

RAPPAHANNOCK ELECTRIC COOPERATIVE
BOARD OF DIRECTORS MEETING

MINUTES

WEDNESDAY, MARCH 26, 2025

The regular meeting of the Board of Directors of Rappahannock Electric Cooperative ("REC") was held at REC's headquarters office, located at 247 Industrial Ct., Fredericksburg, VA 22404, on Wednesday, March 26, 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 (via video conference), Linda R. Gray, Michael W. Lindsay, Eric T. Paulson, Sanford Reaves, Jr., Randy Thomas, and J. Mark Wood.

Also present were:

*President & Chief Executive Officer, John D. Hewa
Chief Engagement & Consumer Officer, Tracey Steiner
Chief Strategy, Technology & Innovation Officer, Peter Muhoro
Chief Financial Officer, Steven G. Roddy
Chief Grid Operations Officer, Jason Satterwhite
Assistant Secretary & Executive Assistant, Whitney S. Watts
General Counsel, Charles W. Payne, Jr.*

The following REC staff joined the meeting for various presentations:

Vice President – Engineering & Power Supply, Chris Stoia

Director Lindsay called the meeting to order at 10:00 a.m. Thereafter, with Mr. Reaves 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. Jason Satterwhite 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 March 26, 2025 meeting.**

Introductions and Announcements

Mr. Hewa informed the board that Governor Youngkin has signed the Hyperscale bill that REC advocated for into law. More is to come on how REC will use this legislation in service to large load members in the future. He also informed the board that REC has received clarity in its ability to move forward with the previously awarded GRIP grant from DOE. Mr. Hewa shared with the board that he will officially take on the chair role at VEDP beginning July 1, 2025. Lastly, he reminded the board that the CARE Charity board is meeting onsite today, and there will be a networking opportunity during lunch.

March 2025 Strategic Initiative Update

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

Approval of the Consent Agenda

Vice-Chair Reaves 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 February 2025 Safety Report, the minutes of the November 12, 2024 Regular Meeting, the January 22, 2025 Regular Meeting, the February 26, 2025 Regular Meeting, the February 2025 Operating Report & Presentation, and the triennial review and approval of the Physical Security Policy and Director Education Policy.**

Unfinished Business

Executive Committee Action on BRIC Resolution of Support

Mr. Reaves reminded the board that during the February meeting, staff informed the board that a pending grant deadline may need board action prior to the next meeting, to approve the Resolution of Support for an area planning district’s planning documents. During the February meeting, the board, after learning of the nature of the request, directed the executive committee to act in the interim as needed. Mr. Reaves reported that the executive committee did in fact meet in the interim period and approved the adoption of the resolution. A copy of the resolution was provided to the full board for their reference.

Resolution # 2025-03-01

Resolution to Approve the Adoption of the Northern Shenandoah Valley
Region Multi-Jurisdictional Hazard Mitigation Plan

WHEREAS, the Disaster Mitigation Act of 2000, as amended, requires that local governments develop and adopt a natural hazard mitigation plan (“Hazard Mitigation Plan”) to be eligible for certain Hazard Mitigation Assistance (“HMA”) grants; and

WHEREAS, local governments can access funding available for a Hazard Mitigation Plan through the following HMA grant programs: the Hazard Mitigation Grant Program; the Building Resilient Infrastructure and Communities Program (“BRIC”); and the Flood Mitigation Assistance Program; and

WHEREAS, a local government may select one of the following options in order to participate in a Hazard Mitigation Plan: 1) participate in a local multi-jurisdictional Hazard Mitigation Plan and meet the requirements in accordance with 44 C.F.R. Part 201; 2) develop a stand-alone single jurisdictional Hazard Mitigation Plan and meet the requirements in accordance with 44 C.F.R. Part 201; or 3) join an already approved multi-jurisdictional Hazard Mitigation Plan; and

WHEREAS, a Hazard Mitigation Plan Update Steering Committee (the “Update Steering Committee”) comprised of representatives from the counties of Clarke, Frederick, Page, Shenandoah and, Warren, and the City of Winchester was convened to study the Northern Shenandoah Valley’s risks from and vulnerabilities to natural hazards, and to make recommendations on mitigating the effects of such hazards on the Northern Shenandoah Valley; and

WHEREAS, the Update Steering Committee approved and adopted the 2023 Update to the Northern Shenandoah Valley Region (“NSVR”) Multi-Jurisdictional Hazard Mitigation Plan (the “HMP”); and

WHEREAS, as a critical infrastructure provider serving the NSVR, Rappahannock Electric Cooperative (“REC”) may be eligible to receive HMA funding, specifically the BRIC, through NSVR’s hazard mitigation initiatives; and

WHEREAS, in order to be considered for such funding, REC must adopt the HMP; and

WHEREAS, Article IV, Section 12(b)(i) of the Bylaws of REC (the “Bylaws”) establishes the Executive Committee and authorizes it to exercise all powers of the Board of Directors (the “Board”) in the management and direction of the affairs of REC during the intervals between meetings of the Board, except as otherwise provided by the Board; and

WHEREAS, the Board at its last regular scheduled meeting on February 26, 2025, did discuss the adoption of the HMP, and agreed to allow the Executive Committee to finalize details for the same; and

WHEREAS, the Executive Committee, in accordance with the authority granted by the Bylaws and subject to the limitations set forth therein, has determined that it is in the best interest of REC to adopt the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee hereby adopts the HMP as presented by REC staff.

