



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been scheduled for August 8, 2022, at 7:00 p.m.

Proposed Agenda:

1. Call to Order
2. Reorganization of the Board
 - a. Officer election
 - b. Meeting time and date
 - c. Board Policy 203 Board Compensation
 - d. Sunflower Delegates and Alternates
3. Reading and Approval of Minutes
4. Presentation of Check Register
5. Presidents Report
6. Attorneys Report
7. Sunflower EPC Report
8. KEC Report
9. General Managers Report
10. Old Business
11. New Business
 - a. Board Policy 508 Job Training, Safety & Loss Control Review
 - b. LSEC Tariff for Electric Service
 - c. Board Policy 112
 - d. Board Policy 114
 - e. Board Policy 120
 - f. Board Policy 125
 - g. Region 7 Meeting Delegate and alternate Delegate
12. Safety Report
13. Executive Session – is requested
14. Adjourn

Upcoming Board Events:

Sunflower Board Meeting	Hays	August 17
Office Closed – Labor Day		September 5
LSEC Board		July 12

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		Dal	Monthly Report		3	
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11	New Business					
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**MINUTES OF THE REGULAR JULY 2022
MEETING OF THE BOARD OF TRUSTEES
OF THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.**

CALL TO ORDER

A regular meeting of the Board of Trustees of the Lane-Scott Electric Cooperative, Inc., was held on Monday, July 11, 2022, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 7:00 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Randy Evans, Eric Doll, Richard Sorem, Chad Griffith, Paul Seib Jr. and Craig Ramsey. Also present Richard McLeon IV, Kathy Lewis, Mike Lewis CFC Regional VP and Joseph D. Gasper, Attorney.

KEY RATIO TREND ANALYSIS PRESENTATION

Mike Lewis presented the CFC Key Ratio Trend Analysis (KRTA) to the board with a power point presentation highlighted by the following:

- KRTA is developed with financial data shared by 812 cooperatives with CFC that looks at ratio trends and allows for a comparison with other coops. The data is intended to look at trends in the ratios to analyze trends rather than instantaneous data.
- The trends are sorted by groupings including National, State, Size and Power Supply Groups (such as Sunflower members).
- There are 25 coops in Kansas that participated including the six Sunflower coops and KRTA uses the data to analyze 145 ratios.
- LSEC has lost 76 members since 2017 while the kW/h sales have increased, due in part to a pipeline coming online.
- Total Utility Plant has shown steady growth and is \$59,930,000.
- TIER is 2.88 and has been above the 1.25 requirement for the past five years with 2020 being the lowest at 1.37. OTIER was 1.52 in 2021.
- DSC was 1.61 in 2021 and has been steady except for 2020 with ODSC being 1.09 in 2021.
- Equity as a percentage of assets has steadily grown and is currently at 37.93%.
- Distribution equity is 23.28 and has shown an increase from 2017.
- Long Term Debt is 54.55% and has trended downward with an overall blended interest rate of 3.59%.
- Capital credits were retired in 2021 at a rate of 1.84% per total equity.
- General funds per TUP were down from 2020 but up from the 5-year trend.

- Electric revenue per kWh sold trended down until 2020 but began to trend up in 2021.
- Total margins per kWh sold is 15.51 mills.
- Amount written off as a % of operating revenue is 0.01 which is very good.
- Residential kWh sold per total kWh sold remains relatively steady.
- Power cost showed a decrease in 2019 and 2020 but went back up to 2017 and 2018 levels in 2021.
- Total cost of electric service per total kWh sold was 11.4 cents in 2021.
- Annual growth shows an overall small trend upward.

Mike Lewis and Kathy Lewis left the meeting after the KRTA presentation.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on June 6, 2022. *Hearing no corrections to the minutes, President Jennison declared the minutes stand approved as printed.*

CASH DISBURSEMENTS

President Jennison called for questions regarding the check list for the month.

There were no questions regarding the checks.

PRESIDENT'S REPORT

President Jennison had no current items to report.

ATTORNEY'S REPORT

Attorney Gasper had no current items to report.

REPORT OF SUNFLOWER DELEGATE

A copy of the Sunflower report was included in the board packet and emailed to the trustees.

Trustee Seib added the following:

- The sales over the last two months should be good with the hot weather.
- SPP has expressed concerns over possible overloads with discussion on reserves. The growth in wind and solar pose reliability issues. There

has not been a call for conservation from consumers, but it will likely happen.

- Higher power costs are likely through the summer.

KEC REPORT

The KEC meeting was attended by Manager McLeon and a report was included in the board packet. He also added the following:

- There was a joint meeting with Missouri cooperatives which was a good meeting.
- LSEC is hosting the District 3 meeting and is looking at the Garden Inn as the location for the meeting.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- The monthly and year-to-date overall rate was 11.07 cents.
- LSEC is tracking on budget with revenue for the year-to-date. It is projected to end the year about 1% above budget for the revenue at this time.
- Some projects are being shifted over to capital projects.
- The May outages are 715 hours from the power supplier and 540 hours for all others and a year-to-date total of 15,330 hours. ASAI is 99.97% service availability.
- The second quarter strategic plan is slow due in part to a lack of supplies in due to supply chain issues. The plan is approximately 93% complete. Items 1 & 2 were slowed by supply chain issues. Item 3 will be presented to the board at the current meeting as a line extension policy. Item 4 is currently being implemented further and once key staff are more definitively identified a more certain succession plan will be put into place.
- The July, August and September meetings will be the second Monday due to conflicts.
- Operations is trying to balance maintenance and capital improvements on the system. Materials continue to be an issue. LSEC is looking at trying some iron poles on the system to harden the system in key areas.
- Work continues on implementation of a maintenance program.
- Wholesale power costs continue to increase along with natural gas prices.
- May and June are typically losses, and this trend continued this year with total operating margins are \$-96,914 and total margins of \$-77,439. Non-operating margins showed a gain of \$13,910 for the month and \$20,854 for the year.

- LSEC is using the cushion of credit to repay the RUS loans.
- Controllable expenses are about 10% higher than prior years due to expensing construction labor rather than capitalizing it on the balance sheet.
- \$1.1 million of CWP has been done and staff is working on closing the work orders.
- The cash to debt ratio is 16.45 and the current ratio is 1.68.
- The proposed line extension changes were presented to the board for further discussion from the previous meeting.
- Katie Sawyer, GOP candidate for Lt. Governor will be at the LSEC headquarters at 1:00 Thursday. The Trustees are invited to come and meet her.
- The employees requested to be allowed to wear shorts to the annual meeting due to the expected temperature. Upon discussion the board advised Manager McLeon that he make a decision on the employee request.

RECEIPT OF MANAGER'S REPORT

The board received the Manager's report as indicated herein, and there were no follow-up questions.

SAFETY REPORT

A safety report was included in the board packet.

OLD BUSINESS

There was no old business before the board.

NEW BUSINESS

1. Secretary Certificate of Mailing
 - The certificate of mailing was included in the board packet indicating the notice of the annual meeting was sent on June 28, 2022.

EXECUTIVE SESSION

A motion to enter executive session to discuss personnel matters was made, duly seconded and carried at 9:00. The board came out of executive session at 9:12.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 9:13 p.m., on Monday, July 11, 2022.

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Accounts Payable Check Register

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2769 07/06/2022	WIRE	281	INTERNAL REVENUE SERVICE	Heavy Vechicle Use Tax	760.00
2786 07/06/2022	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA Gr1-July Group Ins	2,717.41
2787 07/06/2022	WIRE	180	NRECA	NRECA Gr 1 Adm Fee-July Gr Adm Fee	223.50
2772 07/07/2022	WIRE	1267	AFLAC	Monthly Premiums	693.85
2785 07/07/2022	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RS-Group Ins	46,892.47
2771 07/08/2022	WIRE	468	U.S. BANK	Monthly Credit Card Invoice	5,238.40
48680 07/08/2022	CHK	1	4-H LIVESTOCK SALE	Livestock Auction Donation	150.00
48681 07/08/2022	CHK	1	LANE COUNTY 4-H COUNCIL	4H Donation-Fair	100.00
48682 07/08/2022	CHK	9	CHAD RUPP	Clothing Allowance	130.82
48683 07/08/2022	CHK	40	KANSAS ELECTRIC COOPERATIVES	Monthly Invoice-Dues	7,086.77
48684 07/08/2022	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly Invoice	203.87
48685 07/08/2022	CHK	55	NESS COUNTY NEWS	Advertising	85.00
48686 07/08/2022	CHK	96	STEPHENS LUMBER - DIGHTON	Monthly Invoice	232.69
48687 07/08/2022	CHK	104	HOME OIL CO	Monthly Fuel Invoice	2,322.70
48688 07/08/2022	CHK	105	CITY OF NESS CITY	June Pay Station and Postage	619.20
48689 07/08/2022	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Dighton	300.56
48690 07/08/2022	CHK	155	KEVIN BRADSTREET	Monthly Invoice	267.12VOID
48691 07/08/2022	CHK	184	JOHNSTONE SUPPLY	Monthly Invoice	193.05
48692 07/08/2022	CHK	238	ILLINOIS MUTUAL	Premiums	153.20
48693 07/08/2022	CHK	261	LOCKE SUPPLY CO	Monthly Invoice	57.05
48694 07/08/2022	CHK	298	OVERLEASE K-LAWN	Weed Control	462.21
48695 07/08/2022	CHK	304	STECKLINE COMMUNICATIONS INC	Advertising	200.00
48696 07/08/2022	CHK	306	BORDER STATES INDUSTRIES INC	Monthy Invoice	8,531.52
48697 07/08/2022	CHK	383	HUXFORD POLE AND TIMBER CO INC	Poles	38,583.87
48698 07/08/2022	CHK	386	SEILER INSTRUMENT & MFG CO INC	Monthly Invoice	1,215.20
48699 07/08/2022	CHK	427	DIGHTON HERALD LLC	Advertising	125.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
48700 07/08/2022	CHK	474	NKC TIRE	Tires #117	389.66
48701 07/08/2022	CHK	494	UTILITY ASSET MANAGEMENT INC.	Trussing	68,600.00
48702 07/08/2022	CHK	506	K&J FOODS	Monthly Invoice	296.59
48703 07/08/2022	CHK	512	B.E.B. AND ASSOCIATES	Survey-Dighton City Sub West	2,121.00
48704 07/08/2022	CHK	521	HR PARTNERS	Handbook and Policies	630.05
48705 07/08/2022	CHK	522	AV ENERGY	Propane-Gary Brenner	210.00
48706 07/08/2022	CHK	773	BRETZ, INC.	Monthly Invoice	1,141.00
48707 07/08/2022	CHK	790	SOLOMON CORPORATION	Transformers	11,535.15
48708 07/08/2022	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Monthly Invoice	68.40
48709 07/08/2022	CHK	1030	THE SCOTT COUNTY RECORD	Advertising	65.50
48710 07/08/2022	CHK	1172	WESTERN SUPPLY COMPANY	Monthly Invoice	459.50
48711 07/08/2022	CHK	1225	CINTAS CORPORATION	Monthly Invoice-Dighton	135.99
48712 07/08/2022	CHK	1251	TECHLINE, LTD	Monthly Invoice	33,484.79
48713 07/08/2022	CHK	1285	TIFCO INDUSTRIES	Monthly Invoice	298.61
48714 07/08/2022	CHK	1197	GARDEN CITY WHOLESALE SUPPLY	Monthly Invoice	267.12
2773 07/11/2022	WIRE	18	CITY OF DIGHTON	Monthly Invoice	1,873.79
2782 07/11/2022	WIRE	265	HASLER - POSTAGE ACH	Postage	250.00
2774 07/12/2022	WIRE	124	GOLDEN BELT TELEPHONE	Monthly Invoice	190.94
2775 07/12/2022	WIRE	1160	S&T TELEPHONE COOP ASSN.	Monthly Invoice	838.45
48715 07/15/2022	CHK	1	FORT HAYS STATE UNIVERSITY	Scholarship-Dylan BRuntz ID#23445732	1,500.00
48716 07/15/2022	CHK	1	HODGEMAN COUNTY 4-H SALE FUND	Livestock Auction Doantion	150.00
48717 07/15/2022	CHK	1	KANSAS RURAL ELECTRIC SUPERVISO	Dues	100.00
48718 07/15/2022	CHK	15	ERIC DOLL	July Board Meeting	393.75
48719 07/15/2022	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	50,500.00
48720 07/15/2022	CHK	30	HAROLD HOSS	July Board Meeting	387.50
48721 07/15/2022	CHK	34	AMERICAN SAFETY UTILITY CORP	Kasey-Clothing Allowance	160.07

