

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

AUGUST 2020

The regular meeting of the Board of Directors of Stearns Electric Association was held on August 27, 2020 at 1:00 p.m. at the Stearns Electric St. Joseph office.

Manager of Finance Cindy Anderson reviewed the July 2020 financial and statistical information with the Board.

Minnesota cooperatives, including Stearns Electric, had a call with Minnesota Congressman Collin Peterson regarding an issue with refinancing RUS debt and significant penalties associated with refinancing. These penalties make it prohibitive for electric cooperatives to take advantage of historically low interest rates. Congress is being asked to waive the penalties for refinancing RUS debt, which would save hundreds of millions of dollars in interest expenses for Minnesota co-ops alone.

The new Member Engagement Group applicants were shared. The directors reviewed and approved the list of existing and new participants.

The Business Development report included an overview of the electric bus program followed by a discussion about how the power industry will look in the future after shutting down coal plants.

VP of Engineering and Operations Matt O'Shea reported that new services are right in line with the past couple years at about 300 for the year. Also, our aggressive 2020 construction plan appears to be on track.

Great River Energy provided initial findings after controlling for the potential Northern States Power zonal peak. GRE is continuing to provide insight and data analysis as we discuss load control response and analyze the value associated with our programs. This will help Stearns Electric make better educated decisions as we plan for our system-wide receiver change-out over the next 5 years.

The upcoming Board peer evaluation will be held virtually with a facilitator. This evaluation will give directors feedback on their performance as a director and the process will conclude prior to the 2021 strategic planning session.

Directors Jerry Fries and Tony Ampe were congratulated for their recent board training accomplishments.

Next Meeting: November 24, 2020

