

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

November 21, 1975

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order at 1:00 P.M. in the Wells office by James L. Ballard, President.

Those present were: Jim Ballard, Clarence Swett, Vernon Dalton, Gene Pengelly, Glenn Wadsworth, Bill Gibbs, Art Grock, Bob Wright, Tom Achurra, and Don Snyder, General Manager. Absent; Ray Crawford. Ellie Rutherford to take minutes.

The minutes of the October 24th meeting were approved as written.

Additions to the Agenda: Art Grock to discuss Tent Mountain; Don Snyder to add the BPA Sales Contract Amendment, the minutes of the Office Meeting regarding sick leave; Jim Ballard to add naming of a replacement for Jess Urresti.

Construction: The Manager reported nothing new from the printed report.

Devil's Gate: Don Snyder reported that the poles are framed and nearly all are in place for the installation at the Devil's Gate project. The estimated time for completion is January 1, 1976. The new owners of the Devil's Gate Ranch (formerly Pritchard Land and Cattle) have been in contact with the Manager regarding power into their property but have not made a decision as yet. It was suggested that the Devil's Gate be deleted from the agenda and included in the Construction report.

Idaho Power Settlement: Manager Snyder contacted John Miller and found that the period for taking depositions has been extended to February. There is no further report on the progress.

Pine Valley/Carlin: Nothing new to report. Don Snyder commented that we may be able to wholesale power to Carlin and this is under advisement by BPA.

New Service Center: Glenn Wadsworth toured the new service center today and reported to the board that he felt it was a great asset to the Company. Don Snyder reported that the doors arrived but some were too narrow. Don reported that moving day has been set up as follows: Earl Toombs to start moving into the new facility on December 1; Gene Supp to start moving December 1, and be completed by December 5; Jess Sharp to start moving December 5, and be completed by December 10. There will be a phone installed in the Service Department with a separate number. California Pacific Utilities are to have the phones installed by December 1. The power was hooked up on November 21, 1975.

Raft River Intertie: Jim Ballard reported at the meeting at Raft River on November 19th, that George Dixon, Consulting Engineer for Raft River, had presented a schematic drawing of the Intertie from the Bridge Substation to Oasis. This line would be energized at 69 KV until 1983-84, then 138 KV from 1985-2000. Should our capacity be overloaded before the year 2000, we could advance dates of the overloaded condition as early as 1990 with a 10 year advance notice. Gene Pengelly reported on the different loads as shown on the schematic drawings; how these loads could be shifted

from the Idaho Power line to the Intertie and still receive the necessary power. Don Snyder read a letter from Martin Derksema and Bill Miller, BPA, indicating that by 1980 our existing line from Idaho Power will be to capacity. This Intertie could be invaluable.

Jim Ballard reported that Wells Rural Electric should voice an interest of Wells Rural Electric participating in the Intertie with Raft River to Oasis. This should be accomplished with a Letter of Intent and Resolution. BOB WRIGHT MOVED THAT A LETTER OF INTENT AND A RESOLUTION BE SUBMITTED TO RAFT RIVER, VERNON DALTON SECONDED, AND THE MOTION CARRIED. The Letter of Intent and Resolution drafts were submitted by Don Snyder. The letter and resolution were signed, seal affixed and mailed to Raft River in order that they reach Raft River for their Board meeting on Tuesday, November 25th.

Hydro: Nothing new other than in printed report. Don Snyder reported that all restoration work was done and the OK was needed by Val Gibbs of the Forest Service and the Federal Power Commission. The hydro building will not be moved into Wells until sometime next spring.

Policy Manual: Tabled at this time.

Directors Retirement: Gene Pengelly reported that Glenn Wadsworth, Bill Gibbs and himself met the morning of November 21, 1975 at 10:00 A.M. to work on the retirement policy. Gene reported that to his knowledge no coops in Region 9 have retirement plans for their Directors. Vernon Dalton suggested that we contact progressive coops in the nation regarding any retirement plans that they may have. Gene said that when a Director is elected, he is informed of the monetary pay of the Directorship and this does not include a retirement program. After many discussions on various ways retirement for a Board member could be handled, Jim Ballard suggested that at the National Board meeting of NRECA that we talk to the Insurance Representatives and Directors from all over the U. S. regarding their retirement plans.

