



**2021 ECSC Disclosure
As required by S.C. Code Section 33-49-160**

March 7, 2022

The Electric Cooperatives of South Carolina, Inc. (ECSC) is an association created by its members to save costs to its ratepayers by 1) aggregating functions such as training, disaster recovery, legal assistance, communications services, and government relations and 2) providing those services to all of our members on yearly basis based upon their membership. ECSC's board is made up of one trustee and the CEO of each of its member cooperatives. Accordingly, each member cooperative has two board members. In 2021, the ECSC board was comprised of 42 people, 21 of whom were member trustees and 21 of whom were member CEOs.

ECSC is making this disclosure in accordance with S.C. Code Section 33-49-160 et seq. as amended by Act 56 of 2019.

Section 33-49-160(B) requires the disclosure of "all compensation or benefits by category paid to or provided for board members during the previous calendar year." Those categories include, but are not limited to:

- (1) *Daily per diem amount;*
- (2) *Total per diem compensation paid for attendance at regular meetings of the board of trustees;*
- (3) *Total per diem compensation for attendance at special meetings of the board, including board of trustees committee meetings;*
- (4) *Total per diem compensation for attendance at meetings of cooperative service organizations;*
- (5) *Total per diem compensation for trustee training and certification;*
- (6) *Total expenses paid or reimbursed, including mileage, subsistence, entertainment, or travel expenses paid in conjunction with subsection (B)(2) through (5)*
- (7) *The total value of and a description of any other fringe benefits provided; and*
- (8) *The total value of and a description of any goods or services required to be disclosed by subsection (D)(3)(c).*

Further, 33-49-160(D)(3) provides, in part, that:

A member of the association's board of trustees or an officer of the association is not prohibited from this section from accepting goods or services such as lodging, transportation, entertainment, food, meals, beverages or any other thing of value from the association provided that:

- (a) *The value of the good or service is reasonable and the purpose relates to his duties as a trustee or an officer;*

It is worth noting that the bylaws of ECSC actually prohibit the payment of compensation and the reimbursement of expenses of ECSC board members. Accordingly, no board

member received any compensation that would be necessary to disclose under 33-49-160(B)(1)-(5).

There is one board member, Gary Stooksbury, who receives an insurance benefit through ECSC's plan that falls under 33-49-160(B)(7). Mr. Stooksbury qualified under a previous dental insurance plan, and ECSC is reimbursed for the full premium by Mr. Stooksbury, resulting in a zero annual balance for ECSC.

In satisfaction of 33-49-160(B)(8), ECSC is not aware of any goods or services that would be required to be disclosed pursuant to 33-49-160(D)(3)(c).

Finally, as ECSC sought to comply fully with the requirements of 33-49-160(B)(6), it was apparent that a strict reading of the language of that section would require no further disclosure. **ECSC does not provide compensation or benefits under the traditional interpretations of those terms. It also does not reimburse board members for expenses they incur in conjunction with its meetings.** It does, however, provide things of value for board members (and others) at its meetings such as food and, occasionally, assistance with transportation. In an attempt to be fully transparent and comply fully with the spirit of Act 56, ECSC is disclosing the things of value that it makes available for its board members and other meeting attendees.

Based on the nature of these things of value (namely that they are primarily consumables), ECSC has taken an approach similar to that of the ethics disclosures of public officials (detailed below) to provide a full picture of the potential benefits available to board members. While records do not exist (and are not practical) for who availed themselves of a part of a meal or of some refreshments, our hope is to give a complete picture of what is available to our board members as a result of their service by reference to the price of the things of value they were eligible to receive.

Total amount spent by ECSC on things of value conferred to board members in 2021.

Due to the COVID-19 pandemic, 2021 was an unusual year for ECSC. Because of social distancing guidelines, ECSC cancelled many major in-person meetings and conferences. In some cases, ECSC provided a virtual substitute, either with a telephone conference call or a web-based video conference. Obviously, for a virtual or remote meeting, there is no need for refreshments or meals. In 2021, ECSC hosted, facilitated, or supported only 24 in-person meeting days, significantly below its usual number. The sizes of those meetings ranged in number of attendees from single digits all the way up to 381. The vast majority comprised at least 30 people.

