A General Session of the Board of Directors was held on June 26, 2014, at the Lower Valley Energy Afton office. The meeting was called to order at 11:15 a.m. by Board Chairman, Rod R. Jensen.

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

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Rick Knori, Director of Engineering; Bill Spaulding, Director of Operations; Angie Jennings, Staff Assistant; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Shawn Taylor, WREA; Jackie Coombs, UAMPS; Alex Kline, Jackson Lake Lodge Company; Gay Petersen, Executive Assistant/HR.

Minutes of the April 24, 2014, general session, May 5, 2014 and June 1, 2014, teleconference meetings were accepted as presented.

Jackie Coombs from UAMPS gave a presentation on Nuscale, Horse Butte, and other UAMPS projects.

Alex Kline from Jackson Lake Lodge Company discussed the economic issues resulting from the proposed electrical rate increase to all entities within GTNP. He requested that the Lower Valley Board consider a phased in approach to the proposed 25% rate increase.

James R. Webb reviewed the President/CEO report.

Bill Spaulding reported on the Swift Creek Hydro Project.

Bill Spaulding reported on the installation progress of the new East Jackson transformer and moving and installing the old East Jackson substation in the Freedom Substation.

Bill Spaulding reviewed the recent NRECA three-year RESPA safety audit findings.

Phil Cameron updated the Board on the ongoing and new projects with the Energy Conservation Works.

James R. Webb continued the President/CEO report.

Board discussion was held regarding the proposed rate increase for Grand Teton National Park.

A motion was made and seconded to amend the GTNP rate increase to 12.5% with annual increases until Lower Valley Energy achieves the true costs of serving GTNP. Motion was adopted. Voting was unanimous.

James R. Webb continued the President/CEO report.

A motion was made and seconded to reduce the $15 incentive to $10 for the water heater demand control program. Motion was adopted. Voting was unanimous.

A motion was made and seconded to issue a letter to CFC notifying them that Lower Valley is willing to invest in CFC Member Capital Securities in the future if CFC determines it is needed to bolster their balance sheet and to build investor confidence. Motion was adopted. Voting was unanimous.

James R. Webb and Wade Hirschi reviewed the May financial statements.
James R. Webb reviewed the natural gas balancing account. He recommended leaving the rates as they currently are. Board consensus was given to leave the natural gas rates as they currently are.

James R. Webb reviewed the propane balancing account. He recommended a .2108 cents decrease for the propane rates. A motion was made and seconded to decrease the propane rate by .2108 cents effective August 1, 2014. Motion was adopted. Voting was unanimous.

James R. Webb presented the proposed changes to Board Policy #204 – Delegation of Authority from the Board of Directors to the President/CEO. A motion was made and seconded to approve the proposed changes to Board Policy #204 – Delegation of Authority from the Board of Directors to the President/CEO. Motion was adopted. Voting was unanimous.

James R. Webb presented the proposed changes to Board Policy #205 – Board Member Meetings and Compensation. A motion was made and seconded to approve the proposed changes to Board Policy #205 – Board Member Meetings and Compensation as amended. Motion was adopted. Voting was unanimous.

Bill Spaulding presented the outage and safety reports. A motion was made and seconded to approve the June 10, 2014, Safety Meeting Minutes as presented. Motion was adopted. Voting was unanimous.

Nancy Winters reported on ICUA issues. A motion was made and seconded to appoint Nancy Winters as Lower Valley’s ICUA Director with James R. Webb as the alternate. Motion was adopted. Voting was unanimous.

Shawn Taylor from WREA reported on WREA issues. A motion was made and seconded to appoint Fred Brog as Lower Valley’s NRECA voting delegate with Dean S Lewis as the alternate voting delegate. Motion was adopted. Voting was unanimous.

A patronage capital early retirement request from North Country Distributing in the amount of $1,366.78 was reviewed. A motion was made and seconded to approve the request as presented. Voting was unanimous.

Nancy Winters reviewed the proposed information to be included in the new director packet. Discussion was held on a possible request to bury the transmission line between Wilson and Jackson. Board Policy #408 – Undergrounding of Transmission Line was reviewed.

Adjourned at 4:30 p.m.

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Rod R. Jensen, Chairman              Nancy Winters, Secretary/Treasurer