

**COOS-CURRY ELECTRIC COOPERATIVE, INC.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**April 22, 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, April 22, 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 (M&MSM) Christine Stallard, and Chief Financial Officer (CFO) Frank Corrales, Jr. General Legal Counsel Melinda J. Davison arrived at 9:47 a.m.

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

Items were added to the agenda under the Items of Business: Capital Credits retirements and statements and Climate Change Issues.

Chair Radabaugh advised the Board that no CCEC member had applied, under P#300-030, 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 March 26, 2010, regular board meeting, and a motion was made, seconded and unanimously carried to approve, as written, the minutes of the March 26, 2010, executive session.

**II. CONSENT AGENDA**

A motion was made and seconded to approve Items A through D under the consent agenda, to-wit: the write-off list through 4/13/2010; the list of new memberships for 3/2010; the Cooperative attorney's invoice; and the GM's & Directors' expenses for 3/2010. The motion carried unanimously.

**III. MANAGER'S REPORT**

The financials were reviewed, and GM/CEO Meader gave a brief report on cost

of power, distribution maintenance, the number of services, idle services, yard lights, revenue, and margins and responded to questions from the Board. The financials presented under the manager's report were filed for audit.

The following reports were given: outage report, credit card usage, and disposal of obsolete assets.

The April 2010 safety report was reviewed. The safety meetings in April included Accident Investigation & Event Forms training for all employees and Forklift Refresher training for the crews. A discussion occurred as to whether the safety report needs to be approved or just acknowledged or reviewed. GM/CEO Meader will research that question. A motion duly made, seconded, and unanimously carried to acknowledge the review of the April 2010 safety report.

#### **IV. ITEMS OF BUSINESS**

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

The Board held a discussion about wholesale power issues, future power supplies, a Pacific Northwest Generating Cooperative committee report, water impact and forecast, slice generation, electrical load forecast, Power Resources Cooperative, and Portland General Electric.

##### **B. Policy Committee Recommendations**

Policy Review Committee Chair McMahan reported on and explained policy issues, led a discussion with the Committee, and made recommendations. The following actions were taken:

- Update proposed, revised P#200-240 Director Duties, Code of Ethics, & Standards of Conduct – Following discussion, this policy was tabled to await input from General Legal Counsel Davison.
- Update proposed P#300-050 Net Metering (replaces PB#80) – To update this policy into the new format, a motion was made, seconded, and unanimously carried to approve, as presented, proposed P#300-050 Net Metering (replaces PB#80).

The policy committee chair advised that other policies that are being examined for potential revisions.

General Legal Counsel Melinda Davison arrived at 9:47 a.m.

Proposed P#200-040 revisited:

- Proposed, revised P#200-240 Director Duties, Code of Ethics, & Standards of Conduct – General Counsel Davison gave her legal opinion as to certain language, interpretations, and definitions of certain words within the proposed policy. After additional discussion, a motion was made, seconded, and carried to approve, as amended as to gender, proposed, revised P#200-040 Director Duties, Code of Ethics, & Standards of Conduct with a vote of 5 YES to 1 NO. Director Kitchen cast the NO vote.

C. Transmission Line Progress - update

GM/CEO Meader gave an update on the transmission line rebuild project.

The towers are being delivered, and erection of the towers is expected to begin next week.

D. Annual Meeting – update

The Board was advised that the nominating committee packets have been sent out and nominating committee and director information has been posted at all CCEC offices in accordance with the Bylaws. The press release about the nominating committee appointments has been published in several local papers. The deadline for the return of nominating committee reports and nominating petitions is May 10, 2010. A telephonic board meeting is scheduled for May 12, 2010 to approve the nominations for director to be placed on the Ballot for Directors.

E. Ten-year Financial Forecast

CFO Frank Corrales, Jr. reviewed the revised ten-year financial forecast.

A lengthy discussion occurred concerning the capital credits 30-year rotation plan, and other variables.

- Capital credits retirements for 1977 – 1979 - A motion was made to approve the capital credits 30-year rotation/pay-out plan presented by CFO Corrales and to approve the retirement of capital credits for 1977 – 1979, with checks to be mailed out in November or December 2010. The motion was seconded and carried unanimously.
- Capital credits statements and letters - CFO Corrales advised the Board that CCEC capital credits statements are expected to be mailed

out during the summer of 2010. The Board reviewed the proposed letter and Q&A sheet to be enclosed with the capital credits statements. Following discussion and suggested revisions to the questions and answers, the Board approved by consensus the letter and Q&A sheet to be mailed out with the capital credits statements.

F. Board Strategic Planning Session – August of September

- Discuss potential facilitator - The Board shared their thoughts and vision as to expectations from a strategic planning session (SPS). GM/CEO Meader was instructed to contact potential facilitators and request information, qualifications, and costs.
- Selection of various potential dates - The Board held a discussion regarding potential dates for its SPS. September 27-29 was the first choice and September 7-10 was the second choice. Meader will convey these selected dates when he contacts potential facilitators.

G. Miscellaneous Business Issues

- Proposal to change June board meeting date – The GM/CEO advised the Board of a conflict with the June board meeting date. The Board agreed by consensus to change the June board meeting date to June 28, 2010.

H. Climate Change issues

A letter proposed by the National Rural Electric Cooperative Association (NRECA) to be sent to congressmen regarding the Environmental Protection Agency's (EPA) proposal to be the entity to regulate CO<sub>2</sub> was distributed to the Board. Chair Radabaugh led a discussion concerning climate change issues. The Chair asked the Board to consider its philosophy on the subject to climate change and to consider how the Board should direct CCEC's management and employees as to what direction CCEC should take on the issue of climate change. What is the message that CCEC should be putting in the Ruralite magazine or other communications? The Board agreed by consensus that CCEC should take the direction proposed by NRECA and direct management to support that direction. CCEC will not take sides in the climate change debate.