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
48722 07/15/2022	CHK	40	KANSAS ELECTRIC COOPERATIVES	Annual Meeting Booklets	6,046.74
48723 07/15/2022	CHK	60	PAUL SEIB JR	July Board Meeting	391.25
48724 07/15/2022	CHK	63	RICHARD JENNISON	July Board Meeting	366.25
48725 07/15/2022	CHK	105	CITY OF NESS CITY	Monthly Invoice	26.24
48726 07/15/2022	CHK	117	NESS CITY FARM & FEED	Monthly Invoice	454.58
48727 07/15/2022	CHK	122	MYRON SEIB	15 Year Recognition Gift	350.00
48728 07/15/2022	CHK	126	CARRIE BORELL	15 Year Recognition Gift	350.00
48729 07/15/2022	CHK	155	KEVIN BRADSTREET	15 Year Recognition Gift	350.00
48730 07/15/2022	CHK	169	AMERICAN ELECTRIC-GARDEN CITY	Monthly Invoice	8,104.00
48731 07/15/2022	CHK	179	RAD ROEHL	July Board Meeting	361.25
48732 07/15/2022	CHK	202	CHAD GRIFFITH	July Board Meeting	396.88
48733 07/15/2022	CHK	220	LANDIS+GYR TECHNOLOGY, INC	June SaaS Monthly Fee	845.66
48734 07/15/2022	CHK	269	ANIXTER INC	Monthly Invoice	1,048.37
48735 07/15/2022	CHK	279	IT1 SOURCE LLC	Board Room	2,029.26
48736 07/15/2022	CHK	380	GRAINGER	Monthly Invoice	24.53
48737 07/15/2022	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Invoice	479.15
48738 07/15/2022	CHK	395	DOLLAR GENERAL - REGIONS 410526	Monthly Invoice	84.44
48739 07/15/2022	CHK	406	RICHARD MCLEON	Clothing allowance& mtg expense	205.80
48740 07/15/2022	CHK	450	RANDALL G EVANS	July Board Meeting	350.63
48741 07/15/2022	CHK	479	CASE BECKMAN	Lawn Care-June	350.00
48742 07/15/2022	CHK	487	S&S TRAILER SALES INC	Tire Repair & hitch	395.91
48743 07/15/2022	CHK	516	WESTERN KANSAS BROADCAST CENT	Advertising	176.00
48744 07/15/2022	CHK	517	UNITED RENTALS INC.	Pipe Bender-LCF	1,012.00
48745 07/15/2022	CHK	523	QUALITY PLUS OILFIELD SERVICES, LL	Misc Parts for all Trucks	2,500.00
48746 07/15/2022	CHK	524	MORRIS ELECTRIC & REPAIR	Monthly Invoice	136.00
48747 07/15/2022	CHK	803	ALTEC INDUSTRIES, INC	Monthly Invoice	1,703.54

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48748 07/15/2022	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Supplies	376.58
48749 07/15/2022	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly Invoice	542.14
48750 07/15/2022	CHK	1248	COMPLIANCE ONE	Drug & Alcohol Testing	283.50
48751 07/15/2022	CHK	1263	RICHARD SOREM	July Board Meeting	403.75
48752 07/15/2022	CHK	1299	DEANNE DECHANT	Cookies for Board Meeting	72.00
48753 07/15/2022	CHK	1300	CRAIG RAMSEY	July Board Meeting	381.25
2770 07/18/2022	WIRE	168	ONLINE INFORMATION SERVICES, INC	Unility Exchange	76.19
48754 07/18/2022	CHK	2	CASHIER ACCOUNT	Retail Drawer	30.00
2776 07/19/2022	WIRE	1229	SCHABEN SANITATION	Monthly Invoice	556.80
2779 07/25/2022	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	11,594.42
48755 07/26/2022	CHK	1	KEN DENNIS	Ice for Annual Mtg	72.00
48756 07/26/2022	CHK	1	LANE COUNTY LIONS CLUB	Flags for 2022	350.00
48757 07/26/2022	CHK	1	SACRED HEART SCHOOL	Donation-Fall Festival	100.00
48758 07/26/2022	CHK	1	ST. LAWRENCE CATHOLIC CHURCH	Memorial-Mary Jo Sorem	50.00
48759 07/26/2022	CHK	1	WICHITA STATE UNIVERSITY	Amy Foos Scholarship	1,500.00
48760 07/26/2022	CHK	46	LANE COUNTY TREASURER	Tags & Registration	104.50
48761 07/26/2022	CHK	79	POSTMASTER	Postage-Newsletter	101.87
48762 07/26/2022	CHK	105	CITY OF NESS CITY	Franchise Fee	6,981.94
48763 07/26/2022	CHK	135	CITY OF BAZINE	Franchise Fee	2,374.98
48764 07/26/2022	CHK	138	CITY OF UTICA	Franchise Fee	1,913.50
48765 07/26/2022	CHK	139	CITY OF MCCRACKEN	Franchise Fee	2,023.48
48766 07/26/2022	CHK	140	CITY OF BROWNELL	Franchise Fee	558.21
48767 07/26/2022	CHK	141	CITY OF RANSOM	Franchise Fee	3,949.59
48768 07/26/2022	CHK	142	CITY OF ALEXANDER	Franchise Fee	803.71
48769 07/26/2022	CHK	160	SHULL OIL COMPANY	Monthly Fuel Invoice	10,171.01
48770 07/26/2022	CHK	248	CENTRAL PUMP & SUPPLY	Monthly Invoice	14.01

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
48771 07/26/2022	CHK	298	OVERLEASE K-LAWN	Lawn Care	113.93
48772 07/26/2022	CHK	311	ELDRIDGE FENCING INC	West gate by front office	74.06
48773 07/26/2022	CHK	361	ANN M JENNINGS	Annual Meeting Prizes	152.56
48774 07/26/2022	CHK	385	PIONEER COMMUNICATIONS	Advertising	436.92
48775 07/26/2022	CHK	406	RICHARD MCLEON	Per Diem-KEC Mtg in Overland Park	160.00
48776 07/26/2022	CHK	449	JOHN ROSS & CO SIGNATURE CATERIN	Annual Meeting Meal	9,846.74
48777 07/26/2022	CHK	459	YESTERDAYS BODY SHOP	Windshield Repair	81.38
48778 07/26/2022	CHK	492	PINNACLE MARKETING GROUP	Advertising	356.40
48779 07/26/2022	CHK	516	WESTERN KANSAS BROADCAST CENT	Advertising-Annual Meeting	480.00
48780 07/26/2022	CHK	520	CENTURY BUSINESS TECHNOLOGIES, I	Monthly Invoice	62.93
48781 07/26/2022	CHK	903	NISC	Monthly Invoices	14,465.09
48782 07/26/2022	CHK	1200	KASEY JENKINSON	CDL	29.75
48783 07/26/2022	CHK	1234	JF BEAVER	Annual Meeting Shirts-Office	202.35
48784 07/26/2022	CHK	1248	COMPLIANCE ONE	Drug & Alcohol Testing	283.50
48785 07/26/2022	CHK	1293	DAL HAWKINSON	Dal Hawkinson-Clothing Allowance	43.58
48786 07/26/2022	CHK	79	POSTMASTER	Postage-Newsletter	30.18
2778 07/27/2022	WIRE	101	ATMOS ENERGY	Monthly Invoice	57.59
2780 07/27/2022	WIRE	1290	WEX BANK	Monthly Fuel Invoice	255.74
2781 07/28/2022	WIRE	183	HIBU INC	Advertising	10.00
2777 07/29/2022	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Invoice	142.14
48787 08/01/2022	CHK	1	NESS CITY PUBLIC LIBRARY	Memorial-Harold Hoss Mother in Law	50.00
48788 08/01/2022	CHK	20	BASIN ELECTRIC POWER COOP	June Dispatch Fee	2,128.67
48789 08/01/2022	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	57,500.00
48790 08/01/2022	CHK	34	AMERICAN SAFETY UTILITY CORP	Monthly Invoice	34.85
48791 08/01/2022	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly Invoice	126,783.22
48792 08/01/2022	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Ness	53.47

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
48793 08/01/2022	CHK	218	SPENCER PEST CONTROL	Pest Control	109.59
48794 08/01/2022	CHK	383	HUXFORD POLE AND TIMBER CO INC	Poles	20,553.89
48795 08/01/2022	CHK	395	DOLLAR GENERAL - REGIONS 410526	Supplies	99.81
48796 08/01/2022	CHK	429	IT1 CONSULTING LLC	Software	1,133.78
48797 08/01/2022	CHK	516	WESTERN KANSAS BROADCAST CENT	Advertising	208.00
48798 08/01/2022	CHK	1225	CINTAS CORPORATION	Monthly Invoice Dighton	206.74
48799 08/01/2022	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Supplies	302.66
48800 08/01/2022	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly Invoice	244.25
48801 08/01/2022	CHK	9999	WILLIAM CODY	INACTIVE REFUND	75.35
48802 08/01/2022	CHK	9999	PAUL J SMITH	INACTIVE REFUND	200.24
2783 08/02/2022	WIRE	1187	MIDWEST ENERGY	Monthly Invoice	79.17
2784 08/02/2022	WIRE	44	NEX-TECH WIRELESS, LLC	Monthly Invoice	392.94
Total Payments for Bank Account - 2 :					(141) 604,691.58
Total Voids for Bank Account - 2 :					(1) 267.12
Total for Bank Account - 2 :					(142) 604,958.70
Grand Total for Payments :					(141) 604,691.58
Grand Total for Voids :					(1) 267.12
Grand Total :					(142) 604,958.70

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Payroll/Labor Check Register

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Pay Date: 07/01/2022 To 07/31/2022

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
5	KATHERINE E LEWIS	07/13/2022	6170	5,368.03	0.00	80.00	0.00	647.53 405.46	42.32 0.00	1,670.86 3,095.94	3,049.64 1,005.00 175.00 1,869.64	DD DD DD
21	CARRIE M BORELL	07/13/2022	6171	2,810.25	0.00	83.00	0.00	378.60 207.76	16.14 0.00	496.89 2,630.38	1,934.76	DD
22	REBECCA L CAMPBELL	07/13/2022	6172	2,317.44	0.00	80.00	0.00	510.03 160.83	11.76 0.00	396.61 2,482.28	1,410.80 300.00 1,110.80	DD DD
26	RICHARD A MCLEON	07/13/2022	6173	9,875.00	0.00	80.00	0.00	435.08 767.23	229.20 0.00	2,940.48 3,798.42	6,499.44	DD
34	KALO M MANN	07/13/2022	6174	3,711.01	0.00	89.00	0.00	602.40 283.53	70.25 0.00	830.04 2,220.35	2,278.57	DD
35	NATHAN A BURNS	07/13/2022	6175	3,050.64	0.00	80.00	0.00	395.28 232.18	19.28 0.00	778.25 1,783.42	1,877.11	DD
50	KASEY R JENKINSON	07/13/2022	6176	4,902.06	0.00	93.50	0.00	779.53 367.27	35.75 0.00	1,131.27 3,151.78	2,991.26	DD
55	BENJAMIN L MANN	07/13/2022	6177	5,393.84	0.00	100.00	0.00	661.46 411.26	17.10 0.00	1,358.89 2,136.65	3,373.49	DD
74	DAL S HAWKINSON	07/13/2022	6178	4,945.96	0.00	99.50	0.00	539.84 370.36	5.85 0.00	1,230.88 3,023.44	3,175.24	DD
84	MICHAEL S POLLOCK	07/13/2022	6179	3,737.68	0.00	92.50	0.00	628.23 277.96	6.29 0.00	706.63 2,857.71	2,402.82 100.00 25.00 25.00 25.00 2,227.82	DD DD DD DD DD
85	CHAD A RUPP	07/13/2022	6180	3,572.64	0.00	80.00	0.00	532.25 267.75	37.95 0.00	908.53 3,023.44	2,131.86	DD
89	CHRIS R TERHUNE	07/13/2022	6181	3,572.64	0.00	80.00	0.00	580.63 266.01	15.23 0.00	1,029.34 3,023.44	1,962.67	DD
93	MYRON E SEIB	07/13/2022	6182	4,258.65	0.00	88.00	0.00	640.76 322.18	27.75 0.00	808.80 2,552.91	2,809.09	DD
99	KEVIN A BRADSTREET	07/13/2022	6183	3,572.64	0.00	80.00	0.00	435.17 274.32	35.13 0.00	987.99 1,540.79	2,149.48	DD
108	MARK R MCCULLOCH	07/13/2022	6184	3,133.52	0.00	80.00	0.00	1,086.81 236.11	23.22 0.00	692.27 1,818.87	1,354.44	DD
117	LEIGHTON J AYERS	07/13/2022	6185	4,525.64	0.00	93.50	0.00	397.29 338.97	16.03 0.00	1,025.28 2,916.26	3,103.07 150.00 2,953.07	DD DD

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Payroll/Labor Check Register

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Pay Date: 07/01/2022 To 07/31/2022

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
129	STACEY L FOOS	07/13/2022	6186	117.45	0.00	7.25	0.00	0.00	0.00	8.99	108.46	DD
								9.92	0.00	0.00		
130	ANN MARIE JENNINGS	07/13/2022	6187	2,191.52	0.00	80.00	0.00	411.73	8.64	404.34	1,375.45	DD
								155.07	0.00	2,097.51		
131	DIANA F KUHLMAN	07/13/2022	6188	2,199.52	0.00	80.00	0.00	404.89	13.33	348.92	1,445.71	DD
								163.55	0.00	1,621.96		
132	DELLON R SHELTON	07/13/2022	6189	2,482.48	0.00	80.00	0.00	159.00	1.75	635.98	1,687.50	DD
								187.38	0.00	1,140.18		
134	SCOTT A BRIAND	07/13/2022	6190	1,783.52	0.00	80.00	0.00	254.91	3.00	247.46	1,281.15	DD
								125.40	0.00	1,983.10		
135	BLAKE T MCVICKER	07/13/2022	6191	4,020.94	0.00	87.00	0.00	884.88	3.30	1,081.53	2,054.53	DD
								305.18	0.00	1,377.22		
5	KATHERINE E LEWIS	07/28/2022		5,368.03	0.00	88.00	0.00	647.53	42.32	1,670.86	3,049.64	
			6192					405.46	0.00	3,095.94	1,005.00	DD
											175.00	DD
											1,869.64	DD
21	CARRIE M BORELL	07/28/2022	6193	3,288.92	0.00	95.00	0.00	406.33	16.14	616.85	2,265.74	DD
								244.37	0.00	2,644.25		
22	REBECCA L CAMPBELL	07/28/2022		2,711.71	0.00	91.50	0.00	539.02	11.76	496.55	1,676.14	
			6194					190.99	0.00	2,494.36	300.00	DD
											1,376.14	DD
26	RICHARD A MCLEON	07/28/2022	6195	9,875.00	0.00	88.00	0.00	435.08	229.20	2,940.49	6,499.43	DD
								767.24	0.00	3,798.42		
34	KALO M MANN	07/28/2022	6196	4,396.88	0.00	104.50	0.00	602.40	70.25	1,040.85	2,753.63	DD
								336.01	0.00	2,220.35		
35	NATHAN A BURNS	07/28/2022	6197	3,540.90	0.00	91.00	0.00	395.28	19.28	951.56	2,194.06	DD
								269.69	0.00	1,799.32		
50	KASEY R JENKINSON	07/28/2022	6198	4,528.22	0.00	91.50	0.00	823.91	35.75	992.41	2,711.90	DD
								338.67	0.00	3,171.95		
55	BENJAMIN L MANN	07/28/2022	6199	4,564.64	0.00	92.00	0.00	661.46	17.10	1,065.78	2,837.40	DD
								347.84	0.00	2,156.82		
74	DAL S HAWKINSON	07/28/2022	6200	4,214.02	0.00	92.00	0.00	584.52	5.85	960.33	2,669.17	DD
								314.36	0.00	3,042.06		
84	MICHAEL S POLLOCK	07/28/2022		4,520.00	0.00	106.00	0.00	661.46	6.29	904.93	2,953.61	
			6201					337.79	0.00	2,874.33	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											2,778.61	DD
85	CHAD A RUPP	07/28/2022	6202	4,359.72	0.00	95.50	0.00	569.49	37.95	1,187.49	2,602.74	DD

