

**RESOLUTION OF THE
BOARD OF TRUSTEES OF
CLAY ELECTRIC COOPERATIVE, INC.**

WHEREAS, on November 15, 2021, the Infrastructure Investment and Jobs Act of 2021 ("IIJA") was enacted into law, amending the Public Utility Regulatory Policies Act 1978, as previously amended ("PURPA"), requiring both state-regulated electric utilities and certain non-regulated electric utilities (as defined under PURPA) to either consider or to establish a date to hold a hearing after public notice, within one year from the date of enactment (i.e., by November 15, 2022) thereof, following which the affected electric utilities are to consider the proposed standards as set forth in Exhibit "A" attached hereto ("Standards");

WHEREAS, prior to November 15, 2022 Clay Electric Cooperative, Inc. (hereinafter "Cooperative"), a non-regulated utility, as that term is defined by PURPA, 16 U.S.C. §2602, took measures to initiate proceedings to make a determination whether or not it is appropriate for the Cooperative to implement either of the two new PURPA standards;

WHEREAS, the amendments to PURPA require the Cooperative to consider and make a final determination as to whether it is appropriate to implement the standards related to Demand-Response Practices and Electric Vehicle Charging Programs as more further detailed in Exhibit A to fulfill the purposes of PURPA, which are: to encourage the conservation of energy supplied by electric utilities; to optimize efficiency of electric utility facilities and resources; and to facilitate equitable rates for electric consumers; based on the evidence and comments submitted by Eligible Participants;

WHEREAS, as part of its consideration, the Cooperative is required to hold a public hearing process and issue a final determination, in writing, based upon the evidence presented at the hearing and upon findings specifically included in its written determination, and thereafter make that final determination available to the public;

WHEREAS, the Cooperative gave public notice by postings at all of its office locations and on its website on May 16, 2023 and publishing a notice in the May 2023 issue of the Cooperative's newsletter, announcing the process to be followed to submit written Initial Comments on or before June 30, 2023 and written Reply Comments on or before August 4, 2023;

WHEREAS, Initial Comments were timely submitted by J. Steven Shurbutt, P. E., GDS Associates, Inc. ("GDS") on behalf of the management and staff of Cooperative, and by Cooperative member Pamela J. Huber, P.E., both of which were posted on the Cooperative website;

WHEREAS, the Board of Trustees is of the opinion that the public hearing process was conducted and notices provided in full compliance with PURPA;

WHEREAS, in considering each of the two new PURPA standards the Board of Trustees must make a determination "whether or not it is appropriate to implement such standard to carry out the purpose of this title" pursuant to 16 U.S.C. §2621(a);

WHEREAS, in making these determinations, the Board of Trustees has reviewed the written submittals and considered how implementation of these standards might affect the Cooperative and its Members in the areas of encouraging energy conservation by members, making efficient use of facilities and resources, and maintaining equitable rates to consumers, as well as conditions and

circumstances specific to the Cooperative in reaching its conclusions.

WHEREAS, the current and planned demand-response and demand flexibility programs of the Cooperative, coupled with the Cooperative's continued participation in the demand-response and demand flexibility programs of its generation and transmission provider, Seminole Electric Cooperative, Inc. ("Seminole"), are programs that promote demand-response and demand flexibility practices by commercial, residential, and industrial Members to reduce electricity consumption during periods of unusually high demand, to the extent that the Cooperative is reasonably able to do so based upon information available and circumstances specific to operation of the Cooperative;

WHEREAS, the Cooperative's demand-response and demand flexibility programs are voluntary, not mandatory, and are promoted via its website and member newsletter;

WHEREAS, there are concerns regarding the current ability of battery technology to make proliferation of electric vehicles practical, while providing beneficial environmental impacts relative to efficient fossil fuel-powered vehicles; and

WHEREAS, the Cooperative, directly and indirectly through Seminole, has previously considered measures to promote greater electrification of the transportation sector in its service area and will continue to consider such measures, subject to such measures appropriately recovering the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure; provided, however, none require specific action at this time.

NOW, THEREFORE, on this 26th day of October 2023, the Board of Trustees hereby issues its final determinations on the implementation of the Demand-Response Practices standard and the Electric Vehicle Charging Programs standard as follows, to wit:

1. Demand-Response Practices: The Cooperative, to the extent it is able to do so as an electric distribution utility and Member of Seminole, has already adopted programs that promote demand-response and demand flexibility practices by commercial, residential, and industrial Members to reduce electricity consumption during periods of unusually high demand, and will continue to evaluate its current programs and opportunities for other programs in the future to ensure that demand-response practices provide benefits to the Cooperative and its members. Thus, the Board finds that it is not necessary for the Cooperative to formally adopt this Standard as set forth in IJJA.

2. Electric Vehicle Charging Programs: The adoption of this Standard does not require a specific action by the Cooperative's Board, other than to consider measures to promote greater electrification of the transportation sector. The Cooperative, to the limited extent that Cooperative is able to do so as an electric distribution utility and Member of Seminole, has already considered measures to promote greater electrification of the transportation sector and will continue to consider measures to promote greater electrification of the transportation sector as circumstances change and opportunities arise, subject to such subject to such measures appropriately recovering the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure. Thus, the Board finds that it is not necessary for the Cooperative to formally adopt this Standard as set forth in IJJA.

NOW, FURTHER THEREFORE, the Board of Trustees of the Cooperative, having completed the mandatory consideration of these two standards, shall cause this final determination to be made available to the public by posting it on the Cooperative's website through and until December 31, 2023.

I, Dewitt Hersey Secretary of Clay Electric Cooperative, Inc., hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Trustees on October 26th, 2023 at which a quorum was present and voted.

I further certify that none of said resolution has been altered, modified, or rescinded. Done this 26 th day of October 2023.



Print Name: Dewitt Hersey

EXHIBIT A

PURPA 111(d) STANDARDS in the INFRASTRUCTURE INVESTMENT AND JOBS ACT OF 2021

Demand-response practices (16 U.S.C. § 2621(d)(20))

(A) In general

Each electric utility shall promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

(B) Rate recovery

(i) In general

Each State regulatory authority shall consider establishing rate mechanisms allowing an electric utility with respect to which the State regulatory authority has ratemaking authority to timely recover the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).

(ii) Nonregulated electric utilities

A nonregulated electric utility may establish rate mechanisms for the timely recovery of the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).

Electric vehicle charging programs (16 U.S.C. § 2621(d)(21))

Each State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that—

(A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;

(B) improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;

(C) accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and

(D) appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.