

**TRI-COUNTY RURAL ELECTRIC COOPERATIVE, INC.
ANNUAL MEETING
JULY 12, 2008 – Williamson High School**

MINUTES

CHAIRMAN JAMES DAVIS called the meeting to order at 10:30 AM. Chairman Davis welcomed the members to the 72nd Annual Meeting of Tri-County Rural Electric Cooperative and declared a quorum.

DIRECTOR BARBARA SEELEY gave the invocation and led the group in the Pledge of Allegiance.

CHAIRMAN DAVIS introduced Craig Eccher, President & CEO, Vice Chairman Gerald Kite, Secretary Treasurer Alston Teeter, Attorney Jeffrey Loomis and Dr. Sue Young, Parliamentarian. Chairman Davis then advised that the purpose of the annual meeting is to announce the results of the Election of Directors, passing annual reports and transacting other business submitted following the proper procedure.

CHAIRMAN DAVIS stated that if there were no objections, he would appoint Annette Bender as Recording Secretary for the purpose of taking the official minutes of the meeting. There being no objections, she was so appointed.

CHAIRMAN DAVIS announced that the Election and Credentials Committee has determined that the ballot box will officially close at 10:45 AM for the election of directors to districts 3, 5, and 9. All ballots for the election of directors for the districts must be deposited in the ballot box prior to that time.

CHAIRMAN DAVIS conducted the “Early Bird” drawing for \$100 free electric service.

PRESIDENT & CEO CRAIG ECCHER introduced special guests – Eric Winslow, Citizens’ Electric President & CEO, Bob Crocker, Valley Energy President & CEO, Jeff Fetzer, C&T Enterprises Corporate Communicator, Won Um, CFC Regional Vice President, Kathy Hackleman, PREA Associate Editor of Penn Lines Magazine, and Gene Yaw, State Senate candidate.

CHAIRMAN DAVIS introduced the Board of Directors.

SECRETARY/TREASURER ALSTON TEETER presented the Proof of Mailing of the Official Notice. A copy of which is filed with the official minutes. Members received a complete copy of the 2007 Annual Meeting Minutes in their registration packets. Secretary Teeter asked for a motion to dispense with the reading of the minutes and asked that the motion include the approval of the 2007 Annual Meeting Minutes as circulated. ***A motion was duly made and seconded to waive the reading and approve the 2007 Annual Meeting Minutes as circulated; motion carried.***

SECRETARY/TREASURER TEETER gave the Secretary/Treasurer's Report. Secretary Teeter reported that new members increased by 202 bringing the total to 18,460. Miles of line to serve members reached 3,197 by the end of 2007, and energy consumption averaged 793 kWh per member. Residential members averaged 813 kWh, while seasonal members averaged 144 kWh. Secretary Teeter reported that Tri-County continues to operate in a sound financial condition.

SECRETARY/TREASURER TEETER conducted five more door prize drawings.

CHAIRMAN DAVIS gave the Chairman's Report and Disclosure Statement. Chairman Davis reported that the cooperative is on sound financial footing. The board recently voted to return \$250,000 in capital credits to 1982 – 1983 members in good standing. The 2007 board expenses totaled \$160,930 for board and committee meetings, travel, lodging, registration and meal expenses, for director training and conference attendance, officer and director liability insurance coverage, mileage, subscriptions and other miscellaneous items. Directors receive a \$225 per diem for attending board and committee meetings and other authorized cooperative events. The cost per member to support the board's governing activities is 72 1/2 cents per month. Chairman Davis reported that each board member takes an oath of office and signs a code of conduct before serving as Director, and the board stays abreast of recent legislation that affects the way businesses including cooperatives are governed in order to protect our members' interests. The price of electricity delivered to members is expected to remain the same for the next few years. Allegheny Electric Cooperative produces about 65% of its needs through the ownership of the Raystown Hydroelectric Generation Facility and its share of the Susquehanna Steam Nuclear Plant. Despite this, the rate for the purchase of power is expected to increase due to the rising cost of fuel and materials, along with climate change discussion and the role of carbon dioxide in the arena. Chairman Davis encouraged members to remind elected officials to be aware of regulations they enact that will affect the cost electric generation.

