



Northern
Electric
Cooperative

A Touchstone Energy® Cooperative



POLICY AND ORGANIZATION MANUAL

All policies contained herein are to be reviewed annually each year.

NORTHERN ELECTRIC COOPERATIVE, INC.

POLICY AND ORGANIZATION
MANUAL

<u>SECTION</u>	<u>DESCRIPTION</u>
1	PURPOSE & OBJECTIVES
2	ORGANIZATION Incorporation Articles Bylaws Identity Board of Directors Consultants General Manager Organization Chart
3	PERSONNEL POLICIES (EMPLOYEES)
4	PERSONNEL POLICIES (DIRECTORS)
5	GENERAL BOARD POLICIES

NORTHERN ELECTRIC COOPERATIVE, INC.

CERTIFICATE

I, Merna Treeby, do hereby certify:

That I am the duly elected, qualified, and acting Secretary of Northern Electric Cooperative Incorporated (hereinafter called the "Cooperative") and the keeper of its records; that at a regular meeting of the Board of Directors of the Cooperative with all Directors present in person, held May 24, 1984, the following resolution was unanimously adopted:

RESOLVED, that the Board of Directors of the Cooperative after due consideration adopt Personnel Policies No. P-1E through No. P-29E, No. P-ID through No. P-7D and General Board Policies No. GP-1 through No. GP-5 dated May 24, 1984, as being the Policies to be enacted and enforced by the Cooperative's management;

BE IT FURTHER RESOLVED, that Policies No. P-1E through No. P-29E, No. P-ID through P-7D and No. GP-1 through GP-5 dated May 24, 1984, supersede any previous policies of the Cooperative in conflict thereof.

That said resolution has not been amended, altered, rescinded or modified and is presently in full force and effect.

IN WITNESS WHEREOF, I have executed this Certificate and attached the corporate seal of the Cooperative this 24th day of May, 1984.


Merna Treeby, Secretary

POLICY REVIEW RECORD

DATE REVIEWED
AFFAIRS

SIGNATURE OF GENERAL
COMMITTEE CHAIRMAN

[illegible][illegible]

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____1

PAGE____1

SUBJECT: Purpose

The purpose of the organization of Northern Electric Cooperative Incorporated is to provide its members with a dependable quality and quantity of electrical energy at the lowest possible rates consistent with sound business practices and financial feasibility and to provide such other services that would be desirable for the betterment of its members.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 1PAGE 2

SUBJECT: Objectives

The Cooperative shall for the benefit of its member - owner - consumers:

- A. Provide high quality and continuity of electric service at the lowest possible costs consistent with sound management.
- B. Provide a well trained, effectively functioning Board of Directors.
- C. Provide a highly skilled and motivated manager.
- D. Maintain a well trained, fairly compensated group of loyal interested employees.
- E. Promote the maximum beneficial use of electricity by the members and provide information, guidance and assistance to them in the application and wise use of electricity.
- F. Support, in cooperation with member cooperatives, the continuation of a viable power supply cooperative, to insure an adequate and dependable long term power supply at the lowest cost possible consistent with sound management.
- G. Establish an efficient, active member communication program dedicated to keeping the membership informed and promoting member understanding and support of the Cooperative form of organization.
- H. Support related state and national cooperative organizations whose purpose is the betterment and enhancement of the rural electric program.
- I. Establish a well developed program of safety promotion to insure a safe work element for all employees and a safe environment for the Cooperative's members and their families.
- J. Apply Cooperative principles in the operation of the Cooperative, including the orderly retirement of capital credits.
- K. Provide sound financial management which will enable the Cooperative to meet all its legal contracted obligations and requirements thereby insuring its long term existence as a consumer owned service organization.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2ORGANIZATION

	<u>INDEX</u>	<u>PAGE NUMBER</u>
Incorporation		8
Articles		9-10
Bylaws		11-12
Identity		13
Board of Directors		14
Consultants		15
General Manager		16
Succession Management		17
Organizational Chart		18-19

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2PAGE 1

SUBJECT: Incorporation

On May 1, 1941, eleven Brown County farmers met with Attorney Charles Gorsuch and County Agent Walter Zellers at Groton, South Dakota, and executed the Articles of Incorporation for the James River Valley Association.

These men were A. R. Baisch, Chester Gullikson, Lester Stearns, Wm. Dangel, T. Clarence Nelsen, C. W. Johnson, C. W. Wolter, Paul E. Krueger, Fred Kittlesland, Foster S. Rix and A. E. Dennert and they formed the first Board of Directors. C. W. Wolter was elected President, Paul Krueger, Vice-President; Chester Gullikson, Secretary, and Foster Rix, Treasurer of that first Board of Directors.

The execution of these Articles of Incorporation represented some of the first tangible results of hard work and planning by these men in their endeavor to bring electricity to the farms in their areas.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2PAGE 2

SUBJECT: Articles of Incorporation (Page 1 of 2)

The original Articles of Incorporation were filed with the Secretary of State, State of South Dakota, May 3, 1941.

The Cooperative was organized under the provision of Chapter 52.15 of the Code of 1939 of the State of South Dakota.

The name of the Corporation was James River Valley Electric Association.

Its principal place of business was located at Groton, the County of Brown, State of South Dakota.

May 10, 1948, James Valley Electric Association filed "Articles of Conversion" and become a Cooperative.

The name assumed by the Corporation is Northern Electric Cooperative, Inc.

The principal place of business was located at Aberdeen, in the County of Brown, State of South Dakota.

November 17, 1981 the Cooperative adopted the Amended Articles of Incorporation pursuant to the provision of SDCL 47-21.

The name of the Cooperative is and shall be Northern Electric Cooperative, Inc.

The term for which the Cooperative shall exist is perpetual.

The address of the principal office of the Cooperative is P.O. Box 457, Bath, South Dakota 57427 or P.O. Box 1119, Aberdeen, South Dakota 57401.

The original incorporators were:

A. R. Baisch
Chester Gullikson
Lester Stearns
Wm. Dangel
T. Clarence Nelsen
C.W. Johnson
C.W. Wolter
Paul E. Krueger
Fred Kittlesland
Foster S. Rix
A.E. Dennert

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____2

PAGE____2A

SUBJECT: Articles of Incorporation (Page 2 of 2)

The Amended Articles of Incorporation were adopted November 17, 1981.

Amendment History

These Articles have been amended as follows:

<u>Date</u>	<u>Article No.</u>
9/16/87	Articles restated and amended
4/7/97	Adopt Plan of Merger & Articles of Merger
9/22/99	Restated Articles of Inc. be adopted
9/19/2001	Article V of Articles of Inc.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____2

PAGE____4

SUBJECT: Bylaws

The original Bylaws of the Cooperative were adopted by the first Board of Directors on May 6, 1941.

Amendment History

<u>Date</u>	<u>Article No.</u>
May 28, 1946	II Sec. 1
May 28, 1946	VIII
May 28, 1946	XII
May 28, 1946	XIV
June 4, 1949	IV Sec. 2
June 7, 1958	III Sec. 1
June 9, 1959	VII Sec. 2
May 19, 1962	III Sec. 1
Sept. 19, 1964	I Sec. 5
Sept. 19, 1964	XI Sec. 5
Dec. 9, 1968	IV Sec. 3
Dec. 9, 1968	I Sec. 1, 2, 3, 4, 5, 6 & 7
Oct. 6, 1969	IV Sec. 3 & 4
Oct. 6, 1969	VIII Sec. 1, 2 & 3
Oct. 6, 1969	III Sec. 5
Oct. 6, 1969	XI (added Sec. 1a)
Dec. 9, 1971	III Sec. 5
Dec. 9, 1971	VI Sec. 5, 6 & 7
Dec. 9, 1971	VIII Sec. 1, 2 & 3
Dec. 9, 1971	X Sec. 6
Dec. 11, 1972	I Sec. 1
Dec. 11, 1973	I Sec. 1, 2, 3, 4, 5 (deleted 6 & 7)
Dec. 11, 1973	II Sec. 1
Dec. 11, 1973	III Sec. 1, 2, 4, 5 & 6
Dec. 11, 1973	IV Sec. 1, 2, 3, 4, 5, 6 & 7
Dec. 11, 1973	V Sec. 1, 2, 3 & 4
Dec. 11, 1973	VI Sec. 1, 2, 3, 4, 5, 6, 7, 8, 9 & 10
Dec. 11, 1973	VII Sec. I & 2
Dec. 11, 1973	VIII Sec. I & 2
Dec. 11, 1973	X Sec. 1 & 4
Dec. 11, 1973	XI Sec. 1 (deleted 1a), 3, 4 & 6
Dec. 7, 1976	VII Sec. 2
Dec. 7, 1976	VIII Sec. 2
Nov. 5, 1980	I Sec. 3 & 4
Nov. 5, 1980	VII Sec. 2
Nov. 5, 1980	XII
Nov. 5, 1980	IV Sec. 7
Nov. 5, 1980	V Sec. 1, 2 & 3
Nov. 11, 1981	Complete Bylaws rewritten and revised by Membership Committee and adopted by the membership.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____2

PAGE ____4A

SUBJECT: Bylaws (Continued)

The original bylaws of the Cooperative were adopted by the first Board of Directors on May 6, 1941.

Amendment History

<u>Date</u>	<u>Article No.</u>
Sept. 15, 1983	IV, Sec. 3
Sept. 15, 1983	VI, Sec. 14
Sept. 19, 1984	VIII, Sec. 2
Sept. 19, 1984	XI, Sec. 5
Sept. 17, 1986	VI, Sec. 14
Sept. 16, 1987	X, Sec. 6
Sept. 21, 1989	VII, Sec. 2
Sept. 21, 1989	IV, Sec. 5(b) (Par. 2)
Sept. 18, 1991	VI, Sec. 15
Sept. 16, 1992	IV, Sec. 5
Sept. 16, 1992	VII, Sec. 2 (Par. 1&2)
Sept. 20, 1995	VII, Sec. 2 (Par. 2)
Sept. 22, 1999	IV
Sept. 20, 2000	VII, Sec. 2; III, Sec. 3; IV, Sec. 5 & XII
Sept. 19, 2001	X, Sec. 6
Sept. 19, 2001	Resolution to increase director compensation
Sept. 23, 2003	Article I, Sec. 6 & 7
Sept. 23, 2003	Article III, Sec. 5
Sept. 23, 2003	Article IV, Sec. 2
Sept. 23, 2003	Article IV, Sec. 3
Sept. 23, 2003	Article IV, Sec. 5, 6 & 7
Sept. 23, 2003	Article VI, Sec. 3 & 15
Sept. 23, 2003	Article VII, Sec. 3
Sept. 23, 2003	Article XI, Sec. 1
Sept. 23, 2003	Article XII
Sept. 21, 2005	Article III, Sec. 6
Sept. 21, 2005	Article IV, Sec. 1 & 5
Sept. 19, 2007	Article V, Sec. 1B & 3
Sept. 17, 2012	Article III, Sec. 5
March 1, 2013	Article IV, Sec. 2

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____2

PAGE____5

SUBJECT: Identity

The corporate name of the Cooperative as designated in the Article I of the Amended Articles of Incorporation is Northern Electric Cooperative, Inc.

The Cooperative was formed with financing from the Rural Electrification Administration and given the designation by the institution, as South Dakota 21, Brown for administrative identity.

The Federal ID number assigned the Cooperative by the Internal Revenue Service is 46-0151015.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2PAGE 6

SUBJECT: Board of Directors

The Board of Directors, nine in number, are elected by the member-consumers as provided in the Amended Articles of Incorporation and Bylaws.

Three directors are elected each year to serve a three year term each. Following the election each year the Board of Directors select officers consisting of a President, Vice-President, Secretary and Treasurer.

The Board of Directors shall have the responsibility of establishing policies for the Cooperative and for the selection of and directing a General Manager, to see that they are properly executed.

The Board of Directors shall be responsible for conducting itself in compliance with appropriate provisions of the Cooperative's Bylaws and for the effective performance of those management responsibilities not delegated to the General Manager.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2PAGE 7

SUBJECT: Consultants

The Board of Directors, working with the General Manager, shall identify and secure outside consultants as are necessary to assist them in properly fulfilling their functional responsibilities. Consulting services shall be secured for but not limited to:

Legal Counsel
Engineering Services
Auditing Services

The Board may require direct reports from consultants which contain recommended courses of action and advice and counsel to the Board before decisions are made.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 2PAGE 8

SUBJECT: General Manager/Chief Executive Officer (CEO)

The Board of Directors shall employ for the Cooperative a General Manager/CEO to carry out the policies of the Board and assume the overall administrative responsibility for the operation of the Cooperative.

The General Manager/CEO advises and assists the Board in formulating the objectives, policies and programs needed to fulfill the basic purposes of the organization. He/she is responsible to the Board for the overall administration of the system's activities, subject to legal and regulatory limitations.

He/she is responsible for determining, coordinating and executing operational procedures, reviewing progress, taking remedial action and submitting periodic reports concerning operations and finances to the Board, the consumers, and to State and Federal agencies when required.

He/she is also responsible for developing and maintaining an adequate organizational structure, staffed with qualified department heads and other employees and for promoting the welfare of the organization and its relationship with the member-consumer, other cooperatives and the community.

To keep the Board informed on the activities of the Cooperative, the General Manager/CEO will provide a monthly activity report to the Board of Directors. This report, at a minimum, shall contain an update and summary of the progress and activities of each department and future plans. The Board of Directors, the General Manager/CEO and the department head's itinerary reflecting business meetings that will take them away from the Cooperative during the coming month.

Revised December 22, 2004

Section 2Page 9SUBJECT: **SUCCESSION MANAGEMENT**

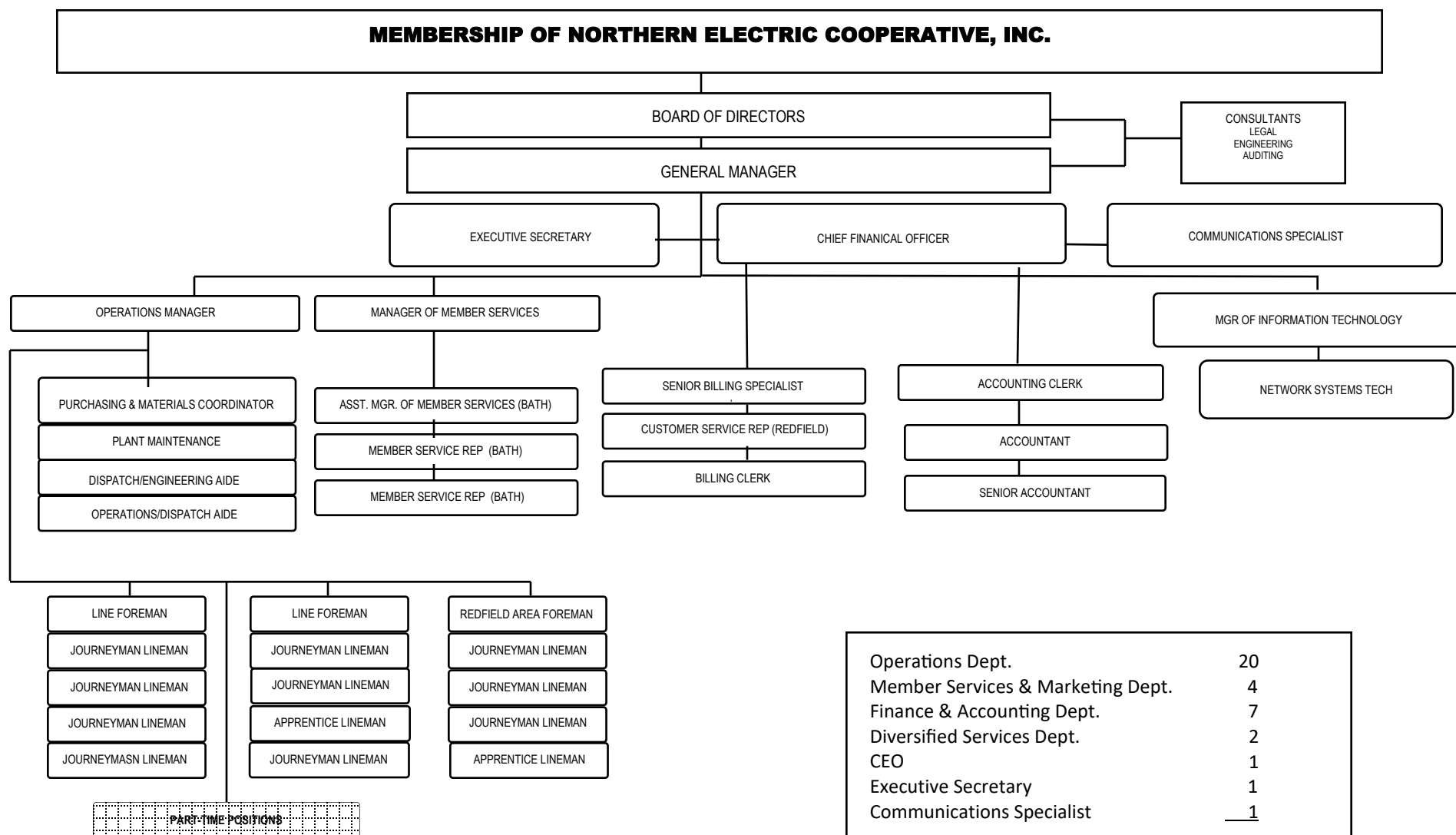
1 POLICY

Each January, the Chief Executive Officer (CEO) will inform the Northern Electric Coop Board of Directors which members of the senior staff, in rank order, the CEO would recommend be named as Acting CEO if the need arose. Additionally, the CEO shall discuss with the Board the impact of potential retirements or terminations. Reports will be made to the Board as necessary.

1. _____
2. _____
3. _____
4. _____
5. _____

GM/CEO

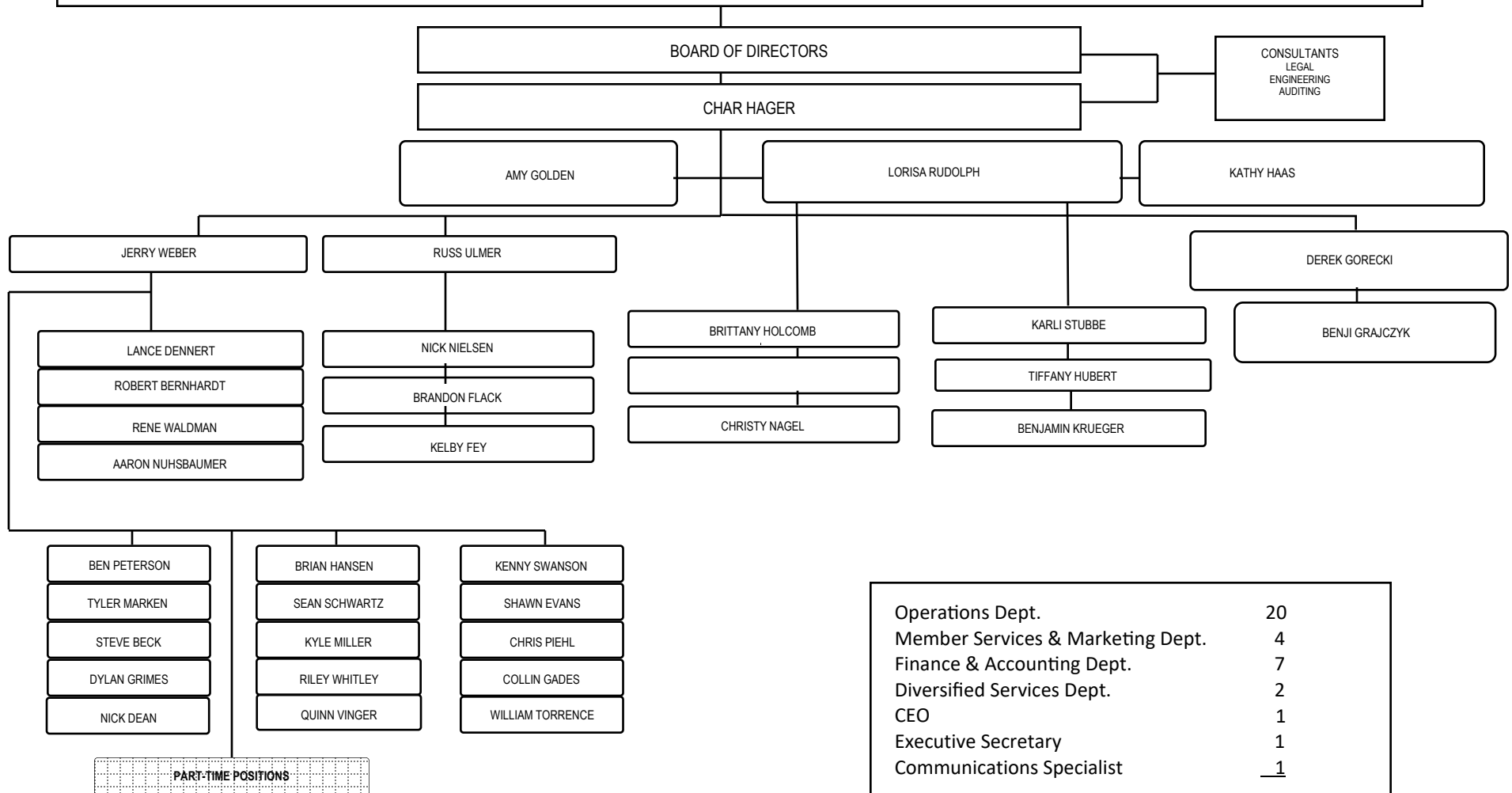
August 25, 2011



*** KEY ***



MEMBERSHIP OF NORTHERN ELECTRIC COOPERATIVE, INC.



*** KEY ***

FULL TIME POSITIONS (35)

PART-TIME POSITIONS

UNFILLED POSITIONS (0)

Effective 8-2-2023

NORTHERN ELECTRIC COOPERATIVE, INC.

<u>SECTION 3</u>	<u>PERSONNEL POLICIES</u>	<u>EMPLOYEES</u>
<u>INDEX</u>	<u>POLICY NUMBER</u>	<u>PAGENUMBER</u>
Employee Service Records		22-32
Employer - Employee Relationship	P-1E	33
Nondiscrimination Employment	P-2E	34
Employment of Personnel	P-3E	35-38
Employing Relatives	P-4E	39
Working Conditions	P-5E	40
Wages and Salaries	P-6E	42
Working Period	P-7E	43
Pay Period	P-8E	44
Holidays	P-9E	45
Overtime Pay	P-10E	46
Physical Examinations	P-11E	47-49
Leave of Absence	P-12E	50-52
Military Leave	P-13E	53-64
Administrative Excusal for Jury Duty	P-14E	65-66
Sick Leave	P-15E	67-69
On the Job Injury	P-16E	70
Vacations	P-17E	71-72
Northern Electric Cooperative, Inc. Safety Policy	P-18E	73-77
Operation of Motor Vehicles	P-19E	78-79
Uniforms, Personal Tools, Safety Equipment	P-20E	80-81
Reimbursement of Out of Pocket Expenses	P-21E	82
Outside Activities; and, Conduct Affecting the Cooperative While On or Off Duty	P-22E	83-84
Purchases by Employees	P-23E	85

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PERSONNEL POLICIESEMPLOYEESINDEXPOLICY NUMBERPAGE NUMBER

Employee Use of Cooperative Equipment & Facilities	P-24E	86
Service Awards - Employees	P-25E	87
Employee Insurance and Retirement Program	P-26E	88
Supplemental Compensation for Salaried Employees	P-27E	89
Use of Cooperative Vehicles By Employees	P-30E	90-91
Controlled Substances and Alcohol Use and Testing	P-31E	92-117
Sexual Harassment	P-33E	118-121
Deductions From Salaries of FLSA-Exempt Employees	P-34E	122-124
Administrative Excusal For Voting Time	P-35E	125
Smoke Free Work Place	P-36E	126
Donations and Contributions	P-38E	127-129
Social Media (Moved to GP-714)	P-39E(GP-714)	Moved
NEC PCI DSS Credit Card Security Policy	P-40E	131-145
Interconnection of Distributed Resources (IDR)	P-41E	146-147
Conflict of Interest Policy	P-42E	148-154

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 1

SUBJECT: Service Record - Employees

Clifford G. Hanson	June 15, 1945	- May 23, 1963
Raymond Burkhard	August 21, 1945	- September 1, 1945
Leo J. Jung	August 21, 1945	- September 1, 1945
Louis Moe	August 22, 1945	- November 15 1945
Hulda L. Antelman	October 1, 1945	- July 1, 1961
Frank Brunk	October 22, 1945	- April 30, 1949
Albert D. Connor	November 2, 1945	- May 31, 1956
George Wilson	December 31, 1945	- June 7, 1946
Gottfried F. Lundquist	1946	?
Roy S. Bates	January 2, 1946	- February 9, 1946
Dale Potter	April 1, 1946	- May 15, 1946
Arland Trygstad	April 1, 1946	- May 15, 1946
Alvin U. Haugen	August 1, 1946	- July 1, 1981
Jack Bower	August 21, 1946	- September 5, 1946
Clyde Savage	August 22, 1946	- September 15, 1946
S. N. Hagenson	September 30, 1946	- September, 1953
Richard Davis	December 11, 1946	- December 14, 1946
Fred Lundquist	1947	- 1949 -1950
Don Cavanaugh	January 31, 1947	- September 30, 1951
Edmund A. Hutchinson	February 1, 1947	- Day or two
Alfred J. Crogan	March 4, 1947	- March 15, 1947
Clayton A. Tooker	March 24, 1947	- July 31, 1947
Wm. Dean Paulson	March 31, 1947	- August 31, 1947
Bernard S. Sahli	June 1, 1947	- June 30, 1947
Walter Schroeder	June 1, 1947	- August 31, 1947
Clayton A. Tooker	December 1, 1947	- January 31, 1948
Ronald Rohlfesen	December 24, 1947	- December 24, 1947
Louie T. Russ	April 1, 1948	- July 31, 1953
Conrad J. Engstrom	April 19, 1948	- February 23, 1961
Gordon R. Antelman	June 1, 1948	- August 15, 1948
Paul Wilson	July 6, 1948	- October 12, 1948
Vivian F. Walz	July 7, 1948	- April 14, 1950
Juell E. Norem	July 20, 1948	- August 24, 1963
Frank M. Martian	August 2, 1948	- January 3, 1983
Dale E. Kemnitz	September 21, 1948	- October 1, 1948
Laurence Topel	September 23, 1948	- August 18, 1950
Carl Syljuberget	September 28, 1948	- April 13, 1951
Leo Nolz	October 7, 1948	- October 23,, 1948
Steve Baumgartner	October 7, 1948	- October 7, 1948
Frank Jangula	October 7, 1948	- November 12, 1948
Wm. D. Johnson	October 13, 1948	- April 3 1953
Alfred Davis	October 25, 1948	- March 31, 1953
Fred Voegelé	November 17, 1948	- November 19, 1948
Kenneth Wetzler	November 17, 1948	- January 26, 1951
Richard J. Adams	November 24, 1948	- January 1, 1986
Clifford Guernsey	January 12, 1949	- May 25, 1950
Signe Johnson	February 15, 1949	- July 15, 1949
Frances Baer	February 17, 1949	- November 21, 1953

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 1A

SUBJECT: Service Record - Employees (Continued)

Harold Petershagen	April 4, 1949	- April 11, 1956
Gardner Merkel	April 25, 1949	- April 28, 1949
Robert L. Kight	May 4, 1949	- January 26, 1951
Gertrude Baker	May 16, 1949	- January 31, 1951
Chris H. Steen	August 8, 1949	- June 15, 1950
Richard Graves	October 6, 1949	- October 26, 1950
Betty Hess Ziegler	October 17, 1949	- May 31, 1950
Richard I. Kiley	March 23, 1950	- September 21, 1951
Harold L. Newell	April 21, 1950	- May 25, 1950
Donald E. Shatzka	April 21, 1950	- May 25, 1950
Newell Tovaas	April 26, 1950	- July 28, 1950
Yvonne Wahl	May 22, 1950	- July 9, 1951
John A. Senger	May 29, 1950	- July 28, 1950
Bruce Becker	June 8, 1950	- April 10, 1951
Louis Martschinske	August 1, 1950	- September 8, 1950
John Hanlon	August 2, 1950	- October 13, 1950
Henry Kienast	August 3, 1950	- January 19, 1951
Willard Flesher	September 12, 1950	- September 18, 1950
Pete Goldade	September 12, 1950	- December 8, 1950
Wilmer Fischer	September 21, 1950	- January 19, 1951
Bernard Bauer	October 26, 1950	- December 15, 1950
James R. Craig	October 27, 1950	- October 31, 1950
Roy H. Fritz	October 30, 1950	- January 26, 1951
Arlys Schaefer	April 16, 1951	- May 29, 1952
Eyla Bell Schmidt	April 23, 1951	- May 31, 1951
Howard Koglmeier	May 14, 1951	- August 17, 1951
Gay J. Whittlinger	May 14, 1951	- October 10, 1967
John Ernst	May 16, 1951	- May 18, 1951
Chris A. Hieb	May 22, 1951	- July 3, 1951
Richard R. O'Leary	June 5, 1951	- September 21, 1951
Orchid Kay Motley	June 6, 1951	- July 15, 1952
Ervin Heupel	July 5, 1951	- December 19, 1951
Zelda Dangel	July 16, 1951	- November 5, 1951
John C. Fishback	August 13, 1951	- August 29, 1951
Robert Hovland	August 20, 1951	- December 24, 1951
Richard Scherado	August 20, 1951	- October 26, 1951
Hollis Wilson	November 11, 1951	- August 23, 1958
Ernest A. Johnson	October 1, 1951	- December 1, 1951
Paul Grandy	October 1, 1951	- October 26, 1951
Oran E. Baldry	October 1, 1951	- August 20, 1958
Milton Eisenbeisz	October 1, 1951	- May 31, 1966
James Mitchell	October 2, 1951	- December 19, 1951
Grant Grote	October 31, 1951	- December 24, 1951
Alice Nicholson	November 1, 1951	- January 4, 1952
Grant Grote	January 8, 1952	- January 21, 1952
Shirley Klotzbeacher	January 21, 1952	- April 17, 1954
Ervin Heupel	April 28, 1952	- April 3, 1953

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 1B

SUBJECT: Service Record - Employees (Continued)

Ernie Hoff	May 5, 1952	- May 5, 1952
Robert W. Hale	May 6, 1952	- May 23, 1952
Herman Kuebler	May 26, 1952	- October 17, 1952
Harley H. Patten	June 2, 1952	- April 16, 1955
Raymond Glaser	June 9, 1952	- June 30, 1952
Anna G. Boffin	June 9, 1952	- August 29, 1952
James H. Volk	June 16, 1952	- July 31, 1952
Leonard Stice	June 23, 1952	- March 19, 1955
Frank Schwab	July 8, 1952	- August 3, 1965
Marvin N. Lout	July 8, 1952	- July 25, 1952
Clifford C. Inman	July 29, 1952	- January 16, 1953
Yvonne Wahl	September 3, 1952	- April 30, 1953
Nickolas Giese	October 22, 1952	- March 26, 1955
Alvin C. Marzolf	May 18, 1953	- May 28, 1953
Bonnie M. Kemnitz	May 25, 1953	- September 4, 1953
Roy Blunt	June 3, 1953	- June 26, 1953
Maynard Ackerson	July 1, 1953	- December 31, 1953
Claude I. White	August 10, 1953	- March 31, 1956
Raymond L. Lohsl	September 28, 1953	- November 20, 1954
Alyce Bauer	October 16, 1953	- July 24, 1954
Ruth L. Blondo	November 30, 1953	- February 13, 1954
Betty Ann Prunty	December 15, 1953	- July 31, 1954
Marjorie Jacobs	February 18, 1954	- June 9, 1954
DoRell Abraham Dugdale	June 29, 1954	- February 11, 1955
Norma A. Gates	August 16, 1954	- December 15, 1956
Verne McGregor	December 5, 1954	- December 18, 1954
Beverly Carda	January 2, 1955	- March 31, 1960
Randy J. Nelson	January 23, 1955	- March 17, 1955
Lorene Glassman (Schwarting)	February 3, 1955	- May 14, 1981
Margaret Sunne	May 1, 1955	- December 10, 1960
Richard P. Schwan	July 26, 1955	- August 31, 1955
Leonard Geffre	October 3, 1955	- February 19, 1965
Allen Roth	October 7, 1955	- December 24, 1955
Harvey, A. Oliver	March 19, 1956	- May 14, 1990
Ervin Heupel	May 1, 1956	- January 3, 1984
Richard John Reimer	May 3, 1956	- May 4, 1956
Edward Duane Hughes	May 7, 1956	- June 9, 1956
Norman E. Dahme	May 7, 1956	- September 14, 1956
Monte Goodrich	May 9, 1956	- August 29, 1956
Lawrence Brunmaier	June 21, 1956	- June 27, 1956
Donald E. Hereau,	July 10, 1956	- October 5, 1956
Walter Stugelmeier	July 20, 1956	- September 29, 1956
C. Sherwood Hanson	August 2, 1956	- September 1, 1956
Ervin Berreth	September 10, 1956	- December 14, 1957
Robert E. Brick	September 17, 1956	- December 28, 1956
Richard E. Fuhrman	October 3, 1956	- February 4, 1957
Julius Wiedmeier	October 9, 1956	- January 15, 1992

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 1C

SUBJECT: Service Record - Employees (Continued)

Harlan M. Christensen	November 5, 1956	- July 1, 1967
Lawrence M. Walth	March 4, 1957	- October 7, 1958
Donald P. McCleerey	April 2, 1957	- August 24, 1957
Donald Wagner	August 26, 1957	- August 3, 1963
Donald Kaul	April 14, 1958	- July 5, 1958
Harley R. Riel	April 8, 1959	- September 2, 1959
John Walker	April 13, 1959	- March 7, 1962
Wayne Pesicka	September 14, 1959	- December 7, 1959
Rachel Evelyn Deibert	May 31, 1960	- May 1, 1964
Joseph Wolf	June 20, 1960	- May 22, 1961
Verlyn Ralph Aman	August 22, 1960	- October 19, 1960
Harvey Jewil Rott	October 28, 1960	- May 31, 1966
Beverly(Carda) Grosz	November 7, 1960	- September 13, 1965
Robert Roy Bechtle	January 16, 1961	- August 5, 1961
Eileen Harriet Kaven	February 6, 1961	- May 19, 1961
Eugene Kroell	February 27, 1961	- August 4, 1962
Wm. J. Daschel	March 7, 1961	- March 7, 1962
Dean McCurdy	May 26, 1961	- October 1, 1961
Mary Ann (Clemens) Heidt	June 14, 1961	- April 1, 2005
Melvin G. Johnson	August 10, 1961	- September 16, 1961
Lamber Allen Mielke	August 31, 1961	- January 10, 1962
Derald Olson	September 7, 1961	- December 2, 1964
Karen Stevens	October 10, 1961	- August 4, 1962
Ronald H. Anderson	April 30, 1962	- December 7, 1962
Walter Michaelis	May 14, 1962	- January 5, 1963
John Kokales	July 12, 1962	- January 5, 1963
Betty Maltby	August 6, 1962	- January 31, 1963
Gerald Ochs	June 18, 1963	- July 13, 1963
Dick Grebner	June 21, 1963	- July 20, 1963
Donald Von Wald Jr.	July 23, 1963	- October 14, 1963
Donald L. Fordham	July 23, 1963	- August 31, 1963
Ronald L. Hammrich	September 5, 1963	- September 20, 1963
LeRoy Wachtler	September 23, 1963	- August 25, 1964
Donald O. Glerup	October 7, 1963	- December 13, 1968
Edwin Lee Lukes	November 6, 1963	- May 4, 1964
Orlan Kopetsky	November 21, 1963	- April 24, 1964
David L. Quaschnick	May 26, 1964	- May 28, 1964
Ronald Lee Schaffer	June 3, 1964	- September 9 1964
Philip Young	July 21, 1964	- August 14, 1964
Benjamin Young	July 21, 1964	- August 24, 1964
Trudy Kathleen Eckert	August 6, 1964	- November 2, 1964
Iann Kaye Holmes	August 31, 1964	- April 28, 1967
Kenneth Eszlinger	September 1, 1964	- March 18, 1965
Lawrence W. Wright	September 1, 1964	- April 26, 1965
Donna I. Hammerbacher	January 4, 1965	- June 14, 1965
James H. Sudlow	January 6, 1965	- June 9, 1965
Gerald D. Wald	February 22, 1965	- November 1, 1965
Glen R. Brookel	February 22, 1965	- April 28, 1967

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 1D

SUBJECT: Service Record-Employees (Continued)