Gene Pengelly also reported on the Employees Disability Benefit program. Gene reported that a possible 70% of monthly wage times 50% years in service, up to the time of rehabilitation could be worked out. There were many and varied discussions on certain ways a policy could be written and how a disability could be handled. It was suggested that Attorney Bob Vaughan be given the data from this meeting and he could determine the legality of a board policy to cover disability. Final discussion on this matter was tabled until the February 1976 meeting.

Appointment of new Director: VERNON DALTON MOVED THAT JOHN KRENKA BE APPOINTED TO REPLACE JESS URRESTI ON THE BOARD. GENE PENGELLY SECONDED AND THE MOTION CARRIED.

Amendatory Agreement BPA Allocation: Vernon Dalton read a letter from Martin C. Derksema, District Manager, BPA, regarding power supply agreement. Wells Rural Electric is allocated 25 MW from BPA and 1 MW nuclear, a total of 26 MW of power allocated. Some coops were reduced in the allocation from BPA. VERNON DALTON MOVED THAT THE AMENDATORY AGREEMENT BE SIGNED AND RETURNED TO BPA. GENE PENGELLY SECONDED, AND THE MOTION CARRIED.

Tent Mountain: Art Grock reported that he was concerned about the line to Tent Mountain installed seven (7) years ago. Discussion was that the line was too small to carry any large ski area, and was salvage value of the line worth it's being removed? After a considerable discussion, VERNON DALTON MOVED THAT THE TENT MOUNTAIN LINE BE REMOVED, TOM ACHURRA SECONDED, AND THE MOTION CARRIED.

Office Meeting Minutes: The sick leave policy for the employee's was discussed by Don Snyder in relation to the request at the office meeting. It was requested that there be no limit to accumulated sick leave time. In the Policy Manual page 62, item g, it spells out our sick leave policy at this time. This discussion was tabled until the December 1975 meeting.

A Cancer policy which would cost \$3.80 per month per employee was discussed. It was questioned if Cancer was not included in the medical policy that we now have. Don Snyder asked to have this tabled until December also so that he could further study the medical insurance policy.

Ellie Rutherford noted that in the office minutes a portion was omitted from the printed copy. That was the employees would like to see a percentage only deducted from sick leave for doctor or dental appointments. Due to the fact that we live so far away from doctors and dentists, it involves most of a day to take care of an hour or hour and a half doctor appointments. This also will be taken into consideration in December.

Service Department/Appliance Sales: Jim Ballard questioned the wording and intent of some of the items in the appliance sales policy. Deletions and additions were made to certain items and the Board ok'd the Policy Draft as corrected. Jim Ballard commended Don Snyder on the good job he did drafting this policy for the Boards approval.

1976 NRECA Annual Meeting: All reservations are made and confirmed.

Old Bank Building: Wells TV Inc. informed Don Snyder that they cannot afford the proposed amount to rent or buy this building.

BPA/Idaho Falls District Meeting: Covered prior in this meeting.

Communications Radio: The existing system is "worn out" and not fixable according to Art Sciotto. A new system will cost \$28,000.00 which includes two (2) transmitters, one mountain-top and one office, and eight (8) mobile units. There is a resale value of approximately \$8,000.00 for our existing units, by sale to private parties. Wells Rural Electric has no choice but to replace the radios and transmitters.

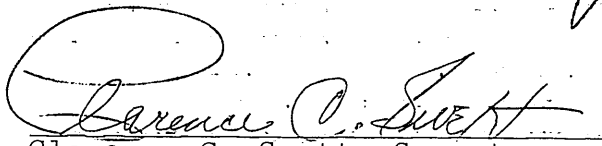
Performance Chart: Nothing other than reported. It was suggested that the performance charts be preempted to the first part of the agenda rather than the last part.

