

# Unofficial Minutes Until Board Approval

## July 9, 2015

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TOMBIGBEE ELECTRIC POWER ASSOCIATION HELD JUNE 11, 2015

The Board of Directors of the Tombigbee Electric Power Association met at the Tupelo Headquarters Office, Tupelo, MS, on Thursday, June 11, 2015, at 5:30 p. m. and there were present the following directors:

Class of 2015

Steve Holland  
Don Knight  
Jim Gray  
Don Spradling  
Cecil Weeks

Class of 2016

Pat Carr  
Jimmy Gray  
Jack Johnson  
John McFerrin  
Buddy Palmer

Class of 2017

Tommy Estes  
Guy Harris  
Chip Prestage  
Brenda Shumpert  
F. G. Wiygul, Jr.

(A)—Not present

(P)—Participated by phone conference connection.

Also present were:      Scott Hendrix, Attorney  
                                 Greg Jarrell, Auditor  
                                 David Kelso, Fulton Branch Manager  
                                 Steve Tarpley, Member Services Director  
                                 William W. Long, General Manager

Pat Carr called the meeting to order and called upon Jack Johnson to open the meeting with prayer.

Mr. Carr opened the floor for consideration and approval of the May, 2015 regularly scheduled Board Meeting Minutes. **Don Knight made a motion that the meeting minutes as prepared and mailed to Directors for review be approved.** Buddy Palmer seconded the motion and upon vote taken, a majority vote was observed.

Mr. Carr inquired if there was a need for an Executive Session. Mr. Hendrix and other Directors responded that there was no need for an executive session at this time. Mr. Carr requested that Mr. Hendrix continue with his report.

Attorney's Report: Mr. Hendrix stated that he had no matters for presentation and Board consideration at this time and further stated that his activities conducted since the last meeting have consisted of support to management of TEPA.

Committee Reports:

Mr. Carr then called upon committee chairmen to present information to the Board on behalf of their respective committees:

**Industrial:** Steve Holland, Chairman. In the temporary absence of Mr. Holland, Long provided to the Board a brief report on the status of implementation of the amended security deposit policy for customer accounts greater than 50 kilowatts. Long stated that all aspects of informing customers affected by the security deposit amendments appear to be proceeding acceptably and that implementation of the amendments will be completed as planned.

Long stated that there has been no new work activity conducted by the Industrial Committee associated with this policy amendment.

**Rate:** Tommy Estes, Chairman. Mr. Estes gave a brief explanation to the Board concerning the work that the committee had done to review certain components of TEPA's Residential Rate structure. Mr. Estes called upon Greg Jarrell to present the findings of the committee.

Mr. Jarrell reported that the Rate Committee had two (2) matters to report to the Board and to make a recommendation for action: 1.) Mr. Jarrell reported that the committee had made an extensive study of the Residential Rate in particular the Customer Charge component and recommends to the Board that TEPA increase its customer charge from \$13.71 to \$18.00 effective October 2015 and that the increase be revenue neutral to TEPA by reducing the Energy Charge by a corresponding amount so that the net revenue to TEPA will be zero. 2.) The second matter that the committee recommends is that due to the TVA Wholesale Rate change that will occur this October 2015 and the TVA calculated impact to TEPA being on the order of a 0.3% wholesale increase, that this amount be passed along to all TEPA rate classes in the same proportion that retail sales occur and are collected from TEPA members as it has been done in the past.

After Mr. Jarrell and other TEPA staff had answered several questions from Directors on these two recommendations, and upon the recommendation of the Rate Committee, and upon a vote taken by the Board, a majority vote was observed.

**Nominating:** On behalf of the committee, and as a recap of previous study and discussion by the committee, Mr. Hendrix reported on several details associated with the balloting and election process. As a result of the general discussions, Mr. Weeks, Chairman of the committee stated that a nominating committee meeting should be held just prior to the next regular board meeting in July to consider certain matters.

**Auditor's Report:** Greg Jarrell, Auditor, provided Directors with a copy of the TEPA Monthly Highlights Report, prepared aspects of his report and compared current data for the month of March 2015 with the same period a year ago. Mr. Jarrell will continue to review sales and expenses and advise the Board of significant trend changes.

Directors had no questions for Mr. Jarrell concerning the report he presented.

**Manager's Report:** Long provided the following information to Directors:

- Provided the Board with an update on the plans for Director Training in conjunction with the Electric Power Association's Annual Meeting in September. At the present time the training activity planned has been postponed.
- Provided the Board with a general overview of industrial expansions underway and being considered for development in the TEPA service territory. All of these expansions being

considered can be serviced without major expenditures for building additional electric power substations.

Matters of Mutual Concern: There were no matters brought forth for discussion by Directors.

They're being no further business, **Guy Harris made a motion that the July 2015 Board meeting be held at the Tupelo Headquarters.** Don Spradling seconded the motion and upon vote taken a majority vote was observed.

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Pat Carr, President

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F. G. Wiygul, Jr., Secretary-Treasurer