

**Presque Isle Electric & Gas Co-op
BOARD OF DIRECTORS SPECIAL MEETING
September 29, 2015**

A special meeting of the Board of Directors of Presque Isle Electric & Gas Co-op was held on September 29, 2015 at PIE&G headquarters in Onaway, Michigan. Chairman Brown called the meeting to order at 9:00 a.m.

Roll call was taken with Directors Berg, Borowicz, Brown, Knopf, Krajniak, Peterson, Smith, Wegmeyer, and Wozniak present. Also attending the meeting were Chief Executive Officer Burns, Attorney Werth, Chief Financial Officer Sobeck, Information Systems Manager Kieliszewski, Operations Manager Szymoniak, Controller Cryderman and Manager – Member Services Chagnon-Hazelman.

INTRODUCTION OF GUESTS

There were no guests in attendance.

PA 167 OF 2008 – MEMBER REGULATION

CEO Burn presented a brief history of how Presque Isle Electric & Gas Co-op became Member Regulated under Public Act 167 of 2008.

ACTION ITEMS

2016 Power Supply Cost Recovery (PSCR): CFO Sobeck explained the analysis of projected energy costs and sales volumes conducted by Wolverine Power Cooperative and PIE&G. A projected overall energy cost to PIE&G with its current PSCR basing point of 87.85 mills/kWh provides for a 2016 PSCR factor of -1.31 mills/kWh. This is a reduction of 1.00 mill/kWh when compared with the 2015 PSCR factor of -0.31 mills/kWh and represents a reduction of approximately 0.69% per month for the average residential monthly account. Management recommended approval of Resolution 2015-MR07 (copy attached). ***A motion by Berg, seconded by Borowicz, to approve Resolution 2015-MR07. A roll call vote was taken with all directors voting in the affirmative. Motion carried.***

ADJOURNMENT

A motion by Peterson, seconded by Krajniak, to adjourn the meeting. There being no further business to come before the Board, Chairman Brown declared the meeting adjourned at 9:20 a.m.

John F Brown

John F. Brown, Chairman

D W Smith

David W. Smith, Secretary

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