

## January 2019 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors met at 9 a.m. on Monday, February 4, 2019 at the cooperative headquarters in Pelican Rapids, MN. Due to weather conditions the January 31 board meeting was held February 4, 2019. The Board of Directors approved the minutes of the December 31, 2018 board meeting. Approval was also given to the consent agenda items of expense statements, disbursements, new memberships, and capital credit retirements to estates.

**CEO Report:** CEO Tim Thompson presented the Strategic Quarterly Report, focusing on the year-end results. The cooperative achieved its four main goals for safety, financial strength, reliability, and member satisfaction.

The Beneficial Electrification League is partnering with Lake Region Electric Cooperative (LREC), with support from Great River Energy, National Rural Electric Cooperative Association, Natural Resources Defense Council, and Steffes Corporation, on an innovative demonstration project to optimize the use of electricity generated by wind and solar to avoid renewable energy resource curtailment and to reduce the potential for back feeding renewable electricity onto the transmission system. The project has the potential to contribute significantly to the advancement of “beneficial electrification” and to better align end uses with variable renewable energy resources.

**2019 District Meetings:** The dates, times, and locations of the district meetings for Districts 3, 6, and 9 were provided to the board. Individuals who had expressed an interest in running for the board were given information about what it means to be a board member.

**Business Innovation:** LREC’s Business Innovation team members talked about how the program will work, the savings to the co-op, and the reward process for the stakeholders involved.

**Financial Report:** The financial report was accepted for the period ending December 31, 2018. Monthly revenue was short of the plan, due to the warmer weather. Revenue for the year was above budget.

**Safety:** Lidia Jacobson walked through the 2018 State of Safety. She commented on the Safety and Health Committee meetings, how we educate our members, safety engagement teams that earned miles around LREC’s system, key safety happenings, damage reports (both public and employee), and how the co-op tracks data so it can make informed safety decisions.

**Operation Round Up:** Highlights from the last meeting were shared. The total donation amount this quarter was \$37,700.

**Policies:** The board voted to approve Policy 727 – Technology Use.

**Lake Region Energy Services:** The income statement/balance sheet for December 2018 was approved. Expenses for the month were higher than anticipated.

**Great River Energy (GRE):** Board Member Ken Hendrickx reported on GRE's most recent board meeting. CEO Tim Thompson reported on the member managers meeting. The board was given the 2018 data on the System Average Interruption Frequency Index (SAIFI) and the System Average Interruption Duration Index (SAIDI) Study.