

WELLS RURAL ELECTRIC COMPANY

Regular Meeting of the Board of Directors

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held at the company office in Wells, state of Nevada, at 7:30 o'clock P.M. on the 16th day of February, 1962.

The meeting was called to order by ROBERT R. WRIGHT, President, who presided, and JOHN W. MOSCHETTI, Secretary, acted as secretary of the meeting.

Upon calling the roll the secretary reported that the following directors were present: ROBERT WRIGHT, VERNE DALTON, JAMES BALLARD, CHARLES READ, CLARENCE SWETT, ROGER SMITH, ARTHUR GROCK, EYER BOIES and JOHN W. MOSCHETTI. Absent were BLAINE SHARP and HERBERT UHLIG. Also present were Attorney ROBERT VAUGHAN and Manager GEORGE BLACKETT.

The secretary read the minutes of the December regular meeting which were approved. The secretary also read the minutes of the January regular meeting which were also approved.

Manager Blackett said that the audit of the company records for the 1961 calendar year were still in progress and therefore he did not have a complete financial report but that it appeared that we ended the year with approximately \$35,000. net profit.

The President called upon Attorney Vaughan to give a report on the B Loan Application and the progress being made on the stop orders placed on the loan money before same can be released. It appears that we are near the point of receiving letter of authorization from Jerry Diddle of REA for the release of this money at which time we can proceed with bid openings for Wendover, Mary's River and O'Neil areas. Following open discussion, the following resolution was duly made, seconded and unanimously adopted:

RESOLVED: That a committee composed of Attorney VAUGHAN, Manager Blackett, and President WRIGHT be selected to scrutinize letter concerning the contingent release of funds for B Loan Application when received from Mr. Diddle of REA, and then proceed to contact Engineer Fred Liquin to set the bid opening date if everything is in order.

Following discussion on the Jiggs-Lee area and the progress made to date in this area, the following motion was duly made, seconded and unanimously adopted:

RESOLVED: That we approve the action of Attorney VAUGHAN in filing with the Public Service Commission for a certificate to serve the Jiggs-Lee area and that Attorney VAUGHAN is further empowered to proceed to write letters and contact necessary parties in an effort to obtain a power supply to serve this group.

The matter of the agreement that had been executed by the offers of the corporation between WENDOVER LIGHT AND POWER CO., and WELLS RURAL ELECTRIC COMPANY was brought up for discussion. It was discussed that although several resolutions in the minutes indicated approval of such agreement, that the record was not specifically clear that said agreement was approved as to all details and in its final form. For purposes of making the record clear, on motion duly made and seconded it was unanimously

RESOLVED: That the actions of the Board of Directors and the corporate officers in executing that certain agreement made by and between WENDOVER LIGHT AND POWER CO. and WELLS RURAL ELECTRIC COMPANY, which agreement bears date of January 11, 1962, concerns the acquisition of the WENDOVER LIGHT AND POWER CO., property, and which agreement was on that date executed by ROBERT R. WRIGHT, President and CHARLES C. READ, Assistant Secretary of WELLS RURAL ELECTRIC COMPANY and by CLARENCE D. McLEOD, President and CHRISTINE McLEOD, Secretary of WENDOVER LIGHT AND POWER CO., are in all respects ratified and approved. Said agreement hereinbefore in this Resolution described is in all respects ratified and approved.

President Wright read notice of hearing on February 26th in Salt Lake City before the Utah Public Service Commission in regard to the Wendover area and our application to serve same. Wright, Blackett and Vaughan will attend and any other board members who can make the trip are welcome.

Application for power from Shoshone Land & Cattle company in the O'Neil area was approved and President and Secretary directed to execute same on behalf of the company. This was the last of the rural applicants in the Mary's River and O'Neil areas.

3 Three membership applications were approved.

Discussion was had on the balance of \$191,800. on our A Loan application note which has not been requisitioned to date. The following motion was made, duly seconded and unanimously adopted:

RESOLVED: That inasmuch as our final payments to our engineers have not been made as yet pending completion of some engineering work and exact payment amount is not known, be it further resolved that we apply for extension of our basis date on the \$191,800. balance on our Nevada 15 A Wells note from May 9, 1962 to May 9, 1964.

Letter and questionnaire from the NRECA concerning the possibility of filing claim for price fixing against electrical firms was discussed. The form was completed in accordance with our attorney's recommendations in that we have the NRECA proceed with the compilation of data and we wait to decide later if we wish to enter suit or file claim.

President Wright read letter from Mr. Inman of Idaho Power Company giving report of final costs on transmission line and sub-station to Nevada showing a total cost of approximately \$1,521,000. on which WREC had advanced \$550,000. The original estimate of Idaho Power Company on this facility was to be \$2,220,000. Attorney Vaughan was asked to check into our contract with Idaho Power and give his suggestions since the project did not cost as much as estimated.

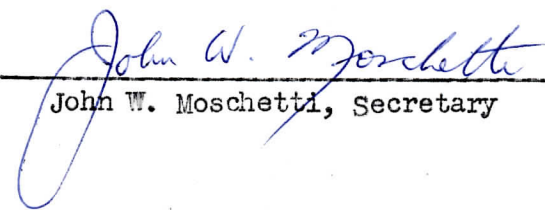
It was agreed to donate \$10.00 to the Wells Fire Department.

It was reported that rules and regulations governing utilities had been received from the Public Service Commission and the office policy and rules group under the head of Charles Read were asked to meet and complete this information as requested, incorporating the commission's requirements with our approved policy.

Verne Dalton said that some users had complained about not receiving consideration of lower rates for water heaters and was advised that they should be receiving same if they have hot water heaters. The saving is approximately \$1.50 per month if full usage is made each month.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting adjourned at 10:00 P.M.

Approved:


John W. Moschetti, Secretary


Robert R. Wright, President.

MEMBERSHIP APPLICATIONS TO BE APPROVED FEBRUARY
16, 1962

B & B Flying A Service, Robert V. Kinkade
Willard L. Oliver
Wells Beauty Shop