

**AGENDA**  
**REGULAR MONTHLY MEETING-BOARD OF DIRECTORS**  
**TRAVERSE ELECTRIC COOPERATIVE, INC.**  
**Tuesday, October 29, 2019**  
**9:00 AM**

- 1). Call to order – *Alan Veflin*
- 2). Approval of Agenda \*\*\*
- 3). Approval of Minutes and Bills \*\*\*
- 4). Basin & East River Video Reports
- 5). East River Monthly Board Report - *Pat Homan*

**10 Minute Break**

- 6). General Manager's Report – *Joel Janorschke*
  1. East River
  2. Basin
  3. MN Legislation Update
  4. SD Legislation Update
  5. Quarter 2 – Budget Analysis Report
  6. Quarter 3 – Budget Analysis Report
- 7). Office Manager's Report – *Karen Lupkes*
  1. September 30, 2019 Accounts Receivable Balances review
  2. Increase in social media posts to promote co-op and programs
  3. RUS Cushion of credit to pay higher interest loans
  4. 2020 Youth Tour: Need to commit to sending one youth\*\*\*
- 8). Financial Report – *Karen Lupkes*
  - a. Profit & Loss Statement & Form 7\*\*\*
  - b. Comparison
- 19). Operation Manager's Report – *Joel Janorschke*
  1. Operations update
  2. Outage update
  3. AMI update
- 10). Bylaws update
- 11). Review Board Policy # 108 Attendance of Directors at Meetings\*\*\*
- 12). Review Board Policy # 110 Fringe Benefits for Directors\*\*\*
- 13). Review Board Policy # 111 Services for Legal Counsel\*\*\*

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**REGULAR MONTHLY MEETING-BOARD OF DIRECTORS**  
**TRAVERSE ELECTRIC COOPERATIVE, INC.**  
**Tuesday, October 29, 2019**  
**9:00 AM**

- 14). Review New Board Policy # 513.1 Non-Dot Drug and Alcohol Testing Policy\*\*\*
- 15). Voting Delegate: Mid-West Electric Consumers Association Annual Meeting – December 10-12, 2019 – Denver, CO\*\*\*
- 16). Discussion of Christmas Party
- 17). District Meeting Dates/Locations
- January 27-31, 2020
  - District 1, 2 & 6: TEC Office (District 1 Open), Wheaton, MN.
  - District 3: Campbell Community Center, Campbell, MN.
  - District 4 & 5: Beardsley (District 4 Open), Beardsley, MN
  - District 7, 8 & 9: Rosholt (District 7 Open), Rosholt, SD.
- 18). Other Business
- 19). Adjournment \*\*\*

\*\*\* Indicates Board Action needed

Future Directors Meetings

Basin Annual Meeting – November 5-7, 2019 – Bismarck, ND – *Russel Armstrong*  
Mid-West Annual Meeting – Dec 10-12, 2019 – Denver, CO – *Michael Marks?*  
SDREA Annual Meeting - January 10-11, 2020 - Pierre, SD  
NRECA Annual Meeting – February 27 – March 4, 2020 – New Orleans, LA  
MREA Annual Meeting - March 17-18, 2020 - St. Paul, MN  
TEC Annual Meeting - March 19, 2020 - Wheaton High School - Wheaton, MN

Future Managers Meetings

Basin Annual Meeting – November 5-7, 2019 – Bismarck, ND  
East River MAC – November 15, 2019 – Madison, SD  
MREA Legislative Summit – November 22, 2019 – Maple Grove, MN  
East River MAC – December 2, 2019 – Madison, SD  
Mid-West Annual Meeting – Dec 10-12, 2019 – Denver, CO  
NRECA CEO Close-Up – January 12-15, 2020 – Palm Desert, California  
SDREA Annual Meeting - January 10-11, 2020 - Pierre, SD  
MREA Annual Meeting - March 17-18, 2020 - St. Paul, MN  
TEC Annual Meeting - March 19, 2020 - Wheaton High School - Wheaton, MN

Future Board Meeting Dates

November 26, 2019 – Scheduled for 9:00 am

**AGENDA**  
**REGULAR MONTHLY MEETING-BOARD OF DIRECTORS**  
**TRAVERSE ELECTRIC COOPERATIVE, INC.**

**Tuesday, October 29, 2019**

**9:00 AM**

December 31, 2019 – Scheduled for 9:00 am

January 28, 2020 – Scheduled for 9:00 am

February 25, 2020 – Scheduled for 9:00 am

March 31, 2020 – Scheduled for 9:00 am

Future NRECA Annual Meeting Dates

2020 - New Orleans - February 27 – March 4- **Monson**

2021 - San Diego - February 18 – 24 – Kath, Homan

2022 – Nashville - March 3-9 – Diekmann, Armstrong

2023 - Orlando - March 9 – 15- Pearson, Monson

**REGULAR MONTHLY MEETING-BOARD OF DIRECTORS  
TRAVERSE ELECTRIC COOPERATIVE, INC.  
Wednesday, September 25, 2019  
8:00 AM**

The September monthly meeting of the Board of Directors of Traverse Electric Cooperative, Inc. was held at the office of the Cooperative on Wednesday, September 25, 2019.

President Veflin called the meeting to order.

The Secretary reported the following directors present:

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

Absent was: None.

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

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

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

The Basin video was viewed.

No East River video available to view.

Homan reported on the East River board meeting:

- The East River board reorganized with no changes in officers.
- Discussion held on the Bakken's increasing load needs.
- Reviewed the 2020 SPP revenue requirements.
- East River's annual meeting was reviewed.
- The Energize Forum will be held Feb 5-6, 2020 in Sioux Falls.
- Discussed NRECA Resolutions.
- Discussed the purchasing of licensed frequency.
- East River's budget will be reviewed at their next board meeting.

Armstrong, Pearson, and Veflin reviewed the East River Annual meeting they attended:

- Theme was "Shaping a Stronger Tomorrow".
- East River's ten year system upgrade was reviewed.

- Discussed using REED funds for housing development near Avera campus and economic development.
- Learned that WAPA power is cheap, but always threatened that new administrations in Washington DC will take it over.
- Bob Sahr gave a political update and Jim Horan talked about federal political issues.
- Paul Sukut spoke about the high demand for energy in the Bakken and how to meet that need.
- Eminent service awards were presented to Jim Edwards and Greg Hollister.
- Kermit Pearson was recognized for serving 30 years on the East River Board.

Manager Janorschke presented the Manager's Report:

- Reported on the REMA CEO meeting. Topics covered included transparency and communication with members, board evaluations and tools, a new communication package available from MREA, diversity in the workplace, and MREA's proposed new rate structure for 2020.
- Reported on the NRECA Region 5 & 6 meeting. Topics discussed included how to get the younger generation involved, director compensation is under scrutiny, and a Federated insurance update. Breakout sessions were held and Anthony Larson, a director from Slope Electric in ND, was elected to the CFC board. The CFC manager director position for District 6 is up for election next year.
- Janorschke spoke at the Graceville Senior Center. The gathering was sponsored by Prairie 5 and Janorschke spoke on ways to save energy to the 15-20 people in attendance.
- Provided an update on MN legislative issues, which included the legislation for diversity in the workplace.
- Provided a SD legislative update. The SD legislature would prefer it if the cooperatives and municipalities could settle the territory issues themselves.

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

- August 31, 2019 Accounts Receivable balances were reviewed.
- Reviewed how the first month of outsourcing bill printing went.
- Lupkes and Przymus will attend a training on CFC's Budget Pro on October 2.

Lupkes presented the financial report. August sales and margins were discussed. After a discussion on the monthly comparisons and financial status of the Cooperative, Monson made a motion to accept the report as given. Marks 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 busy doing pole changes, service upgrades, and finishing the East River projects. We still need to find a contractor to do the retirement portion of those East River projects.
- STAR Energy started urd cabinet inspections.

- Our tree contractors are done working for the year.
- Tony Kassa from STAR Energy is promoting and installing our generators for now. We have a lot of interest from members recently.

Janorschke presented a request for a loan for a 20 KW Generator from Larry Englund. Englund is seeking to finance about one half of the cost of the generator installed. Pearson made a motion to approve a Generator Loan for up to \$4,500.00 to Larry Englund. Homan seconded the motion and upon vote motion carried unanimously.

The Basin Annual Meeting will be held November 5-7, 2019. Diekmann made a motion to name Armstrong the Basin voting delegate and Janorschke the alternate. Kath seconded the motion and upon vote motion carried unanimously.

The Mid-West Electric Consumers Assoc. Annual Meeting will be held in Denver, CO on December 10-12, 2019. The board tabled naming the voting delegate until the October board meeting.

Diekmann made a motion to go into executive session to discuss salary increases for non-union employees. Frisch seconded the motion and upon vote motion carried unanimously. Lupkes left the meeting.

Homan made a motion to come out of executive session. Armstrong seconded the motion and upon vote motion carried unanimously. Lupkes rejoined the meeting.

Frisch made a motion to approve \$18,500 for non-union salary increases to be given at Janorschke's discretion. Kath seconded the motion and upon vote motion carried unanimously.

Other business:

Next board meeting will be on Tuesday, October 29, 2019 beginning at 9 AM.

Upcoming Board Member meetings:

Basin Annual Meeting, Nov 5-7, 2019, Bismarck, ND - Armstrong

Mid-West Annual Meeting, Dec 10-12, 2019, Denver, CO – Marks?

SDREA Annual Meeting, Jan. 10-11, 2020, Pierre, SD -

NRECA Annual Meeting, Feb 27-Mar 4, 2020, New Orleans - Monson? Marks? Frisch?

MREA Annual Meeting, Mar 17-18, 2020, St. Paul, MN –

Traverse Electric Annual Meeting, March 19, 2020, Wheaton High School

Upcoming Managers Meetings:

East River REED Meeting, October 1, 2019, Madison, SD

East River MAC Meeting, Oct 2, 2019, Madison, SD

Basin Annual Meeting, Nov. 5-7, 2019, Bismarck, ND

East River MAC Meeting, Nov 15, 2019, Madison, SD

MREA Legislative Summit, Nov 22, 2019, Maple Grove, MN

East River MAC Meeting, Dec 2, 2019, Madison, SD  
Mid West Annual Meeting, Dec 10-12, 2019, Denver, CO  
NRECA CEO Close-Up, Jan 12-15, 2020, Palm Desert, CA  
SDREA Annual Meeting, Jan. 10-11, 2020, Pierre, SD -  
MREA Annual Meeting, Mar 17-18, 2020, St. Paul, MN –  
Traverse Electric Annual Meeting, March 19, 2020, Wheaton High School -

As there was no further business, Marks made a motion to adjourn. Monson seconded the motion and upon vote motion carried unanimously. Meeting adjourned at 10:35 AM

