

RAPPAHANNOCK ELECTRIC COOPERATIVE
BOARD OF DIRECTORS MEETING

MINUTES

WEDNESDAY, AUGUST 20, 2025

The regular meeting of the Board of Directors of Rappahannock Electric Cooperative ("REC") was held at REC's headquarters, located at 247 Industrial Court, Fredericksburg, VA 22408, on Wednesday, August 20, 2025, pursuant to a five-day prior notice, all in accordance with REC's Bylaws. The following directors were present:

Eugene L. Campbell, Jr., Darlene Carpenter, Linda R. Gray, Michael W. Lindsay, Eric T. Paulson, Sanford Reaves, Jr., Christopher G. Shipe, Randy Thomas, and J. Mark Wood.

Also present in person or virtually were:

President & Chief Executive Officer, John D. Hewa

Chief Human Resources Officer, Patricia J. Hatcher

Chief Strategy, Technology & Innovation Officer, Peter Muhoro

Chief Engagement & Consumer Officer, Tracey Steiner

Chief Financial Officer, Steven G. Roddy

Interim Chief Growth Officer, Michael Dailey

Director of Governance & Executive Administration/Assistant Secretary, Whitney S. Watts

General Counsel, Charles W. Payne, Jr.

The following REC staff joined the meeting virtually for various presentations:

Sr. Director- Operations & Construction Services, Arthur Wholey

Supervisor, Operational & Construction Services, Bob Dustin

System Inspections Administrator, Mike Jacobson

Director – Strategy Execution & Enterprise Risk Management, Justin Cruise

Chairman Shipe called the meeting to order at 10:00 a.m. Thereafter, with Chairman Shipe presiding, and with these minutes being transcribed under the direction of Secretary J. Mark Wood, the following proceedings took place (all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the board, or without dissenting vote or abstention, unless otherwise stated).

Linda Gray gave the meeting invocation. Whitney Watts provided the safety briefing.

Approval of Agenda

Chairman Shipe called for any changes, edits, or additions to the agenda. Hearing none, the **board voted to approve the agenda for the August 20, 2025 meeting.**

Introductions and Announcements

Mr. Hewa shared with the board that the Culpeper office is celebrating one year without a lost time accident.

Approval of the Consent Agenda

Chairman Shipe asked if there were any changes or corrections to the Consent Agenda. After review and discussion of the Consent Agenda, the board **voted to approve the Consent Agenda containing the Minutes of the June 25, 2025, Regular Meeting, the July 2025 Safety Report, the July 2025 Operating Report and Presentation, the Q2 2025 Capital Report, the 2024 IRS Form 990, and the Triennial Policy Review of the Director Fees and Reimbursement Policy.**

August 2025 Strategic Initiative Update

Mr. Hewa reviewed the August 2025 strategic initiatives that will be highlighted in today's meeting.

Unfinished Business

There was no unfinished business to come before the board.

Reports

Report of the President

Mr. Hewa shared an overview of the Cooperative meetings for the past month. He shared he will be representing REC and VMDAEC on the NRECA Regional Meeting Resolutions committee next month. Additionally, Chairman Shipe and Mr. Hewa will also be on a panel at the Regional Meeting focused on data center service. He also recapped the CFC leadership program he attended at Harvard earlier in the month. He provided an update to the board on the Dominion Energy batching process for data center large load customers. More information will be forthcoming, but this has the potential to impact projects going forward due to extended timeframes for transmission interconnection. Mr. Hewa was pleased to share that ODEC has publicly announced a new project at Wolf Summit, which will grow ODEC's asset portfolio at a time when it is badly needed. This will be a 600MW project. He then shared that REC is working with Firefly on any possibilities to bring broadband services to a portion of Culpeper County that is currently under an RFI process. Lastly, Mr. Hewa shared some anticipated key staffing highlights. He indicated that a search will be underway for a permanent Chief Growth Officer, as well as GIS Director. And he noted some recent new hires in Substation and applauded the team for these strong recruits to REC as substation work is growing exponentially and will continue to in the years to come.

New Business

2025 Budget Strategies

Mr. Hewa then explained to the board that with the Cooperative's strong financial performance in 2025 and anticipated budgetary constraints in 2026, he asked Mr. Roddy to propose projects that could be advanced to 2025 and relieve pressure off of the 2026 financial year. Mr. Roddy presented his recommendations, which included software purchases and planned project advancements to the board. The dollar amounts did not require specific board approval, but the board expressed support for the strategy and staff will work to execute all the proposals that are feasible to accomplish in 2025.

Attorney's Report & Executive Session

The board voted to enter executive session for the attorney's report and executive session agenda items at 11:05 a.m. and after proper motion, voted to exit executive session at 2:41 p.m. The board entered executive session for purposes of discussing legal, employment, negotiations with third parties, or other items of business controlled by non-disclosure agreements or other confidentiality requirements.

No action was taken during executive session.

Board Travel and Training

Ms. Watts provided details for upcoming board travel, training and events.

September Member Communications Preview

The September 2025 member communications preview and previous month's results were posted in BoardEffect for the board's reference.

Board Proxy Ballot for 2025 Annual Meeting

The directors each received a private ballot for the 2025 Director Elections. Each director individually completed his or her ballot and turned it in to Attorney Payne. He tallied the votes and provided Chairman Shipe the results. Chairman Shipe will complete the submission of the board's proxy during the live voting portion of the Annual Meeting.

Chairman Shipe called for any further business.

There being no further business, **the board voted to adjourn at 2:51 p.m.**

J. Mark Wood, Secretary

Attest:

Christopher G. Shipe, Chairman