

AGENDA
REGULAR MONTHLY MEETING-BOARD OF DIRECTORS
TRAVERSE ELECTRIC COOPERATIVE, INC.
Tuesday, March 31, 2020
9:00 AM

- 1). Call to order – *Alan Veflin, President*
- 2). Reorganization of the Board – *Postponed until after Annual Meeting*
 - a. Elect President***
 - b. Elect Vice President***
 - c. Elect Secretary***
 - d. Elect Treasurer***
- 3). Approval of Agenda ***
- 4). Approval of Minutes and Bills ***
- 5). Basin & East River Video Reports
- 6). East River Monthly Board Report - *Pat Homan*
- 7). NRECA Annual Meeting – *Tom Frisch, Michael Marks*
- 8). TEC Annual Meeting – *POSTPONED*
 - a. Future dates/location
- 10 Minute Break**
- 9). General Manager's Report – *Joel Janorschke*
 - a. Coronavirus
 - b. East River MAC
 - c. MN Legislation Update
 - d. SD Legislation Update
 - e. Potential Digester Projects
 - f. Solar Inquires
- 10). Office Manager's Report – *Karen Lupkes*
 - a. February 29, 2020 Accounts Receivable Balances review
 - b. Review new members connected
 - c. Covid-19 procedures
- 11). Financial Report – *Karen Lupkes*
 - a. Profit & Loss Statement & Form 7***
 - b. Comparison
- 12). Operation Manager's Report – *Joel Janorschke*
 - a. Operations update
 - b. Outage update

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c. AMI update

13). Review Board Policy No. 308 Cold Weather Policy***

14). Other Business

15). Adjournment ***

***** Indicates Board Action needed**

Future Directors Meetings

MN District III Meeting – July 9, 2020 – Alexandria, MN
MREA Board Chair Roundtable – August 10, 2020 – St. Cloud, MN
MREA Energy Issues Summit – August 12-13, 2020 – St. Cloud, MN

Future Managers Meetings

MN District III Meeting – July 9, 2020 – Alexandria, MN
NRECA Region 5 & 6 Meeting – September 15-17, 2020 – De Moines, IA

Future Board Meeting Dates

April 28, 2020 – Scheduled for 8:00 am
May 26, 2020 – Scheduled for 8:00 am
June 30, 2020 – Scheduled for 8:00 am

Future NRECA Annual Meeting Dates

2021 - San Diego - February 18 – 24 – Homan, Kath
2022 – Nashville - March 3-9 – Armstrong, Diekmann
2023 - Orlando - March 9 – 15- Monson, Pearson

**REGULAR MONTHLY MEETING-BOARD OF DIRECTORS
TRAVERSE ELECTRIC COOPERATIVE, INC.
Tuesday, February 25, 2020
9:00 AM**

The February monthly meeting of the Board of Directors of Traverse Electric Cooperative, Inc. was held at the office of the Cooperative on Tuesday, February 25, 2020.

President Veflin called the meeting to order.

The Secretary reported the following directors present:

Alan Veflin	Terry Monson	Pat Homan
Michael Marks	Russ Armstrong	Doug Diekmann
Mark Pearson	Tom Frisch	

Absent was: Karen Kath

Staff members attending the meeting were Joel Janorschke and Karen Lupkes.

Monson made a motion to approve the agenda as presented. Armstrong seconded the motion and upon vote, motion carried unanimously.

The minutes from the January Board of Directors meeting and the bills for January were presented. Pearson made a motion to approve the minutes and the January bills. Homan seconded the motion and upon vote, motion carried unanimously.

The Basin video was viewed.

The East River video was viewed.

Homan reported on the East River Board Meeting:

- Discussed the January power bill credit from the margin stabilization fund.
- A lot of time was spent on legislative updates.

Homan and Marks reported on the East River Energize Forum they attended.

- The ethanol industry is hopeful that Mexico will have a demand for ethanol.
- Wind turbines are getting larger and tax credits are extended.
- Over all off peak programs are underutilized. It is estimated that 50% of consumers could participate in off peak programs, but only 2% do.
- An update on healthcare costs was discussed and usage of telemedicine is increasing.
- A speaker talked about buyer behaviors.

Manager Janorschke presented the Manager's Report:

- East River MAC update: Territory issues were discussed in detail, DGC lost \$9.2 million in January and lost \$76 million in 2019, the McKenzie vs. Basin lawsuit was discussed, and a FERC update was given.
- At the Basin Member Manager's Conference Paul Sukut spoke briefly, an update on FERC was given, Basin is revising its financial forecast, DGC was discussed, and the solar project near Rapid City is the largest in South Dakota.
- Janorschke provided a MN legislative update which included information on the Clean Energy First requirements, the CIP/Energy Conservation Act, broadband easements, and load control receivers needing a wiring inspection permit legislation discussion.
- Provided a SD legislative update that dealt mostly with territory annexations.
- Provided details on a new member of Traverse Electric who was complaining to the SD PUC that he experiences weekly power outages. He also requested that he be released to Whetstone Electric. He refused to complete a membership application and pay a credit deposit. Janorschke and Powers visiting this member at his home with no progress made on the issues. Talking to neighbors they reported that they are please with our service. The member recently did complete and return the membership application and paid the credit deposit. The SD PUC was updated and indicated no further action was required on our part.
- A member is installing a new 39.9 KW solar system. This should be coming online soon. We have had a few inquiries recently regarding solar panels.
- Former lineman, Terry Ehli, has accepted a position with MREA as a safety instructor.
- Janorschke discussed the proposed MREA due structure that will be voted on at the MREA annual meeting in March. The new rate structure increases rates for smaller co-ops greater than larger co-ops on a per member basis.

Lupkes presented the Office Manager's Report per written report:

- January 31, 2020 Accounts Receivable balances were reviewed.
- New members connected were reviewed.
- Online Utility Exchange can provide us identity verification and debt collection services.

Lupkes presented the financial report for January 2020. An error in the 2020 budgeting dollar amount of long-term interest expense originally approved in November 2019 was recently discovered. A revised 2020 budget will be presented at next month's board meeting that will more accurately reflect the amount of long-term interest expense we expect to incur. After a discussion on the monthly comparisons and financial status of the Cooperative, Armstrong made a motion to accept the report as given. Frisch seconded the motion, and upon vote motion carried unanimously.

Janorschke gave the Operations Report per Schwagel's written report.

- Outages were reviewed.
- Crews have been doing pole changes.
- One lineman has been doing line patrol and documenting it on the Ipad.

- Provided a meter update.
- Our safety program was reviewed.
- Annual DOT and fire extinguisher inspections are done.