While members of our board participated in all of those meetings, not **all** members of our board participated in **all** meetings based on the type of meeting and whether the board member was eligible to attend. Accordingly, in order to give a complete and accurate picture of what ECSC spent on its board members, we have apportioned costs on a per participant basis and then assumed participation by all eligible board members. Based upon this method, the total amount spent by ECSC on its 42 board members across 24 meeting days in 2021 was \$30,785.84. This number does not include the pass-through costs in which ECSC was reimbursed for one dental benefit, as detailed above. In an effort to give more context and detail to the expenditures, they are explained further below.

Total possible price of things of value conferred to board members for meeting participation.

It should be noted at the outset that records are not available for participation in all of these events. Additionally, even if a board member attended an event, we do not know if that board member took advantage of the refreshments or ate the meal provided.

Accordingly, we have adopted a methodology of reporting a maximum-amount-of-value-conferred approach based upon the board member's eligibility to receive a thing of value in conjunction with a meeting or event.

Based upon this method of reporting, if a trustee board member were to fully participate in all meetings and take advantage of all food or transportation available, the maximum possible theoretical benefit conferred upon him or her by ECSC in 2021 would be \$775.53. If a CEO board member were to fully participate in all meetings and take advantage of all food or transportation available, the maximum possible theoretical benefit conferred upon him or her by ECSC in 2021 would be \$1,364.93.

THINGS OF VALUE PAID FOR BY ECSC

In an effort to streamline this document, we have divided our list of Board Members into three subdivisions. Except where specific exceptions apply, each individual category will refer back to these lists to show who was eligible for the maximum benefit listed. ("Partial" refers to applicability for only a part of the year).

CEO Board Members

Charlie Allen, Black River Electric Cooperative
 Rob Ardis, Santee Electric Cooperative
 Keith Avery, Newberry Electric Cooperative
 Bruce Bacon, Fairfield Electric Cooperative
 Paul Basha, York Electric Cooperative
 Brian Broughton, Lynch River Electric Cooperative
 Chad Capps, CEEUS
 Berl Davis, Palmetto Electric Cooperative
 Mike Ellis (partial), Little River Electric Cooperative
 Jeff Lewis (partial), Little River Electric Cooperative
 David Felkel, Edisto Electric Cooperative
 Mike Fuller, Berkeley Electric Cooperative
 Rob Hochstetler, Central Electric Power Cooperative
 Jim Lovinggood, Blue Ridge Electric Cooperative
 Chad Lowder, Tri-County Electric Cooperative
 Terry Mallard, Broad River Electric Cooperative
 Bob Paulling, Mid-Carolina Electric Cooperative
 Danny Shelley, Horry Electric Cooperative
 Bobby Smith, New Horizon Electric Cooperative
 Gary Stooksbury, Aiken, Electric Cooperative
 Mark Walling, Coastal Electric Cooperative
 David Wasson, Laurens Electric Cooperative

Trustee Board Members

Ordie Brown (partial), Edisto Electric Cooperative
Don Coker, Santee Electric Cooperative
Marcus Cook (partial), Laurens Electric Cooperative
Jamey Copeland, CEEUS
Jack Cornwell, York Electric Cooperative
Johnnie Dickert, Newberry Electric Cooperative
Jimmy Lee Dodgens, Blue Ridge Electric Cooperative
Norris Fowler, Broad River Electric Cooperative
George Gibson, Black River Electric Cooperative
Theresa Hicks, Lynches River Electric Cooperative
Michael Johnson, Little River Electric Cooperative
Donette Kirkland, Mid-Carolina Electric Cooperative
Dana Moseley, Aiken Electric Cooperative
Derial Ogburn, Fairfield Electric Cooperative
LaVern Polk, Coastal Electric Cooperative
Mitch Powers (partial), Laurens Electric Cooperative
Doug Reeves, Central Electric Power Cooperative
William Robinson, Tri-County Electric Cooperative
Willis Sanders, Berkeley Electric Cooperative
Terrell Smith (partial), Palmetto Electric Cooperative
Kenneth Southerlin, Blue Ridge Electric Cooperative
Eunice Spilliards (partial), Palmetto Electric Cooperative
Freddy Thompkins, Horry Electric Cooperative
Jack Vallentine (partial), Edisto Electric Cooperative