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Payroll/Labor Check Register

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Pay Date: 07/01/2022 To 07/31/2022

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
89	CHRIS R TERHUNE	07/28/2022	6203	6,324.50	0.00	122.00	0.00	327.96	0.00	3,042.06		
								617.87	15.23	2,048.84	3,657.79	DD
								476.53	0.00	3,042.06		
93	MYRON E SEIB	07/28/2022	6204	6,131.04	0.00	115.00	0.00	698.96	27.75	1,405.73	4,026.35	DD
								465.41	0.00	2,572.31		
99	KEVIN A BRADSTREET	07/28/2022	6205	4,393.34	0.00	96.00	0.00	476.13	35.13	1,288.40	2,628.81	DD
								337.11	0.00	1,559.41		
108	MARK R MCCULLOCH	07/28/2022	6206	3,460.16	0.00	88.00	0.00	1,126.01	23.22	796.88	1,537.27	DD
								261.10	0.00	1,835.20		
117	LEIGHTON J AYERS	07/28/2022		4,382.13	0.00	94.50	0.00	404.74	16.03	972.49	3,004.90	
			6207					328.00	0.00	2,923.71	150.00	DD
											2,854.90	DD
129	STACEY L FOOS	07/28/2022	6208	113.40	0.00	7.00	0.00	0.00	0.00	8.67	104.73	DD
								9.58	0.00	0.00		
130	ANN MARIE JENNINGS	07/28/2022	6209	2,420.00	0.00	88.00	0.00	434.58	8.64	462.26	1,523.16	DD
								172.54	0.00	2,108.93		
131	DIANA F KUHLMAN	07/28/2022	6210	2,615.10	0.00	92.50	0.00	439.28	13.33	446.48	1,729.34	DD
								195.35	0.00	1,633.42		
132	DELLON R SHELTON	07/28/2022	6211	4,414.30	0.00	122.00	0.00	172.56	1.75	1,328.65	2,913.09	DD
								335.17	0.00	1,153.74		
134	SCOTT A BRIAND	07/28/2022	6212	2,086.94	0.00	91.50	0.00	264.20	3.00	318.44	1,504.30	DD
								148.61	0.00	1,992.39		
135	BLAKE T MCVICKER	07/28/2022	6213	5,277.87	0.00	106.00	0.00	884.88	3.30	1,545.76	2,847.23	DD
								401.34	0.00	1,395.84		
Grand Total:				\$ 174,529.89	\$ 0.00	3,850.75	\$ 0.00	\$ 23,211.99	\$ 1,278.54	\$ 43,170.93	\$ 108,146.97	
								\$ 13,146.80	\$ 0.00	\$ 100,832.92		



SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING – JULY 13, 2022

Special Guest: Rebecca Swender, representing Senator Roger Marshall

ICARE

2022 Rate Study

Sunflower and Power System Engineering staff gave further updates on the 2022 Rate Study to proactively assess rates to ensure that they reflect the total cost of capacity. Cost of Service Study results show that a modest realignment in rates may be needed.

Options discussed this month included splitting the recovery of Demand costs between coincident peak (CP) and non-coincident peak (NCP) and a four coincident peak (4CP). For CP to be an economically efficient price signal, it must be set appropriately: reflect long-run marginal cost of capacity; be relatively stable; be transparent; and be updated annually. Staff analyzed CP Demand costs at \$4 and \$8, compared to the current \$11 average. The difference would be recovered in the NCP Demand charge. The CP + NCP approach would stabilize revenue and margins by recovering a portion of fixed costs in the NCP versus CP; by giving a better price signal to discourage Distributed Generation or peak shaving; and by addressing volatile loads, such as pumping stations. Pass-thru retail would experience a cost change between -0.5 to 3%.

A 4CP approach would convert the existing seasonal 12CP to summer 4CP for the months of June through September (thus driven by summer versus average CP). Using a 4CP approach causes summer loads to shoulder more costs, equating to \$26.61 per kW during the four summer months.

Sunflower staff, in conjunction with Power System Engineering, will continue to model rate structures and options, particularly those posed during Board discussion.

CURRENT ACTIVITIES

Sunflower New Board Member Orientation

New Board Member Orientation is scheduled for Tuesday, September 20, at 1 p.m. in the Hays Boardroom.

December Board Strategy Session

The December Board Strategy Session will focus on Objective P11: Evaluate, Enable, Integrate, and Leverage Edge of Grid Technologies. A presentation will be made by Joe Brannan, CEO, and Amadou Fall, COO, of North Carolina Electric Membership Corporation. The presentation will describe the steps taken over multiple years by the North Carolina Electric Membership Corporation to get in its current position.

Information and data, as well as how they are collected and shared, are key enablers for the reliable integration of the multiple types of behind-the-distribution-meter activity expected over the next decade. Sunflower staff have been working with 1898 & Co. to identify the best data collection approach. The goal is to analyze, define and prioritize goals or needs of each Member

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and use the program to evaluate the Member impact of emerging technologies. Cost for the program has been identified within the existing 2022 Technology Services budget.

Sunflower/Member Project Interaction

The process map for Sunflower and Member interaction on Member projects identifies points in the project process that require Sunflower and Member alignment and agreement. The goal is to identify and close gap between the current state and the project interaction the Members want to see. Over a period of months, the Members and Board have been asked to discuss points within the process requiring Sunflower and Member alignment and agreement.

This month, the use of outside vendors to supplement Sunflower staff, particularly on Member projects, was discussed. Sunflower saw an increased need for outside vendors, equating to 50 full-time employees, from 2007 through 2018 when transmission projects quadrupled. Since Member load is on the upswing, Sunflower may again see a need for increased use of outside vendors. The Board and staff had in-depth discussion on when and how to utilize contractors and consultants to best support the system.

This fall, Members will be sent a survey to get feedback on Sunflower/Member Project Interaction, which will be discussed at the December Strategy Session to identify gaps that might suggest strategic changes need to be made in the Sunflower/Member Project workflow.

Sunflower Members' Conference

The 2022 Members' Conference is scheduled for Nov. 15 at FHSU for 9 a.m. to 4 p.m. A survey will be sent soon to get Member feedback on topics.

PRESIDENT'S REPORT

Operations

FD4 was placed in service by Southwest Power Pool last week in response to high regional electric load forecasts combined with a significant heat wave across the region and low forecasts for wind production. The unit was operating at low load steady-state conditions on Thursday, July 7, when the unit experienced an automatic generator trip associated with low excitation voltage. Field tests indicated a fault within the generator rotor. This type of fault requires disassembling the generator to remove the rotor and then removing the rotor retaining rings to conduct more detailed inspections of the rotor.

To complete the work, the rotor will ship to a location on the East Coast. While the rotor is out of the machine, a complete battery of tests and inspections will be completed on the FD4 generator stator as part of the synchronous condenser conversion.

Power Supply & Delivery

The Business Strategy Report can be found in the Confidential Board Documents library on BoardPaq. This monthly report includes the monthly and twelve-month ECA graphs showing the Sunflower ECA, budgeted ECA, and variance. In particular, this report shows how Sunflower's units hedge against market prices.

Crypto Currency Mining and Other New Load Update

Accredited generation capacity across the SPP footprint is becoming scarcer and thus more valuable due to changing supply adequacy rules and resource retirements. Therefore, the SPP is implementing new rules associated with supply adequacy requirements that will impact the following: Effective Load Carrying Capability (ELCC) accreditation methodology for renewable resources; Unforced Capacity (UCAP) accreditation methodology for fossil fuel resources;

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seasonal supply adequacy requirements; and updated Planning Reserve Margins (PRM). The estimated combined impact on Sunflower's capacity during the next six years is a reduction of 169 MW.

Based on 2021 data, Sunflower can likely control up to 100 MW of new interruptible load without impacting annual peak while keeping total curtailment periods to less than 3% of total annual time. Registering as a Distributed Demand Resource and allowing the market to dispatch the load based on economics identified in an offer curve might be attractive to loads like crypto, but Sunflower does not currently have a way to pass real-time market pricing through to individual customers. In addition, curtailment for reliability purposes has many challenges. Staff discussed three options for mitigating capacity obligations associated with curtailable load: Demand Response Program with SPP control; Demand Response Program with Sunflower control; Sunflower control with Adjusted Peak forecast only (no identified Demand Response Program).

Any new crypto load on the Sunflower system from this point forward needs to be interruptible, and staff recommended Sunflower control curtailment for all new crypto loads up to 100 MW. For crypto loads added after Sunflower reaches 100 MW of aggregate crypto load, there is a risk of added capacity obligations if Sunflower does not increase curtailment above 3%.

Sunflower staff met with Member staff to identify the location and size of potential new loads. Five probable crypto loads were identified, along with three speculative crypto loads. To avoid triggering transmission upgrades resulting in Notices to Construct by SPP, Sunflower transmission planners are studying the speculative loads in aggregate with probable loads to be strategic where new crypto loads are added (thus maximizing the benefit of new load revenue while minimizing risk of stranded costs).

Infrastructure Services

The current EMS/SCADA system allows for recovery from single and/or multiple device failures, as well as system "online" 24/7 monitoring and Critical Infrastructure Protection compliance needs. However, due to recent and current industry cyber activity and attacks, a different type of backup or restoral solution is needed.

Staff explained the EMS/SCADA "Gold Copy" Veritas system as an offline or disconnected backup copy of system data isolated in the event of an encryption (ransom) or data wiping event. The Veritas system allows for the following: automatic backup verification, validation, and versioning; extensive network and power redundancy; and removable data devices (USB hard drives). Next steps include continued and periodic testing of backups and data integrity and installing additional data and device capacity as needed. Staff will manage future dissemination of the "Gold Copy" solution to other Technology Services systems and applications as needed.

Corporate Services

NRECA pension statements review will occur in August, and the KECHIT renewal meeting is scheduled for Aug. 9 at 10 a.m. via MS Teams.

Sunflower Union negotiations are scheduled from July 26 thru July 28, commencing with bargaining training.

Sunflower participates in Taproot, a software investigation program, as part of the safety improvement culture. Some Members have inquired about the possibility of a price discount if they decide to employ the program. Sunflower will host a demonstration of Taproot via MS

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Teams on July 21 at 3 p.m. Members are encouraged to let Will Wylie know if they are interested in joining the demonstration.

Financial

Due to the July Board meeting being held a week earlier than normal, financials were not available. June financials will be posted to Boardpaq when available.

NRECA Regional Meeting

Board action: The Sunflower Board selected Steve Epperson as delegate and Bruce Mueller as alternate for the NRECA Regional Meeting in October.

Richard McLeon

From: Kansas Electric Cooperatives, Inc. <kec@kec.org>
Sent: Wednesday, August 3, 2022 1:02 PM
To: Richard McLeon
Subject: Summary of the KEC Summer Meeting and Board Meeting



Summary of the KEC Summer Meeting and KEC Board Meeting, held Aug. 1 at the Marriott Kansas City Overland Park in Overland Park, Kansas.

In official action at the **KEC Board Meeting**, the KEC Board

1. **Approved a new cybersecurity position at KEC, as recommended by the Cybersecurity Committee.** This position will assist KEC member cooperatives with cybersecurity initiatives.
2. **Restated the Retirement Security (RS) Plan and 401(k) Pension Plan.** These plans are reviewed under a five-year restatement schedule outlined by the IRS. Restatement does not change the existing provisions.
3. **Approved a \$1,000 contribution to the CFC Integrity Fund.**
4. **Approved the Management Evaluation Committee Report.**

KEC Board members were given a finance report through June 2022, heard a Cybersecurity Committee Report, discussed development of a KEC orientation program for new trustees, and reviewed other matters.



KEC Summer Meeting Highlights

KEC held the 2022 Summer Meeting on Monday, Aug. 1, at the Overland Park Marriott.