The \$1000 Basin Scholarship applications were reviewed. After discussion, Diekmann made a motion to award the \$1000 Scholarship to Jady Kremer and a \$500 Traverse Electric Scholarship to Emily Kaufman. Frisch seconded the motion and upon vote motion carried unanimously.

The board discussed the criteria used for choosing the scholarship winners. It will be revisited at the end of 2020 to see if there is interest in awarding a second \$500 Traverse Electric scholarship based on the student's community involvement, work history, and potential in 2021 for those students that do not participate in numerous school activities or do not have high ACT scores or grades.

The board read the essay submitted by Wyatt Krueger for the Washington DC Youth Tour. Pearson made a motion to award the trip to Wyatt Krueger. Homan seconded the motion and upon vote motion carried unanimously.

Other business:

Next board meeting will be on Tuesday, March 31, 2020 beginning at 9 AM.

Upcoming Board Member meetings:

NRECA Annual Meeting, Feb 27-Mar 4, 2020, New Orleans – Frisch, Marks, Monson
MREA Annual Meeting, Mar 17-18, 2020, St. Paul, MN – Frisch, Homan, Diekmann, Armstrong, Marks
Traverse Electric Annual Meeting, March 19, 2020, Wheaton High School

Upcoming Managers Meetings:

East River MAC Meeting – March 10, Madison, SD
MREA Annual Meeting, Mar 17-18, 2020, St. Paul, MN
Traverse Electric Annual Meeting, March 19, 2020, Wheaton High School
East River MAC Meeting, March 31, Madison, SD
East River Joint Strategic Planning (with board), April 1, Madison, SD
MREA REMA CEO Conference, April 8-9, Waite Park, MN

As there was no further business, Pearson made a motion to adjourn. Marks seconded the motion and upon vote motion carried unanimously. Meeting adjourned at 11:37 AM.

Mark Pearson, Secretary

CM - Check Register-Detail

1 Cash - General Fund

Type	Date	Chk Nbr	Name	Total Check Amount	Document Detail
CK	02/03/2020	116402	PROFESSIONAL COMPUTER SOLUTIONS LLC MCA for December	50.00	50.00
CK	02/03/2020	116403	TWIN VALLEY TIRE OF WHEATON INC 4 New Tires - #142 Tire Repair - #141 Replace Ball Joints & Align #125 Front Shocks, Gear Shift Control, 2 Tires - #1	2,626.45	705.38 25.67 776.96 1,118.44
CK	02/03/2020	116404	Colonial Life January Colonial Life	321.86	321.86
CK	02/03/2020	116405	Amaril Uniform Company Rick - Replace Denim Jacket	231.75	231.75
CK	02/03/2020	116406	AT&T 800 Service	35.28	35.28
CK	02/03/2020	116407	Dell Marketing L.P. 2 Monitors-Steve & Sue, Steve Laptop & Doc Dell OptiPlex 7070 PC for Sue	3,595.45	2,252.62 1,342.83
CK	02/03/2020	116408	Pemberton Law PLLP Legal Services - Employee Issues	98.00	98.00
CK	02/03/2020	116409	Dairyland Power Cooperative Inc Billing Stmt & Pstg, Past Due & Pstg, Sub In	2,092.71	2,092.71
CK	02/03/2020	116410	Daniel Akerson Water Heater Rebate	300.00	300.00
CK	02/03/2020	116411	Altec Industries, Inc. Boom Saddle Urethan #130	227.73	227.73
CK	02/03/2020	116412	H-D Electric Coop., Inc. Legislative Dinner	348.81	348.81
CK	02/03/2020	116413	Mitteness Chiropractic DOT Physical - S Powers	110.00	110.00
CK	02/03/2020	116414	FURTHER February HSA Employee Contributions	1,570.01	1,570.01
CK	02/03/2020	116415	East River Federal Cu February Credit Union	875.00	875.00
CK	02/03/2020	116416	I.B.E.W. Lu 524 February Union Dues	240.00	240.00
CK	02/03/2020	116417	Delta Dental of Minnesota February Delta Dental Premiums	1,288.50	1,288.50
WT	02/03/2020	8801537	Minnesota Dept Of Revenue Jan 31, 2020 payroll SWH	3,094.81	3,094.81
WT	02/03/2020	8801538	Internal Revenue Service Jan 31, 2020 payroll FWH & FICA	15,120.24	15,120.24
WT	02/04/2020	8801540	Payment Service Network Inc January Credit Card Payment Fees	1,054.45	1,054.45
WT	02/05/2020	8801539	Natl Rural Elec Assn Jan 31, 2020 payroll 401K Jan 31, 2020 payroll 401K Loan	6,414.20	6,300.39 113.81
CK	02/10/2020	116418	NRECA Admin Fee	118.56	118.56
CK	02/10/2020	116419	BJ's Parts Depot Oil & Filter for Bobcat	72.62	72.62

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Type	Date	Chk Nbr	Name	Total Check Amount	Document Detail
CK	02/10/2020	116420	KMRS	105.00	
			GBB, BBB & WR Sponsor		105.00
CK	02/10/2020	116421	Larson's Oil Co.	326.25	
			Tank Lease & LP for New Shop		326.25
CK	02/10/2020	116422	Mn Rural Electric Ass'n	13,815.09	
			General & Education dues		13,815.09
CK	02/10/2020	116423	NRECA	26,313.01	
			Total Trust Contributions		26,313.01
CK	02/10/2020	116424	Sturdevant's, Inc.	299.97	
			Supplies & Gloves		299.97
CK	02/10/2020	116425	CS DIESEL INC.	1,064.05	
			Repair Sticky Valve #130		994.05
			Annual DOT Inspection #139		70.00
CK	02/10/2020	116426	City Of Wheaton	125.06	
			Utilities		125.06
CK	02/10/2020	116427	CURTIS 1000, INC	821.72	
			Coffee Mugs for District Meetings		821.72
CK	02/10/2020	116428	Kyle Homan	600.00	
			Heat Pump Rebate		600.00
CK	02/10/2020	116429	Chamberlain Oil Co.	723.80	
			Oil Drum for Trucks		723.80
CK	02/10/2020	116430	HRExpertiseBP	385.00	
			January HR Services		385.00
CK	02/10/2020	116431	Dymoke Law Office PA	117.50	
			Legal Services - Bylaw Amendments		117.50
CK	02/10/2020	116432	Dale N Schwagel	136.85	
			Mileage - Line Supt Conf		136.85
CK	02/10/2020	116433	NRECA Group Benefits Trust	1,582.74	
			Group Insurance		1,582.74
CK	02/10/2020	116434	Mike's Cleaning Service	571.78	
			January Janitorial Services		571.78
CK	02/10/2020	116435	Bluecross Blueshield	17,599.42	
			March Premiums Due in Feb		17,599.42
CK	02/10/2020	116436	NRECA-Coop Benefit Adm	7.50	
			January Cafeteria Expense		7.50
CK	02/10/2020	116437	Mediacom LLC	256.90	
			February Internet Service		256.90
CK	02/10/2020	116438	NRECA	726.54	
			Admin Fee		726.54
WT	02/10/2020	8801543	EAST RIVER FCU	5,259.66	
			ER Credit Card Charges		5,259.66
WT	02/13/2020	8801545	Unified Carrier Registration System	177.00	
			2020 UCR Registration		177.00
CK	02/17/2020	Payroll Batch # PR000923		30,734.28	
WT	02/17/2020	8801548	Minnesota Dept Of Revenue	1,983.42	
			Feb 17, 2020 Payroll SWH		1,983.42
CK	02/18/2020	116453	Aflac	13.70	
			February AFLAC		13.70
CK	02/18/2020	116454	FURTHER	192.00	

