

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, July 22, 2020

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Wednesday, July, 22, 2020 commencing at 8:40 AM at Whetstone Valley Electric Cooperative Headquarters.

The meeting was called to order by President, Bill Tostenson who presided and Treasurer, Krista Atyeo-Gortmaker, 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, Barlund, Weber, Christensen

Others Present: Shaurice Mooreman, PSE * *Joined via teleconference

Review and Consideration of Agenda

- The agenda was presented for consideration. A motion to approve the agenda with the addition of the financial forecast review was seconded and carried.

Review and Consideration of Minutes

- A motion to approve the minutes of the regular meeting of June 18, 2020 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 totaling \$153,483.97.

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

Management Reports

Operations Manager, Jon Christensen submitted a written reported of activities of the line department. He reported some additional requests for services has increased anticipated construction for the summer.

Member Services Manager, Mark Weber submitted a written report of current activities of the service department. Weber also reported that customers continue to inquire about service work for the future despite the pandemic.

Office Manager, Gail Barlund submitted a written report of current activities of the office department. Gail discussed direct deposit processes and the paying of gross receipts taxes. Gail also reported that delinquent amounts are down compared to previous years. It was reported that the office staff will return to the office and the lobby will remain closed to the general public for the time being.

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

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Review and Consideration of the General Manager's Report

General Manager, Page submitted a written report highlighting three-year sales comparisons. He discussed current margins, equity and general funds. Page provided an updated on FERC filings of Basin Electric and its members. He reported that cooperative health insurance costs will remain stable through 2021 and that alternative health plans are being considered for cost savings in the future.

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

Power Supply and Association Meeting Reports:

East River Strasser provided a report on activities of East River. He reported on energy market prices impacting Basin and East River. He also reported on plans for the annual mtg.

SDREA Tostenson reported on SDREA's strategic planning process and the search for a general manager. He also provided a legislative updated and ACRE activity report.

Executive Session:

No executive session was held.

Other Business:

- Financial consultant, Shaurice Mooreman presented the financial forecast with scenarios to become current with Basin Electric capital credit retirements in the next five years.
Mooreman also discussed the scenario impact to distribution and total equity as well as debit service ratios. The Board requested additional details presented at the August meeting.
- Policies 50-6 and 50-14, Schedule E. Irrigation and Rate Schedule were reviewed.
- A motion to revise Policies 50-6 and 50-14 as attached was seconded and carried.

Adjournment:

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

Next Regular Board Meeting: Thursday, August 20, 2020 8:00 AM Coop Board Room

President

Secretary

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.

POLICY BULLETIN 50-6

SUBJECT: **SCHEDULE E. IRRIGATION.**

POLICY:

Additions are highlighted in yellow. See 50-6, D, 2 and 4. 50-14 Irrigation Controlled.

The Cooperative will provide electrical service to irrigation installations within its service area with the terms, and rates listed in this policy. In order to provide the greatest value to the member and to operate the electric system with the most efficiency, an off-peak rate is being offered.

RESPONSIBILITY: Manager and Employees.

PROCEDURE:

A. Type of Service.

1. Single-phase or three-phase at available secondary voltage. Motors must be three-phase or be approved by the Cooperative. Soft starting motor equipment may be required.
2. For new three-phase irrigation installations, the Cooperative will construct distribution line to the roadside nearest to the main pump.
3. Total cost of line construction shall be paid by the member prior to the beginning of construction according to Policy Bulletin 50-1

B. Irrigation Season.

1. Transformer banks for irrigation installations may be energized March 15th and disconnected November 15th each year or the closest working day to that date to minimize energy losses and for the protection of irrigator's property unless other arrangements are made with the Cooperative by the member.

C. Off Peak Service.

1. The cooperative shall install and maintain a control device that will receive signals from East River Electric Power Cooperative load management system that will interrupt service during peak load times. The member may choose from several ways to be notified of these times.
2. Switches or other equipment needed to effect off-peak operation shall be installed by the member. Automatic restarting equipment may be installed by the member.
3. A member may bypass this control device to continue service during peak load times, but will incur the Peak Demand Charge as a result.

