

## December Board Summary

The board of directors of Dakota Energy Cooperative met on Wednesday, December 14, 2011, with all directors present. Also present were Manager Gates and staff members Jodene Decker, Chad Felderman, Lynn Kruse and Mike Moncur.

Manager Gates reported on the following items:

- Green tags from the development of 750 megawatts of generation assets by Basin Electric Power Cooperative, will be owned by member cooperatives. East River will administer and monitor green tags for cooperatives. East River formed a Managers Advisory Committee to develop recommendations for management of those green tags.
- East River Electric is working on wholesale power contracts with Western Area Power Administration through 2050.
- Renewable energy tax credits may be eliminated in the future. This has caused many wind projects to be postponed or cancelled and equipment surpluses.
- The proposed overall rate increase is 9.27 percent.

Manager of Operations Lynn Kruse reported on the following items:

- One of the large transformers at the ethanol plant went bad on Thanksgiving Day. Northwestern Energy loaned one to us. The bad transformer has been sent in for analysis.
- DEC employee had a minor accident with one of our bucket trucks.

Manager of Member Services Chad Felderman reported on the following items:

- Marathon water heater ads will be aired on the radio with money received from Marathon.
- Updated the board on consumer wind turbine projects.
- East River will be changing the load control for industrial accounts to better manage the system.
- Energy Star requirements for insulation, heating and cooling equipment, etc. will be put in upcoming newsletters.

Manager of Finance and Administration Mike Moncur reported on the following item:

- Attended mock emergency drill coordinated by the Hand County Emergency Management Director.

Moncur reviewed the Cooperative's financial packet for the month of October 2011.

Board members considered and/or acted upon the following matters:

- Accepted the financial reports as presented.
- Accepted the management reports as presented.
- Appointed Manager Gates as delegate to the 2012 NRECA, CFC and Federated Annual Meetings.
- Approved overall rate increase and facilities charge increase beginning January 1, 2012.

- Approved the 2012 Operating Budget and Capital Budget.
- Approved the 2012 Strategic Business Plan.
- Approved revised Policy Statement No. 57 Member Owned Small Renewal Energy Rate and Interconnection Requirements per the new energy payment rates from Basin Electric Power Cooperative.
- Approved revised Board Policy Bulletin No. 60 Electric Rules, Regulations and Rates.
- Approved revised Board Policy Bulletin No. 68 Rented Security/Yard Lights
- Approved employee Christmas recognition.
- Approved the 2012 Annual Meeting date for Friday, March 30 at the Huron High School Auditorium.
- Approved East River administering green tags for the cooperatives.

Director David Allen reviewed the East River Electric Cooperative monthly board meeting activities.

Director Duxbury and Gross reviewed the Mid-West Electric Consumers Association Annual meeting activities.

Director Micheel reviewed the Legislative Committee activities.

The next regular monthly meeting will be held on Wednesday, January 18, 2012 at the Huron office.

Directors attended the Legislative Conference with area legislators.