

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

JANUARY 2021

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on January 28, 2021 at 1:00 p.m. at the St. Joseph office of Stearns Electric Association.

Manager of Finance Cindy Anderson reviewed the December 2020 financial information reporting continued strong year-to-date gross margins compared to budget due primarily to a lower power cost rate and higher sales volume.

The Cooperative's Annual Meeting was discussed. Directors from districts 1, 7 and 8 were asked submit an election teller's name for the election process at the Annual Meeting. It is customary for the directors whose districts had elections the previous year to supply the election tellers the following year.

VP of Engineering and Operations Matt O'Shea described Construction Work Plan projects, inspections and maintenance currently in progress. Physical meter inventory took place at year-end with good results, similar to the past several years.

Mr. O'Shea explained how he worked with GRE to create the 2020 Long Range Load Forecast using 2019 data. The forecast is used for planning studies, the Cooperative budget, and the Construction Work Plan. Mr. O'Shea reviewed the system requirements, sales to members, forecasted line losses, and system summer and winter demand charts.

The Engineering Report provided a three-year trend of applications and interconnected distributed energy resources, along with an explanation of changes to federal tax credits related to the program.

Consistency in identifying reject poles over the past several years has resulted in a noted improvement. Original reject rates began at 5-6%. The pole reject rate is now less than 2%.

Next Meeting: April 29, 2021