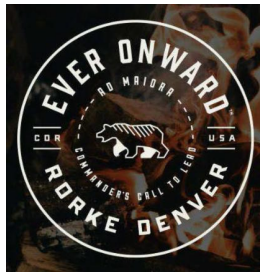
The event led off with remarks and an update on state issues from **Kansas Attorney General Derek Schmidt**. He discussed regulatory reform matters and rural development opportunities. Next was a discussion of FERC Order 2222 by Sunflower's **Corey Linville**.

NRECA's **Henry Cano** reviewed the concepts, trends, and strategies of data analytics, and encouraged the cooperatives to develop a data strategy to be successful in data management.

Barbara Sugg, president and CEO of the Southwest Power Pool, shared the background and discussed the mission statement of the SPP. She reviewed the last 10 years of RTOs and highlighted both the challenges and opportunities of wind resources.

KEC's Doug Shepherd then moderated the electrification transportation panel that featured **Keith Dennis**, The Beneficial Electrification League; **Tami Alexander**, Kansas Department of Transportation (KDOT), and **Brian Sloboda**, NRECA. Dennis shared his thoughts on the importance of positive messaging and transparency when developing a marketing plan as we move toward electrification of transportation. Alexander discussed challenges regarding charging stations and locations, and she added Kansas' approach to the National Electric Vehicle Infrastructure Formula Program. Sloboda shared policies and resources specific to the electric cooperative industry.

The luncheon included a leadership presentation by **Navy SEAL Commander Rorke Denver**. He shared lessons he's learned from training with the SEALs to teach leadership, change management, and teamwork.



To learn more about the Ever Onward community and to receive the Commander's Coffee emails, please text **EVERONWARD** to **33777** and provide your email address to subscribe.

He invited the attendees to [sign up](#) for his "Commander's Coffee" emails.

Lee Tafanelli, KEC CEO, moderated a cybersecurity panel that featured **Dave Young**, Kansas Homeland Security Office; **Bill Glynn**, Kansas Intelligence Fusion Center; and **Ryan Newlon**, NRECA. Glynn reviewed what co-ops need to do to prepare for a cybersecurity attack and discussed real-life ramifications after a cybersecurity attack. Young stressed why cybersecurity needs to be included in cooperatives' business continuity plans. Newlon shared what NRECA is doing to collectively help co-ops tap into government funding initiatives and how co-ops leverage cybersecurity training opportunities.

Chris Hamon, CEO of White River Valley Electric Cooperative, shared a video and discussed current activities of the NRECA International Program. During the **KCRE update**, co-ops reaching the gold, century, and president's level through KCRE contributions were honored.

Attendees heard updates from CFC and Federated Rural Electric Insurance Exchange. There were also pre-recorded presentations from several of the platinum-level sponsors. Returning this year was the **vendor trade show** on Aug. 1. Attendees had the opportunity to visit with these industry partners in the main hallway outside of the meeting rooms.

Also on Aug. 1, the spouses program featured household organization tips with **Shawna Childers** of Organizing KC and a presentation by **Jessica White** of Wander Woman Outdoors.

Prior to convening the summer board meeting, directors had several training options on July 30 and 31. John Penry facilitated both the **2640 Financial Decision Making** and the **958.1 Succession Planning: Developing the Purpose-Driven Organization**. Mary McLaury facilitated the **944.1 Giving and Receiving Effective Feedback**. There were also two half-day courses offered. Power System Engineering's Elena Larson led a **rate design workshop**, and Navy SEAL Commander Rorke Denver led a **leadership workshop**.

Links to photos and presentations



Above: KEC receives grant monies from CFC and NCSC during the KEC Summer Meeting. From left: Lee Tafanelli, Bruce Mueller, Teresa Miller, Mike Lewis, and Mark Snowden. [View the photos](#) from the KEC Summer Meeting.

Summer Meeting presentations and materials can be downloaded from the [KEC Members-Only site](#).

Upcoming KEC Meetings

Oct. 5-6, 2022 Marriott,
Wichita

December 7-8, 2022 Marriott,
Wichita

**Thank you to
our 2022
Summer
Meeting
Platinum
Sponsors**



8. General Manager's Report

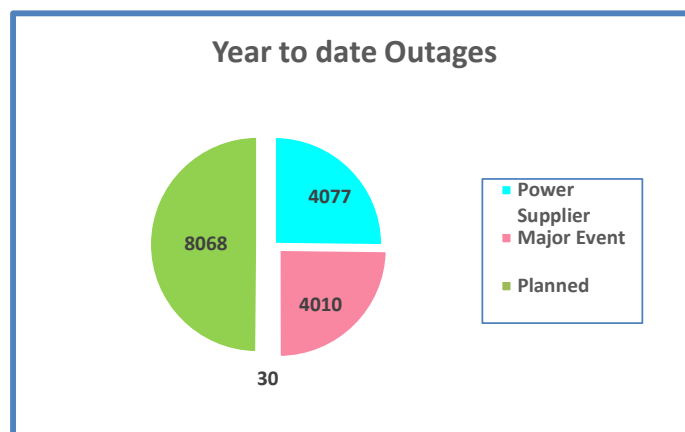
A. Rates and Reliability Dashboard

Rate Summary -June 2022	current month (\$/kWh)	year to date (\$/kWh)	ytd '17-21 avg. (\$/kWh)	
Residential	0.1279	0.1323	7.5%	0.1224
Residential - Seasonal	0.2354	0.2266	12.2%	0.1990
Irrigation	0.0935	0.0903	2.0%	0.0885
C&I 1000kVa or less	0.1189	0.1135	5.0%	0.1078
C&I over 1000 kVA	0.1071	0.1056	-2.5%	0.1083
Public Street and Lighting	0.1476	0.1402	8.9%	0.1278
Other Sales to Public Authorities	0.1423	0.1412	-4.4%	0.1474
Sales for Resale - Other	0.0940	0.0748	-9.5%	0.0819
Total Sales price per kWh:	0.1129	0.1110	2.3%	0.1085

Total YTD Energy Sales (kWh) are 6.76% above 2021 and 9.47% above the 5-year average.
Total YTD Energy Sales (\$s) are 4.51% above 2021 and 12.73% above the 5-year average.

July 2022			
SAIDI	2.80	Interruption DURATION / average for every member (hrs)	
SAIFI	1.12	Interruption FREQUENCY / Average # of Interruptions per customer	
CAIDI	2.50	Customer Avg Interruption Duration Index - IF you are out, how long (hrs).	
ASAI	99.97%	Service Availability	

YTD number of customer interruptions are 6,679 with 632 in July.



B. LSEC Annual Meeting Report

- 1) John Ross estimated we served near 400 people at the Annual Meeting.
- 2) Quorum required 50 members. There were 203 members + their guests counted.
- 3) Electronic registration and quorum reporting worked great, that combined with allowing people to go through the lines as they arrived, and two lines worked great for avoiding line congestion.

- C. The Credit Card records are available for the Boards review.
- D. Operations Report. (The full report is in the Supplemental Reports)
- Maintenance
Changed out OCR's for KEC to rework.
Retire idol services.
Relocated regulator station from South Drylake circuit to Drees circuit.
Adjust regulators for better voltage north of Healy.
Tap up transformers on Mike Yorks irrigation.
Trim trees south of Grigston, Healy, and Gary McBee's.
 - Pole Change Outs
Changed out bad poles found by pole testers in Ness Co.
Changed out poles for clearance improvements at Ness City Cemetery, Hineman 3 phase, Healy Cemetery, northeast of Dighton and Finney Co.
Converted V phase to 3 phase south of Dighton.
 - New Connects - 6
 - Other
Worked on information for the BRIC grant project.
Worked on closing open work orders.
Federated Insurance accident investigation training.
- E. Financials - June
- 1) Wholesale Power Costs were \$297,688 above last month. This is 16% above the June Average and 23.8% above last month. This reduced our distribution revenue to \$373,701 or \$65,331 below the 10-year average.
 - 2) Income Statement (June)
 - a. Total Operating Margins are \$-85,203.
 - b. Total Margins are \$16,705.
 - c. Non-operating margins showed a gain of \$30,981 for the month and \$51,836 YTD.
 - 3) Balance Sheet.
 - a. Assets and Debits balance at \$64,828,213. Cash Balances remain strong at \$5,558,605.
 - b. Equity remains stable with Equity as a percent of Assets at 37.83% and Equity as a percent of Capitalization is 40.00%.
 - c. Our Cash to Debt ratio is 16.38% and the current ratio is 1.64.
 - 4) Inventory. I confirmed that all inventory is entered when received and removed from inventory when sold.

Respectfully submitted,

Richard McLeon, MBA
General Manager

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION KS0042
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	PERIOD ENDED June 2022
	BORROWER NAME The Lane-Scott Electric Cooperative, Inc.
INSTRUCTIONS - See help in the online application.	

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION	
We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.	
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.	
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII (check one of the following)	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.
Richard McLeon	7/20/2022
	DATE

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	8,533,161	9,423,788	9,395,258	1,717,150
2. Power Production Expense				
3. Cost of Purchased Power	5,024,915	5,936,473	5,347,652	1,343,449
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	425,134	432,076	657,848	65,693
7. Distribution Expense - Maintenance	499,769	618,065	502,498	89,775
8. Customer Accounts Expense	77,611	119,830	113,695	21,873
9. Customer Service and Informational Expense	34,272	28,599	25,299	6,375
10. Sales Expense	18,551	34,580	33,011	4,809
11. Administrative and General Expense	580,986	759,061	681,372	116,587
12. Total Operation & Maintenance Expense (2 thru 11)	6,661,238	7,928,684	7,361,375	1,648,561
13. Depreciation and Amortization Expense	918,166	935,557	847,365	156,641
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	663,226	636,906	603,210	106,921
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	74	144	0	37
19. Other Deductions	5,756	7,700	21,625	1,315
20. Total Cost of Electric Service (12 thru 19)	8,248,460	9,508,991	8,833,575	1,913,475
21. Patronage Capital & Operating Margins (1 minus 20)	284,701	(85,203)	561,683	(196,325)
22. Non Operating Margins - Interest	101,181	26,003	99,999	7,288
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(96,613)	51,836	13,750	30,981
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	21,597	24,069	20,000	0
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	310,866	16,705	695,432	(158,056)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			KS0042		
			PERIOD ENDED		
INSTRUCTIONS - See help in the online application.			June 2022		
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	22	42	5. Miles Transmission		
2. Services Retired	24	39	6. Miles Distribution – Overhead	2,035.37	2,038.73
3. Total Services in Place	6,040	6,056	7. Miles Distribution - Underground	7.66	7.66
4. Idle Services (Exclude Seasonals)	238	275	8. Total Miles Energized (5 + 6 + 7)	2,043.03	2,046.39
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	59,484,204		30. Memberships	0	
2. Construction Work in Progress	1,776,442		31. Patronage Capital	23,100,305	
3. Total Utility Plant (1 + 2)	61,260,646		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	20,121,364		33. Operating Margins - Current Year	(85,202)	
5. Net Utility Plant (3 - 4)	41,139,282		34. Non-Operating Margins	1,300,898	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	209,953	
7. Investments in Subsidiary Companies	230,143		36. Total Margins & Equities (30 thru 35)	24,525,954	
8. Invest. in Assoc. Org. - Patronage Capital	12,033,900		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	32,543,922	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	221,958		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	5,666,291	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	2,922,973	
14. Total Other Property & Investments (6 thru 13)	12,936,963		43. Total Long-Term Debt (37 thru 41 - 42)	35,287,240	
15. Cash - General Funds	81,937		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	100		45. Accumulated Operating Provisions and Asset Retirement Obligations	0	
17. Special Deposits	25		46. Total Other Noncurrent Liabilities (44 + 45)	0	
18. Temporary Investments	5,476,543		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	1,576,713	
20. Accounts Receivable - Sales of Energy (Net)	1,714,209		49. Consumers Deposits	111,837	
21. Accounts Receivable - Other (Net)	315,892				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	2,369,701	
23. Materials and Supplies - Electric & Other	491,198		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	64,127		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	101,226		53. Other Current and Accrued Liabilities	956,768	
26. Total Current and Accrued Assets (15 thru 25)	8,245,257		54. Total Current & Accrued Liabilities (47 thru 53)	5,015,019	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	2,506,711		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	64,828,213		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	64,828,213	

2022-Line 25 - Non-Operating Margins

		January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	
Rev.-Electrician & Mat.	415.1	\$41,610.26	\$39,180.92	\$58,583.01	\$294,540.62	\$79,209.01	\$107,129.85							\$620,253.67	415.1
Exp.-Electrician & Mat.	416.1/1.11	\$44,296.05	\$40,880.21	\$51,002.11	\$270,371.75	\$71,541.70	\$73,861.66							\$551,953.48	416.1/1.11
		(\$2,685.79)	(\$1,699.29)	\$7,580.90	\$24,168.87	\$7,667.31	\$33,268.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$68,300.19	
Rev.-Appliance Repair	415.2	\$13,226.33	\$35,074.50	\$11,957.94	\$16,282.17	\$25,711.15	\$4,588.18							\$106,840.27	415.2
Exp.-Appliance Repair	416.2/2.1	\$28,823.68	\$28,034.21	\$20,145.35	\$23,972.95	\$19,638.93	\$9,216.82							\$129,831.94	416.2/2.1
		(\$15,597.35)	\$7,040.29	(\$8,187.41)	(\$7,690.78)	\$6,072.22	(\$4,628.64)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$22,991.67)	
Rev.-Member Damages	415.3	\$0.00	\$315.00	\$0.00	\$0.00	\$0.00	\$3,349.27							\$3,664.27	415.3
Exp.-Member Damages	416.3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,226.05							\$1,226.05	416.3
		\$0.00	\$315.00	\$0.00	\$0.00	\$0.00	\$2,123.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,438.22	
Finance Charges	415.5	\$144.44	\$214.36	\$94.92	\$299.78	\$170.55	\$217.99							\$1,142.04	415.5
MARGIN-Retail		(\$18,138.70)	\$5,870.36	(\$511.59)	\$16,777.87	\$13,910.08	\$30,980.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48,888.78	
Misc. Income	421.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							\$0.00	421.0
Gain on Disposal	421.1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							\$0.00	421.1
Loss on Disposal	421.2	\$0.00	\$0.00	\$0.00	\$2,947.17	\$0.00	\$0.00							\$2,947.17	421.2
NET NON-OP MARGIN		(\$18,138.70)	\$5,870.36	(\$511.59)	\$19,725.04	\$13,910.08	\$30,980.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$51,835.95	

Current Month				YTD Total			
Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev
Kalo	154.5	38.5	\$ 85.00 \$ 3,272.50	803	333.5	\$ 85.00 \$ 28,347.50	
Michael	150	36	\$ 85.00 \$ 3,060.00	899	229	\$ 85.00 \$ 19,465.00	
Mark	43	142	\$ 85.00 \$ 12,070.00	726.5	385.5	\$ 85.00 \$ 32,767.50	
	347.5	216.5	\$ 18,402.50	2428.5	948	\$ 80,580.00	

61.61%

71.92%

11. a. Board Policy 508 Job Training, Safety, and Loss Control

Earlier this year after discussing a disciplinary action with an employee regarding a safety accident, the Board directed the General Manager to research and propose revisions to Board Policy 508. Following that meeting, the GM reached out to the Safety Committee and began reviewing and preparing amendments for the Boards consideration.

