

Cooperative Light & Power  
Two Harbors, Minnesota

Regular Meeting of the Board of Directors

1.

A regular meeting of the Cooperative Light & Power Association of Lake County (CLP) Board of Directors was held at the Office of the Association at Fifteen Fifty-Four Highway Two, on June 26, 2024, with the participation of Directors Scott Veitenheimer, Roger Peterson, Steve Josephson, Kyle Weideman and Jessica Larsen.

All directors were present at the time the meeting was called to order at 9:03 a.m. Also present for the meeting were CEO Joel Janorschke, Member Services/HR Manager Carey Hogenson, Operations Manager Brian Bentler, Energy Services Manager, Ken Jones, Finance Manager Shannon Haveri, Sherry Fabini to take the minutes, and one member owner. Attending by means of video conference was CLP Attorney Chad Felstul.

Present

2.

A motion was made by Peterson and seconded by Larson to approve the agenda. Motion passed.

Agenda

3.

A motion was made by Weideman and seconded by Josephson to approve the May 22, 2024, Board Minutes. Motion passed.

Minutes

4.

The consent agenda consisting of the following was reviewed. A motion was made by Weideman and seconded by Larsen to accept the Consent Agenda. Motion passed.

Consent  
Agenda

- Monthly Payments – Check Register
- Correspondence

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Secretary

5.

Member Geoff Tolley addressed the Board with the following topics:

- Being fed up with McLean County's government
- Opportunity for demand response with EV charging scheduling

Member-Owner request

6.

Member Services/HR Manager Hogenson went over her report with the Board and updated events.

- Ice Cream Social was a great turnout
- Member Appreciation Pancake Breakfast date was set for October 5, 2024
- Training for Designated Employee Representative (DER) was very helpful in the event it should ever be needed
- MREA Member Service Conference in Walker, MN was filled with great information and ideas for both Member Services and Marketing/Communication

Managers Reports

Energy Services Manager Jones went over his report with the Board.

- EV chargers were inspected at Gooseberry and Tettegouche State Park. Two days after inspection, one failed at Tettegouche. Another EV charger was ordered, and costs will be split with GRE.
- Met with Meeker Cooperative via a zoom call on the Eaton load control. They had positive things to say about the changeout and the Eaton equipment.
- GRE is doing a video shoot at Labounty MFG on their electric forklift change out they have done. All but one are now electric.
- MREA held their annual Pole-Top and Bucket Rescue safety meeting

Operations Manager Bentler reviewed his report with the Board.

- Crews working on installing new services
- Star Energy finished the underground inspection for the 2024 inspection
- Toured the Helium mine near Babbit and looked at options to run power to the site
- New Forester starts Monday, July 1, 2024

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Secretary

7.

CEO Janorschke provided the following reports to the Board:  
Minnesota Rural Electric Association (MREA) Legislative update regarding:

- The 2024 legislative session ended at midnight on Sunday, May 19, 2024
- Property Taxes
- Reviewed approved new legislation

National Rural Electric Cooperative Association (NRECA) update:

- Department of Energy has completed new energy efficiency standards for distribution transformers

Grant Updates

- Provided GRIP and New ERA update
- NRECA
  - NRECA Research announce a potential opportunity for co-ops to enhance their cybersecurity posture through the RMUC (Rural and Municipal Utility Advanced Cybersecurity Grant and Technical Assistance) Program within the Department of Energy (DOE)

Other Matters of Interest

- CLP's RUS representative visited with staff
- Met with a local developer
- Continued discussions with GRE and KPC regarding a shared solar site
- Continued reviewing and updating policies with staff
- Several meetings regarding the Davis Bacon Act
- Attended weekly Zoom Meetings regarding RASP and New ERA Opportunity (GRE)
- Attended the GRE Member briefing

8.

President Veitenheimer reported on the GRE Board Meeting he attended on June 5 and 6.

- Annual Meeting-Election of Board of Directors with two new Directors:
  - 1.) Bill Middlecamp of Dakota Electric

CEO Report

GRE Board Meeting

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Secretary

2.) Andy Anderson of Runestone Electric

- Board Reorganization Meeting
  - All officers were re-elected with the exception of a new Secretary, Mike Littfin from Arrowhead Electric, who will replace Audrey Hjelle.
- Education Session
  - John Reinhart gave a presentation on load management credits and load management system transition.
  - Jamie Stallman talked about USDA/NEW ERA updates
- Corporate Services
  - Marc Child gave a Cybersecurity update
  - Dwight Stang's presentation was on Artificial Intelligence at GRE and touched on both the benefits as well as the threats
  - Sarah Anton talked about the physical security improvement project for the front entrance
  - Daniel Becchetti, Joe'l Brenny, Chris Empson and Amanda Williams discussed the digital messaging system used at the GRE facility
- Board Meeting 6/6/24
  - CEO David Saggau reported the first four months of the year energy and demand sales were below budget and the portfolio continues to perform well
  - MISO summer outlook adequate-peak forecast is 123GW available generation is 143GW
  - Mega loads is a new concern that the industry is not prepared to handle it
  - Pollution Under Control (PUC) unanimously approved Dodge County Wind 252MW with a 30-year Power Purchase Agreement (PPA) go online 2027

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Secretary

- MISO has tentative plan for Tranche 2 regional transmission-slightly larger than Tranche 1 GRE is working to secure investment opportunities with Tranche 2
  - GRE credit ratings still very high- there was private placement investors call to buy bonds for debt
  - Eric Olson gave legal report regarding Crow Wing Power withdrawal as a GRE member
- Committee Reports
    - Business improvement report about condensate blowdown line replacement at Spiritwood Station-rather than underground it was rerouted indoors and above ground reducing cost and time and ease of future maintenance

9.

