

# MINUTES



**Tanner Electric Cooperative  
TEC Board of Directors  
August Board of Directors Meeting  
Tuesday, August 16, 2022, 3:00 pm - 6:00 pm  
TEC North Bend Office & ZOOM**

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## In Attendance

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### Member

Carol Paschal; David McGoldrick; John Saatela (remote); Kristina Michael (remote); Mike Hodge; Roger Guay; Steve Nicholes (remote); Susan Serrette-Egan

### Staff

Joel Merkel; Kevin Burns; Lisa Peabody; Nick Himebauch; Steven Walter

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## Not In Attendance

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### Member

Dutch Siedentopf

## A. ROLL CALL

1. Establish a Quorum

The Board President, Michael Hodge took roll call and a quorum was established.

## B. Technology Update - Guest Speaker - Jan Ahlen CFC -VP, Utility Research & Policy-Technology Update

## C. TEC Roadmap - Guest Speaker - Chris Bradley, Regional Business Manager, Western U.S. National Rural Telecommunications Cooperative (NRTC) Smart Grid Solutions.

## D. CALL TO ORDER

Following the guest speakers, Board President Michael Hodge, called the TEC August 2022 Board of Directors meeting to order at 4:05 p.m.

1. **Action Item - Move to Approve the Agenda**

A motion was made to approve the agenda as presented.

Move: Carol Paschal Second: Roger Guay Status: Passed

2. Board President's Remarks

The Board President introduced Kristina Michael, our new Director for Ames Lake.

## E. UNFINISHED BUSINESS

1. Consent Agenda
  - a. New Memberships List
  - b. Monthly Outage Reports

2. Release of Easement Rights Anderson Island

Finding no conflicts with TEC electric facilities, it is recommended to the Board that TEC release both easements to combine lots as listed below in the Riviera according to the plat thereof recorded in Pierce County, Washington, Lake Josephine Riviera No. 02, Lots 54 and 55

Location: 10507 and 10425 Riviera Drive

3. **Action Item** - Move to Receive the Consent Agenda

Move: Roger Guay Second: David McGoldrick Status: Passed

4. **Action Item** - Move to Approve Board Meeting Minutes from July 19, 2022

Move: Roger Guay Second: Carol Paschal Status: Passed

5. **Action Item** - Move to Approve Summary Minutes for Ruralite

Move: David McGoldrick Second: Carol Paschal Status: Passed

6. Strategic Planning Update

The CEO provided a progress report on the current strategic goals and objectives the staff has been working on.

## F. FINANCIAL REVIEW

1. Funds Disbursement List

2. Balance Sheet

3. Monthly P & L

4. Misc. Financial Data

5. Arrears List

6. Power Vision

7. **Action Item** - Move to Receive the Financial Reports

Move: Carol Paschal Second: Roger Guay Status: Passed

8. **Action Item**: Move to Approve TEC Resolution 22-278 Authorizing the execution of the CFC Power Vision Loan Agreement and Promissory Note.

Move: Carol Paschal Second: Roger Guay Status: Passed

## G. REPORTS

1. CEO Report

Mr. Walter provided a fact sheet with the Board published by the NRECA related to the Inflation Reduction Act of 2022. The Senate has passed a new version of the budget reconciliation bill that Congress has been negotiating for the past year. This version contains several policy provisions of interest to electric cooperatives, including two of NRECA's top legislative priorities:

Direct Pay - If enacted, the bill would give electric cooperatives tax parity with industry counterparts when deploying new energy technologies, including carbon capture, nuclear, energy storage, and traditional renewables.

USDA Financial Assistance for Clean Energy - The bill proposes a \$9.7 billion grant and loan

program designed specifically for electric cooperatives that purchase or build new clean energy systems. The bill includes no mandatory emission reductions or required closure of existing power plants.

2. Operations Report

Mr. Himebauch submitted a written operations report to the Board that outlined the current system improvements in progress for the Cooperative.

3. Committee Reports

a. Finance & Audit

Chairperson Carol Paschal and the committee met today before the board meeting to discuss Capital Credits, 2023 budget planning and updates to the TEC Financial Policy. The committee also reviewed the 2022 audit engagement letter and recommended that the Board accept and approve the proposed service agreement.

**Action Item** - Motion: To accept and approve the proposed 2022 audit agreement between TEC and Bolinger, Segars, Gilbert & Moss, LLP Certified Public Accountants in Lubbock, Texas.

Move: Carol Paschal Second: David McGoldrick Status: Passed

b. New Technology & Conservation

Chairperson Roger Guay and the committee met today before the Board meeting to Orient new members to the purpose and function of this committee so it can synchronize potential projects, plans, and strategies with the TEC staff.

c. Operations & Facilities

Nothing to report.

d. Personnel

Nothing to report.

e. Union Affairs

Nothing to report.

f. Youth Development

4. Area Director Reports

5. Other Reports

a. General Counsel Report - Joel Merkel

A meeting between the coop group board members and District #3 Council member Sarah Perry is scheduled for this Thursday, August 18 at 1:30 pm. The proposed audit of the impact of Ordinance 18403 and further proceedings to consider repeal of the ordinance will be discussed. Paul Bay will represent Tanner in that meeting. The county's lack of engagement with the utilities on the utility challenges to the reasonableness of the methodology for determining the amount of rent has continued. There have been no notable communications between the county and the utilities in the past month, except that the County responded to the public records request for a list of the attorney's fees paid to the outside firm representing the County (Pacifica Law Group) was received. It showed that the County has paid Pacifica over \$600,000 from 2017 to early 2022.

## **H. NEW BUSINESS**

1. TEC Resolution Appointing the Board of Directors for TWE
2. **Action Item** - Move to Approve TEC Resolution 22-277, stating the TEC Directors will also serve as the TWE Board of Directors.

Move: Roger Guay Second: Carol Paschal Status: Passed

## **I. ADJOURN MEETING**

The August 2022 TEC Board of Directors meeting was adjourned at 5:08 p.m.

## **J. EXECUTIVE SESSION**