Robert J. Young	February 23, 1965	- March 11, 1965
Gerald J. Erickson	February 23, 1965	- August 16, 1965
Robert D. Lilly	May 4, 1965	- May 18, 1965
Philip Louick	May 12, 1965	- May 26, 1965
Ronald Lee Schaffer	June 1, 1965	- September 10, 1965
Lawrence B. Gatz	June 1, 1965	- June 20, 1966
Delvin Eugene Zerbel	June 8, 1965	- June 25, 1965
William Loyd Birkholt	June 14, 1965	- October 15, 1965
Harriet Jo Lobland	July 8, 1965	- June 30, 1966
Allen F. Ringgenberg	August 26, 1965	- April 28, 1967
Gary W. Brunn	August 27, 1965	- April 28, 1966
Mahylen D. Niles	August 31, 1965	- August 25, 1967
Gerald L. Biegler	September 28, 1965	- September 29, 1965
Robert J. Jahraus	November 9, 1965	- December 28, 1965
Gary A. Brown	November 16, 1965	- December 31, 1965
Leslie M. Crawford	November 16, 1965	- February 14, 1966
Curtis L. Long	April 26, 1966	- June 3, 1966
James Lickfelt	May 23, 1966	- July 15, 1966
Robert M. Barrie	May 31, 1966	- January 13, 1967
Lyle D. Dornbusch	June 1, 1966	- June 10, 1966
Arliss Mae (Green) Jakober	July 5, 1966	- June 8, 1973
Dennis Salwei	July 26, 1966	- August 29, 1966
Timothy R. Johns	August 1, 1966	- September 1, 1966
Harold A. Wells	August 1, 1966	- April 30, 1968
Craig T. Langager	August 5, 1966	- December 16, 1967
Thomas I. Escort, Jr.	September 6, 1966	- September 22, 1966
Linda H. Blair	December 9, 1966	- February 17, 1967
Roger Gaikowski	January 1, 1967	- August 28, 1967
Steven D. Balogh	January 3, 1967	- April 28, 1967
Bonnie Joe Ann Tschappat	February 16, 1967	- July 28, 1967
Donn E. Kuhfeld	April 10, 1967	- March 13, 1970
Orville F. Gorne	April 17, 1967	- July 17, 1967
Allen W. Dykema	April 27, 1967	- July 11, 1969
David Larson	May 8, 1967	- October 6, 1967
Richard Gehring	May 13, 1967	- December 29, 1967
Dennis Salwei	May 25, 1967	- August 23, 1967
Steve Kittelson	May 27, 1967	- August 24, 1967
Timothy R. Johns	May 29, 1967	- August 25, 1967
Sigval Flagtvedt	June 5, 1967	- September 13, 1968
Gerald J. Erickson	June 6, 1966	- August 25, 1967
Albert E. Eliassen	June 12, 1967	- August 14, 1967
Oliver Insley	June 14, 1967	- December 29, 1967
Keith Walker	June 27, 1967	- July 20, 1967
Robert M. Hansen	July 11, 1967	- November 16, 1973
Donna L. Nielsen	July 17, 1967	- September 17, 1981
Dennis W. Brendel	July 18, 1967	- July 24, 1967
Harold D. Crow, Jr.	July 18, 1967	- December 29, 1970

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____ 3

PAGE ____ 1E

SUBJECT: Service Record-Employees (Continued)

Craig Gardner	July 18, 1967	- July 21, 1967
Edward T. Anderson	July 19, 1967	- August 3, 1967
Larrie R. Petrich	July 27, 1967	- May 31, 2005
Judy L. Browning	July 31, 1967	- May 16, 1969
Dennis Hanson	August 21, 1967	- March 1, 1968
Linda A. Brucker	August 28, 1967	- August 28, 1967
Susan Brick	September 12, 1967	- August 31, 1970
Richard Sprenger	October 16, 1967	- August 14, 1970
Roger Larson	October 24, 1967	- October 27, 1967
Faye Meyers	December 4, 1967	- May 31, 1968
Oliver Insley	January 9, 1968	- December, 1969
Arnold C. Huizenga	March 8, 1968	- October 10, 1969
John D. Schuck	April 2, 1968	- January 10, 1989
Bob Overtuff	December 10, 1968	- August, 1971
David F. Klein	January 29, 1969	- May 9, 1969
Thomas R. England	January 29, 1969	- March 24, 1969
Robert R. Schur	February 17, 1969	- May 29, 1970
Bo U. Svard	May 5, 1969	- August 29, 1969
Marsha A. Frey	June 3, 1969	- September 10, 1969
Jerae E. Dufloth	August 11, 1969	- September 25, 1970
Robert A. Sommerville	September 8, 1969	- November 23, 1969
Herbert L. Erdmann	September 8, 1969	- January 15, 1971
Joseph J. Docktor	October 29, 1969	- October 30, 1969
Charles J. Henning	October 29, 1969	- October 30, 1969
Keith R. Dobler	November 18, 1969	- January 7, 1970
John J. Artz	December 1, 1969	- January 15, 1971
Anthony F. Jankauskas	January 12, 1970	- April 8, 1970
Lloyd C. Schweigert	March 16, 1970	- March 31, 1970
Raymond E. Ford	March 19, 1970	- October 19, 1979
Duane H. Podoll	April 20, 1970	- May, 1970
Teddi Ellsworth	April 28, 1970	- December 29, 1970
Donald H. Husted	June 8, 1970	- November 30, 1972
Duane G. Cavanaugh	June 15, 1970	- July 7, 1970
James C. Patterson	June 18, 1970	- August 10, 1970
George E. Mathieu	June 22, 1970	- March 24, 1972
Terry Lee Jenner	July 1, 1970	- January 6, 1972
Harold Klein	July 13, 1970	- November 13, 1970
David C. Karsky	August 10, 1970	- October 9, 1970
David E. Gilman	August 12, 1970	- December 29, 1970
John M. Vail	August 17, 1970	- June 25, 1975
LeRoy Schliesman	August 17, 1970	- September 4, 1970
Dennis Luckey	September 16, 1970	- December 29, 1970
Arden Lenling	September 18, 1970	- December 29, 1970
Philip A. Miller	September 28, 1970	- September 29, 1970
Elsmore S. Willander	October 19, 1970	- March 2, 1978
Ronald Clark	November 23, 1970	- May 14, 1971

NORTHERN ELECTRIC COOPERATION, INC.

SECTION ____ 3

PAGE ____ 1F

SUBJECT: Service Record - Employees (Continued)

David Roblewsky	June 30, 1971	- October 2, 1971
William Sundermeyer	July 6, 1971	- November 26, 1971
LeRoy A. Mastel	July 12, 1971	- October 15, 1971
Roland J. Couser	July 19, 1971	- August 6, 1971
James Moerke	July 21, 1971	- May 30, 1979
James P. Sporer	July 21, 1971	- October 8, 1971
Virgil Miller	July 21, 1971	- September 3, 1976
Edward Shunkwiler	September 27, 1971	- October 11, 1972
Clara Mae Ewer	January 10, 1972	- April 1, 1991
John W. Klein	February 7, 1972	- September 27, 1974
Terry L. Guthmiller	April 3, 1972	- April 5, 1972
Frank W. Evans	April 10, 1972	- July 8, 1972
Steven A. Rabine	April 12, 1972	- May 5, 1972
Howard F. Chappell	May 15, 1972	- August 15, 1972
Paul C. Tadlock	May 19, 1972	- January 31, 1973
Gregory J. Daschle	May 26, 1972	- August 25, 1972
Chester Sudlow	June 25, 1973	- July 19, 1973
Leonhart Gienger	October 30, 1972	- May 30, 1975
LeMoyne L. Anderson	November 9, 1972	- February 14, 1973
Lynn L. Lower	March 13, 1973	- May 4, 1973
Donald Faggiani	March 22, 1973	- November 2, 1973
Donald P. Sayler	July 23, 1973	- August 28, 1974
Paul C. Tadlock	July 25, 1973	- August 13, 1973
Ira R. Craft	September 4, 1973	- January 30, 1974
Eugene Forest	September 13, 1973	- December 24, 1976
Alvin L. Bruse	December 27, 1973	- February 22, 1974
Dale Swenson	January 14, 1974	- January 16, 1974
Donald D. Jones	February 1, 1974	- April 15, 1974
Noble Ray Troxell	February 27, 1974	- October 14, 1974
Barry L. Webb	April 29, 1974	- August 23, 1974
Leland G. Wolf	May 15, 1974	- June 25, 1974
Douglas Allen Hamilton	June 10, 1974	- January 3, 2014
Allen H. Crow	July 1, 1974	- August 28, 1974
Kim Kirchgasler	July 2, 1974	- August 30, 1974
Alan J. Bailey	September 30, 1974	- October 7, 1974
Clyde K. Hieb	November 4, 1974	- March 15, 1976
Joan D. Bosanko	May 19, 1975	- June 13, 1978
Kim Kirchgasler	June 2, 1975	- August 29, 1975
Donald Carrels	June 12, 1975	- July 2, 1975
David M. Schreiner	June 16, 1975	- January 30, 1976
Daniel D. Rieger	July 14, 1975	- Approx. 2 weeks
Raymond K. Salwei	July 15, 1975	- Approx. 2 weeks
Steve B. Gibson	July 16, 1975	?
Guy M. Solsaa	July 16, 1975	- Approx. 2 weeks
Bruce Engel	July 21, 1975	- Approx. 2 weeks
Wayne K. Lilly	July 21, 1975	- Approx. 2 weeks

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 1G

SUBJECT: Service Record - Employees (Continued)

Richard B. Nelson, Jr.	January 2, 1976	- January 15, 2007
Gary Freyer	February 23, 1976	- December 23, 1977
Terry L. Pinney	April 21, 1976	- June 7, 1976
Randy Lee Crawford	May 10, 1976	- July 23, 1976
James R. Noble	June 2, 1976	- July 30, 1976
Gary N. Hicks	August 4, 1976	- November 30, 1976
Dale B. Wooner	September 13, 1976	- December 24, 1976
Marion M. Beaty	September 13, 1976	- September 17, 1976
John Maines	October 1, 1976	- June 30, 1977
James Moore	December 6, 1976	- January 6, 2015
Edward Leitholt	June 6, 1977	- November 3, 1978
John Wesley Collins	March 13, 1978	- May 18, 1978
Joseph M. Kustritz	March 16, 1978	- December 31, 1979
David R. Anderson	March 21, 1978	- April 11, 1980
Gary A. Sombke	March 27, 1978	- March 16, 1979
Debra R. Schlender	June 5, 1978	- June 16, 1978
Rory Baade	June 20, 1978	- June 28, 1978
Douglas Griess	June 20, 1978	- July 15, 1978
Gary Finley	June 21, 1978	- June 30, 1978
Mark Adkins	June 21, 1978	- June 29, 1978
Julie Ann Jorgenson	June 26, 1978	- August 11, 1978
Timothy W. Hatling	June 28, 1978	- September 29, 1978
Kevin McNamee	July 6, 1978	- August 19, 1978
Neil Scherr	July 10, 1978	- July 21, 1978
Kenneth Lambert	July 14, 1978	- September 23, 1978
Randy Merritt	July 14, 1978	- July 28, 1978
Harky Gross	July 17, 1978	- August 26, 1978
Scot C. Wockenfuss	July 21, 1978	- December 15, 1978
Ruth Turcotte	July 31, 1978	- October 9, 1979
Richard Mehaffey Jr.	July 31, 1978	- August 5, 1978
Kenneth Brown	August 2, 1978	- August 21, 1978
James R. Curry	August 31, 1978	- September 21, 1978
Dean A. Howard	September 1, 1978	- September 9, 1978
Ken Mehlhaff	November 20, 1978	- October 3, 1979
Edward M. Bunsness	November 27, 1978	- March 7, 1979
Richard Wilson	March 28, 1979	- July 18, 1979
Curtis Suedmeier (deceased 9/11/2020)	April 27, 1979	- December 1, 2009
John W. Klein	May 14, 1979	- January 30, 1987
Larry Haug	May 17, 1979	- August 21, 1979
David Hostter	May 21, 1979	- August 16, 1979
Gregory Card	May 22, 1979	- July 12, 1979
Algie Mahto	July 13, 1979	- August 6, 1979
Lyle L. Jackson	July 25, 1979	- December 1, 2009
Kevin Sheridan	August 7, 1979	- October 19, 1979
Roberta L. Kirkman	October 10, 1979	- November 14, 1979
Neil C. Heupel	October 23, 1979	- January 4, 1980
Karen K. (Olson) Baseler	November 6, 1979	- October 10, 1985
Larry Haug	December 26, 1979	- January 14, 1980
Debra Fetherhuff	January 10, 1980	- December 12, 1980

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 1H

SUBJECT: Service Record - Employees (Continued)

Timothy J. Doerr	January 17, 1980	- June 30, 1980
Kevin Button	January 21, 1980	- February 13, 1980
Donald G. Berger	January 28, 1980	- October 14, 1980
James A. Craker	January 28, 1980	- February 12, 1992
Vaughn A. Kary	January 29, 1980	- March 14, 1980
Donald Stucker	March 18, 1980	- June 26, 1980
Robert E. Weinmeister	March 31, 1980	- June 24, 1988
Bradley Becker	April 28, 1980	- December 30, 2022
Larry Haug	May 21, 1980	- Aug. 20, 1980
Boyd Erickson	July 7, 1980	- July 29, 1980
Frederick M. Rauscher	August 4, 1980	- January 9, 2015
Hugh G. Peters	August 4, 1980	- April 5, 1983
Dorothy J. Mossburg	October 1, 1980	- February 26, 1981
Louis Olivera	October 13, 1980	- April 14, 1981
Agnes Villano	December 15, 1980	- August 27, 1982
Larry Haug	December 22, 1980	- January 2, 1981
Carol B. Anderson	February 23, 1981	- December 1, 2009
Jerold Backous	June 15, 1981	- March 25, 1988
Dennis Hagny	August 1, 1981	- April 1, 2005
Terry Lundberg	September 8, 1981	- January 4, 2022
Michelle Tolle	December 1, 1981	- March 25, 1988
Robert John Jorgenson	June 1, 1982	- August 13, 1982
Glenn Gross	May 12, 1982	- May 14, 1982
Jack Aadland	January 11, 1983	- Sept. 27, 1983
Rob Rehfeld	January 24, 1983	- February 22, 1983
Denise A. Brown	March 21, 1983	- July 15, 1983
Robert John Jorgenson	May 23, 1983	- August 19, 1983
Lyn P. Fliehs	May 31, 1983	- Nov. 13, 2001
Robert Rosebrock	July 27, 1983	- August 26, 1983
Robert Gollnick	July 28, 1983	- November 23, 1983
Todd Brockel	August 22, 1983	- August 26, 1983
Michael Hardord	August 29, 1983	- September 6, 1983
George Joseph Keller, Jr.	August 29, 1983	- November 23, 1983
Jerry Weber	Sept. 6, 1983	-
Denise A. Brown	Sept. 27, 1983	- September 30, 1984
Mark Fischer	Oct. 14, 1985	- July 14, 2017
Jay M. Hoffman	Jan. 16, 1989	- April 24, 1989
Tari A. Elspenger	Jan. 30, 1989	- October 24, 1989
Brad Steinbach	June 18, 1990	- October 12, 1990
Scott Jaacks	November 1, 1990	- November 15, 1991
Tyler S. Marken	December 3, 1990	-
Doris Scheuffele	March 1, 1991	- April 8, 2022
Nelda Linares	April 16, 1991	- July 12, 1991
Melissa Gross	Oct. 1, 1993	- February 14, 2000
Paul Henjum	Feb. 10, 1992	- March 31, 1995
Martin (Marty) Newman	May 26, 1992	- Jan. 2, 2025
Thomas John Clark	July 27, 1992	- August 25, 1992

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE II

SUBJECT: Service Record - Employees (Continued)

Skip Robinson	Dec. 9, 1992	- Jan. 8, 1993
	May 17, 1993	- 1996
Steve Den Ouden	June 7, 1993	- March 31, 2006
Jim Kaiser	May 23, 1994	- Nov. 17, 1994
Wendell O. Rye	Feb. 1, 1995	- Jan. 31, 2013
Mike Seyer	May 8, 1995	- Jan. 5, 2016
Justin Thorstenson	June 1, 1995	- Nov. 28, 1995
Justin Thorstenson	June 3, 1996	- March 11, 2000
Doug Bunt	June 1, 1995	- Sept. 1, 1995
Karen Cowles	March 21, 1996	- April 26, 1996
Erin L. Smith	May 13, 1996	- Oct. 14, 1996
Shane Niederworder	Nov. 4, 1996	- June 2, 1997

NORTHERN ELECTRIC AND SPINK ELECTRIC MERGER - 5/1/97**Former Spink Employees**

Sherry Baloun	Oct. 14, 1963	- July 1, 2005
Robert Brugger	April 9, 1973	- June 21, 2013
Lorry Buchholz	May 1, 1961	- Jan. 3, 2001
Chris Larson	Dec. 19, 1994	- Dec. 1, 2008
James Groft	June 26, 1995	- Sept. 30, 1999
Sharon Osborn	Nov. 6, 1989	- July 31, 1997
Cindy Lambert	Feb. 23, 1995	- Nov. 3, 1997
Mike Kelly	July 9, 1984	- May 31, 2019
Darvin Dickhaut	Nov. 1, 1982	- Jan. 4, 202
Rolland Farnham	?	- Feb. 5, 1996
David Appel	Nov. 7, 1983	- July 31, 2019
Kenneth Swanson	Feb. 16, 1987	
Doug Schaffer	?	- Sept. 1997

Doug Eidahl	April 6, 1998	- Oct. 1, 1999
Barry Kiesz	Aug. 17, 1998	- Feb. 1999
Jolene Fischbach	Aug. 24, 1998	- Jan. 13, 1999
Perry Ptacek	May 19, 1998	- June 30, 2006
Ron Gehrts	Nov. 30, 1998	- Feb. 5, 1999
Heidi Zeller	Feb. 17, 1999	- Sept. 30, 1999
Shawn Evans	May 8, 2000	
Gail Bacon	Jan. 1, 2000	- Aug. 29, 2003
	Feb. 21, 2005	- March 3, 2006
Jason Gaulrapp	April 1, 2002	- April 21, 2006
Tom Green	May 1, 2002	- Nov. 30, 2011
Kimberly Browning	Aug. 19, 2003	- Sept. 30, 2004
Derek Gorecki	March 22, 2004	
Stacia L. Willems	June 28, 2004	- July 18, 2008
Kay Albrecht	Sept. 13, 2004	-Aug. 15, 2023
Tiffany Hubert	Jan. 1, 2005	
Charlene Hager	June 1, 2005	
Diann Brenner	June 14, 2005	-Jan. 2, 2024
Russel Ulmer	Oct. 3, 2005	
Robert Bernhardt	March 16, 2006	
Janel Wagner	April 24, 2006	- April 29, 2009
Jon Betten	May 1, 2006	- April 30, 2010
Ben Peterson	June 19, 2006	
Justin Pinkert	July 10, 2006	- October 9, 2015

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 1J

SUBJECT: Service Record - Employees (Continued)

Rebecca Kappenman	July 22, 2008	- Jan. 21, 2022
Cathi Podoll	Nov. 24, 2008	- July 1, 2022
Jeremy Bostian	April 23, 2009	- June 15, 2017
Justin Wermers	Nov. 9, 2009	- August 30, 2013
Rene Waldman	Feb. 15, 2010	
Christy Nagel	March 1, 2010	
Chris Piehl	Nov. 10, 2010	
Nick Nielsen	March 14, 2011	
Erica Sperry	Nov. 21, 2011	- April 5, 2015
Benji Grajczyk	Jan. 1, 2013	
Lance Dennert	May 21, 2012	1000 hrs. -November 15, 2012
	April 1, 2013	
Brandon Flack	April 29, 2013	
Steven Beck	May 20, 2013	
Kelby Fey	March 17, 2014	
Alyssa Buchele	March 2, 2015	-October 28, 2021
Jordan Peterka	March 16, 2015	-February 27, 2018
Ben Dunsmoor	May 26, 2015	-April 1, 2024
Sean Schwartz	May 26, 2015	1000 hrs. -November 16, 2015
	November 16, 2015	
Aaron Nuhsbaumer	December 17, 2015	
Brian Hansen	February 15, 2016	
Kyle Miller	June 4, 2018	1000 hrs. -February 16, 2019
	February 16, 2019	
Megan Spears	June 14, 2018	-June 19, 2020
Collin Gades	May 1, 2019	1000 hrs. -October 28, 2019
	October 28, 2019	
Nicholas Dean	June 24, 2019	1000 hrs. -January 6, 2020
	January 6, 2020	
Benjamin Krueger	July 6, 2020	
William Torrence	May 18, 2020	1000 hrs. -November 20, 2020
	Nov. 20, 2020	
Riley Whitley	May 10, 2021	1000 hrs. -January 3, 2022
	January 3, 2022	
Taylor Beutler	February 1, 2022	-April 14, 2022
Lorisa Rudolph	February 1, 2022	
Brittany Holcomb	March 21, 2022	
Karli Stubbe	August 22, 2022	
Quinn Vinger	January 3, 2023	
Kelly Brandlee	April 17, 2023	-July 31, 2024
Amy Golden	July 24, 2023	
Kaden Carda	May 16, 2024	1000 hrs. -December 31, 2024
Dylan Grimes	May 16, 2024	1000 hrs. -December 31, 2024
	January 1, 2025	
Emily Johnson	September 16, 2024	-March 31, 2025
Carter Williams	May 12, 2025	1000 hrs.
Riley Pfeifer	May 12, 2025	1000 hrs.
Kathy Haas	June 2, 2025	

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 2

POLICY NUMBER: P-1E

SUBJECT: Employer - Employee Relationship

The directors and manager of Northern Electric Cooperative, Inc., because of their position, have a direct obligation to members of the Cooperative to adhere to sound management principles.

In addition to this responsibility they also have obligations to the Cooperative's staff of employees.

The employees also have certain obligations and responsibilities to the Cooperative (Manager, Directors and Members), as his or her employer.

The purpose of the following personnel policies is to better define and describe the responsibilities, obligations, rights and privileges of the Cooperative's directors, manager and employees.

The Cooperative through its Manager has the right to employ, discharge, transfer, promote, demote and discipline employees.

The Cooperative through its Manager exercises its rights to control and supervise operations of the Cooperative, to direct its employees and to determine the job requirements and personnel needed.

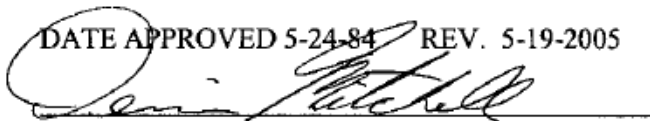
Management in return for this authority pledges to respect the position and dignity of the Cooperative's employees to the best of its ability to make the Cooperative a safe and rewarding place at which to work.

The "Line of Authority" up and down shall be followed as closely as possible to that of the organizational chart as depicted in the section of this manual entitled "Organization". In the case of the absence of the responsible person, the next in line of authority shall assume the responsibilities for making necessary decisions during that absence.

Responsibilities and relationships for each employee are more fully defined in the individual "Job Description" of each employee.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84 REV. 5-19-2005



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 3

POLICY NUMBER: P-2E

SUBJECT: Nondiscrimination Employment

The Cooperative shall not refuse to hire, accept, register, recruit, advertise for recruitment, classify or refer for employment, to discharge any employee or otherwise discriminate in employment or employment conditions against any applicant for employment or any employee because of the age, race, creed, color, sex, national origin, religion or disability of such applicant or employee, unless based upon the nature of the occupation.

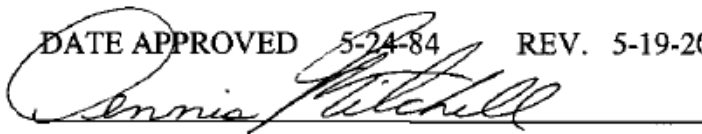
Each present and future employee of the Cooperative is supplied with a written statement to the effect that the Cooperative is an equal employment opportunity employer.

Equal Employment Opportunity posters are continuously and conspicuously displayed in and around the headquarters building in areas frequented by employees and applicants for employment.

An Equal Employment Opportunity statement of nondiscrimination is published annually in the Cooperative's newsletter and also in a newspaper of general circulation in the area served by the Cooperative.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84 REV. 5-19-2005

A handwritten signature in cursive script, appearing to read "Dennis Mitchell", is written over a horizontal line.

Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 4

POLICY NUMBER: P-3E (page 1 of 4)

SUBJECT: Employment of Personnel

Employment-at-willObjective - To inform employees of the at-will basis on which they are employed by the Cooperative.

Policy Content - All employees who do not have a separate, individual written employment contract for a specific fixed term of employment are employed at the will of the Cooperative and may be terminated by the Cooperative at any time, for any reason, with or without notice, except as prohibited by law or by the express provisions of any applicable labor agreement. The length of time that the Cooperative adopts for the estimation of wages does not create a contract for a fixed term of employment. Any contract or agreement which specifies a fixed term of employment must be approved by the board of directors, and signed by the president or general manager of the Cooperative.

Provisions

- a. Employees who do not have a separate, individual written employment contract, signed by the President or General Manager of the Cooperative, are employed at the will of the Cooperative and are subject to termination at any time, for any reason, with or without cause or notice, except as prohibited by law or by the express provisions of any applicable labor agreement. Similarly, employees may terminate their employment at any time and for any reason.
- b. The Cooperative's Board of Directors is the only body authorized to override the employment-at-will provision. No Cooperative representative is authorized to modify this policy for any employee or applicant for employment or to enter into any agreement, oral or written, contrary to this policy. Supervisory and management personnel should not make any representation to employees or applicants concerning the terms or conditions of employment with the Cooperative that are inconsistent with this policy.
- c. This policy will not be modified by any statements contained in this or any other employee handbooks, employment applications, recruiting materials, memoranda, or any other materials provided to employees in connection with their employment. None of these documents, whether singly or combined, will create an express or implied contract concerning any terms or conditions or employment.
- d. Nothing contained in this manual, employee handbooks, employment applications, Cooperative memoranda, or other materials provided to employees in connection with

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 4A

POLICY NUMBER: P-3E (page 2 of 4)

SUBJECT: Employment of Personnel

their employment require the Cooperative to have just cause in order to terminate an employee or otherwise restrict the Cooperative's right to terminate any employee at any time or for any reason. Provided, however, that the Cooperative will not terminate any employee for reasons that violate state or federal law, or the express provisions of any applicable labor agreement.

- e. Statements of specific grounds for termination set forth elsewhere in this manual are not all-inclusive and are not intended to restrict the Cooperative's right to terminate at will.
- f. The length of time which the Cooperative adopts for the estimation or wages does not create a contract for a fixed term of employment.

Responsibility - The General Manager shall be responsible for the administration of this policy.

Initial Employment With The Cooperative - Upon acceptance of employment the Cooperative may require the employee to pass a physical examination or drug test. Any request for a post employment physical evaluation or any request for physical examinations thereafter shall be in compliance with the American with Disabilities Act and the Rehabilitation Act of 1973.

The Cooperative in selecting personnel will evaluate an employee on qualifications and experience and establish the rate of pay accordingly. Applicants for employment may be required to complete certain examinations and tests as specified by the Cooperative.

Training – It is the policy of the Cooperative to work with the South Dakota Rural Electric Association to provide job training and safety instructions for all employees, and to adhere to the Occupational Safety and Health Act of 1970 and all amendments thereof in an effort to provide as safe and pleasant working conditions as are economically possible. The Cooperative will provide classes and short courses in job training, safety, technical aspects of the job, first aid and other pertinent training.

The Cooperative favors and encourages the training of employees through correspondence courses, adult education courses, and other types of technical training courses.

A cost participation plan is offered to employees that enroll in the Graduate School of the Department of Agriculture and other courses approved by management for various subjects offered on the basis that the plan shall be available to (1) all personnel after two years of employment (2) that the cost for any such course shall be paid on a 50/50 basis at time of

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 4B

POLICY NUMBER: P-3E (page 3 of 4)

SUBJECT: Employment of Personnel

enrollment and (3) conditioned upon the employee completing the course that the Cooperative shall reimburse the employee for the amount representative of the employee's 50% contribution.

An apprenticeship program approved by SDREA and registered and approved by a State apprenticeship agency approved by the Bureau of Apprenticeship and Training of the U.S. Department of Labor shall be made available to all personnel in the line department with completion being a condition of employment for all present and future employed line personnel not yet classified as a first class lineperson. The tuition fees for this program shall be paid by the Cooperative. If the employee should leave the employ of the cooperative for any reason prior to successful completion of the Merchant Job Training Program he shall reimburse the cooperative for all costs, tuition and fees associated with his participation in the program.

The time spent in such related supplemental training shall not be counted as hours worked unless the written agreement specifically provides that it is hours worked. The mere payment or agreement to pay for time spent in related instruction does not constitute an agreement that such time is hours worked.

Apprentices will be paid their regular hourly wages for attendance at related instruction classes during regular working hours.

Seniority – The Cooperative recognizes and adopts the practice of using seniority as a determining factor, other qualifications being equal, for hourly paid employees and positions only.

If other qualifications are equal, seniority shall govern in matters of promotion, layoff, reemployment, transfer and other areas where seniority is normally recognized.

Seniority will apply only within the department in which the employee works.

Any employee who is injured while on duty shall continue to accumulate seniority during their absence due to such injury, and shall be reinstated upon recovery to their former position with full seniority rights, provided they are physically qualified to return to their previous assigned job classification.

Advancement – It is the policy of the Cooperative to encourage advancement of its employees through the training aforementioned and therefore promotions from within the current employee staff will be considered. Seniority, training, qualifications and attitude will be part of the

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 4C

POLICY NUMBER: P-3E (page 4 of 4)

SUBJECT: Employment of Personnel

governing factors in such advancement and promotions. Service records of employees will be maintained as part of this manual to determine seniority.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5-24-84 REV. 1/27/2005
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 5

POLICY NUMBER: P-4E

SUBJECT: Employing Relatives

It shall be the policy of the Cooperative in future employment from the date of this policy and any amendments thereto not to hire any close relatives of a director or of the general manager to fill any position in the Cooperative.

Subject to the foregoing, close relatives as defined herein may be employed by the Cooperative so long as the new employee is not employed within the same department as a close relative whose job duties in the Cooperative would involve the responsibility for supervising, evaluating or auditing the work of the new hire. As a general proposition it is a policy of the Cooperative to refrain from hiring a close relative of a director, management official or a current employee of the Cooperative under circumstances which would place the newly hired employee in a situation of actual or reasonable conflict between the interests of the Cooperative and that of any current employee.

Close relative is defined as: Spouse, mother, father, brother, sister, father-mother-brother-sister-in-law, son or daughter, son-daughter-in-law, grandparents and grandchildren.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84 REV. 5-19-2005 REV. 2-18-10


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 6

POLICY NUMBER: P-5E

SUBJECT: Working Conditions

Employees will not be required to work out-of-doors during unreasonable weather unless such work is necessary to restore service, maintain service or property.

Weather conditions will be determined reasonable or unreasonable for out-of-doors work by management and supervisory personnel.

The Cooperative will provide and maintain in good repair modern tools and equipment necessary for the employee to efficiently carry out their assigned work responsibility.

It is desirable that a regular employee meeting may be held each month to provide employees with the opportunity to receive information from management and to express grievances or ideas for the betterment of working conditions and the overall good of the Cooperative.

A monthly safety meeting may be held in conjunction with the employee meeting.

Employee committees of defined purposes (is safety, employee relations) may be established for the promotion of a better overall understanding of the employee-employer relationship, for the planning and developing of various employee-employer social activities and for the coordination of the safety program.

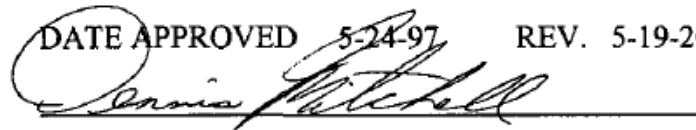
The Cooperative expects that employees will approach their work responsibilities with confidence and workmanship pride and execute each and every job in an efficient manner, exerting all the energy and skill that may be required to complete the job in a satisfactory manner.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED

5-24-97

REV. 5-19-2005



Secretary

EMPLOYEE RELATIONS COMMITTEE

DECEMBER 2024

The following people have been selected to serve on the Employee Relations Committee for the next two years:

KATHY HAAS (Coordinator) – June 2025
AARON NUHSBAUMER
COLLIN GADES
KARLI STUBBE
AMY GOLDEN – July 2023

SAFETY COMMITTEE

DECEMBER 2024

LANCE DENNERT (Coordinator) – 2023
STEVE BECK - 2023
COLLIN GADES - 2025
KELBY FEY - 2022
SEAN SCHWARTZ - 2025
TIFFANY HUBERT - 2021
AMY GOLDEN - 2023

EMPLOYEE MEETING COMMITTEE

(non-safety)

DECEMBER 2024

KATHY HAAS (Coordinator) - 2025
KYLE MILLER
BENJI GRAJCZYK
BENJAMIN KRUEGER
AMY GOLDEN - 2023

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 7

POLICY NUMBER: P-6E

SUBJECT: Wages and Salaries

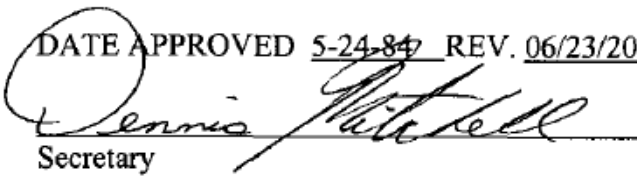
Wages and salaries of all employees of this Cooperative shall be determined by the Board of Directors after negotiations between the Board of Directors and the employee negotiating committee, and consideration of management recommendations. Negotiations for such wages and salaries shall be accomplished prior to and made effective November 1 of each year.

A negotiating committee of three Operations Department employees may be selected by those employees each year to meet with a designated committee of the Board of Directors to discuss wages and benefits.

Management will recommend to the board of Directors the salary levels of all department heads. The Manager shall also review with the respective department heads the wage levels of employees from departments other than the Operations Department and then make appropriate recommendations to the board committee.

National, regional, state and local rural electric compensation surveys as well as other factors will be consulted and evaluated as a basis for determining fairness and competitiveness in the rural electric and other related utility job markets.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84 REV. 06/23/2005
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION _____ 3

PAGE _____ 8

POLICY NUMBER: P-7E

SUBJECT: Working Period

The regular day time working hours for hourly paid employees shall be from 8 A.M. to 4:30 P.M. with one half hour intermission for lunch, Monday through Friday. This will constitute an average forty (40) hour work week.

All employees shall be granted a fifteen (15) minute work break at their job site during each one half day for personal relaxation.

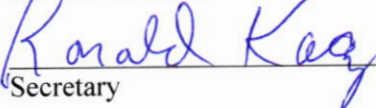
This daily schedule may be altered, for some or all employees, by mutual agreement, if changing the schedule would better utilize the human resources necessary to accomplish the Cooperative's obligations. Management retains the right to cancel any altered work schedules at their discretion.

All time within the above listed hours shall be spent by employees in diligent pursuit of their work for the Cooperative.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV: 2-20-2020


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION _____ 3
PAGE _____ 9

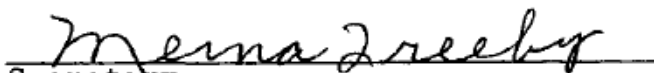
POLICY NUMBER: P-8E

SUBJECT: Pay Period

The pay period for hourly and salaried employees is considered to be semi-monthly.

Pay Days - Shall be the first working day following; the fifteenth (15th) day and the last day of each month.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED 5-24-84


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION _____ 3

PAGE _____ 10

POLICY NUMBER: P-9E

SUBJECT: Holidays

The Cooperative will pay each full time employee eight (8) hours of regular pay for each of the following holidays:

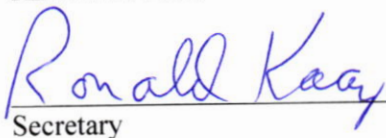
- (1) New Year's Day
- (2) Good Friday
- (3) Memorial Day
- (4) Independence Day
- (5) Labor Day
- (6) Veteran's Day
- (7) Thanksgiving Day
- (8) The Friday after Thanksgiving
- (9) Christmas Day

When a holiday falls on Sunday, the following Monday shall be considered to be the holiday. When a holiday falls on Saturday, the preceding Friday shall be considered the holiday.

Whenever an employee is required to work on a holiday, he/she shall be paid under the following rules:

1. Scheduled work - the employee shall receive time and one-half (1 1/2) his/her regular rate of pay.
2. Unscheduled work - the employee shall receive two (2) times his/her regular rate of pay.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED 5-24-84
REV: 2-20-2020


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 11

POLICY NUMBER: P-10E

SUBJECT: Overtime Pay

The Cooperative will pay the overtime rate of pay for all hours worked other than the regular scheduled work day or work week. Every effort will be made to avoid working outside these hours through proper scheduling. All hours worked beyond the scheduled work day or work week shall be with the approval of the Supervisor or Manager. Approval for all outage calls is hereby given to outside crews and the need of specific verbal approval waived.

Employees overtime rate shall be at a rate equal to one and one-half (1 1/2) time the regular rate pay.

Call Back - A minimum of one (1) hours pay at regular overtime rates shall be allowed to employees who are called to work after having been released from the regular days work. If called after 7 A.M. on a regular work day, overtime pay will be for actual time worked.