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Mark Pearson, Secretary

# CM - Check Register-Detail

## 1 Cash - General Fund

<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	Document Detail
CK	09/01/2019	115767	NRECA	117.66	
			Admin Fee		117.66
CK	09/01/2019	115768	FURTHER	875.02	
			September HSA		875.02
CK	09/01/2019	115769	East River Federal Cu	1,375.00	
			September Credit Union		1,375.00
CK	09/01/2019	115770	I.B.E.W. Lu 524	160.00	
			September Union Dues		160.00
CK	09/01/2019	115771	NRECA Group Benefits Trust	1,485.31	
			Group Insurance		1,485.31
CK	09/01/2019	115772	NRECA	701.66	
			Admin Fee		701.66
CK	09/03/2019	115787	Irby (Stuart C. Irby Company)	169,649.35	
			New Rubber Sleeve		346.04
			76 Single Phase Meters & 484 CT Meters		72,987.08
			49,378' 1/0 URD Cable		96,316.23
CK	09/03/2019	115788	Resco	14,881.83	
			Credit for 8-85 Gallon Water Heaters (Ordered)		(9,448.00)
			6-100 Gal & 8-85 Gal (100's for N Ottawa Da		17,389.30
			8-50 Gallon Water Heaters - N Ottawa Dairy		6,940.53
CK	09/03/2019	115789	LILLEGARD, INC.	52.29	
			Kit, Overflow Tank Caps		52.29
CK	09/03/2019	115790	CS DIESEL INC.	1,617.08	
			Repair AC #120		1,617.08
CK	09/03/2019	115791	Wesco Receivables Corp.	2,872.32	
			Materials		2,872.32
CK	09/03/2019	115792	Wheaton American Legion	1,279.57	
			Mark Koch Retirement Party & Gratuity		1,279.57
CK	09/03/2019	115793	Colonial Life	428.24	
			August Colonial Life		428.24
CK	09/03/2019	115794	Amaril Uniform Company	269.15	
			C Falk - 3 Shirts		269.15
CK	09/03/2019	115795	Rick's Plumbing, Heating & Air Conditioning Inc	130.00	
			Service Call - AC		130.00
CK	09/03/2019	115796	B&B Transformer Inc	30,505.00	
			Transformers		30,505.00
CK	09/03/2019	115797	Kathleen Helder	100.00	
			Regrigerator Rebate		100.00
CK	09/03/2019	115798	AT&T	24.58	
			800 Service		24.58
CK	09/03/2019	115799	Integrity Contracting Inc	32,311.00	
			ER Project		26,784.00
			ER Project		5,527.00
CK	09/03/2019	115800	Mark Lackey	600.00	
			Heat Pump Rebate		600.00
CK	09/03/2019	115801	Erynne Daussenbach	25.00	
			Memorial - Mary Zimbrick		25.00
CK	09/03/2019	115802	AT & T	43.61	
			800 Service		43.61

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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	09/03/2019	115803	Mike's Cleaning Service	454.22	
			August Janitorial Services		454.22
WT	09/03/2019	8801470	Minnesota Dept Of Revenue	2,483.32	
			August 31, 2019 Payroll SWH		2,483.32
WT	09/03/2019	8801471	Internal Revenue Service	12,646.32	
			August 31, 2019 Payroll FWH & FICA		12,646.32
WT	09/04/2019	8801472	Payment Service Network Inc	967.48	
			August Credit Card Payment Fees		967.48
WT	09/05/2019	8801469	Natl Rural Elec Assn	5,283.82	
			August 31, 2019 Payroll 401K		5,170.01
			August 31, 2019 Payroll 401K Loan		113.81
CK	09/09/2019	115804	BJ's Parts Depot	66.38	
			Bug Be Gone - Fire Ext Rep		66.38
CK	09/09/2019	115805	Border States Electric	132.19	
			Credit for Repair Charges		(20.00)
			Supplies		152.19
CK	09/09/2019	115806	Irby (Stuart C. Irby Company)	2,241.80	
			Materials		416.49
			Replacement Tools - Spares - All Trucks		555.22
			Replacement/Spares - Tools/Dies - All Trucks		184.23
			Replacement Tools		1,085.86
CK	09/09/2019	115807	Basin Electric Power Coop	24.00	
			September Email Hosting		24.00
CK	09/09/2019	115808	Mn Rural Electric Ass'n	2,582.64	
			2019 Youth Tour - J Findlay		2,582.64
CK	09/09/2019	115809	Sturdevant's, Inc.	201.98	
			Supplies		201.98
CK	09/09/2019	115810	Wesco Receivables Corp.	866.56	
			Materials		370.39
			Materials		496.17
CK	09/09/2019	115811	City Of Wheaton	135.67	
			Utilities		135.67
CK	09/09/2019	115812	Landis & Gyr Technology Inc fka Cellnet Technology	750.00	
			August Meter Hosting		750.00
CK	09/09/2019	115813	Altec Industries, Inc.	2,551.58	
			Dielectric Test, Install Backup Camera #139		2,551.58
CK	09/09/2019	115814	NRECA-Coop Benefit Adm	15.00	
			August Cafeteria Expense		15.00
CK	09/09/2019	115815	Mediacom LLC	246.90	
			September Internet Service		246.90
CK	09/09/2019	115816	TIM MAX SR	72.84	
			CREDIT REFUNDS - 16333 11749 BIA HW		72.84
CK	09/09/2019	115817	COLE BERNARD & JANACE CHRISTJOHN	21.79	
			CREDIT REFUNDS - 23934 5156 WATERF		21.79
WT	09/09/2019	8801473	EAST RIVER FCU	4,660.78	
			ER Credit Card Charges		4,660.78
CK	09/16/2019	115818	PROFESSIONAL COMPUTER SOLUTIONS LLC	90.00	
			PCS User Group Mtg Meals - Karen		90.00
CK	09/16/2019	115819	Border States Electric	6,730.61	

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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>
			5,000 ft Interduct		4,453.11
			Change 9 Single Phase Meters, Labor		177.50
			2 Meter Socket Jaw Testers		554.56
			Materials		1,545.44
CK	09/16/2019	115820	Irby (Stuart C. Irby Company)	<b>65,388.99</b>	
			4 PDR Meters		1,496.25
			Cabinets & Sleeves		13,128.53
			6 - 1 KVA OVH Transformers		2,443.16
			33 PDR Meters		12,344.06
			16,547' 4/0 Cable		35,976.99
CK	09/16/2019	115821	Dakota Supply Group	<b>339.14</b>	
			Hole Saw Kit - Jerrel		339.14
CK	09/16/2019	115822	Gazette Publishing Co.	<b>25.00</b>	
			Co-Sponsor - Fall Sports		25.00
CK	09/16/2019	115823	KMRS	<b>72.00</b>	
			Traverse Cty Fair		72.00
CK	09/16/2019	115824	Culligan Soft Water Service	<b>104.17</b>	
			5 Gal Water & 3 Filters		104.17
CK	09/16/2019	115825	Rosholt Review	<b>60.00</b>	
			1 Year Sub		60.00
CK	09/16/2019	115826	Schultz Welding	<b>23.47</b>	
			Pipe to Lift Generators		23.47
CK	09/16/2019	115827	SD DEPT OF REVENUE & REGULATION	<b>193.20</b>	
			SD 2% Excise Tax (July & August)		193.20
CK	09/16/2019	115828	Tri-County Coop	<b>120.71</b>	
			Mower Gas, Replace Pinion Seal #126		120.71
CK	09/16/2019	115829	LILLEGARD, INC.	<b>1,598.30</b>	
			R&R Tie Road & Align Front End #143		398.30
			Wrecker Service #143		1,200.00
CK	09/16/2019	115830	DITCH WITCH OF MN INC.	<b>992.26</b>	
			Plow Repair		992.26
CK	09/16/2019	115831	TWIN VALLEY TIRE OF WHEATON INC	<b>315.00</b>	
			Tire Rotate & Balance #130		145.00
			Tire Balance & Rotate #143		170.00
CK	09/16/2019	115832	Star Energy Services	<b>8,732.25</b>	
			12 KW Generator & Material		3,664.00
			20 KW Generator & Material		5,068.25
CK	09/16/2019	115833	ACLARA TECHNOLOGIES LLC	<b>576.00</b>	
			Metrum Wireless Net Annual Service		576.00
CK	09/16/2019	115834	B&B Transformer Inc	<b>21,721.00</b>	
			Transformers		16,926.00
			112.5 KVA 3 Phase Padmount Transformer		4,795.00
CK	09/16/2019	115835	Integrity Contracting Inc	<b>3,358.80</b>	
			3 Phase Plowing - WO#9756 - N Ottawa Dair		3,358.80
CK	09/16/2019	115836	HRExpertiseBP	<b>1,925.00</b>	
			August HR Services		1,925.00
CK	09/16/2019	115837	Sag's Hardware Hank LLC	<b>220.54</b>	
			Coffee Maker, Bolts, U-Guard Screws		220.54
CK	09/16/2019	115838	Xerox Corporation	<b>370.73</b>	

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			September Copier Lease		370.73
CK	09/16/2019	115839	Cenex Fleetcard	5,899.00	
			August Fuel		5,899.00
CK	09/16/2019	115840	HEARTLAND MOTOR COMPANY	65.86	
			Mud Flaps		65.86
CK	09/16/2019	115841	MinnCo Enterprises, Inc.	663.38	
			Pressure Washer Repairs		663.38
CK	09/16/2019	115842	Bluecross Blueshield	15,752.55	
			October Premiums Due Sept		15,752.55
CK	09/16/2019	115843	Verizon Wireless	437.68	
			September Linemen iPads		130.68
			iPad & Cell Service		307.00
CK	09/16/2019	115844	LegalShield	147.50	
			September ID Theft Insurance		147.50
CK	09/16/2019	Payroll Batch # PR000882		28,907.40	
WT	09/16/2019	8801477	Minnesota Dept Of Revenue	2,021.46	
			Sept 16, 2019 payroll SWH		2,021.46
WT	09/17/2019	8801479	Internal Revenue Service	11,023.54	
			Sept 16, 2019 payroll FWH & FICA		11,023.54
WT	09/18/2019	8801478	Natl Rural Elec Assn	4,612.57	
			Sept 16, 2019 payroll 401K Loan		113.81
			Sept 16, 2019 payroll 401K		4,498.76
WT	09/20/2019	8801474	SD DEPT OF REVENUE & REGULATION	13,483.33	
			SD 4.5% Mo Sales Tax Return		13,483.33
WT	09/20/2019	8801475	CoBank ACB	22,553.82	
			CoBank Mo Princ & Int		22,553.82
WT	09/20/2019	8801476	Minnesota Sales & Use Tax	26,642.00	
			MN Mo Sales Tax Return		26,642.00
CK	09/23/2019	115857	Aflac	13.70	
			September AFLAC		13.70
CK	09/23/2019	115858	PROFESSIONAL COMPUTER SOLUTIONS LLC	934.00	
			September Hosting & User Fees		934.00
CK	09/23/2019	115859	Irby (Stuart C. Irby Company)	108.09	
			Sleeve Testing		108.09
CK	09/23/2019	115860	SD Rural Electric Ass'n	455.00	
			Newsletter Labor & Insert		455.00
CK	09/23/2019	115861	Traverse County Dep. Reg.	802.50	
			License Tab Renewal - #142		420.25
			License Tab Renewal - #140		382.25
CK	09/23/2019	115862	Traverse Elec-Petty Cash	34.79	
			Replenish Petty Cash - Postage		34.79
CK	09/23/2019	115863	Valley Office Products	444.38	
			Timecards, Shipping Tape, File Folders, Add'g		444.38
CK	09/23/2019	115864	Willy's Super Valu	73.08	
			Board Snacks, Pop & Water - Supplies		73.08
CK	09/23/2019	115865	MEI ENGINEERING INC	1,061.50	
			2019-2022 Const Work Plan, Add Mapping to		1,061.50
CK	09/23/2019	115866	Star Energy Services	8,260.50	
			Safety, IT, Map Edits, Pyxis, Coll Ap, Survey		8,260.50