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<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	<u>Document Detail</u>
			2020 HSA Admin Fees		192.00
CK	02/18/2020	116455	Border States Electric	1,464.80	
			Bandsaw Blades		19.31
			Conduit Bender		118.32
			Resale Material		1,327.17
CK	02/18/2020	116456	Irby (Stuart C. Irby Company)	493.55	
			Replacement Part for Hot Stick		67.96
			Glove Testing		425.59
CK	02/18/2020	116457	East River Electric Coop	386.60	
			1 Year Site Hawk for MSDS		386.60
CK	02/18/2020	116458	Gazette Publishing Co.	499.20	
			Farm & Food File		499.20
CK	02/18/2020	116459	U.S. Postmaster	30.00	
			2 Rolls Additional Postage Stamps (.15 x 200)		30.00
CK	02/18/2020	116460	Sisseton Courier	100.00	
			2 Year Sub		100.00
CK	02/18/2020	116461	SD Rural Electric Ass'n	780.00	
			Newsletter Labor & Insert & Labor on By-Law		780.00
CK	02/18/2020	116462	Tri-County Coop	14.00	
			Kerosene for Power Washer		14.00
CK	02/18/2020	116463	Traverse County Dep. Reg.	845.25	
			2012 Felling Pole Trailer		152.25
			1999 Dell Car Trailer		30.25
			2006 Dodge - #125		99.25
			2013 Felling Plow Trailer License		464.25
			2008 Ford - #126		99.25
CK	02/18/2020	116464	Valley Office Products	5,264.40	
			13 Board Chairs, 3 Locking File Cabs, Calc &		5,264.40
CK	02/18/2020	116465	CS DIESEL INC.	1,357.57	
			Annual Insp & Replace ABS Mod & Adj Clut		1,357.57
CK	02/18/2020	116466	Willy's Super Valu	187.51	
			Board Sup, Dist Mtg Sup		187.51
CK	02/18/2020	116467	Star Energy Services	19,381.30	
			January Services		19,381.30
CK	02/18/2020	116468	Amaril Uniform Company	158.75	
			Unlined Bib - Rick - Replacement		158.75
CK	02/18/2020	116469	USIC Locating Services LLC	228.78	
			January ND Locates		32.00
			January MN Locates		96.00
			January SD Locates		100.78
CK	02/18/2020	116470	Sag's Hardware Hank LLC	158.52	
			Shop Sup, Hand Warmers, 3/8" Socket		158.52
CK	02/18/2020	116471	Sibson Gravel & crushing Inc	488.91	
			Rock for Pole Change Outs		488.91
CK	02/18/2020	116472	SD Department of Energy Assistance	100.00	
			Refund Energy Assistance Overpayment		100.00
CK	02/18/2020	116473	CRC Response Center Inc	1,004.73	
			January After Hours Service		1,004.73
CK	02/18/2020	116474	South Dakota One Call	2.10	

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<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	<u>Document Detail</u>
			January SD Locates		2.10
CK	02/18/2020	116475	Xerox Corporation	355.37	
			February Copier Lease		355.37
CK	02/18/2020	116476	Big Stone Radio	334.00	
			Generator Ads & Sisseton Sports Sponsor		334.00
CK	02/18/2020	116477	Terex Services	139.12	
			Pilot Bits		139.12
CK	02/18/2020	116478	Gopher State One-Call	67.55	
			2020 Annual Facility Operator Fee		50.00
			January MN Locates		17.55
CK	02/18/2020	116479	North Dakota One-Call	2.40	
			January ND Locates		2.40
CK	02/18/2020	116480	Cenex Fleetcard	4,878.59	
			January Fuel		4,878.59
CK	02/18/2020	116481	Verizon Wireless	462.44	
			Cell, iPad & Apple Watch Service		331.76
			Linemen iPad Service		130.68
CK	02/18/2020	116482	LegalShield	147.50	
			February ID Theft Insurance		147.50
WT	02/18/2020	8801546	Internal Revenue Service	11,300.45	
			Feb 17, 2020 Payroll FWH & FICA		11,300.45
WT	02/19/2020	8801547	Natl Rural Elec Assn	5,841.55	
			Feb 17, 2020 Payroll 401K		5,727.74
			Feb 17, 2020 Payroll 401K Loan		113.81
WT	02/20/2020	8801541	SD DEPT OF REVENUE & REGULATION	17,682.38	
			SD 4.5% ST Return		17,682.38
WT	02/20/2020	8801542	CoBank ACB	22,543.55	
			CoBank Mo Princ & Int Pmt		22,543.55
WT	02/20/2020	8801544	Minnesota Sales & Use Tax	29,550.00	
			MN Mo ST Return		29,550.00
CK	02/25/2020	116483	PROFESSIONAL COMPUTER SOLUTIONS LLC	1,023.00	
			February Hosting & User Fees		973.00
			Mobile Customer Access Service for January		50.00
CK	02/25/2020	116484	Traverse County Pheasants Forever Chapter #44	75.00	
			Donation		75.00
CK	02/25/2020	116485	ROBERTS CO. PHEASANTS FOREVER	75.00	
			Donation		75.00
CK	02/25/2020	116486	Traverse County Dep. Reg.	154.25	
			2020 Felling Pole Trailer - Lic Renewal		154.25
CK	02/25/2020	116487	Steve's Service	133.55	
			Repair Exhaust #126		133.55
CK	02/25/2020	116488	State Bank Of Wheaton	257.00	
			Dec, Jan & Feb ACH Pmt Processing		257.00
CK	02/25/2020	116489	AT & T	42.57	
			800 Service		42.57
CK	02/25/2020	116490	JOHN DEERE FINANCIAL	36.90	
			Shipping charges		36.90
CK	02/25/2020	116491	Frontier	236.03	
			Office Phone & DSL Service		236.03