The proposed Board Policy 508 has revisions throughout. Key amendments include:

- 1) Expansion of the “training” portion of the Policy. These include expansion to include all employees, employee professional development, and identifying roles and responsibilities for training and record retention.
- 2) Updating and defining various responsibilities for Safety and incident reporting.
- 3) Removal of specific responsibilities for disciplinary action and enforcement. The policy put much of the disciplinary action in the hands of the Safety Committee and defined a specific process. The amendment requires the Safety Committee to review every potential Safety incident and present their findings to the General Manager.

The Safety Committee and the General Manager request the Board approved Board Policy 508 Job Training, Safety, and Loss Control as amended.

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022
Supersedes: January 9, 2017
November 22, 2004
July 23, 2001
June 26, 1995
July 26, 1993
January 17, 1992
September 26, 1977

Policy No.: 508

SUBJECT: Job Training, Safety & Loss Control

OBJECTIVE:

The purpose of this policy is to provide for the protection of human life and the conservation of property belonging to the cooperative and others from accidental damage or destruction. Additionally, to provide for the promotion and availability of safety and professional development and training.

POLICY:

I. GENERAL MANAGER'S RESPONSIBILITIES

- A. The General Manager is hereby authorized and directed to have at least monthly, a meeting of all available employees in which safe working practices, conditions, and the use and care of safety equipment are discussed.
- B. The General Manager is also authorized to encourage and motivate all Supervisory employees to devote the maximum time available to training so that all employees might achieve maximum competence in their work.
- C. The General Manager is also authorized to acquire any safety tools and/or equipment necessary to protect the health, safety, and wellbeing of employees, ~~consumers members~~, and the ~~general~~ public.
- D. The General Manager is hereby authorized to reasonably adopt and implement safety rules including but not limited to those outlined in the Kansas Electric Cooperatives Safety Manual.
- E. The General Manager is also authorized to promulgate any operational policies and procedures necessary for complete compliance with this policy.
- F. The General Manager is authorized and directed to implement ~~this Job Training~~ employee job training, professional development, and the Apprenticeship Programs. ~~as adopted by the Board of Directors~~ and to assure that every qualified employee can attend training appropriate to their job function.
- G. ~~It shall be the responsibility of the General Manager to administer this policy. The General Manager is to report monthly to the Board of Directors Trustees on the status of the implementation of this policy and the overall safety performance of the Cooperative.~~
(MOVED)

~~II. GENERAL MANAGER'S SAFETY RESPONSIBILITIES AND DUTIES~~

- A. Implement, and actively support, the Job Training, ~~and~~ Safety, and Loss Control Policy of

- the Board of ~~Directors.Trustees. and related activities.~~
- B. Hold all levels of management accountable for safety performance.
- C. Participate in safety meetings as required.
- D. Review all Supervisor Investigation Reports and take appropriate action.
- E. Actively promote electrical safety among the ~~consumers members~~ and the ~~general~~ public.
- ~~F. Actively support the Job Training, and Safety, Program related activities.~~
- G. Assure that all applicable local, state, and federal regulations are ~~complied with followed.~~
- ~~H. Review the system's safety performance and report monthly to the Board of Directors.~~

III. SAFETY COORDINATOR'S RESPONSIBILITIES AND DUTIES

- A. The Safety Coordinator may be a full-time or additional duty as necessary.
- B. The Safety Coordinator has the responsibility and necessary authority to oversee to Safety Program of the Cooperative and reports directly to the General Manager in their safety coordinator capacity.
- C. Recommend additional safe operating rules and procedures for the Cooperative and regularly evaluate and recommend necessary changes to existing rules and procedures.
- D. Assist in the evaluation of public liability exposures and their control.
- E. Assist the Loss Control & Safety Instructor in conducting scheduled meetings at the Cooperative. Suggest the type of programs which would be most beneficial to all employees of the cooperative.
- F. Coordinate safety and training meetings to supplement the programs presented by the Loss Control & Safety Instructor.
- G. Coordinate technical and other professional development training and programs.
- H. Update and Maintain employee training records and files.
- I. Coordinate post-accident employee drug testing with the cooperative HR Coordinator.
- J. Prepare or have a member of the Cooperative Safety Council prepare a monthly Training and Loss Control & Safety Activity Report for the General Manager to present to the Board of Trustees.
- K. Maintain a working relationship with representatives of the insurance carrier. Cooperate with the insurance carrier's safety consultant in analyzing the Cooperative's exposure to loss and recommending corrective action and controls.
- L. Supply the KEC Loss Control & Safety Advisory Committee with suggestions for strengthening the Loss Control & Safety Program.
- M. Coordinate the effort toward achievement of NRECA ~~Safety Accreditation~~ Rural Electric Safety Achievement Program (RESAP) and/or similar endorsements.
- N. Assure that accident statistics, including recordable injuries, lost time days, and man-hours worked are maintained and submitted to the appropriate agency.
- O. Administer the Lineman's Apprenticeship Program.

IV. SUPERVISOR'S SAFETY RESPONSIBILITIES AND DUTIES

- A. The immediate job of preventing accidents and controlling work health hazards falls upon the Supervisor. Any employee who directs the work of others is a Supervisor.
- B. Provide leadership in safety and assure employees are available for training opportunities.
- C. Enforce the safety rules and safe working practices as adopted by the Cooperative.
- D. Inspect tools, work area, apparatus, and equipment frequently and take prompt action so that faulty or defective equipment is repaired or replaced.
- E. Observe work areas and barricade or restrict those which are hazardous to employees, other workmen, ~~consumers members~~, or the ~~general~~ public.
- F. Be certain that she/he clearly understands the work that is to be done and that their

subordinates understand their individual duties.

- G. **Operation Supervisors will** Hold adequate "tailgate conferences" before the start of each job, large or small, to ensure all affected personnel understand clearly how the work is to be done.
- H. Exercise close supervision over work, especially in hazardous situations. All hazards are to be pointed out and proper protective measures taken to enable the work to be performed safely and efficiently. Be alert for hazards which may develop as the work progresses.
- I. Train new or inexperienced employees being sure to pay particular attention to their work and observing it closely. Whenever possible, assign an experienced employee to work with a new employee so that they may learn to work safely as a habit.
- J. Assign the more difficult and hazardous work to the competent, experienced person.
- K. Report all accidents promptly after making certain that the injured employee has received the proper medical attention.
- L. Investigate immediately each incident and forward the proper report form to the General Manager.
- M. Each Supervisor at each level of supervision will make certain that the employees under him/her perform their work in the manner specified. The Supervisor will be held responsible for the safety and welfare of the employees under **his their** supervision.

V. EMPLOYEE'S RESPONSIBILITY

- A. Employees share with the management, Safety Coordinator, and Supervisors the responsibility for their personal safety, the safety of their fellow worker, and the **general** public.
- B. It is the responsibility of each employee to know, understand, and follow the safety rules of the **KEC Lane-Scott Electric Cooperative, Inc.** Safety Manual which apply to the work they perform.
- C. **Each employee will have the opportunity, but not the obligation, to attend professional development training.**
- D. Each Employee Shall:
 - 1. Follow all safety rules and other applicable orders or procedures.
 - 2. Report all hazardous conditions and unsafe tools or equipment to his/her Supervisor, or the cooperative Safety Coordinator.
 - 3. Promptly report all accidents and injuries regardless of severity **to their Supervisor, the cooperative Safety Coordinator, or the cooperative HR coordinator.**
 - 4. Use all protective devices provided by the cooperative that apply to and are required for the job at hand.

VI. COOPERATIVE SAFETY COUNCIL - moved

- A. There shall be a Cooperative Safety Council consisting of three persons – one lineman designated as the Safety Coordinator (selected by the General Manager) whose duties will be combined with one of the office positions, one office employee designated as the Safety Compliance Administrator (selected by the General Manager) to maintain records, and one outside employee. The outside employee shall be elected by employees of the cooperative.
- B. All employees, except those holding a Staff Position, shall be eligible to vote for the position to be filled by election.
- C. No person holding a Staff Position will be eligible for election to the Cooperative Safety

Council.

- D. The term of office of the elected members of the Cooperative Safety Council shall be for three years through the employee safety meeting for the month of January following their election. There may be one new member elected each year. The members shall move through the officer's chairs beginning as secretary, ~~and~~ after having served as chairman of the Safety Council for one year, shall retire from the committee, and shall not be eligible for re-election for at least one full year. The position of Safety Compliance Administrator may not change annually, as this position is responsible for record retention and assisting with compliance procedures.
- E. If a vacancy occurs during the term of such office, then the vacancy shall be filled by an election by all eligible employees at the next regular monthly employee safety meeting. Such election, to fill a vacancy, shall be to fill the unexpired term of office.
- F. Each person on the Cooperative Safety Council shall have one vote.
- G. The Cooperative Safety Council shall have the responsibility to conduct the monthly safety meeting of the employees and to assist the Safety Coordinator with the program to meet the safety education and safety training needs of the employees of the cooperative, to provide a means whereby safety problems and recommended solutions can be brought to the attention of all employees and management, and to provide for adherence by employees to the safety procedure and policies adopted from time to time by the Cooperative.
- H. The Cooperative Safety Council shall meet as often as necessary, between the regularly monthly employee safety meetings, to adequately perform the duties of such council. They shall meet at the call of the Chairman or of the Safety Coordinator working with the Chairman.

VII. SUPERVISOR'S INCIDENT INVESTIGATION

- A. It is the responsibility of the staff person for whose department the injured person works to investigate and complete the Supervisor's Investigation Report within 24 hours following an incident. An incident is defined as any unexpected event that interrupts or interferes with the orderly progress of the production activity or process. This includes a "near miss", property damage, or an injury.

DISTRIBUTION OF THIS REPORT SHALL BE AS FOLLOWS:

- 1. One copy to the General Manager to be reviewed, signed, and forwarded to the Safety Coordinator.
 - 2. One copy to central file.
- B. Prevention of reoccurrence is the purpose of the investigation and report. It should be concise and should avoid finding fault with individuals. Vague, general descriptions or causes such as "carelessness" should be avoided. The first-line Supervisor is in the best position to understand the real causes of an accident or incident. Eliminating them will benefit him or her by providing safe working conditions for all workers while improving the efficiency of the crew.

VIII. DISCIPLINARY ACTION AND ENFORCEMENT ON ALL EMPLOYEES

- A. Safety is everyone's business. ~~and this section is to ensure reasonable adherence to all safety rules but is in no way intended as a deterrent.~~ Noncompliance with safety rules

will be subject to disciplinary action up to and including immediate termination.

- B. The Safety Council will review every potential safety violation and incident investigation within thirty (30) days of occurrence and determine if a safety violation occurred. The Safety Council will present their findings to the General Manager.
- C. ~~Flagrant noncompliance with these safety rules or repeated violation shall be dealt with as herein outlined. Noncompliance with safety rules will be subject to disciplinary action up to and including immediate termination.~~
- D. ~~Flagrant noncompliance or violation of safety rules shall be reported by safety inspectors, safety directors, and the Cooperative Safety Council as well as all employees. If in the judgment of any of the above, flagrant noncompliance or repeated violations are occurring or a major violation has occurred, safety directors or the Cooperative Safety Council shall take such action as deemed necessary including but not limited to the following:~~
 - 1. ~~First offense — a letter of reprimand will be written by the safety coordinator or a member of the Cooperative Safety Council to the offender with a copy to go into the offender's personnel file.~~
 - 2. ~~Second offense — The safety coordinator or a member of the Cooperative Safety Council may direct and so order that the repeat offender be suspended from work without pay for two days.~~
 - 3. ~~Third offense — The safety coordinator or a member of the Cooperative Safety Council may direct and so order that the repeat offender be suspended from work without pay for one week.~~
 - 4. ~~Fourth offense — Upon the fourth offense the offender's case will be reviewed in detail by the Cooperative Safety Council as soon as possible after commission and it may result in the Cooperative Safety Council determining that the offender should be terminated from employment by the cooperative and same will be done.~~
 - 5. ~~All recommendations by the Cooperative Safety Council shall be given to the General Manager for approval or disapproval of their recommendations. The General Manager's decision shall be final.~~
- E. ~~If noncompliance or violation of these safety rules is serious enough, as determined by a two-thirds majority of the Cooperative Safety Council or General Manager, anyone, two or all three steps for first, second and third offenses listed above may be omitted with the next step applied.~~
- F. ~~An employee, if they believe the penalty not to be warranted, may request a hearing before the Cooperative Safety Council. If, after such hearings, the Cooperative Safety Council believes the penalty to be erroneously imposed may recommend to the General Manager the removal of the reprimand from the personnel file, the reimbursement of lost pay under paragraph 2 or 3 or the voiding of the termination of employment. The General Manager's approval or disapproval of the Council's recommendation shall be final.~~

IX. SAFETY EQUIPMENT

- A. The Cooperative will furnish, as needed and appropriate, personal safety equipment, which may include but is not limited to: ~~and without expense to all outside employees,~~ rubber gloves, glove protectors, glove liners, hard hats and liners, raincoats and trousers, industrial type safety eyeglasses (~~see policy #518~~), replacement safety straps, replacement climber gaffs and straps, protective covers for gaffs, and

ergonomic workplace materials.