Good judgment and diligent pursuit of duties during regular working hours shall be an important factor in the decision in permitting overtime other than for emergency or service outage calls.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84Merna Treelby
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____3

PAGE ____12

POLICY NUMBER: P-11E (Page 1 of 3)

PHYSICAL EXAMINATIONS

I. OBJECTIVE

To ensure that employees are able to safely perform the essential functions of their jobs.

II. POLICY CONTENT

All new employees are required to submit to a physical examination before reporting for work. Employment is conditional on the results of the physical exam. Employees unable to perform the essential functions of their job will also be required to submit to a physical examination.

III. PROVISIONS

- A. A physical examination, which shall include a drug and alcohol test, shall be compulsory for every new employee prior to reporting for work; the physical examination shall be scheduled and authorized after an applicant has been offered a position with the Cooperative. The cost of the physical shall be paid by the Cooperative. While employment will be made conditional on the results of the medical exam, the medical requirements will be job related and consistent with business necessity. The Cooperative will not use the medical exam to discriminate against qualified individuals with disabilities.
- B. The General Manager may require a physical examination of any employee to determine the employee's ability to safely perform the essential requirements of his/her job, should the General Manager have a reasonable question as to the employee's ability to perform such duties. Such examinations shall be limited to determining whether the employee can safely perform the essential requirements of his/her job. This examination may be administered by a doctor and/or clinic chosen by the employee, however the maximum amount of expense to assumed by the cooperative will be \$60 above and beyond the amount covered by the Cooperative's Group Medical Insurance Program.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 12A

POLICY NUMBER: P-11E (Page 2 of 3)

PHYSICAL EXAMINATIONS

- C. Drivers subject to Policy No. P-19E, Driver Qualifications, will be medically examined for purposes of driver qualification every 24 months or at any time when the driver's ability to perform his/her normal duties has been impaired by a physical or mental injury or disease.
- D. Hearing tests and other physical examinations will be conducted as required by applicable occupational safety and health regulations for all employees who are exposed to physical hazards or toxic or hazardous materials at or above the action level. Such examinations may include a baseline examination, annual examinations, and other examinations as required by applicable occupational safety and health regulations.
- E. All information collected during the medical exam must be maintained in a separate medical file. Information regarding the medical condition or history of an employee may not be maintained in the employee's personnel or employment file.
- F. All medical information must be treated as confidential except in the following situations.¹
 - 1. Supervisors and managers may be informed regarding necessary medical restrictions on the work or duties of employees and necessary accommodations.
 - 2. First aid and safety personnel may be informed if an employee has a disability that might require emergency treatment.
 - 3. Information may be released to government officials investigating compliance with the Americans With Disabilities Act upon request and when relevant.

¹Medical information includes all voluntarily supplied information about a disability, such as an employee's response to self-identification for affirmative action purposes.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____3

PAGE ____12B

POLICY NUMBER: P-11E (Page 3 of 3)

PHYSICAL EXAMINATIONS

- G. Physical examinations will not include HIV or AIDS tests.

IV. RESPONSIBILITY

- A. It shall be the responsibility of all employees in supervisory positions to see that all employees under their supervision abide by the provisions of this policy.
- B. The General Manager shall be responsible for the administration of this policy.

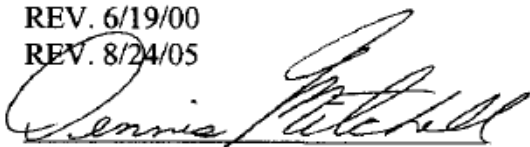
APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: May 24, 1984

REV. 6/21/90

REV. 6/19/00

REV. 8/24/05



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 13

POLICY NUMBER: P-12E (Page 1 of 3)

LEAVE OF ABSENCE

I. OBJECTIVE

The Cooperative recognizes that circumstances beyond the control of the employee may necessitate his/her being absent from duty. The purpose of this policy is to detail the conditions under which an employee may be granted leave without pay to be absent from job responsibilities.

II. POLICY CONTENT

The Cooperative may grant regular employees leaves of absence without pay under the conditions provided in this policy.

III. PROVISIONS

- A. A regular employee may request a leave of absence without pay for medical reasons, such as surgery, injury, or other disability or extended illness, including disability due to pregnancy or childbirth.
 - 1. Leave without pay for medical reasons will not be granted until all accumulated sick leave has been exhausted.
 - 2. The Cooperative may require an employee to provide proof of his/her disability, injury or illness, including submission to an examination by a physician of the Cooperative's choice, at the Cooperative's expense.
- B. A regular employee may also request a leave of absence without pay for personal reasons.
 - 1. Personal leave will not be granted for the purpose of engaging in gainful employment elsewhere.
 - 2. Leave without pay for personal reasons will not be granted until all accumulated vacation leave has been exhausted.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 13A

POLICY NUMBER: P-12E (Page 2 of 3)

LEAVE OF ABSENCE

3. Personal leave without pay will only be granted when the work of the Cooperative will not be impaired by such leave.
4. Leave without pay for personal reasons shall not exceed six months.
- C. Time spent on leave without pay for medical or personal reasons will not be included in computations of sick leave or vacation leave accrual.
- D. The Cooperative will continue to provide major medical insurance for the employee's first 30 days of leave. After the expiration of 30 days on unpaid leave, the employee will be removed from the Cooperative's major medical insurance policy, unless the employee reimburses the Cooperative for the cost of such coverage.
- E. After the expiration of 30 days on unpaid leave, other incidental benefits shall also be suspended unless the employee pays the costs associated with maintaining the benefit program. Retirement plan contributions and credit for years of service will be governed and controlled by ERISA break-in-service regulations.
- F. Request for Leave of Absence
 1. Request for a leave of absence must be made in writing, far enough in advance of the requested leave to permit the adjustment of work schedules, except in the event of an emergency.
 2. Leave of absence without pay must be approved by the General Manager.
 3. The Cooperative also grants upon approval of the manager, leave of absence to employees in the event of death or grave illness in the employee's immediate family, and the presence of the employee is deemed advisable. The immediate family of the employee shall be deemed to include the spouse, the children of the employee's, brother, sister, father, mother, father-mother-brother-sister –in-law, grandparents and grandchildren of the employee. The time allowed with pay will be considered to be a reasonable amount, depending on the circumstances but

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 13B

POLICY NUMBER: P-12E (Page 3 of 3)

LEAVE OF ABSENCE

in no event can it exceed five (5) days. Two (2) days maximum per year leave with pay will also be allowed for attendance at funerals of persons outside the immediate family of the employee.

4. In the event of inclement weather of a nature so as to make travel to and from the Cooperative's headquarters hazardous, individual employees at their discretion may be allowed to take annual leave in lieu of reporting to work. In the event an individual employee after reporting for work elects to leave for home before the Cooperative's regular closing hours due to inclement weather, the balance of the work day shall be charged against the employee's annual leave. In the event weather conditions are severe enough to warrant management closing the Cooperative's headquarters, the employees shall be granted leave of absence without loss of pay or earned annual leave.

- G. Leave taken under this policy by an FLSA-exempt employee will be administered pursuant to the provisions in Policy No. P-34E.

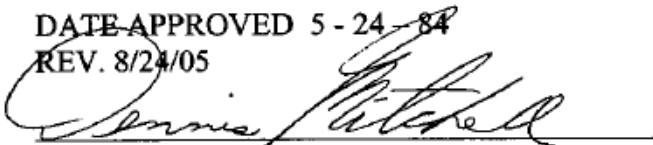
IV. RESPONSIBILITY

The General Manager shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5 - 24 - 84

REV. 8/24/05



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14

POLICY NUMBER: P-13E (Page 1 of 12)

MILITARY LEAVE

I. OBJECTIVE

- A. To inform employees of the conditions under which they may take military leave without pay, and
- B. To comply with state and federal law pertaining to veteran's reemployment rights.

II. POLICY CONTENT

Employees will be granted military leave without pay for the performance of duty on a voluntary or involuntary basis in a uniformed service.

III. PROVISIONS

- A. Except as otherwise provided in this policy, all employees who leave their position at the Cooperative to perform military training or service shall be granted an unpaid leave of absence to perform such training or service, subject to the provisions of this policy and state and federal laws pertaining to veteran's reemployment rights.
- B. An employee who is absent from a position of employment with the Cooperative by reason of military service will be entitled to the reemployment rights and benefits and other employment benefits provided in this policy if the following conditions are met:
 - 1. The employee (or an appropriate officer of the uniformed service in which such service is performed) must give advance written or verbal notice of service to the Cooperative, unless the giving of notice is precluded under military necessity or is impossible or unreasonable under the circumstances.
 - 2. The cumulative length of absence and of all previous absences from a position of employment with the Cooperative by reason of military service

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14A

POLICY NUMBER: P-13E (Page 2 of 12)

MILITARY LEAVE

does not exceed five years, unless otherwise allowed under the Uniformed Services Employment and Reemployment Rights Act of 1994.

3. The employee reports to or submits an application for reemployment with the Cooperative in accordance with the provisions of Section D.
- C. Notwithstanding Section III.B., the Cooperative will not reemploy a person in the following circumstances:
1. If the Cooperative's circumstances have so changed as to make reemployment impossible or unreasonable.
 2. In the case of an employee who is no longer qualified for the appropriate position, because of disability or otherwise, and employment would impose an undue hardship on the Cooperative.
 3. The employment from which the employee leaves to serve in the military is for a brief, non-recurrent period and there is no reasonable expectation that such employment will continue indefinitely or for a significant period.
- D. An employee who wishes to be reemployed by the Cooperative upon completion of a period of military service must notify the Cooperative of his or her intent to return to a position of employment with the Cooperative as follows:
1. In the case of an employee whose period of military service was less than 31 days, by reporting to the Cooperative not later than the beginning of the first full regularly scheduled work period on the first full calendar day following the completion of the period of service and the expiration of eight hours after a period allowing for the safe transportation of the employee from the place of service to the employee's residence. If, however, reporting within this period is impossible or unreasonable through no fault of the employee, then the employee shall report as soon as possible after the expiration of the eight-hour period.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14B

POLICY NUMBER: P-13E (Page 3 of 12)

MILITARY LEAVE

2. In the case of an employee who is absent from a position of employment with the Cooperative for a period of any length for the purposes of an examination to determine the employee's fitness to perform military service, by reporting to the Cooperative in the same manner as in Section III.D.1., above.
3. In the case of an employee whose period of military service was for more than 30 days but less than 181 days, by submitting an application for reemployment with the Cooperative not later than 14 days after the completion of the period of service. If, however, submitting the application within this period is impossible or unreasonable through no fault of the employee, then the first full calendar day when submission of the application becomes possible.
4. In the case of an employee whose period of military service was for more than 180 days, by submitting an application for reemployment with the Cooperative not later than 90 days after the completion of the period of service.
5. In the event the employee is hospitalized for or is convalescing from an illness or injury incurred in or aggravated during the performance of military service, the employee shall, at the end of the period necessary for the employee to recover from the illness or injury, report to the Cooperative or submit an application for reemployment as set forth in Sections III.D.1. through III.D.4.

This period of recovery shall not exceed two years, except that the two-year period shall be extended by the minimum time required to accommodate the circumstances beyond the employee's control which make reporting within the period specified above impossible or unreasonable.

6. An employee who fails to report or apply for reemployment within the appropriate period shall not automatically forfeit his or her entitlement to

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14C

POLICY NUMBER: P-13E (Page 4 of 12)

MILITARY LEAVE

any reemployment rights and benefits under this policy, but shall be subject to other Cooperative rules and policies with respect to leaves of absence set forth in Policies No. P-12E.

7. An employee who submits an application for reemployment in accordance with Sections III.D.3. through III.D.5. shall provide to the Cooperative, upon the Cooperative's request, documentation to establish that:
 - a. The employee's application is timely;
 - b. The employee has not exceeded the service limitations set forth in Section III.B.2.; and
 - c. The employee's entitlement to the benefits in this policy has not been terminated pursuant to Section III.E. relating to character of service.

If the failure of the employee to provide such required documentation occurs because such documentation does not exist or is not readily available at the time of the Cooperative's request, then the Cooperative will not deny reemployment on this basis. If, however, the documentation becomes available after reemployment, and the documentation establishes that the employee does not qualify for reemployment under this policy, then the Cooperative may terminate the employee and all rights and benefits under this policy.

E. Character of Service

An employee's entitlement to the benefits set forth in this policy by reason of military service terminates upon the occurrence of any of the following events:

1. A separation from military service with a dishonorable or bad conduct discharge.
2. A separation from military service under other than honorable conditions.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14D

POLICY NUMBER: P-13E (Page 5 of 12)

MILITARY LEAVE

3. A dismissal or dropping of an employee who is a commissioned officer, from the rolls of any armed force:
 - a. by sentence of court martial;
 - b. in commutation of a sentence of a general court martial;
 - c. in time of war, by order of the President;
 - d. by order of the President if the officer has been absent without authority for at least three months; or
 - e. by order of the President if the officer is sentenced to confinement in a Federal or State prison after being found guilty of an offense by a court and whose sentence has become final.

F. Reemployment Positions

An employee entitled to reemployment under this policy shall be promptly reemployed in a position of employment as follows:

1. In the case of an employee whose period of military service was for less than 91 days, in the position in which he/she would have been employed if his/her continuous employment had not been interrupted by the service. If, however, the employee is not qualified to perform the duties of the position after reasonable efforts by the Cooperative to qualify the employee, then in the position in which he/she was employed on the date of the commencement of the military service.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14E

POLICY NUMBER: P-13E (Page 6 of 12)

MILITARY LEAVE

2. In the case of an employee whose period of military service was for more than 90 days, in the position in which he/she would have been employed if his/her continuous employment had not been interrupted by the service, or a position of like seniority, status and pay. If, however, the employee is not qualified to perform the duties of the position after reasonable efforts by the Cooperative to qualify the person, then in the position in which he/she was employed on the date of the commencement of the military service, or a position of like seniority, status and pay.
3. In the case of an employee who has a disability incurred in or aggravated during military service, and who, after reasonable efforts by the Cooperative to accommodate the disability, is not qualified to be employed in the position in which he/she would have been employed if his/her continuous employment had not been interrupted by the service, then in any other position which is equivalent in seniority, status, and pay, the duties of which the employee is qualified to perform or would become qualified to perform with reasonable efforts by the Cooperative, or in a position which is the nearest approximation to such a position in terms of seniority, status and pay consistent with the circumstances of the employee's case.
4. In the case of an employee who is not qualified, and cannot become qualified with reasonable efforts by the Cooperative, for (i) the position in which he/she would have been employed if his/her continuous employment had not been interrupted by the service, or (ii) in the position in which the employee was employed on the date of commencement of the military service, for any reason other than disability incurred in or aggravated during the military service, then in any other position of lesser status and pay which the employee is qualified to perform, with full seniority.
5. If two or more employees are entitled to reemployment in the same position, and more than one of them has reported for such reemployment, the employee who left the position first shall have the prior right to

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14F

POLICY NUMBER: P-13E (Page 7 of 12)

MILITARY LEAVE

reemployment in that position. Any employee who is entitled to reemployment but does not have the prior right to reemployment in that position is entitled to reemployment as follows:

- a. In any other position of employment referred to in Section III.F.1. or 2., in the order of priority set forth in those Sections, that provides a similar status and pay, consistent with the circumstances of the employee's case, with full seniority.
- b. In the case of an employee who has a disability incurred in or aggravated during a period of military service that requires reasonable efforts by the Cooperative for the employee to be able to perform the duties of the position, in any other position referred to in Section III.F.3., in the order of priority set forth in that Section, that provides a similar status and pay, consistent with circumstances of the employee's case, with full seniority.

G. Rights, Benefits and Obligations During Military Leave

1. An employee who is reemployed under this policy is entitled to the seniority and other rights and benefits determined by seniority that the employee had on the date of the commencement of military service, plus the additional seniority and rights and benefits that the employee would have attained had he/she remained continuously employed.
2. An employee who is absent from employment by reason of service in the uniformed services shall be deemed to be on furlough or leave of absence, and is entitled to such other rights and benefits not determined by seniority that are generally provided by the Cooperative to employees having similar seniority, status and pay who are on furlough or leave of absence under a contract, agreement, policy, practice, or plan in effect at the commencement of the service or established while the employee performs the service.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14G

POLICY NUMBER: P-13E (Page 8 of 12)

MILITARY LEAVE

3. An employee who is on military leave, and knowingly provides written notice of intent not to return to employment with the Cooperative, is not entitled to rights and benefits under Section III.G.2.
4. An employee deemed to be on military leave under this policy shall not be entitled to any benefits to which the employee would not otherwise be entitled if the employee had remained continuously employed.
5. An employee deemed to be on military leave may be required to pay the employee cost, if any, of any funded benefit continued pursuant to Section III.G.2. to the extent that other employees on furlough or leave of absence are so required.
6. An employee who is reemployed by the Cooperative under this policy shall not be discharged from employment, except for cause, within one year after the date of reemployment if the person's military service was more than 180 days, or within 180 days after the date of reemployment if the person's military service was more than 30 days but less than 181 days.
7. Any employee taking military leave is permitted, upon request, to substitute any accrued vacation, annual, or similar leave with pay during the period of military leave.

H. Health Plans

1. In any case in which the employee taking military leave (or the employee's dependents) has coverage under a Cooperative health plan, the employee may elect to continue coverage as provided in this Section. The maximum period of coverage of the employee and his/her dependents under such an election shall be the lesser of (i) the 18-month period beginning on the date on which the employee's military leave of absence begins, or (ii) the day after the date on which the employee fails to return to the Cooperative under Section III.D.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14H

POLICY NUMBER: P-13E (Page 9 of 12)

MILITARY LEAVE

2. An employee who elects to continue health-plan coverage under this Section may be required to pay not more than 102% of the full premium under the plan associated with such coverage for the Cooperative's other employees, except that in the case of an employee who serves in the military for less than 31 days, the employee will pay only the employee share, if any, for the coverage.
3. In the case of an employee (or the employee's dependents) whose coverage under a health plan was terminated by reason of military service, an exclusion or waiting period may not be imposed in connection with the reinstatement of coverage upon reemployment of the employee if an exclusion or waiting period would not have been imposed under the health plan if the coverage had not been terminated as a result of the military service.

Section III.H.3. shall not apply to the coverage of any illness or injury incurred in or aggravated during performance of military service.

I. Employee Pension Benefit Plans

Employee rights under an employee pension benefit plan for employees reemployed under this policy shall be determined as follows:

1. An employee reemployed under this policy shall be treated as not having incurred a break in service with the Cooperative by reason of the employee's period or periods of service in the uniformed services.
2. The Cooperative may require that an employee absent for more than 90 days provide the Cooperative with the documentation referred to in Section III.D.7. before beginning to treat the employee as not having incurred a break in service for pension purposes.
3. Each period of military service by an employee shall, upon reemployment under this policy, be deemed to constitute service with the Cooperative for

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14I

POLICY NUMBER: P-13E (Page 10 of 12)

MILITARY LEAVE

the purpose of determining the non-forfeitability of the employee's accrued benefits and for the purpose of determining the accrual of benefits under the plan.

4. If the Cooperative reemploys an employee under this policy, the Cooperative shall, with respect to the employee's period of military service, be liable to the employee pension benefit plan for funding any obligation of the plan, and shall allocate the amount of any Cooperative contribution for the employee in the same manner and to the same extent the allocation occurs for other employees during the period of military leave.
5. An employee reemployed under this policy is entitled to accrued pension benefits that are contingent on the making of, or derived from, employee contributions or elective deferrals only to the extent that the employee makes payment to the plan with respect to such contributions or deferrals. Payment will not exceed the amount the employee would have been permitted or required to contribute had the employee remained continuously employed by the Cooperative throughout the period of military service. Any payment to the plan described in this Section shall be made during the period beginning with the date of reemployment and whose duration is three times the period of the employee's military service, not to exceed five years.
6. For purposes of computing the Cooperative's liability and the employee's contributions, the employee's compensation during the period of military service shall be computed at the rate the employee would have received but for the period of military service, or in the case that the determination of such rate is not reasonably certain, on the basis of the employee's average rate of compensation during the 12-month period immediately preceding the military service (or, if shorter, the period of employment immediately preceding the period of military service).

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14J

POLICY NUMBER: P-13E (Page 11 of 12)

MILITARY LEAVE

- J. The Cooperative will not deny protection under this policy based on the timing, frequency, and duration of an employee's military training or service, or the nature of the training or service (including voluntary service), provided the other requirements under this policy are met.
- K. Leave taken under this policy by an FLSA-exempt employee will be administered pursuant to the provisions in Policy No. 223, Deductions From Salaries of FLSA-Exempt Employees.
- L. Notwithstanding the above:¹
 - 1. Any employee who is a duly qualified member of a reserve component of the armed forces, a member of the ready reserve, or a member of an organized unit, and who leaves a position other than a temporary position with the Cooperative, shall be entitled to be restored to his/her previous position or a similar position with the same status, pay, and seniority, provided:
 - a. The reason for the employee's leave must be to receive military training with the armed forces of the United States not to exceed 15 days in any one calendar year, or to perform active service in the South Dakota National Guard.
 - b. The employee shall give evidence defining the date of departure and to the extent reasonably possible date of return prior to the date of departure.

¹Employers must comply with both federal law, as set forth in Sections III.A. through III.K., and state law, set forth in Sections III.L. and III.M. Any time you have a military leave situation, you should ensure that the federal law is being complied with. However, if a state law provision provides greater protection or benefits than an individual federal law provision, then the state law provision will control.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 14K

POLICY NUMBER: P-13E (Page 12 of 12)

MILITARY LEAVE

- c. The employee shall give evidence of the satisfactory completion of such training or duty immediately thereafter.
 - d. The employee must still be qualified to perform the duties of his/her position.
- 2. Seniority shall continue to accrue during the period of absence for military training or duty.
- M. Any member of the South Dakota National Guard who is ordered to active duty service by the Governor of the State of South Dakota or the President of the United States has all the protections and rights of the Uniformed Services Employment and Reemployment Rights Act afforded individuals on federal active duty.

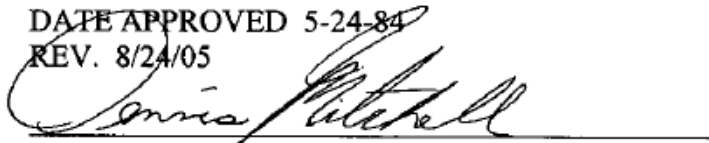
IV. RESPONSIBILITY

The General Manager shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 8/24/05



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 15

POLICY NUMBER: P-14E (Page 1 of 2)

ADMINISTRATIVE EXCUSAL FOR JURY DUTY

I. OBJECTIVE

To provide paid absences to employees called to serve on jury duty.¹

II. POLICY CONTENT

Regular employees will receive their normal wages or salaries when engaged in jury duty.

III. PROVISIONS

- A. The Cooperative will not discharge, intimidate, coerce, or otherwise discipline or discriminate against any employee for responding to a summons to serve as a juror.
- B. The Cooperative will pay regular employees the difference between their wage or salary and any amount received by the employee for service as a juror, when the employee is engaged as a juror (or is present in a jury pool) in a local, state, or federal court. Hourly paid, regular employees will not be paid while on jury duty until they have completed three months of continuous employment with the Cooperative.
- C. In order to be eligible for pay for days spent on jury duty, if the employee is released before 12:00 p.m. on any given day, he/she must return to the Cooperative to perform his/her regular duties, or any other duties available.
- D. Upon release from jury duty, the employee shall submit a statement from the clerk of the court stating the dates of jury duty and the amounts paid per day.

¹Neither state nor federal law require paid leave for jury duty. If you choose not to provide paid jury duty leave, revise this policy accordingly.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 15A

POLICY NUMBER: P-14E (Page 2 of 2)

ADMINISTRATIVE EXCUSAL FOR JURY DUTY

- E. Employees are entitled to keep their mileage allowance received.
- F. Employees are required to notify their immediate supervisor of a summons for jury duty on the first workday following the receipt of such summons, in order to receive full pay for service as a juror.
- G. Leave taken under this policy by an FLSA-exempt employee will be administered pursuant to the provisions in Policy No. _____, Deductions From Salaries of FLSA-Exempt Employees.

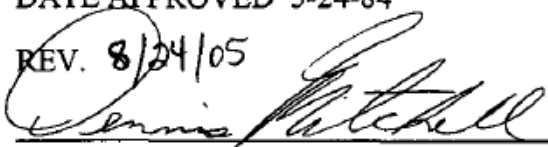
IV. RESPONSIBILITY

The General Manager shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 8/24/05



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 16POLICY NUMBER: P-15E
SUBJECT: Sick Leave (page 1 of 3)

Sick leave shall be granted to full time employees only. During the first six (6) months of service with the Cooperative, the employee shall earn sick leave at the rate of two (2) hours per pay period. Thereafter, a full time employee shall earn sick leave at the rate of four (4) hours per pay period so long as they are employed by the Cooperative. Sick leave accumulation will not be limited.

An employee who is absent from work and receiving temporary disability benefits under the Workers Compensation Plan shall not accrue sick leave credits beyond 13 weeks of absence. An employee receiving benefits under the Long Term Disability Plan shall not accrue sick leave credits.

Sick leave shall be granted, on an hourly basis, to a full-time employee:

- 1) When the employee is not capable of performing assigned duties because of illness, injury, or pregnancy and confinement.
- 2) For medical, dental, or optical examination or treatment.
- 3) When a member of the employee's immediate family including the employee's parents, is afflicted with a contagious disease or is sick and under the care of a physician and requires the care and attendance of the employee. An employee will be allowed to use up to (10) ten days between fiscal year December 16 - December 15 to take children, parent or their spouse to medical appointments or examinations and for the care of their children, parent or spouse suffering from a routine or non-critical illness.
- 4) When through exposure to a contagious disease, the worksite presence of the employee could jeopardize the health of others.

An employee's sick leave pay shall be at the same rate as the employee's regular rate of pay.

Under no circumstances shall sick leave be available for an employee for sickness or injuries sustained by such an employee while gainfully employed for wages by any business or persons other than this Cooperative, or attributable, directly or indirectly, to the abuse of alcoholic beverage or other controlled substance. However, sick leave may be granted for rehabilitation and/or treatment prescribed by a qualified health professional for employees suffering from alcoholism or other drug addictions.

In the event of sickness or off the job injury, except as provided herein, the employee shall receive the number of hours equal to the work day scheduled at the time of illness or injury at their regular straight time wage rate for each regular work day that the employee is sick or injured up to the extent of the employee's earned sick leave; but not more than eighty (80) hours of sick leave at his regular straight time

wage rate shall be paid in any two week pay period. Sick leave shall not in any way be construed as additional vacation time. Subject to the provisions in the last paragraph of this policy, under no circumstances shall an employee receive a lump sum payment for unused sick leave.

Sick leave shall continue to be earned for up to 13 weeks by an employee while an employee is absent from work and is utilizing sick leave, vacation leave or receiving benefits under the Short-Term Disability Plan. Sick leave will not be earned while receiving Long Term Disability benefits or while the employee is on a leave of absence without pay. Any employee who has used all of their accumulated sick leave and vacation leave may request in writing from the general manager that the employee be granted a leave of absence without pay for all subsequent periods of absence from work due to sickness or injury.

With the permission of the Cooperative, compensation paid an employee derived from accumulated sick leave or vacation leave may be coordinated with any payments received by the employee from the Cooperative's Workers' Compensation Plan, Short Term Disability Plan or , Long Term Disability Plan to provide compensation to the employee of up to one hundred (100) percent of the affected employees base pay.

Such coordination of benefits and payments, may continue until:

- (i) all accumulated sick leave and vacation leave has been exhausted, or;
- (ii) to the effective date of receipt of social security disability benefits, or;
- (iii) termination of employment,

whichever occurs first. This provision in no way extends the employee's status as an employee with the cooperative nor does this provision affect the cooperatives obligation to provide other benefits unless specifically specified in this agreement. The Cooperative when it deems it is in its best interests may pay in a lump sum the employees accrued vacation and sick leave. The cooperative may require that an employee utilize, or exhaust accumulated sick leave or vacation benefits as a condition of maintaining employment status, receipt of employer paid benefits or as a further condition of coordinating benefits under any workers compensation or disability plan.

An employee, who is unable to report for work because of illness or injury, shall make every effort, prior to the start of the normal workday, to notify the immediate supervisor.

When sick leave extends beyond a period of three (3) days, a doctor's certificate may be required by the Cooperative. If a doctor's certificate is required by the Cooperative, the cost of obtaining the certificate not covered by the various insurance plans shall be paid by the Cooperative.

Employees who request sick leave pursuant to the third paragraph of this policy, items 3 and 4 may be required to obtain a doctor's certificate confirming either the contagious or infectious disease or the critical condition of parent, spouse, or child.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5/24/84

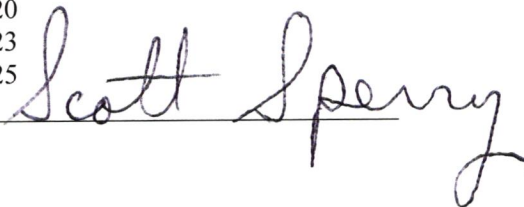
REV. 2/21/95

REV. 3/26/2020

REV. 6/23/2023

REV. 3/28/2025

Secretary

A handwritten signature in cursive script, reading "Scott Sperry", written over a horizontal line.

Effective Date: 3/28/2025

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 17

POLICY NUMBER: P-16E

SUBJECT: On the Job Injury

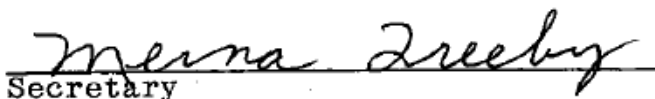
The Cooperative and employees are fully covered by Workmen's Compensation Insurance which will pay hospital, surgical, and medical expenses together with weekly compensation due any employee injured while working on the job.

In the event a permanent employee who has worked for the Cooperative six months or more is injured on the job, the Cooperative agrees to pay the injured employee his-her regular semi-monthly wage on each pay day for a period not to exceed sixty (60) days, provided however, that the accident was not caused by disobedience of orders, gross carelessness, non-compliance with established safety rules, or other reasons that would clearly place the blame on the employee; with the understanding that for the period of time such employee is paid at the rate set forth above, his-her Workmen's Compensation benefits shall be paid to the Cooperative.

In the event the disability exceeds sixty (60) days the Manager upon request of the injured party, will review the case on its merits taking into consideration the following:

- (a) Period of employment
- (b) Circumstances of the accident
- (c) Extent of injuries
- (d) Probable loss of time
- (e) Safety record
- (f) Suitability for other job classification
- (g) Long Term Disability coverage (see Policy No. P-26E, Section 3, Page 34)
- (h) Other related circumstances

APPROVED BY THE BOARD OF DIRECTORS
DATED APPROVED 5-24-84


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 18

POLICY NUMBER: P-17E

SUBJECT: Vacations (page 1 of 2)

All leave or vacation time shall be on a calendar basis, that is: from January 1 to December 31 of each year.

Full time employees shall earn ten (10) days of leave each year for five (5) years. Commencing with the sixth year as a full time employee and each year thereafter, the employee shall be entitled to one (1) additional day for each year of service that shall be added to the initial ten (10) days mentioned until a total of 30 days is reached.

Vacation time may be scheduled any time after completion of the first month of employment as a full time employee. With the exception of the first partial year of employment, an employee must take at least 5 days of vacation time each calendar year. An employee may not use more than one year's vacation leave accrual during any calendar year without the approval of the General Manager. The maximum number of hours of vacation time that an employee may accumulate shall be limited to an amount equal to two (2) times the employee's current annual accrual rate. When an employee reaches the limit, no further vacation time can be accrued until the total amount is reduced below the maximum. In the event of accident, sickness or an emergency working condition, the Cooperative may, on an individual employee basis, extend the maximum.

Temporary and part-time employees do not receive vacation credits, except those temporary employees who are reclassified to full time status without a break in service.

In the event a holiday falls within an employee's vacation period, the employee is entitled to one extra day vacation. This extra day will be given at a time mutually agreeable to management and the employee.

Cash payments in lieu of vacation privileges are not allowed except where an employee leaves the service of the Cooperative, their unused and accrued vacation time for the current year shall be computed and paid.

An employee who is absent from work and receiving temporary disability benefits under the Workers' Compensation Plan shall not accrue vacation credits attributable to such period absence from work beyond 13 weeks. An employee receiving benefits under the Long-Term Disability Plan shall not accrue vacation credits.

Vacation leave will be granted to full time employees only. Probationary employees, upon becoming a full-time employee, shall be credited with vacation leave time accrued from the date of hire.

The employee shall be responsible for scheduling vacation leave so that accrual will not be lost.

Vacation leave must be taken in minimum increments equal to one-half (1/2) of the work day or (4) hours unless otherwise authorized by Management.

Request for vacation leave must be made a reasonable time in advance to avoid impairing the work of the department.

Requests for vacation leave must be submitted to and approved by the Department Manager.

For vacation requests made prior to the first day of April, seniority shall be used to resolve vacation scheduling conflicts. Beginning April 1, vacation requests shall be scheduled on a first request, first honored basis.

An employee's vacation pay shall be at the same rate as the employee's regular rate of pay.

When a full time employee gives at least two weeks advance notice and then voluntarily terminates employment with the Cooperative, the employee shall be entitled to a cash payment of an amount equal to one hundred (100) percent of accrued vacation leave. If the employee fails to give the two weeks' notice he shall receive no cash payment for accrued vacation leave.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: May 24, 1984

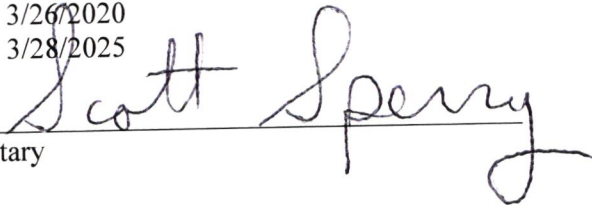
REV: 4/21/95

REV: 10/20/2005

REV: 3/26/2020

REV: 3/28/2025

Secretary

A handwritten signature in blue ink that reads "Scott Sperry". The signature is written over a horizontal line.

Effective Date: 3/28/2025

POLICY NUMBER: P-18E (Page 1 of 5)

SUBJECT: Northern Electric Cooperative Inc. Safety Policy

Safety Enforcement Policy

- At Northern Electric Cooperative Inc we do not view discipline as a form of punishment but as a rule or system of rules governing conduct or activity in order to eliminate unsafe circumstances.
- Northern Electric Cooperative Inc believes that education is the key to establishing proper disciplinary procedures and holding all employees accountable to our company's health and safety policy and program, as well as to applicable regulatory requirements.

Safety Program

- The main objective of our safety enforcement program is to promote and ensure that Northern Electric Cooperative Inc's rules and safe work practices are taken seriously by all employees and are followed.
- Where disciplinary action is deemed to be appropriate, it shall be conducted in timely manner.
- Trying to correct unsafe behavior by waiting only allows the behavior or habit to become more ingrained.

Disciplinary Program Process

In order to ensure effectiveness of the program all of the following five steps must be addressed with equal importance:

- 1) Review of disciplinary policies and procedures
- 2) Investigation of accusations and infractions
- 3) Determining and reviewing disciplinary action
- 4) Documenting Disciplinary action and program enforcement
- 5) Conducting the disciplinary meetings and promoting safe work practices and compliance to regulatory requirements

Disciplinary Measures and Accountability

Northern Electric Cooperative Inc requires all personnel to comply with the Occupational Health and Safety Act and the revised edition of the South Dakota Rural Electric Cooperative Safety and Work Practices Manual. Employees shall be familiar with and follow the safe working practices recommended in this manual and all applicable regulations. Subcontractors are also required as part of the Northern Electric Cooperative Inc sub-contractual agreement to comply with the Northern Electric Cooperative Inc safety directives.

Duties of Employees

It shall be the duty of all employees of the Cooperative, whether they exercise supervisory functions or not, to report violations and to enforce the safety rules and regulations of the Cooperative. Any employee whether or not they exercise supervisory authority or not who fails to adhere to safety rules and policies or fails to discharge their duty to enforce and report safety violations may be subject to discipline in the same respect as an employee who violates a safety rule or regulation.

Safety rules must be uniformly and consistently enforced. Safety

rules must be enforced in an unbiased manner.

To the extent circumstances permit, all employees must educate and mentor one another and remind fellow employees including their supervisors of dangerous safety situations or potential violations of safety rules.

No employee whether exercising supervisory authority or not may condone a violation of a safety rule. A failure to report a violation of a safety rule even if the violation is committed by a supervisor, shall be deemed a violation of this provision.

Any health and safety contravention observed at the work site is to be dealt with immediately through a documented verbal and/or written warning.