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<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	Document Detail
CK	02/25/2020	116492	Nardini Fire Equipment Co. Inc Annual Fire Ext Insp	709.82	709.82
CK	02/25/2020	116493	TOM FRISCH T Frisch - Board Check	256.90	256.90
CK	02/25/2020	116494	Russell Armstrong R Armstrong - Board Check	250.00	250.00
CK	02/25/2020	116495	Michael Marks M Marks - Board Check	840.71	840.71
CK	02/25/2020	116496	Alan Veflin A Veflin - Board Check	284.50	284.50
CK	02/25/2020	116497	Douglas Diekmann D Diekmann - Board Check	277.60	277.60
CK	02/25/2020	116498	Mark Pearson M Pearson - Board Check	267.25	267.25
CK	02/25/2020	116499	Pat Homan P Homan - Board Check	273.00	273.00
CK	02/25/2020	116500	Terry Monson T Monson - Board Check	301.18	301.18
WT	02/28/2020	8801529	Mn Comm. Of Revenue REA Membership Tax	140.00	140.00
WT	02/28/2020	8801549	USDA, Rural Util. Service RUS Mo Princ & Int Pmt	34,360.93	34,360.93
CK	02/29/2020	Payroll Batch # PR000926		30,454.57	
Total				\$340,525.30	

Database: TR PROD Report:D:\HomeDir\PCS\Reports\PCSCustom\CM-Board Check Register.rpt
Parameters: (({CMDoc.TranType} in ["CK", "MC", "VC", "WT"] AND ({CMDoc.CheckStatus} <> "C")) AND (NOT (isnull({CMDoc.BatchID}))) AND
({CMDoc.TranDate} in Date(2020, 2, 1) to Date(2020, 2, 29)) AND
({CMDoc.BankAcctID} in ['1']) Last Modified: 3/17/2020

March 31, 2020 board meeting Office Manager's Report:

1. Accounts Receivable balances as of 03/05/20:

- a) Current (Feb 29th statement) \$919,207.48
- b) 1-30 Days (Jan 31st statement) \$39,278.54
- c) 31-60 Days (Dec 31st statement) \$14,915.27
- d) 61-90 Days (Nov 30th statement) \$747.20
- e) Older than 91 days - \$9,502.32
- f) 66 disconnect notices were issued resulting in 1 disconnect.

2. New Members Connected:

- a) Joshua Boehlen
- b) Lenny Barse
- c) David Williams Sr.
- d) Christopher & Christine Williams
- e) Sheila Langhans

3. Office response to COVID-19.

- a) Lobby: restricted access to outside visitors.
- b) Practicing Social Distancing.
- c) Will explore different methods of staffing levels/work schedules as needed to prevent the spread of COVID-19. A few staff members have the ability to work remotely.
- d) Received assurance from CRC (Cooperative Response Center) for after hours dispatching and PCS (our billing and accounting software) that their services will not be affected. They have the ability to provide their services and support with staff working from home and have tested this or have already implemented this measure to some degree.
- e) We will work with members affected by COVID-19 to make payment arrangements to prevent disconnection. This is something we do anyway. For good will we could also consider waiving late penalties during the pandemic. So far, I have been contacted by 5 members saying they have lost their jobs or had their hours reduced due to COVID-19.

USDA - RUS			BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT			MN 84 Traverse		
INSTRUCTIONS - See RUS Bulletin 1717B-2			PERIOD ENDED		
			February 2020		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	2	3	5. Miles Transmission		
2. Services Retired	1	1	6. Miles Distribution- Overhead	1,170	1,167
3. Total Services in Place	3,180	3,219	7. Miles Distribution- Underground	532	555
4. Idle Services (Exclude Seasonal)	0	0	8. Total Miles Energized (5 + 6 + 7)	1,702	1,722
PART E. KWH AND KW STATISTICS					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	THIS MONTH (a)	YTD (b)		THIS MONTH (a)	YTD (b)
1. Net kWh Generated			6. Office Use	46,677	106,515
2. kWh Purchased	10,414,944	22,087,590	7. Total Unaccounted For (4 Less 5 & 6)	351,197	877,911
3. Interchange kWh - Net			8. Percent System Loss (7/4) x 100	3	4
4. Total kWh (1 thru 3)	10,414,944	22,087,590	9. Maximum Demand (kW)	18,995	
5. Total kWh Sold	10,017,070	21,103,164	10. Mo When Max Demand Occurred	February	18995

PART D. CONSUMER SALES AND REVENUE DATA

Class Of Service	THIS MONTH				YEAR-TO-DATE		
	# Rec'g Service a	kWh Sold b	Amount c	# Min Bills d	Avg # Rec'g Serv e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales	2,552	5,840,058	593,609		2,548	12,614,480	1,260,490
2. Seasonal Sales	398	181,498	31,901		397	394,960	66,268
3. Irrigation Sales	12	87	1,206		12	195	2,415
4. Comm - 50 kVA or less	2	27	203		2	51	406
5. Comm - over 50 kVA	112	1,299,595	135,142		112	2,573,027	267,101
6. Kinder Morgan	1	438,630	37,266		1	731,720	60,952
7. Veblen Dairy	1	1,153,748	80,259		1	2,379,687	197,273
8. WDCE - Graceville Loc	1	137,000	11,219		1	364,000	30,504
9. Dollymount Dairy	3	797,927	57,233		3	1,691,671	119,189
10. Campbell Dairy	1	168,500	16,787		1	353,373	34,442
11. Total Sale of Electric	3,083	10,017,070	964,825		3,078	21,103,164	2,039,039
12. Other Elec Revenue			3,177				-26,095
13. Total (11 + 12)			968,002				2,012,944

1. $2544+2552=5096/2=2548$
2. $397+398=795/2=397$
3. $12+12=24/2=12$
4. $2+2=4/2=2$
5. $112+112=224/2=112$
- 9.