Manager's Report: In addition to the printed report, the Colorado REA will have Course #550.2 scheduled in Denver on Dec. 15-16, 1975 and Course #510.2 scheduled in Casper, Wyoming on Dec. 17-18, 1975. Also, the next Board meeting will be the Christmas Party, December 19th.

It was suggested that the December Board meeting be set for an earlier time. Due to the work load of the Board and because this is the Christmas party date, the Board approved to start at 9:00 A.M., December 19, 1975.

The meeting was adjourned at 5:30 P.M.


James L. Ballard, President


Clarence C. Swett, Secretary

RESOLUTION

Of Wells Rural Electric Company

Board of Directors Meeting

November 21, 1975

The next business to come before the meeting concerned the matter of joining Raft River Electric Cooperative, Inc. in a cooperative venture to provide additional electrical energy for the Oasis/Montello area, and to provide an alternate source of BPA supply for the Wells Rural Electric Company system. On motion duly made by Director *Wright* and seconded by Director *Dalton* it was unanimously,

1. RESOLVED to work with Raft River Cooperative in an effort to provide a permanent intertie between our systems.
2. RESOLVED to request the Bonneville Power Administration (BPA) for a 138 to 69 KV delivery point at Oasis, Nevada.
3. RESOLVED to share on an equitable basis with Raft River Electric Cooperative all engineering and load forecasting study costs necessary for this venture.

I, Clarence C. Swett, Secretary of Wells Rural Electric Company, do hereby certify that the above is a true and correct copy of the minutes of the meeting of the Board of Directors of the Wells Rural Electric Company, held on the 21st day of November, 1975, at which meeting a quorum was present.

Clarence C. Swett
Clarence C. Swett, Secretary

(seal)



November 21, 1975

Idaho Falls District
Bonneville Power Administration
P. O. Box 2558
Idaho Falls, Idaho 83401

Attention: Mr. Martin Derksema, Manager

Subject: New Points of Delivery

Gentlemen:

The undersigned Board of Directors for Raft River Rural Electric Cooperative, Inc., (Raft River) and Wells Rural Electric Company (Wells) do jointly request new points of delivery from the Bonneville Power Administration (BPA) as follows:

- A. Wells - 138 to 69 KV at Oasis, Nevada
- B. Raft River - 138 to 24.9 KV at Montello, Nevada

We propose to construct a 138 KV transmission system extending from the existing Raft River "Bridge" substation 138 KV bus to and including the appropriate facilities at Montello and at Oasis, Nevada. We propose to lease this system to BPA.

Engineering studies and load forecasts indicate the need for these points of delivery to both electric systems. We therefore request that these points of delivery be made available by the summer peak of 1978.

A joint engineering study is presently being completed which presents a plan of service modification for Wells and Raft River to solve problems of power supply and excessive system losses on a joint basis. Copies of this report will be available to BPA upon request.

Very truly yours,

RAFT RIVER RURAL ELECTRIC COOP.

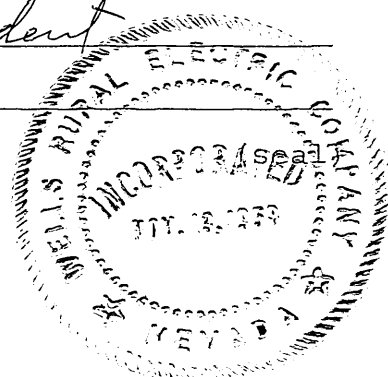
by _____

(seal)

WELLS RURAL ELECTRIC COMPANY

by *James L. Callard*

President



MEMBERSHIPS TO BE APPROVED

NOVEMBER 21, 1975

WELLS

1. Sharon Calton
2. Walter Craig
3. Jose A. Flores
4. Billy R. or Jody Garcia
5. Vicki A. Gray
6. Kathy Hamilton
7. Beulah McDaniel
8. Vidal McQueen
9. Nick Zufelt

WENDOVER

1. John Coe
2. John F. Harding
3. Ronald Lacy
4. Agapito Lucero
5. Dan Murphy
6. Paul Peterson
7. Jo Ann Reed
8. Wayne Whitlock