

MINUTES OF MEETING OF THE BOARD OF DIRECTORS

BARC ELECTRIC COOPERATIVE

A meeting of the Board of Directors of BARC Electric Cooperative was held on November 17, 2021, at Highland Belle.

All Directors, the Chief Executive Officer and the General Counsel of BARC Electric Cooperative were present.

No members wished to address the Board.

A brief executive session was held. No action was taken as a result of the executive session.

Mr. Swisher and Mr. Keyser presented the Old Dominion Electric Cooperative (“Old Dominion”) Report. They reported that, for the first time in over a year, both of them attended the Old Dominion meeting, which occurred the week of November 8, 2021, in person as opposed to virtually. They reported that there was a general discussion of the increases in the cost of natural gas and power going into the winter months. There was also discussion about supply chain issues. This was Mr. Keyser’s final meeting as a director, and he was recognized for his service to the Old Dominion board of directors.

Mr. Keyser presented the CEO’s Report. He explained that he has recently participated in a NextEra Energy webinar where a market analysis was provided. Mr. Keyser summarized the analysis relating to the forward energy and gas markets. Going into the winter, gas prices are at their highest point since the polar vortex of 2014 and it is expected that energy costs are going to continue to rise as coal piles are low and there is very little price elasticity between natural gas and coal-fired generation at the present time. The supply of both coal and natural gas was

reduced during the pandemic and demand is now surging. This pressure is not expected to abate until mid to late 2022.

Mr. Keyser presented the Communications Report. He reported on recent press releases, including that three BARC linemen participated in a national linemen's rodeo. There were 146 surveys sent out with 12 responses. There were 147 broadband surveys sent out with 26 responses. The responses to both were positive.

Ms. Perdue provided the Financial Report. Year-to-date margins are \$1,986,956, \$1,259,065 over budget. October marked the first month in calendar year 2021 that was in the red. However, electric sales remain strong. Equity is 25.30% and long term debt is 50.25% of total assets. BARC Connects continues to expand and had another positive income month. Reliable Energy has nearly \$2.9 million in total assets and over \$200,000 in total equity.

Mr. Botulinski provided the Engineering and Operations Report. The Millboro to Kool Dri transmission/distribution rebuild and Bratton's Run substation location are both still awaiting regulatory permitting approval. Fiber construction nears completion in many areas. Sixteen new electric services were released to construction, increasing the year-to-date to 108. There were no cyber-attacks in October.

Mr. Keyser provided the Subsidiary Activity Report. Both residential and commercial new broadband subscriber connections are ahead of goal. SolarizeBARC has eight active consumers in various stages of development. There are 38 contracts, totaling \$1,025,880 in total sales.

There was an update and discussion related to the potential acquisition of Virginia Technology Services. No action was taken by the Board.

Mr. Keyser presented a proposal to update the Terms and Conditions for providing electric service. It has been nearly 10 years since the last major review and revision. By motion duly made and seconded, the Board approved management's recommendations and directed them to file the revised Terms and Conditions with the State Corporation Commission.

Mr. Keyser made a presentation with respect to a Customer Proprietary Network Information (CPNI) manual. By motion duly made and seconded, the Board adopted the management recommendation that the CPNI manual be adopted.

By motion duly made and seconded, Mr. Botulinski, who will serve as interim CEO, was elected to replace Mr. Keyser as a director on the Old Dominion Electric Cooperative board. This election will be in place until there is a permanent CEO for BARC Electric Cooperative.

Mr. Keyser presented the Board with a report on the proposed Highland Belle remodel, which was discussed at previous meetings. Both motion duly made and seconded, the Board approved management recommendation, that the low bid be accepted for the remodel. This motion will not require an amendment to the construction work plan budget as the money for this project can be found in various parts of the existing budget.

Mr. Keyser and Ms. Perdue made a report regarding patronage capital. Nearly \$100,000 in patronage retirements has already occurred this year. Management recommended that no additional patronage be retired in order to preserve existing equity levels. By motion duly made and seconded, the Board approved management's recommendation.

Mr. Keyser reported that the only upcoming meeting is the Budget and Finance committee meeting which will occur on December 9, 2021, at 3:00 p.m. via Microsoft Teams. The consent agenda consisted of the Safety Report, the unapproved minutes for the October

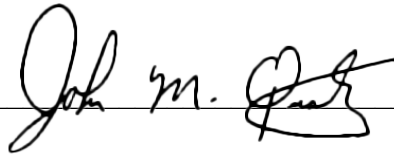
meeting, new members and cancellations, estate refunds and accounts payable. The consent agenda was approved by the Board upon motion duly made and seconded.

In other matters, the Board approved providing each employee with \$75 in lieu of a holiday ham or turkey, due to supply chain issues and the reluctance of local grocers to sell in bulk. The Board then thanked Mr. Keyser for eleven years of leadership and progress and wished him well in his future endeavors. By motion duly made and seconded, the Board voted to award Mr. Keyser a performance bonus reflecting his performance over the past year.

There being nothing further to come before the Board, the meeting was adjourned.

Respectfully submitted,

Secretary

A handwritten signature in cursive script, appearing to read "John M. Gault", written over a horizontal line.

Approved:

A handwritten signature in cursive script, appearing to read "Keith S. Swick", written over a horizontal line.