VICE CHAIRMAN GERALD KITE introduced Craig Eccher, President & CEO of Tri-County.

CEO ECCHER presented information on Allegheny's energy supply mix – 61% Nuclear, 9% Hydro and Renewable, leaving the remaining 30% being purchased on the market. CEO Eccher referred to the small information cards handed out and encouraged members to contact officials who determine the course of legislation regarding electric capacity, technology, and costs. CEO Eccher reported that expanding and updating the Load Management system, launching new tools on the website, and re-educating the employees to provide new information to the membership are steps being taken to improve both Energy Efficiency and Conservation.

VICE CHAIRMAN KITE gave a brief history of the Member Advisory Committee and asked them to stand and be recognized.

VICE CHAIRMAN KITE relinquished the Chair to Attorney Jeffrey Loomis. Attorney Loomis reviewed the election process. Attorney Loomis then introduced the Election and Credentials Committee and asked them to stand and be recognized.

ATTORNEY JEFFREY LOOMIS asked the Election & Credentials Committee Member, Robert Aronson to come to the podium. Mr. Aronson addressed the membership and presented the committee report. The following incumbents ran unopposed and the election results are:

District 3	- Nicholas Reitter	186
District 5	- Barbara Seeley	241
District 9	- Lowell Geiser	411

A motion was made by MR. Aronson that the secretary cast a unanimous ballot electing Mr. Reitter, Mrs. Seeley, and Mr. Geiser for a three-year term; motion was seconded and carried.

A motion was made by MR. Aronson that the ballots be destroyed after a three-day waiting period; motion was seconded and carried.

MR. KITE conducted five more door prize drawings.

CEO ECCHER then introduced Guest Speaker Jim Bausell, Touch Stone Energy Chief Operating Officer.

MR. JIM BAUSELL spoke about using energy wisely and efficiently stating that the “greenest” dollar in the energy business is not a dollar derived from converting wind, sun or cow manure into energy; the greenest dollar is the dollar that is not spent on energy. Mr. Bausell stated that most people could save approximately \$100 a year just by changing to compact florescent lights. The installation of insulation and weather-tight windows and doors, and updating appliances were encouraged to assist in energy efficiency.

CEO ECCHER then introduced Guest Entertainer – Gary Claxton, a “G” rated comedian and humorist.

Mr. GARY CLAXTON, known as “The Mouth of the South”, entertained the membership with his hillbilly humor.

BRYAN BERGUSON, Director of Member Services, introduced the 2008 Youth Tour participants – Trevor Sickler, Kristen Hayman, Nathaniel Kosa, Levi Torrey, Brayden Sickler, Deprise Faivre, and Aric Root.

MR. BERGUSON conducted five more door prize drawings.

CHAIRMAN DAVIS introduced the parliamentarian Dr. Sue Young to conduct the old and new business session of the meeting. Dr. Young advised that members could phrase their comments in the form of a question, compliment, constructive criticism, or suggestion.

- A member asked if the cooperative’s has considered wind generation to provide power to the membership. CEO Eccher reported that management continues to review information. There are currently no wind generation facilities within the area
- A member asked if the dusk to dawn light (night sky friendly) or shades are now available for purchase. CEO Eccher reported that they may be purchased by the membership by contacting the main office – as advertised recently in *Penn Lines*.
- A member asked what Tri-County is doing to promote “Green Power” currently and in the future. CEO Eccher reported that Allegheny Electric Cooperative is owner of the Raystown Hydroelectric Generation Facility and they have created new policies for wind and solar power for cooperative members. Tri-County has a low-band radio site energized by a solar array on Cedar Mountain.

- A member commented that the *Penn Lines* magazine is the greatest!
- A member asked if there is a more centralized location to hold the Annual Meeting – due to gas prices. CEO Eccher reported that the Board of Directors continues to review alternatives such as the Whitneyville Fair Grounds or Mansfield University.

THE CHILDREN returned from the Children’s Program and **MR. BERGUSON** conducted the children’s door prize drawings.

MR. BERGUSON conducted the grand prize drawing.

THERE BEING no further business to come before the meeting, ***a motion was made and seconded to adjourn the meeting at 12:32 PM.***

RESPECTFULLY SUBMITTED:

Secretary

Date

APPROVED