

MCLEAN ELECTRIC COOPERATIVE, INC.

September 26, 2013

The September meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters in Garrison, North Dakota, on the 26th day of September, 2013. The meeting was called to order by President Alvin Myers at 8:30 o'clock a.m.

Directors present:

Ronald Bloom
Ernest Grueneich
Agnes Jennings
Alvin Myers
Troy Presser
Orvin Ravnaas
Rod Stockdill

Also present were Manager Martin D. Dahl and Attorney David A. Lindell.

At the beginning of the meeting, the Board went into an executive session.

Upon completion of executive session, a motion was made by Presser and seconded by Ravnaas to approve the Consent Agenda which consisted of the minutes of the August 23, 2013, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Mary Rusch, Gerald Schlafmann, Matt Schafer, Becky Wyman and Arthur Eslinger were presented for capital credit retirement. A motion was made by Ravnaas, seconded by Jennings, to approve the retirement of the capital credits. The motion carried.

STAFF REPORTS:

1. Business Department - Luke Steen. Items discussed and actions taken during the Business Department Report were as follows:
 - a) Provided the financial review for the Cooperative, which included the KWH usage and revenue for the previous month and year to date, review of the August, 2013, Form 7, and review of the Financial Ratios.
 - b) Reported that he is beginning to prepare for the 2014 budget.

- c) Reviewed and discussed the demographics of the Cooperative's systems based on the KWH usage.
- 2. Member Services Department - Darrin Sand. Items discussed and actions taken during the Member Services report were as follows:
 - a) Provided a monthly member services update.
 - b) Reported that October is Co-Op Month.
 - c) Reported on his attendance at the Region VI Meeting.
 - d) Reviewed Rate Class 31 Irrigation/ Off Peak, Schedule 3 and 5-8. A motion was made by Stockdill and seconded by Grueneich to approve the proposed amendment to the Rate Class which would include procedures regarding the waiver of the demand fee. The motion carried.
 - e) Discussed electricity availability issues in the Turtle Lake area.
- 3. Operations Report - Wayne Skarda. Items discussed and actions taken during the operations report were as follows:
 - a) Provided a September workload/workplan update.
 - b) The board acknowledged the minutes of the September 10, 2013, safety meeting.
- 4. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
 - a) Discussed the North Dakota Supreme Court Opinion regarding the North Central Electric Cooperative's lawsuit vs. the Public Service Commission and Turtle Mountain Band of Chippewa Indians.
 - b) Discussed his meeting with Tim Bohan of RUS regarding long range planning.
 - c) Reviewed a letter from the East River Electric Cooperative regarding DGC.
 - d) Reported that REPAC Annual Memberships will be taken out of each director's per diem.
 - e) Reported on his attendance at the Region VI Meeting.

- f) Discussed Cooperative Connections cards and possible McLean Electric involvement.

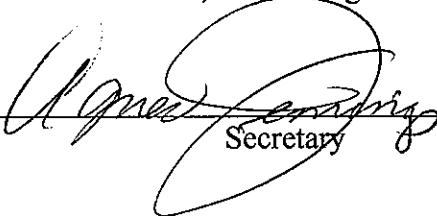
Reports on Meeting attended:

1. Statewide and ND Rural Electric & Telephone Committee - Presser
2. Central Power - Presser
3. Region VI Meeting - Jennings, Stockdill, Bloom
4. Energy Beet Tour - Presser

Upcoming Meetings:

1. McLean Electric Member Advisory Meeting on Monday, October 14, 2013, at 6:00 p.m. at the North Shore Inn in Garrison.
2. Basin Electric Cooperative Annual Meeting on November 6 and 7, 2013, in Bismarck.
3. Midwest Electric Meeting on December 9-12, 2013, in Denver.
4. Co-Bank Regional Meeting on March 31 and April 1, 2014, in Fargo.
5. The November Board Meeting is scheduled for Friday, November 22, 2013, at 9:00 a.m. and the December Board Meeting is scheduled for Friday, December 20, 2013, at 9:00 a.m.
6. The next regular Board Meeting is scheduled for Thursday, October 31, 2013, at 9:00 o'clock a.m. at the Cooperative's headquarters.

There being no further business, upon a motion made and carried, the meeting was adjourned.


Secretary