CEO Janorschke reported on the GRE MMG meeting.

- CEO David Saggau reported on:
  - Data Centers
  - Crow Wing withdrawal
  - Dodge County Wind
  - MISO Tranche 2
  - MP's IRP
- Vice President and Chief Financial Officer Michelle Strobel provided a financial update
- Judy Chang & Paul Hibbard from Analysis Group reported on the Rate Design
- MMG Executive Session
- GRE May 2024 PCA details

GRE MMG  
Report

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Secretary

<p style="text-align: center;">10.</p> <p>The Operating Margin for the month of April was a negative \$121,676 as compared to a budgeted figure of a negative \$99,012 for a negative variance of \$22,664. Non-Operating Margins-Interest for the month of April was positive \$7,784 as compared to a budgeted figure of positive \$5,322 for a positive variance of \$2,462. Non-Operating Margins-Other for the month of April was a negative \$549 as compared to a budgeted figure of a positive \$2,914 for a negative variance of \$3,463. Other Capital Credits &amp; Patronage Other for the month of April was zero as compared to a budgeted figure of zero, for a neutral variance. This resulted in a total margin for the month of April of a negative \$114,440 as compared to a budgeted figure of a negative \$90,776 for a negative variance of \$23,664.</p>	<p>April Financials</p>
<p style="text-align: center;">11.</p> <p>A motion was made by Larsen and seconded by Peterson to approve the April Financials. Motion passed.</p>	<p>Financial Approval</p>
<p style="text-align: center;">12.</p> <p>A motion was made by Peterson and seconded by Larsen to approve IRS Form 990. Motion passed.</p>	<p>Form 990</p>
<p style="text-align: center;">13.</p> <p>A motion was made Weideman by and seconded by Josephson to approve, with changes, Board Policy I-4 Nepotism. Motion passed.</p>	<p>Board Policy I-4</p>
<p style="text-align: center;">14.</p> <p>A motion was made by Larsen and seconded by Peterson to approve, with changes, Board Policy I-8 Military Leave. Motion passed.</p>	<p>Board Policy I-8</p>
<p style="text-align: center;">15.</p> <p>A motion was made by Weideman and seconded by Josephson to approve, with changes, Board Policy II-10 Meter Installation. Motion passed.</p>	<p>Board Policy II-10</p>
	<hr/> <p style="text-align: right;">Secretary</p>

<p style="text-align: center;">16.</p> <p>A motion was made by Larsen and seconded by Josephson to approve, with changes, Board Policy IV-7 Investment of General Funds. Motion passed.</p>	<p>Board Policy IV-7</p>
<p style="text-align: center;">17.</p> <p>A motion was made by Weideman and seconded by Josephson to approve the Secretary Certificate for RUS Loan. Motion passed. A Motion was made by Weideman and seconded by Josephson to rescind the original motion. Motion passed.</p>	<p>RUS Secretary Certificate</p>
<p style="text-align: center;">18.</p> <p>Attorney Chad Felstul read the RUS Work Plan Loan Secretary Certificate Resolution to the Board. A motion was made by Weideman and seconded by Josephson to accept the Secretary Certificate Resolution. Roll call vote. Larsen, yes. Weideman, yes. Josephson, yes. Peterson, yes. Veitenheimer, yes. Motion passed.</p>	<p>RUS Secretary Certificate Resolution</p>
<p style="text-align: center;">19.</p> <p>At 11:30 a.m. a motion was made by Josephson and seconded by Larsen to enter into a Closed Meeting to discuss confidential issues regarding solar and renewables. At the conclusion of the discussion, a motion was made by Peterson and seconded by Josephson to exit the session at 11:52 a.m. Motion passed.</p>	<p>Closed Meeting</p>
<p style="text-align: center;">20.</p> <p>The Board discussed the date for the next Board meeting. The next board meeting date is set for July 24, 2024, at 9:00 a.m.</p>	<p>Next Meeting</p>
<p style="text-align: center;">21.</p> <p>There being no further business to come before said meeting, adjournment was called for at 11:53 a.m. with a motion from Josephson and a second by Peterson. Motion carried.</p>	<p>Adjournment</p>
<p>CORPORATE SEAL</p>	<p style="text-align: center;">_____ Jessica Larsen, Secretary</p> <p style="text-align: center;">_____ Secretary</p>

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