CRISP COUNTY POWER COMMISSION CORDELE, GEORGIA

2:00 P.M. October 26, 2021

The regular monthly meeting of the Crisp County Power Commission was held on the above-mentioned date and time in the Power Commission Board Room at 202 South Seventh Street.

There Were Present:

John Pridgen, Chairman

Ray Hughes, Vice Chairman

Rusty Slade Alissa Wilkerson Sam Farrow James Dowdy Larry Felton

Others Present:

Michael Ivey, General Manager

Ladreka Daniels, Secretary Rick Lawson, Attorney

Clark Harrell, County Administrator Mark Crenshaw, County Commissioner Chris Hewitt, Tech Services Manager

Chad Young, IT Director

Blake Manning, Operations Manager Troy Gilliam, Resource Manager Rick Vaughn, Staff Engineer

Absent:

None

Media:

Rick Smarr

Call to Order

John Pridgen called the meeting to order and welcomed all present,

September 2021 Minutes

A motion was made by Larry Felton, seconded by James Dowdy, and unanimously carried to approve the minutes of the regular September meeting.

October 14, 2021 Called Minutes

A motion was made by Larry Felton, seconded by Alissa Wilkerson, and unanimously carried to approve the minutes of the October 14th called meeting.

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Turbine LOA

At the October 14, 2021 Called Meeting, it was approved for us to enter into a contract with Solar' Turbines for a replacement turbine. Manager Ivey presented copies of the Letter of Agreement (LOA). The LOA authorizes Solar to proceed with the engineering, procurement, and manufacturing of the goods. It lists the purchase order price, termination/cancellation schedule, milestone payment schedule for the gas turbine generator set order price of \$3,668,200, percent complete payment schedule for engineering and construction order price of \$3,351,600.

Manager Ivey reported we will use trust funds, future revenues, and production cost savings, approximately \$2M-\$3M, to service the payments until we receive our insurance payments which are expected to be between \$4M-\$5M. He reported we currently have around \$38.5M in the MEAG trust which we will draw from to hep mitigate the increased power supply costs we will experience as the bond debts swing upward temporarily for a few years. This is part of a 10+ year cost stabilization plan and most of the funds are marked for expenditure except for some smaller reserves and R&R funds for long-term infrastructure improvements.

Attorney Rick Lawson reported over the next 30 days a final contract will be negotiated and we can proceed to request \$1M from the insurance company.

Review of September 2021 Financial Statements

Operating Revenues	\$4,218,687.32
Operating Expenses	\$4,092,186.89
Net Revenues (After Adjustments)	\$178,401.86
Year to Date Net Revenues	\$551,038.28
Total Funds On-Hand	\$10,400,009.61

Manager Ivey reported energy sales for the month in the residential and industrial classes were down while commercial class was the even with the same month last year. HCDD for the month were 3.8% above last year and 13.3% below the long-term average. Energy production was down 3.1% over last year. Sales of energy for the month were down 3.2% over last year and revenue was up 2.2% compared to this time last year.

Hydro-electric production during the month of August was 69.3% more than the long-term average and 17.8% greater than the same time year. SEPA generation was 61.2% above the budgeted long-term average. Unit #2 is currently out of service for maintenance.

A motion was made by Ray Hughes, seconded by Alissa Wilkerson, and unanimously carried to approve the September 2021 Financial Statements.

Budget Work Session Date

Manager Ivey reported that staff has begun working on the 2022 Budget. He recommends that the Commission use the same process as in the past and hold a Budget Work Session to discuss the 2022 Budget in detail and then approve the Final Budget at

the Regular December Commission Meeting. Ivey requested the Board to recommend and set the dates for the meetings. The Board approved the following:

Budget Work Session – Tuesday, December 14th at 2:00 p.m.

December Board Meeting Date

Regular December Board Meeting – Tuesday, December 21st at 2:00 p.m.