Certificate of Secretary

I, J. Mark Wood, Secretary of the Board of Directors, hereby certifies that the above resolution was adopted by the Executive Committee of the Board of REC, in its exercise of the powers afforded to it by Article IV, Section 12(b)(i) of the Bylaws of REC, at a duly called meeting of the Executive Committee held on March 5, 2025, and that such resolution is in full force and effect on the date set forth below.

This 5th day of March 2025.

J. Mark Wood
Secretary

Reports

Report of the President

Mr. Hewa shared an overview of the Cooperative meetings for the past month. He highlighted various activities of the NRECA PowerXChange event as well as staff success during Tech Advantage. He shared details of a BrilliT proposal to the Association of Distribution Cooperatives (ALDC) in the coming month. He informed the board that the previously approved offers of alternate purchase have been submitted to ODEC, and he expects ODEC to take them up at the April meeting of ODEC’s board. Lastly, he reported that the auditors have completed their field work, and they will present the audit results to the board at the April meeting.

New Business

Long Range Plan Presentation

Chris Stoia, VP of Engineering and Power Supply, and JD Bush, consultant with Patterson & DeWarr joined the meeting and presented the 2025-2053 Long Range Plan. They covered the methodology, model, forecasts, and load levels, along with plans to address findings in each area. Not including large loads, the territory is poised for continued traditional growth in the coming decades, and as such additional infrastructure will be needed, as well as rehabilitation and expansion of existing facilities where load demand will grow. Following discussion, **the board voted to approve the 2025-2053 Long Range Plan as presented. The resolution below accompanied the approval.**

Resolution # 2025-03-01

Resolution to Approve 2025 Long Range Plan

Resolution to Adopt Long Range Plan for Rappahannock Electric Cooperative

WHEREAS, Rappahannock Electric Cooperative recognizes the need for advanced planning to maintain the integrity of the electric grid, and

WHEREAS, Rappahannock Electric Cooperative partnered with the firm Patterson & Dewar Engineers, Inc. of Norcross, GA, for their expertise to develop a thirty-year long range plan, and

WHEREAS, the Long Range Plan for Rappahannock Electric Cooperative through the year 2053, as prepared by Patterson & Dewar Engineers, Inc., and dated March 2025, was presented to this Cooperative’s Board at the regular board meeting on March 26, 2025;

NOW, THEREFORE, BE IT RESOLVED that the 2025 Long Range Plan for Rappahannock Electric Cooperative is hereby adopted.

Certificate of Secretary

I, J. Mark Wood, Secretary of the Board of Directors of Rappahannock Electric Cooperative, acting pursuant to Article VI, Section 7 of REC’s bylaws as amended and restated on January 22, 2025, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Directors of REC at a meeting held on March 26, 2025, as reflected in Rappahannock Electric Cooperative’s minute book and that the same has not been rescinded or modified in any way.

This 26th day of March 2025.

J. Mark Wood
Secretary

Commercial & Industrial Survey Results

Tracey Steiner presented the results of the recent member engagement effort to garner feedback from commercial and industrial (C&I) members. This was conducted in survey format over the past months. Ms. Steiner reviewed the participant statistics, which reflect mostly small to medium-sized businesses with traditional operating hours. This group provided feedback in the areas of billing, price, clean energy goals, as well as general

membership satisfaction questions. Ms. Steiner shared take aways that staff will use to implement items identified in the survey as well as next steps on how this information will shape future offerings.

Legislative Update

Lindsey Watson, Director – Government Affairs joined the meeting. She provided a recap of the 2025 General Assembly session, focusing specifically on co-op priorities and the Hyperscale legislation which was unanimously passed out of the House and SEntae and signed by the Governor. She previewed what is to come in 2025 for government relations, including that it is an election year in Virginia, with the Statewide offices of Governor, Lieutenant Governor, Attorney General and all 100 house seats up for election. The board thanked Ms. Watson for her work on the Hyperscale bill.

Attorney's Report

The board voted to enter executive session for the attorney's report agenda items at 11:52 a.m. and after proper motion, voted to exit executive session at 12:21 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.

Executive Session

The board voted to enter executive session for the executive session agenda items at 1:10 p.m. and after proper motion, voted to exit executive session at 3:09 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. This included the board workshop on April 14, Gaff N Go on May 16-17, and the July 20-22 VMD/ODEC Annual Meeting.

April Member Communications Preview

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

Vice Chairman Reaves called for any further business.

The board voted to recess the meeting until 10:00am on Thursday, March 27.

Chairman Reaves called the meeting back to order at 10:0am on March 27. Following discussion and review of the terms sheet, the **board voted to authorize the CEO to execute the land purchase agreement for the Carmel Church property.**

There being no further business, **the board voted to adjourn at 10:15 a.m.**

J. Mark Wood, Secretary

Attest:

Christopher G. Shipe, Chairman