A General Session of the Board of Directors was held on August 25, 2014, at the Lower Valley Energy Afton office. The meeting was called to order at 9:05 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; Bill Spaulding, Director of Operations; Martell Brower, Director of Gas Operations; Brian Tanabe, Communications Manager; Phil Cameron, ECW; and Gay Petersen, Executive Assistant/HR.

Minutes of the June 26, 2014, general session were accepted as presented.

Steve Duerr conducted board officer elections

A motion was made and seconded to approve the present slate of officers. Motion was withdrawn.

A motion was made and seconded nominating Linda Schmidt as President/CEO, Rod R. Jensen as Vice Chairman and Nancy Winters as Secretary/Treasurer. Motion carried. Voting was unanimous.

The board verbally disclosed any conflicts of interests to all board members.

The board conducted the annual policy review of Board Policy #209 - Ethics, Board Policy #509 – Sexual Harrassment, and Lower Valley Energy’s safety manual drug policy. It was recommended by the Board to strengthen mandatory supervisor reporting requirements in the safety manual drug policy.

James R. Webb reviewed the President/CEO report.

James R. Webb discussed the proposed changes to Lower Valley Energy’s Line Extension Policy. He recommended removing the Lower Valley Energy credit allowances towards new services.

A motion was made and seconded to remove section 1C from the Lower Valley Energy Line Extension Policy effective upon PSC approval. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the transitional rate needed for natural gas sales at Teton Village.

A motion was made and seconded to approve a ten-year transitional rate for members receiving natural gas off the Teton Village Pipeline. The transitional rate will be 14 cents over Lower Valley Energy’s other natural gas rate classes. Motion was adopted. Voting was unanimous.

Brian Tanabe explained the LVE 401K goal ambassador program.

James R. Webb continued the President/CEO report.

James R. Webb discussed the Northwest Energy Supply Cooperative Agreement and Resolution.

A motion was made and seconded to approve a resolution authorizing the Joint Resource Planning and Acquisition Agreement with Northwest Energy Supply Cooperative. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the 2014 July financial statements.
A motion was made and seconded to approve the 2014 July financial statements. Motion was adopted. Voting was unanimous.

Phil Cameron with Energy Conservation Works (ECW) joined the meeting at 10:45 a.m. and discussed the ECW year-to-date financial issues and conservation goals.

James R. Webb reviewed the natural gas balancing account. He recommended a 17 cents decrease in natural gas rates.

A motion was made and seconded to approve the recommended 17 cents per gallon decrease in Lower Valley Energy's natural gas rates. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the propane balancing account. He recommended a 22.68 cents per gallon decrease.

A motion was made and seconded to approve a rate decrease of 22.68 cents per gallon in Lower Valley Energy’s propane rates. Motion was adopted. Voting was unanimous.

James R. Webb and Bill Spaulding reviewed the proposed 2015 vehicle budget.

A motion was made and seconded to approve the proposed 2015 vehicle budget. Motion was adopted. Voting was unanimous.

Board discussion was held regarding the requested donation from Jackson Hole Air.

A motion was made and seconded to approve donating $20,000 to Jackson Hole Air. Motion was adopted. Voting was unanimous.

Chairman Linda Schmidt made association assignments for Board members. Linda Schmidt will continue as Lower Valley Energy’s WREA Director. Nancy Winters will remain as Lower Valley's ICUA Director. Rod Jensen will continue representing Lower Valley Energy's Swift Creek interests. The Lower Valley Energy Audit Committee will be Dean Lewis, Nancy Winters and Linda Schmidt. Rod Jensen was appointed as Lower Valley Energy’s Beartooth liaison.

Warren Jones reviewed the proposed 2015 feeder load study, demand response and smart grid technologies.

Steve Duerr reported on his recent attendance at the EBCA NRECA attorney conference.

Discussion was held regarding forming an election committee to ensure information to public is correct at election time.

Bill Spaulding reviewed the safety and outage reports.

A motion was made and seconded to approve the August 11 and 12, 2014, Safety Meeting Minutes. Motion was adopted. Voting was unanimous.

Nancy Winters had Jim Webb report on the ICUA Annual Meeting since she was unable to attend.

Dean Lewis discussed the UAMPS presentation on the NuScale nuclear projects.

Linda Schmidt reported in WREA issues.

Jim Webb reviewed the WREA managers meeting.
James R. Webb discussed the request from Northwest River Partners for the 2015 Commitment in the amount of $8,540.00.

A motion was made and seconded to approve the 2015 Northwest River Partners Commitment in the amount of $8,540.00. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the NRECA dues in the amount of $38,695.00.

A motion was made and seconded to approve paying the NRECA dues in the amount of $38,695.00. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the early retirement patronage capital request for Wyoming Wildcrafters in the amount of $606.35.

A motion was made and seconded to approve the Wyoming Wildcrafters patronage capital request in the amount of $606.35. Motion was adopted. Voting was unanimous.

James R. Webb discussed the pros and cons of membership in PPC.

James R. Webb discussed the storm damage to the roof on the warehouse building and associated repair costs.

Meeting adjourned at 2:45 p.m.

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Linda Schmidt, Chairman  Nancy Winters, Secretary/Treasurer