A General Session of the Board of Directors was held on August 27, 2015, at the Lower Valley Energy Afton office. The meeting was called to order at 9:10 a.m. by Board Chairwoman, Linda Schmidt.

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; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR.

Minutes of the June 25, 2015, General Session and the August 6, 2015, Teleconference were accepted as presented.

Steve Duerr accepted a nomination to retain the current slate of director officers.

A motion was made and seconded to accept the current slate of director officers with Linda Schmidt, Chairwoman; Rod R. Jensen, Vice Chairman and Nancy Winters, Secretary/Treasurer. Motion carried. Voting was unanimous.

The Board discussed conflict of interest disclosures and returned their disclosures.


James R. Webb reviewed the President/CEO report.

James R. Webb discussed the upcoming BPA rate increase and recommended that Lower Valley Energy pass though the BPA rate increase in the amount of a 3.25% increase effective October 1, 2015.

A motion was made and seconded to authorize management to pass though to Lower Valley Energy members the BPA rate increase in the amount of a 3.25% increase effective October 1, 2015. Motion carried. Voting was unanimous.

James R. Webb continued the review of President/CEO report.

James R. Webb discussed the BEC contract, First Amendment and Transition Plan.


A motion was made and seconded to approve the RED&L resolution for the ECW. Motion carried. Voting was unanimous.

James R. Webb and Wade Hirschi reviewed the July 2015 financial statements.

James R. Webb reported on the natural gas balancing account. He recommended an increase in the natural gas commodity rate of 5.63 cents per therm effective September 1, 2015.

A motion was made and seconded to approve an increase to the natural gas rate of 5.63 cents per therm effective September 1, 2015. Motion carried. Voting was unanimous.

James R. Webb discussed the propane balancing accounts. He recommended a 10.34 cents per gallon rate increase in propane rates effective September 26, 2015.
A motion was made and seconded to approve a 10.34 cents per gallon rate increase to the propane rates effective September 26, 2015. Motion carried. Voting was unanimous.

Jim Webb reviewed the proposed 2016 vehicle budget. He reviewed the possibility of getting an existing gas vehicle which is available now prior to waiting for the 2016 natural gas vehicle budget to be approved.

A motion was made and seconded to approve purchasing the vehicle now at the lower price. Motion carried. Voting was unanimous.

James reviewed the Natural Gas Cost of Service Study. He recommended a rate decrease to members for residential/small commercial in the amount of 11.16 cents per therm and commercial and seasonal/interruptible in the amount of 14.66 cents per therm effective September 1, 2015.

A motion was made and seconded to approve a natural gas rate decrease in the amount of 11.16 cents per therm for residential/small commercial and 14.66 cents per therm for commercial and seasonal/interruptible effective September 1, 2015. Motion carried. Voting was unanimous.

Warren Jones reviewed the 2015 Electric Feeder Loading Study.

Discussion was held regarding the JH Air request for support of the Contract Air Service into Jackson Hole for the 2015-2016 season.

A motion was made and seconded to approve a contribution of $30,000 to the JH Air Service Program. Motion failed.

A motion was made and seconded to approve a contribution of $20,000 to the JH Air Service Program. Motion failed.

A motion was made and seconded to approve a contribution of $25,000 to the JH Air Service Program. Motion carried.

Bill Spaulding reported on the June and July outages. The safety meeting minutes of August 11 and 12, 2015, were accepted as presented.

James R Webb reported on the surcharge listed on the guest bills for electricity at Grand Teton National Park.

James R. Webb informed the Board of the retirements of John Saven with NRU and John Prescott with PRC.

Nancy Winters reported on the ICUA annual meeting and other issues.

Linda reported on WREA meetings and issues.

A motion was made and seconded to approve Linda Schmidt as LVE’s WREA Board of Director. Motion carried. Voting was unanimous.

The Board reviewed the NRECA dues in the amount of $39,653.00.

A motion was made and seconded nominating James R. Webb as the designated membership representative of the Cooperative, and that Richard D. Knori is the designated alternate of the Cooperative for voting purposes at membership meetings of the Power Resources Cooperative. Motion carried. Voting was unanimous.
Meeting adjourned to executive session at 1:00 p.m.

Linda Schmidt, Chairwoman

Nancy Winters, Secretary/Treasurer