

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

June 15, 1979

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order on June 15, 1979 at 1:07 p.m. in the board room. President Vernon Dalton presided over the meeting.

Directors present were Vernon Dalton, Jesse Larsen, Gene Pengelly, Ester Quilici, Ferris Brough, Clarence Swett, Ray Crawford and Daryl Eriksen. Bill Wright and John Krenka were unable to attend. Present from the staff were Dan Bryan, Lee Standley and Patti Blackett.

Corrections to the minutes: JESSE LARSEN MOVED WE APPROVE THE MINUTES AS WRITTEN. GENE PENGELLY SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Additions to the agenda: Safety awards for staff and reports on PPC, NWPPA and Idaho Falls meetings.

Donation: Sharon Evensen, the school librarian, was present to discuss a donation from the Company for RIF. The total amount they would like to raise for the full year is \$4,500 from the whole county. They need \$2,500 by September. They have already contacted alot of the businesses in the county. They have raised \$600 so far. In the Wells Schools, it will cover Kindergarten through 12th grade. Every student will receive 3 books. Hopefully the distribution will be three times a year. They will have a variety of books to choose from. The librarian of each school will select the books for their school. Wells has 465 students and they figure \$1 per book or \$1 per student. Wells will need to raise \$500 and that will be matched with \$500 from the government. If they do not raise the needed amount, books will be distributed up to the 6th grade. They hope to do this on a continuous basis. FERRIS BROUGH MOVED WE DONATE \$100 AND HAVE IT PRO-RATED FOR EACH SCHOOL IN OUR SERVICE AREA. ESTER QUILICI SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Audit: Warren Jaynes will be here at the July board meeting to discuss a bid for this year's audit. We have received 2 bids so far. Bids are due by July 1, 1979. We will notify Warren that his bid from Ernst & Ernst does need to be in by July 1 but he is still welcome to come to the July meeting.

Board Committee Reports: Chromalloy requested a copy of the minutes from the last board meeting. Chromalloy has definitely decided on a site for their plant in Wells.

There were 65 people registered at the Open House in Carlin. There were about 20 who did not register. It was a real good turnout.

Appliance & Safety Report: A safety meeting has not been held this month. The safety meeting for July has been set for the 9th. A couple of water heaters have been sold in Carlin. An appliance display will be put in Carlin. A washer and dryer have been sold in Wendover and a dryer in Wells.

Construction Report: Since Carlin is now complete and energized, the line crew has been concentrating on the back log of work orders that have been neglected due to the Carlin project. The Ned Smiley stock pump is now complete and energized. A two pole tap to Marrujo's all electric trailer in Ruby Valley has been completed. Three 400 watt security lights have been installed at Wes Bowlen's Burger Bar. A single phase to the S & D Market in Wendover has been converted to 3Ø and energized. Four irrigation pumps are now under construction and will be completed by the 15th of June. The reclosures have been installed at the Carlin substation. I would personally like to thank the Line Crew and all personnel who worked so diligently and long hard hours on the Carlin project. A job well done.

Lee Standley talked about the clean-up work that needs to be done in Carlin. We have final approval and the map for the continuous 180' of land past the substation. We are going to end up with a strip about 280' long and approximately 60' wide. We will also have an outside storage area. Western Pacific has a R/W between our land and the street. On the map, the R/W ends at our property line. We are going to contact them and see what their future plans are for that land. If we get that land, it would give us an access on three sides. If they give us a roadway on it, we could put a gate on both sides and have a drive-thru.

Regional Power Planning: The Regional Power bill which was defeated last year was reintroduced this year and it is now under debate. They feel it is going to pass the Senate before the 1st of July. They have indicated to Senator Jackson that preference customers of BPA need to be protected. Out of the PPC meeting came some news on regional legislation. Apparently, Oregon, Idaho, Washington and Montana have some amendments that address public accountability and public input in BPA. It also wants to establish a Northwest Public Energy Accounting Council which makes policies but doesn't look for new power sources. It will be financed by a small surcharge through BPA. They will be responsible for resource mixing. Another amendment addresses preservation of state authority in retail rates and siting. They are going to have hearings on these 2 regional bills on June 23rd and 24th, and congressional hearings July 30th and 31st. The 90% rate increase will be effective December 20, 1979. We will be affected by another increase July, 1981 which at this time is predicted to be a 30-40% increase.

Last year, Vernon requested that Nevada have a representative on the Participant's Council. This was not done. Vernon got in touch with someone from N.R.E.C.A. He indicated he would go to Senator Jackson's office and make sure Nevada had representation on the Participant's Council.

Hydro Plant: We are in the process of finalizing the map that has to be submitted before we get our license. Bud Reynolds has been contacted to finish the work he has been doing on the Hydro.