- B. Additional personal or cooperative safety equipment and/or tools that are recommended by the Safety Council for the improvement of the safety and wellbeing of employees may be approved by the General Manager.

X. JOB TRAINING, PROFESSIONAL DEVELOPMENT, AND APPRENTICESHIP PROGRAM

- A. The Cooperative's greatest asset is the skill and knowledge of its personnel. The future strength and progress of this cooperative is dependent upon the Cooperative's commitment to preserving this asset by developing the skills and knowledge of the work force. ~~The apprenticeship program shall be designed to train lineman in a wide and diverse range of skills and knowledge, as well as maturity and independence of judgment. It shall include planned day-by-day training on the job and experience under proper supervision, combined with related technical instruction.~~ (MOVE)
- B. Job Training and Employee Development. Job Training and Employee Development (collectively called "training") will be made available to every employee.
 - 1. Training opportunities must be relevant and appropriate to the employee's job and present a benefit to the cooperative for participation.
 - 2. All Supervisors will receive regular training on necessary Supervisory skills.
 - 3. All training requests will have the approval of the General Manager.
- C. Safety Training.
 - 1. All employees are expected to attend monthly Safety Meetings unless otherwise excused by their Supervisor for just reason.
 - 2. Safety training will be appropriate for the employees' level of expertise and relevant to their job function.
- D. Lineman Apprenticeship Program
 - 1. The apprenticeship program shall be designed to train lineman in a wide and diverse range of skills and knowledge, as well as maturity and independence of judgment. It shall include planned day-by-day training on the job and experience under proper supervision, combined with related technical instruction.
 - 2. The course of study will be a Credited Rural Electric Association's Apprenticeship Program selected by the General Manager and the Board of ~~Directors~~ Trustees of the Cooperative. The apprentice will be supplied with books, written materials, and lesson guides. The program will be done as a home study course. The apprentice will check out a lesson from the safety coordinator, answer the questions, and return it to the safety coordinator to be graded. Periodic examination will be given over the work completed, and the progress of the apprentice will be determined by his/her grades on the lessons and examinations, as well as his/her on-the-job development. (S)He will be evaluated by ~~the Superintendent, Foreman, their immediate Supervisor, the ranking Operations Supervisor,~~ and the General Manager. The results of these tests and evaluations will determine the apprentice's qualifications for advancement in the apprentice classifications and for final acceptance as a journeyman lineman.
 - 3. A ~~seventy~~ (70) percent or above score on lessons and examinations shall be considered a passing grade. If an apprentice should fail a lesson, she/he must wait three (3) months before resubmitting the lesson. If an apprentice should fail an examination, she/he must wait for six (6) months before taking the test again. If the same lesson or examination is failed a second time, then the apprentice must wait for one year and start over with lesson number one of that same year. However, before

resuming the apprenticeship program, the apprentice must submit a written request to be reinstated to the General Manager, then a review by the Safety Coordinator, ~~Superintendent, Foreman,~~ their immediate Supervisor, the ranking Operations Supervisor, and the General Manager will be conducted. The committee will review the apprentice's general attitude and motivation and will ~~by unanimous decision~~ decide if the apprentice shall be reinstated.

4. The Safety Coordinator, with the assistance of the ~~Superintendent the Apprentices' immediate Supervisor(s), and the ranking Operations Supervisor,~~ shall supervise the training of the apprentices.
5. No employee may qualify for journeyman rating with less than four years of actual work experience in the field.
6. New employees may be given credit for past experience, provided that they can pass the final test for the year they are being credited for by the General Manager (i.e. An apprentice hired as a third year apprentice must be able to pass the 3rd year apprentice final test, etc.).
7. The cooperative will not recognize the advancement of employees to succeeding classifications until the employee shall have met the training requirements of this program. Time spent in classes of related instruction and off-the- job study time shall not be considered as hours of work and shall not be paid for unless the employee is required to attend classes.
8. An apprentice entering this program must be willing to spend the time required to prepare them to become a journeyman. The final responsibility for successful completion of the program rests with the employee.
9. ~~Failure to complete the apprenticeship program may result in a re-assignment of duties if an alternate position exists. Compensation will be commensurate with the new position. If no position exists for which the employee is qualified to fulfill its essential functions, termination may result.~~

XI. RESPONSIBILITY

~~It shall be the responsibility of the General Manager / CEO to administer and enforce this policy and to report monthly to the Board of Trustees on the status of its implementation and the overall safety performance of the Cooperative.~~

ATTESTED _____
Secretary

(seal)

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022

Policy No.: 508

Supersedes: January 9, 2017
November 22, 2004
July 23, 2001
June 26, 1995
July 26, 1993
January 17, 1992
September 26, 1977

SUBJECT: Job Training, Safety & Loss Control

OBJECTIVE:

The purpose of this policy is to provide for the protection of human life and the conservation of property belonging to the cooperative and others from accidental damage or destruction. Additionally, to provide for the promotion and availability of safety and professional development and training.

POLICY:

I. GENERAL MANAGER'S RESPONSIBILITIES

- A. The General Manager is hereby authorized and directed to have at least monthly, a meeting of all available employees in which safe working practices, conditions, and the use and care of safety equipment are discussed.
- B. The General Manager is also authorized to encourage and motivate all Supervisory employees to devote the maximum time available to training so that all employees might achieve maximum competence in their work.
- C. The General Manager is also authorized to acquire any safety tools and/or equipment necessary to protect the health, safety, and wellbeing of employees, members, and the public.
- D. The General Manager is hereby authorized to reasonably adopt and implement safety rules including but not limited to those outlined in the Kansas Electric Cooperatives Safety Manual.
- E. The General Manager is also authorized to promulgate any operational policies and procedures necessary for complete compliance with this policy.
- F. The General Manager is authorized and directed to implement employee job training, professional development, and the Apprenticeship Programs and to assure that every qualified employee can attend training appropriate to their job function.
- G. Implement, and actively support, the Job Training, Safety, and Loss Control Policy of the Board of Trustees. and related activities.
- H. Hold all levels of management accountable for safety performance.
- I. Participate in safety meetings as required.
- J. Review all Supervisor Investigation Reports and take appropriate action.
- K. Actively promote electrical safety among the members and the public.
- L. Assure that all applicable local, state, and federal regulations are followed.

II. SAFETY COORDINATOR'S RESPONSIBILITIES AND DUTIES

- A. The Safety Coordinator may be a full-time or additional duty as necessary.
- B. The Safety Coordinator has the responsibility and necessary authority to oversee to Safety Program of the Cooperative and reports directly to the General Manager in their safety coordinator capacity.
- C. Recommend additional safe operating rules and procedures for the Cooperative and regularly evaluate and recommend necessary changes to existing rules and procedures.
- D. Assist in the evaluation of public liability exposures and their control.
- E. Assist the Loss Control & Safety Instructor in conducting scheduled meetings at the Cooperative. Suggest the type of programs which would be most beneficial to all employees of the cooperative.
- F. Coordinate safety and training meetings to supplement the programs presented by the Loss Control & Safety Instructor.
- G. Coordinate technical and other professional development training and programs.
- H. Update and Maintain employee training records and files.
- I. Coordinate post-accident employee drug testing with the cooperative HR Coordinator.
- J. Prepare or have a member of the Cooperative Safety Council prepare a monthly Training and Loss Control & Safety Activity Report for the General Manager to present to the Board of Trustees.
- K. Maintain a working relationship with representatives of the insurance carrier. Cooperate with the insurance carrier's safety consultant in analyzing the Cooperative's exposure to loss and recommending corrective action and controls.
- L. Supply the KEC Loss Control & Safety Advisory Committee with suggestions for strengthening the Loss Control & Safety Program.
- M. Coordinate the effort toward achievement of NRECA Rural Electric Safety Achievement Program (RESAP) and/or similar endorsements.
- N. Assure that accident statistics, including recordable injuries, lost time days, and man-hours worked are maintained and submitted to the appropriate agency.
- O. Administer the Lineman's Apprenticeship Program.

III. SUPERVISOR'S SAFETY RESPONSIBILITIES AND DUTIES

- A. The immediate job of preventing accidents and controlling work health hazards falls upon the Supervisor. Any employee who directs the work of others is a Supervisor.
- B. Provide leadership in safety and assure employees are available for training opportunities.
- C. Enforce the safety rules and safe working practices as adopted by the Cooperative.
- D. Inspect tools, work area, apparatus, and equipment frequently and take prompt action so that faulty or defective equipment is repaired or replaced.
- E. Observe work areas and barricade or restrict those which are hazardous to employees, other workmen, members, or the public.
- F. Be certain that she/he clearly understands the work that is to be done and that their subordinates understand their individual duties.
- G. Operation Supervisors will hold adequate "tailgate conferences" before the start of each job, large or small, to ensure all affected personnel understand clearly how the work is to be done.
- H. Exercise close supervision over work, especially in hazardous situations. All hazards are to be pointed out and proper protective measures taken to enable the work to be performed safely and efficiently. Be alert for hazards which may develop as the work progresses.

- I. Train new or inexperienced employees being sure to pay particular attention to their work and observing it closely. Whenever possible, assign an experienced employee to work with a new employee so that they may learn to work safely as a habit.
- J. Assign the more difficult and hazardous work to the competent, experienced person.
- K. Report all accidents promptly after making certain that the injured employee has received the proper medical attention.
- L. Investigate immediately each incident and forward the proper report form to the General Manager.
- M. Each Supervisor at each level of supervision will make certain that the employees under him/her perform their work in the manner specified. The Supervisor will be held responsible for the safety, development, training, and welfare of the employees under their supervision.

IV. EMPLOYEE'S RESPONSIBILITY

- A. Employees share with the management, Safety Coordinator, and Supervisors the responsibility for their personal safety, the safety of their fellow worker, and the public.
- B. It is the responsibility of each employee to know, understand, and follow the safety rules of the Lane-Scott Electric Cooperative, Inc. Safety Manual which apply to the work they perform.
- C. Each employee will have the opportunity, but not the obligation, to attend professional development training.
- D. Each Employee Shall:
 - 1. Follow all safety rules and other applicable orders or procedures.
 - 2. Report all hazardous conditions and unsafe tools or equipment to his/her Supervisor, or the cooperative Safety Coordinator.
 - 3. Promptly report all accidents and injuries regardless of severity to their Supervisor or the cooperative Safety Coordinator.
 - 4. Use all protective devices provided by the cooperative that apply to and are required for the job at hand.

V. COOPERATIVE SAFETY COUNCIL

- A. There shall be a Cooperative Safety Council consisting of three persons – one lineman designated as the Safety Coordinator (selected by the General Manager) whose duties will be combined with one of the office positions, one office employee designated as the Safety Compliance Administrator (selected by the General Manager) to maintain records, and one outside employee. The outside employee shall be elected by employees of the cooperative.
- B. All employees, except those holding a Staff Position, shall be eligible to vote for the position to be filled by election.
- C. No person holding a Staff Position will be eligible for election to the Cooperative Safety Council.
- D. The term of office of the elected members of the Cooperative Safety Council shall be for three years through the employee safety meeting for the month of January following their election. There may be one new member elected each year. The members shall move through the officer's chairs beginning as secretary, after having served as chairman of the Safety Council for one year, shall retire from the committee, and shall not be eligible for re-election for at least one full year. The position of Safety Compliance Administrator may not change annually, as this position is responsible for record retention and assisting

with compliance procedures.

- E. If a vacancy occurs during the term of such office, then the vacancy shall be filled by an election by all eligible employees at the next regular monthly employee safety meeting. Such election, to fill a vacancy, shall be to fill the unexpired term of office.
- F. Each person on the Cooperative Safety Council shall have one vote.
- G. The Cooperative Safety Council shall have the responsibility to conduct the monthly safety meeting of the employees and to assist the Safety Coordinator with the program to meet the safety education and safety training needs of the employees of the cooperative, to provide a means whereby safety problems and recommended solutions can be brought to the attention of all employees and management, and to provide for adherence by employees to the safety procedure and policies adopted from time to time by the Cooperative.
- H. The Cooperative Safety Council shall meet as often as necessary, between the regularly monthly employee safety meetings, to adequately perform the duties of such council. They shall meet at the call of the Chairman or of the Safety Coordinator working with the Chairman.

VI. SUPERVISOR'S INCIDENT INVESTIGATION

- A. It is the responsibility of the staff person for whose department the injured person works to investigate and complete the Supervisor's Investigation Report within 24 hours following an incident. An incident is defined as any unexpected event that interrupts or interferes with the orderly progress of the production activity or process. This includes a "near miss", property damage, or an injury.