Executive Committee Members

Charlie Allen, Black River Electric Cooperative
Rob Ardis, Santee Electric Cooperative
Keith Avery, Newberry Electric Cooperative
Johnnie Dickert, Newberry Electric Cooperative
Mike Ellis, Little River Electric Cooperative
Theresa Hicks, Lynches River Electric Cooperative
Chad Lowder, Tri-County Electric Cooperative
Terry Mallard, Broad River Electric Cooperative
Willis Sanders, Berkeley Electric Cooperative
David Wasson, Laurens Electric Cooperative

Things of Value related to onsite ECSC board meetings.

As is customary for large business meetings, ECSC provides light refreshments in conjunction with most of our meetings (coffee, soda, Danishes/snacks). In addition, ECSC usually provides a buffet lunch for board members, staff, and guests of multiple cooperative service organizations that also use our facility for meetings in conjunction with the ECSC Board's four meetings each year at its office in Cayce. As noted above, however, the COVID-19 pandemic forced changes to the Association's custom with regard to board meetings. The February, August, and October,

board meetings were held remotely by video conference, and no food was provided. The April meeting was held at the Columbia Convention Center so as to allow for social distancing. Lunch was served at this meeting.

Lunch is optional, and some ECSC Board members choose to leave instead of eating. We do not have a record of who consumed and who did not, but the average per-person cost of food/refreshments for this meeting was \$53.49. All Board Members had an opportunity to receive this benefit.

Things of Value related to onsite ECSC Executive Committee meetings.

ECSC also usually hosts a meeting of its Executive Committee every other month in which food/refreshments are typically provided. During the pandemic, the January meeting was held by video conference. The March, May, July, and November meetings were held at the Association's office in Cayce. The September meeting was held at the Columbia Convention Center. Food/refreshments were only provided at the May, July, September, and November meetings.

We do not have a record of who consumed and who did not, but the average per-person cost of food/refreshments for the May, July, September, and November meetings was \$14.48. The cumulative average food/refreshment expense in conjunction with these Executive Committee meetings would be \$57.94 per person for the year. The Executive Committee Members (listed above) had an opportunity to receive this benefit.

Things of Value related to onsite ECSC special purpose meetings.

ECSC also hosts meetings as needed to deal with special circumstances that arise from time to time. In 2021, there were four such events. The Association's E²Forward working group, a taskforce created to help cooperatives prepare for electrification of the economy, met twice in 2021. We do not have a record of who consumed and who did not, but the average per-person cost for lunch at the August 26 meeting was \$18.66. Charlie Allen of Black River, Paul Basha of York, Rob Hochstetler of Central, Bobby Smith of New Horizon, and Bob Paulling of Mid-Carolina had an opportunity to receive this benefit. The average per-person cost for lunch at the November 11 meeting was \$20.17. Charlie Allen of Black River, Paul Basha of York, Rob Hochstetler of Central, and Bobby Smith of New Horizon had an opportunity to receive this benefit.

ECSC also hosted a Summer Conference Planning lunch for panelists on May 14. We do not have a record of who consumed and who did not, but the average per-person cost for lunch was \$13.66. Only Norris Fowler of Broad River had an opportunity to receive this benefit. Finally, ECSC hosted a dinner at its annual retreat for legislative liaisons on November 4. The average per-person cost for the dinner was \$126.00. Only Charlie Allen of Black River had an opportunity to receive this benefit.

Things of Value related to offsite ECSC sponsored special purpose meetings.

Along with other organizations, ECSC served as a sponsor in 2021 for the South Carolina Association of Counties reception on August 1. The average per-person cost for the reception was \$76.57. Only Jim Lovinggood of Blue Ridge had an opportunity to receive this benefit.

Things of Value related to offsite ECSC hosted meetings.

