A Telephonic General Session of the Board of Directors was held on July 27, 2012. The meeting was called to order at 8:30 a.m. by Board Chairman, Rod R. Jensen.

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

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Angie Jennings, Customer Service Engineer; Wade Hirschi, CFO; Gay Petersen, Executive Assistant/HR.

James R. Webb discussed the proposed terms of the Teton Science School easement which includes a 4 inch gas service line if needed in the future, service to a future Wilson campus and reclamation along the right-of-way all provided by Lower Valley Energy as needed. A motion was made and seconded to approve the proposed Teton Science School easement as presented. Motion was adopted. Voting was unanimous.

Rod R. Jensen discussed the proposed changes to Lower Valley’s bank signature cards. A motion was made and seconded to adopt the resolutions for the proposed changes to Lower Valley’s banking signature cards with First Bank, Wells Fargo and CFC. Motion was adopted. Voting was unanimous.

James R. Webb discussed the needed REDL&G letter of credit with CFC. This letter of credit will begin at half the loan balance and have a declining balance with 50 basis points annually on the outstanding balance. A motion was made and seconded to approve the CFC letter of credit for the REDLEG loan. Motion was adopted. Voting was unanimous.

James R. Webb updated the Board on the progress of the Teton Village pipeline. Discussion was held regarding Beartooth Cooperative issues.

Meeting adjourned at 8:45 a.m.

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