

**Minutes of the 131st Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 131st regular meeting of the Northeast Nebraska Public Power District was called to order at 7:37 p.m., on October 28, 2008, by President Don Larsen. This meeting was held in the power district's Operations Center in Wayne, NE. President Larsen announced that the meeting was being conducted pursuant to the Nebraska Open Meetings Law and pointed out the location of the law in the meeting room.

Notice of this meeting was posted at all facilities of Northeast Nebraska Public Power District and was delivered by first class mail to the City Hall offices of the following towns and villages: Allen, Carroll, Concord, Dixon, Emerson, Foster, Hoskins, Hubbard, Jackson, Martinsburg, Maskell, McLean, Newcastle, Obert, Osmond, Pierce, Ponca, Thurston, Waterbury, Wayne, and Winside. Notice was also sent to the following newspapers: Nebraska Journal Leader, Norfolk Daily News, Norfolk Shopper, Pender Times, Pierce County Leader, Osmond Republican, Randolph Times, South Sioux City Star, Wakefield Republican, and Wayne Herald.

The following Officers and Directors were present:

Director Larsen	Director Gansebom	Director Lebsock	Director Loberg
Director Silhacek	Director Kneifl	Director Bodlak	Director Birkley
Director Gustafson			

Mark Shults, Manager

Michael E. Pieper, Attorney

Others present: Dean Bruggeman and Randy Belt

The Open Meetings Act advisement was also given.

Minutes of the September 23, 2008 Meeting: There was a motion to approve the minutes made by Director Kneifl and seconded by Director Bodlak and was approved 9-0 on a voice vote.

Minutes of the October 10, 2008 Safety Meeting: There was a motion to approve the minutes made by Director Gustafson and seconded by Director Birkley and was approved 9-0 on a voice vote.

Public Comment: None.

Authorization of September, 2008 Expenses: There was a discussion regarding the monthly expenses. Whereafter, there was a motion to approve the September, 2008 expenses made by Director Lebsock and seconded by Director Gansebom.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Birkley – yes	Director Loberg – yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl – yes
Director Gansebom – yes	Director Bodlak – yes	Director Gustafson - yes

All directors present voting yes, the chairman declared the motion carried 9-0.

Review of the Financial Statements for September, 2008: There was a discussion of the September,

2008 financial statements. There was then a motion to approve the financial statements made by Director Gansebom and seconded by Director Silhacek and was approved 9-0 on a voice vote.

Old Business: None.

New Business:

1. Resolution 2008-10-01: A RESOLUTION TO ADOPT NET METERING FOR CUSTOMER OWNED RENEWABLE GENERATION UNDER 25KW. The Manager explained the metering policy to accommodate the customer generator to offset their purchases at retail from the District and at the same time protect the District investment in costs of operations. The Net Metering policy would apply to customer owned generators under 25kw. Under the policy, the customer generator is allowed to offset their purchases of electricity at the retail rate. The policy does not apply to customer owned generators that are larger than 25kw. The Board discussed the policy and the need to protect the full investment by the District to provide retail service. After discussion, there was a motion to approve this resolution approving Policy 11-16 and adopting a Net Metering policy by Director Bodlak and seconded by Director Lebsock and Resolution 2008-10-01 was approved 9-0 on a voice vote.
2. Resolution 2008-10-02: A RESOLUTION TO ENACT BOARD POLICY 11-17, (RED FLAG) TO PROTECT CUSTOMER IDENTITY INFORMATION HELD BY THE DISTRICT. The Manager explained the need to adopt a policy to protect customer identity information held by the District. The policy was discussed by the Board and after discussion it was moved to approve Policy 11-17, Resolution 2008-10-02 by Director Gansebom and seconded by Director Gustafson and was approved 9-0 on a voice vote.
3. Resolution 2008-10-03: A RESOLUTION TO APPROVE THE GENERAL MANAGER'S PERSONAL GOALS FOR FISCAL YEAR 2009. The Manager explained to the Board his goals for the District for fiscal year 2009. The Board discussed the various goals including pole testing and AMR irrigation implementation. Whereafter, the motion to approve Resolution 2008-10-03 was made by Director Kneifl and seconded by Director Bodlak and was approved 9-0 on a voice vote.
4. Resolution 2008-10-04: A RESOLUTION TO REAFFIRM BOARD POLICY 10-19 GOVERNING THE USE OF DISTRICT OWNED COMPUTERS AND COMMUNICATION EQUIPMENT. The Manager explained the Board Policy was to protect both employees and the company. After Board discussion, a motion to reaffirm Policy 10-19, Resolution 2008-10-04 was made by Director Gustafson and seconded by Director Gansebom and was approved 9-0 by a voice vote.
5. A discussion was held regarding the cost/benefits of TOU rates for irrigation customers. The Manager explained that irrigation load is becoming a bigger part of the District's load, therefore, becoming a bigger factor in power purchases. The Manager went on to explain that the irrigation load for 2008 set the peak demand charge for the District as opposed to the residential load. The Manager further explained with new AMR, the District can have a new critical peak period consisting of floating critical peak period hours instead of red flag days for purposes of establishing time of use pricing. The Manager proposed, for the Board's discussion, four time of use rates for irrigation customers. He explained using critical floating peak hours instead of static red flag days for establishing TOU rates would mean having two-thirds fewer hours of peak time period rates. The Board discussed the proposed critical peak time period TOU rather than using static two red letter days and addressing the peak load

requirements irrigation requires. The Board agreed to further discussions at future meetings of the Manager's proposal.

6. Presentation of Certificates of Achievement: The presentation was put off until next month.

7. Management Reports:

1. Dean Bruggeman: Dean noted that the concrete has been poured at the new office and he reviewed the building progress for the new facility. He noted they have finished installing surveillance cameras covering District facilities and that a computer program was currently being installed in order to monitor the cameras. He further reviewed the District's vehicle maintenance and repairs for the month and noted that information regarding the mowing charges for the District have been distributed for the Board's review.
2. Randy Belt: The crew is currently working on the Sub 8 to feed the Village of Hubbard with 3 Phase. He stated the Sunday windstorm resulted in three crews out to fix down lines caused mainly by down trees. The District lost three poles because of down trees. The crew is also busy doing service upgrades mainly involving grain bins and started to patrol underground transformers.
3. Mark Shults: Staff is currently working on next year's budget. The Emerson building is sold and the pole yard is for sale. Staff is researching software replacements for the District. He reported on a recent AMR conference and said the District is ahead of others around the country in using outage data to spot problem areas in the electric system.

Board Member Reports:

1. G & T: Director Bodlak reported nothing for this month.
2. NREA: Director Gustafson reported that there will be a NREA Committee meeting on November 20, 2008 and the annual meeting is scheduled for December 2, 3, and 4, 2008.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Bodlak. This motion was approved 9-0 on a voice vote and the meeting was adjourned at 10:35 p.m.

I, the undersigned, secretary of the Northeast Nebraska Public Power District, Wayne, Nebraska, hereby certify that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the District; that minutes of the District were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meeting of said body were provided advance notification of the time and place of said meeting and the subject matters to be discussed at said meeting.

Secretary

Attest: _____

President