ECG Board Election

Manager Ivey reported 2021 ECG Board Election results will be announced at ECG's Annual Meeting to be held at Lake Oconee from December 5th-7th. ECG Members will be voting to fill three (3) ECG Board seats that expire in 2021. The Board Election Seats for 2021 are the following incumbents:

Chris White – Thomasville Jeff Lewis – Fitzgerald WLB Tim Houston – Acworth

Ivey reported the completed nomination forms are due by November 5th, ECG staff will send out the ballot lists to all ECG members on November 9th, and all the completed voting ballots must be submitted by 5:00pm on December 6th.

Report on MEAG September 2021 BOD Meeting

Manager Ivey reported the MEAG Board meeting was held on Thursday, October 21st in Elberton. He reported budget to actual, fixed and variable costs were under budget by .54 cents/kWh. Fixed and variable costs were under budget by \$29.7M; 38% due to supplemental costs and 34% due to transmission costs. Variable cost was over budget by \$4.6M. Renewal and Replacement (R&R) was under budget for all projects for \$3.5M YTD. Ivey reported natural gas prices are staying above budget and are expected to remain there for the remainder of the year. The current cash price is \$4.78?MMBtu and expected to be \$5.31/MMBtu for the remainder of the year. Spot market prices are above budget in the southeast but flattened out in September.

Manager Ivey reported the nuclear units continue to perform well and utilization was 2.1% below budget. Coal utilization was 15.6% above budget due to increased market prices, off-system sales, and covering outages. Scherer and Wansley are dispatching for load and market. GPC wants to stop using Scherer #3 because of compliance costs Nuclear gas utilization was 6.5% below budget. SEPA was 25.3% above budget and we expect elevated outputs for the rest of the year. Off-system purchase were below budget due to serving native load with owned resources rather than market and has YTD costs 40.7% (\$8.7M) below budget. Off-system sales continue to be strong and above budget.

Manager Ivey presented some slides to the Board regarding legislative issues around the MEAG communities. Ivey reported MEAG provide a whitepaper on Cryptocurrency Mining Loads Risk Considerations. Some of those risks are power supply risks, supply

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cost risks, regulatory risk for non-emitting, portfolio, substation capacity risk, transmission investment cost, distribution investment, cash flow management, and margin/subsidization risks.

He updated the Board on the progress of the Plant Vogtle project with a slide presentation. He reported GPC that Vogtle #3 startup will be the 3rd quarter of 2022 and Vogtle #4 startup will be the 2nd quarter of 2023. Ivey reported some Project One bond transactions were closed on October 7th despite a difficult market. There were \$304M in bonds at an average 2.63% interest rate and with a 2051 maturity date.

Current Projects

- ❖ Chris Hewitt reported crews completed the installation fiber line from Southwest to District Line Road. The Hwy 280 project is one week ahead of schedule and in the final stages from Hibiscus to Valhalla with staking. Hewitt reported they are working on two (2) solar application. The warehouse expansion was completed last week. Hewitt reported the transfer scheme for the state park is operational and functional.
- ❖ Chad Young reported he has a meeting with Front Office contractors regarding moving wires, and etc. According to the contractors, they are around ten (10) days ahead of schedule.
- * Rick Vaughn reported they are still working on the work plan and he is reviewing the peak summer loads so he can try and find options to help with those loads.
- ❖ Blake Manning reported the Hwy 280 project is progressing ahead of schedule. He reported crews continue to work on the underground remediation project. He reported the ROW contractor will be back in town next week in the northeast side of the county.
- Troy Gilliam reported he and Michael Ivey attended the Lake Blackshear Homeowners Association meeting and they discussed the dilapidated structures and docks. Troy reported we will be sending out letters to the owners of the structures and docks that needs attention. Troy said there are four to five docks being constructed.

Other Business

Manager Ivey announced to the public to be mindful and not attach any signage to CCPC poles. He also acknowledged the thank you letter we received from SGTC Tech Force Foundation.

Meeting Adjourned

Chairman Pridgen announced that there was no further business to come before the Commission and declared the meeting adjourned.

Approved this 23rd day of November

2021