McDONOUGH POWER COOPERATIVE
BOARD MEETING MINUTES

August 25, 2026

The regular monthly meeting of the Board of Directors of McDonough Power Cooperative was held on Tuesday, August 25, 2026, at 3:00 PM, in the Cooperative Board Room.

The following Directors were present in person:

Courtney Chandler	Walt Lewis
Michael Cox	Ryan Litchfield
Bryson Bedwell	David Lueck
Steve Hall	

Director Robert Dwyer was absent and Director Moore has moved out of his district and tendered his resignation. The meeting convened in regular session with President Mike Smith, Finance and Accounting Manager Tracy Camden, Line Superintendent Doug Bear, Energy Services Manager Carrie Van Vleet and Attorney John McMillan also present in person.

Chairman Lewis stated that an executive session will be the last Agenda item today.

Chairman Lewis asked if anyone had corrections for the July Board meeting minutes. Director Cox made a motion to approve the July 28,2026 Board meeting minutes, as printed. Director Litchfield seconded the motion, which passed on a voice vote.

Chairman Lewis stated that the Board needed to take action on the Uncollectible Accounts. Director Hall made a motion to transfer the Uncollectible Accounts, in the amount of $604.74, to the written-off category. Director Litchfield seconded the motion, which passed on a voice vote.

President Smith reviewed the financials for the month of July. Mike noted that July sales were very good and helped us catch up on margins. The wholesale cost of power was lower, largely due to the increase in kWh sales. Our year-to-date margins are $465,061. Mike presented the budget comparison and we are on track. Director Lueck made a motion to approve the Financial Report. Director Chandler seconded the motion. On a roll call vote, all Directors present voted aye.

Chairman Lewis called upon Attorney McMillan for the Attorney Report. John reported that he has filed a response to the BNSF motion to dismiss and a hearing is scheduled for September 16, 2026, with the ALJ. We should be done with the transfer of the Switch Station to PPI. Ryan is working with Doug on a Wind Farm Easement.

John participated in a Zoom meeting with John Teefey and several other Illinois Cooperative Attorneys. John also attended the Policy Committee Meeting, which is a separate agenda item. Thirty days are up on the summons served upon Edison 356. We have prepared a contract for the purchase of a site for the new Industry Substation. The new CoBank mortgages have been recorded in all six counties and the Financing Statement has been mailed to the Illinois Secretary of State for filing. John also reported on the three-day NRECA Legal Seminar, which he attended in Florida earlier this month. PPI has also filed a case against BNSF, before the Commerce Commission, seeking a railroad crossing.

Chairman Lewis called upon Steve Hall, Chairman of the Policy Committee, for his report on the Policy Committee Meeting held August 13, 2026. Steve and President Smith reported on a number of Policy changes recommended by the committee. Mike displayed a PowerPoint of the proposed new Organizational Chart.

Mike presented a proposed change to Policy 216 Capital Credit Rotation. The change provides flexibility for when capital credit retirement checks would be issued each year and extended the time for sending the Notice of Allocation to members. A paragraph is to be added to Policy 216, providing for the transfer of unclaimed retired capital credits to the “Available to be Reallocated Fund,” after payments have gone unclaimed for two years.

The Committee is also proposing that we modify Policy 429 Small DG Facilities Incentive to provide that Generation Facilities with a combined storage and non-storage output equal to or less than 100 KW and over 25 KW must offset no more than 100% of the member-consumer’s energy requirements.

The Committee is proposing the adoption of a new Policy 415, to work in conjunction with PPI policy #451, to address and identify “large loads” and “mega loads.”

The Committee is proposing to modify Policy 209 Attendance by Members at a Board meeting, by providing that the agenda delivered electronically to each Board member, prior to a meeting of the Board, will also be displayed on the Cooperative website, prior to each meeting, at the same time that the agenda is delivered to the Board of Directors. It is also proposed that any meeting of the member or members with the Board be the first item on the agenda.

Steve and Mike also discussed the Committee’s review of Policy 414, as a result of a member request that the Cooperative consider socializing the cost of meter loops and pedestals. The committee is not recommending any changes and this policy was discussed by the full Board.

After the Board completed its discussion of the changes proposed by the Policy Committee, Director Cox seconded the Committee's recommendation. All Board members present voted Aye and the Policy changes recommended by the Policy Committee will be implemented.

Line Superintendent Bear reported on the Safety Committee meeting held earlier this month. Matters covered included schools attended by the linemen, extinguishers, hydraulic fluid Injection, tick protection, planes and drones. The minutes of the Safety Committee Meeting are included in the Board meeting materials.

Director Cox reported on the AIEC meeting he attended on August 20. The officers of the AIEC Board have all moved up one position. Craig Sondgeroth discussed MISO. Egyptian Electric Cooperative made a Redleg loan to Monroe County Electric Cooperative. A CFC Director Election will be held at the NRECA Region 5 meeting. The Board also received a legislative update.

Director Lueck reported that he attended a meeting of the PPI Board on August 18 and 19. David presented the graph showing the wholesale power sources for the month of June. For the month of July, generation was provided by Prairie State Energy campus, Alsey units and Pearl, creating significant ancillary revenue. PPI also reviewed and reported all financials from member cooperatives were judged to be financially stable. David reported that MISO experienced an emergency on July 15. Wind turbine output was only 5% and Load Management Restrictions were deployed.

Under new business, President Smith reported that the annual Christmas Party has been scheduled for December 10 and that the Wage Committee needed to meet before the September meeting. After discussion, the Wage Committee Meeting was scheduled for September 14 at 4 PM.

Under Miscellaneous business, Mike reported that staff is preparing for a CEO evaluation and staff is also working on the annual meeting details.

Chairman Lewis stated that the final agenda item was an executive session. Director Cox made a motion to have the Board go into executive session. Attorney Litchfield seconded the motion and the Board moved into executive session to discuss personnel.

With no further business to come before the Board, the meeting was adjourned at 5:30 pm.

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Steve Hall, Secretary

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