Such written warnings shall include:

- Project name and number
- Employee, trade subcontractor/vendor responsible
- Identity of NEC employees, supervisors, subcontractor's superintendent/foreman in charge of the work, and his signature of acknowledgement

SECTION 3PAGE 19B

- Names of individual violators if any
- An explanation of the health and safety violation observed
- Date and time as to when the infraction is to be rectified

In the event that a subcontractor, member or general public refuses or neglects to rectify a hazardous condition, practice or any violation, Northern Electric Cooperative Inc may exercise the right to take immediate steps to correct the unsafe condition at the expense of the responsible parties. Northern Electric Cooperative Inc may also remove from the work site any individual who continues to cause the unsafe condition to remain or performs in a manner not consistent with the guidelines of this policy. It is the responsibility of the Northern Electric Cooperative Inc worksite supervisor to communicate with the subcontractor, member or general public regarding the unsafe condition. If the subcontractor, member or general public refuse to comply, the supervisor shall contact their department head or the cooperative CEO.

Disciplinary Action

All employees are required to comply with all statutory requirements concerning the health and safety of workers in the workplace, as well as the safe work procedures and any other requirements of the company's health and safety program. The company will not condone any breach of statutory requirements or health and safety program. The company has implemented the following disciplinary actions for violations:

This policy is applicable to all workers at sites. All workers are required to comply with the Occupational Health and Safety Act, and the South Dakota Rural Electric Cooperative Safety and Work Practices Manual, and all applicable regulations. Failure to comply with these requirements will result in disciplinary action.

The following is a guideline of disciplinary action for safety infractions. These actions will not necessarily be implemented progressively. Disciplinary action taken shall among other factors, take into consideration the seriousness of the infraction and past violations of safety rules by the employee.

Level 1

In the opinion of the supervisor, the violation is of a minor nature and one which does not directly endanger the well-being of any person at the workplace.

Disciplinary action will consist of a mandatory discussion with supervisor regarding the violation.

The supervisor will document violations resulting in a verbal warning.

Level 2

In the opinion of the supervisor, the violation is of a major nature, one which will directly endanger the well-being of any person at the workplace.

A written "Notice of Infraction" will be issued.

Disciplinary action will consist of a mandatory discussion with supervisor regarding the violation and possible suspension. Disciplinary action for Level 2 infractions may be altered. Workers will be notified verbally and in writing of any alterations.

Repeated violations of this nature will lead to suspension and possible termination.

Level 3

A written "Notice of Infraction" will be issued where, in the opinion of the supervisor, the violation is life-threatening to one or more individuals on site.

Disciplinary action will consist of a mandatory discussion with supervisor regarding the violation and mandatory suspension or termination.

The following safety infractions are deemed Level 3 and will result in immediate suspension and or termination:

SECTION 3PAGE 19D

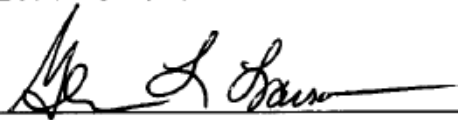
- Possessing firearms and/or other weapons on project
- Possession of or being under the influence of illegal drugs or alcohol on project
- Engaging in any activity that endangers fellow employees, members or the general public
- Engaging in any activity that damages property of the cooperative or others
- Violations that could result in a fatality or serious injury are grounds for immediate suspension or dismissal

Note: Warnings are intended to give workers the opportunity to correct their actions. Repeated violations even of a Level 1 nature may result in suspension or termination. Serious offences or flagrant violations of the safety program or the Occupational Health and Safety Act and Regulations are grounds for immediate suspension or dismissal.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5-24-2018

REV: 7/19/2018



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 20

POLICY NUMBER: P-19E (page 1 of 2)

SUBJECT: Operation of Motor Vehicles

It is the policy of this Cooperative that the operation of motor vehicles owned by the Cooperative shall be an example of courtesy and safety. Under no circumstances will any motor vehicle owned by this Cooperative be operated in a violation of any laws of the area in which it is being operated. Operation of a motor vehicle owned by this Cooperative in violation of such laws shall be cause for disciplinary action or immediate discharge and any fines or charge for such violation, not deemed the fault of the Cooperative will be assumed by the employee.

The General Manager shall initiate and administer this Policy with the following minimum requirements:

- A. Assure that all employees that are required to have a Commercial Drivers License (Class A or Class B) do have one and that it is the only license the employee has.
- B. Do not knowingly allow any new or existing employee to operate a Cooperative motor vehicle if the employee's drivers license has been suspended, revoked, canceled, or if the employee has been disqualified.
- C. Assure that all employees that will operate a Cooperative motor vehicle with a GVWR or 10,000 pounds or more, be 21 years of age or older
- D. Review each employee's driving record and restrict or suspend Cooperative driving privileges for those that have been convicted of:
 1. Two serious traffic violations while operating a Cooperative vehicle within a three year period, such as:
 - a. Excessive speeding
 - b. Reckless driving
 - c. A violation of any state or local law relating to motor vehicle traffic control, arising in connection with an accident or collision resulting in death to any person or which the state determines by rules and regulations to be serious.
 2. Any occurrences while driving a Cooperative motor vehicle of:
 - a. Driving under the influence of alcohol or a controlled substance (DUI). The prohibited alcohol concentration for CDL employees driving a commercial vehicle is .04 or more.
 - b. Leaving the scene of an accident involving a motor vehicle driven by the employee.
 - c. Refusing to submit to a test to determine the employee's alcohol or other drug concentration.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 20A

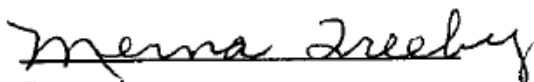
POLICY NUMBER: P-19E (page 2 of 2)

SUBJECT: Operation of Motor Vehicles

- d. Driving without a valid drivers license for the vehicle being driven.
- E. Assure that all Cooperative employees are advised of this policy and their requirements to:
 - (1) Obtain the necessary commercial license to operate the class of vehicle which they may be assigned to drive;
 - (2) Inform the Cooperative of all traffic violations of motor vehicle traffic laws and ordinances (other than parking) of which the driver is convicted.
- F. The Cooperative shall fund the additional cost of the employee's license when it is required that he/she obtain a class A or B license. The Cooperative will allow time off with pay only for the first testing required.
- G. The employee prior to the employee's license expiration date shall inform the Cooperative of the need for renewal and subsequently confirm such renewal.
- H. Inform each employee that failure to be able to operate a Cooperative vehicle without a valid driver's license may impair their ability to satisfactorily perform their job. Such conditions are subject to the review of supervision and management and any corrective actions or dismissal will follow existing Cooperative disciplinary guidelines.
- I. Employee drivers of lightweight vehicles, 10,000 pounds or less, i.e., cars and pickups, are subject to the provisions of a class "C" license and paragraphs A, B, C, D, E, and I of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84 REV. 2/22/90


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 21

POLICY NUMBER: P-20E (page 1 of 2)

SUBJECT: Uniforms, Personal Tools, Safety Equipment

The Cooperative shall strive to furnish the essential safety equipment for use by the employees. These items of equipment shall include safety glasses, hard hats, rubber gloves, ear protection and PCB protective cover-up. The above items shall be maintained by the Cooperative and their repair or replacement shall be assumed by the Cooperative provided that improper use or carelessness is not determined by the manager or designated supervisor.

Line personnel shall furnish initially their own personal body belt, hand tools and climbing hooks. The Cooperative will provide maintenance and replacement of safety straps, gaffs, leg straps and pads provided no evidence of misuse and carelessness is apparent.

The Cooperative shall furnish all line personnel with the necessary specialized tools to carry out their work assignment efficiently. The Cooperative will provide maintenance and replacement of these tools provided no evidence of misuse and carelessness is apparent.

Uniforms The Cooperative shall require all employees whose work responsibility requires them to work outside the administrative office area, to wear protective clothing approved by the Cooperative.

All new employees whose work responsibility is as referred to above shall be furnished with an initial set of uniforms to be selected by the Cooperative. The initial uniforms shall include four pants, four shirts, one jacket and liner and one insulated coverall all of which are to be of a protective type and style approved by the Cooperative.

Each year thereafter the Cooperative will reimburse eligible employees for expenditures made for uniforms, coveralls, line personnel boots or gear, up to a maximum of \$200.00 per year. The employee may carry over the balance to a maximum accrual of two years. The Cooperative will provide suitable emblems and require the employee to place them on said clothing.

Safety Glasses All probationary and permanent employees engaged in the construction, maintenance or operation of the distribution system who are regularly exposed to hazardous working conditions such as line work, welding, tree trimming, wiring, grinding, mowing grass, etc., shall wear safety glasses approved by the Cooperative at all times except while driving or riding in a vehicle, while attending meetings, or while working in the office.

Those employees who are on occasion or temporarily exposed to hazardous working conditions will be furnished a type of plastic eye protectors. The Cooperative shall furnish safety glasses at no expense to the employee. When necessary to have an examination in connection with a

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 21A

POLICY NUMBER: P-20E (page 2 of 2)

SUBJECT: Uniforms, Personal Tools, Safety Equipment

prescription and fitting, the employee will select the optometrist of their choice. The Cooperative will pay for the initial eye examination prescription, glasses and fitting. If subsequent examinations in connection with the prescription are necessary, the employee is to pay the doctor of their choice this service. The Cooperative will pay for the safety glasses only in the instance new glasses are required due to a change in the prescription.

If an employee loses their safety glasses, they will be required to replace them at their own expense. If they break or damage their safety glasses on the job, the Cooperative will replace them.

It shall be the responsibility of the on-the-job supervisor for carrying out provisions of this policy.

Ear Protection All employees while engaged in a work environment where there is exposure to loud noise, such as the operation of chain saws, air hammers, wood chippers, etc., are required to wear OSHA approved ear protectors provided by the Cooperative.

Protective Cover-up (PCB Control)

Refer to Policy Number GP-4, Section 5, Pages 4-4H

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5/24/84

REV. 5/19/2005

REV. 10/20/2005


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 22

POLICY NUMBER: P-21E

SUBJECT: Reimbursement of "Out-of-Pocket" Expenses"

The Cooperative will reimburse actual "out-of-pocket" expenses to employees who are directed to be away from the Cooperative headquarters for meetings, training sessions or other functions where attendance is authorized by management.

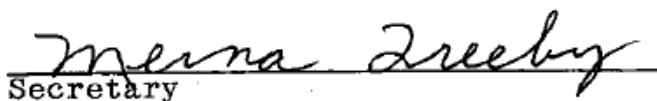
These expenses shall include reasonable rates for lodging, meals, associated fees and transportation. Transportation shall include plane fare (coach), bus, train or automobile at the IRS allowable rate per mile, if personal vehicle is used.

Paid receipts may be required and a signed itemized request for expense reimbursement is required for all such expenses before reimbursement is made.

Meals and other incidental expenses incurred by employees engaged in the restoration of consumer electrical service after or before regular working hours shall be reimbursed by the Cooperative.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: June 22, 1989 REV. 2-22-90


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 23

POLICY NUMBER: P-22E (page 1 of 2)

SUBJECT: Outside Activities; and, Conduct Affecting the Cooperative While On or Off Duty

The Cooperative will not try to control the employees' activities outside their regular working hours. However, it shall be expressly understood that so long as any person is permanently employed by the Cooperative, their primary job interest and employment obligation shall be to the Cooperative.

If, in any way, outside employment or other activities have adverse effect upon the Cooperative, effect the employee's ability to perform the work required or requested by the Cooperative, or reflects upon their ability to further improve them self within their employment, they may be required by management to limit or drop such activity or leave the employ of the Cooperative.

Employees shall review any planned outside work with management to determine if it will be in conflict with the Cooperative interests.

Any employee who reports for work inappropriate in appearance, hung over, suffering from the effects of alcohol abuse or drug abuse, whether under the influence or not, malodorous, repugnant in appearance or odor, may be subject to discipline and discharge.

An employee may be disciplined or terminated if such employee's on or off-duty conduct or misconduct adversely affects the interests of the Cooperative. Such conduct is deemed to have adversely affected the Cooperative if any one of the four following are found (the list is merely illustrative and is not conclusive);

- (1) The misconduct involves harms or threats, harassment or inappropriate conduct with regard to supervisors, co-workers, customers or others with an actual or potential business relationship with the employer;
- (2) The misconduct could damage the employer's public image;
- (3) The misconduct reasonably makes it difficult or impossible for co-workers, customers, or others with an actual or potential business relationship with the employer to deal with the employee; or

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 23A

POLICY NUMBER: P-22E (page 2 of 2)

SUBJECT: Outside Activities; and, Conduct Affecting the Cooperative While On or Off Duty

- (4) The employee makes off-duty public attacks upon the employer, supervisors or the employer's product or service.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5-24-84

REV: 7/30/2009



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 24

POLICY NUMBER: P-23E

SUBJECT: Purchases by Employees

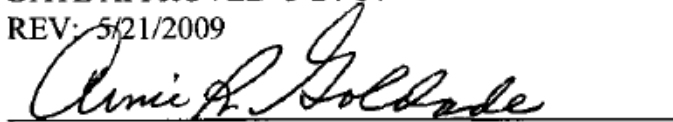
The Cooperative makes available to its employees the facilities of its Purchasing Agent for the purchasing at wholesale cost to the Cooperative plus 20% to cover overhead costs, such appliances or materials for personal use, as the Cooperative can arrange to purchase and handle at wholesale costs.

When permission is requested to purchase through the Cooperative, it shall be understood that immediate payment for such purchase shall be made directly to the vendor or within thirty (30) days of the date of the Cooperative invoice to the employee.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV: 5/21/2009



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 25

POLICY NUMBER: P-24E

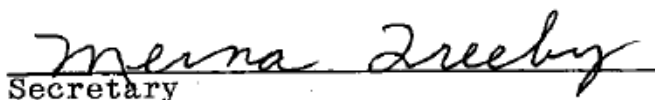
SUBJECT: Employee Use of Cooperative Equipment and Facilities

Cooperative mobile equipment may not be used by employees for anything other than Cooperative business except under proper scheduling with the Operations Manager for the work to be done during regular Cooperative working hours, and with arrangements made for compensation to the Cooperative based on the current schedule of charges.

Cooperative employees are permitted to use Cooperative facilities and tools for working on personal vehicles and other equipment after regular working hours, weekends, and holidays provided the shop and tools are left in clean orderly condition.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____3

PAGE ____26

POLICY NUMBER: P-25E

SUBJECT: Service Awards - Employees

The following awards in appreciation for length of service shall be awarded as earned. The service awards will be presented at the Annual Meeting.

10 years of service - - inscribed wall plaque
20 years of service - - inscribed wall plaque
25 years of service - - inscribed watch
30 and 40 years of service - - inscribed plaque or other appropriate gift depicting years of service with the Cooperative.

At the time of retirement, employees of the Cooperative will also be presented with an inscribed plate attachment or inscription on an appropriate gift depicting total years of service in the Rural Electric Cooperative program.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5-24-84REV: 12-22-2004REV: 8/24/2016



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 27

POLICY NUMBER: P-26E

SUBJECT: Employee Insurance and Retirement Program

The Cooperative maintains and encourages participation in the various NRECA-sponsored employee insurance and retirement plans. These plans are available to full-time and probationary employees of the Cooperative, subject to enrollment waiting periods, or employment laws applicable to the specific plans. Plans are subject to the current insurance plan provisions and the current IBEW Local Union 426 Contract. The retirement plans, benefits, benefit levels, and premium charges are subject to change at the Cooperative's discretion. If any employee benefits are declined, employee must sign an annual waiver.

APPROVED BY THE BOARD OF DIRECTORS

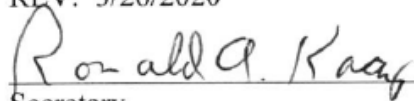
DATE APPROVED 5-24-84

REV: 12/22/2004

REV: 12/22/2005

REV: 3/26/2020

Effective Date: 01/01/2020


Secretary

POLICY NUMBER: P-27E

SUBJECT: Supplemental Compensation for Salaried Employees, Section 3

I. OBJECTIVE

To define the conditions under which an employee classified as exempt under the Fair Labor Standards Act (FLSA) may receive additional compensation for hours worked and duties performed outside of and in a capacity that is different than the employee's exempt position during times of extreme emergency, disaster or certain situations.

II. POLICY CONTENT

In certain situations it is possible that exempt salaried employees may be called upon to discharge duties that are not part of their regular salaried positions. These additional duties will normally be assigned to the employee outside of their normal workweek schedules. A typical example would occur during times of extreme emergency, disaster or certain situations.

III. PROVISIONS

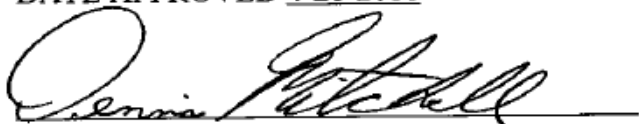
A. Cooperative employees classified as exempt by the FLSA in order to be eligible for overtime compensation, the duties that he/she performs must be in a substantially different capacity than his/her regular salaried position and the duties must be discharged during a time period outside of the normal workweek of the exempt position.

B. If a FLSA exempt employee is required to discharge duties of a type different than his/her normal job function and outside his/her normal workweek, then the cooperative shall pay to the employee for hours actually worked, additional compensation at the rate of time and one-half or required work on a holiday he/she shall receive two (2) times.

IV. RESPONSIBILITY

The Chairman of the Board and the General Manager/CEO shall be responsible for the implementation and review of the provisions of this policy.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED 4-20-2006


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 31A

POLICY NUMBER: P-30E (page 1 of 2)

SUBJECT: Use of Cooperative Vehicles By Employees

A. General

1. Subject to the required use of certain vehicles for commuting purposes, no Cooperative vehicle shall be used for personal purposes, other than de minimis personal use, i.e., stopping on a personal errand while commuting to and from work or stopping for a meal while engaged in regular business activities on behalf of the Cooperative.
2. The business of the Cooperative requires reasonable diligence to provide the members with adequate and dependable electric service, even though there is no guarantee for a continuous and uninterrupted supply thereof. To that end, this policy establishes the Cooperative's requirements as to the care of and responsibility for assigned vehicles; recordkeeping requirements to be followed by employees using Cooperative vehicles; and income tax consequences, if any, to employees for their use of vehicles as hereinafter set forth.

B. Assignment of Vehicles and Responsibility Therefor

1. The General Manager or his designee shall be responsible for the assignment of all vehicles to specific employees.
2. Each employee who has been assigned a vehicle shall be responsible for the maintenance and care of the vehicle (at the Cooperative's expense) and shall maintain maintenance and mileage logs as required by management. Such logs shall be provided to the General Manager or his designee on a monthly basis to become a permanent part of the Cooperative's records on transportation expenses.

C. Use of Certain Vehicles for Commuting Purposes

1. Specialized Utility Repair Trucks - Management shall identify those specialized utility repair trucks that shall be driven home by employees in order to enable them, in emergency situations, to restore or maintain electric service to consumers.
2. Other Vehicles Used for Commuting - Management shall also specify those other vehicles (that do not qualify as specialized utility repair trucks) that are required to be driven home by employees for bona fide, noncompensatory business reasons. The use of these vehicles shall be subject to the special IRS rules related thereto for valuing commuting expenses.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____3

PAGE____31B

POLICY NUMBER: P-30E (page 2 of 2)

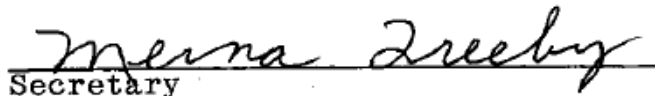
SUBJECT: Use of Cooperative Vehicles By Employees

IV. Responsibility:

The General Manager or his designee shall be responsible for implementation of this Policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 2-20-86


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32

POLICY NUMBER: P-31E (Page 1 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

I. OBJECTIVE

- A. To maintain a safe, healthful, and efficient working environment for all Cooperative employees and to protect Cooperative property, equipment, and operations;
- B. To reduce highway accidents that result from driver use of alcohol and/or controlled substances, thereby reducing fatalities, injuries and property damage; and
- C. To comply with federal regulations requiring controlled substances and alcohol testing.

II. POLICY CONTENT

This policy describes the Cooperative's requirements and procedures for controlled substances and alcohol testing.

III. PROVISIONS

- A. Federal Highway Administration (FHWA) Controlled Substances and Alcohol Testing for Employee Drivers, Leased Drivers, Contract Drivers, and Driver Applicants.

The provisions of Section III.A. apply to all employee drivers, leased drivers, contract drivers and driver applicants who are subject to driving any vehicle in interstate or intrastate commerce that: (a) has a gross combination weight rating of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds; or (b) has a gross vehicle weight rating of 26,001 or more pounds; or (c) is designed to transport 16 or more passengers, including the driver; or (d) is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act and which require the motor vehicle to be placarded under the Hazardous Materials Regulations.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32A

POLICY NUMBER: P-31E (Page 2 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

1. The use of alcohol, including any medication containing alcohol, is prohibited as follows:
 - a. No driver shall report for duty or remain on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater. In addition, no driver whom the Cooperative has actual knowledge that he/she has an alcohol concentration of 0.04 or greater shall be permitted to perform or continue to perform safety sensitive functions. A driver is considered to be performing a safety-sensitive function from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. Safety sensitive functions shall include:
 - i. All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer;
 - ii. All time inspecting equipment, as required by 49 C.F.R. §§ 392.7 and 392.8, or otherwise inspecting, servicing or conditioning any commercial motor vehicle at any time;
 - iii. All time spent at the driving controls of a commercial motor vehicle in operation;
 - iv. All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth;
 - v. All time loading or unloading a commercial motor vehicle, supervising, or assisting in the loading or unloading, attending a commercial motor vehicle being loaded or unloaded, remaining in readiness to operate the commercial motor vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32B

POLICY NUMBER: P-31E (Page 3 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- vi. All time repairing, obtaining assistance, or remaining in attendance upon a disabled commercial motor vehicle.
 - b. No driver shall use alcohol while performing safety-sensitive functions. Should the Cooperative have actual knowledge that a driver is using alcohol while performing safety-sensitive functions, it will not permit that driver to perform or continue to perform safety sensitive functions.
 - c. No driver shall perform safety-sensitive functions within four hours after using alcohol. Nor, shall a driver perform or continue to perform safety-sensitive functions whom the Cooperative has actual knowledge that the driver has used alcohol within four hours.
 - d. No driver required to take a post accident alcohol test under 49 C.F.R. § 382.303 shall use alcohol for eight hours following an accident, or until he/she undergoes a post-accident alcohol test, whichever occurs first.
2. The use of controlled substances is prohibited as follows:
- a. No driver shall report for duty or remain on duty requiring the performance of safety-sensitive functions when the driver uses any controlled substance, except when the use is pursuant to the instructions of a licensed medical practitioner, as defined in 49 C.F.R. § 382.107, who has advised the driver that the substance will not adversely affect the driver's ability to safely operate a commercial motor vehicle. No driver whom the Cooperative has actual knowledge that he/she has used a controlled substance shall be permitted to perform or continue to perform a safety-sensitive function Drivers must inform the Cooperative of any therapeutic controlled substance use.
 - b. No driver shall report for duty, remain on duty or perform any safety-sensitive function, if the driver tests positive or has adulterated or substituted a test specimen for controlled substances. No driver whom the Cooperative has actual knowledge that he/she

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32C

POLICY NUMBER: P-31E (Page 4 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

has tested positive or has adulterated or substituted a test specimen for controlled substances shall be permitted to perform or continue to perform safety-sensitive functions.

3. No driver shall refuse to submit to a post-accident, random, reasonable suspicion, or follow-up alcohol or controlled substances test. The Cooperative shall not permit a driver who refuses to submit to such tests to perform or continue to perform safety-sensitive functions.

Refusal to submit to an alcohol or controlled substances test means that a driver:

- a. Fails to appear for any test (except a pre-employment test) within a reasonable time, as determined by the Cooperative, after being directed to do so by the Cooperative;
- b. Fails to remain at the testing site until the testing process is complete. Provided, that an employee who leaves the testing site before the testing process commences for a pre-employment test is not deemed to have refused to test;
- c. Fails to provide a urine specimen for any drug test required by 49 C.F.R. Part 382 or U.S. Department of Transportation agency regulations. Provided, that an employee who does not provide a urine specimen because he/she has left the testing site before the testing process commences for a pre-employment test is not deemed to have refused to test;
- d. In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of the driver's provision of the specimen.
- e. Fails to provide a sufficient amount of urine when directed, and it has been determined, through a required medical evaluation, that there is no adequate medical explanation for the failure;
- f. Fails or declines to take a second test the Cooperative or collector has directed the driver to take;

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32D

POLICY NUMBER: P-31E (Page 5 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- g. Fails to undergo a medical examination or evaluation, as directed by the medical review officer, as part of the verification process, or as directed by the designated employer representative. In the case of a pre-employment drug test, the employee is deemed to have refused to test on this basis only if the pre-employment test is conducted following a contingent offer of employment;
 - h. Fails to cooperate with any part of the testing process; or
 - i. Is reported by the medical review officer as having a verified adulterated or substituted test result.
- 4. Tests Required
 - a. Pre-employment Controlled Substances Testing

Prior to the first time a driver performs safety-sensitive functions for the Cooperative, the driver shall undergo testing for controlled substances. No driver shall be allowed to perform safety-sensitive functions unless the Cooperative has received a controlled substances test result from the medical review officer indicating a verified negative test result for that driver.
 - b. Pre-employment Alcohol Testing
 - i. A pre-employment alcohol test will be conducted before the first performance of safety-sensitive functions by every covered employee (whether a new employee or someone who has transferred to a position involving the performance of safety-sensitive functions). All safety-sensitive employees performing safety-sensitive functions will be treated the same for the purpose of pre-employment alcohol testing.
 - ii. Pre-employment alcohol tests will be conducted only after making a contingent offer of employment or transfer, subject to the employee passing the pre-employment alcohol test.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32E

POLICY NUMBER: P-31E (Page 6 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- iii. The Cooperative will not allow a covered employee to begin performing safety-sensitive functions unless the result of the employee's test indicates an alcohol concentration of less than 0.04.
- iv. All pre-employment alcohol tests will be conducted using the alcohol testing procedures of 49 C.F.R. Part 40.

c. Post-Accident Testing

As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, the Cooperative will test for alcohol and controlled substances each surviving driver who was performing safety-sensitive functions with respect to the vehicle if the accident involved the loss of human life.

As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, the Cooperative will test for alcohol each of its surviving drivers who receives a citation within eight hours of the occurrence under state or local law for a moving traffic violation arising from the accident if the accident involved: (1) bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or (2) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, surviving drivers who receives a citation within 32 hours of the occurrence under state or local law for a moving traffic violation arising from the accident if the accident involved: (1) bodily injury medical treatment away from the scene of the accident; or (2) one or more motor vehicles incurring disabling damage as a result of

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32F

POLICY NUMBER: P-31E (Page 7 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

- i. If a post-accident alcohol test is not administered within two hours following the accident, the Cooperative shall prepare and maintain on file a record stating the reasons the test was not promptly administered. If a post-accident alcohol test is not administered within eight hours following the accident, the Cooperative shall cease attempts to administer an alcohol test and shall prepare and maintain the same record to be submitted to the Federal Motor Carrier Safety Administration (FMCSA) upon request.
- ii. If a post-accident controlled substances test is not administered within 32 hours following the accident, the Cooperative shall cease attempts to administer a controlled substances test and prepare and maintain on file a record stating the reasons the test was not promptly administered. Records will be submitted to the FMCSA upon request.
- iii. A driver who is subject to post-accident testing shall remain readily available for such testing or may be deemed by the Cooperative to have refused to submit to testing.
- iv. The Cooperative will provide drivers with necessary post-accident information, procedures and instructions, prior to the driver operating a commercial motor vehicle, so that drivers will be able to comply with the requirements of Section III.A.4.c.
- v. The results of a breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by Federal, State or local officials having independent authority for the test, shall be considered to meet the requirements of Section III.A.4.c. above, provided such tests conform to the applicable Federal, State or local alcohol and/or controlled substances testing requirements,

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32G

POLICY NUMBER: P-31E (Page 8 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

and that the results of the tests are obtained by the Cooperative.

- vi. Post-accident testing under this section does not apply to:
(a) an occurrence involving only boarding or alighting from a stationary motor vehicle; or (b) an occurrence involving only the loading or unloading of cargo; or (c) an occurrence in the course of the operation of a passenger car or a multipurpose passenger vehicle by the Cooperative unless the motor vehicle is transporting passengers for hire or hazardous materials of a type and quantity that require the motor vehicle to be marked or placarded in accordance with the Hazardous Materials Regulations.

d. Random Testing

- i. The selection of drivers for random alcohol and controlled substances testing will be made by a scientifically valid method. Each driver shall have an equal chance of being tested each time selections are made.
- ii. Random alcohol and controlled substances tests are unannounced and dates for administering random alcohol and controlled substances tests are spread reasonably throughout the calendar year.
- iii. Each driver who is notified of selection for random alcohol and/or controlled substance testing is required to proceed to the test site immediately; provided, however, that if a driver is performing a safety-sensitive function at the time of notification, the Cooperative shall ensure that the driver ceases to perform the safety-sensitive function and proceeds to the testing site as soon as possible.
- iv. Random Alcohol Testing
 - (1) The Cooperative will randomly select a sufficient number of drivers for alcohol testing during each calendar year to equal an annual rate not less than the minimum annual percentage rate of 10 percent of the average number of driver positions.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32H

POLICY NUMBER: P-31E (Page 9 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- (2) A driver shall be tested for alcohol only while the driver is performing safety-sensitive functions, just before the driver is to perform safety-sensitive functions, or just after the driver has ceased performing such functions.

v. Random Controlled Substances Testing

- (1) The Cooperative will randomly select a sufficient number of drivers for controlled substances testing during each calendar year to equal an annual rate not less than the minimum annual percentage rate of 50 percent of the average number of driver positions.

e. Reasonable Suspicion Testing

The Cooperative shall ensure that all persons designated to supervise drivers receive at least 60 minutes of training on alcohol misuse and receive at least an additional 60 minutes of training on controlled substances use. The training will be used by the supervisors to determine whether reasonable suspicion exists to require a driver to undergo testing under this section. The training will include the physical, behavioral, speech, and performance indicators of probable alcohol misuse and use of controlled substances.

Observations for alcohol and/or controlled substances reasonable suspicion testing shall be made by a supervisor or Cooperative official who is trained in accordance with DOT agency regulations.

i. Reasonable Suspicion Alcohol Testing

- (1) A driver will be required to submit to an alcohol test when the Cooperative has reasonable suspicion to believe that the driver has violated the prohibitions of this policy concerning alcohol. The Cooperative's determination that reasonable suspicion exists to require the driver to undergo an alcohol test will be based on specific, contemporaneous, articulable observations

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32I

POLICY NUMBER: P-31E (Page 10 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

concerning the appearance, behavior, speech or body odors of the driver.

- (2) The required observations for alcohol reasonable suspicion testing shall be made by a supervisor or Cooperative official who is trained in accordance with Section III.A.4.e. above. The individual who makes the determination that reasonable suspicion exists to conduct an alcohol test shall not conduct the alcohol test of the driver.
- (3) Alcohol testing is authorized only if the observations above are made during, just preceding, or just after the period of the work day that the driver is required to be in compliance with this policy. A driver may be directed by the Cooperative to undergo reasonable suspicion testing only while the driver is performing safety-sensitive functions, just before the driver

is to perform safety-sensitive functions or just after the driver has ceased performing such functions.
- (4) If a reasonable suspicion alcohol test is not administered within two hours from the time the Cooperative has a reasonable suspicion, the Cooperative will prepare and maintain on file a record stating the reasons the alcohol test was not promptly administered. If a reasonable suspicion alcohol test is not administered within eight hours from the time the Cooperative has a reasonable suspicion, the Cooperative will cease attempts to administer an alcohol test and will state in the record the reasons for not administering the test.
- (5) Notwithstanding the absence of a reasonable suspicion alcohol test, no driver shall report for duty or remain on duty requiring the performance of a safety-sensitive function while the driver is under

POLICY NUMBER: P-31E (Page 11 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

the influence or impaired by alcohol, as shown by the behavioral, speech and performance indicators of alcohol misuse, nor shall the Cooperative permit the driver to perform or continue to perform safety-sensitive functions, until (i) an alcohol test is administered and the driver's alcohol concentration measures less than 0.02; or (ii) 24 hours have elapsed following the determination that there is reasonable suspicion to believe that the driver has violated prohibitions concerning alcohol use.

(6) Except as provided in paragraph (5) above, the Cooperative will not take any action against a driver based solely on a driver's behavior and appearance, with respect to alcohol use, in the absence of an alcohol test.

(7) A written record will be made of the observations leading to an alcohol reasonable suspicion test and signed by the supervisor or Cooperative official who made the observations, within 24 hours of the observed behavior or before the results of the alcohol test are released, whichever is earlier.

ii. Reasonable Suspicion Controlled Substance Testing

(1) A driver will be required to submit to a controlled substances test when the Cooperative has reasonable suspicion to believe that the driver has violated the prohibitions of this policy concerning use of controlled substances. The Cooperative's determination that reasonable suspicion exists to require the driver to undergo a controlled substances test will be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the driver. Observations may include indications of the chronic and withdrawal effects of controlled substances.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32K

POLICY NUMBER: P-31E (Page 12 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- (2) The required observations for controlled substances reasonable suspicion testing shall be made by a supervisor or Cooperative official who is trained in accordance with Section III.A.4.e. above.
- (3) A written record shall be made of observations leading to a controlled substances reasonable suspicion test and signed by the supervisor or Cooperative official who made the observations, within 24 hours of the observed behavior or before the results of the controlled substances test are released, whichever is earlier.

f. Return-to-Duty Testing

- i. When an employee has violated DOT drug and alcohol regulations, he/she cannot perform or continue to perform any safety-sensitive duties for the Cooperative until and unless the employee completes the evaluation, referral, and education/treatment process conducted by a substance abuse professional.
- ii. Before a driver may return to duty requiring the performance of a safety-sensitive functions after engaging in prohibited conduct regarding the use of alcohol, the driver shall undergo a return-to-duty alcohol test with a result indicating alcohol concentration less than 0.02. However, this test cannot occur until after the substance abuse professional has determined that the driver has successfully complied with prescribed education and/or treatment.
- iii. Before a driver may return to duty requiring the performance of a safety-sensitive function after engaging in prohibited conduct regarding the use of controlled substances, the driver shall undergo a return-to-duty controlled substances test with a result indicating a verified negative result for controlled substances use. However, this test can not occur until after the substance abuse

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32L

POLICY NUMBER: P-31E (Page 13 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

professional has determined that the driver has successfully complied with prescribed education and/or treatment.

g. Follow-Up Testing

- i. Following determination by a substance abuse professional that a driver is in need of assistance in resolving problems with alcohol misuse and/or use of controlled substances, the Cooperative shall ensure that the driver is subject to unannounced follow-up alcohol and/or controlled substances testing as directed by a substance abuse professional.
- ii. Follow-up alcohol testing will be conducted only when a driver is performing safety-sensitive functions, or just before or just after performing safety-sensitive functions.
- iii. Follow-up testing will include at a minimum, six unannounced follow-up tests in the first 12 months of safety-sensitive duty following the driver's return to safety-sensitive functions, but will not continue for more than 60 months.

5. Access/Confidentiality of Records

Records pertaining to controlled substances and alcohol use and testing shall be maintained in a secure location with controlled access. The Cooperative will not release driver information contained in records it is required to maintain under FHWA regulations except as authorized or required by law.

- a. A driver is entitled, upon written request, to obtain copies of any records pertaining to the driver's use of alcohol or controlled substances, including any records pertaining to his/her alcohol or controlled substances tests. The Cooperative shall promptly provide the records requested by the driver. Access to the driver's records shall not be contingent upon payment for records other than those specifically requested.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32M

POLICY NUMBER: P-31E (Page 14 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

- b. Records shall be made available to a subsequent employer upon receipt of a written request from the driver. Disclosure by the subsequent employer is permitted only as expressly authorized by the terms of the driver's request.
- c. The Cooperative may disclose information required to be maintained under this policy, pertaining to a driver, to the decision maker in a lawsuit, grievance, or administrative proceeding initiated by or on behalf of the individual, and arising from a positive DOT drug or alcohol test or a refusal to test (including, but not limited to, adulterated or substituted test results) administered under this policy' (including, but not limited to, a worker's compensation, unemployment compensation, or other proceeding relating to a benefit sought by the driver). Additionally, the Cooperative may disclose information in criminal or civil actions in accordance with 49 C.F.R. § 40.323(a)(2).
- d. The Cooperative shall release information regarding a driver's records as directed by the specific, written consent of the driver authorizing release of information to an identified person. Release of such information by the person receiving the information is permitted only in accordance with the terms of the employee's specific written consent.

6. Employer Notifications

- a. The Cooperative shall notify a driver of results of a pre-employment controlled substance test if the driver requests such results within 60 calendar days of being notified of the disposition of the employment application.
- b. The Cooperative shall notify a driver of the results of random, reasonable suspicion and post-accident tests for controlled substances conducted under this policy if the test results are verified positive. The Cooperative shall also inform the driver which controlled substance(s) was verified as positive.
- c. The designated employer representative shall make reasonable efforts to contact and request each driver who submitted a specimen under the Cooperative's program, regardless of the driver's employment status, to contact and discuss results of the

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32N

POLICY NUMBER: P-31E (Page 15 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

controlled substances test with the medical review officer if the medical review officer has been unable to contact the driver. The designated employer representative shall immediately notify the medical review officer that the driver has been notified to contact the medical review officer within 72 hours.