Traverse Electric Cooperative Inc
Financial and Operating Report Electric Distribution
Statement of Operations
For the two months ending 2/29/2020

	2019 <u>YTD Actual</u>	2020 <u>YTD Actual</u>	2020 <u>YTD Budget</u>	2020 <u>February</u>
1. Operating Revenue and Patronage Capital	1,983,832.64	2,012,944.32	1,975,270.00	968,001.57
2. Power Production Expense	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	1,198,497.15	1,211,763.59	1,242,684.00	599,223.94
4. Transmission Expense	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	113,465.10	88,850.39	104,782.00	40,873.61
7. Distribution Expense - Maintenance	68,895.51	69,859.83	79,060.00	29,412.51
8. Customer Accounts Expense	31,031.72	33,008.88	30,340.00	16,556.76
9. Customer Service and Informational Expense	6,153.42	10,484.61	16,880.00	4,451.49
10. Sales Expense	590.00	1,166.00	1,416.00	(741.00)
11. Administrative and General Expense	171,004.49	173,175.09	172,856.00	80,148.68
12. Total Operation & Main. Expense (2 thru 11)	1,589,637.39	1,588,308.39	1,648,018.00	769,925.99
13. Depreciation and Amortization Expense	159,711.36	124,216.39	134,230.00	62,151.84
14. Tax Expense - Property & Gross Receipts	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	140.00	0.00	0.00
16. Interest on Long-Term Debt	104,221.03	76,713.91	77,101.81	36,717.47
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00
18. Interest Expense - Other	85.43	139.78	0.00	121.86
19. Other Deductions	0.00	0.00	0.00	0.00
20. Total Cost of Electric Service (12 thru 19)	1,853,655.21	1,789,518.47	1,859,349.81	868,917.16
21. Patronage Capital & Operating Margins (1 - 20)	130,177.43	223,425.85	115,920.19	99,084.41
22. Non Operating Margins - Interest	42,475.99	15,496.98	15,000.00	7,715.54
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	(6,897.51)	(7,671.20)	2,390.00	863.75
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	165,755.91	231,251.63	133,310.19	107,663.70

Income Statement Analysis Ratios

For the two months ending 2/29/2020

$$\begin{aligned}\text{Times Interest Ratio} &= 4 \text{ to } 1 \\ &= \text{Line 29} + \text{Line 16} / \text{Line 16} \\ &= \frac{231,251.63 + 76,713.91}{76,713.91}\end{aligned}$$

$$\begin{aligned}\text{Modified Times Interest Earned Ratio} &= 4 \text{ to } 1 \\ &= \text{Line 29} - \text{Line 26} - \text{Line 27} - \text{Line 28} + \text{Line 16} / \text{Line 16} \\ &= \frac{231,251.63 - 0.00 - 0.00 - 0.00 + 76,713.91}{76,713.91}\end{aligned}$$

$$\begin{aligned}\text{Operating Times Interest Earned Ratio} &= 4 \text{ to } 1 \\ &= \text{Line 21} + \text{Line 16} / \text{Line 16} \\ &= \frac{223,425.85 + 76,713.91}{76,713.91}\end{aligned}$$

Traverse Electric Cooperative Inc
Financial and Operating Report Electric Distribution
Balance Sheet

For the period ending 02/29/2020

	-----2020-----		-----2019-----	
	February <u>Activity</u>	February <u>Balance</u>	February <u>Activity</u>	February <u>Balance</u>
<u>Assets and Other Debits</u>				
1. Total Utility Plant in Service	275,349.84	25,865,340.68	4,171.41	25,250,032.08
2. Construction Work in Progress	(324,644.35)	497,735.68	29,908.67	931,884.52
3. Total Utility Plant (1+2)	(49,294.51)	26,363,076.36	34,080.08	26,181,916.60
4. Accum. Provision for Depreciation and Amort	68,598.51	(10,403,256.01)	(87,910.78)	(10,850,997.83)
5. Net Utility Plant (3-4)	19,304.00	15,959,820.35	(53,830.70)	15,330,918.77
6. Non-Utility Property - Net	0.00	0.00	0.00	0.00
7. Investment in Subsidiary Companies	0.00	0.00	0.00	0.00
8. Invest in Assoc. Org.-Patronage Capital	0.00	5,896,535.34	0.00	5,603,888.29
9. Invest in Assoc. Org.-Other-General Funds	0.00	26,134.57	0.00	23,276.57
10. Invest in Assoc. Org.-Other-Nongeneral Funds	0.00	283,350.56	0.00	281,785.27
11. Investments in Economic Development Projects	0.00	0.00	0.00	0.00
12. Other Investments	(807.97)	69,868.68	(1,591.33)	80,531.48
13. Special Funds	0.00	0.00	0.00	0.00
14. Total Other Property & Investments(6 thru 13)	(807.97)	6,275,889.15	(1,591.33)	5,989,481.61
15. Cash-General Funds	183,900.10	444,823.42	(2,739,265.91)	423,779.64
16. Cash-Construction Funds-Trustee	0.00	1.00	0.00	1.00
17. Special Deposits	0.00	0.00	0.00	1,000.00
18. Temporary Investments	(41,866.11)	3,430,637.28	2,506,593.35	4,213,635.47
19. Notes Receivable - Net	0.00	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)	(80,078.06)	1,007,649.41	(20,216.32)	1,018,813.87
21. Accounts Receivable - Other (Net)	(28,009.01)	15,399.32	3,657.60	(155,363.93)
22. Renewable Energy Credits	0.00	0.00	0.00	0.00
23. Materials & Supplies - Electric and Other	11,701.36	280,868.33	(2,388.20)	286,411.37
24. Prepayments	(9,944.57)	54,647.90	(8,917.52)	47,574.26
25. Other Current & Accrued Assets	6,034.74	40,677.59	5,921.79	9,817.71
26. Total Current & Accrued Assets (15 thru 25)	41,738.45	5,274,704.25	(254,615.21)	5,845,669.39
27. Regulatory Assets	0.00	0.00	0.00	0.00
28. Other Deferred Debits	(5,397.89)	178,201.98	(5,397.89)	241,915.16
29. Total Assets & Other Debits (5+14+26 thru 28)	54,836.59	27,688,615.73	(315,435.13)	27,407,984.93
<u>Liabilities and Other Credits</u>				
30. Memberships	0.00	0.00	0.00	0.00
31. Patronage Capital	(18,857.47)	11,927,529.44	(4,734.33)	10,569,949.14
32. Operating Margins - Prior Years	0.00	0.00	0.00	0.00
33. Operating Margins - Current Year	99,084.41	223,425.85	64,479.05	130,177.43
34. Non Operating Margins	8,579.29	1,194,839.99	18,312.71	1,903,821.49
35. Other Margins and Equities	7,482.82	473,990.22	1,639.17	430,996.62
36. Total Margins & Equities (30 thru 35)	96,289.05	13,819,785.50	79,696.60	13,034,944.68
37. Long-Term Debt RUS (Net)	(19,484.91)	4,463,320.30	(17,166.79)	5,174,714.16
38. Long-Term Debt - FFB - RUS Guaranteed	0.00	7,742,676.01	0.00	9,947,214.34
39. Long Term Debt - Other - RUS Guaranteed	(22,037.85)	89,014.77	(21,030.06)	347,879.34
40. Long-Term Debt - Other (Net)	0.00	598,523.53	0.00	638,453.46
41. Long-Term Debt - RUS - Econ. Devel. (Net)	0.00	0.00	0.00	0.00
42. Payments - Unapplied	0.00	0.00	24,224.93	(2,664,105.85)
43. Total Long-Term Debt (37 thru 41-42)	(41,522.76)	12,893,534.61	(13,971.92)	13,444,155.45
44. Obligations Under Capital Leases	0.00	0.00	0.00	0.00
45. Accumulated Operating Provisions	0.00	0.00	0.00	0.00
46. Total Other Noncurrent Liabilities (44 + 45)	0.00	0.00	0.00	0.00
47. Notes Payable	0.00	0.00	0.00	0.00
48. Accounts Payable	(20,700.32)	739,617.62	(427,456.54)	661,699.79
49. Consumer Deposits	(200.00)	12,400.00	(50.00)	11,900.00
50. Current Maturities Long Term Debt	0.00	0.00	0.00	0.00
51. Current Maturities - Econ Development	0.00	0.00	0.00	0.00
52. Current Maturities - Capital Leases	0.00	0.00	0.00	0.00
53. Other Current & Accrued Liabilities	20,970.62	196,887.94	46,346.73	227,754.57
54. Total Current & Accrued Liab (47 thru 53)	70.30	948,905.56	(381,159.81)	901,354.36
55. Regulatory Liabilities	0.00	0.00	0.00	0.00
56. Other Deferred Credits	0.00	26,390.06	0.00	27,530.44
57. Total Liab & Other Credits(36+43+46+54 thru 56)	54,836.59	27,688,615.73	(315,435.13)	27,407,984.93

