

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

APRIL 2018

The regular meeting of the Board of Directors of Stearns Electric Association was held on April 26, 2018 at 1:00 p.m. at the Stearns Electric Association Headquarters Office in Melrose, Minnesota.

Manager of Finance Ralph Martin reviewed Cooperative financial and statistical information and stated that the March GRE PCA credit will be reflected on the member's upcoming bill.

Manager of Administrative Services Vicky Herkenhoff informed the Board of several personnel items she has been working on, including an update on the hiring of temporary linemen that will start mid-May.

Manager of Engineering Matt O'Shea reported on the first group of potential construction work plan projects sent to the Minnesota State Historic Preservation Office and 22 Tribal Historic Preservation Offices for consultation and review. Mr. O'Shea stated of these projects, it is possible that some projects may need archaeological literature searches and/or phase 1 surveys. The notice of the upcoming utility project for the underground cable replacement for the Kandota Substation was provided.

Mr. O'Shea reviewed the Grain Dryer Rate in the COS study that was tied into the off peak and there was a need to adjust that rate base. Mr. O'Shea requested an approval from the Board to increase the rate from .0730 to a proposed rate of .0885 which is an increase of .0155. A motion to approve the Grain Dryer Rate increase was carried.

Director of Energy Services James Pachan reviewed the Distributed Generation Schedule 1 & 5 Rates and asked for approval of the Board. A motion to approve the new Distributed Generation Schedule 1 & 5 Rates was carried.

CEO Dave Gruenes presented the GRE Request for Dual Percentage Approval of Certain Future Resources as "All-Requirements Member Approved MDRs" and Execution of Member-Directed Resource Approval Agreement. Mr. Gruenes presented a Resolution to the Board to vote in favor of certain future resources as "All-Requirements Approved MDR's" Under The 2019 PPC and approval to enter into agreement approving the "All-Requirements Approved MDR's"; The Attachment 1 to Appendix C of 2019 PPC Member-Directed Resource Approval Agreement; and a Resolution to Vote in Favor of Amendment to Appendix B of the PPC. Motion was carried.

Next Meeting: July 26, 2018

