

WELLS RURAL ELECTRIC COMPANY

Adopted: April 20, 1979

Reviewed: August 21, 1998

Revised: August 21, 1998

POLICY NO. 7-8

EQUIPMENT AND SUPPLY PURCHASES

I. OBJECTIVES

To encourage purchase of supplies and equipment through businesses in service area.

II. POLICY

A. Service area merchants capable of supplying the supplies and equipment will be given the opportunity of bidding on such supplies and equipment when the order is more than \$5,000.00. Bids may also be obtained on orders of lesser amounts. Bids will also be obtained from suppliers outside of the service area.

B. To support service area suppliers and in consideration of delivery costs and freight rates, all bids or quotes will be open to all dealers and will be based on delivery of said item to the W.R.E.C. office where the item will be based. (i.e.: if a vehicle is to be used at the Wells office, the bid or quote will reflect delivery to the "Wells" office. (The same for Carlin and Wendover)).

III. RESPONSIBILITY

It shall be the responsibility of the chief executive officer to administer this policy.