Balance Sheet Analysis Ratios

For the period ending 02/29/2020

Equity as a Percent of Assets = 49.91 %

= Line 36 / Line 29

$$= \frac{13,819,785.50}{27,688,615.73}$$

General Funds as a Percent of Total Utility Plant = 14.9654 %

= Line 12 + Line 13 + Line 15 + Line 16 + Line 18 / Line 3

$$= \frac{69,868.68 + 0.00 + 444,823.42 + 1.00 + 3,430,637.28}{26,363,076.36}$$

Modified Equity as a Percent of Assets = 28.6156 %

= Line 36 - Line 8 / Line 29

$$= \frac{13,819,785.50 - 5,896,535.34}{27,688,615.73}$$

Current Assets to Current Liabilities Ratio = 5.5587 to 1

= Line 26 / Line 54

$$= \frac{5,274,704.25}{948,905.56}$$

Total Long-Term Debts as a Percentage of Total Utility Plant = 48.9075 %

= Line 43 / Line 3

$$= \frac{12,893,534.61}{26,363,076.36}$$

February Comparison 2020

	19-Feb	YTD 19	YTD 20	20-Feb
Revenue	\$ 983,144.42	\$ 1,983,832.64	\$2,012,944.32	\$ 968,001.57
Cost of Power	\$ 583,977.11	\$ 1,198,497.15	\$1,211,763.59	\$ 599,223.94
Distribution Exp - Oper.	\$ 69,689.79	\$ 113,465.10	\$ 88,850.39	\$ 40,873.61
Distribution Exp. - Maint.	\$ 35,463.85	\$ 68,895.51	\$ 69,859.83	\$ 29,421.51
Interest Paid	\$ 49,585.54	\$ 104,306.46	\$ 76,853.69	\$ 36,839.33
Total Cost of Service	\$ 918,665.37	\$ 1,853,655.21	\$1,789,518.47	\$ 868,917.16
Margin Operation	\$ 64,479.05	\$ 130,177.43	\$ 223,425.85	\$ 99,084.41
Other Income	\$ 18,312.71	\$ 35,578.48	\$ 7,825.78	\$ 8,579.29
Total Margins	\$ 82,791.76	\$ 165,755.91	\$ 231,251.63	\$ 107,663.70
Total kWh Sold	10,500,616	21,293,892	21,103,164	10,017,070
Line Loss	2%	4%	4%	3%

OPERATIONS REPORT MARCH 2020

As of March 23rd, 2020, crews have kept busy with the following:

- Pole change outs
- Tree trimming
- OCR maintenance
- Finished up line patrol. Did 1/2 of the system. This was done, using the IPAD this year, and just 1 guy and a pickup.
 - Crews have been able to get out to do a lot of the repairs needed, that were found during the line patrol inspection.
- Crews have also started the repairs needed, that were found during the underground cabinet inspections. Mainly hot elbow arrestors that were found with infrared. Example attached

Trucks:

- Annual boom inspection and dielectric testing has been completed.
- **NEW TRUCK HAS BEEN DELAYED SIGNIFICANTLY:** Apparently our chassis, along with 3 others, were totaled out, the driver that was delivering 4 chassis to Duluth, went in the ditch 2 weeks ago and totaled all 4! I am still waiting to hear how long it is going to take to get a new chassis built.

Meters:

- We have 4 demand meters left to change and a total of 88, single phase meters, these are all by appointment.

SAFETY:

- MREA:
 - Safety playbooks
- SDREA:
 - Safety works newsletter
- STAR:
 - Safety meeting: February 27th, First Aide/CPR training
 - Safety meeting: March 12th, Annual compliance and Safety committee in the afternoon
 - Be Safe topics and Safety news letter
- Federated:
 - S.A.F.E. TALK news letter; ladder safety
 - Litigation Report

MISCELLANEOUS:

- All rubber goods were taken to Fargo for annual testing

- We sent out a letter to all local electricians, regarding the pulling of our meters. They must notify us if they need to pull our meter, we are dispatching crews when the outage shows up on our system.
- We had inquiry for additional load at all of the dairy sites, they are looking to possibly add digestors at each site to convert liquid manure to natural gas, and truck it off site for resale.

Outage Report:

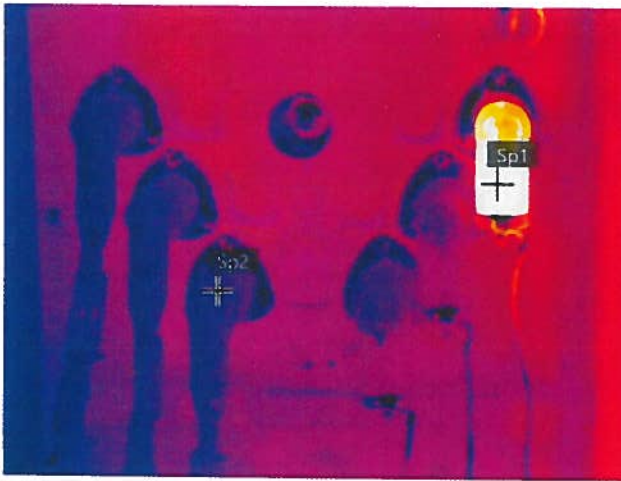
- Traverse, attached
- East river, attached

With the current situation we are all facing, COVID-19, We have obviously changed from “normal” everyday work, by trying to keep the same 2 guys together and keeping distance in the morning meetings, we are also keeping our employees, out of members homes, and trying to avoid face to face contact/meetings with our members. I am sure we will be seeing more changes as this progresses, in the meantime, hopefully we can all do our part by minimizing exposure risks by following the CDC guidelines and protect our employees, families, friends and neighbors.

