

## MINUTES OF MEETING OF FEBRUARY 22, 2022

The regular meeting of the Board of Directors of Southwest Tennessee Electric Membership Corporation was held in the office of the Cooperative in Brownsville, Tennessee, on Tuesday, February 22, 2022, at 8:00 A.M.

All the Directors were present except for Allen King. Also present were Kevin Murphy, Jason Kendall, Mike Russell, Clint Malone, Anna Grissom, Anna Jackson, and Pat Mann.

Robert Kendrick, Chairman, presided over the meeting.

Anna Jackson kept the minutes of the meeting.

Greg Jones led the room in prayer via audio recording and Kevin Murphy led the Pledge of Allegiance.

First, President Murphy congratulated several Board members on their achievements. Marilyn Means and Audrey Blue completed the Director Gold Program; and David Kinney completed the Credentialed Cooperative Director Program.

Next, Jason Kendall presented a Cyber Risk Policy and updated the Board on cybersecurity within STEMC. This policy, 30-3: Cybersecurity and Privacy Risk, is put into place to prevent, mitigate, and manage costs in the aftermath of a cyber-breach. Upon motion by Teri Robinson, seconded by David Kinney, the Board approved the cyber policy.

Mike Russell then updated the Board on the February Ice Storm. AT 10:30 A.M. on Thursday, 2/3/22, STEMC had 9,000 meters out of service. By Thursday night, outages had decreased to around 2,000. All outages that could be restored were done so by Saturday night around 10 P.M. If it weren't for our ROW clearing, this event would have taken longer than 3 days. Tipton Co. and Haywood Co. have applied for FEMA reimbursement for this ice storm.

Clint Malone gave an update on the project agreement with Ford. The original proposal required STEMC to invoice Ford throughout the project and spread these costs over a 20-year

term. We counteroffered Ford to pay the \$8.152M upfront to cover the substation transformers, and the remaining amount to be spread over a 10-year period with interest.

The Board next discussed the Consent Agenda and upon motion of Audrey Blue, seconded by Marilyn Means, the January minutes were approved, the March write-offs in the amount of \$2,138.24 were approved, and the vendor payment list and the comparative statement were reviewed and discussed. The President reported a negative margin of \$410,281.62.

President Murphy discussed the current events: the STEMC Wage & Salary report will be presented at next month's meeting; the Megasite Authority Board met in the STEMC Board Room on 2/17; and Ford has requested that STEMC provide electric service in all the supplier parks including Chickasaw's area.

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

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Secretary-Treasurer

APPROVED:

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Chairman