

PRESQUE ISLE ELECTRIC & GAS CO-OP
ANNUAL MEETING MINUTES
October 29, 2010

1. CALL TO ORDER

The 73rd Annual Meeting of the members of Presque Isle Electric & Gas Coop was called to order by Chairman Allen Barr at 10:00 a.m. in Onaway, Michigan on October 29, 2010. The Onaway VFW Post 5857 presented the Colors, the National Anthem was sung by Thomas Aaron Price, and the invocation was given by Elder Jim Morgan.

2. INTRODUCTIONS

The Chairman made numerous introductions including the Board of Directors, Attorney, and CEO. Following several remarks, the Chairman directed CEO Burns to preside.

3. NOTICE OF MEETING

It was moved and seconded to dispense with the Reading of the Notice of Meeting. All ayes, motion carried.

4. MINUTES OF LAST MEETING

It was moved and seconded to dispense with the Reading of the Minutes. All ayes, motion carried.

It was moved and seconded to approve the Minutes of the 2009 Annual Meeting as presented. All ayes, motion carried.

5. NOMINATIONS

CEO Burns introduced the Chairman of the Nominating Committee. Mr. Elias Taratuta presented the Committee's director nominations which were as follows:

Alpena District:	Gunter Buergerhoff, Bernice Krajniak Bernice Krajniak, Robert Wegmeyer
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Presque Isle District:	Wayne Vermilya, Raymond Wozniak
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CEO Burns reviewed the three methods by which nominations can be made – by committee, by petition, and from the floor – and noted there had been no nominations by petition. Next, he called three times for nominations from the floor. There were none. It was moved and seconded to close the nominations. All ayes, motion carried.

6. INTRODUCTION OF CANDIDATES

CEO Burns introduced each candidate and offered each the floor. Briefly addressing the members were: Gunter Buergerhoff, Bernice Krajniak, Bonnie Krajniak, Robert Wegmeyer, Wayne Vermilya and Raymond Wozniak.

Attorney Werth indicated that 30,525 ballots were mailed and the Bylaws required 1% or 306 members be present to constitute a quorum. The attendance of registered members did not constitute a quorum.

7. AUDIT REPORT

CEO Burns introduced Mr. Michael Navarre, CPA of the Harris Group in Traverse City. Mr. Navarre indicated that the 2009 audit was performed in accordance with generally accepted accounting principles and was a “clean” audit without exceptions. Mr. Navarre highlighted certain revenue and expense items after which he called for questions, and there were none.

8. PRESIDENT’S REPORT

CEO Burns recognized the efforts of PIE&G employees who were diligently working to answer phones and restore service caused by the recent wind storm that passed through Northeast Michigan. This storm was one of the most significant weather events in the history of the cooperative and caused extensive damage to Presque Isle Electric & Gas Co-op’s equipment and resulted in a record number of outages.

Mr. Burns highlighted certain actions which occurred during the past year which included competitive rates, service reliability, improvement to our American Customer Satisfaction Index (ACSI) score, and the implementation of Energy Optimization programs as mandated by the State of Michigan.

9. WOLVERINE POWER UPDATE

Mr. Eric Baker, CEO of Wolverine Power was introduced and spoke about some accomplishments by Wolverine Power in the past year which included affordability and reliability of power supply, the status of the Clean Energy Venture (CEV) air permit, and the recent purchase of the Sumpter peaking facility near Ypsilanti.

10. UNFINISHED BUSINESS

At the direction of the Chairman, CEO Burns introduce Attorney Werth to conduct the unfinished business, new business and Q&A portions of the meeting. Attorney Werth asked if there was any other Unfinished Business. There being none he continued with the agenda.

11. NEW BUSINESS

Attorney Werth indicated that without a quorum present, the meeting cannot officially address new business. A “straw vote” can be taken to allow the membership the opportunity to take up unofficial motions; however, a “straw vote” does

not bind the cooperative to action. Attorney Werth introduced the protocol for this segment which included (1) for members only to address the membership, (2) straw voting for members only, (3) respect the opinion of others, and (4) a time limit of three minutes per person. The Election & Credentials Committee will count any straw vote.

Attorney Werth called for any other New Business and hearing none moved to the next item on the agenda.

12. QUESTION & ANSWERS

A total of fifteen minutes was suggested for this portion of the agenda. Members asked questions concerning: providing generators to members at a reasonable cost, the need for improvement of our telephone system, the status of natural gas expansion to Rainy Lake, less controversial means for long term power supply, rental space on the PIE&G tower in Cheboygan, continued development of wind and solar energy projects, and opposition to and accountability of expenditures for the Clean Energy Project.

13. ELECTION RESULTS

Elections & Credentials Chairperson, Mrs. Doris Smith, appeared before the members to announce the election results and the Chair thanked the Committee for their efforts. The election results were as follows:

Presque Isle District:	Raymond Wozniak	1,455
	Wayne Vermilya	673
Alpena District:	Robert Wegmeyer	1,108
	Bernice Krajniak	1,039
	Bonnie Krajniak	669
	Gunter Buergerhoff	628

Chairperson Smith indicated the Election & Credentials Committee had certified Raymond Wozniak as director for the Presque Isle District and Robert Wegmeyer and Bernice Krajniak as directors for the two open seats in the Alpena District.

14. CONTEST AND RAFFLES

CFO Soback announced the winner of the contest to rename the PIE&G bill insert. Mr. Lawrence Pascador of Atlanta was presented with a jacket for his submission of "The Spotlight" beginning January 2011.

All members who voted by mail were entered into a drawing for a \$100 EnerGift. The winner was Mr. Charles Kolman of Hillman who was not present to accept his gift.

Door prize winners were announced and gifts could be picked up in the cafeteria.

15. ADJOURNMENT

It was moved and seconded that the meeting be adjourned at 11:24.
Motion carried.

Respectfully Submitted,

Sharon Krzywiecki
Recording Secretary

APPROVED