held pursuant to notice as required by the Bylaws at the principal office of the Cooperative, 300 Morton Avenue, Martinsville, Indiana on Thursday, November 21, 2019, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Jim Cox, Lisa Prosser, Rex Franklin, Stephen Williamson, Jim Koch, Heather Mollo, and Bruce Hamlin. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Donna Walker, President and CEO, Hoosier Energy; Tom Van Paris, Executive Vice President, Hoosier Energy; Rob Horton, Chief Operating Officer, Hoosier Energy; Tim LeMere, VP of Distribution Services; Randy Elliott, VP of Finance and Member Services; Charity Coffman, Controller; and member Tim Ellison, Ph.D.

The meeting was called to order with prayer offered by Rex Franklin. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held October 29, 2019. Mr. Williamson made a motion to approve the minutes as presented. The motion was seconded by Mr. Koch and passed.

Hoosier Energy: Ms. Walker introduced Mr. Van Paris and Mr. Horton and discussed the strategic planning and self-evaluation process that the Hoosier Energy Board completed over the last year and other information handed out at the meeting, including a discussion of emerging technologies, operational planning, member focus, and a recent business overview session in Owen County. Mr. Horton discussed 2019 outages and Hoosier's efforts at tracking Duke

Energy's progress in vegetation and asset management and ongoing discussions focused on increasing reliability. Discussing rates, Ms. Walker briefly noted comparisons between Hoosier, WVPA and Duke. She reported that the Hoosier Board recently approved a five-year business plan with an outlook for stable or slightly reduced rates. Ms. Walker also noted that Hoosier's supply portfolio is an important strategic focus and discussed the handout information describing the aspects of supply portfolio that are most important to member-consumers. She talked about the emerging technology committee briefly, noted that she was appointed by Governor Holcomb to serve on the 21st Century Energy Policy Development Task Force and discussed the early work of that group, and responded to questions from board members.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month. Mr. LeMere responded to a question about one of the incidents reported involving a line truck. Thereafter, Ms. Prosser made a motion to accept the Safety Report. The motion was seconded by Mr. Cox and passed.

Wins: James discussed the reason for this new agenda item and discussed a recent "win" involving the prompt detection of outages. Mr. LeMere explained how the SCADA system helped find an outage and allow a crew to be dispatched even before anyone called in an outage. Mr. Tanneberger also discussed new methods for members to contact us to report outages, including TextPower and a link on the website that allows online outage reporting.

Financial Reports: The Board reviewed the Financial Reports and considered the write-off to bad debt. Following discussion, Mr. Cox made a motion to accept the financial reports and write-off to bad debt in the amount of \$6,723.94 for October 2019. The motion was seconded by Ms. Prosser and passed.

Budget and Work Plan Committee: Ms. Prosser discussed the 2020 Budget Tracker Comparison document in Boardbooks, with the budget assuming a \$3.00 tracker, and noted the

Committee's recommendation to accept the tracker reflected in the Boardbooks materials. Ms. Prosser made the motion to approve the recommendation. The motion was seconded by Mr. Pheifer and passed.

CEO Goals for 2019: Mr. Tanneberger briefly reviewed the document in Boardbooks.

2020 Board Meeting Schedule: The Board next considered the schedule for Board meetings for 2020.

I-69 Report: Mr. Tanneberger and Mr. LeMere commented on the latest communication with INDOT regarding planning for the upcoming construction work. At this time the number of unknowns related to the expected construction bottleneck is high and known solutions are few but discussions are continuing. Certain roads will be kept open during construction.

SCI Services, LLC Board Member Appointments: Ms. Prosser reported that at the recent meeting they asked both Steve Deckard and Susanne Gaudin if they would continue to serve and they indicated they would; Ms. Prosser noted that she and Ms. Mollo are willing to continue to serve for another year on the SCI Services, LLC Board. After discussion about the makeup of the LLC Board and the possibility of instituting term limits, Mr. Williamson made a motion that the current members of the SCI Services, LLC Board continue to serve. The motion was seconded by Mr. Franklin and passed.

President/CEO Report: The Board briefly discussed the CEO's written report. Mr. Williamson made a motion to accept the CEO report. The motion was seconded by Mr. Koch and passed.

Operation RoundUp: The Board next discussed potential candidates for the Operation RoundUp Board, including Steve Deckard and Marcy King. Mr. Cox made a motion to approve adding Mr. Deckard and Ms. King to the Operation RoundUp Board if they will accept. The motion was seconded by Mr. Franklin and passed.

Attorney's Report: Mr. Schultz described several ongoing projects that are in progress including the comprehensive board policy review and a scheduled meeting on that project with Ms. Idland, review of a labor issue, and noted ongoing work on Fiber related contract documents.

Executive Session: The Board then went into Executive Session.

Fiber Report: When the regular meeting resumed, Mr. Tanneberger reported that over 1600 members are connected at this time and briefly commented on ongoing installation and construction work, and ongoing work regarding the various services that will be offered to member-consumers.

Board Chairman Comments: Mr. Hamlin noted that a majority of the board members recently visited MISO in Carmel and learned more about power purchasing and transmission and system redundancies and how those functions relate to Hoosier Energy and our service to our members. Mr. Hamlin also noted his appreciation for the Board's preparedness for meetings.

There being no further business to come before the Board, the meeting was adjourned.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary