

## **REGULAR MEETING OF THE BOARD OF DIRECTORS OF WELLS RURAL ELECTRIC COMPANY**

**January 16, 1981**

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order on Friday, January 16, 1981 at 1:00 p.m. President Vernon Dalton presided over the meeting.

Directors present were Gene Pengelly, Daryl Eriksen, Vernon Scott, Joe Riordan, Ray Crawford, Ferris Brough, John Krenka, Wanda Borden, Vernon Dalton, Bill Wright and Ester Quilici.

Present from the staff were Dan Bryan and Patti Blackett.

Corrections to the minutes: GENE PENGELLY MOVED THE MINUTES OF THE DECEMBER 19, 1980 MEETING BE APPROVED AS WRITTEN. VERNON SCOTT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

There were no additions to the agenda.

Dan Bryan attended a meeting in Elko regarding Sierra Pacific purchasing the Winecup and Gamble Ranches, 250,000 acres for around \$19,000,000. They purchased it through a subsidiary called Lands of Sierra Incorporated. Jim Fretwell will continue to manage both ranches. They started out with over 100 potential sites for power plant development. The reason they gave for not announcing the purchase before now is because they had negotiations pending on several other sites. They did not want to jeopardize any of the negotiations by announcing another one. They will be starting an environmental pact, socioeconomic impact and a technical assistant study for this area in the spring or summer. That study will take 1 - 1 1/2 years. They plan to put a plant between 500 to 1500 MW on that location. They did not announce the exact location. The only physical change in the next year or so will be a line extension to a meteorological tower. It will be a coal fired plant. They are not considering any other kind of generation. There were 40-45 people in attendance at the meeting. We have also heard that there might be 10-14 drilling rigs in town before the end of the summer.

Safety Report: The Safety Meeting for January was held on January 15th at 8:00 am. Al Crocker, Safety Instructor from Ruralite, presented a very good class on accident prevention and production, as both go hand in hand. Every safety program has a single purpose - performance of activities without accident injury or occupational illness. As of January 18, 1981, we have logged 730 accident free days (2 years) with no loss time or injuries. All vehicles were inspected for safety and all are in excellent condition. All Apprentice Linemen are now in their second year tests and are progressing very well.

Construction Report: In Wells, several transformers were changed because of overload during the past month. The Winchell and Tybo line extensions were completed in Starr Valley. At Jiggs, the Zunino Ranch service was upgraded and rebuilt, work is underway at Lee for the remaining eight Temoak housing sites. In Clover Valley, the Nevada Milling Company service has been completed and metering installed, with a total capacity of 450 KVA to the mill and crusher and also five residential trailers have been given service at the mill site. In Carlin, the conversion job was slowed down because of the crew taking two weeks off for the holidays but it should be complete by the middle of January. In Wendover, the service and transformer serving the Lewis Bros. Motel was relocated off the property of Motel 6 so construction could continue there, later a three phase line will have to be relocated off Motel 6 property. Several transformers have been changed in Wendover because of overloaded condition.

Engineering Report: We have been approached by the Red Garter Casino about adding a 50 space trailer park on their property. Also there is approximately 50 apartment units in the planning stages that are to be built this year by Stateline Properties and James Taylor in the area of the KOA Campground. Cliff Gardner of South Ruby has asked about extending our three phase lines to an irrigation project. We have staked an extension for Chromalloy Mining for a trailer park near the Jungle Mill site. In Wells, we have been approached about a 46 space trailer park and a light industrial development on Humboldt Avenue. We are planning on staking a 7200 V tie between our US 93 and Shoshone highway crossings to enable us to keep the south side of the highway energized if we lose either of the crossings. Also planned are contingency plans for quick overhead crossings if we lose the Clover Valley or Carlin feeder underground crossings. Between Wendover and Wells, we have almost 200 new housing units under consideration for the first half of 1981. In Carlin, Dupont Chemical is planning an industrial plant east of town with a 100 KVA load. We have contacted 23 engineering firms. We heard from 11 of them. The board must hire the consulting engineer. Lee and Dan have met with several of these firms. They will recommend 3 or 4 finalists and have a screening committee of the board meet with these firms. The screening committee will be Wanda Borden, Ray Crawford, Joe Riordan and Vernon Dalton. They will meet with these firms on February 12 at 10:00 a.m. Charlie Harper would like to sit in on this meeting if possible.

Outage Report: System wide, we had a total of 17 outages, 12 were unscheduled and the remaining 5 were scheduled. Most outage time, this month, was due to overloaded transformers and bad secondary connections. We had one reclosure trip open in south Ruby, the cause was unknown. Carlin had 144 consumer hours of outage time. 100 of those hours were due to a 1 hour outage on the north side of town effecting 100 consumers. Wells had 95.5 hours and Wendover had 76 hours. Though this may appear to be a

substantial amount of hours, the majority of these were to improve and upgrade our system.

We had a major outage in Wendover on Sunday, January 11th. It was caused by icing of the lines. We are having similar problems today.

Member Services Report: Mike Booth said that he would work on the two "logos" that were submitted and return them to us as soon as possible. Dan Kessler made a presentation at the Max C. Fleishmann College of Agriculture Annual Conference on January 6, 1981 at John Ascuaga's Nuggett in Sparks, Nevada. The presentation was "Wind - Potential for the Eighties." Dan was asked to another demonstration but we told them we really did not have anything to add to this one.

Power Source: BPA has been notified that W.R.E.C. is not interested in participating in their wind program.

Deseret G & T: Merrill Millett has asked us to attend their board meeting on January 22nd at 10:00 a.m. and stay over to meet with him and other officials on the morning of the 23rd. This is in regards to the Moon Lake Project. He also reports that unit #1 still looks good and is on its way to having the EPA air quality permit which has been conditionally approved. Forty percent of the plant is under contract and they expect EIS final approval May 15th. Construction will begin immediately thereafter.

Regional Bill: They are trying to set up a meeting next Friday, the 23rd. The morning session will be an organizational meeting to establish the framework to name the negotiating teams and the afternoon discussion is to set up ways to negotiate and how we will do these things. Neither Vernon or Dan can attend. We would like to have someone attend if possible. They will send us a copy of the minutes.

Employee and Director Institutes & Schools: The badges for the N.R.E.C.A. Annual Meeting were handed out to those directors attending.

New Memberships: GENE PENGELLY MOVED WE APPROVE THE 14 MEMBERSHIPS FROM WELLS, 16 FROM WENDOVER AND 14 FROM CARLIN. JOHN KRENKA SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Manager's Report: Dan has talked with California and Utah representatives and they have indicated they would like to again have a breakfast for our congressional delegates or representatives at the conference in May during the first part of the rally between the 11th and 13th. Dan also talked with Gil McBay of Mt. Wheeler and they agree that the breakfast idea is an acceptable event.

Representatives from Central Area Data will make the initial visit to WREC in February to begin their information gathering and informing our employees exactly what to expect upon the conversion to their system.

The auditors will be in the office the week of February 2nd.

Dan is scheduled to meet with the architect, Mr. Clawson on January 23rd. We sent him some material on the land and some pictures. He will draw up a tentative proposal for that meeting.

We were notified by CPN that we are serving in their territory. We built an extension for two pumps to Maggie Creek Ranch. This extension was built in CPN's territory. Sierra Pacific told CPN to get this problem straightened out before they buy it. They could give us the western half of Section 15; they could write an acceptance and give us just where that line is now; we could wheel for CPN or we could retire that line and CPN would have to build a 7 mile line to serve them. John Mohlman was going to contact San Francisco about what they want to do.

We received a letter from Dave Piper. He represents us on WPPSS # 4 & 5 Project. They want to approve a balanced financing program. All utilities involved will be asked to sign this agreement.

We received a thank you note from Daryl Eriksen for some flowers.

One of the aspects of the new power bill is conservation. There are preliminary drafts of different programs. We have reviewed it. If we buy the equipment to test the pumps, as long as we test 60 pumps a year, we might be able to get some money back on it through their conservation program. The only problem is that we only have 47 pumps. BPA, in conjunction with NWPPA, is holding a meeting in Pasco, Washington next month on conservation and the way it affects the regional act. Dan Kessler will probably attend this.

We received a request for a donation for the Elko Band. They did reach their goal.

Daryl Eriksen presented a bill for some computer information when he was checking into computers. DARYL ERIKSEN MOVED WE PAY THIS BILL. GENE PENGELLY SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

GENE PENGELLY MOVED WE ADJOURN. JOHN KRENKA SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

The meeting adjourned at 2:10 p.m.

VERNON DALTON, PRESIDENT

ESTER QUILICI, SECRETARY