

COOS-CURRY ELECTRIC COOPERATIVE, INC.
Minutes of the Regular Meeting of the Board of Directors
January 21, 2010

I. PRELIMINARY

The regular meeting of the Board of Directors of Coos-Curry Electric Cooperative, Inc. (CCEC) was called to order at 8:30 a.m. on Thursday, January 21, 2010 by Chairman of the Board (Chair Radabaugh) Peter Radabaugh in the conference room at the cooperative's headquarters, Port Orford, Oregon. The Secretary called the roll, showing the following directors present: Robison, Radabaugh, Dowdy, McMahan, Kitchen, Herzog, and Kolen. Also present were General Manager/Chief Executive Officer (GM/CEO) Roger Meader, Executive Assistant (EA) Dian Marple, Marketing & Member Services Manager Christine Stallard, and General Legal Counsel Melinda J. Davison arrived at 10:01 a.m.

There was a call for items for strategic discussion, but there were none.

Items added to the agenda were: Items of Business – Miscellaneous Business Issues – Mining Load, and under Meetings Attended – SOORC Meeting.

Chair Radabaugh advised the Board that no CCEC member had applied, under PB#76A, to attend the board meeting and speak to the Board.

A motion was made, seconded and unanimously carried to approve, as written, the minutes of the December 17, 2009, regular board meeting, and a motion was made, seconded and unanimously carried to approve, as amended, the minutes of the December 17, 2009, executive session.

II. CONSENT AGENDA

The Board held a brief dialogue concerning the consent agenda. Management responded to questions from the Board. A motion was duly made, seconded, and unanimously carried to approve Items A through F under the consent agenda, to-wit: the list of general & operating checks for 12/2009; the write-off list through 1/12/2010; the list of new memberships for 12/2009; the purge list for 12/2009; the Cooperative attorney's invoice; and the GM's & Directors' expenses for 12/2009.

III. MANAGER'S REPORT

GM/CEO Meader gave a brief report on revenue, expenses, margins, and long-term debt and responded to questions from the Board. The financials presented under the manager's report were filed for audit.

The following reports were given: credit card usage, outages, and right-of-way clearing. The recent Bonneville Power Administration's (BPA) outage was discussed. CCEC will be working with BPA to help improve BPA's future responses to its outages. Meader commended the on-call supervisor, Andrew McBride, and the Cooperative Response Center, who did a great job handling calls from members and dispatching crews to problem areas. Meader reported that members were very patient and few complaints were received.

The January 2010 safety report was reviewed. The safety meetings in January included Hands-Free Cell Phone Law training and Equipotential Grounding Practices training. The January 2010 safety report was approved, as presented, by a motion duly made, seconded, and unanimously carried.

IV. ITEMS OF BUSINESS

A. Wholesale Power Issues - PNGC Power/PRC/BPA

The Board held a discussion about wholesale power issues, future power supplies, the Public Power Council (PPC), the Pacific Northwest Generating Cooperative (PNGC Power) matters, the resource committee's activities, future generation options, and the BPA issues. Discussion continued regarding net-metered accounts and renewable mandates, particularly in California, and how these issues impact PNGC and CCEC.

Legal Counsel Davison arrived at 10:01 a.m.

There was a discussion about whether a director should attend the next two or three monthly PNGC meetings. A motion was made to authorize Directors Kitchen and Dowdy to attend the PNGC meeting in February and Directors Kitchen, Dowdy, and McMahan to attend the PNGC meeting in March. The motion was seconded and unanimously carried.

B. Policy Committee Recommendations

Policy Review Committee Chair McMahan reported on and explained policy issues and the following actions were taken:

- Proposed P#200-060 Authority & Functions of Directors (replaces PB#67) – A motion was made, seconded, and unanimously carried to approve, as amended, proposed P#200-060 Authority & Functions of Directors.
- Proposed P#200-070 Delegation of Authority by the Board of Directors to the General Manager/Chief Executive Officer (replaces PB#69) – A motion was made, seconded, and unanimously carried to approve, as amended, proposed P#200-070 Delegation of Authority by the Board of Directors to the General Manager/Chief Executive Officer.
- Proposed, Revised P#300-020 Service Policies for Members – The GM/CEO and Christine Stallard explained the purpose of a proposed change to one section of the Service Policies for Members. A motion was made, seconded, and unanimously carried to approve, as presented, proposed, revised P#300-020 Service Policies for Members.

The chairman of the policy committee advised that other policies are being examined for potential revisions.

C. WECC Presentation – Andrew McBride

The Board listened to a presentation by CCEC's Manager of System Engineering and Planning Andrew McBride concerning the Western Electricity Coordinating Council (WECC) and the challenges CCEC is facing to meet the WECC compliance requirements. The Board was given some background concerning WECC and the Energy Policy Act of 2005. McBride talked about compliance issues, reporting relay maintenance, testing, forecasting, mitigation plans, and settlement decisions and responded to questions from the Board.

D. Transmission Line Progress - update

The GM/CEO and System Engineer Andrew McBride reported on the progress of the transmission line rebuild and responded to questions from the Board. McBride reported that the transmission line project overall remains on schedule. Andrew McBride departed.

E. CoBank

The GM/CEO advised the Board that he has been in discussions with representatives from CoBank concerning the potential borrowing of funds. There was a discussion concerning a comparison of National Rural Electric Cooperative Finance Corporation's (CFC) and CoBank's interest rates and opening an unsecured short-term line-of-credit with CoBank. The Board agreed by consensus to authorize the GM/CEO to pursue CoBank as a business partner, negotiate an unsecured, short-term line-of-credit, and return to the Board with a proposal for consideration.

F. Miscellaneous Business Issues

- Mining load – A discussion was held by the Board and management of a potential new load.

V. EXECUTIVE SESSION

The regular session adjourned to an executive session at 1:10 p.m. to discuss the following: contracts, member issues, legal opinions, and personnel issues. The executive session adjourned and the regular session reconvened at 3:55 p.m.

VI. MEETINGS ATTENDED

Brief reports were given about meetings attended.

VII. MEETINGS TO ATTEND

The Board announced that the next regular meeting of the Board is scheduled for February 25, 2010, at the Cooperative's headquarters office in Port Orford, Oregon.

VIII. ADJOURN

The meeting adjourned at 4:05 p.m.

/s/ C L McMahan
C L McMahan, Secretary

ATTEST:

/s/ Peter Radabaugh
Peter Radabaugh, Chairman