

Record of Minutes

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

October 6, 2008

President Keith D. Croonquist called the meeting to order at 8:29 a.m. All directors were present, except director Park. Also attending were CEO Brad Gaskill, Finance / Corporate Services Manager Mike Johnson, Human Resources and Safety Services Manager Duane Ziller, Member Services Manager Jensen, Engineering Services Manager Byrne, and Attorney Randolph Starr. An addition to the agenda was approved by President Croonquist.

CEO Gaskill described the purpose of the meeting as a review of the proposed revised rates for the association that would be initiated as a result of the increase in rate to the association from its power supplier, Tri-State.

Materials were distributed by CEO Gaskill and Manager Johnson for review of the proposed rates. CEO Gaskill reviewed the written materials that he distributed. A PowerPoint® presentation of additional material was also given by Manager Johnson.

Discussion ensued among CEO Gaskill, Manager Johnson and the board regarding various alternatives to the proposals for rate increases. During the discussion director Park entered the board room. (09:06) Further discussion occurred about the status of low income consumers in view of the coming alternative energy production methods and other strategies to reduce electric usage.

Two alternatives for rate structure were presented; and the alternative with a higher facility charge on the Tariff A was adopted as a consensus of the board. Other rate Tariffs were reviewed to achieve the necessary revenue requirement of the association. Adjustments to certain rates were suggested; and a revised proposal for individual rate adjustments will be made by management based on the consensus of the board. No action was taken by the board to make final policy decisions or adopt or approve any resolution, rule, regulation, or formal action, any contract, or any action calling for the payment of money.

Manager Johnson also discussed other changes in nonelectric rate Tariff changes in the costs of the association for other services such as disconnect costs, copying costs and insufficient funds check charges.

Director Schneider discussed the distribution of funds from CARE and ACRE. CEO Gaskill will ask CREA's Executive Director to address the board regarding the questions.

A reminder to the board regarding the tour of the association's territory on October 23 was given.

There being no further business to come before the meeting, upon motion duly made, seconded and carried, the meeting was adjourned until the regular board meeting on October 28, 2008, at 9:00 A.M. at the Association's headquarters. [10:57]

Thaine J. Michie – Secretary

ATTEST:

Keith D. Croonquist – President

NOTE: The 2008 board meeting dates have been set as follows: October 28, 2008, November 25, 2008 and December 23, 2008. The annual meeting of members for 2009 will be at the Larimer County Fairgrounds ("The Ranch") on Saturday, March 28, 2009.

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