A General Session of the Board of Directors was held on April 25, 2013, at the Lower Valley Energy Afton office. The meeting was called to order at 9:00 a.m. by Board Chairman, Rod R. Jensen.

BOARD MEMBERS PRESENT: Fred Brog, Peter Cook, Rod R. Jensen, Ted Ladd, Dean S. Lewis, Linda Schmidt, and Nancy Winters.

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Rick Knori, Director of Engineering; Angie Jennings, Staff Assistant; Bill Spaulding, Director of Operations; Martell Brower, Director of Gas Operations; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR; Aaron Johnson, Substation Specialist, Blake Weathers, NEMS; Charles Clinger; and Mike Stiff with NRECA.

Minutes of the February 28, 2013, general session were accepted as presented.

Rod R. Jensen introduced Charles Clinger, a new attorney in Thayne, WY and Blake Weathers with NEMS. He also informed the Board that Diana Merritt has filed for a director position in District 2.

James R. Webb introduced Blake Weathers with NEMS. Blake Weathers gave a background of his career in the power industry and gave a presentation on the Natural Gas and Energy Markets. He also outlined the benefits, capabilities and membership responsibilities of NEMS and NESC.

Marlowe Schrebel joined the meeting at 10:30 am.

James R. Webb introduced Mike Stiff, LVE's regional representative with NRECA. Mike Stiff discussed the proposed NRECA retirement pre-pay option.

James R Webb discussed the President/CEO report.

Meeting adjourned to Board and President/CEO only at 11:30 a.m. to meet with the audit firm of Miachel and Teague for a report on the 2012 annual Lower Valley Energy audit.

Meeting reconvened at 12:15 p.m.

Marlowe Schrebel presented his request for Lower Valley Energy's support to develop a CNG filling station in Afton on Lower Valley Energy's property adjacent to Highway 89 in Afton.

Chairman Rod R Jensen notified the Board that there is a conflict of interest as Marlowe Schrebel is a director at the Bank of Star Valley so Rod will not participate in this discussion or vote.

The meeting adjourned to executive session at 1:20 p.m.

The meeting reconvened at 1:30 p.m. at which time the Board informed Marlowe Schrebel that Lower Valley Energy's management will work out the terms of the agreement to allow Schrebel to develop a CNG filling station on the property adjacent to Highway 89 in Afton.

James R. Webb continued with the President/CEO report.

Discussion was held on rates for large new loads. Management was directed to develop a proposed policy for large new loads.

James R Webb discussed the request for service from the BPA Palisades man camp.
A motion was made and seconded to accept the Palisades Man Camp request from the Bureau of Reclamation serviced by Lower Valley Energy. Motion was adopted. Voting was unanimous.

A motion was made and seconded to appoint Ted Ladd as the Lower Valley Energy representative on the Jackson Hole Energy Sustainability Program Board. Motion was adopted. Voting was unanimous.

A motion was made and seconded to not participate in the NRECA Retirement Prepayment program. Motion was adopted. Voting was unanimous.


James R. Webb reviewed the March 2013 financial statements.

A motion was made and seconded to accept the March 2013 financial statements. Motion was adopted. Voting was unanimous.

James R. Webb discussed the natural gas and propane balancing accounts. It was recommended to not change current rates.

James R. Webb reviewed the proposed changes to Board Policy #302 General Funds.

A motion was made and seconded to approve the proposed changes to Board Policy #302 General Funds. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the proposal to delete Board Policy #613 Physical Examinations.

A motion was made and seconded to approve the deletion of Board Policy #613 Physical Examinations. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the proposal to delete Board Policy #616 Employee Driver's Policy and incorporate it into the WYDOT section of the Lower Valley Energy Safety Manual.

A motion was made and seconded to approve the proposed changes to Board Policy #616 Employee Driver's Policy. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the proposed changes to Board Policy #617 Employee Training.

A motion was made and seconded to approve the proposed changes to Board Policy #617 Employee Training. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the proposed changes to Board Policy #201 Qualifications for Directorship and Board Policy #402 Bylaws made by the Board at the February 28, 2013 board meeting.

A motion was made and seconded to approve the proposed changes to Board Policy #201 Qualifications for Directorship and Board Policy #402 Bylaws. Motion was adopted. Voting was unanimous.

Bill Spaulding reviewed the March 2013 outage and safety reports.

The Board reviewed the ICUA dues in the amount of $1,628.04 for the first half of the 2013 year.

Nancy Winters reported on ICUA happenings and the future upcoming annual meeting.

Linda Schmidt reported on the recent WREA meeting.
A motion was made and seconded to appoint Dean S. Lewis as the NCSC voting delegate with Pete L. Cook as the alternate NCSC voting delegate. Motion was adopted. Voting was unanimous.

The consent agenda was approved as presented.

Linda Schmidt discussed the recent class she participated in at NRECA regarding having a nominating committee for potential members who may want to run for the Board. Board training and board orientation packets were discussed.

Meeting adjourned to Executive Session at 2:35 p.m.

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Rod R. Jensen, Chairman          Linda Schmidt, Secretary/Treasurer