Dale Schwagel

Operations Manager

Map Number	32
URD Number	305951
Issue	Hot Arrester
Issue Temperature (Sp1)	67.1 °F
Adjacent Equipment or Structure Temperature (Sp2)	33.9 °F
Atmospheric Temperature	30.0 °F
Recommended Priority	High
Image Date and Time	10/24/2019 8:33:39 AM

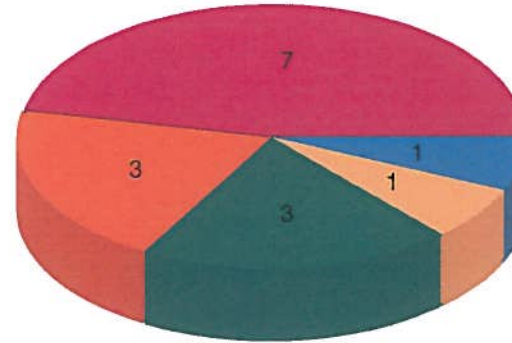


Action:	Signature:
	Date:

Outage Summary

2/1/2020 To 2/29/2020

Planned/Construction	1	6.7%
Hot Line Clamp	1	6.7%
Equipment Failure/Decay	3	20.0%
Member Problem	3	20.0%
Unknown	7	46.7%
Total:	15	100.0%



(Major Event Outages Highlighted Yellow)

Outage List

Start Time	End Time	Cause	Equip Code	Device	Substation	Area	Comments	
2/3/20 3:16 pm	2/3/20 3:45 pm	Unknown	Transformer Fuse		Sisseton	48 -26-2	Refused transformer.	Locations Affected 1
2/4/20 9:11 am	2/4/20 9:18 am	Unknown	Transformer Fuse		Sisseton	48 -26-2	Refused transformer. Member was told he will need to get an electrician if the fuse blows again.	Locations Affected 1

Start Time	End Time	Cause	Equip Code	Device	Substation	Area	Comments	
2/4/20 5:01 pm	2/4/20 6:40 pm	Member Problem	Transformer Fuse		Sisseton	48 -26-2	Blown transformer fuse. Member had bad secondaries. Disconnected secondaries and refused transformer. Billable	Locations Affected 1
2/6/20 11:01 am	2/6/20 12:32 pm	Hot Line Clamp	Jumper		Sisseton	51 -18-1	Jumper broke off hot line clamp. Replaced hot line clamp.	Locations Affected 1
2/9/20 12:17 pm	2/9/20 1:40 pm	Unknown	Line Fuse OH		Sisseton	43 -19-2A, 43 -18-4A, 43 -19-3...	Patrolled line and couldn't find anything. Refuse line fuse.	Locations Affected 9
2/9/20 1:28 pm	2/9/20 2:29 pm	Equipment Failure/Decay	Line OCR		Beardsley	30 -02-3, 31 -34-1, 30 -03-2...	Burnt up OCR near location 31-26-2. By-passed and removed OCR.	Locations Affected 7
2/12/20 10:18 am	2/12/20 12:05 pm	Unknown	Line Fuse OH		Wheaton	10 -20-4A, 10 -30-3, 10 -20-4B...	Patrolled line and couldn't find anything. Refused line fuse.	Locations Affected 3
2/14/20 8:54 pm	2/14/20 11:15 pm	Equipment Failure/Decay	Sub OCR		Graceville, Wheaton	701, 740, 744...	Phase wire burnt down at the insulator. Had to open up all three phases at the substation to repair.	Locations Affected 71
2/14/20 10:31 pm	2/14/20 11:17 pm	Equipment Failure/Decay	Other		Graceville, Wheaton	701, 740, 744...	Primary overhead conductor burnt off at insulator. Had to open the OCRs at the substation to repair.	Locations Affected 72
2/22/20 4:11 pm	2/22/20 5:30 pm	Unknown	Line Fuse OH		Sisseton	43 -17-4, 43 -19-3, 43 -21-3A...		Locations Affected 9
2/25/20 10:21 am	2/25/20 11:30 am	Planned/Construction	Line OCR		Wendell	04 -26-2, 04 -21-2, 04A-30-2...	planned outage, changed out rejected A4.1	Locations Affected 12
2/26/20 10:15 am	2/26/20 11:15 am	Unknown	Line Fuse OH		7	51-21-3	Outage-replaced line fuse	Locations Affected 1

Start Time		End Time		Cause	Equip Code	Device	Substation	Area	Comments	
2/26/20	2:21 pm	2/26/20	2:44 pm	Member Problem	Other		Victor	41 -22-3A	disconnected on the 22nd due to secondary conductor burned up in socket. member got Mueth Electric to make repairs. Rick reconnected	Locations Affected 1
2/27/20	7:00 am	2/27/20	9:04 am	Unknown	Transformer Fuse		Victor	44 -11-3	Installed grey cover-up and refused transformer.	Locations Affected 1
2/28/20	6:14 am	2/28/20	8:57 am	Member Problem	Other		Sisseton	49 -18-3A, 49 -18-3	secondary splices burnt up in transformer basement (No charge)	Locations Affected 2



Outage Report

03-05-2020

Substation	Off Date	On Date	Outage Duration (Minutes)	Customer Count	Customer Hours Off	Coop	Codes	Comments
Wendell	03/05/2020 08:31	03/05/2020 09:23	52	205	177.67	Traverse	Wind, Power Supplier	
Centerville	03/05/2020 11:01	03/05/2020 11:58	114	398	378.1	Clay/Union, Southeastern	Wind	High Winds
Hurley	03/05/2020 11:01	03/05/2020 12:03	62	624	644.8	Southeastern	Wind	High Wind
Viborg	03/05/2020 11:01	03/05/2020 12:03	62	842	870.07	Southeastern	Wind	High winds

BOARD REPORT
Safety and Compliance
Traverse Electric Cooperative, Inc.
February 2020

