

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, October 20, 2022

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, October, 20, 2022 commencing at 8:03 AM at the Whetstone Valley Electric Headquarters.

The meeting was called to order by President, Bill Tostenson who presided and Secretary, Darren Strasser, acted as Secretary.

Directors Present: Bill Tostenson, Darren Strasser, Dale Jensen, Krista Atyeo-Gortmaker, Joel Adler, Tom Berens, Paul Nelson, Scott Niedert, Dave Behrns,

Directors Absent:

Staff Present: Page, Weber, Anderson, Christensen

Others Present: Harvey Oliver, General Council. Jeff Liebsch, Power System Engineering

Review and Consideration of Agenda

- A motion to approve the agenda was seconded and carried.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of September 20, 2022 was seconded and carried.

Review and Consideration of the Consent Agenda including:

Loss Control Report, Estate & Special Capital Credit Retirements, New Members, Tenant Changes, Check Listing, Credit Card statement and Cash Flow. Also included was the inventory of capitalized work orders.

- Following a brief discussion, a motion to approve the consent agenda was seconded and carried.

Executive Session: At 8:57 AM a motion to enter executive session was seconded and carried.
At 9:27 AM a motion to exit executive session was seconded and carried.

Management Reports

Operations Manager, Jon Christensen submitted a written report of the activities of the line department. He provided an updated on completed work orders. Jon discussed construction equipment repairs and line maintenance items. He also reported on expected FEMA funds relating to the storm of May 12th.

Member Services Manager, Mark Weber submitted a written report of current activities of the service department. He reported on a number of requests from customers for generator and HVAC installations. Mark reported on stray voltage testing that has been completed. He also reported on a successful inventory count and adjustment.

Office Manager, Bridget Anderson submitted a written report of the office services activities and financials. She discussed the budgeting process and cashflow report. Bridget also discussed the potential of requesting an extension of the 2019 revenue deferral plan through 2025.

- A motion to approve the Management Staff reports was seconded and carried.

The new 4-year work plan was presented by Jeff Liebsch of PSE and Jon Christensen. They discussed engineering and environmental studies as well as projected system load growth that contributed to the plan. The work plan calls for an investment of approximately \$2M each year for plant construction and replacement.

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Review and Consideration of the General Manager's Report

General Manager, Page submitted a written report and discussed year-to-date energy sales. He briefly reported on current financials and East River's proposed budget. Page discussed Basin Electric's financial statements and a proposed Basin Electric bylaw amendment to increase the maximum amount of allowed deferred revenue.

- A motion to approve the General Manager's report was seconded and carried.

Power Supply and Association Meeting Reports:

Jensen and Tostensen reported on the NRECA Regional meetings and resolution process.

East River Strasser reported on the activities of East River. Only small fixed rate adjustments are expected for 2023.

SDREA Tostenson reported on the activities of SDREA. He reported that Steve Barnett has been named as new SDREA GM. He also discussed the budget, policy reviews and increasing rates.

Executive Session:

At 11:56 AM a motion to enter executive session was seconded and carried.

At 12:26 PM a motion to exit executive session was seconded and carried.

Other Business:

- The board will revisit the revenue deferral plan in November with more complete year-end projected margins.
- A motion to adopt the resolution approving the 2023-2026 Construction Work Plan was seconded and carried.
- A motion to adopt the resolution approving the 2023-2050 Load Forecast was seconded and carried.

- The board will revisit the Otter Tail / Whetstone territory service exception agreement after receiving a site plan for the load.
- A draft capital budget was made available to the board for review and will be further discussed in November.

- Upcoming meetings and the calendar were discussed.

Adjournment:

- A motion to adjourn was made, seconded and carried.

Next Regular Board Meeting: Thursday, November 17, 2022 8:00 AM Coop Headquarters

President

Secretary