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## 1 Cash - General Fund

<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	Document Detail
CK	09/23/2019	115867	Delta Dental of Minnesota October Premiums	1,163.45	1,163.45
CK	09/23/2019	115868	USIC Locating Services LLC August MN Locates August SD Locates	10,913.00	1,568.00 9,345.00
CK	09/23/2019	115869	ABC Lock & Key Inc New Locks & Keys	1,403.28	1,403.28
CK	09/23/2019	115870	Ben Sand Refund Deposit on Cancelled House Move	6,500.00	6,500.00
CK	09/23/2019	115871	George Libbon Memorial Memorial	25.00	25.00
CK	09/23/2019	115872	CRC Response Center Inc August After Hours Service	1,293.16	1,293.16
CK	09/23/2019	115873	South Dakota One Call August SD Locates	476.70	476.70
CK	09/23/2019	115874	Mn Dept Of Commerce 2nd Qtr FY 2020 Indirect Assessment	258.12	258.12
CK	09/23/2019	115875	Big Stone Radio MN Vikings & Sisseton Sports Sponsor	255.00	255.00
CK	09/23/2019	115876	Gopher State One-Call August MN Locates	101.25	101.25
CK	09/25/2019	115877	TOM FRISCH T Frisch - Board Check	256.96	256.96
CK	09/25/2019	115878	Russell Armstrong R Armstrong - Board Check	500.00	500.00
CK	09/25/2019	115879	Michael Marks M Marks - Board Check	278.42	278.42
CK	09/25/2019	115880	Alan Veflin A Veflin - Board Check	534.80	534.80
CK	09/25/2019	115881	Douglas Diekmann D Diekmann - Board Check	258.70	258.70
CK	09/25/2019	115882	Mark Pearson M Pearson - Board Check	540.60	540.60
CK	09/25/2019	115883	Pat Homan P Homan - Board Check	273.20	273.20
CK	09/25/2019	115884	Karen Kath K Kath - Board Check	285.96	285.96
CK	09/25/2019	115885	Terry Monson T Monson - Board Check	301.62	301.62
CK	09/30/2019	115886	PROFESSIONAL COMPUTER SOLUTIONS LLC PDF Storage & Retrieval Implement Multi-Speak w/Star for Mapping Connect Implementation - Mobile Service Orc Mobile Customer Access Service for August	1,266.75	274.75 353.25 588.75 50.00
CK	09/30/2019	115887	Resco Materials Water Heaters - 2/50 & 2/85 Materials Elements & Thermostats for Water Heaters	7,450.93	1,228.48 4,258.34 614.24 1,349.87

## CM - Check Register-Detail

**1 Cash - General Fund**

<u>Type</u>	<u>Date</u>	<u>Chk Nbr</u>	<u>Name</u>	<u>Total Check Amount</u>	Document Detail
CK	09/30/2019	115888	Wesco Receivables Corp.	797.42	
			Materials		341.75
			Materials		455.67
CK	09/30/2019	115889	TWIN VALLEY TIRE OF WHEATON INC	780.34	
			2 Tires - #120		780.34
CK	09/30/2019	115890	Sanford	120.00	
			DOT Physical - Lon		120.00
CK	09/30/2019	115891	AT&T	21.67	
			800 Service		21.67
CK	09/30/2019	115892	Integrity Contracting Inc	9,860.00	
			Sgl Phase Boring #9813 - URD Replacement		2,160.00
			3 Phase Boring #9812 - URD at K Lundquist		1,700.00
			3 Phase Boring #9808 - Ben Loll		6,000.00
CK	09/30/2019	115893	AT & T	43.61	
			800 Service		43.61
CK	09/30/2019	115894	JOHN DEERE FINANCIAL	22.42	
			Shipping Charges		22.42
CK	09/30/2019	115895	Frontier	246.90	
			Phone & DSL Service		246.90
CK	09/30/2019	Payroll Batch # PR000885		30,800.43	
WT	09/30/2019	8801480	USDA, Rural Util. Service	158,593.99	
			FFB Quarterly Princ & Int Pmt		158,593.99
<b>Total</b>				<b>\$788,887.42</b>	

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(2019, 9, 1) to Date(2019, 9, 30)) AND ( {CMDoc.BankAcctID} in ['1']) )

Last Modified: 10/17/2019

October 29, 2019 Office Manager's Report:

1. Accounts Receivable balances as of 9/30/2019 billing statement:
  - a. Current (Sept. 30<sup>th</sup> statement) \$690,950.24
  - b. 1-30 Days (August 31<sup>st</sup> statement) \$21,521.74
  - c. 31-60 Days (July 31<sup>st</sup> statement) \$4,507.14 (47 Disconnect notices sent out, resulted in 2 disconnects)
  - d. 61-90 Days (June 30<sup>th</sup> statement) \$263.26
  - e. Older than 91 days - \$10,400.48
2. We continue to promote our cooperative and programs on social media and our website. Please like us on facebook and please like and/or share our posts.

3. We will be using our cushion of credit (CoC) funds with RUS to prepay higher interest loans at greater than 5% interest. With the new program we are able to use our CoC to prepay loans with no pre-payment penalty. If you remember, with the 2018 Farm Bill that the 5 % interest rate that we earn on the CoC funds is being phased out over the next 2 years to the variable 1 year Treasury Rate in October 2021. Since we are earning 5% and some of our loans are greater than 5%, our net savings on long term debt interest will be greater than the interest income that we earn. Our Sept. 30 cushion on credit balance was \$2,499,544.85. With that balance, depending on interest earned and interest expense incurred on these loans from Sept. 30 to the date we pay off the loans, we should be able to prepay the entire balances of 3 loans that are at 6.33%, 5.49%, 5.334%, and the entire balance or a majority of a 5.204% rate loan.

4. On the agenda for your approval is the commitment of sending a Youth on the Washington DC youth tour for June 2020. MREA is now requiring us to notify them prior to March 15 if we haven't found anyone to go on the Youth Tour trip with no cost. If it is after March 15<sup>th</sup> we will be required to pay cost of airfare and any pre-paid expenses if we are not able to find anyone. Prior to this if we couldn't find anyone there was no cost to us.

USDA - RUS			BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT			MN 84 Traverse		
INSTRUCTIONS - See RUS Bulletin 1717B-2			PERIOD ENDED		
			September 2019		
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	25	32	5. Miles Transmission		
2. Services Retired	22	6	6. Miles Distribution- Overhead	1,173	1,168
3. Total Services in Place	3,188	3,205	7. Miles Distribution- Underground	529	538
4. Idle Services (Exclude Seasonal)	0	137	8. Total Miles Energized (5 + 6 + 7)	1,702	1,706
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	5,471	235,739
2. kWh Purchased	7,228,368	83,320,899	7. Total Unaccounted For (4 Less 5 & 6)	524,069	3,802,440
3. Interchange kWh - Net			8. Percent System Loss (7/4) x 100	7	5
4. Total kWh (1 thru 3)	7,228,368	83,320,899	9. Maximum Demand (kW)	10,962	
5. Total kWh Sold	6,698,828	79,282,720	10. Mo When Max Demand Occurred	January	20628

## 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	2,522	2,688,143	382,247		2,511	39,637,974	4,543,697
2. Seasonal Sales	412	132,560	30,809		413	1,636,767	300,050
3. Irrigation Sales	12	170	1,251		12	37,807	13,486
4. Comm - 50 kVA or less	2	4,929	1,047		2	33,317	6,306
5. Comm - over 50 kVA	109	750,885	75,047		106	7,716,430	734,386
6. Kinder Morgan	1	122,730	8,398		1	4,565,740	333,547
7. Veblen Dairy	1	1,615,662	118,856		1	13,209,460	972,520
8. WDCE - Graceville Loc	1	86,371	6,557		1	1,253,083	117,426
9. Dollymount Dairy	3	1,124,273	83,074		3	9,662,129	681,106
10. Campbell Dairy	1	173,105	15,686		1	1,530,013	137,543
11. Total Sale of Electric	3,064	6,698,828	722,969		3,051	79,282,720	7,840,068
12. Other Elec Revenue			2,021				20,626
13. Total (11 + 12)			724,990				7,860,694

1.  $20084 + 2522 = 22606 / 9 = 2511$
2.  $3307 + 412 = 3719 / 9 = 413$
3.  $96 + 12 = 108 / 9 = 12$
4.  $19 + 2 = 21 / 9 = 2$
5.  $850 + 109 = 959 / 9 = 106$
9.  $24 + 3 = 27 / 9 = 3$

**Traverse Electric Cooperative, Inc.**  
**Financial and Operating Report Electric Distribution**  
**Statement of Operations**  
For the nine months ending 9/30/2019

	2018 <u>YTD Actual</u>	2019 <u>YTD Actual</u>	2019 <u>YTD Budget</u>	2019 <u>September</u>
1. Operating Revenue and Patronage Capital	7,596,083.33	7,860,694.08	7,821,413.00	724,990.39
2. Power Production Expense	0.00	0.00	0.00	0.00
3. Cost of Purchased Power	4,715,891.96	4,844,707.16	4,712,648.00	447,881.39
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	458,036.43	395,121.55	482,270.00	29,470.25
7. Distribution Expense - Maintenance	442,962.29	401,172.37	537,045.00	39,521.23
8. Customer Accounts Expense	129,248.83	132,318.80	146,025.00	11,578.59
9. Customer Service and Informational Expense	61,853.16	50,301.32	71,800.00	452.95
10. Sales Expense	4,378.40	5,375.00	7,455.00	(4,540.00)
11. Administrative and General Expense	573,880.27	712,666.48	595,427.00	63,955.27
12. Total Operation & Main. Expense (2 thru 11)	6,386,251.34	6,541,662.68	6,552,670.00	588,319.68
13. Depreciation and Amortization Expense	706,556.73	724,957.34	745,300.00	81,544.03
14. Tax Expense - Property & Gross Receipts	0.00	0.00	0.00	0.00
15. Tax Expense - Other	140.00	349.83	0.00	0.00
16. Interest on Long-Term Debt	480,851.67	475,463.76	506,080.00	50,321.69
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00
18. Interest Expense - Other	381.31	496.32	500.00	31.48
19. Other Deductions	0.00	0.00	0.00	0.00
20. Total Cost of Electric Service (12 thru 19)	7,574,181.05	7,742,929.93	7,804,550.00	720,216.88
21. Patronage Capital & Operating Margins (1 - 20)	21,902.28	117,764.15	16,863.00	4,773.51
22. Non Operating Margins - Interest	177,304.87	183,939.31	174,749.00	18,069.09
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	13,266.78	(25,766.32)	9,749.00	(9,033.27)
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	28,138.17	21,260.56	0.00	3,374.33
28. Extraordinary Items	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	240,612.10	297,197.70	201,361.00	17,183.66

**Income Statement Analysis Ratios**

For the nine months ending 9/30/2019

$$\begin{aligned}\text{Times Interest Ratio} &= \mathbf{2 \text{ to } 1} \\ &= \text{Line 29 + Line 16 / Line 16} \\ &= \frac{297,197.70 + 475,463.76}{475,463.76}\end{aligned}$$

$$\begin{aligned}\text{Modified Times Interest Earned Ratio} &= \mathbf{2 \text{ to } 1} \\ &= \text{Line 29 - Line 26 - Line 27 - Line 28 + Line 16 / Line 16} \\ &= \frac{297,197.70 - 0.00 - 21,260.56 - 0.00 + 475,463.76}{475,463.76}\end{aligned}$$

$$\begin{aligned}\text{Operating Times Interest Earned Ratio} &= \mathbf{1 \text{ to } 1} \\ &= \text{Line 21 + Line 16 / Line 16} \\ &= \frac{117,764.15 + 475,463.76}{475,463.76}\end{aligned}$$