MANAGEMENT

- ✓ Updated engineering contacts in Disaster Plan on 02/04/20
- ✓ RESAP Annual Performance Measurements submitted on 02/07/20
- ✓ Key Dates for CDL drivers updated on 02/11/20 and 02/13/20
- ✓ United Carrier Registration (UCR) completed on 02/13/20
- ✓ Internal Communication – Core Safety Rules revised on 02/24/20
- ✓ RESAP CEO Leadership Commitment completed on 02/26/20

EDUCATION

<u>Topic</u>	<u>Audience</u>	<u>Date</u>	<u>Presenter</u>
Monthly Newsletter – Five Minutes or less for Health and Safety	All employees	01/27/20	STAR
Cooperative Connections – Space Heater Safety	Members, Public	02/20	TEC
Safety Works – Electrical Contact, Proximity vs Minimum Approach, Coronavirus, Prevent Flu, Ladder Safety	All employees	02/20	SDREA
Download on Safety and Safety Pallet	All employees	02/20	MREA
Monthly Poster – Leak or Spill?	All employees	02/01/20	STAR
Safety Bulletin Board – Warning: Icy Conditions (focus on footing)	All employees	02/01/20	STAR
Be Safe – Preventing Auger Damage	Operations	02/25/20	STAR
First Aid, CPR, AED Certification	All employees	02/27/20	STAR

INSPECTIONS

No items reported during this period.

EVENTS (not including damage to poles/structures by public)

No new events reported during this period. See table below.

- ✓ Year-to-Date Injuries: 0 (includes no OSHA recordables)
- ✓ Year-to-Date Damage: 0 (includes no DOT reportable)
- ✓ Year-to-Date Near Miss: 0

Date	Type	Description	Actions

TRAVERSE ELECTRIC COOPERATIVE, INC.

Wheaton, Minnesota

BOARD POLICY NO. 308

MINNESOTA COLD WEATHER POLICY

I. OBJECTIVE

To establish rules and conditions to comply with the Minnesota Cold Weather Law 7820.1500 to 7820.2300) commonly known as the Cold Weather Policy which is effective August 1, 1991.

II. POLICY

A. Minnesota's Cold Weather Law provides that from October 15th through April 15th an electric cooperative cannot disconnect a residential consumer for non payment if you meet the following conditions:

1. You declare your inability to pay on the appropriate form.
2. Your total household, not individual, income is less than 50% of the state median income. You must provide the necessary documentation to support this condition.
- ~~—3. Your account is current for the billing period immediately prior to October 15th.~~

~~—OR—~~

- 3.** 4. You have entered into a payment schedule and are reasonably current with your scheduled payments.

If one or more of the above conditions are not met, then you do not qualify for the winter shut-off protection. It is recommended that you seek a satisfactory payment arrangement and you can still continue to receive electric service.

B. Traverse Electric Coop., Inc. shall notify all residential customers of the provisions of the new law between August 15th and October 15th of each year.

C. Inability to pay

Before a residential customer can be disconnected between October 15th and April 15th the following five pieces of information must be provided to them either mailed or hand delivered.

1. ~~Current~~ A notice of proposed disconnection.
2. ~~Provide a form on which the customer can declare to the Cooperative his or her inability to pay, this must be submitted to the Cooperative.~~ Forms on which to declare an inability to pay.
3. A statement on explaining Consumer Rights and Responsibilities
4. ~~Percent of Poverty Income Guidelines for the current year.~~ A list of local energy assistance providers.
5. ~~Statement of Traverse Electric's Budget Billing Policy.~~ A statement explaining available time payment plans and other opportunities to secure continued utility service.

D. Disconnection Time Restrictions

1. There must be at least 20 calendar days between the time the notice of disconnection is sent and the customer can be disconnected if mailed or 15 calendar days if hand delivered. If a residential customer must be disconnected, the disconnection must not occur on a Friday (unless the customer declines to enter into a payment agreement offered that day in person or via personal contact by telephone), on a weekend, on a holiday or the day before a holiday, or when utility offices are closed or after close of business on a day when disconnection is permitted.

2. If a customer does not respond to a disconnection notice, the customer must not be disconnected until the utility investigates whether the residential unit is actually occupied. The utility must immediately inform the occupant of the provisions of this section. If the unit is unoccupied, the utility must give seven days written notice of the proposed disconnection to the local energy assistance provider before making the disconnection. If prior to disconnection, a customer appeals a notice of involuntary disconnection, as provided by the utility's established appeal process, the utility must not disconnect until the appeal is resolved.

E. Appeal procedure for cold weather rules.

1. The Appeal Board shall be made up of two consumers and one alternate that are appointed by the Chairman of the Board of Directors of Traverse Electric. Coop., Inc.

2. Determination of Appeal. All appeals of declaration of inability to pay shall be determined on an informal basis by the Appeals Board within 30 days after receipt of the utility's written appeal. The Appeals Board shall determine the residential customer's inability to pay based on the following: a finding that the residential customer is in compliance with part 7820.1800 and a finding that the residential customer's household income is less than 50% of the state median income.

In making their decision the Appeals Board shall consider one or more of the following:

A. Documentation of income verification by the local energy assistance provider, if applicable;

B. Documentation that the residential customer is a recipient of any type of public assistance, including energy assistance, that uses household income eligibility in an amount less than 50 % of the state median income;

C. The most recent income tax returns filed by members of the residential customer's household;

D. For each employed member of the residential customer's household, either paycheck stubs for the last two months or a written statement from the employer of wages earned during the preceding two months;

E. A medicaid card or food stamps eligibility document;

F. Documentation that the residential customer is on a pension from the Department of Human Services, the Social Security Administration, the Veterans Administration, or other pension providers;

G. A letter showing the residential customer's dismissal from a job or other documentation of unemployment; or

H. other documentation which supports the residential customer's declaration of inability to pay.

Subp.2. Disconnection during 30-day appeal period. The utility shall not disconnect the service until expiration of the 30-day appeal period.

5. Any disputes over a residential customer's inability to pay for service, income eligibility, reasonableness of payment schedule, or any other issue which a customer could raise under the Minnesota Cold Weather Law shall be referred for hearing, after reasonable notice, to the Cooperative's Board of Directors. The Cooperative and the customer shall have the right to present evidence and be heard in person at the hearing. The Cooperative's Board of Directors shall issue a written decision within 10 days after the hearing. No disconnection shall occur while a dispute is pending.

III. RESPONSIBILITY

A. The **General** Manager and department heads are responsible for the administration of this policy.

B. The Board of Directors is responsible for any changes in or revisions of this policy.

Date Adopted: 8-19-1991

Date Reviewed: 11-18-1991

Date Revised: 03-31-2020


Mark Pearson, Secretary