7. Procedures for Testing Program

The Cooperative will ensure that all alcohol and controlled substances testing conducted under this policy complies with the procedures set forth in 49 C.F.R. Part 40.

a. Controlled Substance Testing

The Cooperative will test for marijuana, cocaine, opiates, amphetamines, and phencyclidine. The split sample method of testing will be used. Testing will be performed by a laboratory certified by the Department of Health and Human Services.

If the test result of the primary specimen is verified positive or a refusal to test because of adulteration or substitution, the employee may request that the medical review officer direct that the split specimen be tested in a different DHHS-certified laboratory for presence of the drug(s) for which a positive result was obtained in the test of the primary specimen. The medical review officer shall honor such a request if it is made within 72 hours of the employee having been notified of a verified positive test result or refusal to test because of adulteration or substitution.

b. Alcohol Testing

Alcohol tests will be conducted by a trained breath alcohol technician or screening test technician (screening tests using non-evidential screening device only). Screening tests may be done using an evidential breath testing device or an alcohol screening device on the National Highway Traffic Safety Administration's (NHTSA) conforming products list for evidential and non-evidential devices. Confirmatory tests will be done by a trained breath alcohol technician using an evidential breath testing device on the NHTSA's conforming products list.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 320

POLICY NUMBER: P-31E (Page 16 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

If the result of the screening test is a breath alcohol concentration of less than 0.02, no further testing is authorized.

If the result of the screening test is a breath alcohol concentration of 0.02 or greater, a confirmation test will be performed.

8. Information to be Obtained from Previous Employers

The Cooperative will request information from previous employers regarding an applicant's compliance with U.S. Department of Transportation drug and alcohol testing regulations pursuant to the provisions of Section III.A.3. of Policy No. 118, Driver Qualifications.

9. Consequences of Positive Alcohol or Controlled Substances Test

- a. In addition to, and independent of, any consequences for testing positive to alcohol or controlled substances set forth in 49 C.F.R. Part 382, any driver who tests positive for alcohol or controlled substances, adulterates or substitutes a specimen, or refuses to submit to testing shall be subject to discipline, up to and including discharge, as set out in the Cooperative's established disciplinary procedures. (See Policy No. 302, Work Rules and Termination of Personnel.)
- b. No driver will be allowed to perform safety-sensitive functions, including driving a commercial motor vehicle, if the driver has engaged in conduct prohibited by this policy, unless the driver has met the requirements of Section III.A.10.
- c. No driver tested under this policy who is found to have an alcohol concentration of 0.02 or greater but less than 0.04 will be allowed to perform or continue to perform safety-sensitive functions, including driving a commercial motor vehicle, until the start of the driver's next regularly scheduled duty period, but not less than 24 hours following administration of the test.
- d. Except as provided in Section III.A.9.c., above, the Cooperative will not take any action under Section III.A. of this policy against an employee based solely on test results showing an alcohol concentration less than 0.04. This does not prohibit the

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32P

POLICY NUMBER: P-31E (Page 17 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

Cooperative from taking any action otherwise consistent with law under its authority independent of DOT agency regulations.

10. Referral, Evaluation and Treatment

- a. A driver who has engaged in conduct prohibited by this policy will be advised by the Cooperative of the resources available to the driver in evaluating and resolving problems associated with the misuse of alcohol and use of controlled substances.
- b. Before a driver returns to duty requiring the performance of a safety-sensitive function after violating a DOT agency drug and alcohol regulation, the driver shall undergo a return-to-duty alcohol or controlled substances test as set forth in Section III.A.4 f. In addition, each driver who has violated a DOT drug and alcohol regulation shall complete the evaluation, referral, and education/treatment process conducted by a substance abuse professional, and shall be subject to unannounced follow-up alcohol and controlled substances tests as set forth in Section III.A.4.g.
- c. The requirements of Sections III.A.10.a. and b. do not apply to applicants.

11. Any employee inquiries about this policy should be directed to the General Manager.

12. Each driver is required to sign a statement certifying that he or she has received a copy of this policy, the DOT regulations setting forth the procedures used in connection with this policy, and educational materials on the subject of drug and alcohol abuse.

B. All Employees and Employee Applicants

Section III.B. of this drug testing policy applies to all employees of the cooperative and applicants for employment, including employees represented by a collective bargaining agreement, clerical employees, inside employees, line maintenance personnel, all employees however employed by the cooperative including drivers and driver applicants. Drivers and driver applicants tested under the DOT procedures set forth in Section III.A. above shall only be tested for controlled substances or alcohol under Section III.B. by use of a second urine sample collected separately from that used to conduct DOT testing, or by means other than urinalysis.

POLICY NUMBER: P-31E (Page 18 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

1. Testing under Section III.B. of this policy may be done to determine the presence of alcohol or any controlled substance as listed under 21 C.F.R. §§ 1308.11 through 1308.15, "Schedules of Controlled Substances."

Cooperative is committed to maintaining a safe, productive work environment at all facilities and work sites and to safeguarding all property connected with such employment. Because the concern for the safety of all employees is paramount, the signing of the Drug and Alcohol Testing Policy Statement and Consent Form, constituting agreement and cooperation with this policy, is required of all persons as a condition of employment by Cooperative.

It is the policy of Cooperative not to employ or retain any individuals who test positive for any illegal drug in their system or use illegal drugs or a controlled drug, in any amount, regardless of frequency, without a medically acceptable prescription. Therefore, to rule out the presence of non-prescribed or prohibited dangerous controlled substances in the body, all employees may, consistent with state law, be required to undergo a drug screening test for any or all the following reasons:

- Pre-employment purposes
- Continuation of employment
- Periodic, announced (routine) testing
- Randomly to ensure consistency and continuance of policy
- For cause due to reasonable suspicion
- Post-accident (work-related injury)

In addition, Cooperative employee may be required to undergo alcohol screening when there is suspicion of impairment or a critical event (work-related injury, unusual behavior, etc.).

2. Pre-employment Testing

The Cooperative shall conduct pre-employment screening for alcohol and controlled substance use for all applicants. Any applicant for employment requested to submit to such screening will be notified that urine, breath, blood, or saliva samples will be used to test for the presence of alcohol and controlled substances. Any applicant testing positive for alcohol or controlled substances or who refuses to be screened for alcohol or controlled substances shall not meet the qualifications for employment by the Cooperative.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32R

POLICY NUMBER: P-31E (Page 19 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

3. Reasonable Suspicion Testing

An employee shall provide a urine, breath, blood, and/or saliva sample for purposes of alcohol and controlled substance testing when the employer has reasonable suspicion, based upon the employee's conduct to suspect that the employee is under the influence of alcohol or a controlled substance while on duty or otherwise performing Cooperative business. The adulteration or substitution of a specimen shall provide reasonable suspicion to conduct testing under this section.

4. Post-Accident Testing

An employee shall provide a urine sample for the purpose of controlled substance testing when the employee is involved in an accident or incident involving the actual or potential loss of human life, serious bodily injury, or significant property damage.

5. Random Testing

An employee must provide a urine sample for the purpose of controlled substance testing on a random basis. The random selection of employees is made by a scientifically valid method. Each employee subject to random testing has an equal chance of being selected each time selections are made. Such procedure is applied in a uniform and nondiscriminatory manner.

6. An employee who refuses to consent to testing under Section III.B., who adulterates or substitutes a specimen, or who tests positive for alcohol or illegal controlled substances will be disciplined, up to and including termination. (See Policy No. 302, Work Rules and Termination of Personnel.)

7. Employees testing positive will be given an opportunity to present alternative medical explanations for the positive test, including evidence that medication prescribed by a licensed medical professional for use by the employee was the cause of the positive test result.

8. Any person who is retained in employment after testing positive may be retested at any time for a period of up to five years.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3
PAGE 32S

POLICY NUMBER: P-31E (Page 20 of 20)

SUBJECT: CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

9. Test results are confidential. Results may be disclosed to the Cooperative's medical and legal advisors, and to those individuals within the Cooperative who have a need to know of such results. Results may also be disclosed in any lawsuit, grievance, charge or other proceeding initiated by or on behalf of an employee.
10. All testing under this section of the policy is conducted on a nondiscriminatory basis so that no employee is harassed or treated differently from other employees in similar circumstances.

IV. RESPONSIBILITY

A. Employees

All Cooperative employees are responsible for abiding by this policy as a condition of their employment.

B. Management Officials and Supervisors

1. All supervisors and Cooperative officials are responsible for being alert to employee conduct that raises a reasonable suspicion that an employee is using or is under the influence of alcohol or controlled substances while on duty or otherwise performing Cooperative business.
2. The Operations Manager with the oversight of the General Manager, is responsible for the implementation of this policy and for scheduling drug testing as required by this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 12/21/95

REV. 01/26/2006

REV. 04/20/2011


Secretary

INSTRUCTIONS TO EMPLOYEES

As provided for by state and/or federal regulations, and by the Cooperative's Alcohol and Controlled Substance Testing Policy, employees are required to submit urine specimens for controlled substance testing under various circumstances. These instructions outline your responsibilities pertaining to the testing procedure.

1. Report to the collection site at the time provided.
2. All unnecessary outer garments (coats/jackets) shall be removed.
3. You may not carry with you any personal belongings; however, you may retain your wallet.
4. You must provide positive identification, such as photo identification, to collection site personnel.
5. You will be required to wash and dry your hands prior to urination,
6. After washing your hands, you must remain in the presence of collection site personnel, and you may not have access to a water fountain, faucet, soap dispenser, or any material that could be used to adulterate the specimen.
7. You will be given a specimen bottle or container. You may provide your specimen in the privacy of a stall or partitioned area that provides individual privacy. At least 45 milliliters of urine must be provided.
8. You may wash your hands after providing a specimen.
9. You must keep your specimen in your sight until the container has been sealed and labeled.
10. You shall initial the identification label secured on the bottle by collection site personnel, certifying that the specimen collected was yours.
11. You shall sign the chain of custody form.
12. If requested, you shall sign a consent or release form authorizing collection of the specimen, analysis of the specimen, and release of the results to the employer.

CONTROLLED SUBSTANCE TEST RESULTS

MOTOR CARRIER	LOCATION:	CITY	STATE	ZIP	DATE
EMPLOYEE		IDENTIFICATION NUMBER			

1. Type of controlled substance testing for which the driver submitted a urine specimen.

2. Date of the collection.

Month Day Year

3. Location of the collection site.

Name

Street

City state zip code

4. Identity of the person or entity:

(i) Performing the collection

(ii) Analyzing the specimen

(iii) Serving as the Medical Review Officer

5. Results of the test:
(Check One) Negative: _____ Positive: _____

Identify Controlled Substances, If Positive

RETAIN THIS FORM IN THE DRIVER QUALIFICATION FILE. INCLUDE THIS
INFORMATION IN THE FILE EACH TIME THE DRIVER IS TESTED.

Request/Consent Form For Information From Previous Employer(s) for Alcohol & Controlled Substances Testing Records

I, _____
Print Name (First, M.I., Last)

hereby authorize that _____
Previous Employer

release and forward all information on my Alcohol and Controlled Substances Testing/Training records

to _____
Prospective Employer

Date Signature

This Consent/Request Form complies with DOT regulation §382.405 which states in part:

(f) Records shall be made available to a subsequent employer upon receipt of a written request from a driver.

(h) An employer shall release information regarding a driver's records as directed by the specific, written consent of the driver authorizing release of the information to an identified person.

DOT regulation 382.413 states:

(a) An employer may obtain, pursuant to a driver's written consent, any of the information concerning the driver which is maintained under this part by the driver's previous employers.

(b) An employer shall obtain, pursuant to a driver's consent, information on the driver's alcohol tests with a concentration result of 0.04 or greater, positive controlled substances test results, and

refusals to be tested, within the preceding two years, which are maintained by the driver's previous employers under § 382.401 (b)(1)(i) through (iii).

(C) The information in paragraph (b) of this section must be obtained and reviewed by the employer no later than 14 calendar days after the first time a driver performs safety-sensitive functions for an employer.

(e) The prospective employer must provide each of the driver's employers within the two preceding years the driver's specific, written authorization for release of the information in paragraph (b).

(f) The release of any information under this part may take the form of personal interviews, telephone interviews, letters, or any other method of obtaining information that ensures confidentiality. Each employer must maintain a written, confidential record with respect to each past employer contacted.

Section B: To be Completed by Previous Employer:

- | | <u>Yes</u> | <u>No</u> |
|--|--------------------------|--------------------------|
| 1. Has this person ever tested positive for a controlled substance in the last two years? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Has person ever had an alcohol test with a Breath Alcohol Concentration of 0.04 or greater in the last two years? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Has this person ever refused a required test for drugs or alcohol in the last two years? | <input type="checkbox"/> | <input type="checkbox"/> |

If YES to any of the above questions, please give the Substance Abuse Professional's name, address and phone number for further reference:

Name: _____

Address: _____

Phone No: _____

Completed by: _____

Name

Title

Request/Consent Form For Information From Previous Employer(s) for Alcohol & Controlled Substances Testing Record – Continued

Section C: To Be Completed by the Prospective Employer:

Consent form sent to previous employer:

Mail

Fax

Interview method:

Mail

Phone

Personal Interview

Person interviewed from previous employer: _____

Interviewed by: _____ Date: _____

Date received back: _____

AGREEMENT

I _____ agree to submit to alcohol and/or controlled substance testing as outlined in the Cooperative's policies. I authorize the Cooperative's officers, employees and agents to communicate the test results among themselves for official purposes and to communicate the results at any judicial or administrative proceedings.

Date

Employee's Signature

Alcohol Misuse and Controlled Substances Use Information, Training and Referral

Employee's Certificate of Receipt

This is to certify that I have been provided educational materials that explain the requirements of 49 CFR part 382 of the Federal Motor Carrier Safety Regulations and the Cooperative's policies and procedures with respect to meeting those requirements. The materials include detailed discussion of at least the following:

1. The identity of the person designated by the employer to answer driver questions about the materials;
2. The categories of drivers who are subject to the provisions of 49 CFR part 382;
3. Sufficient information about the safety-sensitive functions performed by those drivers to make clear what period of the work day the driver is required to be in compliance with 49 CFR part 382;
4. Specific information concerning driver conduct that is prohibited by 49 CFR part 382;
5. The circumstances under which a driver will be tested for alcohol and/or controlled substances under this part, including post-accident testing under 49 CFR §382.303(d);
6. The procedures that will be used to test for the presence of alcohol and controlled substances, protect the driver and the integrity of the testing processes, safeguard the validity of the test results, and ensure that those results are attributed to the correct driver, including post-accident information, procedures and instructions required by 49 CFR §382.303(d);
7. The requirement that a driver submit to alcohol and controlled substances tests administered in accordance with 49 CFR part 382;
8. An explanation of what constitutes a refusal to submit to an alcohol or controlled substances test and the attendant consequences;
9. The consequences for drivers found to have violated 49 CFR part 382, Subpart B, including the requirement that the driver be removed immediately from safety-sensitive functions, and the procedures under 49 CFR part 40, Subpart O;
10. The consequences for drivers found to have an alcohol concentration of 0.02 or greater but less than 0.04; and
11. Information concerning the effects of alcohol and controlled substances use on an individual's health, work, and personal life; signs and symptoms of an alcohol or a controlled substances problem (the driver's or a co-worker's); and available methods of intervening when an alcohol or a controlled substances problem is suspected, including confrontation, referral to any employee assistance program and or referral to management.

Employee's Signature

Authorized Employer Representative

Date

Date

A copy of this form must be signed by each employee who is subject to drug and alcohol testing under U.S. Department of Transportation regulations and retained in that employee's driver qualification file.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 34

POLICY NUMBER: P-33E (Page 1 of 4)
SUBJECT: SEXUAL HARASSMENT

I. OBJECTIVE

- A. To clearly state the Cooperative's prohibition sexual harassment;
- B. To clearly state the Cooperative's prohibition of conduct that unreasonably interferes with another employee's ability to perform his or her job;
- C. To provide Cooperative employees with mandatory avenues for making complaints of sexual harassment in the workplace;
- D. To protect employees who make complaints of sexual harassment and/or who participate in investigations of sexual harassment from retaliation; and
- E. To inform employees and Board members that violations of this policy may result in discipline up to and including termination.

II. POLICY CONTENT

- A. The Cooperative prohibits sexual harassment.
- B. Employees must report all incidents of sexual harassment to the General Manager before the harassment becomes severe or pervasive.
- C. All employees are required to avoid offensive or inappropriate conduct at work.
- D. The Cooperative will investigate all allegations of sexual harassment in a prompt, thorough, and impartial manner, and protect the confidentiality of such investigations to the extent possible.
- E. Any employee or Board member violating this policy may be subject to discipline up to and including termination.

III. PROVISIONS

- A. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other unwelcome conduct directed at an individual because of his or her sex. Conduct may be considered sexual harassment when:

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 34A

POLICY NUMBER: P-33E (Page 2 of 4)
SUBJECT: SEXUAL HARASSMENT

1. submission to or rejection of such conduct explicitly or implicitly affects an individual's employment;
 2. such conduct unreasonably interferes with an individual's work performance; or
 3. such conduct creates an intimidating, hostile or offensive work environment.
- B. The following are examples of conduct that may constitute sexual harassment prohibited by this policy:
1. unsolicited verbal, sexual remarks (i.e., off-color jokes, stories, etc.);
 2. sexist remarks about a person's body or about sexual activities;
 3. pressure for sexual activity;
 4. physical assault or any unnecessary unwelcome touching; or
 5. disparate terms of employment based on the employee's sex.
- C. The activities described in Sections III.A. and III.B. above are prohibited and will not be tolerated. However, the conduct described in these Sections are examples only and are not intended to be an all-inclusive list of what the Cooperative may determine to be sexual harassment. Therefore, employees are required to report all unwelcome conduct that unreasonably interferes with their ability to do their jobs.
- D. Sexual harassment can occur in a variety of circumstances including, but not limited to, the following:
1. The victim, as well as the harasser, may be a woman or a man.
 2. The victim does not have to be of the opposite sex from the harasser.
 3. The harasser can be the victim's supervisor, a supervisor in another area or department, a co-worker, a Board member, an agent of the Cooperative, or a non-employee.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 34B

POLICY NUMBER: P-33E (Page 3 of 4)
SUBJECT: SEXUAL HARASMENT

4. Under certain circumstances, the victim does not have to be the person harassed, but could be someone affected by the offensive conduct.

E. Any employee who feels that he/she is a victim of sexual harassment must report offending conduct to the General Manager. However, if the complaint involves the General Manager, then the employee must report the harassment to the Board President.

Any person who observes or otherwise has reason to believe that sexual harassment is occurring in the Cooperatives workplace is required to report the conduct to management before the harassment becomes severe or pervasive.

No employee will face retaliation for filing a report under this policy.

All reports of sexual harassment will be handled in a confidential manner to the extent possible.

F. Upon receipt of a report of sexual harassment, the Cooperative shall conduct a prompt, thorough and impartial investigation. Before completing the investigation, the Cooperative shall take appropriate measures to ensure that the alleged harassment does not continue.

As part of the investigation, the Cooperative will interview the employee who complained of harassment, the alleged harasser, and others who could reasonably be expected to have relevant information. The alleged harasser shall in no way have any direct or indirect control over the investigation. The Cooperative shall protect the confidentiality of complaints of sexual harassment to the extent possible.

G. Any employee who makes a complaint of sexual harassment or who participates in an investigation of sexual harassment will be protected from retaliation.

H. Should the Cooperative, upon completion of the investigation, find that sexual harassment has occurred in violation of this policy, it will take immediate and appropriate corrective action.

I. Any employee who has questions regarding sexual harassment, who does not understand this policy, and/or who needs further explanation of this policy should contact the General Manager.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 34C

POLICY NUMBER: P-33E (Page 4 of 4)
SUBJECT: SEXUAL HARASMENT

- J. Any employee violating this policy may be subject to discipline up to and including termination.

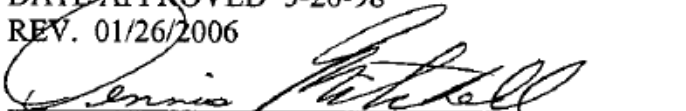
IV. RESPONSIBILITY

- A. All employees shall be responsible for avoiding offensive or inappropriate conduct at work and for reporting incidents of sexual harassment to management.
- B. Supervisors shall be responsible for educating employees under their supervision on the Cooperatives policy regarding sexual harassment.
- C. The Board of Directors and the General Manager shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-20-98

REV. 01/26/2006


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 35

POLICY NUMBER: P-34E (Page 1 of 3)

DEDUCTIONS FROM SALARIES OF FLSA-EXEMPT EMPLOYEES

I. OBJECTIVE

- A. To ensure that any deductions from salaries of employees exempt from the minimum wage and overtime requirements of the Fair Labor Standards Act, as amended, comply with the U.S. Department of Labor's regulations governing such deductions.
- B. To provide a means for FLSA-exempt employees to dispute salary deductions they believe are improper.

II. POLICY CONTENT

The Cooperative will comply with the Fair Labor Standards Act, as amended, and the regulations of the U.S. Department of Labor governing deductions from salaries of FLSA-exempt employees.

III. PROVISIONS

- A. Employees employed in a bona fide executive, administrative, or professional capacity, or in the capacity of an outside sales employee, or certain skilled computer positions are exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act, as amended.
- B. An employee exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act, as amended, must be paid his/her full salary for any week in which the employee performs any work, subject to the exceptions set out in Section III.C. below. Deductions may not be made for absences caused by the Cooperative or by the operating requirements of the Cooperative.
- C. Deductions from pay of FLSA-exempt employees may be made:
 - 1. when an FLSA-exempt employee is absent from work for one or more full days for personal reasons, other than sickness or disability;

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 35A

POLICY NUMBER: P-34E (Page 2 of 3)

DEDUCTIONS FROM SALARIES OF FLSA-EXEMPT EMPLOYEES

2. for absences of one or more full days caused by sickness or disability (including work-related accidents) if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for loss of salary caused by sickness or disability. Such deductions may be made before the employee has qualified under the plan, policy or practice, and after the employee has exhausted the leave allowance thereunder;
 3. for absences of one or more full days if salary replacement benefits are provided under a State disability insurance law or under a State workers' compensation law;
 4. for penalties imposed in good faith for infractions of safety rules of major significance. A rule prohibiting smoking in an explosives plant is an example of a safety rule of major significance;
 5. for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules. Such suspensions must be imposed pursuant to a written policy applicable to all Cooperative employees;
 6. in the first or last week of employment. The Cooperative may pay a proportionate part of an employee's full salary for the time actually worked in the first and last week of employment; or
 7. for weeks in which an FLSA-exempt employee takes unpaid leave under the Family and Medical Leave Act. The Cooperative may pay a proportionate part of the employee's full salary for time actually worked.
- D. Improper deductions from an FLSA-exempt employee's salary are prohibited. Any FLSA-exempt employee who believes an improper deduction has been made from his/her salary, should immediately contact the General Manager or his/her designee. The General Manager, or his/her designee, shall promptly investigate

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 35B

POLICY NUMBER: P-34E (Page 3 of 3)

DEDUCTIONS FROM SALARIES OF FLSA-EXEMPT EMPLOYEES

the deduction and reimburse the employee for any deduction determined to be improper.

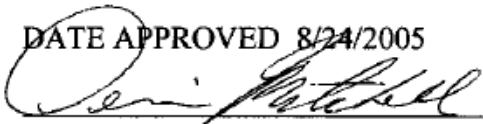
- E. The Cooperative will not retaliate against an FLSA-exempt employee for making a complaint of an improper deduction from his/her salary.

IV. RESPONSIBILITY

The General Manager is responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 8/24/2005



Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 3PAGE 36

POLICY NUMBER: P-35E

ADMINISTRATIVE EXCUSAL FOR VOTING TIME

I. OBJECTIVE

To provide time off with pay to employees so that they may vote.

II. POLICY CONTENT

The Cooperative will grant all employees a reasonable period of time off with pay so they may vote.

III. POLICY PROVISIONS

- A. The Cooperative will grant any employee two consecutive hours' paid leave in order to vote between the time of opening and the time of closing the polls, if the employee's workday begins less than two hours after the polls open in the morning, and ends less than two hours prior to the closing of the polls. To receive paid time off to vote, an employee must notify his/her immediate supervisor of his/her intent to be absent, on the day prior to the election. The Cooperative may specify the particular work hours to be used as time off to vote.
- B. Leave taken under this policy by an FLSA-exempt employee will be administered pursuant to the provisions in Policy No. P-34E.

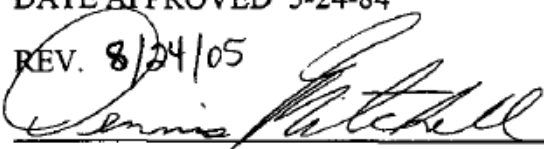
IV. RESPONSIBILITY

The General Manager and Cooperative supervisors shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 8/24/05



Secretary

NORTHERN ELECTRIC COOPERATIVE

SECTION 3
PAGE 37

POLICY NUMBER: P-36E
SMOKE FREE WORK PLACE

I. OBJECTIVE

To protect and enhance our indoor air quality and to contribute to the health and well-being of all employees.

II. POLICY CONTENT

The Cooperative shall be entirely smoke free. Additionally, the use of all tobacco products, including chewing tobacco, is banned from the Cooperative workplace, except as designated in this policy.

III. POLICY PROVISIONS

- A. Smoking is prohibited in all of the enclosed areas within the Cooperatives worksites, without exception. This includes common work areas, the manufacturing facilities, basement, classrooms, conference and meeting rooms, private offices, hallways, the lunchrooms, stairs, restrooms, employer owned or leased vehicles, and all other enclosed facilities.
- B. The only designated smoking area in the Cooperative is outdoors.
- C. Additionally, employees may smoke in their personal vehicles.
- D. While the Cooperative makes these areas available to smokers, it in no way has any legal responsibility to do so. Employees who choose to use these smoking areas do so at their own risk. No additional breaks are allowed to any employee who smokes. Finally, smokers and users of tobacco products must dispose of the remains in the proper containers. This helps to keep a neat and clean environment for all employees and our visiting partners and customers.


IV. ENFORCEMENT

Failure to comply with all of the components of this policy will result in disciplinary action that can lead up to and include employment termination.

V. RESPONSIBILITY

The General Manager or his designee shall be responsible for implementation of this policy.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED: 11/19/2008


Secretary

POLICY NUMBER: P-38E (Page 1 of 4)

SUBJECT: Donations and Contributions

I. Objective

- A. To establish guidelines when considering donations and contributions.

II. Policy

- A. Northern Electric Cooperative will respond to requests for donations and/or contributions. All donations and/or contributions should assist the cooperative in achieving its purpose of “*providing energy with care*” and exemplify the value of Commitment - to our community and our members.
- B. Donations and/or contributions will not be made to for-profit entities.
- C. Donations and/or contributions will not be made to religious entities.
- D. Donations and/or contributions will not be made to national organizations unless the donations and/or contributions are designated to remain in the service territory of Northern Electric Cooperative.
- E. Donations and/or contributions will not be made to individuals except to reward or promote academic achievement and/or community leadership. Examples: scholarships, youth tour participants, etc.
- F. Voluntary donations of Employee Labor may be allowed for community improvement projects/purposes within the cooperative’s service area. With appropriate prior approval, Co-op equipment may be used by those Co-op Employees to assist with such projects on company time.
- G. Donations and/or contributions to causes of industry organizations on the state and national level may be made by board approval.
- H. Donations and/or contributions, which include publication or promotion of the cooperative name or logo, will be considered advertising and do not fall within the guidelines of this procedure.
- I. Requests for donations and/or contributions must be made in writing to the cooperative.

POLICY NUMBER: P-38E (Page 2 of 4)

SUBJECT: Donations and Contributions

- J. Cooperative's standard donation and/or contribution will be \$25. Any request for a donation and/or contribution in excess of the standard donation requires appropriate documentation from requesting entity or must be submitted on the cooperative's sponsorship and donation request form (see attached copy). The CEO may approve donations up to \$250.
- K. Unless there are extenuating circumstances, it is the position of the cooperative to not make donations to individual teams, youth sports, cheerleading squads or community leagues for fundraising projects.
- L. All standard donation and/or contribution requests that meet the guidelines established by this procedure may be granted within the confines of the cooperative's donation and/or contribution budget.
- M. When, in the Chairman's and CEO's opinion, it is in the best interest of the cooperative to deviate from this procedure, the Chairman and CEO may approve a deviation and/or review the request with the Board of Directors prior to authorizing any deviation.

Promotional Gifts for Fund Raising

To assist with community fund raising projects and activities, the co-op will give items to organizations when needed. Typical promotional gifts include (extra annual meeting or Brown County Fair gifts). The co-op and Touchstone Energy logos will be imprinted on these items.

Memberships requiring financial contributions are given yearly to support related groups and organizations such as:

- NRECA (National Rural Electric Cooperative Association)
- NREDA (National Rural Economic Development Association)
- SDREA dues and expenses (South Dakota Rural Electric Association)
- SDRE Accident Victims Fund
- American Coalition for Ethanol
- Aberdeen Development Corp. Support
- Redfield Development (Grow Spink) Support
- Utility Telecommunications Council
- Ag Appreciation Banquet Sponsors
- SD Wind Energy Association
- Redfield Chamber of Commerce
- Aberdeen Chamber of Commerce

POLICY NUMBER: P-38E (Page 3 of 4)

SUBJECT: Donations and Contributions

Additional Activities and Involvements

Electrical Safety Programs: The co-op works with East River cooperative to give electrical safety educational sessions in area schools to fourth- to sixth-grade students. Upon request, co-op staff members are available to teach and/or demonstrate electrical safety at other community events.

REC Youth Tour: One high school junior will be selected to represent NEC and participate in the Youth Tour to Washington, D.C. Candidates must be dependents of co-op members. The co-op's board of directors determines criteria and selection process.

Youth Excursion: Each year, high school students from area schools will be selected to represent NEC at the SDREA Youth Excursion to Basin Electric Cooperative and their subsidiaries in the Bismarck area. Candidates must be dependents of co-op members. The co-op's board of directors determines criteria and selection process.

College Scholarships: One \$500 scholarship is awarded each year to the top candidate that submits an essay and application. The scholarships are dispersed after high school graduation and entry into an accredited college of the candidate's choice.

Touchstone Energy Cooperative Donation Match: When available from Touchstone Energy, the co-op will apply for a donation match up to \$500 to help support certain high-priority projects.

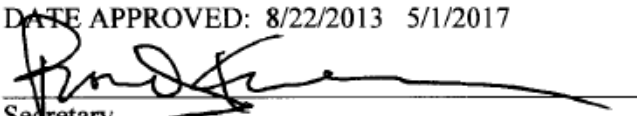
Employee Volunteerism: Employees are encouraged to volunteer in their local communities.

III. Responsibility

- A. President/CEO and the Director of Communications shall be responsible for administering this procedure.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 8/22/2013 5/1/2017


Secretary

SPONSORSHIP AND DONATION REQUEST FORM

130

Section 3

Page 39C

To continually improve the quality of life in our communities and for our members, and to track the funds dispersed, standards have been established for the donating or granting of funds or gifts. Please fill in all the information and attach any supporting information.

Contact _____ Deadline for donation _____

Name of Organization _____

Address _____

City _____ State _____ Zip _____ Phone _____

What is the nature of your organization? _____
_____ ☐ We are a 501(c)3 non-profit

DONATION REQUEST:

- ☐ Auction Item
- ☐ Door Prize/Raffle Prize
- ☐ Cash Sponsorship
- ☐ Giveaways
- ☐ Or describe your request. _____

If event, what date: _____ Held annually? _____

Describe the event. _____

How will the funds raised be used? _____

How will this benefit the community? _____

What benefits or recognition will Northern Electric Cooperative receive as sponsor or donor? _____

Is your group associated with any employee or director of Northern Electric Cooperative? If yes, please give employee or director name and their role in your organization. _____

FOR OFFICE USE ONLY:

Received by _____ Received date _____

☐ Denied: Reason _____

☐ Approved

Donation Description _____ Amount _____

Employee Signature _____ Date _____

Approval Signature _____ Date _____

POLICY NUMBER: P-40E

SUBJECT: NEC PCI DSS Credit Card Security Policy

This document explains Northern Electric Cooperative's credit card security requirements as required by the Payment Card Industry Data Security Standard (PCI DSS) Program. Northern Electric Cooperative management is committed to these security policies to protect information utilized by Northern Electric Cooperative in attaining its business goals. All employees are required to adhere to the policies described within this document.

POLICY NUMBER: P-40E

Credit Card Security Policies

PCI DSS 3.2

Version 1.1 - 2017-09-20

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POLICY NUMBER: P-40E

Revision History

Changes	Approving Manager	Date
Initial Publication		2017-09-20

POLICY NUMBER: P-40E

Introduction and Scope

Introduction

This document explains NORTHERN ELECTRIC COOPERATIVE's credit card security requirements as required by the Payment Card Industry Data Security Standard (PCI DSS) Program. NORTHERN ELECTRIC COOPERATIVE management is committed to these security policies to protect information utilized by NORTHERN ELECTRIC COOPERATIVE in attaining its business goals. All employees are required to adhere to the policies described within this document.

Scope of Compliance

The PCI requirements apply to all systems that store, process, or transmit cardholder data. Currently, NORTHERN ELECTRIC COOPERATIVE's cardholder environment consists only of limited payment applications (typically point-of-sale systems) connected to the internet, but does not include storage of cardholder data on any computer system.

Due to the limited nature of the in-scope environment, this document is intended to meet the PCI requirements as defined in Self-Assessment Questionnaire (SAQ) C, ver. 3.0, released February, 2014. Should NORTHERN ELECTRIC COOPERATIVE implement additional acceptance channels, add additional connected systems, begin storing cardholder data in electronic format, or otherwise become ineligible to validate compliance under SAQ C, it will be the responsibility of NORTHERN ELECTRIC COOPERATIVE to determine the appropriate compliance criteria and implement additional policies and controls as needed.

Requirement 1: Build and Maintain a Secure Network

Firewall Configuration

Firewalls must restrict connections between untrusted networks and any system in the cardholder data environment. An "untrusted network" is any network that is external to the networks belonging to the entity under review, and/or which is out of the entity's ability to control or manage. Access to the internet must be through a firewall, as must any direct connection to a vendor, processor, or service provider. (PCI Requirement 1.2)

Inbound and outbound traffic must be restricted by the firewalls to that which is necessary for the cardholder data environment. All other inbound and outbound traffic must be specifically denied. (PCI Requirement 1.2.1)

Perimeter firewalls must be installed between any wireless networks and the cardholder data environment. These firewalls must be configured to deny or control (if such traffic is necessary for business purposes) any traffic from the wireless environment into the cardholder data environment. (PCI Requirement 1.2.3)

Firewall configuration must prohibit direct public access between the Internet and any system component in the cardholder data environment as follows:

- Direct connections are prohibited for inbound and outbound traffic between the Internet and the cardholder data environment. (PCI Requirement 1.3.3)
- Outbound traffic from the cardholder data environment to the Internet must be explicitly authorized by management and controlled by the firewall. (PCI Requirement 1.3.5)
- Firewalls used to protect the cardholder data environment must implement stateful inspection, also known as dynamic packet filtering. (PCI Requirement 1.3.6)

Any mobile and/or employee-owned computers with direct connectivity the Internet (for example, laptops used by employees), which also have the ability to access the organization's cardholder data environment must have a

POLICY NUMBER: P-40E

local (personal) software firewall installed and active. This firewall must be configured to specific standards, and not alterable by mobile and/or employee-owned computer users. (PCI Requirement 1.4)

Requirement 2: Do not use Vendor-Supplied Defaults for System Passwords and Other Security Parameters

Vendor Defaults

Vendor-supplied defaults must always be changed before installing a system on the network. Examples of vendor-defaults include passwords, SNMP community strings, and elimination of unnecessary accounts. (PCI Requirement 2.1)

Default settings for wireless systems must be changed before implementation. Wireless environment defaults include, but are not limited to: (PCI Requirement 2.1.1)

- Default encryption keys
- Passwords
- SNMP community strings
- Default passwords/passphrases on access points
- Other security-related wireless vendor defaults as applicable

Firmware on wireless devices must be updated to support strong encryption (such as WPA or WPA2) for authentication and transmission of data over wireless networks.