# Traverse Electric Cooperative, Inc.

## Financial and Operating Report Electric Distribution

### Balance Sheet

For the period ending 09/30/2019

	-----2019-----		-----2018-----	
	September <u>Activity</u>	September <u>Balance</u>	September <u>Activity</u>	September <u>Balance</u>
<u>Assets and Other Debits</u>				
1. Total Utility Plant in Service	19,329.84	25,582,815.32	133,476.08	25,053,852.09
2. Construction Work in Progress	(69,978.96)	2,320,450.30	(10,679.12)	174,669.66
3. Total Utility Plant (1+2)	(50,649.12)	27,903,265.62	122,796.96	25,228,521.75
4. Accum. Provision for Depreciation and Amort	(74,418.47)	(11,380,275.04)	(51,323.18)	(10,786,623.79)
5. Net Utility Plant (3-4)	(125,067.59)	16,522,990.58	71,473.78	14,441,897.96
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	955.17	5,580,407.49	0.00	4,688,150.37
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	314.00	283,583.05	105.01	282,134.20
11. Investments in Economic Development Projects	0.00	0.00	0.00	0.00
12. Other Investments	(1,577.75)	69,314.64	(1,737.25)	92,842.55
13. Special Funds	0.00	0.00	0.00	0.00
14. Total Other Property & Investments(6 thru 13)	(308.58)	5,959,439.75	(1,632.24)	5,086,403.69
15. Cash-General Funds	(180,290.94)	350,591.41	149,523.48	552,946.12
16. Cash-Construction Funds-Trustee	0.00	1.00	0.00	1.00
17. Special Deposits	0.00	1,000.00	0.00	1,000.00
18. Temporary Investments	(58,366.81)	2,737,992.26	(174,932.71)	4,418,061.25
19. Notes Receivable - Net	0.00	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)	(92,164.59)	755,290.77	(78,961.23)	803,819.90
21. Accounts Receivable - Other (Net)	(5,282.04)	4,161.41	(89,837.39)	41,293.86
22. Renewable Energy Credits	0.00	0.00	0.00	0.00
23. Materials & Supplies - Electric and Other	(19,661.98)	439,862.15	133,670.33	523,115.41
24. Prepayments	(8,918.69)	49,985.94	(8,777.50)	49,573.83
25. Other Current & Accrued Assets	6,099.71	16,095.45	5,787.25	30,386.40
26. Total Current & Accrued Assets (15 thru 25)	(358,585.34)	4,354,980.39	(63,527.77)	6,420,197.77
27. Regulatory Assets	0.00	0.00	0.00	0.00
28. Other Deferred Debits	(4,336.39)	205,191.43	7,351.17	252,323.53
29. Total Assets & Other Debits (5+14+26 thru 28)	(488,297.90)	27,042,602.15	13,664.94	26,200,822.95
<u>Liabilities and Other Credits</u>				
30. Memberships	0.00	0.00	0.00	0.00
31. Patronage Capital	(9,405.75)	12,378,850.05	(867.54)	10,960,959.14
32. Operating Margins - Prior Years	0.00	0.00	0.00	0.00
33. Operating Margins - Current Year	4,773.51	117,764.15	(20,604.05)	21,902.28
34. Non Operating Margins	12,410.15	179,435.56	23,948.88	218,711.19
35. Other Margins and Equities	3,848.15	455,818.70	258.23	412,469.94
36. Total Margins & Equities (30 thru 35)	11,626.06	13,131,868.46	2,735.52	11,614,042.55
37. Long-Term Debt RUS (Net)	(16,320.80)	5,064,029.19	(15,674.97)	5,253,256.32
38. Long-Term Debt - FFB - RUS Guaranteed	(67,786.34)	9,745,755.12	(65,283.98)	10,013,114.10
39. Long Term Debt - Other - RUS Guaranteed	(21,612.20)	198,349.42	(20,623.88)	452,214.12
40. Long-Term Debt - Other (Net)	0.00	615,894.56	0.00	660,553.69
41. Long-Term Debt - RUS - Econ. Devel. (Net)	0.00	0.00	0.00	0.00
42. Payments - Unapplied	23,439.72	(2,499,544.85)	22,264.37	(2,779,806.45)
43. Total Long-Term Debt (37 thru 41-42)	(82,279.62)	13,124,483.44	(79,318.46)	13,599,331.78
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	(367,974.53)	563,867.50	140,334.26	804,825.80
49. Consumer Deposits	(200.00)	13,150.00	400.00	13,150.00
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	(49,469.81)	188,132.52	(50,486.38)	145,781.01
54. Total Current & Accrued Liab (47 thru 53)	(417,644.34)	765,150.02	90,247.88	963,756.81
55. Regulatory Liabilities	0.00	0.00	0.00	0.00
56. Other Deferred Credits	0.00	21,100.23	0.00	23,691.81
57. Total Liab & Other Credits(36+43+46+54 thru 56)	(488,297.90)	27,042,602.15	13,664.94	26,200,822.95

**Balance Sheet Analysis Ratios**

For the period ending 09/30/2019

**Equity as a Percent of Assets = 48.56 %****= Line 36 / Line 29**

$$= \frac{13,131,868.46}{27,042,602.15}$$

**General Funds as a Percent of Total Utility Plant = 11.3173 %****= Line 12 + Line 13 + Line 15 + Line 16 + Line 18 / Line 3**

$$= \frac{69,314.64 + 0.00 + 350,591.41 + 1.00 + 2,737,992.26}{27,903,265.62}$$

**Modified Equity as a Percent of Assets = 27.9243 %****= Line 36 - Line 8 / Line 29**

$$= \frac{13,131,868.46 - 5,580,407.49}{27,042,602.15}$$

**Current Assets to Current Liabilities Ratio = 5.6917 to 1****= Line 26 / Line 54**

$$= \frac{4,354,980.39}{765,150.02}$$

**Total Long-Term Debts as a Percentage of Total Utility Plant = 47.0357 %****= Line 43 / Line 3**

$$= \frac{13,124,483.44}{27,903,265.62}$$

## September Comparison 2019

	18-Sep	YTD 18	YTD 19	19-Sep
<b>Revenue</b>	\$ 753,594.96	\$ 7,596,083.33	\$ 7,860,694.08	\$ 724,990.39
<b>Cost of Power</b>	\$ 502,604.04	\$ 4,715,891.96	\$ 4,844,707.16	\$ 447,881.39
<b>Distribution Exp - Oper.</b>	\$ 32,238.62	\$ 458,036.43	\$ 395,121.55	\$ 29,470.25
<b>Distribution Exp. - Maint.</b>	\$ 35,507.06	\$ 442,962.29	\$ 401,172.37	\$ 39,521.23
<b>Interest Paid</b>	\$ 53,662.89	\$ 481,232.98	\$ 475,960.08	\$ 50,353.17
<b>Total Cost of Service</b>	\$ 774,199.01	\$ 7,574,181.05	\$ 7,742,929.93	\$ 720,216.88
<b>Margin Operation</b>	\$ (20,604.05)	\$ 21,902.28	\$ 117,764.15	\$ 4,773.51
<b>Other Income</b>	\$ 23,948.88	\$ 218,709.82	\$ 179,433.55	\$ 12,410.15
<b>Total Margins</b>	\$ 3,344.83	\$ 240,612.10	\$ 297,197.70	\$ 17,183.66
<b>Total kWh Sold</b>	7,152,894	74,895,129	79,282,720	6,698,828
<b>Line Loss</b>	6%	5%	5%	7%

## **OPERATIONS REPORT OCTOBER 2019**

**As of October 23<sup>rd</sup> 2019, crews have been busy with the following:**

- Pole change outs
- New services
- Service upgrades
- 1.25 miles, 3 phase to Ben Loll is in and terminated. Waiting on electrician
- 3/4 mile, 3 phase to Justin Deal is in everything is terminated except for the transformer, too wet to set it. Also waiting for electrician
- 3/4 mile, 3 phase to Bruce Conroy is in and energized
- Plowed 2800ft, new tile pump service, Deal
- Plowed 5380ft, new tile pump service, Deal
- Plowed 370ft, new service, Dryer, Herberg
- Plowed 350ft new service, shop, Summer
- Plowed 380ft to convert from overhead to underground, Johnson
- Retired 2 short overhead taps and services
- Installed a padmount transformer for the new solar addition, Pederson
- Delivered and set 3 generators

### **Miscellaneous:**

- We do have several requests for new services to tile pumps, that we will need to plow cable to, however, with as wet as things are now, we may not be able to get these done before freeze up.
- Rosebud RV park addition, I met with Dan and his electrician, the plans have changed again, it does not look like this will be getting done this year either. Still planning for 88 new rv sites and at least 4 new services to feed it.
- We recently received the equipment for Bigstone Colony, I will meet with them this week, and get a plan set to get this equipment installed.
- I also have a contractor lined up to do the overhead retirements in SD, all of these should be done sometime in November. These work orders include all of the East River projects, and also all of the poles up in the hills, west of Sisseton.
- Carrs Tree service has finished up the townships they had for this year, and have also submitted bids for next year as well.
- STAR Energy is still doing underground cabinet inspections
- Chapman metering is still working on meter changeouts, they do have 2 guys working on them now. We are also having our guys continue to do them when they can. We have about 2400 meters changed as of now.
- I attended the Engineers/Operations conference in Duluth. Some of the topics covered: Padmounted switchgear failure. Review changes to IEEE Guide for performing arc flash hazard calculations. RUS update with Tim Bohan. Traditional distribution problems, storm restoration, and damage assessment. Business ethics. Legislative update. Combating complacency. Asset management, etc.

- I also attended the ICUEE equipment and trade show in Louisville Kentucky. This is one of the largest equipment shows in the country. We can see all of the newest tools and equipment that are out there, and actually run any of the new equipment.

