

Electric Cities of Georgia, Inc. (ECG)
Board Meeting
February 16, 2021

A meeting of the Electric Cities of Georgia was held on February 16, 2021, beginning at 9:00 am, at the Hilton Garden Inn, Tifton, Georgia.

Board Members Present:

Lamar Hill
Jay Bartlett
Tim Houston
Mark Fitzpatrick
Jeff Lewis
Chris White
Gary Youngblood

Board Members Not Present:

Rod Prince
Craig Mims

Others in Attendance: John Giles, Daryl Ingram, Sheri Braddick, Walter West, Sallie Coleman, Jon Beasley, Sabrina Milner, Rita Hillhouse, Michelle Holbrook, ECG; Peter Floyd, Alston & Bird; Brian Bulthuis, Acworth; Stuart Jones, MEAG; Mary Beth Bender, Norcross.

Chairman Jay Bartlett called the ECG February Meeting to order.

Approval of Minutes

The minutes from the January 20, 2021 meeting were presented.

On motion by Lamar Hill and seconded by Mark Fitzpatrick, the Board approved the minutes from the January 20, 2021 meeting as presented with Gary Youngblood abstained from voting.

Financial Update

Sallie Coleman presented the financials through January 31, 2021. Sallie stated through January ECG had \$644,792 over-recovery. Sallie updated the Board on each service with details of their over/under recovery.

Executive Staff Updates

Pole Attachment Service

- Inventories completed: Hogansville, Grantville, West Point
- Invoicing: \$4,054,715 for calendar year 2020
 - Non-rental revenue - \$592,847
 - 2020-2021 annual rent - \$3,461,868
- Ongoing effort to get Joint Use Agreement in place for all ECG PAS cities with Georgia Power Company

Engineering

- Territorial assistance for several cities

Analytical

- First customer looking to utilize the Public Utility Regulatory Policies (PURPA) certification of a qualified facility to off-set over 50% of their load with a co-generation
- Cost of Service Studies
 - Electric - five (5) completed: Acworth (rate design), LaFayette (COS), West Point (COS), Cartersville (COS), Monroe (rate design)
 - Water/Sewer – two (2) completed: Thomasville (COS), Fort Valley (COS)
- Customer Choice
 - New Cryptocurrency opportunity
 - Microsoft has announced data centers in East Point and Palmetto
- Aggregated Services – Meter Testing was awarded to HB Next; Albany added Pole Inspection

Joint Purchasing

- Refurbished transformers have been added to bid list

Communications

- Working on cross functional communication for ECG employees creating an ECG Intranet
- Accumulating information for the ECG 2021 Directory

Human Resources

- Two of the three vacant positions at ECG have been filled

Economic Development

- Colin Chance is the new Industrial Project Manager and will report to Grant Cagle
- Currently in conversations with a possible replacement for the Manager of Community Development
- Industries are being impacted either positive or negative depending how their product is tied to the COVID19 pandemic. The pandemic has hampered in-store sales and pushed E-commerce sales three years ahead.
- Industrial – distribution and fulfillment centers are at full speed; E-commerce is driving the market and the growth in 2020 was a game changer for the national economy and the US industrial real estate sector
- Automotive projects (GM, Ford and Toyota) have reported positive sales for the end of 2020 and beginning of 2021
- Retail – home improvement stores have seen double digit increases in sales

Legislation

- HB 150 - The proposed bill limits the ability of a local government to ban the provision of energy within its community from a certain fuel source, i.e. natural gas. ECG has been working closely with MEAG Power and The Gas Authority on recommending language to the author that better aligns with our position on this topic.
- HB 156 – Cyber Security – reporting requirements for local governments regarding Cyber Attacks. Local governments with electric and natural gas have a requirement to report within two hours of the attack with the same information they are required to report to any federal government agency.
- HB 328 – Municipal Rights-of-Way fees – Looking to establish one-time permit fee and reduced Annual fees. ECG is monitoring and in communication with GMA.
- DOT – Proposed Rule 672-11 - regarding installation, relocation, and management of utilities on public rights-of-ways. This is mainly regarding proposed rules for broadband deployment.
- HB 449 –Changes with Georgia Utility Facility Protection Act or GA 811 Dig Law – The GUCC (Georgia Utility Coordinating Council) is represented by the following:

