

MEETING OF THE BOARD OF DIRECTORS  
OF  
CHERRYLAND ELECTRIC COOPERATIVE

September 17, 2007

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The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on September 17, 2007.

Meeting was called to order at 9:00 a.m. by President Van Pelt.

Present: Tom Van Pelt, President  
Terry Lautner, Sr. Vice President  
Melinda Lautner, Secretary  
John Pope, Treasurer  
Bill Hoxie  
John Olson  
Betty Maciejewski  
Tony Anderson, General Manager  
Pat Barone, Assistant Secretary

Mr. Mark Wilson, Chief Financial Officer; Mr. Frank Siepker, Engineering Manager; Mr. Jim Carpenter, Operations Manager; and Mr. Nick Edson, Key Accounts Representative, joined the meeting.

President Van Pelt reviewed the board agenda. The following items were added to the agenda -- Harvest Wind Farm Tour and MECA Legislative Day under Upcoming Meetings and Events; and MECA Board Meeting under Special Presentations.

Motion by Mrs. Maciejewski, supported by Mr. Hoxie and carried to approve the minutes of the regular board meeting held on August 20, 2007.

Upcoming meetings and events were discussed. A sign up sheet for the Harvest Wind Farm Tour and MECA Legislative Day was passed around for those interested in attending.

Mr. Hoxie, Mrs. Lautner, Mrs. Maciejewski and Manager Anderson gave a report on the NRECA Region IV meeting they attended.

Manager Anderson and Mr. Hoxie gave a report on the MECA board meeting. Some topics of interest that were discussed are line extension collaborative; demand side management pilot program; 411 initiative; MBT results; self-regulation bill and file and use rate.

Mr. Wilson, Chief Financial Officer, reviewed the financials. He also gave a PowerPoint presentation on the Key Ratio Trend Analysis (KRTA) for the year ending December 2006.

Attorney Chambers written report was reviewed.

The board recessed at 10:15 a.m. and reconvened at 10:28 a.m.

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Wolverine board minutes were discussed. Mrs. Maciejewski and Mr. Pope reported on power supply issues. Manager Anderson reported that representatives from Wolverine will be here for an all employee meeting and the October board meeting to give an update on the Rogers City venture and the clean air permit.

Manager Anderson also reported that Senator Michelle McManus and Mike Peters will also be at the October board meeting.

Manager reports were reviewed and discussed.

Mrs. Barone, HR Administrator, reviewed the elimination of the NRECA 24-Hour Director/Attorney insurance and the addition of Director's Life and AD&D insurance or Director's AD&D Only insurance. Motion by Mr. Lautner, supported by Mrs. Maciejewski and carried to provide directors with the NRECA Director's AD&D Only insurance in the amount of \$30,000.00.

Motion by Mrs. Maciejewski, supported by Mr. Olson and carried to approve management reports, including the safety report, as presented.

The board went into executive session at 11:19 a.m. and reconvened at 11:55 a.m. Motion by Mrs. Maciejewski, supported by Mr. Olson and carried to approve the 2-year non union salary recommendation presented by Manager Anderson.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 11:56 a.m.

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Tom Van Pelt, President

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Melinda Lautner, Secretary

We, the undersigned directors of the Cherryland Electric Cooperative, do hereby approve, ratify and conform to all respects of the above and foregoing minutes of this regular meeting of the Board of Directors of said Cooperative and each and every step taken and performed thereat.

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