**SAFETY:**

- MREA:
  - Conducted a safety meeting on the 22<sup>nd</sup> of October, Transformer connections/safety
  - Safety Playbook(attached)
- STAR:
  - Be safe topics: Minimum approach distance, Animal bite safety, Use of PPE and avoiding complacency, Job site safety. (Examples attached)
  - Safety news letter
- Federated Insurance:
  - Litigation Report(attached)

**Outage reports attached:**

- Traverse
- East river

***Dale Schwagel***

***Operations Manager***

September  
2019 Outages

OUTAGE DATE	LOCATION	CAUSE OF OUTAGE	TIME OFF	TIME ON	No. consumers affected	POWER SUPPLY	No. consumers affected	PRE-ARRANGED	Consumer-Hour Outage Time (in minutes)			
									No. consumers affected	STORM	No. consumers affected	OTHER
9/1/2019	52-34-1 Guy Mackner	Blown Transformer Fuse - Squirrel	5:05 PM	6:39 PM							1	94
9/2/2019	21-34-1 Paul Viger	Transformer Fuse - Lightning	7:11 PM	8:34 PM					1	83		
9/2/2019	12-12-1 Andrew Rieder	Blown Line Fuse - Tree on the Line	8:00 PM	9:15 PM					14	1050		
9/2/2019	12-30-1 Dale Keller	Opened OCR - Tree on the Line	8:54 PM	11:00 PM					8	1008		
9/2/2019	21-21-2 Jeff Christianson	Blown Line Fuse - Lightning - Refused	7:17 PM	10:00 PM					3	489		
9/2/2019	30-34 Carl Glander	Blown Line Fuse - Refused	8:40 AM	10:11 AM							34	3094
9/3/2019	54-30-1 Paul Holland	Tree on Line -Cut, Spliced Rd Phase & Neutra	7:17 PM	12:30 AM					46	14398		
9/2/2019	30-33-FM Waldo Johnson Jr	Tree on Line - Refused	8:39 PM	1:25 AM					34	9724		
9/3/2019	12-7-3 Neal Klindt	Rise Pole Fuse blown - Refused	6:04 AM	7:25 AM					1	81		
9/3/2019	47-19-4 James Holman	Tree on Line @ 47-30-2	10:18 AM	11:40 AM							8	656
9/3/2019	12-27-2 Jody Coleman	Transformer Fuse - Lightning - Refused & Held	2:37 PM	4:30 PM					1	113		
9/3/2019	12-27-2 Jody Coleman	Meter Quit Outage Restored	8:00 AM	9:00 AM							1	60
9/4/2019	45-05-4 Linda Loberg	Meter Quit - Trans Fuse Blown - Refused	8:00 AM	9:00 AM							1	60
9/5/2019	24-20-4 Dean Gallup	Meter Quit - Refused Take Off Fuse - Chng M	8:00 AM	9:00 AM							1	60
9/6/2019	2-3-2 Eugene Caauwe	Outage - Refuse Transformer	8:00 AM	9:00 AM							1	60
9/6/2019	47-9-2 Bryce Metz	Blown Main Line Fuse - Refused	10:45 PM	12:35 PM							2	220
9/8/2019	34-29-1 Wesley Koehler	One of the Open Secondaries Fell - Blew Tran Fuse - Fixed Wire & Refused	12:25 PM	12:35 PM			1	10				
9/8/2019	44-12-1 Zach Gerard	Main Line Fuse Blown - Patroled & Found Nothing - Refused & Held	8:36 AM	10:00 AM							4	336
9/10/2019	30-33-F6 Elizabeth Wanke	Blown Line Fuse - Tree Branch on the Line	11:41 AM	2:00 PM							10	1390
9/10/2019	44-11-3 Neil Fritz	Transformer Fuse Blown - Put on Gray Cover Up & Refused.	7:00 AM	9:04 AM							1	124

## September 2019 Outages

[illegible]



**9/17/2019**

**Date of Report**

Load Control: **Yes**

Breaker: \_\_\_\_\_

Reason Code Legend:

TR	Trees
TS	Thunderstorm
UN	Unknown
VA	Vehicle Accident
WA	Wheeling Agent
WI	Wind

Completed By: **Anthony Dold**



**9/17/2019**

Date of Report

Load Control: **No**

**Breaker:** \_\_\_\_\_

Reason Code Legend:

TR	Trees
TS	Thunderstorm
UN	Unknown
VA	Vehicle Accident
WA	Wheeling Agent
WI	Wind

Completed By: **Anthony Dold**



20602

## OPERATIONS CENTER REPORT

9/18/2019

Date of Report

Daily Events: Breaker Operation: Yes Outage: No Load Control: NoDelivery Substation: OTPC

Breaker: \_\_\_\_\_

Breaker Operations		Distribution Substations Affected	Reason Code	Outages					Number of Consumers	Consumer Hours Off
Time	Number			Time Off	Date Off	Time On	Date On	Hours Off		
1:03	1	Veblen (LR)	WA					0.00	71	0.00
		Veblen (TR)	WA					0.00	1	0.00
		Hillhead	WA					0.00	693	0.00

## Reason Code Legend:

AC	Animal in Circuit
CT	Failed Current Transformer
FA	Failed Arrestor
FI	Failed Insulator
FO	Foreign Object in Circuit
IS	Ice Storm

MF	Mechanical Failure
OT	Other
PM	Preventive Maintenance
PS	Power Supplier
PT	Failed Potential Transformer
SS	Snow Storm

TR	Trees
TS	Thunderstorm
UN	Unknown
VA	Vehicle Accident
WA	Wheeling Agent
WI	Wind

Crews Dispatched Out: \_\_\_\_\_

Operations Comments: Weather in the area.

Targets: \_\_\_\_\_

Outage Comments: \_\_\_\_\_

Handled By: CNDispatch Controlled By: East River

Load Control Comments: \_\_\_\_\_

MW Demand Control Threshold This Period: \_\_\_\_\_ MW

High MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High Valid MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High MW Today: \_\_\_\_\_

AM

Loads Controlled This Date: WAT DFU AIR HSE DM1 IR1 IN1 IN2 IH1  
Control Time In Minutes:           
Valid Control:  No

PM

Loads Controlled This Date: WAT DFU AIR HSE DM1 IR1 IN1 IN2 IH1  
Control Time In Minutes:           
Valid Control:  No

Completed By: Chad Nowstrup



20637

## OPERATIONS CENTER REPORT

10/5/2019

Date of Report

Daily Events:

Breaker Operation: YesOutage: YesLoad Control: NoDelivery Substation: OTPC

Breaker: \_\_\_\_\_

Breaker Operations		Distribution Substations Affected	Reason Code	Outages					Number of Consumers	Consumer Hours Off
Time	Number			Time Off	Date Off	Time On	Date On	Hours Off		
		Veblen (LR)	WA	16:40	10/5/2019	17:14	10/5/2019	0.57	71	40.23
		Veblen (TR)	WA	16:40	10/5/2019	17:14	10/5/2019	0.57	1	0.57
		Hillhead	WA	16:40	10/5/2019	17:08	10/5/2019	0.47	693	323.40
		Beardsley	WA	16:40	10/5/2019	18:05	10/5/2019	1.42	630	892.50

## Reason Code Legend:

AC	Animal in Circuit
CT	Failed Current Transformer
FA	Failed Arrestor
FI	Failed Insulator
FO	Foreign Object in Circuit
IS	Ice Storm

MF	Mechanical Failure
OT	Other
PM	Preventive Maintenance
PS	Power Supplier
PT	Failed Potential Transformer
SS	Snow Storm

TR	Trees
TS	Thunderstorm
UN	Unknown
VA	Vehicle Accident
WA	Wheeling Agent
WI	Wind

Crews Dispatched Out: \_\_\_\_\_

Operations Comments: \_\_\_\_\_

Targets: \_\_\_\_\_

Outage Comments: OTPC - Storm damageHandled By: CNDispatch Controlled By: East River

Load Control Comments: \_\_\_\_\_

MW Demand Control Threshold This Period: \_\_\_\_\_ MW

High MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High Valid MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High MW Today: \_\_\_\_\_

AM

Loads Controlled This Date:

Control Time In Minutes:

Valid Control:

WAT DFU AIR HSE DM1 IR1 IN1 IN2 IH1

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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No

PM

Loads Controlled This Date:

Control Time In Minutes:

Valid Control:

WAT DFU AIR HSE DM1 IR1 IN1 IN2 IH1

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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No

Completed By: Anthony Dold



20650

## OPERATIONS CENTER REPORT

10/16/2019

Date of Report

Daily Events:

Breaker Operation: YesOutage: YesLoad Control: NoDelivery Substation: OTPC

Breaker: \_\_\_\_\_

Breaker Operations		Distribution Substations Affected	Reason Code	Outages					Number of Consumers	Consumer Hours Off
Time	Number			Time Off	Date Off	Time On	Date On	Hours Off		
16:46	1	Hillhead	WA	16:46	10/16/2019	16:49	10/16/2019	0.05	693	34.65
		Veblen (LR)	WA	16:46	10/16/2019	16:49	10/16/2019	0.05	71	3.55
		Veblen (TR)	WA	16:46	10/16/2019	16:49	10/16/2019	0.05	1	0.05

## Reason Code Legend:

AC	Animal in Circuit
CT	Failed Current Transformer
FA	Failed Arrestor
FI	Failed Insulator
FO	Foreign Object in Circuit
IS	Ice Storm

MF	Mechanical Failure
OT	Other
PM	Preventive Maintenance
PS	Power Supplier
PT	Failed Potential Transformer
SS	Snow Storm

TR	Trees
TS	Thunderstorm
UN	Unknown
VA	Vehicle Accident
WA	Wheating Agent
WI	Wind

Crews Dispatched Out:

Operations Comments: OTPC - Relay testing error

Targets:

Outage Comments: OTPC - Relay testing errorHandled By: CNDispatch Controlled By: East River

Load Control Comments:

MW Demand Control Threshold This Period: \_\_\_\_\_ MW

High MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High Valid MW Demand This Period: \_\_\_\_\_ MW Date: \_\_\_\_\_

High MW Today: \_\_\_\_\_

AM

Loads Controlled This Date:

Control Time In Minutes:

Valid Control:

WAT	DFU	AIR	HSE	DM1	IR1	IN1	IN2	IH1

No

PM

Loads Controlled This Date:

Control Time In Minutes:

Valid Control:

WAT	DFU	AIR	HSE	DM1	IR1	IN1	IN2	IH1

No

Completed By: Anthony Dold



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*Reminder on Use of PPE and Avoiding Complacency* October 2019

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This Be Safe was prompted by a recent close call (almost contacting an energized 480 volt secondary bushing) and should be used as a solid reminder on the use of PPE and avoiding complacency.

The employee involved in the close call was reminded to wearing his rubber gloves while opening and closing the pad-mount transformer doors/lids. The employee had removed his rubber gloves to apply a danger sticker to the inside of the transformer as required by RESAP, Federated Insurance, and NESC. The large amount of secondary wires attached to the secondary bushings made it unfeasible to apply the danger sticker to the inside face of the transformer. So, the employee decided to apply the sticker to the side of the secondary connection area, still visible to anyone entering the transformer.

*Here is where complacency became part of the close call....*

In previous applications, the secondary bushing had additional fiberglass support rods supporting the bushings and secondary conductors. While applying the stickers in those applications, the parts exposed to the employee were not energized and the employee was therefore protected from the energized secondary bushings.

In the particular transformer where the close call happened, there were no fiberglass rods supporting the secondaries and the employee's bare hand almost touched the exposed bushing energized at 480 volts. Another employee observed the close call and immediately alerted the employee of how close his hand was to the energized bushing.

Lesson learned! Make sure all appropriate PPE is used for the conditions being worked and discipline yourself to not becoming complacent. Always be aware of any changes in the work area that could result in injuries.



## STAR Energy Services LLC Safety & Compliance

### Minimum Approach Distances

October 2019

Minimum approach distance (MAD) is the closest distance a qualified employee is permitted to approach either an energized or a grounded object, as applicable for the work method being used. The employer must ensure that no employee approaches or takes any conductive object closer to exposed energized parts than set forth in Table R-6 through Table R-10 unless:

- The employee is insulated from the energized part;
- The energized part is insulated from the employee;
- The employee is insulated from any other exposed conductive part.