D. Rates.

1. Annual Facilities Charge: An annual facilities charge shall be paid each year before the service is reconnected. This charge offsets the cost of maintaining the electric system and reserving capacity whether or not the irrigation equipment is used in that year. The facilities charge shall be due even if the service is not connected. Facilities charges that remain unpaid shall be collected before service is reconnected in a following year.
2. Monthly Demand Charge: A monthly charge shall be billed for metered KW of **non-coincidental** demand **only for the months of June, July and August**.
3. Peak Demand Charge: In the event that a member physically bypasses the Off-Peak Control Device connected to the irrigation service, a Peak Demand Charge will be billed, in addition to the Monthly Demand Charge.
4. Energy Charge: A monthly charge shall be billed for the amount of energy (KWH) used during the month. **The months of June, July and August shall be billed at a discounted rate.**
5. Rates shall be listed in Policy Bulletin 50-14 Rate Schedule

E. Meter Reading and Billing.

1. Cooperative personnel shall read meters on the end of the month or closest working day to that date. The energy bill will be due and payable when issued and fifteen days will be allowed for payment before service is disconnected.

F. Power Factor Adjustment.

1. Demand charges may be adjusted to correct for power factors lower than 95%. Such adjustments shall be made by increasing the measured demand 1% for each 1% by which the power factor is less than 95%.
2. All motors of 20 horsepower size and above that are or will be installed on Cooperative's system will be required to have proper sized capacitors installed that are recommended by the motor manufacturer and thereby the power factor will be adjudged to be 95% or better.
3. Capacitors shall be connected to operate only when motor is running. Capacitors should be connected between the contractor and overload relay.

Rate 44 Applies

DATE ADOPTED: 1/20/77

DATE REVISED: 3/16/89, 4/1/91, 5/19/94, 4/15/99, 3/20/08, 9/22/11, 7/25/13, 7/22/2020

/DATE REVIEWED: 4/15/99, 9/20/04, 7/25/13, 7/22/220

Whetstone Valley Electric Cooperative, Inc.

POLICY BULLETIN 50-14 **RATE SCHEDULE**

Rate Class	Monthly Facility Chg.	Monthly KW Demand Chg.	KWH Rate
Single Phase (All):	\$50.00		0.1031
Idle Service	\$30.00		
Uncontrolled Non-Demand Metered Electric Heating			0.0616
Uncontrolled Demand Metered Electric Heating		\$0 Demand Chg	0.0616
Controlled Water Heating:	\$4 per month credit applied annually		
Irrigation Controlled:			
Annual Facilities Charge	\$10.00 per horsepower connected		
Monthly Demand Charge June, July, August only		\$6.55 per KW	
Peak Demand Charge *If Controller is bypassed		\$16.60	
Energy Charge June, July, August only			0.0709
Energy Charge September - May			0.1031
Multi Phase <50 kva	\$76.50		0.1031
Rate 88	\$50.00		0.1031
Rate 175	\$100.00		0.1031
Multi Phase > 50kw:	\$82.50	\$15.75	
General KWH			0.0497
Multi Phase > 50kw - Controlled:	\$121.50	\$15.75	
Non-Concidental Demand Chg.		\$1.60	
All KWH			0.0497
Interruptible Farm & Sm. Comm:	\$76.50	\$15.75	0.0632
Non-Concidental Demand Chg.		\$1.60	
Multi Phase > 1000kw:	\$82.50	\$15.75	
All KWH			0.0425
Multi Phase > 1000kw - Combined Service			
Facilities Charge	\$82.50 per meter		
Non-Coincidental Demand Chg	/ KW	\$5.30	
Coincidental Demand Chg	/ KW	\$18.40	
Energy Chg	/ KWH		0.0452
Rental Lighting			
73 watt LED	\$12.00		
100 watt	\$12.00		
150 watt	\$13.00		
175 watt	\$11.75		
250 watt	\$13.00		
400 watt	\$23.25		

DATE REVISED: 1/19/2017

DATE REVIEWED: 1/19/2017