DISTRIBUTION OF THIS REPORT SHALL BE AS FOLLOWS:

- 1. One copy to the General Manager to be reviewed, signed, and forwarded to the Safety Coordinator.
 - 2. One copy to central file.
- B. Prevention of reoccurrence is the purpose of the investigation and report. It should be concise and should avoid finding fault with individuals. Vague, general descriptions or causes such as "carelessness" should be avoided. The first-line Supervisor is in the best position to understand the real causes of an accident or incident. Eliminating them will benefit him or her by providing safe working conditions for all workers while improving the efficiency of the crew.

VII. DISCIPLINARY ACTION AND ENFORCEMENT ON ALL EMPLOYEES

- A. Safety is everyone's business. Noncompliance with safety rules will be subject to disciplinary action up to and including immediate termination.
- B. The Safety Council will review every potential safety violation and incident investigation within thirty (30) days of occurrence and determine if a safety violation occurred. The Safety Council will present their findings to the General Manager.

VIII. SAFETY EQUIPMENT

- A. The Cooperative will furnish, as needed and appropriate, at its expense, personal safety equipment, which may include but is not limited to: rubber gloves, glove protectors, glove

liners, hard hats and liners, raincoats and trousers, industrial type safety eyeglasses, replacement safety straps, replacement climber gaffs and straps, protective covers for gaffs, and ergonomic workplace materials.

- B. Additional personal or cooperative safety equipment and/or tools that are recommended by the Safety Council for the improvement of the safety and wellbeing of employees may be approved by the General Manager.

IX. JOB TRAINING, PROFESSIONAL DEVELOPMENT, AND APPRENTICESHIP PROGRAM

- A. The Cooperative's greatest asset is the skill and knowledge of its personnel. The future strength and progress of this cooperative is dependent upon the Cooperative's commitment to preserving this asset by developing the skills and knowledge of the work force.
- B. Job Training and Employee Development. Job Training and Employee Development (collectively called "training") will be made available to every employee.
 - 1. Training opportunities must be relevant and appropriate to the employee's job and present a benefit to the cooperative for participation.
 - 2. All Supervisors will receive regular training on necessary Supervisory skills.
 - 3. All training requests will have the approval of the General Manager.
- C. Safety Training.
 - 1. All employees are expected to attend monthly Safety Meetings unless otherwise excused by their Supervisor for just reason.
 - 2. Safety training will be appropriate for the employees' level of expertise and relevant to their job function.
- D. Lineman Apprenticeship Program
 - 1. The apprenticeship program shall be designed to train lineman in a wide and diverse range of skills and knowledge, as well as maturity and independence of judgment. It shall include planned day-by-day training on the job and experience under proper supervision, combined with related technical instruction.
 - 2. The course of study will be a Credited Rural Electric Association's Apprenticeship Program selected by the General Manager and the Board of Trustees of the Cooperative. The apprentice will be supplied with books, written materials, and lesson guides. The program will be done as a home study course. The apprentice will check out a lesson from the Safety Coordinator, answer the questions, and return it to the safety coordinator to be graded. Periodic examination will be given over the work completed, and the progress of the apprentice will be determined by his/her grades on the lessons and examinations, as well as his/her on-the-job development. (S)He will be evaluated by their immediate Supervisor, the ranking Operations Supervisor, the Safety Coordinator, and the General Manager. The results of these tests and evaluations will determine the apprentice's qualifications for advancement in the apprentice classifications and for final acceptance as a journeyman lineman.
 - 3. A seventy (70) percent or above score on lessons and examinations shall be considered a passing grade. If an apprentice should fail a lesson, she/he must wait three (3) months before resubmitting the lesson. If an apprentice should fail an examination, she/he must wait for six (6) months before taking the test again. If the same lesson or examination is failed a second time, then the apprentice must wait for one year and start over with lesson number one of that same year. However, before resuming the apprenticeship program, the apprentice must submit a written request

to be reinstated to the General Manager, then a review by the Safety Coordinator, their immediate Supervisor, the ranking Operations Supervisor, and the General Manager will be conducted. This committee will review the apprentice's general attitude and motivation and will decide if the apprentice shall be reinstated.

4. The Safety Coordinator, with the assistance of the the Apprentices' immediate Supervisor(s), and the ranking Operations Supervisor, shall supervise the training of the apprentices.
5. No employee may qualify for journeyman rating with less than four years of actual apprentice work experience in the field.
6. New employees may be given credit for past experience, provided that they can pass the final test for the year they are being credited for by the General Manager (i.e. An apprentice hired as a third year apprentice must be able to pass the 3rd year apprentice final test, etc.).
7. The cooperative will not recognize the advancement of employees to succeeding classifications until the employee shall have met the training requirements of this program. Time spent in classes of related instruction and off-the- job study time shall not be considered as hours of work and shall not be paid for unless the employee is required to attend classes.
8. An apprentice entering this program must be willing to spend the time required to prepare them to become a journeyman. The final responsibility for successful completion of the program rests with the employee.
9. Failure to complete the apprenticeship program may result in a re-assignment of duties if an alternate position exists. Compensation will be commensurate with the new position. If no position exists for which the employee is qualified to fulfill its essential functions, termination may result.

X. RESPONSIBILITY

It shall be the responsibility of the General Manager / CEO to administer and enforce this policy and to report monthly to the Board of Trustees on the status of its implementation and the overall safety performance of the Cooperative.

ATTESTED _____
Secretary

(seal)

11. c. Board Policy 112 Trouble Calls on Member Facilities & Damage to Cooperative Facilities

The proposed Board Policy 112 has revisions throughout to reflect moving fees for service calls to the Tariff. It includes a revision removing the General Manager revising service fees and placing that responsibility with the Board of Trustees where it legally belongs.

**Staff requests the Board approved the amended Board Policy 112 Assistance Calls and
Damage to Cooperative Facilities**

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022

Policy No.: 112

SUBJECT: ~~Trouble Calls on Member Facilities &~~ Assistance Calls and Damage to Cooperative Facilities.

POLICY:

- A. ~~The appropriate charges are to be made for service calls when the problem is found to be on the customer's side of the meter and circumstances are such that the customer should be billed. Similar charges will be made for any work performed for a consumer or other party by Lane-Scott Electric Cooperative line personnel on equipment or facilities other than those belonging to Lane-Scott at the following rates:~~

Foreman, Journeyman or Apprentice Lineman:

Regular Time _____ **\$85.00 per hour**

Overtime _____ **\$127.50 per hour**

Service Truck _____ **at \$1.25/mile plus
\$70.00 per hour**

Digger/Derrick Truck _____ **\$1.25 per mile plus
\$70.00 per PTO hour**

Line or resale material used _____ **150% of cost**

Cost of Pole _____ **100% of cost**

- B. If the member should call an electrician and the electrician finds the trouble to be on the Cooperative's side on the meter, the Cooperative will reimburse the member for the cost of the electrician's service call.
- C. ~~All wiring installations and other electrical equipment on the member's premises not furnished by the Cooperative shall be installed by the member and maintained in accordance with safe wiring requirements. However, in cases where the line crew of the Cooperative is on the premises on Cooperative business; it is permissible to make minor repairs without charge for labor, if it can be done expeditiously. Any jobs, other than minor repairs will be referred to the Lane-Scott Electric Cooperative Member Services Electrician and the consumer will be charged at applicable electrician rates~~
- D. Assistance requested of the Cooperative's line personnel and equipment by consumers and others shall be done as the regular work requirements of the Cooperative permits. This will include such items as taking out trees for which the

Cooperative has no maintenance requirements, assisting on house moves to permit safe passage under cooperative lines, etc.

- E. Charges shall be based on costs incurred by the Cooperative. It will be done as a convenience to the public and shall be intended to return an adequate margin to the cooperative.
- F. The minimum charge shall be for at least one hour of time.
- G. Rates will be subject to revision whenever changes in costs make it necessary and shall be reviewed at least once a year. The General Manager shall ~~revise the rates when appropriate~~ **review and make recommendations to the Board**. A copy of the schedule of charges showing current charges shall be available in the office for use and inspection.
- H. An advance deposit may be required whenever Cooperative personnel are needed for work on non-member facilities. The deposit shall be adequate to cover the expected cost of the job. Any excess deposit shall be refunded promptly upon completion of the work and preparation of the bill.
- I. Any damage to Cooperative facilities by members or others will be billed at the rates set forth in ~~this~~ policy.

ATTESTED _____

Secretary

(seal)

Revisions: September 11, 2017
 January 5, 2015
 August 9, 2010
 November 26, 2007
 August 23, 2004
 January 20, 1997
 December 26, 1994
 June 27, 1994
 May 24, 1993
 September 24, 1990

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: August 8, 2022

Policy No.: 112

SUBJECT: Assistance Calls and Damage to Cooperative Facilities.

POLICY:

- A. If the member should call an electrician and the electrician finds the trouble to be on the Cooperative's side on the meter, the Cooperative will reimburse the member for the cost of the electrician's service call.
- B. Assistance requested of the Cooperative's line personnel and equipment by consumers and others shall be done as the regular work requirements of the Cooperative permits. This will include such items as taking out trees for which the Cooperative has no maintenance requirements, assisting on house moves to permit safe passage under cooperative lines, etc.
- C. Charges shall be based on costs incurred by the Cooperative. It will be done as a convenience to the public and shall be intended to return an adequate margin to the cooperative.
- D. The minimum charge shall be for at least one hour of time.
- E. Rates will be subject to revision whenever changes in costs make it necessary and shall be reviewed at least once a year. The General Manager shall review and make recommendations to the Board. A copy of the schedule of charges showing current charges shall be available in the office for use and inspection.
- F. An advance deposit may be required whenever Cooperative personnel are needed for work on non-member facilities. The deposit shall be adequate to cover the expected cost of the job. Any excess deposit shall be refunded promptly upon completion of the work and preparation of the bill.
- G. Any damage to Cooperative facilities by members or others will be billed at the rates set forth in this policy.

ATTESTED _____

Secretary

(seal)

Revisions: September 11, 2017
January 5, 2015
August 9, 2010
November 26, 2007
August 23, 2004
January 20, 1997
December 26, 1994
June 27, 1994
May 24, 1993
September 24, 1990

11. d. Board Policy 114 Delinquent Accounts

Board Policy 114 is no longer necessary because this topic is addressed in the Tariff. Further, the existing policy references "...the Rules and Regulations as filed with the Kansas State Corporation Commission." This is no longer applicable.

Staff requests the Board rescind Board Policy 114 Delinquent Accounts

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: ~~June 4, 2018~~ **Policy No.:** ~~114~~

Supersedes Date: ~~May 24, 1993~~
~~September 24, 1990~~
~~June 1966~~
~~August 1965~~
~~June 1955~~

SUBJECT: ~~Delinquent Accounts~~

POLICY:

~~The Cooperative hereby adopts the rules and regulations of the Kansas Corporation Commission regarding the collection of delinquent accounts and it shall be the policy of the Cooperative to handle all delinquent accounts so as to comply with the Rules and Regulations as filed with the Kansas State Corporation Commission. The procedure for handling these accounts is listed in the procedures section of the employee manual.~~

ATTESTED _____
Secretary

Discontinuance of Service is in the Tariff, Section III, Subsection J (pages 46-47). The KCC no longer addresses this issue.

11. e. Board Policy 120 Meter Testing

Board Policy 120 is no longer necessary because this topic is addressed in the Tariff.

Staff requests the Board rescind Board Policy 120 Meter Testing

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: ~~May 22, 1995~~ **Policy No.:** ~~120~~

Supersedes Date: ~~No Previous Policy~~

SUBJECT: ~~Meter Testing~~

OBJECTIVE:

~~To provide that the cost of testing a meter be paid by the consumer when a request is made to test a meter. Since a meter is a finely tuned mechanical and/or computerized device, wear and accumulation of dirt can cause it to run slow instead of fast. High monthly usage can usually be traced to use by the consumer or a fault on the consumer's own wiring.~~

POLICY:

- ~~1. When the electrical user on the lines of the Cooperative requests to have a meter tested, \$25.00 will be charged if the meter tested registers within 2% correct on full load and light load test series. This charge will be added to the consumer's next regular monthly bill.~~
- ~~2. When a meter does not test within 2% of correct, the Cooperative will make a correction in the consumer's billing for the previous three months. This correction will be a billing increase if the meter tests slow and a decrease if the meter tests fast. Any charges or credit due a consumer following a meter test will appear as an additional charge or credit on their next regular bill after completion of the meter test.~~

ATTESTED _____
Secretary

Staff Recommends rescinding this policy. Meter testing is covered in the tariff Under Section III, subsection (pages 52-53). Test Fees are listed in Section II, Subsection Q.,12. (page 31).

11. f. Board Policy 125 Resale Department Electrician and HVAC Charges

Staff proposes amendments to Board Policy 125 to remove specific pricing and charges and to memorialize current work practices. The Resale Department services are not governed by the KCC and therefore pricing may be amended with market conditions, sales, etc.

Staff requests the Board approve the amended Board Policy 125 Resale Department Charges.

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 8, 2022

Policy No.: 125

SUBJECT: Resale Department ~~Electrician and HVAC~~ Charges

Policy: To establish the charges for labor, equipment and material associated with work done by the Cooperative's Resale Department.

~~A. Labor Charges:-~~

~~Service Calls:~~

~~Regular Hours: 1st hour \$85.00 with a minimum one hour billing.~~

~~After Hours: Each hour \$127.50 with a minimum of one hour billing.~~

~~B. Mileage: Mileage charge will be \$1.25 per mile, one way.~~

~~C. Material: Inventory items will be marked up by using the following schedule:~~

~~A. All times will be marked up 50%~~

~~B. Items over \$200.00 — discretion of Resale Manager~~

~~D. Trenching: Will be quoted with job.~~

A. All charges will be inclusive, applied equitably, and produce a realistic margin reflecting current market prices. Prices shall be reviewed at least annually and adjusted accordingly.