Engineering Report: In Wendover, we staked a 1 pole 3Ø conversion for the S & D Market; the removal of 4 unused poles in Wendover to make way for Richard Dixon's museum. We are working on a 2 pole 3Ø project for the Rippetoe Store. We are looking at the feasibility of adding up to 1300 KW temporary load for Parson's Construction. In the Wells area, we have staked 1/2 mile 3Ø for J. Whited with 3 pumps, 1/4 mile 3Ø for V. Dalton with 2 pumps, 1/3 mile 3Ø for F. Mader with 1 pump and 1/6 mile for D.K. Anderson with 1 pump. We initiated 14 construction and 9 retirement work orders during the month of May. A work order has been prepared for a 3Ø service to Moschetti & Sons to service their new "Ice Box" as well as other routine work.

Employee & Directors Institutes & Schools: We have enrolled Richard Loveland, Mike Braun and Pat Nolz in a one day seminar for Supervisors in July in Salt Lake. We received a letter from Bob Vaughan requesting W.R.E.C. and Mt. Wheeler to split his expenses to attend the Portland Legal Seminar July 9th & 10th. GENE PENGELLY MOVED WE PAY FOR HALF OF BOB VAUGHAN'S EXPENSES TO SEND HIM TO PORTLAND. CLARENCE SWETT SECONDED THE MOTION AND IT CARRIED WITH 6 IN FAVOR AND 1 OPPOSED. We received a letter from the Wyoming State Wide concerning an Operations Workshop to be held July 25th & 26th in Riverton, Wyoming. Lee might attend this. Two people are scheduled to attend a one day reclosure maintenance training program sponsored by Mt. Wheeler on June 27th. The Region IX Meeting will be held in Spokane, Washington October 10-12, 1979. Those interested in attending are Gene Pengelly, Ray Crawford, Vernon Dalton, Dan Bryan, Ferris Brough and Ester Quilici. A rate symposium and cost of service study workshop will be held in Boise July 25-27. Those attending will be Gene Pengelly, Ray Crawford, Daryl Eriksen, Dan Bryan and Pat Nolz. The Annual Manager's Conference is August 20-23 in Nashville, Tennessee. Dan would like to attend. GENE PENGELLY MOVED WE APPROVE DAN'S REQUEST TO ATTEND THIS. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Power Source: We have done some checking on the wind generation site. We sent a letter requesting a PON application. We contacted a couple of places that have these sites and asked them how they got them and what they did. PON will send out 2 different applications around July 1st. One application is for a MOD 2 wind generator. The other application is for a future site. We will have approximately 60 days upon receipt of these applications to turn our request in. They are going to have 2 or 3 test sites. They sent out over 1,000 of these letters. To date, they have received over 400 back requesting applications. Dan talked with Mike Elliott of CH2M Hill about the \$2,500 fee they mentioned in a letter sent in February. Mike said there would be an engineering fee if they supplied the proposal. He said it would be less than \$2,500. We have requested Oregon State University to send us a summary of the wind test readings we have been sending in. If we are going to submit a proposal, we will have to have an engineering firm submit the proposal. CH2M Hill is one of the two engineering firms recommended for this. GENE PENGELLY MOVED WE TALK TO MIKE ELLIOTT OF CH2M HILL AND HAVE HIM GET STARTED ON WHAT HE HAS TO DO. JESSE LARSEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Dan talked to Dave Porter of ICPA. Dave told Dan that participation in the Hunter Two and Intermountain Projects is closed. The Moon Lake Project is still open if we wanted to get into that. Mt. Wheeler is in the Moon Lake Project. Dan has a report on the Moon Lake Project.

People in Elko have contacted Vernon asking if Wells Rural would be interested in serving the Elko area. We have the energy to serve Elko. We have everything but the money. Vernon talked to CFC about this. CFC has no qualms about lending us the money for the acquisition. REA will not participate in anything. If a group of people is that interested, they suggest you get ahold of them and tell them to develop their own co-op. They as a group handle the negotiations in any way they want. Once they get in the area of actually buying out or negotiating, we are the ones who have the energy and W.R.E.C. would absorb the co-op they have formed. Other than that, we would have nothing else to do with it. This is the way CFC suggests it is done.

⁴⁸ New Memberships: GENE PENGELLY MOVED WE APPROVE THE 13 MEMBERSHIPS FROM CARLIN, THE 16 FROM WELLS AND THE 19 FROM WENDOVER. CLARENCE SWEET SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Safety Awards: Last year, we awarded jackets to the employees for 1 year of safety. Last years cost was \$176 for the Company. This year the jackets cost \$3.75 more. Total cost this year would be \$237.00. If we got safety badges, they would be approximately \$2 each. The majority of the employees prefer the insulated jackets. There are 16 employees eligible this year. JESSE LARSEN MOVED WE GO AHEAD AND AUTHORIZE JESS URRESTI TO PURCHASE THE REQUIRED JACKETS AT THE ESTIMATED COST OF \$237 AND ALSO THE PATCHES AT \$2.00 EACH IF HE CAN GET THEM. GENE PENGELLY SECONDED THE MOTION. ESTER QUILICI MOVED TO AMEND THE MOTION TO HAVE THE JACKETS ONE COLOR. RAY CRAWFORD SECONDED THE AMENDMENT AND IT CARRIED UNANIMOUSLY. THE MOTION AS AMENDED CARRIED UNANIMOUSLY.