Configuration Standards for Systems

Configuration standards for all system components must be developed and enforced. NORTHERN ELECTRIC COOPERATIVE must insure that these standards address all known security vulnerabilities and are consistent with industry-accepted system hardening standards. (PCI Requirement 2.2)

Configuration standards must be updated as new vulnerability issues are identified, and they must be enforced on any new systems before they are added to the cardholder data environment. The standards must cover the following:

- Changing of all vendor-supplied defaults and elimination of unnecessary default accounts.
- Implementing only one primary function per server to prevent functions that require different security levels from co-existing on the same server. (PCI Requirement 2.2.1)
- Enabling only necessary services, protocols, daemons, etc., as required for the function of the system. (PCI Requirement 2.2.2)
- Implementing additional security features for any required services, protocols or daemons that are considered to be insecure. (PCI Requirement 2.2.3)
- Configuring system security parameters to prevent misuse
- Removing all unnecessary functionality, such as scripts, drivers, features, subsystems, file systems, and unnecessary web servers. (PCI Requirement 2.2.5)

System administrators and any other personnel that configure system components must be knowledgeable about common security parameter settings for those system components. They must also be responsible to ensure that

POLICY NUMBER: P-40E

security parameter settings set appropriately on all system components before they enter production. (PCI Requirement 2.2.4)

System administrators are responsible to ensure that security policies and operational procedures for managing vendor defaults and other security parameters are documented, in use, and known to all affected parties. (PCI Requirement 2.5)

Non-Console Administrative Access

Credentials for non-console administrative access must be encrypted using technologies such as SSH, VPN, or SSL/TLS. Encryption technologies must include the following: (PCI Requirement 2.3)

- Must use strong cryptography, and the encryption method must be invoked before the administrator's password is requested.
- System services and parameter files must be configured to prevent the use of telnet and other insecure remote login commands.
- Must include administrator access to web-based management interfaces.
- Use vendor documentation and knowledge of personnel to verify that strong cryptography is in use for all non-console access and that for the technology in use it is implemented according to industry best practices and vendor recommendations.

Requirement 3: Protect Stored Cardholder Data

Prohibited Data

Processes must be in place to securely delete sensitive authentication data (defined below) post-authorization so that the data is unrecoverable. (PCI Requirement 3.2)

Payment systems must not store sensitive authentication data in any form after authorization (even if encrypted). Sensitive authentication data is defined as the following:

- The full contents of any track data from the magnetic stripe (located on the back of a card, equivalent data contained on a chip, or elsewhere) are not stored under any circumstance. (PCI Requirement 3.2.1)
- The card verification code or value (three-digit or four-digit number printed on the front or back of a payment card) is not stored under any circumstance. (PCI Requirement 3.2.2)
- The personal identification number (PIN) or the encrypted PIN block are not stored under any circumstance. (PCI Requirement 3.2.3)

Displaying PAN

NORTHERN ELECTRIC COOPERATIVE will mask the display of PANs (primary account numbers), and limit viewing of PANs to only those employees and other parties with a legitimate need. A properly masked number will show at most only the first six and the last four digits of the PAN. This requirement does not supersede stricter requirements in place for displays of cardholder data—for example, legal or payment card brand requirements for point-of-sale (POS) receipts. Policies and procedures for masking the display of PANs must mandate the following: (PCI requirement 3.3)

- A list of roles that need access to display of full PAN is documented, together with a legitimate business need for each role to have such access.

POLICY NUMBER: P-40E

- PAN must be masked when displayed such that only personnel with a legitimate business need can see the full PAN.
- All other roles not specifically authorized to see the full PAN must only see masked PANs.

Requirement 4: Encrypt Transmission of Cardholder Data Across Open, Public Networks

Transmission of Cardholder Data

In order to safeguard sensitive cardholder data during transmission over open, public networks, NORTHERN ELECTRIC COOPERATIVE will use strong cryptography and security protocols (for example, SSL/TLS, IPSEC, SSH, etc.). These controls will be implemented as follows: (PCI Requirement 4.1)

- Only trusted keys and certificates are accepted.
- The protocol in use only supports secure versions or configurations.
- The encryption strength is appropriate for the encryption methodology in use.

Industry best practices (for example, IEEE 802.11i) must be used to implement strong encryption for authentication and transmission for wireless networks transmitting cardholder data or connected to the cardholder data environment. Weak encryption (for example, WEP, SSL version 2.0 or older) is not to be used as a security control for authentication or transmission. (PCI Requirement 4.1.1)

Sending unencrypted PANs by end-user messaging technologies is prohibited. Examples of end-user technologies include email, instant messaging and chat. (PCI requirement 4.2)

Requirement 5: Use and Regularly Update Anti-Virus Software or Programs

Anti-Virus Protection

All systems, particularly personal computers and servers commonly affected by viruses, must have installed an anti-virus program which is capable of detecting, removing, and protecting against all known types of malicious software. (PCI Requirement 5.1, 5.1.1)

For systems considered to be not commonly affected by malicious software, NORTHERN ELECTRIC COOPERATIVE will perform periodic evaluations to identify and evaluate evolving malware threats in order to confirm whether such systems continue to not require anti-virus software. (PCI Requirement 5.1.2)

All anti-virus programs must be kept current through automatic updates, be actively running, be configured to run periodic scans, and be capable of as well as configured to generate audit logs. Anti-virus logs must also be retained in accordance with PCI requirement 10.7. (PCI Requirement 5.2)

Steps must be taken to ensure that anti-virus mechanisms are actively running and cannot be disabled or altered by users, unless specifically authorized by management on a case-by-case basis for a limited time period. (PCI Requirement 5.3)

POLICY NUMBER: P-40E

Requirement 6: Develop and Maintain Secure Systems and Applications

Risk and Vulnerability

NORTHERN ELECTRIC COOPERATIVE will establish a process to identify security vulnerabilities, using reputable outside sources for security vulnerability information, and assign a risk ranking (for example, as “high,” “medium,” or “low”) to newly discovered security vulnerabilities.

Risk rankings are to be based on industry best practices as well as consideration of potential impact. For example, criteria for ranking vulnerabilities may include consideration of the CVSS base score, and/or the classification by the vendor, and/or type of systems affected. Methods for evaluating vulnerabilities and assigning risk ratings will vary based on an organization’s environment and risk-assessment strategy. Risk rankings should, at a minimum, identify all vulnerabilities considered to be a “high risk” to the environment. In addition to the risk ranking, vulnerabilities may be considered “critical” if they pose an imminent threat to the environment, impact critical systems, and/or would result in a potential compromise if not addressed. Examples of critical systems may include security systems, public-facing devices and systems, databases, and other systems that store, process, or transmit cardholder data. (PCI Requirement 6.1)

All critical security patches must be installed within one month of release. This includes relevant patches for operating systems and all installed applications. All applicable non-critical vendor-supplied security patches are installed within an appropriate time frame (for example, within three months). (PCI Requirement 6.2)

Requirement 7: Restrict Access to Cardholder Data by Business Need to Know

Limit Access to Cardholder Data

Access to NORTHERN ELECTRIC COOPERATIVE’s cardholder system components and data is limited to only those individuals whose jobs require such access. (PCI Requirement 7.1)

Access limitations must include the following:

Access rights for privileged user IDs must be restricted to the least privileges necessary to perform job responsibilities. (PCI Requirement 7.1.2)

Privileges must be assigned to individuals based on job classification and function (also called “role-based access control”). (PCI Requirement 7.1.3)

Requirement 8: Assign a Unique ID to Each Person with Computer Access

Remote Access

Two-factor authentication must be incorporated for remote access (network-level access originating from outside the network) to the network by employees, administrators, and third parties. (PCI Requirement 8.3)

Vendor Accounts

All accounts used by vendors for remote maintenance shall be enabled only during the time period needed. Vendor remote access accounts must be monitored when in use. (PCI Requirement 8.1.5)

POLICY NUMBER: P-40E

Requirement 9: Restrict Physical Access to Cardholder Data

Physically Secure All Areas and Media Containing Cardholder Data

All publicly accessible network jacks must have physical and/or logical controls to restrict access to the secure network by unauthorized personnel. (PCI requirement 9.1.2)

Hard copy materials containing confidential or sensitive information (e.g., paper receipts, paper reports, faxes, etc.) are subject to the following storage guidelines:

All media must be physically secured. (PCI requirement 9.5)

Strict control must be maintained over the internal or external distribution of any kind of media containing cardholder data. These controls shall include: (PCI Requirement 9.6)

- Media must be classified so the sensitivity of the data can be determined. (PCI Requirement 9.6.1)
- Media must be sent by a secure carrier or other delivery method that can be accurately tracked. (PCI Requirement 9.6.2)
- Management approval must be obtained prior to moving the media from the secured area. (PCI Requirement 9.6.3)

Strict control must be maintained over the storage and accessibility of media containing cardholder data. (PCI Requirement 9.7)

Destruction of Data

All media containing cardholder data must be destroyed when no longer needed for business or legal reasons. (PCI requirement 9.8)

Hardcopy media must be destroyed by shredding, incineration or pulping so that cardholder data cannot be reconstructed. (PCI requirement 9.8.1.a)

Containers storing information waiting to be destroyed must be secured (locked) to prevent access to the contents by unauthorized personnel. (PCI requirement 9.8.1.b)

Protection of Payment Devices

Devices that capture payment card data via direct physical interaction with the card (such as swipe readers and any other payment terminals) must be protected. This protection must include preventing the devices from being tampered with or substituted. (PCI requirement 9.9)

NORTHERN ELECTRIC COOPERATIVE must maintain an up-to-date list of devices. Employees shall be instructed to maintain the integrity and currency of the inventory. The list should include the following: (PCI requirement 9.9.1)

- Make and model of all devices.
- Location of each device (for example, the address of the site or facility where the device is located).
- Device serial number or other method of unique identification.

The payment devices must be periodically inspected. Check surfaces to detect tampering (for example, addition of card skimmers to devices). Checks must also be made that will detect substitution (for example, by checking the serial number or other device characteristics to verify it has not been swapped with a fraudulent device). (PCI requirement 9.9.2)

POLICY NUMBER: P-40E

Employees and contractors who interact with the payment devices must be provided with training that enables them to be aware of attempted tampering or replacement of devices. Training should include the following: (PCI requirement 9.9.3)

- Employees must verify the identity of any third-party persons claiming to be repair or maintenance personnel prior to granting them access to modify or troubleshoot devices.
- Employees must be instructed not to install, replace, or return devices without verification from management. The inventory list (required previously) must be updated by the employee when device locations are changed or new devices are added.
- Employees need to be aware of suspicious behavior around devices (for example, attempts by unknown or unauthorized persons to unplug or open devices).

Requirement 10: Regularly Monitor and Test Networks

Audit Log Collection

NORTHERN ELECTRIC COOPERATIVE will implement technical controls that create audit trails in order to link all access to system components to an individual user. The automated audit trails created will capture sufficient detail to reconstruct the following events:

- All actions taken by any individual with root or administrative privileges. (PCI Requirement 10.2.2)
- All invalid logical access attempts (failed logins). (PCI Requirement 10.2.4)
- Any use of and changes to identification and authentication mechanisms—including but not limited to creation of new accounts and elevation of privileges—and all changes, additions, or deletions to accounts with root or administrative privileges. (PCI Requirement 10.2.5)

NORTHERN ELECTRIC COOPERATIVE's log generating and collecting solution will capture the following data elements for the above events:

- User identification. (PCI Requirement 10.3.1)
- Type of event. (PCI Requirement 10.3.2)
- Date and time. (PCI Requirement 10.3.3)
- Success or failure indication. (PCI Requirement 10.3.4)
- Origination of event. (PCI Requirement 10.3.5)
- Identity or name of affected data, system component, or resource. (PCI Requirement 10.3.6)

Audit Log Review

NORTHERN ELECTRIC COOPERATIVE's systems administrators will perform daily review of the audit logs. This review may be manual or automated but must monitor for and evaluate: (PCI Requirement 10.6.1)

- All security events.
- Logs of all system components that store, process, or transmit CHD and/or SAD, or that could impact the security of CHD and/or SAD.
- Logs of all critical system components.

POLICY NUMBER: P-40E

- Logs of all servers and system components that perform security functions (for example, firewalls, intrusion-detection systems/intrusion-prevention systems (IDS/IPS), authentication servers, e-commerce redirection servers, etc.).

The audit review must also check the logs of all other system components periodically based on the organization's policies and risk management strategy, as determined by the organization's annual risk assessment. (PCI Requirement 10.6.2)

Subsequent to log review, systems administrators or other responsible personnel will follow up exceptions and anomalies identified during the review process. (PCI Requirement 10.6.3)

NORTHERN ELECTRIC COOPERATIVE must retain audit trail history for at least one year, with a minimum of three months immediately available for analysis (for example, online, archived, or restorable from backup). (PCI Requirement 10.7)

Requirement 11: Regularly Test Security Systems and Processes

Testing for Unauthorized Wireless Access Points

At least quarterly, NORTHERN ELECTRIC COOPERATIVE will perform testing to ensure there are no unauthorized wireless access points (802.11) present in the cardholder environment. (PCI Requirement 11.1)

The methodology must be adequate to detect and identify any unauthorized wireless access points, including at least the following:

- WLAN cards inserted into system components.
- Portable or mobile devices attached to system components to create a wireless access point (for example, by USB, etc.).
- Wireless devices attached to a network port or network device.

To facilitate the detection process, NORTHERN ELECTRIC COOPERATIVE will maintain an inventory of authorized wireless access points including a documented business justification. (PCI Requirement 11.1.1)

If automated monitoring is utilized (for example, wireless IDS/IPS, NAC, etc.), the configuration must be capable of generating alerts to notify personnel. Detection of unauthorized wireless devices must be included in the Incident Response Plan (see PCI Requirement 12.10). (PCI Requirement 11.1.2)

Vulnerability Scanning

At least quarterly, and after any significant changes in the network (such as new system component installations, changes in network topology, firewall rule modifications, product upgrades), NORTHERN ELECTRIC COOPERATIVE will perform vulnerability scanning on all in-scope systems. (PCI Requirement 11.2)

Internal vulnerability scans must be performed at a minimum quarterly and repeated until passing results are obtained, or until all "high" vulnerabilities as defined in PCI Requirement 6.1 are resolved. Scan reports must be retained for a minimum of a year. (PCI Requirement 11.2.1)

Quarterly external vulnerability scan results must satisfy the ASV Program guide requirements (for example, no vulnerabilities rated higher than a 4.0 by the CVSS and no automatic failures). External vulnerability scans must

POLICY NUMBER: P-40E

be performed by an Approved Scanning Vendor (ASV), approved by the Payment Card Industry Security Standards Council (PCI SSC). Scan reports must be retained for a minimum of a year. (PCI Requirement 11.2.2)

For both internal and external vulnerability scans, NORTHERN ELECTRIC COOPERATIVE shall perform rescans as needed to validate remediation of failures detected during previous scans, as well as after any significant change to the network. Scans must be performed and reviewed by qualified personnel. (PCI Requirement 11.2.3)

If segmentation is used to isolate the CDE from other networks, perform tests at least annually and after any changes to segmentation controls/methods to verify that the segmentation methods are operational and effective, and isolate all out-of-scope systems from in-scope systems. These tests need to be done from multiple locations on the internal network, checking both for improper accessibility from the out-of-scope zones to the in-scope zone as well as the reverse. (PCI Requirement 11.3.4)

For all in-scope systems for which it is technically possible, NORTHERN ELECTRIC COOPERATIVE must deploy a change-detection mechanism (for example, file-integrity monitoring tools) to alert personnel to unauthorized modification of critical system files, configuration files, or content files; and configure the software to perform critical file comparisons at least weekly. The change detection software must be integrated with the logging solution described above, and it must be capable of raising alerts to responsible personnel. (PCI Requirement 11.5.1)

For change-detection purposes, critical files are usually those that do not regularly change, but the modification of which could indicate a system compromise or risk of compromise. Change-detection mechanisms such as file-integrity monitoring products usually come pre-configured with critical files for the related operating system. Other critical files, such as those for custom applications, must be evaluated and defined by the entity (that is, the merchant or service provider). (PCI Requirement 11.5)

Requirement 12: Maintain a Policy that Addresses Information Security for Employees and Contractors

Security Policy

NORTHERN ELECTRIC COOPERATIVE shall establish, publish, maintain, and disseminate a security policy that addresses how the company will protect cardholder data. (PCI Requirement 12.1)

This policy must be reviewed at least annually, and must be updated as needed to reflect changes to business objectives or the risk environment. (PCI requirement 12.1.1)

Critical Technologies

NORTHERN ELECTRIC COOPERATIVE shall establish usage policies for critical technologies (for example, remote-access technologies, wireless technologies, removable electronic media, laptops, tablets, personal data/digital assistants (PDAs), email, and internet usage. (PCI requirement 12.3)

These policies must include the following:

- Explicit approval by authorized parties to use the technologies. (PCI Requirement 12.3.1)
- Authentication for use of the technology. (PCI Requirement 12.3.2)
- A list of all such devices and personnel with access. (PCI Requirement 12.3.3)
- Acceptable uses of the technologies. (PCI Requirement 12.3.5)
- Acceptable network locations for the technologies. (PCI Requirement 12.3.6)

POLICY NUMBER: P-40E

- Automatic disconnect of sessions for remote-access technologies after a specific period of inactivity. (PCI Requirement 12.3.8)
- Activation of remote-access technologies for vendors and business partners only when needed by vendors and business partners, with immediate deactivation after use. (PCI Requirement 12.3.9)

Security Responsibilities

NORTHERN ELECTRIC COOPERATIVE's policies and procedures must clearly define information security responsibilities for all personnel. (PCI Requirement 12.4)

Incident Response Policy

The Manager of Information Technology shall establish, document, and distribute security incident response and escalation procedures to ensure timely and effective handling of all situations. (PCI requirement 12.5.3)

Incident Identification

Employees must be aware of their responsibilities in detecting security incidents to facilitate the incident response plan and procedures. All employees have the responsibility to assist in the incident response procedures within their particular areas of responsibility. Some examples of security incidents that an employee might recognize in their day to day activities include, but are not limited to,

- Theft, damage, or unauthorized access (e.g., papers missing from their desk, broken locks, missing log files, alert from a security guard, video evidence of a break-in or unscheduled/unauthorized physical entry).
- Fraud – Inaccurate information within databases, logs, files or paper records.

Reporting an Incident

The Manager of Information Technology or CEO should be notified immediately of any suspected or real security incidents involving cardholder data:

Contact the Manager of Information Technology to report any suspected or actual incidents. The Internal Audit's phone number should be well known to all employees and should page someone during non-business hours.

No one should communicate with anyone outside of their supervisor(s) or the Manager of Information Technology about any details or generalities surrounding any suspected or actual incident. All communications with law enforcement or the public will be coordinated by the Manager of Information Technology.

Document any information you know while waiting for the Manager of Information Technology to respond to the incident. If known, this must include date, time, and the nature of the incident. Any information you can provide will aid in responding in an appropriate manner.

Incident Response Policy (PCI requirement 12.10.1)

Responses can include or proceed through the following stages: identification, severity classification, containment, eradication, recovery and root cause analysis resulting in improvement of security controls.

Contain, Eradicate, Recover and perform Root Cause Analysis

1. Notify applicable card associations.

POLICY NUMBER: P-40E

Visa

Provide the compromised Visa accounts to Visa Fraud Control Group within ten (10) business days. For assistance, contact 1-(650)-432-2978. Account numbers must be securely sent to Visa as instructed by the Visa Fraud Control Group. It is critical that all potentially compromised accounts are provided. Visa will distribute the compromised Visa account numbers to issuers and ensure the confidentiality of entity and non-public information. See Visa's "What to do if compromised" documentation for additional activities that must be performed. That documentation can be found at http://usa.visa.com/download/business/accepting_visa/ops_risk_management/cisp_what_to_do_if_compromised.pdf

MasterCard

Contact your merchant bank for specific details on what to do following a compromise. Details on the merchant bank (aka. the acquirer) can be found in the Merchant Manual at http://www.mastercard.com/us/wce/PDF/12999_MERC-Entire_Manual.pdf. Your merchant bank will assist when you call MasterCard at 1-(636)-722-4100.

Discover Card

Contact your relationship manager or call the support line at 1-(800)-347-3083 for further guidance.

2.Alert all necessary parties. Be sure to notify:

- a. Merchant bank
- b. Local FBI Office
- c. U.S. Secret Service (if Visa payment data is compromised)
- d. Local authorities (if appropriate)

3.Perform an analysis of legal requirements for reporting compromises in every state where clients were affected. The following source of information must be used:
<http://www.ncsl.org/programs/lis/cip/priv/breach.htm>

4.Collect and protect information associated with the intrusion. In the event that forensic investigation is required the Manager of Information Technology will work with legal and management to identify appropriate forensic specialists.

5.Eliminate the intruder's means of access and any related vulnerabilities.

6.Research potential risks related to or damage caused by intrusion method used.

Root Cause Analysis and Lessons Learned

Not more than one week following the incident, members of the Manager of Information Technology and all affected parties will meet to review the results of any investigation to determine the root cause of the compromise and evaluate the effectiveness of the *Incident Response Plan*. Review other security controls to determine their appropriateness for the current risks. Any identified areas in which the plan, policy or security control can be made more effective or efficient, must be updated accordingly.

Security Awareness

NORTHERN ELECTRIC COOPERATIVE shall establish and maintain a formal security awareness program to make all personnel aware of the importance of cardholder data security. (PCI Requirement 12.6)

POLICY NUMBER: P-40E

Service Providers

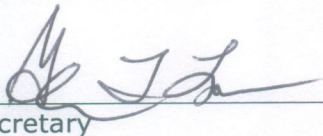
NORTHERN ELECTRIC COOPERATIVE shall implement and maintain policies and procedures to manage service providers. (PCI requirement 12.8)

This process must include the following:

- Maintain a list of service providers. (PCI requirement 12.8.1)
- Maintain a written agreement that includes an acknowledgement that the service providers are responsible for the security of the cardholder data the service providers possess. (PCI requirement 12.8.2)
- Implement a process to perform proper due diligence prior to engaging a service provider. (PCI requirement 12.8.3)
- Monitor service providers' PCI DSS compliance status. (PCI requirement 12.8.4)
- Maintain information about which PCI DSS requirements are managed by each service provider, and which are managed by the entity. (PCI requirement 12.8.5)

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 10-19-2017


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.
POLICY P-41E
INTERCONNECTION OF DISTRIBUTED RESOURCES (IDR)

OBJECTIVE: To establish policy for members to parallel operation of wind generators or other alternate electric power sources having an installed capacity of not more than 10 megavolt amperes (MVA) at the point of common coupling.

POLICY: The Cooperative will work with its members to allow the interconnection of alternate electric supply systems to the cooperative's low voltage system. The following requirements must be followed before it can be connected.

1. The capacity of wind generator or other parallel generator shall not exceed the capacity of the member's distribution transformer.
2. The power generated by the member shall not introduce excessive distortion to the system's sinusoidal voltage or current waves. The maximum allowable distortion must not exceed ten percent (10%) measured at the member's service box.
3. The member's load, in conjunction with the alternate generator, shall not have a power factor of less than .95.
4. The member shall provide an automatic disconnecting device to disconnect his generating equipment from the system in the event of cooperative supply outage.
5. The member shall furnish and install a disconnecting switch. This switch to be connected between the cooperative meter box and member generator. This switch shall be located so Cooperative personnel can operate it in case of outage or for work on distribution system.
6. The Cooperative reserves the right to disconnect the generator from the system in case it interferes with the operation of Cooperative equipment or interferes with other members' services.


MEMBER REQUIREMENTS:

1. Detail diagrams of the generator and related equipment must be furnished to the Cooperative for approval.
2. Written request must be submitted along with the wiring diagram of all related wiring and safety features of the alternate system before it can be connected.
3. Primary Power Supplier approval is required.
4. The member must agree to maintain appropriate liability insurance determined by the Cooperative.
5. The distributed resource facility must not cause significant degradation of the safety, power quality, or reliability on the Cooperatives power system or other electric power systems interconnected to the Cooperative.
6. The member shall furnish and install all additional wiring and equipment needed to connect the second meter at existing location. The meter socket shall be installed as close as possible to existing meter.
7. The consumer will pay for a main two way meter registering flow from the Cooperative to the member and also from the member to the Cooperative. A second meter will be paid for by the member and placed between the generation and the main service to register actual KWH produced. Time registering demand meters required if over 50 KW. If 150 KW or over, load offset is not allowed. The Cooperative will purchase energy recorded on the second meter from the member in accordance with the East River rate.
8. If location has a subtractive heat meter, it must be wired in a manner that will not register kWh if the generator is producing power at the same time the heating system is drawing energy. If this wiring is not able to be done, the location will no longer be eligible for the heat rate and the subtractive meter will be removed.

PAGE 2 - POLICY P-41E
INTERCONNECTION OF DISTRIBUTED RESOURCES (IDR)

RESPONSIBILITY: The Manager shall be responsible for the execution of this policy.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED 11/29/2018



Secretary

POLICY NUMBER: P-42E (Pages 1-7)

SUBJECT: PROCUREMENT CONFLICT OF INTEREST

OBJECTIVE: No Northern Electric Cooperative employees, officers, or directors shall participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. In furtherance of this policy, all employees, officers or directors of Northern Electric Cooperative shall perform their duties in accordance with the following Policy:

POLICY: Purpose/General Rule

The purpose of this policy is to provide guidance to employees, officers or directors of the cooperative, in identifying and handling potential and actual conflicts of interest that may arise in procurement and contract administration. This policy specifically addresses those duties related to procurement by Northern Electric Cooperative.

The general rule is that employees, officers or directors are obligated to avoid and disclose ethical, legal, financial, or other conflicts of interest involving procurement and contract administration for the cooperative and remove themselves from a position of decision-making authority with respect to any procurement or contract administration conflict situation. This policy places special emphasis on protecting against those conflicts that may arise when conducting business with outside vendors and contractors on behalf of Northern Electric Cooperative.

This Policy establishes the procedure Northern Electric Cooperative will use to govern procurement and contract administration conflicts of interest. The Policy further establishes the procedure for the disclosure and monitoring of family and business relationships among employees, officers or directors that could give rise to procurement and contract administration conflicts of interest with Northern Electric Cooperative.

1. DEFINITIONS

- A. An "Employee" is any employee of the Cooperative.
- B. An "Officer" is any officer of the Cooperative.
- C. A "Director" is any elected director of the Cooperative.
- D. "Conflict of Interest" is a situation that may exist if an activity, gift, or trip influences or has the appearance of influencing the ability of an Employee, Officer or Director, to exercise objectivity or affects that person's ability to perform his or her procurement or contract administration responsibilities in the best interests of Northern Electric Cooperative. It includes actions, gifts, trips, etc. that do or might lead the Employee, Officer or Director to select or favor selection of a particular contractor in procurement or contract administration.

- E. "Family Member" means any spouse, domestic partner, parent, grandparent, sibling, and child, and any other relative who resides in the same household.

2. IDENTIFICATION OF CONFLICT OF INTEREST SITUATIONS

- A. An Employee, Officer or Director should be particularly careful of a real or apparent Conflict of Interest when the business matter at hand involves:
1. Family Members
 2. Personal Gain
 3. Outside Business of Employees, Officers or Directors or Family Member's Gain
- B. Where any of these factors exist with regard to a business decision, disclosure should occur in accordance with this Policy.

3. PROCUREMENT DISCLOSURES

Particularly where procurement may be funded by the federal government, Employees, Officers or Directors should immediately disclose any Conflict of Interest or perceived Conflict of Interest to the General Manager and refrain from participating in the selection, award or administration of that contract until a determination has been made by the General Manager as to whether the Employee, Officer or Director has a Conflict of Interest that prevents him or her from further participation.

4. GIFTS AND ENTERTAINMENT

- A. No Employee, Officer or Director may solicit or receive gifts, gratuities, entertainment, or anything else of significant value (e.g., financial payments, awards, loans, services, fees, etc.) given for the purpose of influencing the action of Northern Electric Cooperative or of the recipient. Gifts and entertainment received from vendors, suppliers and consultants may only be accepted consistent with the terms of this Policy.
- B. This guideline is not intended to prohibit normal business practices, such as meetings over meals, recreational activities, corporate items given to participants in meetings and conferences, or token hosting gifts, as long as they are of nominal and reasonable value and promote Northern Electric Cooperative's legitimate business interests.
- C. Examples of situations which would not create a Conflict of Interest include:
1. Business-related meals, refreshments, and recreational activities such as golf or picnics not exceeding a total of [\$250] in value from any one individual or organization for any given year. While it may sometimes be difficult to judge the value of gifts offered to the Cooperative's Employees, Officers or Directors, it is important to also consider the appearance of impropriety.

Employees, Officers or Directors should refrain from accepting gifts when the

Page 3

gifts give the appearance of impropriety. Please contact the General Manager if you are unsure about the appropriateness of accepting gifts or social invitations;

2. Gifts from Family Members or close friends that are not intended to influence a business relationship and are not given to influence the recipient's duties or responsibilities as per the Cooperative; In situations where a longstanding contractor is or becomes a close friend of an Employee, Officer or Director a conflict could arise if that close friend provides the Employee, Officer or Director with a financial benefit such as paying for meals or other gifts. Please contact the General Manager if you are unsure about the appropriateness of accepting gifts or financial benefits from a close friend who contracts business with the Cooperative;
3. Promotional items such as caps, mugs, pens, t-shirts, etc. as long as generally given out freely, and not provided to influence the recipient's duties or responsibilities as per the Cooperative;
4. Anyone offered any item of value (except for the above-mentioned items) should immediately report the offer. If an Employee, Officer or Director believes there is an appropriate reason to make an exception to this Policy for an individual situation, he or she should contact the General Manager prior to accepting the gift.

5. DECISIONS WHICH POSE A CONFLICT OF INTEREST

If an Employee, Officer or Director determines that a decision may create a real or apparent Conflict of Interest, the Employee, Officer or Director shall make full disclosure to the General Manager of any facts which may indicate a conflict. The Employee, Officer or Director in question shall disqualify himself/herself from the decision-making process regarding any procurement or contract administration decisions which could pose a real or perceived Conflict of Interest. The Employee, Officer or Director may request an opinion of the General Manager or Counsel for the Cooperative before such action is taken if the facts are in dispute or the situation is one that presents novel issues.

6. DISCLOSURE AND MANAGEMENT OF CONFLICTS OF INTEREST

All potential Conflicts of Interest must be disclosed to the General Manager. The Employee, Officer or Director involved in the conflict situation must work with his/her supervisor and the General Manager, to achieve a resolution of the conflict issue in the best interests of Northern Electric Cooperative. Depending upon the nature of the conflict, this may include the Employee, Officer or Director being removed from a position of decision-making authority with respect to the specific situation or other actions the Cooperative deems necessary to prevent or address the conflict.

7. DISCLOSURE CERTIFICATE

Employees, Officers or Directors must complete and sign the Conflict of Interest Certification and Disclosure Form attached to this Policy. The General Manager shall maintain copies of completed Forms for each Employee, Officer or Director. Each

Page 4

Employee, Officer or Director is responsible for ensuring that this Form is kept current and must immediately submit an updated Form to the General Manager if there is any material change to any of the information contained in the form.

8. DISCLOSURE OF CONTRACTS WITH EMPLOYEES

Northern Electric Cooperative may enter into contracts with one or more Employee, Officer

or Director or entities in which they or a Family Member may have a material financial interest, for the provision of goods or services if the same opportunity to enter into contracts is made available to other Employees or contractors who are similarly situated. These contracts are to be procured in accordance with Northern Electric Cooperative's standard procedures for the type of contract at issue. However, any such contract shall be submitted to and approved by the General Manager and the Board of Directors. If an Employee, Officer or Director has any duties or responsibilities related to procurement of such contract, he or she shall immediately recuse from those actions, and not be involved in any part of the contract selection or award.

9. FINANCIAL INTEREST

If an Employee, Officer or Director has a financial interest in any outside entity that conducts business with the Cooperative, then that Employee Officer or Director must disclose and avoid participating in decisions related to business with that entity.

10. EXCEPTION REGARDING AN AFFILIATED COOPERATIVE

This Policy recognizes that different conflict rules apply to contracts and procurement involving a cooperative (herein, an "Affiliated Cooperative") in which Northern Electric Cooperative is a member. Specifically, an Employee Officer or Director is not disqualified from decisions regarding procurement or contract administration involving an Affiliated Cooperative solely because of the Employees, Officers or Directors service as an officer or board member of the Affiliated Cooperative entity, as long as a prohibited Conflict of Interest does not otherwise exist. An Employee, Officer or Director who serves as an officer or board member of an Affiliated Cooperative shall disclose his or her role with the Affiliated Cooperative to the General Manager. If a contract administration or procurement decision involving, or potentially involving, federal grant funds arises between Northern Electric Cooperative and the Affiliated Cooperative in which the Employee, Officer or Director is expected to participate, the Employee, Officer or Director shall disclose his involvement with the Affiliated Cooperative and the contract administration or procurement decision to the General Manager, and the General Manager shall assure that, the cost analysis required by 2 CPR 200.323 is performed with respect to that contract administration or procurement decision.

11. FAMILY INTERESTS

If a Family Member of an Employee, Officer or Director has a financial interest, this interest shall be fully disclosed to Northern Electric Cooperative, and the General Manager shall decide if such interest should prevent Northern Electric Cooperative from entering a particular transaction, purchase or employment of services. The

Page 5

Employee, Officer or Director with the interested Family Member shall not participate in any way in the decision to do business with such Family Member or entity.

12. DISQUALIFICATION

If an Employee, Officer or Director is determined to have a real or apparent Conflict of Interest, Northern Electric Cooperative will disqualify the Employee, Officer or Director from acting on any procurement or contract administration matter or participating in any procurement or contract administration decision(s) that could be impacted by the conflict. If an Employee, Officer or Director fails to comply with this Policy the selection and award of

the contract is not automatically invalidated. At the point the conflict is made known the General Manager will immediately review all pertinent facts and make a determination as to the best course of action. If it is determined that the action will stand, such determination will be documented in writing and maintained in the files of the General Manager.

13. CONSEQUENCES FOR FAILURE TO COMPLY WITH POLICY

Any Employee, Officer or Director that does not comply with this Policy shall be subject to disciplinary action, including termination, if so warranted by the offense.

14. REVIEW OF DISCLOSURE CERTIFICATIONS

The General Manager shall annually review all Conflict of Interest Certification and Disclosure Forms and generally monitor compliance with this Policy.

15. INTERPRETATION

This Policy cannot describe all procurement or contract administration conflict of interest situations that may arise involving the Cooperative. Therefore, Employees, Officers or Directors must use good judgment to avoid any appearance of impropriety. Appropriate circumstances may also justify exceptions to the application of this Policy. If you have any questions about this Policy or its application, please err on the side of caution and transparency and seek advice from the General Manager.

16. ANNUAL DISTRIBUTION OF POLICY

This Policy shall be reviewed annually and distributed to all new hires for signature. (See Appendix A & B)

APPROVED BY THE BOARD OF DIRECTORS:

DATE APPROVED: Feb. 20, 2023


Secretary

APPENDIX A

EXAMPLES OF CONFLICTS OF INTEREST ACTIVITIES AND RELATIONSHIPS

The following activities illustrate types of potential or actual conflicts of interest that should be avoided and disclosed, as applicable, in accordance with this Policy. The list is not all inclusive and is intended only to provide guidance.

- Self-benefit: Using your position or relationship within the Cooperative to promote your own interests or those of your family, including use of confidential or privileged information acquired in the course of employment at Northern Electric Cooperative for benefit or gain of yourself or a Family Member.
- Influence peddling: Soliciting benefits for yourself or a Family Member from outside organizations in exchange for using your influence to advance the interests of that organization within the Cooperative.
- Other business relationships and dealings: Approving contracts with organizations in which you or a Family Member have a significant financial or other interest or relationship, particularly if you are in a position to influence major decisions, are responsible for review, negotiation and approval of the contracts, or otherwise direct the Cooperative's business dealings with that business or entity.
- Outside commitments: Participating in social or political activities is not restricted as long as you participate as an individual and not as a representative of the Cooperative.
- Property transactions: Directly or indirectly leasing, renting, trading, or selling real or personal property to or from the Cooperative.
- Use of the Cooperative property for personal advantage: Using or taking Cooperative resources, including facilities, equipment, personnel, and supplies, for private use or other unauthorized non-Cooperative activities.
- Recording or reporting false information: Misrepresenting, withholding, or falsifying relevant information required to be reported to external parties or used internally for decision-making purposes, in order to derive personal benefits.
- Dealings with Vendors or Contractors: Personally, accepting anything of value from organizations or individuals that have or will have proposals pending before Northern Electric Cooperative or do business with the Cooperative.

APPENDIX B**PROCUREMENT CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM**

As described by Northern Electric Cooperative's Conflict of Interest Policy, the undersigned Employee, Officer or Director states:

1. I affirm that I have received or have access to, have read, and understand the Procurement Conflict of Interest Policy.
2. I agree to comply with the Procurement Conflict of Interest Policy.
3. Based upon my good faith belief, to the best of my knowledge, and except as disclosed below, I certify that I currently comply with the Policy.
4. I disclose the following information or facts regarding any potential Conflict of Interest or any actual Conflict of Interest that could impact my compliance with the Procurement Conflict of Interest Policy:

5. Upon discovering any information or fact regarding any potential or actual Conflict of Interest that could impact my compliance with the Procurement Conflict of Interest Policy, I agree to disclose this information or fact to the General Manager.
6. If I do not comply with the Procurement Conflict of Interest Policy, I agree to any sanction, disqualification, removal or other action taken under the Policy, consistent with law and Cooperative policies and procedures.