- Utility companies such as telephone, power, gas, cable TV, water authorities and railroads as well as employees of government agencies, (Georgia Public Service Commission, Cities, Counties) utility construction companies, independent industry consultants, locate technicians and Georgia 811
- The GUCC Legislative Committee, which is represented by the aforementioned entities, has been working on possible amendments to the Facility Protection Act since August 2020.
- Congress has directed the United States Department of Transportation (USDOT) through the Pipeline and Hazardous Materials Safety Administration (PHMSA) to put in place rules for Federal damage prevention enforcement in states that do not have effective programs of their own.
- This revision of the statute is an attempt to ensure that Federal enforcement does not come to Georgia in the next few years by addressing the requirement to call 911 if an excavator damages a gas or hazardous liquid pipeline.
- There are enhancements to existing processes within the statute that address design locate requests, extraordinary circumstances, cost recovery of damages, and to establish a three-year statute of limitations on enforcement.
Even with that consensus, there are two areas of the statute where no consensus could be reached on proposed language which could potentially continue to improve safety in Georgia. While no consensus could be reached on proposed language, all parties did agree that taking this issue up at a legislative study committee this summer made good sense. Those two areas are as follows:
 - Evaluating whether traffic control devices and traffic management systems should be defined as utility facilities under the statute thereby requiring them to be located in accordance with the requirements of chapter 25-9
 - Given the increasing demand for locates in the state, evaluate whether there are process changes associated with locate demand and when locates must be completed that can be made that would help maintain and/or improve safety and efficiency in GA.
- Public Service Commission – Chairman Eaton has indicated he would like to have a hearing in 2021 with each of the electric utilities in Georgia to discuss provisions of the Georgia Territorial Act regarding the definition of Like Kind as used in the Act. This topic is a common disagreement at the Commission between Georgia’s electric utilities and Chairman Eaton would like to explore greater clarity. A date has not been set for the proposed meeting.

Discussion of FY22 Pro Forma Budget Meeting with ECG Members

John Giles stated the executive team has received feedback from 48 of the 52 members. The consensus was approval to take the next step in purchasing the 11 acres of land for building the training facility.

Approval of FY21 Budget Amendment for Restricted Reserves

John Giles gave a brief update on the FY21 Budget use of restricted reserves. John stated the Board has the authority to amend the existing the FY21 budget and his recommendation is to amend the FY21 Budget to assign a 5% adder to every dollar ECG bills within the services which could be used to purchase the land. John stated that ECG would not increase the current year billing amounts and would just reduce the FY21 YES by the 5%.

On motion by Mark Fitzpatrick and seconded by Chris White, the Board approved the 5% adder to every dollar ECG bills within the services and be placed in a restricted reserve account to purchase land to build a new training facility with Gary Youngblood abstained from voting.

Approval of NIP Property Closing for February 21, 2021

John Giles gave a brief update on the potential land purchase at the Newnan Industrial Park (NIP). John stated plans are to close February 17, 2021 for the purchase of the land. Mr. Giles asked the Board for approval to represent ECG to execute the applicable land closing documents to purchase the 11 acres located in the Newnan Industrial Park.

On motion by Jeff Lewis and seconded by Lamar Hill, the Board approved John Giles to represent ECG the applicable land closing documents to purchase the 11 acres of land located in the Newnan Industrial Park (NIP) with Gary Youngblood abstained from voting.

Update on Activities Related to MEAG Power Solar Initiative

John Giles gave a brief update to the Board regarding Walmart's corporate solar initiative. The Renewal Energy Customer Agreement (RECA) has been completed and ready for the communities and Walmart to execute. The RECA is necessary to be executed between Walmart and any ECG member interested in providing output from the MEAG Power Solar Project to the member's local Walmart facility/facilities.

Executive Session

On motion by Mark Fitzpatrick and seconded by Lamar Hill, the Board approved adjourning to Executive Session with Gary Youngblood abstaining from voting.

Adjourn

With a motion and second, the meeting was adjourned.