ECSC hosts two large, multi-day meetings per year where all of the trustees of each electric cooperative and many of its senior leadership are invited to attend. Most of the expenses of attendance (food, lodging, travel, etc.) are paid by the cooperatives who attend, but there are four notable exceptions to that rule. First, a buffet breakfast is provided each day for meeting participants. Second, lunch is provided on one of the meeting days. Third, a welcome reception is provided on one of the days. Fourth, light refreshments are provided in conjunction with each of the meeting sessions (including break-out sessions). Like board meetings, we do not have a record of who consumed and who did not, but the cumulative average food/refreshment expense in conjunction with ECSC hosted meetings would be \$472.25 per person for the year. All Board Members had an opportunity to receive this benefit.

Occasionally, meeting locations or weather can produce a unique circumstance that warrants an additional service that might fall within the realm of an expense or benefit that might be captured by the disclosure requirements of the statute. In 2021, there was a unique circumstance where the distance between the lodging accommodations and the meeting location, combined with bad weather, made the provision of a shuttle between the two locations necessary. We do not have a record of who used the shuttle, but the average cost of the shuttle service for the entire event would be \$8.10 per person for the year. All Board Members had an opportunity to receive this benefit.

Things of Value related to ECSC facilitated meetings.

There are multiple groups of cooperative employees and trustees that meet on a regular basis to train, trade information, or coordinate efforts. ECSC staff frequently facilitates and provides staffing services for those meetings. For certain meetings, a part of the facilitation includes providing food/refreshments for those meetings. Many of these meetings do not involve board members of ECSC as they are largely made up of cooperative employees.

One group that meets frequently is the chief executives of the cooperatives, each of whom serve on ECSC's Board. In 2021, due to the COVID-19 pandemic, the CEOs conducted many of these meetings remotely by telephone conference or video conference. ECSC provided refreshments and a total of five meals for seven in-person meetings of cooperative CEOs. We do not have a record of who consumed and who did not, but the average per person cost of food per meeting was \$43.88. The cumulative average food/refreshment expense in conjunction with managers meetings would be \$307.14 per person for the year. The CEO Board Members (listed above) had an opportunity to receive this benefit.

Another group whose meetings are facilitated by ECSC is the trustees of the electric cooperatives. Due to the COVID-19 pandemic, this group was not able to meet as often as planned. In fact, the only meeting held was the group's December meeting, and no food was served.

Things of Value Related to offsite ECSC facilitated special purpose events.

Early each year, CEOs from all of the electric cooperatives in South Carolina travel to Washington, D.C., to meet with staff and members from South Carolina's Congressional delegation to explain the needs of cooperative members and outline legislative priorities for the upcoming year. This event was not held in 2021 due to the pandemic.

Later in the year, the organization that represents cooperatives from across the country, the National Rural Electric Cooperative Association, hosts a legislative conference in Washington, D.C. This event was virtual in 2021 due to the pandemic.

ECSC also facilitates a legislative reception each year for members of the state General Assembly, other government officials, cooperative trustees, and senior cooperative leadership. This event was not held in 2021 due to the pandemic.

Special Gifts or Recognition.

ECSC occasionally provides special gifts for board members based on service or achievement. In 2021, the Association paid \$120.96 for a plaque to honor George Gibson's service as president of the Trustee Association. ECSC also paid \$116.64 for a plaque to honor Charlie Allen as chair of the Association's Board.

At its Summer and Winter conferences, ECSC provides special gifts for board members who serve on the executive committee and for speakers who give presentations.

The value of the 2021 Summer Conference gift was \$24.65, and it was received by the following Board members: Charlie Allen, Rob Ardis, Keith Avery, Chad Capps, Johnnie Dickert, Norris Fowler, Theresa Hicks, Rob Hochstetler, Chad Lowder, Terry Mallard, Bob Paulling, Willis Sanders, and David Wasson.

The value of the 2021 Winter Conference gift was \$24.48, and it was received by the following Board members: Charlie Allen, Rob Ardis, Keith Avery, Chad Capps, Johnnie Dickert, Theresa Hicks, Rob Hochstetler, Chad Lowder, Terry Mallard, Willis Sanders, and David Wasson.

Finally, the Association provided a \$58.84 speaker's gift to Charlie Allen and to Rob Ardis for speaking at the Association's Liaison Retreat.