Printed Name

Signature

Title of Employee/Officer/Director

Date

NORTHERN ELECTRIC COOPERATIVE, INC.

<u>SECTION 4</u>	<u>PERSONNEL POLICIES</u>	<u>DIRECTORS</u>
<u>INDEX</u>	<u>POLICY NUMBER</u>	<u>PAGE NUMBER</u>
Service Record - Board of Directors		156-158
Standing Committees of the Board of Directors	Rescinded 2 / 21/91	
Regular and Special Board Meetings	P-2D	159
Procedure for Meeting of the Board of Directors	P-3D	160
Directors Compensation	P-4D	161-163
Service Awards - Directors	Rescinded 1/24/25	164
Directors Attendance of Out of State Meetings and Conventions	P-6D	165
Board Member Development and Growth	P-7D	166
Member Attendance at Board Meetings	P-8D	167-171

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 4
PAGE 1

SUBJECT: Service Record - Board of Directors

A. R. Baisch, Mansfield	May 6, 1941 -- Feb. 28, 1946
C. W. Wolter, Aberdeen	May 6, 1941 -- June 17, 1948
Chester Gullikson, Bath	May 6, 1941 -- December 3, 1974
Paul E. Krueger, Groton	May 6, 1941 -- June 4, 1949
Lester Stearns, Hecla	May 6, 1941 -- Deceased Oct. 6, 1952
Fred Kittlesland, Mellette	May 6, 1941 -- June 4, 1949
Wm. Dangel, Northville	May 6, 1941 -- June 4, 1949
Foster S. Rix, Groton	May 6, 1941 -- September 23, 1965
T. Clarence Nelsen, Aberdeen	May 6, 1941 -- September 16, 1948
A. E. Dennert, Westport	May 6, 1941 -- November 24, 1969
C. W. Johnson, Groton	May 6, 1941 -- June 2, 1956
George Bierman, Northville	Feb. 28, 1946 -- June 17, 1948
Henry Schaunaman, Aberdeen	Nov. 18, 1948 -- June 6, 1961
Ernest Steger, Mansfield	June 4, 1949 -- Deceased Nov. 28, 1970
Julius Ugland, Conde	June 4, 1949 -- June 6, 1953
Kenneth Holum, Groton	June 4, 1949 -- December 12, 1960
Cyrus Spurr, Houghton	June 6, 1953 -- June 4, 1955
Don Young, Warner	June 4, 1955 -- November 30, 1970
Clifford Ott, Verdon	June 2, 1956 -- January 16, 1964
Ralph Herseth, Houghton	June 6, 1961 -- Deceased Jan. 24, 1969
Charles Trapp, Jr., Conde	May 21, 1964 -- December 22, 1966
Merrill Rix, Groton	March 10, 1966 -- March 9, 1972
Kurt H. Schliebe, Aberdeen	April 24, 1969 -- December 11, 1973
Lyle Cutler, Claremont	June 22, 1972 -- December 11, 1972
Ralph Breitreutz, Groton	Dec. 11, 1972 -- December 9, 1975
Orville Dinger, Hecla	June 6, 1953 -- November 5, 1980
Robert A. Johnson, Groton	June 6, 1961 -- September 16, 1982
Gerald Martilla, Frederick	June 8, 1967 -- September 15, 1983
Dean H. Olson, Ellendale, N.D.	Nov. 24, 1969 -- June 28, 1979
Virgil Locken, Bath	Nov. 24, 1970 -- November 14, 1979
Robert J. Borchard, Mansfield	April 22, 1971 -- September 19, 1984
Don Schaunaman, Aberdeen	Dec. 11, 1973 -- September 16, 1982
Connie Everson, Bath	Dec. 3, 1974 -- September 15, 1983
Dennis K. Larson, Groton	Dec. 9, 1975 -- November 17, 1981
Merrill Hemen, Wetonka	Sept. 20, 1979 -- September 26, 1990
Clarence Erickson, Groton (Deceased)	Nov. 14, 1979 -- September 21, 1988
Arthur A. Beck, Hecla	Nov. 5, 1980 -- September 15, 1983
Gene Cassels, Groton	Nov. 17, 1981 -- September 26, 1990
Ronald Gage, Aberdeen	Sept. 16, 1982 -- April 25, 1991
Loren Siefken, Groton	Sept. 16, 1982 -- September 18, 1985
Merna Treeby	Sept. 15, 1983 -- September 16, 1992
Orland Lunzman	Sept. 15, 1983 -- September 16, 1992
Gary Olson	Sept. 15, 1983 -- September 16, 1992
Daryl Bierman	Sept. 19, 1984 -- September 16, 1987
Charles A. Strom	Sept. 18, 1985 -- May 19, 1994
Paul R. Palmer	Sept. 16, 1987 -- September 26, 1990
Paul E. Fischbach	Sept. 21, 1988 -- September 23, 1997
Dale Engelhart	Sept. 26, 1990 -- September 19, 2001
Charles (Chuck) Anderson	Sept. 26, 1990 -- September 22, 1999
Rev. Wm. A. Paepke	Sept. 26, 1990 -- May 20, 1999

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 4
PAGE 1-A

SUBJECT: Service Record - Board of Directors

A. E. (Bud) Dennert, Jr.	June 20, 1991 -- Sept. 18, 1991
Trudy Schaunaman	Sept. 18, 1991 -- Sept. 20, 2000
Randy Knecht	Sept. 16, 1992 -- Sept. 23, 2003
Merlyn H. Elsen	Sept. 16, 1992 -- Sept. 23, 1997
Dwight Buntrock	Sept. 16, 1992 -- Sept. 23, 1997
Maralyn Hoops	Sept. 21, 1994 -- Sept. 21, 2004
Larry Braun (District 6)	June 24, 1999 -- Sept. 17, 2008
Ray Larson (District 4)	Sept. 22, 1999 -- Sept. 17, 2008
Arnie Goldade (District 3) (Deceased)	Sept. 20, 2000 -- Sept. 23, 2009
Al Waltman (District 2) (Deceased)	Sept. 19, 2001 -- Sept. 22, 2010
Dennis Mitchell (District 1)	Sept. 23, 2003 -- Sept. 17, 2012
Gary Sharp (District 5)	Sept. 21, 2004 -- Sept. 18, 2013
Kurt Bindenagel (District 8)	Sept. 20, 2006 -- Sept. 23, 2015
Victor Gross (District 9)	Sept. 19, 2007 -- Sept. 14, 2016
Mike McHugh (District 4)	Sept. 17, 2008 -- Sept. 13, 2017
Tom Munger (District 6)	Sept. 17, 2008 -- Sept. 21, 2011
Victor Fischbach (District 7)	Oct. 30, 2008 -- Sept. 22, 2020
Glen Larson (District 3)	Sept. 23, 2009 -- Sept. 12, 2018
Wayne Holt (District 2)	Sept. 22, 2010 -- Sept. 05, 2019
Randy Kienow (District 6)	Sept. 21, 2011 -- July 24, 2019
Mark Sumption (District 1)	Sept. 17, 2012 -- Sept. 21, 2021
Donna Sharp (District 5)	Sept. 18, 2013 -- Sept. 13, 2022
Francis Esser (District 8)	Sept. 23, 2015 -- June 11, 2024
Nolan Wipf (District 9)	Sept. 14, 2016
Josh Larson (District 4)	Sept. 13, 2017
Ronald A. Kaaz (District 3)	Sept. 12, 2018 -- June 11, 2024
Todd M. Hettich (District 2)	Sept. 05, 2019
Kirk Schaunaman (District 6)	Nov. 21, 2019
Jeff Vander Wal (District 7)	Sept. 22, 2020 -- March 17, 2022
Michael E. Traxinger (District 1)	Sept. 21, 2021
William (B.J.) Hansen (District 7)	May 20, 2022
Scott Sperry (District 5)	Sept. 13, 2022
Bruce Schumacher Jr. (District 3)	June 11, 2024
Thomas Lambert (District 8)	June 11, 2024

MERGER 5/1/97 (Directors from Spink Electric)

Wayne Wright (District 7)

Gary Van Vleet

Dale Smith (District 9)

Gene Maher

Richard Bottum

Robert DeYoung

James Frankenstein

Wayne Jessen

Ted L. Pazour (District 8)

May 1, 1997 - - Sept. 17, 2008

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 19, 2007

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 23, 1997

May 1, 1997 - - Sept. 20, 2006

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 4PAGE 3

POLICY NUMBER: P-2D

SUBJECT: Regular and Special Board Meetings

Regular Meetings

A regular meeting of the Board of Directors shall be held monthly at such time and place as the Board of Directors may provide. Unless otherwise changed, the regular date and time shall be the third (3rd) Thursday after the first (1st) Monday of each month beginning at 9:30 A.M.

Special Meetings

Special meetings of the Board of Directors may be called by Board resolution, by the President or by any three (3) Board members as provided for in the Bylaws.

Notice

Written notice of the date, time, place and purpose or purposes of any special meeting of the Board and, when the business to be transacted thereat shall require such, of the Board shall be delivered to each Board Member not less than five (5) days prior thereto, either personally or by mail. A board members attendance at any special or regular meeting shall constitute a waiver of any notice requirement.

The general membership shall be informed of regular or special meetings by the posting of a copy of the Notice of Meeting on the bulletin board in the front lobby of the headquarters at least five (5) days prior to such meeting. If mailed at least five (5) days before the date set for the meeting, as provided for in the Bylaws.

Annual Organizational Meeting

The Board of Directors shall annually after the Annual Meeting of the members, elect officers of the Cooperative for the ensuing year, as provided for in the Bylaws.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 02/24/2006


Secretary

NORTHERN ELECTRIC COOPERATIVE INC.

SECTION 4PAGE 4

POLICY NUMBER: P-3D

SUBJECT: Procedure for Meeting of the Board of Directors

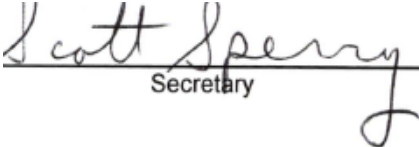
The following procedure shall be followed for the regular monthly meetings of the Board of Directors so as to expediate the handling of all matters to come before the meeting.

1. The Manager shall prepare an agenda and deliver to each director not less than five (5) days prior thereto, electronically or by mail.
2. Copies of the minutes of the previous meeting shall be included with the delivery of the agenda to the board members.
3. A printed list of the previous month's expenditures shall be included with the deliver of the agenda to the board members.
4. The East River Electric Power Cooperative and the SDREA director's report, the Manager's report, and all necessary and desired staff reports shall be presented with adequate time allocated for discussion of each.
5. All other matters on the agenda or topics brought up by individuals shall be adequately presented and action taken or disposition made thereof.
6. The procedure for all meetings of the Board of Directors, other than regular meetings, shall follow the provisions of the Bylaws.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 01/24/2025


Secretary

POLICY NUMBER: P-4D

SUBJECT: Directors Compensation

COMPENSATION

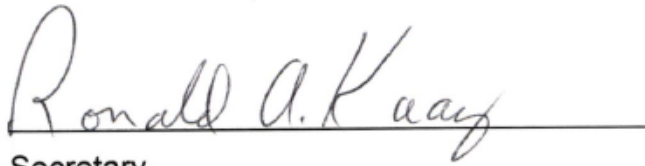
- A. Members of the Board of Directors of this Cooperative shall receive compensation at any Board approved meeting in accordance with the Schedule of Reimbursement contained within this policy.
- B. To receive compensation attendance must be authorized by the Board of Directors.
- C. Daily per diem compensation shall be allowed for a director's attendance at an authorized meeting regardless of the length of the meeting or duration of the directors' presence at such meeting.
- D. If a director attends more than one meeting on any given day the director shall receive the higher of the single day per diem rate allowed for the type of meetings attended.
- E. The director's attendance at an authorized meeting by electronic means entitles that director to receive per diem compensation in accordance with this policy.
- F. Daily per diem allowance will be allowed for travel to or from any meeting site approximately 200 miles or more from the Cooperative's headquarters when weather conditions or distance require advance or post meeting travel.
- G. The president of the Board of Directors shall receive an additional monthly stipend as compensation for the additional time and efforts spent in discharging the duties of that office subject to the schedule of reimbursement.

TRAVEL

- H. Directors shall receive mileage reimbursement at the regular established Internal Revenue Service mileage rate for attendance at any authorized meetings or for travel incurred in discharging their obligations as a director when authorized by the Board of Directors.
- I. When a director is required to travel long distances and chooses to use his personal automobile, the regular mileage rate will be allowed up to an amount equal to the least costly air carrier fair.
- J. If more than one director rides to and from the meeting in one car, only the owner of the car shall be paid the applicable mileage allowance.
- K. Directors shall receive reimbursement for actual lodging and out-of-pocket expenses incurred at any authorized meeting. Detailed receipts are required.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED:

A handwritten signature in cursive script, reading "Ronald A. Kaay", is written over a horizontal line.

Secretary

Date Approved: May 24, 1985

Date Effective: May 24, 1985

Rev. 6/22/1989

Rev. 2/22/1990

Rev. 7/19/2001

Rev. 2/24/2006

Rev. 11/20/2023

BOARD OF DIRECTOR'S SCHEDULE OF REIMBURSEMENT

1. A director's attendance at any meeting shall be paid as depicted in the attached meeting reimbursement schedule.
2. Per diem will be allowed for each director for travel, regardless of the type of meeting, at a daily per diem rate of \$200.
3. The presiding officer at any Board of Directors meeting, special or regular, or at any special or annual meetings of the members, shall receive a per diem rate of \$400 per meeting in lieu of the standard \$350 rate.

Organization	Meeting	Voting Delegate - \$350	Nonvoting - \$200	Social - Noncompensated	Date Approved
Basin	* Basin Annual Meeting	X	X		
Basin	Basin Members Only Meeting		X		
CFC	CFC Forum		X		
CFC	* CFC Annual Meeting	X	X		
Federated	* Federated Annual Meeting	X	X		
East River	East River Energize Forum		X		
East River	East River New Employee and Director Orientation		X		
East River	* East River Annual Meeting	X	X		
Mid-West	* Midwest Electric Consumers Assoc Annual Meeting	X	X		
Northern	Reg Board Meeting	X			
Northern	Pancake Feed		X		
Northern	Basin Tour		X		
Northern	NE Legislative Forum		X		
Northern	NEC - Miscellaneous Legislative Meetings		X		
Northern	NEC - Annual Meeting	X			
Northern	NEC - Director Orientation		X		
Northern	NEC - Special Committee Meetings	X			
Northern	Scholarship Presentation		X		
NRECA	NRECA Legislative Conference - DC		X		
NRECA	CCD Workshop - NRECA Education		X		
NRECA	* NRECA Annual Meeting - PowerXchange	X	X		
NRECA	* NRECA Regional Meeting	X	X		
NRECA	Director Education		X		
NRECA	NRECA Director Orientation		X		
NCSC	* NCSC Annual Meeting	X	X		
NRTC	* NRTC Annual Meeting	X	X		
NISC	* NISC Annual Meeting	X	X		
RESCO	* RESCO Annual Meeting	X	X		
SDREA	Board Leadership Summit - SDREA		X		
SDREA	Legislative Committee Meeting - SDREA		X		
SDREA	* SDREA Annual Meeting	X	X		
SDWEA	SDWEA		X		
Social	Christmas Party			X	
Social	Company Picnic			X	
Social	Hats off AG			X	
Social	Lamont Rhodes			X	
Social	Boys & Girls Club Fundraiser			X	
	* = applicable meetings may have both nonvoting and voting attendees				

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____4

PAGE____6

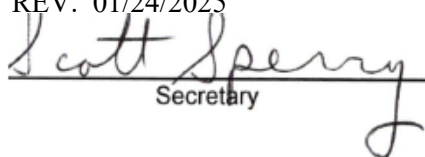
POLICY NUMBER: P-5D **RESCINDED**

SUBJECT: Service Awards - Directors

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

REV. 01/24/2025


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION____4

PAGE____7

POLICY NUMBER: P-6D

SUBJECT: Directors Attendance of Out of State Meetings and Conventions

The Cooperative may authorize up to three directors designated as delegates and alternates to attend the Annual Meetings of NRECA and CFC each year.

A rotation of director attendance is encouraged. The rotation schedule is as follows:

2025	2026	2027
District 1	District 4	District 5
District 6	District 3	District 9
District 7	District 8	District 2

Only those directors who have served as a director for the Cooperative for at least one calendar year shall be eligible to represent the Cooperative in such capacity.

For attendance at other out of state meetings and conventions, such as but not limited to, the NRECA Annual Directors Update Conference, the NRECA Regional Meeting, etc., the Cooperative may authorize an elected delegate and alternate and any other director who wishes to attend.

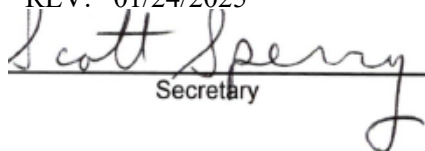
Authorized directors shall be entitled to per diem and expenses as provided for in Policy No. P-4D, Section 4, Page 5 of the Directors Manual.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 05/24/1984

REV. 12/22/2005

REV. 01/24/2025


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 4PAGE 8

POLICY NUMBER- P-7D

SUBJECT: Board Member Development and Growth

Recognizing that to function truly as a cooperative we must draw board members from a wide representative base in our membership, and that few people would come to the Board as a member with all the knowledge and skills needed to do the best job possible during tenure of office, now therefore, be it resolved that Northern Electric Cooperative establish and adhere the following guides to assure Board member growth and development:

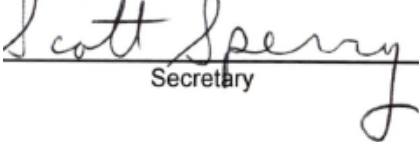
1. Attendance at all regular and special meetings of the Board, except in the case of illness or undue hardship.
2. Service on special or standing committees as assigned.
3. Encourage attendance of a minimum of one training class each term to complete the requirements to obtain the NRECA Credentialed Cooperative Director Certificate (CCD).
4. A Director who is in their first term of office is encouraged to attend a Regional or National Meeting and/or a National Directors Conference by the end of their first three year term of office. Directors attending any meeting are encouraged to and are expected to follow up meetings with reports to the Board regarding the information conveyed to them at such meetings.
5. Encourage attendance of at least one power supplier information meeting and/or annual meeting each year.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5-24-84

REV. 12/22/2005

REV. 01/24/2025


Secretary

POLICY NUMBER- P-8D

SUBJECT: MEMBER ATTENDANCE AT BOARD MEETINGS (Page 1 of 3)

I OBJECTIVE:

This policy establishes appropriate procedures that will accommodate member requests to attend a Board meeting while at the same time assuring that such attendance does not unduly encumber the Board in its statutorily prescribed duty to make prudent, well-considered and fully deliberated decisions in the management of the business and affairs of the Cooperative, as well as maintaining confidentiality when it is required in the best overall interest of the Cooperative.

II POLICY CONTENT:

- A. Northern Electric Cooperative is managed by a Board of Directors comprised of a small number of members of the Cooperative, who are elected by the members to efficiently and prudently represent all members in conducting the business and affairs of the Cooperative. The Board is charged with the exclusive responsibility to manage the Cooperative, subject only to the provisions of the laws of the State of South Dakota and the Articles of Incorporation and Bylaws of the Cooperative. The Board oversees and sets policies for the management of the Cooperative, and the Board selects a CEO/General Manager to run the day-to-day business of the Cooperative. For the Board to fill this representative function it must be able to consider and deliberate the business and affairs of the Cooperative in an orderly, efficient and sometimes confidential manner.
- B. A member desiring to attend a Board meeting shall complete and sign the attached form of request and shall submit it to the Board President or the CEO/General Manager not less than 20 business days prior to the next scheduled meeting of the Board of Directors. The monthly meeting of the Board is normally held on the third Thursday following the first Monday of each month. Subject to the provisions outlined below, a member may attend a Board meeting for any lawful purpose which shall include:
 - 1. Presenting a specific request or recommendation or bringing a complaint before the Board, provided the member has made a good faith effort to resolve the complaint or controversial matter with the Cooperative's management and any committee of the Board assigned the responsibility for addressing such matters, and
 - 2. To observe one or more particular items on the agenda as identified in the written request to attend the Board meeting.
- C. A member may not be allowed if the member's attendance is for an unlawful purpose or:
 - 1. The member fails or refuses to complete, sign and submit the prescribed Request to Attend Board Meeting form.

POLICY NUMBER- P-8D

SUBJECT: MEMBER ATTENDANCE AT BOARD MEETINGS (Page 2 of 3)

2. If the attendance is to present a request or recommendation to the Board and the member has not previously presented the request or recommendation to the Cooperative's management and allowed reasonable time for a response.
 3. If the attendance is to bring a complaint or controversial matter before the Board and the member has not made a good faith effort to resolve the complaint or controversial matter with the Cooperative's management and any committee of the Board assigned the responsibility for addressing such matters, and allowed reasonable time for the matter to be resolved.
 4. If attendance is for a purpose that is not reasonably related to the business of the Cooperative.
 5. The attendance is for a dishonest purpose, is inimical to the lawful interest of the Cooperative, or is for a purpose not reasonably germane to the interest of the member.
 6. If the number of members desiring to attend a Board meeting exceeds the reasonable capacity of the board room to accommodate same. (In such event, members sharing one or more common purposes must select a maximum of four representatives to attend a Board meeting for such common purpose.)
- D. When one or more members attend a Board meeting, the following procedures and protocol will be followed:
1. Such member(s) shall be seated away from the Board conference table so that their physical proximity will not impair or interfere with the Board's deliberation and conduct of the business affairs of the Cooperative.
 2. If a member's purpose in attending a Board meeting is to present a specific matter for consideration by the Board, the Board will hear such presentation including asking questions and discussing the matter as it deems appropriate. But the Board, in order to assure complete open and candid discussion between the Board members, can decide not to discuss, respond or take action with respect to such matter or inquiry until after such member or person has left the Board meeting. In such event, however, the Board shall after deliberating such matter, promptly notify the member or person of any actions taken, or that no action will be taken as the case may be.
 3. The chairperson of the Board meeting shall set the amount of time allowed for the member participation in the meeting.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 4
PAGE 9B

POLICY NUMBER- P-8D

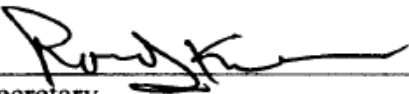
SUBJECT: MEMBER ATTENDANCE AT BOARD MEETINGS (Page 3 of 3)

- E. Notwithstanding the foregoing, no member shall be entitled to attend an Executive Session of the Board. The Board may convene in Executive Session at any time for any one or more of the following purposes:
1. For consideration of a pending or threatened lawsuit or claim against the Cooperative.
 2. For consideration of personnel issues.
 3. For consideration of matters, which if disclosed to members desiring to attend a Board Meeting would:
 - a. violate a person's right to privacy, violate any agreement with third parties with respect to trade secrets, or adversely affect the Cooperative in its negotiations with third parties.
 - b. adversely affect the Cooperative unduly out of proportion to the possible competing interest of the member attending a Board meeting.
 - c. violate the privilege of confidential communication between the Cooperative and its attorney.
 4. For any other lawful reason.
- F. Non-members may attend Board meetings only if specifically invited by the Board of Directors, or if they are legal counsel representing or other duly authorized representative of a member who shall speak on behalf of or assist such member.
- G. Representatives of the news media are not allowed to attend Board meetings; however, management and the Board shall use their good faith efforts to respond to inquiries from representatives of the news media.
- H. The decision of the Board to allow or disallow attendance for the requested reason is absolute and final.

III RESPONSIBILITY:

- A. The Chairman of the Board of Directors shall review member requests and make recommendations as appropriate and call to the attention of the full Board any failure of adherence to this policy.
- B. The CEO/General Manager shall administer this policy and develop appropriate controls therefor.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED 8-23-2017


Secretary

REQUEST TO ATTEND BOARD MEETING

TO: Chairman of the Board of Directors, CEO/General Manager

In accordance with the policies of Northern Electric Cooperative, Inc. I hereby submit my request to attend the next scheduled Board meeting of Northern Electric Cooperative, Inc. and certify that:

1. I am a member of the Cooperative. My full name, address, telephone number and member account number appearing on the Cooperative's records are as follows:
 - a. Name: _____
 - b. Address: _____
 - c. Telephone: _____
 - d. Cooperative Account Number: _____
2. The purpose for which I desire to attend the Board meeting is:
 - a. To present the following specific request or recommendation:

 - b. Or to bring the following specific complaint:

 - c. Or to observe the following one or more particular agenda items:

3. I have made a good faith effort to resolve this matter with the Cooperative's management and/or any committee assigned to consider same.
4. I desire that the following attorney or representative attend the meeting with me or on my behalf speak and act for me as my duly authorized representative:
 - a. Name: _____
 - b. Address: _____
 - c. Telephone: _____
 - d. Cooperative Account Number: _____
5. In addition to myself, I or my representative intend to act and speak for other members whose names, addresses and telephone numbers are set forth on the attached list.

Requesting Member's Signature: _____

SUBMITTED and certified to this _____ day of _____, 20_____.

ACTION ON MEMBER ATTENDANCE REQUEST

To be completed by the Cooperative and communicated to the requesting Member

<hr/>	<hr/>
Date of Action	Signature

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5GENERAL BOARD POLICIES

<u>INDEX</u>	<u>POLICY NUMBER</u>	<u>PAGE NUMBER</u>
Equity Management	GP-1	174
Suspicion of Meter Fraud-Field Procedure	GP-2	175-176
Energy Conservation	GP-3	177-178
PCB Spills Prevention Control & Counter Measures Plan (SPCC)	GP-4	179-190
Load Management	GP-6	191-192
Energy Resources Conservation Member Loan Program	GP-7	193-198
Stray Voltage	GP-8	199
Loans to Directors and Employees (Rescinded 4/22/99)	GP-9	
Hazard Communication Program and Procedures	GP-10	200-203
Right-of-Way and Easement Acquisition	GP-11	204
Political and Legislative Activity	GP-12	205-207
Reserve for Contingent Losses and Expenses from Severe Storm Damages	GP-13	208
Bloodborne Pathogens Exposure Control Plan	GP-14	209-216
Lockout/Tagout Program	GP-15	217
Retirement of Capital Credits	GP-16	218-219
Encryption Policy	GP-17B	220-221
Financing of Employees' and Directors Computers	Rescinded 2/21/25	
Accident Investigation	GP-19	222-237
Records Management and Retention Plan	GP-20	238
Emergency Action Plan	GP-21	239-242
Value-Added Patronage Loan Program	GP-22	242-243
Privacy and Confidentiality	GP-23	244-247
Identity Theft Prevention	GP-24	248-249
Whistle Blower	GP-25	252-254

Certification Regarding Debarment	GP-26	255
Capitalization Policy	GP-27	256
IT Risk Management Policy	GP-701	257-258
NEC Acceptable Use Policy	GP-702	259-264
Internet Access Policy	GP-703	265-268
E-mail Use Policy	GP-704	269-272
Malware Prevention Policy	GP-705	273-275
Backup & Recovery Policy	GP-706	276-280
System Logging and Monitoring Policy	GP-707	281-283
Password Policy	GP-708	284-288
Personnel Security Policy	GP-709	289-292
User Account Management Policy	GP-710	293-295
Cyber Security Employee Awareness Training Policy	GP-711	296-300
Cyber Security Incident Management Policy	GP-712	301-303
Physical and Environmental Security	GP-713	304-306
Social Media	GP-714	307-309
Artificial Intelligence (AI) Acceptable Use Policy	GP-715	310-312
Cyber Incident Response Plan Policy	GP-720	313-315

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 1

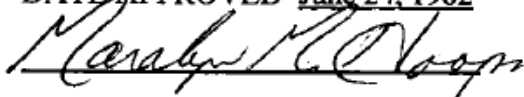
POLICY NUMBER: GP-1

SUBJECT: Equity Management

Whereas Northern Electric Cooperative, Inc. annually develops and approves a ten-year comprehensive financial study and forecast that projects future equity levels, required retail rates and other financial statistical benchmarks that must be met to maintain satisfactory equity levels.

Resolved that the Equity Management Plan of Northern Electric Cooperative shall be to determine and adopt retail rates sufficient to rotate patronage capital on the basis set forth in Policy GP-16 while maintaining a member equity level of not less than 30 percent of total assets.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED June 24, 1982 Rev. 5/23/2002

Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 2

POLICY NUMBER: GP-2

SUBJECT: Suspicion of Meter Fraud - Field Procedure (page 1 of 2)

SCOPE: As the cost of electric energy rises, the possibility of meter tampering for the purpose of energy theft rises as well. Theft of electric service is a criminal offense that violates South Dakota law under SDCL 49-34-16.

OBJECTIVE: To reduce the potential for energy theft, the following policy has been adopted effective immediately.

POLICY: Employees shall perform visual inspections of the meter loop each time an employee visits a consumer's location. This inspection shall include checking the wiring for proper connection, inspecting the meter and socket for signs of tampering and pulling on the seal to insure that it is intact. A meter reading shall also be recorded at that time and submitted to the accounting department. The crew foreman shall be responsible to see that this procedure is followed.

In the event that meter tampering is suspected, the Cooperative employee shall strictly follow the procedure below.

1. The Cooperative employee who suspects meter tampering shall record the account number, name of owner, name of tenant if applicable, meter type, meter serial number, meter reading, a description of the alterations, the and date. The employee shall make no attempt to disturb any of the evidence.
2. The Cooperative employee shall then contact an authorized staff member giving him all of the details.
3. The Cooperative employee shall then wait the arrival of the proper authorities.
4. The headquarters shall make arrangements to have a county law enforcement official and Cooperative staff member visit the location immediately.
5. Upon arrival, the staff member shall photograph the evidence and record any other pertinent information.
6. Only then shall any attempt be made to contact the consumer or tenant. The Cooperative staff member shall assist the county law enforcement official in showing the evidence to the owner/or tenant and owner. The staff member shall witness the law enforcement official question the person(s) on the circumstances. The staff member should take accurate

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 2A

POLICY NUMBER: GP-2

SUBJECT: Suspicion of Meter Fraud - Field Procedure (continued) (page 2 of 2)

notes of the conversation, noting times and places. If at that point the staff member and law enforcement official has made the determination that tampering has taken place, the crew member in attendance shall be instructed to disconnect the primary at the transformer.

7. The staff member shall inform the headquarters of what has transpired and the Cooperative attorneys will then be notified.

8. The law official may inform the consumer or tenant and consumer that he suspects that meter tampering, which is a criminal offense, has taken place. The staff member should inform the consumer or tenant and consumer that he or she must contact the Cooperative's general manager or attorney to make arrangements for reconnection. Reconnection will be made only upon the direction of the general manager after restitution or arrangements for restitution are made, including payment for any unpaid bills, or any unmetered energy used, for damage to the Cooperative property, and other costs incurred by the Cooperative.

ALTERNATE: In the event that the consumer or the tenant and consumer cannot be contacted (step 6 & 8), the staff member shall verify the evidence with the county law enforcement official as a witness and then order the location disconnected and leave a not for the consumer to contact the Cooperative's general manager or legal counsel.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED March 18, 1982


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION ____5

PAGE ____3

POLICY NUMBER: GP-3

SUBJECT: Energy Conservation (page 1 of 2)

Objective: To establish policy concerning use of energy by the e and its members, particularly in regard to effectiveness, efficiency, and conservation of all energy sources. This objective is consistent with the utility responsibilities of a full-service cooperative and its prime concern for member-consumer needs.

Policy: It shall be the policy of Northern Electric Cooperative to:

- a. Constantly examine its own efficient use of energy. This includes but is not limited to plant engineering design and construction, development of training as appropriate for all employees, lighting and climate control and use of equipment.
- b. Develop and carry out a system-wide program of energy management. This includes but is not limited to energy conservation, adequate home insulation, weatherization, efficient irrigation and other farm and business uses, and effective and efficient use of energy in the home.
- c. Utilize the services available through the Information Services and Member Services departments of East River Electric Power Cooperative, Basin Electric Power Cooperative and South Dakota Rural Electric Association in securing and maintaining a current library of publications and industry information and regarding efficient energy uses for the purposes of:
 1. Making available to member-consumers an informational and educational program.
 2. Making educational and informational material available to service organizations, youth groups and trade organizations, such as the Chamber of Commerce, FFA, building trade associations, Lions Clubs, Rotary Clubs, school administrators, etc.
 3. Making educational and information material available to local regulatory authorities, such as County Building Administrators, City Building Departments, County Boards of Supervisors, etc.
 4. Develop and maintain a current list of social agencies and financial institutions for the purpose of directing the consumer to appropriate sources of assistance, such as FmHA, NRUCFC, Community Action Program and local lending institutions.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5PAGE 3A

POLICY NUMBER: GP-3

SUBJECT: Energy Conservation (continued) (page 2 of 2)

5. Continue to work with the various organizations within the state emphasizing the efficient use of energy, such as the SDREA Member Services Section, the South Dakota Office of Energy Policy, the South Dakota State University Extension Service and the Brown County Extension Service.
6. Participate in and support the research effort in cooperation with the South Dakota Rural Electric Association, East River Electric Power Cooperative, Basin Electric Power Cooperative and the Western Area Power Administration to record and analyze the use pattern of the rural electrical energy consumer to insure that future retail rate structures are designed to encourage the most efficient use of energy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 5-24-84

Merna Treeby
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5PAGE 4

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (1 of 6)

BACKGROUND: All distribution transformers were purchased as mineral oil filled. We treat all oil spills from previously untested distribution equipment as PCB contaminated until test results have been received.

A. Suggested Emergency Procedures for a PCB Leak or Spill

1. Have your personnel notify their supervisor immediately upon discovery of a spill.
2. Spill reports shall be made at the completion of the cleanup. (See Attachments 1 & 2)
3. Upon occurrence, discovery, and reporting of a PCB accident or spill the first priority will be to control the spread of the spill by damming or diking the leak. Any threats to water should be given the highest priority. Contain PCB liquid with any available means. Once the leak is stopped or appropriate emergency action has been taken, cleanup procedures can then be initiated.
4. Special Procedures and Requirements for PCB Transformer Fire-Related Incidents.

EPA requires that owners of PCB Transformers involved in fire-related incidents take measures as soon as possible to contain and control any potential releases of PCBs and incomplete combustion products into water. This means that measures must be taken to prevent further environmental release and contamination of waterways as soon as there is no immediate danger of injury from the fire itself. These measures include, but are not limited to the blocking of all floor drains in the vicinity of the transformer, the containment of water runoff, and the control and treatment (prior to release) of any water used in subsequent cleanup operations. If there is evidence of the release of PCBs, PCOFS, and PCDDs down floor drains, the PCB Transformer owner should also notify the sewer system and water treatment system operators as soon as possible to prevent further environmental release.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 4A

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (2 of 6)

5. Have all nonessential personnel leave the area of the spill or leak.
6. Barricade the a spill as necessary to prevent contamination spread by pedestrians or vehicle traffic.
7. The area of the leak or spill should be adequately ventilated to prevent the accumulation of vapors.
8. Have only designated personnel trained in the cleanup procedures and protected with appropriate personal protective clothing and equipment be involved in the actual cleanup operations or leak repair.
9. Oils shall be cleaned up with an appropriate cleanser. All contaminated materials shall be placed in an approved barrel and sealed for disposal. If soil has been contaminated, it shall be dug up and placed in an approved barrel and sealed for disposal. Testing of soil may be necessary. (See Attachment 2)
10. If leaking equipment is involved and cannot be repaired without removal from service, it is to be disposed. The oil shall be drained into an approved barrel.
11. When cleaning up spills or removing leaking equipment, employees shall wear and use the following protective equipment:
 - (a) A plastic face shield, covering the entire face area, shall be worn to prevent accidental facial exposure or ingestion of PCB contaminated oil.
 - (b) A disposable rainsuit, plastic gloves and boots shall be worn by all personnel expected to be exposed to PCB contamination and shall be made available.
 - (c) Rubber gloves and protectors shall be worn by personnel handling equipment and nonporous foot protection, such as quality rubber boots, shall also be worn.
12. A complete PCB Spill Cleanup Kit should be available 24 hours a day to all personnel involved in handling spill cleanup.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5PAGE 4B

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (3 of 6)

13. Protective clothing or equipment should not be worn away from the spill area. These articles should be left at a predetermined point at the perimeter of the containment area to prevent possible spread of contamination. All personal protective equipment contaminated with oil containing PCBs shall be disposed of in an approved barrel and sealed.
 14. All contaminated items, including tools, clothing, and other equipment, should be thoroughly cleaned by the double wash/rinse procedure, or disposed of with the waste in the containers provided specifically for disposal purposes.
 15. This spill area should be continuously manned until the site is declared safe.
- B. Suggested Procedures for PCB Leak or Spill Clean Up.
1. Spills On Asphalt or Concrete Surfaces.
 - (a) All free flowing material should be contained and removed with absorbent materials.
 - (b) Following this, the surface should be scrubbed with a strong detergent.
 - (c) Never hose down PCBs with water.
 - (d) Removal may be necessary due to absorption.
 2. Spills on Nonremovable, Nondisposal Items.
 - (a) Frequent spillage occurs on equipment or articles in the vicinity of PCB equipment. Give details of cleanup procedure on spill cleanup report. Good judgment with respect to cleanup should prevail.
 - (b) The double wash/rinse procedure means a minimum requirement to cleanse solid surfaces (both impervious and non-impervious) two times with an appropriate cleanser in which PCBs are at least five percent soluble (by weight).

