Lower Valley Energy
Board Meeting Minutes
General Session
June 25, 2015

A General Session of the Board of Directors was held on June 25, 2105, at the Lower Valley Energy Jackson office. The meeting was called to order at 11:00 a.m. by Board Chairwoman, Linda Schmidt.

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

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Rick Knori, Director of Engineering; Bill Spaulding, Director of Operations; Martell Brower, Director of Gas Operations; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR; Arleen Boyd, Laurie Beers, and Roxie Melton, Beartooth Board Members; Celeste Schwendiman, BPA; Rob Sirvaitis, with The Energy Authority (TEA); Will Hart, ICUA; Craig Coles, Brad Schroeder, Josh Kurtti, Lower Valley Energy employees.

Minutes of the April 23, 2015, General Session were accepted as presented.

James R. Webb introduced Rob Sirvairis, with TEA who gave a presentation on future forecasts for electricity and natural gas pricing. Influencing factors include weather conditions, renewables, hydro and WECC regulations.

James R Webb invited Celeste Schwendiman, Lower Valley Energy’s BPA Power Account Executive, to address the current market and BPA costs and forward looking rate.

The Board asked questions of Celeste Schwendiman, she reviewed the draft Record of Decision (ROD), the upcoming rate case, competitive costs, updated the Board on factors influencing rate formulations, long-term costs and potential transmission solutions.

James R. Webb introduced Will Hart from ICUA and asked him to discuss his opinions from the Idaho perspective and the effects on this region.

Will Hart reviewed year-to-date legislation issues in Idaho and the impacts on utilities, available ICUA awards and scholarships through Northwest Lineman College and the value of membership in ICUA.

Steve Duerr updated the Board on his recent NRECA Legal Seminar training. Topics included solar projects, drones, OSHA requirements, danger trees, legal & tax update, labor and employment law and ethical issues.

James R. Webb reviewed the May 2015 financial reports.

James R. Webb reviewed the natural gas balancing accounts. He recommended no rate change at this time.

James R. Webb reviewed the propane balancing accounts. He recommended no rate change at this time.

Wade Hirschi gave a presentation on the five-year financial forecasts for both electric and natural gas.

The Board reviewed Board Policy #407 Use of Transportation and Construction Equipment.

Bill Spaulding reviewed the safety and outage reports for May.

Nancy Winters reviewed ICUA issues and dues formulations.
A motion was made and seconded to appoint Dean S. Lewis as the NRECA voting delegate with Peter Cook as alternate. Motion carried. Voting was unanimous.

James R. Webb reviewed the President/CEO Report.

Beartooth Board Members expressed appreciation having the management agreement with LVE and discussed their power supply issues.

Meeting adjourned to executive session at 4:15 p.m.

____________________________________  __________________________________
Linda Schmidt, Chairwoman               Nancy Winters, Secretary/Treasurer