**Table R-6 (AC Live-Line Work Minimum Approach Distance)<sup>1</sup>**

Nominal Voltage in Kilovolts (Phase to Phase)	Phase to Ground (Feet-Inches)	Phase to Phase (Feet-Inches)
0.05 to 0.3	Avoid Contact	Avoid Contact
0.301 to 0.75	1 ft, 1 in	1 ft, 1 in
0.751 to 5.0	2 ft, 1 in	2 ft, 1 in
5.1 to 15.0	2 ft, 2 in	2 ft, 3 in
15.1 to 36.0	2 ft, 6 in	2 ft, 11 in
36.1 to 46.0	2 ft, 9 in	3 ft, 3 in
46.1 to 72.5	3 ft, 4 in	3 ft, 11 in

**OSHA'S Table R-6 is a minimum guideline. Your actual minimum approach distance must include:**

- **Slip, trip, and fall distances;**
- **Your reach;**
- **The length of anything conductive in your hand.**

OSHA's requirement<sup>2</sup> is that two employees must be present while performing the installation, removal, or repair of:

- Lines energized at greater than 600 volts;
- De-energized lines if employee is in contact with other parts that are energized at greater than 600 volts;
- Equipment (if employee is exposed to parts energized at greater than 600 volts);
- Mechanical equipment working near parts energized at greater than 600 volts.

### Personal Protective Equipment (PPE)

- Types of PPE include rubber gloves, rubber sleeves, rubber blankets, line hoses, and apparel.
- Rubber insulating equipment must be sufficiently rated for the system voltage being worked on.
- Rubber insulating equipment with an ANSI class 1, 2, 3, or 4 should be used as required.

<sup>1</sup> Electric Power Generation, Transmission, and Distribution. OSHA. United States Department of Labor, 2014, accessed June 23, 2014, [https://www.osha.gov/pls/oshaweb/owadisp.show\\_document?p\\_table=STANDARDS&p\\_id=9868](https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9868).

<sup>2</sup> Richard E. Fairfax (As Director of the OSHA Directorate of Enforcement Programs), response letter to author, February 3, 2010, accessed June 11, 2014, [https://www.osha.gov/pls/oshaweb/owadisp.show\\_document?p\\_table=INTERPRETATIONS&p\\_id=27809](https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=INTERPRETATIONS&p_id=27809).

## Minimum Approach Distance for Equipment

Mechanical equipment, not actually in construction or maintenance, must maintain minimum distances from exposed energized parts.

Mechanical equipment engaged in the construction or maintenance of electric lines or facilities shall not be operated closer to any energized line or equipment than the distances listed in the below table unless:

1. A designated employee, other than the equipment operator, observes the approach distance to exposed lines and equipment, and gives timely warning.
2. The energized lines exposed to contact are covered with insulating protective material that will withstand the type of contact that might be made during the operation.
3. The equipment is insulated for the voltage involved.
4. Each employee shall be protected from hazards that might arise from equipment contact with the energized lines. the measures used shall include all of the following techniques:
  - a. Using the best available ground to minimize the time the lines remain energized;
  - b. Bonding equipment together to minimize potential differences;
  - c. Providing ground mats to extend areas of equipotential;
  - d. Employing insulating protective equipment (barricades) to guard against any remaining hazardous potential differences.

**Table 19-1A (Minimum Approach Distances for Equipment)<sup>3</sup>**

Nominal Voltage	Distance
750 – 50,000	10 feet
50,000 – 200,000	15 feet
Over 200,000	20 feet

***Any time you are nearing the minimum approach distance,  
you must wear gloves and sleeves until insulation  
(blankets, line hoses, hoods) is applied  
and a barrier is created.***

<sup>3</sup> B.C. Reg. 312/2010, Effective February 1, 2011, accessed June 9, 2014 <http://www2.worksafebc.com/publications/OHSRegulation/GuidelinePart19.asp?ReportID=18765>.

# Safety Playbook 2019

For the game of life



Date Used \_\_\_\_\_ Co-op/Company \_\_\_\_\_

Coach \_\_\_\_\_ Title \_\_\_\_\_

September 27, 2019

**Play of the Week:** As we are busy finishing up jobs before the freeze, now is the time to cleanly follow the safety rules . . . or else, it might cost you. OSHA cited an excavation company for willfully exposing employees to excavation hazards at a construction site in Wisconsin. The company faces \$65,921 in penalties. OSHA inspectors cited the company for failing to protect employees working inside an 8-ft-deep trench and provide a safe means of exit from the excavation area. But, let's get to the heart of the matter. It can cost you something more valuable – your life. Stay focused and safe!



## Safety Pays!

3<sup>rd</sup> Quarter drawing at the end of September and you could win \$75! Share today – spend tomorrow!

### What happened?

From Federated Near Miss Database – Lineworker was on a trouble call that involved a customer running into a guy wire and breaking an A-2. Lineworker was parked on the inside of the angle with the pole leaning away from the bucket truck and the guy wire slacked. He cut the guy wire causing the pole to fall onto the bucket truck. Line was deenergized and grounded.

From MN Co-op – Lineworker was bending down to retire guy wire when a small branch went into right ear, poking ear drum.



From Federated Near Miss Database - Crew was working on a job to cut an A1 to an A6. They set up the job site and conducted their job briefing. Crew connected truck grounds to pole ground and began preparing materials. They noticed a thunderstorm approaching and decided to wait until it passed before starting hot work. Crew was working on ground off the back of the digger truck when lightning hit near by causing arcing on the truck. No one was injured.

From MN Co-op – Lineworker was making up a ped and cut the wire; wire spun and hit employee at the top of the eyebrow. He received a small cut above the eye.

From MN Co-op – We had set up to lift a 750kv transformer weighing 8405 lbs which was well within our lifting limits. I had lifted the tub 4 ft off the ground and noticed some material in the way on the bed of truck , so sat the transformer down. When I started to lift transformer a second time, and as it was about to come off the ground, the winch line snapped resulting in the winch line flying into two different directions. No damage was done to the transformer and no employees were injured. The winch line broke about 12 ft from the hook. [see picture below]



## Safety Suggestions

Do you need to change your safe work practices today from the stories shared?



Go Vikings!



Nice way to remind drivers to follow the law!

# Safety Playbook 2019

For the game of life



Date Used \_\_\_\_\_ Co-op/Company \_\_\_\_\_

Coach \_\_\_\_\_ Title \_\_\_\_\_

October 11, 2019

**Play of the Week:** With Halloween this month, you don't need a ghost to scare you. In fact, the scariest thing a lineman ever said to me was, "we are just bound to have an accident because we do dangerous work." WHAT?! When that statement is said, it means we have taken safety down to the level of luck . . . and some day your luck will run out. I'm not here to play that game and I truly hope you aren't either. I came to win!!



## Safety Pays!

Our 3<sup>rd</sup> Quarter winner of \$75 is from BENCO Electric. Sharing stories says what about you? You truly are a brother's keeper!



## What happened?

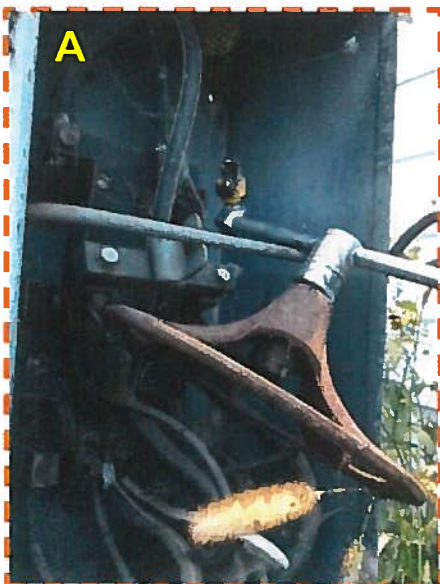
From MN Co-op – On Tuesday Sep. 24th we were dispatched to a location where this member had lived for 17 years. He reported to dispatch that his meter was arcing and sparking and needed it disconnected. We arrived within 10 minutes of the call; it happened to be we were on route back to the shop from a previous call. The member came out of the house and mentioned his 6-year boy had opened the box (transfer switch) below the meter and stuck a sprinkler in it. He was inside when this happened and saw the arc flash and heard it. The boy along with some other siblings came running away from the pole scared beyond belief.

Due to the transformer fuse not opening up, the switch was still arcing, so the member tried to kick the sprinkler out with his foot. The transformer fuse was still in upon arrival and no one was injured. It definitely went phase to phase in the switch (for the 120/240v) service. The member had never opened this box since living there or knew what it was for. The people were very lucky in this case; remember to have these boxes secured shut on your property and remind your members also. [See picture A - top right side of picture 120v coming down to sprayer on the sprinkler, center of the sprinkler hit the "grounded" handed to the switch and bottom left of the picture is where the base burnt against the other 120v phase.]

From MN Co-op – Employee entered the middle shed during a weekend outage call and noticed smoke coming from engine of New Holland skid steer. Battery cables were disconnected, shed doors were open to ventilate and unit was moved outside when employee pulled trailer with skid steer out of shed.



A



## Safety Suggestions

*Do you need to change your safe work practices today from the stories shared?*



Go Vikings!



*Where in the world are the emergency triangle kits located? Look for the orange triangle . . . and now you know!*



FEDERATED RURAL ELECTRIC  
INSURANCE EXCHANGE

Bulletin

# Litigation Report

Federated's Litigation Report provides you and your staff with an opportunity to review actual claims and their outcomes. Due to the personal nature of the information contained in these reports, we request that they not be disbursed beyond your organization and are shared only with appropriate personnel. The names of the cooperative, staff, and members have been changed.

We hope that these examples provide you with information you can use to eliminate or minimize serious safety events and that it becomes an important tool in educating your employees and promoting safety throughout your system.

*We suggest you review this claim as an educational topic for management and supervisory personnel as well as during safety meetings.*

## The Situation:

An ABC Electric crew was cutting a secondary conductor which fed from an old meter pole to an outbuilding. As the crew cut the conductor, the pole broke at ground level and fell on one of the member's vehicles. The ABC crew did not check the old meter pole for stability prior to beginning work. The member was compensated for the damage.

## Lessons Learned:

This case illustrates the importance of inspecting poles prior to performing work. Prior to beginning work, the pole being worked and any adjacent poles should be inspected for stability to prevent accidents like the one above as well as more severe accidents involving cooperative employees. Additionally, the property owner may want to observe the work, but it is important to keep him or her or any other member of the public out of the work zone.

Click [here](#) to access a PDF of this report from Federated's website (password required).

