

Cooperative Light & Power  
Two Harbors, Minnesota

Regular Meeting of the Board of Directors

1.

A regular meeting of the Cooperative Light & Power (CLP) Association of Lake County Board of Directors was held at the Office of the Association at Fifteen Fifty-Four, Highway Two, on Wednesday, June 22, 2022, with the participation of Scott Veitenheimer, Pat Schmieder, Roger Peterson, and Steve Josephson.

Four directors were present at the time the meeting was called to order at 9:04 am. Also present for the meeting were Interim CEO Steve Shurts, Communication/Business Manager Kevin Olson, Sherry Fabini to take the minutes, member-owners Geoff Tolly and Kyle Weideman. Chad Felstul, Attorney for CLP, was present for a portion of the meeting by video conference.

Present

2.

There was a motion by Roger Peterson and seconded by Steve Josephson to approve the agenda as modified. Motion passed.

Agenda

3.

A motion was made by Steve Josephson and seconded by Roger Peterson to approve the May 26, 2022, minutes as modified. Motion passed.

Minutes

4.

The consent agenda consisting of the following was reviewed. A motion was made by Steve Josephson and seconded by Pat Schmieder to accept the consent agenda. Motion passed.

Consent  
Agenda

- Applications and Terminations
- Monthly Payments
- Correspondence

Applications  
and  
Terminations

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Secretary

Application for Membership and Termination of Electric Service were presented for consideration.

**NEW SERVICE-3**

**TRANSFER OF OWNERSHIP-19**

**TRANSFER OF RENTER-1**

**TERMINATION OF MEMBERSHIP-33**

5.

Member-Owner Geoff Tolley requested time to speak. His first topic was making IRS Form 990 available to members. The board decided to have staff place a statement on CLP's website that copies of the 990 are available to pick up at the office. These copies will only include the compensation for the CEO and directors, not the linemen.

Geoff had requested time to talk about the Great River Energy (GRE) dual fuel modification (ability to burn fuel oil) at Cambridge peaking plant. This topic will be covered at the July Board meeting when a GRE representative is available to have a dialogue with Geoff and the Board.

Geoff asked if the CEO had the authority to determine what a member brings to the Board for discussion. It was decided that the CEO will provide the Board with all member requests for topics at Board meetings. The CEO will include his recommendations, but not deny any requests, unless the Board states that certain topics will not be covered.

Geoff asked the board to consider allowing mail-in voting. The Board agreed to explore both mail-in and electronic voting. Steve will contact Survey & Ballot Systems to ask them about the processes and costs associated with this. He will ask the cooperative attorney, Chad Felstul, to investigate bylaw changes to allow this type of voting.

Geoff provided handouts and pointed out the significant difference in the number of members in each district, with districts 4 and 5 much smaller than the others. Geoff provided ideas, including having three districts, with two directors per district and one at-large director. The Board talked about this and other

Member  
Owner

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Secretary

options, adding that this was explored in the past and it is a complicated matter. Steve was asked to investigate this (i.e., find a company that does this type of study).

6.

A motion was made by Roger Peterson and seconded by Pat Schmieder to accept the financials. Motion passed.

Financials

7.

Interim CEO Steve Shurts did a verbal report that included the following topics:

Manager's Report

- Interim CEO Steve Shurts attended a meeting on June 6 with MREA staff and several other CEO's to discuss cooperative-municipal relations. The first joint MREA-MMUA meeting is scheduled for September 29. As Interim CEO, Steve's role is to provide advice and attend meetings until the CLP CEO position is filled.
- CLP executed a new contract with NRG to continue providing generator service to Louisiana Pacific (LP) for load shedding.
- Staff met with representatives of East Central Energy on June 16 to learn about work order processing and operational procedures that ECE employs.
- Interim CEO Steve Shurts provided an edited version of Board Policy IV-36, Board Meeting Member Attendance, for the Board's review.  
The staff is asking for discussion and approval at the July Board meeting.

8.

Scott Veitenheimer reported on the June GRE Board meeting. He stated that three resolutions were passed. The first one being the approval to enter into a generation interconnection agreement between Midcontinent Independent System Operator (MISO), Great River Energy (GRE), and Whiskey Creek Wind Project.

GRE Board and MMG Report

The Second is the authorization and approval actions for CoBank amended and restated credit agreement.

The third is the Approval of the Allocation of capacity revenue.

Connexus negotiations are moving forward. The Board may

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Secretary

approve a final agreement as early as July's meeting.

Scott Veitenheimer talked about traveling blackouts with the hot weather and some of the concerns. If part of MISO has a problem, everyone will be affected.

There was no GRE Member Manager Group meeting in June, so Interim CEO Steve Shurts had nothing to add to the President's GRE Board Report.

9.

Pat Schmieder had questions on some items that were discussed at the May Board meeting. First one being information on the Right of Way (ROW). Interim CEO Steve Shurts and staff met with representatives from Davey Resource Group. Davey stated that they can do a system analysis in late summer, early fall for \$15,000.00 to \$25,000.00. A Forester will be available to do the assessment. Steve stated that CLP would want a good program to grow with. He would like to know what this will cost. Before budget time Steve will have the numbers to present to the Board. Steve will also get additional information regarding the contract.

Pat Schmieder would like virtual Board meetings available to members if they would like to join them. Steve will talk with IT/Business Manager Kevin Olson to see if this is possible and will let the Board know what he finds out.

10.

Minnesota Rural Electric Association (MREA) Energy Issues Summit (EIS) meeting is August 10-11. Sherry or Carey will make reservations for those attending. MREA District 2 meeting is scheduled for July 15, 2022, from 9:00 am 12:00 pm at Lake Country Power in Grand Rapids. Carey and Sherry will make reservations for those planning to attend.

A member emailed the Board asking for a list of members (names and addresses) This information was to be made available for viewing at the Annual Meeting. The list was not provided. This member will receive a communication from the Board stating that he can come to the Cooperative Light & Power (CLP) to look at the list. No reproduction of the list is permitted.

Pat Schmieder would like a monthly report from the senior staff with types of questions and concerns that they are getting from the members. Steve will look into this.

Old Business

New Business

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Secretary

<p style="text-align: center;">11.</p> <p>At 1:12 pm a motion was made by Roger Peterson and seconded by Steve Josephson to go into executive session to discuss employment and personnel matters. Motion passed. At the conclusion of the discussion, a motion was made by Roger Peterson and seconded by Steve Josephson to exit the session at 2:40pm. Motion passed.</p>	<p>Executive Session</p>
<p style="text-align: center;">12.</p> <p>The Board discussed the date for the next Board meeting. The date is set for Wednesday, July 27, 2022, at 9:00 a.m.</p>	<p>Upcoming Meeting</p>
<p style="text-align: center;">13.</p> <p>There being no further business to come before said meeting, adjournment was called for at 2:41 p.m. with a motion from Roger Peterson and a second by Steve Josephson. Motion carried.</p>	<p>Adjournment</p>
<p style="text-align: center;">_____ Roger Peterson, Secretary</p> <p>CORPORATE SEAL</p>	<p style="text-align: center;">_____ Secretary</p>