B. Work shall be prioritized to Lane-Scott Electric Cooperative members, then Dighton residents, then others.

C. Past Due balances shall be applied to Lane-Scott Electric accounts at or after 90 days.

D. Responsibility: The General Manager is responsible for the administration of this policy.

~~The Board of Trustees is responsible for any changes in or Revision of this policy.~~

ATTESTED _____
Secretary

(seal)

~~Date Reviewed: September 10, 2018~~

Revisions: September 11, 2017
 May 2, 2016
 September 5, 2009
 January 31, 2002

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: August 8, 2022

Policy No.: 125

SUBJECT: Resale Department Charges

Policy: To establish the charges for work done by the Cooperative's Resale Department.

- A. All charges will be inclusive, applied equitably, and produce a realistic margin reflecting current market prices. Prices shall be reviewed at least annually and adjusted accordingly.
- B. Work shall be prioritized to Lane-Scott Electric Cooperative members, then Dighton residents, then others.
- C. Past Due balances shall be applied to Lane-Scott Electric accounts at or after 90 days.
- D. Responsibility: The General Manager is responsible for the administration of this policy.

ATTESTED _____

Secretary

(seal)

Revisions: September 11, 2017
May 2, 2016
September 5, 2009
January 31, 2002

11. g. Regional Meeting Delegate designations

The NRECA Region 7 Meeting in Portland, Oregon will be September 28 and 29, 2022. NRECA is requesting certification of a Delegate and Alternate for the Region 7 Business meeting at 8:30 Thursday morning. CFC has also indicated that they will be having a District Meeting requiring a vote during the regional meeting. The CFC meeting will be in-person only on Wednesday from 11:30am to 12:00pm.

At this time, only Richard McLeon, General Manager is registered to attend the Region 7 meeting.

It is requested that the Board appoint a voting delegate and an alternate for the NRECA Region 7 Meeting and the CFC Region 7 Meeting.

Richard McLeon

From: Joe Martin, NRECA Secretary-Treasurer <resolutions@nreca.coop>
Sent: Tuesday, August 2, 2022 11:00 AM
To: Richard McLeon
Subject: Notice of 2022 NRECA Region 7 Meeting of Members

Follow Up Flag: Follow up
Flag Status: Flagged

Notice of 2022 NRECA Region 7 Meeting of Members

Certify an NRECA Voting Delegate



To: National Rural Electric Cooperative Association Region 7 Voting Members
From: Joe Martin, NRECA Secretary-Treasurer
Subject: Notice of 2022 NRECA Region 7 Meeting of Members

The 2022 Regions 7 and 9 Meeting of Members of the National Rural Electric Cooperative Association (NRECA) will be held at the Hilton Portland Downtown in Portland, Oregon, beginning at approximately 9:00 a.m. on Wednesday, September 28, 2022, and continuing through Thursday, September 29, 2022. Meeting attendance for the 2022 Regional Meeting is in-person only, online attendance is not available.

The Region 7 Business Meeting will be held on Thursday, September 29, 2022, beginning at approximately 8:30 a.m. For more information, see the **2022 Regional Meeting Schedule**.

Voting Delegate Certification

NRECA voting members are encouraged to certify a voting delegate to cast the system's vote during the business meeting. Voting delegates must attend the business meeting in person to be counted as present and cast votes.

Only CEOs, board presidents/chairs, board secretaries, and executive assistants may access their cooperative's NRECA Voting Delegate Certification form on Cooperative.com. The form displays an NRECA voting member's 2022 selections for voting delegate and alternate delegate, and states that the delegate or alternate is authorized to cast the NRECA voting member's vote.

Submit a new certification form **only** if you wish to change your delegate(s). An email with instructions was sent to the above listed individuals in late-June. Please contact NRECA's Membership Department at (703) 907-5868 or VotingDelegates@nreca.coop with questions.

For Voting Delegates' Consideration at the Business Meeting

During the regional business meeting, voting delegates will elect one representative to each of the three NRECA member standing committees and vote on proposed resolutions. For more information, please see the [Member Resolutions Process page on Cooperative.com](#).

This is an informational message from the National Rural Electric Cooperative Association
4301 Wilson Blvd, Arlington, VA 22203 | Tel: (703) 907-5788 | E-mail: resolutions@nreca.coop

[Click here to unsubscribe](#)

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF JULY 2022

1. Installing security system door access control entry and cameras.
2. Federated Insurance Accident Investigation Training.
3. Reviewed demonstration for new TapRoot Accident Investigation Software.
4. Ann Jennings's member safety awareness publishes to either KCL newsletter, social media, and/or the Lane Scott Electric website concerning:
 - Don't Get Out, Farm Safety
 - Home Electrical Safety, When in Doubt Hire a Contractor
 - Downed Line Safety
 - Lineman Safety, don't put staples, nails, or tacks on utility poles.
 - Lightening Safety
5. Diana Kuhlman submitted reports:
 - KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
 - Compliance One drug and alcohol monthly roster report.
6. KEC July safety meeting topics: Safety summary, Maintenance, Care & Testing of Personal Protective Grounds, and Admin: Hazard Recognition. July 27th safety minutes are included in the board packet.

SAFETY PROJECTS IN PROGRESS AS OF JULY 2022

1. SDS Program products updates and documentation improvements.
2. Safety Amp software inspection form templates.
3. Security system external camera hardware backordered.
4. FCC radios are on backorder.
5. RESAP Onsite Observation
 - PCB containment removal date options being reviewed.
 - Richard McLeon is working with Nate Burns to gather data for Power System Engineering, Inc. to update the SPCC plan.
 - North lot transformers are being moved to new concrete pad.
 - Truck #110 and #136 winch line needs replaced.
 - Truck #136 leaking outrigger parts are on backorder.
 - Rope hoist need replaced.
 - Chainsaw safety chaps quote in progress.
 - Third party arc hazard assessment testing will be scheduled after the SPCC plan is completed.
 - Researching substation clearance options for appropriate implementation.
 - Circuits are being identified.
 - Substation battery maintenance will be discussed with Sunflower Electric.
 - Switching procedure instructions are in progress.
 - URD cables need identified and labeled.
 - Padmount and switch cabinet signage need updated.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

SAFETY MEETING

July 27, 2022

Chris Terhune called the meeting to order at 9:02am.

Minutes were read: Dal Hawkinson made a motion to approve the June 21st minutes and Myron Seib seconded. Minutes were read and approved as printed.

Present: Richard McLeon, Kasey Jenkinson, Ben Mann, Dal Hawkinson, Chad Rupp, Chris Terhune, Myron Seib, Kevin Bradstreet, Leighton Ayers, Dellon Shelton, Blake McVicker, Nate Burns, Scott Briand, Kalo Mann, Kathy Lewis, Carrie Borell, Ann Marie Jennings, and Diana Kuhlman

Absent: Rebecca Campbell, Michael Pollock, and Mark McCulloch

Guest: None

Truck report of inspections:

105	Dellon Shelton	OK
110	Myron Seib	OK
112	Leighton Ayers	OK
117	Chris Terhune	Needs decals.
123	Michael Pollock	N/A
132	Kevin Bradstreet	OK
135	Nate Burns	Windshield Chips and Pits
136	Kevin Bradstreet	OK
143	Scott Briand	OK
144	Kalo Mann	OK
145	Chris Terhune	OK
150	Chris Terhune	OK
173	Chad Rupp	Needs decals
191	Kalo Mann	Waiting on Fuel Filter parts
193	Myron Seib	Windshield Chips
200	Ben Mann	Needs decals, Bucket replacement is in, waiting for installation. Left front axle leaking.
201	Dal Hawkinson	Needs radio installed.
304	Kalo Mann	OK
305	Myron Seib	Windshield Chip

Trailer and Equipment report of inspections:

502	Myron Seib	OK
507	Myron Seib	N/A
515	Myron Seib	OK
504	Chris Terhune	OK
505	Chris Terhune	OK
508	Chris Terhune	OK
509	Chris Terhune	OK
513	Chris Terhune	OK
516	Chris Terhune	OK
700	Chris Terhune	OK
701	Chris Terhune	OK
702	Chris Terhune	OK
512	Scott Briand	OK
514	Scott Briand	OK

Warehouse, building, and pole yard inspections:

Ness City Warehouse	Myron Seib	OK
Ness Pole Yard & Transformer Dock	Myron Seib	OK
Warehouse	Scott Briand	OK
Pole Yard & Transformer Dock	Scott Briand	OK
Office	Diana Kuhlman	OK

Personal Tools: All Passed

Sleeves Quarterly Test Results: #89 rejected due to snag.

Gloves Monthly Test Results: #50 rejected due to voltage.

Substation and Regulator Report:

- ♦ Ben Mann: Found some hot spots in west city substation and Manning. Waiting for cooler weather to remove some irrigation load. Replacing Alexander regulators. Regulator stands and auto transformers are in progress for Dighton hi, and Twin Springs to resolve clearance issues.

PCB Report: None to Report

Line Clearance: Pyramid Ranch, Spruill Ranch, Harkness 3 phase, Ness City, Bazine

Accident and Near Misses:

- ♦ Carrie Borell: Kalo Mann caught hand on old gate latch when trying to open the gate up and Scott Briand removed the old latch hardware.
- ♦ Myron Seib: King Farms tractor hit the meter pole on the McNair 3 phase.
- ♦ Kevin Bradstreet: Harvester tore down neutral at Wiechman.

Old Business:

- ♦ Myron Seib: Researching locator purchase, and old locator to be sold to Ness City. Ness Hospital pole change out is completed. C truss have been installed. Ness school pad mount is installed, and preparation are in progress to complete the transfer.
- ♦ Ann Marie Jennings: Annual meeting went well.
- ♦ Ben Mann: 50amp regulators and panel rebuilds would cost approximately \$3,400. Discussed auto transformer and regulator recycling or reselling for rebuilding equipment. Kathy Lewis would need a list to remove from assets from inventory and update the tax reporting.
- ♦ Chris Terhune: Updated safety manual and restoration guide will be provided to the tree trimmers. Checked with everyone that the outdated antiseptic wipes have been replaced and everyone's safety manual pages have been updated. Supplying Ferris Manufacturing a padmount from Ness to put on demo trailer. Pole staplers received and they work awesome. Dellon Shelton and Myron Seib have volunteered to work September 15th Kansas State Fair Demonstration. Radios are still on backorder.
 - RESAP On-Site Observation Progress
 - Scott Briand will be scheduling weeping regulator to be hauled to Solomon Corp. Decals and signage on padmount and switch cabinets to update labels.
 - Richard McLeon is having Nate Burns work with Power System Engineering, Inc to create a new SPCC plan and perform an arc rated clothing/system and fall protection hazard assessment testing for rating criteria.
 - Ben Mann and Dal Hawkinson are moving transformers to new concrete pad on north lot. Reviewed Twin Springs and Dighton Hi substation to determine the best clearance method to either build a secondary barrier or raising equipment.
 - Chad Rupp parts are on backorder for Truck #136 to repair leaking outrigger.
 - Chris Terhune is getting quotes for safety chaps to have one per saw available and rope hoist equipment to replace this year.
 - Ben Mann received labels and is working on labeling and identification of Twin Springs circuits. Contacting Sunflower on Twin Springs substation batteries maintenance. Developing Twin Springs substation switching procedures to be posted on site. Received labels and is working on labeling and identifying underground cables.

New Business:

- ♦ Richard McLeon: Reviewed and updated policy 508 to present at the August board meeting. Employees interested in additional job training or self-development to improve please put a request in

for consideration. Nate Burns will be working on identifying substation backfeed weaknesses and create a backfeed procedure plan.

- ♦ Chad Rupp, Leighton Ayers, and Dellon Shelton attended Underground (URD) workshop in June. Leighton Ayers received the representative's card who can provide assistance in reviewing our system improvements for the locator.
- ♦ Myron Seib: Ness City steel pole on substation 115 needs replaced.
- ♦ Kevin Bradstreet and Kalo Mann: Walk through gates not working right. Carrie Borell reported the security system is partially installed waiting for backordered parts which has the hardware on both security network platforms which has caused some issues. She will follow up with the security company on possible options to resolve the issues preventing walk through gates and truck buildings from opening correctly.
- ♦ Chad Rupp reported the west drive through gate is not working. Chris Terhune will contact Eldridge Fencing to have it repaired.
- ♦ Carrie Borell: Lineman field trip day was awesome. Very informative, better understanding of system, brought awareness of identifying things that may need to be reported. Mikey Goddard discussed the responsibility of reporting line issues even after hours.
- ♦ Chris Terhune: Safety council reviewed a demonstration on a new Tap Root accident investigation software program that is for assisting in performing a root cause analysis. It was determined the program was not set up fully for an electrical company and is yet to be able to determine pricing and training requirements. Instead, will review other methods to assist in determining root cause analysis.
- ♦ Diana Kuhlman and Kathy Lewis: Discussed new Consolidated Appropriation Act aka No Surprise Act for medical emergencies out of local medical network. Will cover incidents deemed out of the medical network if classified as an emergency. It will not cover non-emergencies. BCBS site now has a new tab called Blue 365 that provides discounts for medical needs and travel.
- ♦ Mikey Goddard: Safety Summary, Maintenance, Care & Testing of Personal Protective Grounds, Heat Illness Prevention and Admin: Hazard Recognition.

Meeting adjourned.

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Secretary