**BOARD REPORT**  
**Safety and Compliance**  
**Traverse Electric Cooperative, Inc.**  
**September 2019**

**MANAGEMENT**

- ✓ Information Transfer – STAR Energy Services URD Inspections on 09/10/19
- ✓ Safety Committee met on 09/12/19
- ✓ Fire Prevention Plan was reviewed on 09/12/19
- ✓ Exposure Control and Employee Right-to-Know Plans were reviewed on 09/12/19 and revised on 09/13/19
- ✓ Key dates for CDL drivers were updated on 09/16/19
- ✓ Safety Recommendation – Importance of Following Manufacturer's Recommendation for Vehicle Maintenance and Performing Pre-Shift Vehicle Inspections on 09/17/19

	Not Started	In Progress	Completed
<b>AWAIR/SIP Goals</b>			
1. Implement a Plan to Appropriately Handle an Unannounced OSHA Visit		✓	
2. Provide De-escalation Training for Employees		✓	
3. Focus on Inspections		✓	

**EDUCATION**

<u>Topic</u>	<u>Audience</u>	<u>Date</u>	<u>Presenter</u>
Monthly Newsletter – Back to School Safety Checklist	All employees	08/06/19	STAR
Cooperative Connections – Don't Wait: Be Prepared Before the Storm	Members/Public	09/19	TEC
Monthly Poster – Active Shooter	All employees	09/01/19	STAR
Safety Bulletin Board Notice – De-escalation Tips	All employees	09/01/19	STAR
Be Safe – TEC Safe Work Practices: Hand, Portable Electric, and Stationary Powered Tools	All employees	09/04/19	STAR
Be Safe – Arc Flash Clothing	Operations/Tech	09/09/19	STAR
Be Safe – MREA Safety Playbooks	Operations	09/12/19	STAR
Bucket and Pole-top Rescue	Operations	09/12/19	STAR
MREA Download on Safety and Safety Pallet	All employees	09/19/19	MREA/TEC
Be Safe – TEC Safe Work Practices: Trenching, Excavation, and Shoring	Operations	09/23/19	STAR
Be Safe – Active Shooter and De-escalation Tips	Operations	09/23/19	STAR

**INSPECTIONS**

- ✓ Monthly fire extinguisher and first aid inspections by TEC on 08/01/19 and 09/03/19
- ✓ Monthly forklift inspections by TEC on 08/01/19 and 09/03/19
- ✓ Crew observations by TEC (3) on 08/28/19, 09/09/19, and 09/11/19 and by STAR (1) on 09/04/19
- ✓ Truck, tools, and climbing gear inspection by STAR on 09/12/19

**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: 1 (includes no DOT reportable)
- ✓ Year-to-Date Near Miss: 1

Date	Type	Description	Actions
04/30/19	Near Miss	Wrench slipped and contacted energized transformer	In future, blanket to be placed against tank of pad-mounted transformer when connecting hot secondaries
08/27/19	Damage	Truck dropped into ditch	Reviewed; no further action

**TRAVERSE ELECTRIC COOPERATIVE, INC.**

**Wheaton, Minnesota**

**BOARD POLICY NO. 108**

**ATTENDANCE OF DIRECTORS AT MEETINGS**

**I. OBJECTIVE**

- A. To encourage Directors to attend national, regional and state and special meetings that will enable them to develop, improve, and make more of a contribution to the Cooperative.
- B. To establish the condition governing the attendance at such meetings.

**II. POLICY**

- A. The Cooperative encourages its Directors to attend national, regional, state and special meetings that will enable them to develop, improve, and be better able to serve the membership.
- B. The Cooperative views attendance at such meetings as educational and broadening of the viewpoints, knowledge, and experience of its Directors. In view of this, Directors will be expected to report to their fellow Directors at the next Board meeting on ideas, techniques, and development of value to the Cooperative about which they learned at these meetings.
- C. The President and Directors who have been elected or re-elected for a full term may attend the NRECA annual meeting.
- D. The Cooperative will reimburse the Directors for their expenses in accordance with Policy #109.

**III. RESPONSIBILITY**

- A. The President of the Board shall be responsible to see that this policy is complied with and to determine any remedial action necessary.

Date Adopted: 12-2-86

Date Reviewed: 10-29-19

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~~Lyle Raguse~~ **Mark Pearson**, Secretary

**TRAVERSE ELECTRIC COOPERATIVE, INC.**

**Wheaton, Minnesota**

**BOARD POLICY NO. 110**

**FRINGE BENEFITS FOR DIRECTORS**

**I. OBJECTIVE**

To describe the benefits the Cooperative will provide members of the Board of Director.

**II. POLICY**

All members of the Board of Directors shall be offered the following Fringe Benefits during their term of office subject to limitation contained in the policies.

**A. 24 Hour Accident and High Limit Business Travel**

This accident insurance coverage under the NRECA group policy shall be offered each Director. The Cooperative shall pay the full premium for this coverage.

**III. RESPONSIBILITY**

It shall be the **General** Manager's responsibility for enrolling the Directors and administration of the insurance plan.

Date Adopted: 12-2-86

Date Reviewed: 01-15-90

Date Reviewed: 10-29-19

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~~Lyle Raguse~~ **Mark Pearson**, Secretary

# **TRAVERSE ELECTRIC COOPERATIVE, INC.**

**Wheaton, Minnesota**

## **BOARD POLICY NO. 111**

### **SERVICES OF LEGAL COUNSEL**

#### **I. OBJECTIVE**

To recognize the value of continuing legal guidance and counsel in the ordinary and special activities of Traverse Electric to ~~insure~~ ensure maximum protection of the legal rights of Traverse Electric and that operations are within limitations prescribed by law.

#### **II. POLICY**

A. The Legal Counsel through the General Manager, or the Board, shall coordinate all legal services for the organization and shall be responsible for all legal matters. Said legal matters shall include, but not be limited to:

1. Assisting Traverse Electric's officers and the General Manager with the interpretation of the Articles of Incorporation and the By-laws; the calling and holding of special and regular meetings of the Board and the annual meeting and the amendment of the Articles of Incorporation and the By-laws and review of minutes of such meetings.
2. Rendering oral or written legal opinions and advice on contemplated actions of the Board, General Manager, or his staff.
3. Attending Board meetings, if so requested, and to serve as legal advisor on matters for which responsible.
4. Serving as advisor to the parliamentarian at all Board meetings and at the annual membership meeting.
5. Serving as a legal liaison and advising Traverse Electric on all substantive procedures that materially affect Traverse Electric's legal status and relationship with RUS, CFC, CoBank any bondholders, and other federal, state and local administrative or regulatory agencies.
6. Either prepare or coordinate the preparation of documents and the rendering of legal opinions and certificates in obtaining loan funds from RUS or other financial institutions.

7. Either represent or actively coordinate the legal representation of Traverse Electric in all court proceedings in which Traverse Electric may become involved, including the presentation or defense of all tort or contract claims for or against Traverse Electric in federal or state courts.

8. Either represent or actively coordinate the legal representation of Traverse Electric in all administrative or quasi-judicial hearings before the state or federal agencies or commissions and any appeals therefrom.

9. Assist special counsel in those matters that are deemed necessary and advisable.

10. Coordinate and administer all legal services performed on behalf of Traverse Electric.

11. Provide or make available to the General Manager and the Board and designated staff members, written summary reports on major legal matters involving Traverse Electric as appropriate.

B. The special counsel's responsibilities shall be as described in the policy on Services of Consultants.

### III. RESPONSIBILITY

A. The Legal Counsel shall keep the General Manager advised of all areas where legal advice is being provided the Board except during executive sessions.

B. The Legal Counsel shall be thoroughly familiar with the rural electrification program and do all possible to further the ideals and objectives of Traverse Electric.

Date Adopted: 12-2-86

Date Reviewed: 10-29-19

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~~Lyle Raguse~~ Mark Pearson, Secretary

**TRAVERSE ELECTRIC COOPERATIVE, INC.**

**WHEATON, MN**

**BOARD POLICY 513.1**

**NON-DOT DRUG AND ALCOHOL TESTING POLICY**

**I. Purpose**

This policy provides guidelines consistent with Minnesota law for testing employees for the presence of alcohol or illegal drugs under certain circumstances. While Traverse Electric Cooperative does not wish to intrude upon the private lives of its employees, it recognizes that alcohol or drug abuse may interfere with an employee's job performance, endanger the employee or other employees, or be detrimental to Traverse Electric Cooperative's business.

**II. Scope**

This policy applies to all applicants for Traverse Electric Cooperative employees, including contract or temporary employees. The policy is applicable at Traverse Electric Cooperative or whenever employees are performing company business.

**III. Definitions**

A. "Illegal Drug" means a controlled substance as defined in Schedules I through V of Section 202 of the Controlled Substances Act, 21 U.S.C. § 812 ("the CSA Schedules"), and as defined in Minnesota Statutes, Section 152.01, Subdivision 4 and Section 152.02 but excluding substances listed in those two sections that are not also listed in the CSA Schedules. The term "illegal drug" includes any drug the possession or use of which is illegal under federal, state, or local law, and includes prescription medications not used by the person for whom prescribed or used in a manner other than prescribed (e.g., ignoring "do not use after," "discard after" "use by" or any similar instructions).

B. "Under the influence of alcohol" means (1) the presence of alcohol in the individual's system which results in a positive alcohol test result; or (2) behavior, appearance, speech, or bodily odors that lead a supervisor or manager to reasonably suspect that the employee is impaired by alcohol during working time or on Company premises.

C. "Under the influence of illegal drugs" means (1) the presence of any detectable amount of an illegal drug or its metabolites demonstrated by a verified/confirmed positive drug test result, or (2) behavior, appearance, speech, or bodily odors that lead a supervisor or manager to reasonably suspect that the employee is impaired by illegal drugs or is using illegal drugs during working time or on Company property.

D. “Other Drugs” means those substances such as those prescribed by a physician that may not be classified as controlled substances but which nevertheless may affect an employee’s ability to, with or without reasonable accommodation, perform the essential functions of the employee’s job or create a direct threat to the safety of the employee or others.

#### **IV. Non-Discrimination**

Traverse Electric Cooperative does not discriminate against any applicants or employees who are qualified individuals with disabilities, including those who have successfully completed or who are currently participating in a supervised rehabilitation program. However, Traverse Electric Cooperative will not tolerate illegal drug use by applicants or employees, any employee working under the influence of illegal drugs or alcohol, or any employee whose use of other drugs makes him or her unable to perform the essential functions of the job with or without reasonable accommodation. Additionally, one of the essential functions of every Traverse Electric Cooperative position is that an individual not pose a direct threat to himself/herself or others in the workplace.

#### **V. Prohibitions**

A. No employee shall report to work, or engage in any work on behalf of Traverse Electric Cooperative while under the influence of alcohol or illegal drugs.

B. No employee shall manufacture, distribute, dispense, possess, transport, transfer, or use alcohol, illegal drugs or illegal drug paraphernalia in the workplace or wherever Traverse Electric Cooperative work is being performed, or attempt to do so.

C. Traverse Electric Cooperative prohibits the off-duty sale, purchase, transfer, use or possession of illegal drugs. This paragraph does not apply, however, to the proper purchase, possession and/or use of prescription medication under a valid prescription.

D. Use of prescription drugs can adversely affect workplace safety and job performance. Therefore, the employee must inform his/her doctor when the doctor is considering whether to prescribe a medication about the nature of his/her job and ask whether the medication poses a direct threat to his/her health or safety on the job, or to that of others, and whether while using the medication he/she can perform the essential functions of the job, with or without reasonable accommodation. If the employee’s doctor believes that such a threat or inability exists, the employee must inform his/her supervisor accordingly. Additionally, an employee must inform his/her supervisor or manager of the use of a prescription or over-the-counter drug which may alter the employee’s ability to perform the essential functions of his or her job, including situations in which use would create a direct threat to the health or safety of the employee or others.

E. Employees are prohibited from failing to notify a supervisor before going to work if he or she is under the influence of illegal drugs or alcohol.

F. Subject to applicable law, employees are prohibited from failing to consent to,

participate in, abide by and satisfactorily complete the terms and recommendations of any Employee Assistance Program (EAP) or any counseling, rehabilitation or treatment program to which the Company makes a referral, including but not limited to, failure to follow recommendations, if any, regarding behavior modification and abstinence, failure to be available for any prescribed follow-up sessions or testing, and failure to provide, if requested by the Company, consent to communicate with such providers. Employees who refuse to consent to assessment and counseling after a first-time confirmed positive test result are subject to termination of employment.

G. There may be occasions, with the approval of management, when it is permissible to consume reasonable amounts of alcohol at Company sponsored functions. Employees are expected to remain responsible, professional, sober, and in full compliance with this Policy and all other Company policies at all times when attending such events. Employees assisting in preparing for and/or serving at such events are excused from prohibitions under this Policy pertaining to distributing alcohol. Employees attending such events are subject to all other Company policies, including but not limited to the Company's harassment policies. These exceptions with respect to acceptable alcohol use do not apply to any employee who works in security and safety sensitive positions or operate any type of equipment or machinery.