Dan received a call from Patty Comstock. The schedule for the school on the 19th and 20th is 8:30 a.m. to 11:30 a.m., 11:30 a.m. to 12:30 p.m. is lunch and then 12:30 p.m. to 4:00 p.m.

Ester Quilici gave reports on the PPC Meeting, NWPPA Meeting and the Idaho Falls District Meeting that she attended. She will type up reports on these three meetings and distribute them.

Manager's Report: We received a letter from Paul Howell, the scholarship recipient. Vernon read the letter.

Dan thanked the board for allowing him to complete the Manager Internship Program.

We need to appoint a Nominating Committee prior to July 1st. Those names submitted were Odetta McGargill - Wells, Lourinda Wines - Ruby Valley, Clarence Jones - Carlin and Dale Callister - Wendover. Betty Wright and Jim Kelley are alternates. GENE PENGELLY MOVED WE APPROVE THE NOMINATING COMMITTEE. JESSE LARSEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

We sold the three vehicles by bid for a total amount of \$1,915.11

We have been asked to relocate our metering point south of Elko towards the Lee-Jiggs metering point. There is a sub-division going in between our metering point and where we actually take off. We informed them we would be happy to have it changed at their cost.

Dan received a notice from NRECA. EPRI requested NRECA to send this notice out to it's members seeking funds for the Nuclear Safety Analysis Center. It is a resolution they want brought up to all the boards. They are asking for .00003¢ x the KWH sales for 1977. They are asking us for \$110.37 to establish this NSAC. The purpose of this is to serve out the proper information on the 3 mile island project and things of this sort. ESTER QUILICI MOVED WE DONATE THIS CONTRIBUTION AS REQUESTED. VERNON DALTON SECONDED THE MOTION AND THE MOTION FAILED WITH 2 IN FAVOR AND 5 OPPOSED.

On June 4th, we received a notice from the Dept. of Agriculture, REA, on the public hearing they propose in regard to bulletin 20-21, section 320-21. There is nothing wrong with this the way it is written as far as environmental impact statements. What the bulletin says is that Co-ops such as ours would not have to do any environmental impact statements for extensions or anything until we got 230 KV lines generating facilities. It would affect G & T's. There is a hearing Monday in Denver. Dan received a notice from Colorado State Wide that said New Mexico, Arizona, Colorado and Wyoming are going to be at this hearing to testify because the Sierra Club and all the other environmental organizations in the area were going to be there to try to get this re-vamped, it is too soft. If they were to get it the way they want it, it would mean that an environmental impact study or an environmental assessment would have to be filed for any extension. Anything except for a meter loop on an existing pole. Dan talked to Kent Wick this morning and they made some calls. REA is holding the hearing. There are a number of statewide organizations that are going to be there. Dan suggests we call one of the statewide organizations that is going to be there and tell them we support their efforts. This will be followed with a written statement. Kent Wick will be representing the Nevada statewide.

The meeting adjourned at 4:00 p.m.



ESTER QUILICI, SECRETARY



D. VERNON DALTON, PRESIDENT

MEMBERSHIPS TO BE APPROVED

JUNE 1979

CARLIN

1. Kellman P. Bleak
2. Robert Camacho
3. Steven P. Carroll
4. Richard A. Carter
5. Ricky Hansen
6. James J. Hill
7. Martin Jensen
8. Rodney M. Jones
9. Ron Malone
10. G. F. Pirtle
11. Bruce P. Platt
12. Chris Taylor
13. Nancy A. Zander

WELLS

1. Lester C. Baldwin
2. Noel E. Cole
3. Bob D. Crump, Jr.
4. Cortney Dahl
5. Jeffery A. Ferguson
6. Ronald M. Florance
7. Paul Hitt
8. Joe D. Liles
9. Clarence E. Mitchell
10. Bernard D. Nelson
11. Stani Potts
12. Linda L. Sittre
13. Michael Smalling
14. G. Mitchell Smith
15. Shari Westwood
16. Lyle S. Yowell

MEMBERSHIPS TO BE APPROVED

JUNE 1979

WENDOVER

1. Thomas R. Allen
2. Karen Andersen
3. Richard Bowie
4. John R. Davis
5. Robert G. England
6. Kenneth Hailstrom
7. Wayne L. Jones
8. Darrell Osmundson
9. Frank R. Pacheco
10. Kathy Richey
11. Joseph R. Robinson
12. John Simpson
13. Ruthann Sorensen
14. John M. Stevenson
15. Dale Stewart
16. Dian F. Symes
17. Gorman B. Turner
18. Valerie Van Hooser
19. Guillermo Villa