## **VI. Alcohol and Drug Testing**

A. Introduction. In order to carry out Traverse Electric Cooperative commitment to an alcohol and illegal drug-free workplace, Traverse Electric Cooperative and/or alcohol testing in accordance with the provisions of Minn. Stat. §§ 181.950-181.957. This policy represents the notice required under Minnesota law and will be provided to all applicants and employees who are requested to undergo testing. Traverse Electric Cooperative reserves the right to change this policy at any time. Employees may obtain another copy of the policy from Human Resources.

### **B. Testing Circumstances**

1. Pre-Employment Testing. Traverse Electric Cooperative makes all offers of employment (including offers to re-hire after termination of employment for any reason) to applicants subject to and conditioned on the applicant's: (1) consent to taking a drug and/or alcohol test; and (2) a negative test result. Applicants will be required to voluntarily submit to urinalysis, blood or saliva drug and/or alcohol testing and sign the Acknowledgement and Information Form to Be Provided before Requesting Testing form attached as Appendix A to this Policy and any other forms or portions of forms pertaining to the testing process required to be completed by individual donors. If the test(s) are positive or if the applicant refuses to undergo testing, the offer of employment will be withdrawn.

The Company will not withdraw an offer of employment based on a positive test result from an initial screening test that has not been verified by a confirmatory test. If the job offer is withdrawn, the Company will inform the job applicant of the reason for its action.

2. Reasonable Suspicion and Post-Accident Testing. Traverse Electric Cooperative may require an employee to be tested when Traverse Electric Cooperative reasonably suspects that the employee:

- a. is under the influence of illegal drugs or alcohol; or
- b. has violated Traverse Electric Cooperative written work rules prohibiting the use, possession, sale or transfer of illegal drugs or alcohol while the employee is working or while the employee is on Traverse Electric Cooperative or client premises or operating Traverse Electric Cooperative vehicles, machinery or equipment; or,
- c. has sustained a personal injury, or has caused another employee to sustain a personal injury, which injuries are arising out of and in the course of employment; or,
- d. has caused a work-related accident or was operating or helping to operate machinery, equipment or vehicles involved in a work-related accident.

In order for “reasonable suspicion” to exist, there must be a basis for forming a belief that testing is justified based on specific facts and rational inferences drawn from those facts. Nothing in this policy is intended to change Traverse Electric Cooperative policies and practices regarding the reporting of work-related injuries.

3. Follow-Up Treatment Program Testing. Traverse Electric Cooperative may require an employee to be tested whenever the employee has been referred by Traverse Electric Cooperative for chemical dependency evaluation or treatment, or is participating in a chemical dependency treatment program under an employee benefit plan. The employee may be subject to testing without notice during the evaluation or treatment period and for up to two years following the completion of the evaluation or treatment.

C. Conducting the Testing.

1. Consent. Before requesting an employee or job applicant to undergo drug or alcohol testing, he or she will be required to complete and sign the form attached to this Policy as Appendix A. Substance abuse testing will not be performed unless a signed consent is in Traverse Electric Cooperative possession.

2. Right to Refuse Testing and Consequences of Refusal. Applicants and employees have the right to refuse testing. However, if an applicant or employee refuses to test, the refusal will be treated as a failure to comply with Traverse Electric Cooperative policy and may result in withdrawal of an applicant’s job offer or, with respect to employees, disciplinary action up to and including termination of employment. A refusal to test includes, but is not limited to, conduct obstructing testing such as: a) failing to sign necessary paperwork, b) failing to report to the collector and/or collection site at the appointed time, c) failing to be reasonably available for a post-accident test; and d) switching, tampering with or adulterating any sample collected under this Policy or attempting to do so.

3. The Laboratory. The laboratory selected to perform testing will be certified

by the National Institute on Drug Abuse (NIDA), the College of American Pathologists (CAP), or the New York Department of Health. The laboratory's results may be reviewed and communicated to the employee by an independent Medical Review Officer.

4. Adulteration Testing. Adulterant testing may be performed in accordance with the procedures of the laboratory. The presence of any chemical adulterants will be considered a refusal to be tested.

5. Dilute Samples. If a urine specimen is dilute, the employee will be asked to stay at the testing facility for a period of time and a re-collection will be taken. A second dilute sample will result in termination of employment unless the employee can provide documentation from a personal physician identifying a medical condition that results in having dilute urine.

6. Cold Samples. After the collection of a urine sample, the temperature is recorded. If the temperature is out of the acceptable range, the specimen may be re-collected under direct observation.

7. Test Results: Notices and Rights.

a. *Negative Tests.* Within three working days after Traverse Electric Cooperative receives a negative test result on an initial screen or on a confirmatory test, Traverse Electric Cooperative or its agent will inform an applicant or employee in writing of: i) the negative test result, and, ii) the right to request and receive a copy of the test result report.

b. *Positive Tests.* A confirmatory test will be performed on all samples that result in a positive test result on an initial test. Within three working days after Traverse Electric Cooperative receives a positive result on a confirmatory test, Traverse Electric Cooperative or the MRO will inform an applicant or employee in writing of: i) the positive test result, ii) the right to request and receive a copy of the test result report; iii) the right to explain the positive test result; iv) the right to request a confirmatory retest of the original sample at the employee's or job applicant's own expense; and v) limitations under Minnesota law on either job offer withdrawals or employee discipline, discharge and discrimination.

Within three working days after receipt of notice of a positive result on a confirmatory test, an applicant or employee may submit information to Traverse Electric Cooperative regarding any over-the-counter medication that the individual is taking or has recently taken, and any other information relevant to the reliability of, or explanation for, the positive test result.

An applicant or employee may request a confirmatory retest of the original sample at his or her own expense. Within five working days after notice of a positive test result, the applicant or employee must notify the Human Resources dept in writing of his or her intention to obtain a confirmatory retest. Within three working days after receipt of any such notice, Traverse

Electric Cooperative will notify the original testing laboratory that the applicant or employee has requested the laboratory to conduct the confirmatory retest or transfer the sample to another laboratory licensed per the requirements of the Minnesota Drug and Alcohol Testing in the Workplace Act. If the confirmatory retest does not confirm the original positive result, no adverse action based on the original confirmatory test will be taken against the applicant or employee.

c. *Right to Test Result.* An employee has the right to request and receive from Traverse Electric Cooperative a copy of the test result report on any drug or alcohol test. All such requests should be made to the Director of Human Resources or his/her designee.

D. Costs. All costs related to alcohol and drug testing will be paid by Traverse Electric Cooperative except for confirmatory retests, which must be paid for by the employee requesting the retest.

E. Disciplinary Action in Response to a Positive Test Result.

1. Traverse Electric Cooperative reserves the right to transfer or suspend an employee pending the outcome of a confirmatory test or any confirmatory retest if it believes it is reasonably necessary to protect the health and safety of the employee, co-employees or the public. An employee who is suspended without pay will be reinstated with back pay if the confirmatory test or re-test is negative.

2. Traverse Electric Cooperative may not take disciplinary action against or discharge an employee if the employee tests positive on a confirmatory test and the positive confirmatory test was the first such result. Traverse Electric Cooperative may, however, take disciplinary action against or discharge an employee for whom a positive confirmatory test is the first such result where (1) the employee is given an opportunity to participate in, at the employee's expense or pursuant to coverage under an employee benefit plan, a drug or alcohol counseling or rehabilitation program; and (2) the employee has either refused to participate in the counseling or rehabilitation program, or has failed to successfully complete it. The type of counseling or rehabilitation program in which an employee participates will be determined by Traverse Electric Cooperative after consultation with a certified chemical use counselor or physician trained in the diagnosis and treatment of chemical dependency.

3. Any employee who tests positive on a confirmatory test where the positive confirmatory test was the second such result may be discharged.

F. Privacy of Test Results.

1. Test results and other information acquired as a result of the testing program are private and confidential information and will not be disclosed by Traverse Electric Cooperative or the testing laboratory to another employee or to third parties, government agencies, or private

organizations without written consent of the applicant or employee being tested.

2. Evidence of a positive test result on a confirmatory test, however, may be used in an arbitration proceeding pursuant to a collective bargaining agreement, an administrative hearing, or a judicial proceeding, provided the information is relevant to the hearing or proceeding. Such evidence may also be disclosed to any federal agency or other unit of the United States government as required under federal law, regulation, or order. Evidence of a positive test result on a confirmatory test may also be disclosed to a substance abuse treatment facility for the purpose of evaluation or treatment.

3. Traverse Electric Cooperative will provide an employee with access to information in the employee's file relating to positive test result reports and other information acquired in the testing process as well as conclusions drawn from or actions taken based upon such information.

G. Reservation of Rights.

This Policy supersedes any other Traverse Electric Cooperative policy relating to the use of drugs and alcohol in the workplace, drug and/or alcohol testing and all other subject matter addressed in this Policy. The Company reserves the right to interpret and administer this Policy, and at any time and at its sole discretion, amend, supplement, modify, revoke, rescind or change this Policy, in whole or in part, with or without notice. This Policy is not an express or implied contract of employment nor is it to be interpreted as such. Additionally, this Policy does not in any way affect or change the status of any at-will employee. Nothing in this Policy is a promise or guarantee or should be construed as a promise or guarantee that the Company will follow in any circumstance or any particular course of action, disciplinary, rehabilitative or otherwise other than as required by Minnesota law.

Date Approved: 10-29-2019

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Mark Pearson, Secretary

BOARD POLICY 513.1  
APPENDIX A  
ACKNOWLEDGMENT AND INFORMATION FORM  
TO BE PROVIDED BEFORE REQUESTING TESTING

(For Applicants and Employees)

1. I acknowledge that I have received, seen and understand Traverse Electric Cooperative Drug and Alcohol Testing Policy.

2. I understand it is my obligation to read this Policy and its contents so that I will understand what conduct is prohibited by the Policy, my rights, and the consequences of engaging in prohibited conduct. I agree to comply with the Policy and I understand that failure to comply with the Policy may result in withdrawal of a conditional job offer and/or discipline up to and including termination of employment.

3. I understand that I have the right to refuse to be tested, but that if I refuse to be tested, the refusal will be treated as a failure to comply with Traverse Electric Cooperative policy and may result in withdrawal of a job offer or disciplinary action up to and including termination of employment. A refusal to test includes but is not limited to conduct obstructing testing such as: a) failing to sign necessary paperwork, b) failing to report to the collector and/or collection site at the appointed time, c) failing to be reasonably available for a post-accident test; and d) switching, tampering with or adulterating any sample collected under this Policy or attempting to do so.

4. By signing below, I hereby voluntarily consent to an employee or agent of Traverse Electric Cooperative or other persons or entities acting for or with them to collect a blood, urine or saliva sample from me for testing for alcohol or illegal drugs in accordance with Traverse Electric Cooperative policy. I further voluntarily authorize the laboratory selected by Traverse Electric Cooperative to conduct testing or other analysis on the sample provided by me, and to disclose to a Medical Review Officer, the Company's third party administrator with respect to this Policy, and Traverse Electric Cooperative the test results and related data. I further authorize disclosure of my test results and related data to other parties permitted by law to receive the results.

5. In the event of a post-accident test, I authorize disclosure of the drug and/or alcohol test results to Traverse Electric Cooperative workers' compensation insurance carrier.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Individual to be Tested

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Printed Name of Individual to be Tested