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 4C

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (4 of 6)

3. Spills onto Soil and Vegetation

- (a) All contaminated soil should be removed immediately, and deposited in a disposal drum.
- (b) The concentration of PCBs spilled is determined by the PCB concentration in the material spilled as opposed to the concentration of PCBs in the material into which the PCBs were spilled.
- (c) All material spilled is presumed to have 50-449 ppm unless proved otherwise by a valid test.
- (d) Location, amount spilled and concentration will dictate reporting and cleanup requirements. (40 CFR) Part 761/52FR/11688/Thursday, April 2, 1987.
- (e) Northern Electric will return the landowners land back to its original condition as best as possible.

4. Spills Into Water

- (a) Every attempt should be made to prevent any PCB spill fluid from reaching storm drains, sewers, drainage ditches, or any other watercourses. Crews should undertake temporary diking or diversions and anticipate and prevent water from flowing onto contaminated areas.
- (b) If the PCB spill does reach flowing water, storm sewers, or inaccessible waters, reporting notification should be made immediately and preventive measures should be taken to stop additional spill material from reaching waters or lands. (Phone numbers for spill notification in our area are listed on Attachment 2).
- (c) PCB spills into larger bodies of water pose difficult cleanup problems and require special procedures. The responsible party shall notify the appropriate EPA regional office. They will offer guidance for appropriate cleanup procedures. Cleanup must be completed within 24 hours after discovery.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 4D

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (5 of 6)

C. PCB Sanitation, Decontamination, and First Aid Precautions.

1. Avoid ingestion of PCBS.
 - (a) Do not swallow PCB oils or PCB contaminated material. Do not eat, drink, or smoke in areas where PCBs are present. It is recommended that signs prohibiting this activity be posted at the storage area.
 - (b) When working around PCBS, wash hands and exposed skin 'areas thoroughly before eating, drinking, smoking, or using restroom facilities.
2. Avoid skin contact with PCBS.
 - (a) Wear prescribed protective clothing as necessary to prevent contact. Contaminated personal clothing should be removed and disposed of with other contaminated wastes.
 - (b) Contaminated protective clothing or equipment impervious to PCBs should be thoroughly cleaned with a strong detergent if practical or disposed of with contaminated wastes.
 - (c) First aid: skin. Wash any skin exposure with waterless soap and then with soap and water.
3. Avoid eye contact of PCBS.
 - (a) Wear prescribed eye protection.
 - (b) First aid: eyes. If liquid PCBs or PCB contaminated liquids come into contact with the eyes, irrigate immediately and for at least 15 minutes with water. Consult a physician.
4. Avoid breathing PCB vapors whenever possible.
 - (a) PCB vapors do not present a serious problem in open spaces.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5

PAGE 4E

POLICY NUMBER: GP-4

SUBJECT: Operating Policy for PCB Leak or Spill (6 of 6)

5. Personal Protective Clothing and Equipment.

- (a) The type of protective clothing which should be worn when working with PCBs is dependent upon the individual circumstances. Worker protective clothing and equipment is intended to prevent skin and eye contact, and control respiratory exposure. This clothing and equipment should be used for PCB and PCB contaminated work only.
- (b) In any operation where workers may come into direct contact with PCBs, protective clothing impervious to PCBs should be worn. Gloves, boots, bib-type aprons and full protective suits should be used when necessary. Clothing should be selected which will most effectively prevent skin contact with PCBs where it is most likely to occur.
- (c) Eye protection. Chemical safety goggles or face shields (8 inch minimum) with safety glasses should be worn during any operation in which PCBs are present.

For comparative tables on materials used to protect against dermal exposures to PCBs and a table of breakthrough times for various protective garment materials exposed to selected hazardous liquids (including PCB) see: EPA/OTS TSCA Public Files; Versar Inc. OPTS 62017 PCBs Controlled Wastes Communication N 23 File, August 17, 1982, 715-M-135. (Note: These tables are also included as Appendix H in "The PCB Regulations Under TSCA: Over 100 Questions and Answers to Help You Meet the Requirements", U.S. EPA, Revised Edition No. 3, August 1983.)

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED July 23, 1987

Merna Zeeby
Secretary

Attachment 1

Low Concentration Spill Cleanup
Less Than 1 Lb. PCB's By Weight
(270 gallons or more of untested mineral oil)
48 hours to complete cleanup

Company (name & address) _____

Spill Occurrence: Date _____
 Time _____

Spill Location: _____

Brief description of spill: _____

Equipment involved in spill: _____

Pre-cleanup sampling data - brief description of sampling methodology used to establish spill boundaries
because of insufficient visible traces: _____

Surface & terrain involved in spill area: _____

Description of method used for double wash/rinse on solid surfaces: _____

Soil excavation: Depth _____

Amount _____ (Kg)

Spill cleanup completed: Date _____

Time _____

Additional items that may be added (not required):

a. Post sampling - _____

b. Total cleanup cost - _____

Responsible party shall document cleanup with records and certification of decontamination.

List attachments:

a. _____

b. _____

c. _____

d. _____

Certification statement signed by responsible party:

Signature _____

Date _____

Attachment 2

High Concentration Spills & Low Concentration Spills
More Than 1 Lb. PCB's By Weight
(270 gallons or more of untested mineral oil)
24 hours to complete cleanup

Company (name & address) _____

Spill Occurrence: Date _____
 Time _____

Spill Location: _____

Brief description of spill: _____

Spill reporting

a. NRC - 1-800-424-8802

1. Contact person: _____
2. Time of call: _____

b. EPA - Region 8 - 303-293-1723

1. Contact person: _____
2. Time of call: _____

Equipment involved in spill: _____

Attachment 2

Pre-cleanup sampling data - brief description of sampling methodology used to establish spill boundaries

because of insufficient visible traces: _____

Surface & terrain involved in spill area: _____

Description of method used for double wash/rinse on solid surfaces: _____

Soil excavation:

a. Depth _____

b. Approximate measurements _____

c. Amount _____ (Kg)

Spill cleanup completed:

a. Date _____

b. Time _____

Attachment 2

Post-sampling

- a. Sq. ft. of spill _____
- b. No. of samples taken _____
- c. Composite test results _____
- d. Individual test results _____

Total cleanup costs (not required)

- a. _____

Responsible party shall document cleanup with records and certification of decontamination.

List attachments:

- a. _____
- b. _____
- c. _____
- d. _____

Certification statement signed by responsible party:

Signature _____

Date _____

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5PAGE 6

POLICY NUMBER: GP-6

SUBJECT: Load Management (page 1 of 2)

1. DEFINED:

The Rural Electrification Administration defines load management as "the application of measures to influence the use of electricity in order to reduce peak demands, improve load factor or otherwise help in utilizing resources to the best advantage consistent with sound economics and acceptable standards of service". Northern Electric Cooperative, Inc., accepts the above definition for the purpose of this policy.

2. OBJECTIVE:

It has been and will continue to be the purpose of Northern Electric Cooperative to provide its members with adequate, reliable electric service at the lowest possible cost consistent with sound business practices. Because the largest portion of our wholesale power rate is on electric capacity demand (KW) during peak times, it is a good business practice and in the best interest of the membership to control the purchase of peak capacity (KW) wherever it is possible.

This policy shall establish guidelines for developing and implementing an effective load management program which will help control wholesale capacity KW demand purchases and increase KWH energy sales; which will improve system load factor, help delay the need for additional electric generation and will make more efficient use of our existing electric distribution system.

3. POLICY:

- a. The load management program will be consistent and compatible with the programs established by the Cooperative's power suppliers. Northern Electric will strive to promote uniformity of the load management program among East River Electric Power Cooperative distribution cooperatives provided such uniformity is not in conflict with the best interests of its member-consumers.

NORTHERN ELECTRIC COOPERATIVE, INC.

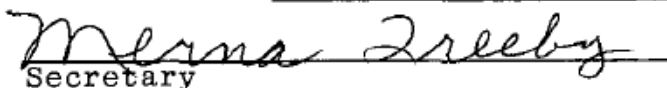
SECTION 5PAGE 6A

POLICY NUMBER: GP-6

SUBJECT: Load Management (page 2 of 2)

- b. For the purposes of centralized direct load control aspects of the load management program the Cooperative shall be a participant in East River Electric Power Cooperative's load control system. At such time in the future when a direct load control system is deemed desirable for the Cooperative's Frederick substation served by the Western Area Power Administration (WAPA) Northern Electric Cooperative will evaluate of its own direct control loads on that substation.
- c. The General Manager shall develop and recommend to the Board of Directors specific load management applications to meet the objectives of this policy.
- d. The Cooperative may offer incentive rates and/or credits based upon total cost of service to members who participate in load management applications.
- e. The General Manager shall report annually on the implementation and effectiveness of the Cooperative's load management program.
- f. The Cooperative will make every effort to promote the load management program in its monthly newsletter, its other publications and brochures, area contractors, membership meetings and by using area media advertising. Promotional efforts will be implemented within budget limitations.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED August 23, 1984
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7

POLICY NUMBER: GP-7

SUBJECT: Energy Resources Conservation Member Loan Program (page 1 of 6)

DEFINED: The Cooperative has entered into an agreements with the Rural Electrification Administration to defer principal payments of loans in order to have available funds (REA Bulletin 20-23 Section 12 Extensions for Energy Resources Conservation Loans) to establish and implement an energy resources conservation loan program with its member-consumers. (See attached board resolution)

OBJECTIVE: Pursuant to the agreement made between Northern Electric Cooperative and the Rural Electrification Administration concerning Section 12 Extensions for ERC loans the Cooperative will inform its member-consumers of the availability of the loan program and set forth the terms and conditions under which the Cooperative will make Section 12 loan funds available to member-consumers of the Cooperative who meet the requirements of this policy.

POLICY:

Energy resources conservation loans will be available to Cooperative member-consumers, subject to all REA Section 12 program requirements and including the following:

A. ELIGIBILITY AND APPLICATION

- 1) ERC loans may be made to owners or renters of structures receiving electric service from the Cooperative system (such owners or renters hereinafter called "member consumers"). Loans made to renters must be co-signed by owners. "Structures" include residential, commercial, industrial, public and community buildings and facilities, and structures used in agricultural operations, such as those needed for the production of livestock, poultry or dairy products.
- 2) No applicant shall be excluded from participation in this program, or be subjected to any discrimination under any part of this program, on the grounds of race, color, religion, sex

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7A

POLICY NUMBER: GP-7

SUBJECT: Energy Resources Conservation Member Loan Program (continued) (page 2 of 6)

age, marital status, national origin or other basis than an objective analysis of their credit-worthiness, and consideration of the expected benefits of the proposed energy.

- 3) As part of a loan application each applicant shall be required to sign a statement, in form and substance satisfactory to the Cooperative, setting forth the planned use of the loan proceeds. The statement shall include such written quotations with respect to estimated cost of material and labor as the Cooperative may reasonably request.
- 4) ERC loans will not be provided to refinance existing obligations or to finance the cost of energy conservation measures in structures to be built or under construction.
- 5) ERC loans may be provided to finance the cost of materials and labor for (a) caulking, (b) weather stripping, (c) ceiling insulation, (d) wall insulation, (e) floor insulation, (f) duct insulation, (g) pipe insulation, (h) water heater insulation, (i) storm windows, (j) thermal windows, (k) storm or thermal doors, (l) clock thermostats, (m) attic ventilation fans (n) heat pump systems (including water source and closed-looped systems) and water heaters which reduce consumption of electricity, (o) heat pumps, water heaters, and central heating or central heating or central air conditioning system replacements and modifications, which replace oil or gas consumption except in those cases where the primary fuel for generating electricity is oil or gas, (p) electric system coordinated consumer-owned devices that reduce the maximum kilowatt demand on the electric system. If the consumer installs the materials, the ERC loan will be limited to financing of materials.
- 6) Any eligible consumer who expresses an interest in the Cooperative's ERC loan program shall be required to contact the Cooperative and complete the necessary procedures and forms required to submit a loan application.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7B

POLICY NUMBER: GP-7

SUBJECT: Energy Resources Conservation Member Loan Program
(continued) (page 3 of 6)

- 7) Data compiled after an on the premises energy audit performed by the Cooperative is required to be submitted as part of the ERC loan program application.
- 8) The Cooperative may, but is not required to, furnish the consumer with a list of contractors to do the improvement work. The work may be done by one of these contractors or by the consumer. In either case, the consumer will sign a statement of planned improvements.
- 9) The Cooperative will approve an ERC loan only if satisfied that the proposed energy conservation measures (a) meet reasonable installation, material and performance standards for installations in existing structures and
(b) will be cost effective and reduce energy resources consumption. Data used for satisfaction will be collected during an on-premise energy audit performed by the Cooperative.

B. APPLICATION CONSIDERATION

- 1) All ERC loans must be approved by a credit committee composed of three directors of the Cooperative.
- 2) The member-consumer applying for an ERC loan will be required to execute a promissory note to formalize the financial obligation with the Cooperative.
- 3) All ERC loans must be adequately secured as determined by the credit committee. If a structure is sold, the note becomes due and payable at that time.
- 4) Before approving an ERC loan, the Cooperative will determine, using reasonable tests of credit worthiness, that the ERC loan will be repaid in accordance with its terms.
- 5) The Cooperative will advise each applicant, in writing, whether the application for a loan has been approved or rejected. If

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7C

POLICY NUMBER: GP-7

SUBJECT: Energy Resources Conservation Member Loan Program
(continued) (page 4 of 6)

an application is rejected, the reasons for rejection will be indicated to the applicant. The approval of any loan application will be evidenced by a commitment letter mailed to the applicant. The loan funds will then be held available for that applicant for a period of not to exceed 60 days, unless the applicant applies, in writing, for additional time in which to complete the planned improvements.

- 6) Before any loan funds will be advanced, the applicant must advise the Cooperative, in writing, of the name, address, and telephone number of any contractor performing any of the labor, or furnishing any of the material used in the energy improvement measures.
- 7) The Cooperative will not advance funds to the consumer or the contractor without assurance that the work has been properly performed. Payment will be made by check payable to the name(s) of all parties involved.

C. LOAN TERMS

- 1) ERC loans to finance the cost of improvement measures will not exceed three thousand (\$3,000) dollars.
- 2) The interest rate on ERC loans will be five (5) percent per annum on the unpaid balance of the loan.
- 3) ERC loans will be amortized in not more than sixty (60) months, without penalties for prepayments of principal.
- 4) The Cooperative will bill the consumer for the monthly payments on the ERC loan at the same time it bills the consumer for electric service. Minimum monthly payments shall be twenty-five (25) dollars.
- 5) A late payment charge of ten (10) percent of the payment not to exceed \$3.00 will be assessed to any member-consumer who fails to pay a loan installment within twenty (20) days upon receipt or notice of payment due.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7D

POLICY NUMBER: GP-7

SUBJECT: Energy Resources Conservation Member Loan Program
(continued) (page 5 of 6)

- 6) The Cooperative will require from the member-consumer one of the below listed documents to satisfy the requirement of proof of ownership of the property upon which energy improvements are being made.
 - a. Copy of deed.
 - b. Certificate from Register of Deeds of last registered deed.
 - c. In case of mobile homes, a copy of title.
- 7) The Cooperative may require proof of insurance and inclusion in the loss payable clause for the property upon which the energy improvements are being made.
- 8) A material falsification of information on the credit application by the member-consumer will constitute grounds for loan denial or cause a previously funded loan to be in default condition and render all principal and interest then owing to become due and payable in full.
- 9) The Cooperative will inform the consumer of the annual interest paid on the ERC loan by January 31 of the next calendar year.

D. FUND SOURCE AND LIMITATION

- 1) The total funds to be committed to the ERC Loan Program by the Cooperative shall not exceed the amount set forth by REA in the ERC program requirements, and the amount set forth by the Cooperative's Board of Directors resolution to REA asking for deferment of REA principal payments of \$80,000, not to exceed \$25,200 in any one calendar quarter.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 7E

POLICY NUMBER-. GP-7

SUBJECT: Energy Resources Conservation Member Loan Program (continued) (page 6 of 6)

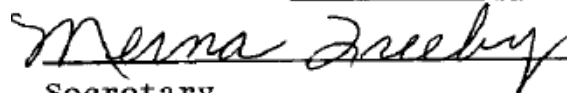
RESPONSIBILITY:

The general manager will be responsible for implementation of this policy and may delegate to appropriate staff the various activities necessary to carry out this policy.

This policy cancels any other policy or resolution previously adopted which is in conflict with the practices as herein established.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED September 20, 1984


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 8

POLICY NUMBER: GP-8

SUBJECT: Stray Voltage

Electric service to members is provided through a multi-grounded network, and has been satisfactorily used by the vast majority of consumers for many years. All parts of this network are interconnected through an electrically conductive system consisting of primary and secondary neutrals and all grounded equipment and facilities. The grounded neutral system is connected to earth through "ground rods" driven into the soil and through electrically grounded equipment and facilities in contact with the soil.

Every part of the grounded neutral network, including the conductors, the connections, the earth, and the contact between the ground rods and the earth, has some resistance to the flow of electric current. Due to these resistances, whenever there is a current in the neutral system, a voltage exists between it and the earth. These voltages are reflected to all parts of the interconnected network, and, if they are sufficiently high, may be detected by an animal. This phenomenon and its effects have been termed as "Stray Voltage".

Since this condition can exist because of the inherent characteristics of the electrical distribution system and is not necessarily the result of electrical faults or poor wiring, it will be in the best interests of the cooperative to inform the membership through the monthly newsletter of these conditions, and to assist them in preventive measures, and/or alleviation of the problem.

There are many factors which can be attributed to causes of stray voltage, some of which may involve member facilities. The Cooperative, along with area electricians, will assist members in assessing these probable causes of stray voltage.

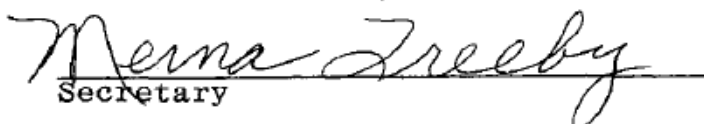
When it is indicated as a result of investigation that stray voltage conditions exist on a member's installation, and where all remedial action has been taken and the voltage has not been reduced to acceptable levels, and it has been ascertained that the installation of a device which will reduce stray voltage to acceptable levels is needed because of the inherent characteristics of the distribution system, the cost of said installation will be provided as follows:

1. When this device is installed on the cooperative's facilities ahead of the consumer's meter, the cost of the device and its installation will be provided by the cooperative.

Connection of any line will be in accordance with National Electric Safety Code in effect at the time of installation.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED January 22, 1985


Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 10

POLICY NUMBER: GP-10

SUBJECT: Hazard Communication Program and Procedures
(Page 1 of 4)

A. Purpose:

To comply with OSHA Title 29 CFR 1910.1200: Hazard Communication.

B. Objective:

To provide our employees with necessary information concerning health and physical hazards of chemicals our employees are exposed to. It is the desire and intention of Northern Electric Cooperative, Inc. to provide a safe and healthful, working environment for all of our employees.

C. Training Requirements:

1. It will be the responsibility of the management to provide training sessions on hazardous chemicals and Material Safety Data Sheets (MSDS).
2. Classroom style training will consist of the following:
 - a. The location of the Hazard Communication Program.
 - b. Method used to access hazardous chemicals.
 - c. Health hazards of the chemicals.
 - d. Physical hazards of the chemicals.
 - e. Measures to use personal protection.
 - f. New employees will be trained on new and different chemicals.
3. A record of the above training will be made and included in each employees file and master file.

D. Record Keeping:

1. A complete inventory of chemicals will be maintained in a MSDS book.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 10A

POLICY NUMBER: GP - 10

SUBJECT: Hazard Communication Program and Procedures
(continued) (Page 2 of 4)

2. This list will be updated as chemicals are added or deleted.
3. A list shall be kept at each work location and master file at each cooperative.

E. Material Safety Data Sheets (MSDS)

1. Management will obtain MSDS's for "chemicals" purchased by the company and employee owned chemicals. To assure the integrity of our MSDS system, all purchases will be routed through our Purchasing Department.
2. Copies of MSDS for all hazardous chemicals to which employees may be exposed will be kept in a MSDS booklet.
3. MSDS will be available for review by all employees. Copies will be available upon request. A master file will be at each work location.
4. A file of follow-up letters shall be maintained for all shipments received without it MSDS.
5. Employees will be informed of any changes of chemicals upon receipt of a new or revised MSDS.

F. Labels/Signs

1. All containers having chemicals must be labeled.
2. Illegible labels must be replaced with spare labels or labels with similar warnings as on the original.
3. In areas where labels are not feasible, warning signs will be used to warn employees

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 10B

POLICY NUMBER: GP-10

SUBJECT: Hazard Communication Program and Procedures
(Continued) (Page 3 of 4)

of hazards.

G. Nonroutine Hazardous Tasks

1. A nonroutine task is defined as a task which is performed at random, weekly or on a monthly basis.
2. Instruction on how to deal with a nonroutine task will be covered prior to doing the work to inform the employee of the hazards.

H. Contractors and Service Personnel

1. They will be notified of any hazardous chemicals in the area where they will be working.
2. They will be given a tour, of the area, notified of labeling and have access to the MSDS records and written program.
3. Contractors and Service personnel will be required to furnish MSDS for all hazardous materials which are being brought into the facility.
4. Employees will be informed of any measures necessary for their protection.

I. The following form letter will be used to secure MSDS's from suppliers of purchased chemicals and chemicals employees are allowed to bring into work.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 10C

POLICY NUMBER: GP-10

SUBJECT: Hazard Communication Program and Procedures (Continued) (Page 4 of 4)

MSDS REQUEST LETTER

(Date)

(Customer Service Department)
(Company)
(Address)
(City, State Zip Code)

Dear Customer Service Representative:

In order to complete our Hazard Communication Program, or Right to Know Program, as required by 29 CFR 1910.1200, we ask your cooperation in providing us with Material Safety Data Sheets for your product(s) listed below:

(List of products)

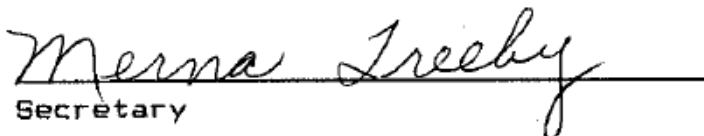
It is important for our Hazard Communication Program development that we receive your MSDS's no later than date. Your cooperation in this matter is appreciated. Please send your MSDS's to me at the address listed below.

Very truly yours,

(Your Name)
(Title)
(Company)
(Address)

(City, State Zip Code)

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED May 19, 1988
Secretary

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 11

POLICY NUMBER: GP-11

SUBJECT: Right-of-Way and Easement Acquisition

OBJECTIVE: To establish uniformity for compensation to property owners where the Cooperative must obtain easements for new electric lines and other facilities and to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

POLICY: No compensation will be made for easements for either underground or overhead distribution facilities. The Cooperative believes the availability of electric service enhances the value of any property crossed by utility facilities.

Should an impasse result between the property owner and the Cooperative, an alternate route will be secured.

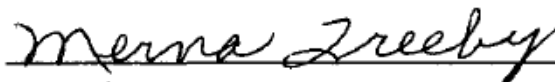
A copy of this policy will be given to the landowner before an easement is negotiated.

The Cooperative agrees to pay all damages caused to the owner's land arising out of the Cooperative's exercise of the rights of any easement granted, including crops, livestock, fences, and improvements. If the amount of any damage is not mutually agreed upon, it shall be ascertained by three disinterested persons, to be appointed, one by the Owner, one by the Cooperative, and a third by the two persons so appointed, and the award of damage by such three persons shall be final and conclusive, subject to the rights of the Owner and Cooperative to resort to the courts for adjudication of such damages.

RESPONSIBILITY: The manager shall be responsible for fulfillment of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED April 25, 1991


Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 12

POLICY NUMBER: GP-12

SUBJECT: Political and Legislative Activity (Page 1 of 3)

I. OBJECTIVE

To ensure that Northern Electric Cooperative, Inc. (NEC) responds to issues concerning the basic interests of its members, as stated in its Statements of Purpose and Objectives, and the rural electrification program.

II. CONTENT

- A. NEC shall be non-partisan in political matters, but shall promote, support, or oppose Federal and State legislative, regulatory and administrative matters as the Board may deem necessary and advisable. NEC will not directly endorse, in name, any candidate or party, but it may "commend", "censure", "laud" or "praise" the actions or votes of any state or national elected or appointed government official and report such action in the "NORTH LIGHTS".
- B. NEC shall work with the South Dakota Rural Electric Association (S), East River Electric Power Cooperative (PC), the National Rural Electric Cooperative Association (A), Mid-West Electric Consumers Association (Mid-West), and the American Public Power Association (APPA) in legislative matters that are in the best interest of the rural electric program, NEC and its membership.
- C. NEC, through the "NORTHERN LIGHTS", may report the voting records and actions and statements of the members of the South Dakota Congressional delegations and the members of the South Dakota legislatures on matters relating to rural electrification and natural resource development or other issues of concern to the Cooperative.
- D. NEC through the "NORTHERN LIGHTS", or any other means may query candidates for any public office on issues affecting rural electrification or natural resource development or other issues of concern to the Cooperative and publish their answers to such questions prior to the primary and general elections.

NORTHERN ELECTRIC COOPERATIVE INCORPORATEDSECTION 5
PAGE 13

POLICY NUMBER: GP-12

SUBJECT: Political and Legislative Activity (Page 2 of 3)

- E. **EMPLOYEES OR DIRECTORS OF NEC SHALL NOT ENGAGE IN PARTISAN POLITICAL ACTIVITIES AS REPRESENTATIVES OF NEC AND CORPORATE FUNDS WILL NOT BE USED FOR THAT PURPOSE.** An NEC director or employee should be free, as an individual, to participate in the campaign of any political candidate of his or her choice so long as that employee or director does not utilize NEC's funds or facilities and does so on his or her own time. **DIRECTORS AND EMPLOYEES WILL NOT CONVEY THE IMPRESSION TO OTHER EMPLOYEES, THE PUBLIC IN GENERAL OR A CANDIDATE, THAT NEC IS ENDORSING ANY CANDIDATE.**
- F. The General Manager of NEC, with approval of the Board of Directors, may be a candidate, and if elected or appointed to serve, hold office only in a county, city, township, school district or other political subdivision.
- G. Other employees of NEC may hold any elected or appointed state office, or an office in a county, city, township, school district or other political subdivision provided such office does not interfere with their full-time duties as employees of the Cooperative. Such employee may hold the office of State Senator or State Representative and will be granted a leave of absence, without pay, not to exceed ninety (90) days for each legislative year. Such employees who choose to become candidates for any local, state or national office other than State Senator or State Representative, the duties of which requires a full-time commitment shall take a leave of absence with the cooperative at the time they make public their intention to seek such office. They will be permitted to charge vacation accruals or to take a leave of absence, without pay, for time to campaign for such office. No campaign activities will be permitted while the employee is receiving pay and is also actively at work. If elected to such full-time office, the employee will resign effective the date he/she is sworn into such full-time office, or earlier by a mutual agreement with the General Manager.

Employees who choose to become candidates for

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 14

POLICY NUMBER: GP-12

SUBJECT: Political and Legislative Activity (page 3 of 3)

elected office or appointment to public office shall consult with the General Manager prior to the announcement of their candidacy or accepting the appointment.

- H. NEC will inform directors and employees about the ACRE program and encourage their participation.

III. RESPONSIBILITY

It shall be the responsibility of the Board of Directors and the General Manager to see that this policy is adhered to.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 12/17/92


Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 15

POLICY NUMBER: GP - 13

SUBJECT: Reserve for Contingent Losses and Expenses from Severe Storm Damages.

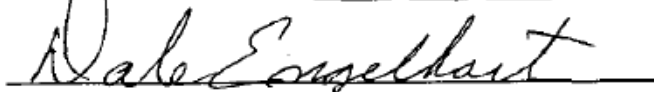
Whereas; the bylaws of the Cooperative were amended in September of 1992 giving the board of directors authority to establish and allocate margins to; reasonable reserves for the retention of revenues and receipts in excess of those needed to meet current losses and expenses.

Now Therefore Be It Resolved; that a contingent reserve be established for the repair of electric system damaged by a severe storm; and

Be it Further Resolved; that from time to time an allocation of margins be made to such reserve until it equals (5 percent) of the total of all unpaid patronage capital credits, and

Be it Further Resolved; that in the event the system incurs extraordinary expense and loss due to a severe storm that an amount equal to such losses or expenses be transferred from the reserve and allocated with the members patronage capital credits for that year.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: June 24, 1993A handwritten signature in cursive script, reading "Dale Engelhart", is written over a horizontal line.

Dale Engelhart, Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5 PAGE 16

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure control Plan

In accordance with the OSHA Bloodborne Pathogens standard, 29 CFR 1910.1030, the following exposure control plan has been developed:

1. Exposure Determination

OSHA requires employers to perform an exposure determination concerning which employees may incur occupational exposure to blood or other potentially infectious materials. The exposure determination is made without regard to the use of personal protective equipment (i.e. employees are considered to be exposed even if they wear personal protective equipment). The exposure determination requires a list of all job classifications in which employees may be expected to incur such occupational exposure, regardless of frequency. At this facility, the following job classifications are in the category:

<u>Job Classification</u>	<u>Tasks/Procedures</u>
Office personnel	CPR
Groundman	First Aid & CPR
Apprentice Lineman	First Aid & CPR
Journeyman Line an	First Aid & CPR
Line Foreman/crew chief	First Aid & CPR
Warehouseman	First Aid & CPR
Janitor	Routine housekeeping and cleanup of potentially infectious materials

In addition, if the employer has job classifications in which some employees may have occupational exposure, a listing of those classifications is required. Since not all the employees in these categories would be expected to incur exposure to blood or other potentially infectious materials, tasks or procedures that would cause these employees to have occupational exposure are also required to be listed in order to clearly understand which employees in these categories are considered to have occupational exposure. This facility does not currently have job classifications which may have occupational exposure, other than those listed above.

2. Implementation schedule and Methodology

OSHA also requires that this plan include a schedule and method of implementation for the various requirements of the standard. The following complies with this requirement:

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 17

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

Compliance Methods

Universal precautions will be observed at this facility in order to prevent contact with blood or other potentially infectious materials. All blood or other potentially infectious material will be considered infectious regardless of the perceived status of the source individual.

Employee exposure at this facility is limited to two possible situations:

- 1) The infrequent situation where first aid is administered; and
- 2) General housekeeping within the facility.

As the employees' occupational exposure is limited to these situations, personal protective equipment shall be utilized at these times.

Handwashing facilities are also available to the employees who incur exposure to blood or other potentially infectious materials. OSHA requires that these facilities be readily accessible after incurring exposure. At this facility, handwashing facilities are located in the men's and women's restrooms.

After removal of personal protective gloves, employees shall wash hands and any other potentially contaminated skin area immediately or as soon as feasible with soap and water.

If employees incur exposure to their skin or mucous membranes, then those areas shall be washed or flushed with water as appropriate as soon as feasible following contact.

Contaminated Equipment

Equipment which has become contaminated with blood or other potentially infectious materials shall be examined and decontaminated as necessary unless the decontamination of the equipment is not feasible.

When such equipment or portions of such equipment cannot feasibly be decontaminated, a readily observable label shall be attached to the equipment until the equipment can be properly disposed of.

Personal Protective Equipment (PPE)

All personal protective equipment used at this facility will be provided

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 18

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

without cost to employees. Personal protective equipment will be chosen based on the anticipated exposure to blood or other potentially infectious materials. The protective equipment will be considered appropriate only if it does not permit blood or other potentially infectious materials to pass through or reach the employees' clothing, skin, eyes, mouth, or other mucous membranes under normal conditions of use and for the duration of time which the protective equipment will be used.

Employees at this facility will have limited exposure incidents. First-aid designees will have rubber gloves, safety glasses and mouth protectors available to them. These will be located within the first aid kits. The janitor will wear rubber gloves while working. These will be provided and kept in the storeroom. It is the employers' responsibility to ensure that the employee uses PPE. If you are not using PPE, you will be requested to do so.

All personal protective equipment will be cleaned or disposed of by the employer at no cost to employees. All repairs and replacements will be made by the employer at no cost to employees.

Gloves and safety glasses shall be worn during the administering of first aid or where it is reasonably anticipated that employees will have hand contact with blood, other potentially infectious materials, nonintact skin, or mucous membranes.

Disposable gloves used at this facility are not to be washed or decontaminated for re-use and are to be replaced as soon as practical when they become contaminated or as soon as feasible if they are torn, punctured, or when their ability to function as a barrier is compromised. Utility gloves may be decontaminated for re-use provided that the integrity of the glove is not compromised. Utility gloves will be discarded if they are cracked, peeling, torn, punctured, or exhibit other signs of deterioration or when their ability to function as a barrier is compromised.

Housekeeping

This facility will be cleaned as regularly scheduled. No routine decontamination will be necessary. If contamination occurs, decontamination will be accomplished using a solution of one part Clorox to nine parts water on all contaminated surfaces. All contaminated surfaces will be decontaminated immediately or as soon as feasible after

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 19

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

any spill of blood or other potentially infectious materials. All trash bins, pails, cans and similar receptacles shall be inspected and decontaminated as needed by the janitor.

Any broken glassware which may be contaminated will not be picked up directly with the hands.

Regulated Waste Disposal

Any regulated waste which may arise shall be placed in closable, leak proof containers that are properly labeled or color-coded in accordance with the standard. Such containers are located in the supply room. These should seldom be necessary in the normal course of business.

Hepatitis B Vaccine

Employees who are designated to render first aid on the job shall be offered the Hepatitis B vaccine after they have given first aid. All first aid providers who render assistance in any situation involving the presence of blood or other potentially infectious materials, regardless of whether or not a specific exposure incident occurs, shall be offered the full immunization series--as soon as possible but in no event later than 24 hours.

Employees who decline the Hepatitis B vaccine will sign a waiver which uses the wording in Appendix A of the OSHA standard.

Employees who initially decline the vaccine but who later wish to have it may then have the vaccine provided at no cost. The manager has the responsibility for assuring that the vaccine is offered, or that a waiver has been signed by the employee. The vaccine shall be administered by the company doctor.

Post-Exposure Evaluation and Follow-up

When the employee incurs an exposure incident, it should be reported to the manager.

The employees who incur an exposure incident will be offered post-exposure evaluation and follow-up in accordance with the OSHA standard. This evaluation shall be administered by the company doctor.

The follow-up will include the following:

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 20

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

- Documentation of the route of exposure and the circumstances related to the incident;
- If possible, the identification of the source individual and, if possible, the status of the source individual. The blood of the source individual will be tested (after consent is obtained) for HIV/HBV infection;
- Results of testing of the source individual will be made available to the exposed employee, if possible.
- The employee will be offered the option of having their blood collected for testing of the employee's HIB/HBV serological status. The blood sample will be preserved for at least 90 days to allow the a employee to decide if the blood should be tested for HIB serological status. However, if the employee decides prior to that time that testing will be conducted, then the appropriate action can be taken and the blood sample discarded;
- The employee will be offered post exposure prophylaxis in accordance with the current recommendation of the U.S. Public Health Service;
- The individuals doctor of choice will give the employee appropriate counseling concerning precautions to take during the period after the exposure incident. The employee will also be given information on what potential illnesses to be alert for and to report any related experiences to his doctor;

The individual's doctor of choice has been designated to assure that this policy is effectively carried out and to maintain related records.

Interaction with Health Care Professionals

A written opinion shall be obtained from the health care professional who evaluates employees of this facility. Written opinions will be obtained in the following instances:

- 1) When the employee is sent to obtain the Hepatitis B vaccine;
- 2) Whenever the employee is sent to a health care professional following an exposure incident.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 21

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

Health care professionals shall be instructed to limit their opinions to:

- 1) Whether the Hepatitis B vaccine is indicated and if the employee has received the vaccine, or for evaluation following an incident;
- 2) That the employee has been informed of the results of the evaluation; and
- 3) That the employee has been told about any medical conditions resulting from exposure to blood or other potentially infectious materials. The written opinion to the employer is not to reference any personal medical information.

Labels and Signs: Communication of Hazards

To communicate hazards to employees, the following labeling system shall be used,

- A. Warning labels shall appear as shown below, and will be orange-red or fluorescent orange with the lettering and symbols in a contrasting color.
- B. These labels shall be placed on any containers of potentially infectious waste as necessary.

Training

All employees with occupational exposure will receive training at no cost to them, which will occur during working hours.

Training will include an explanation of the following:

- The OSHA standard for Bloodborne Pathogens;
- Epidemiology and symptomatology of bloodborne diseases;
- Modes of transmission of bloodborne pathogens;
- This Exposure Control Plan, i.e. points of the plan, lines of responsibility, how the plan will be implemented, etc.;
- Procedures which might cause exposure to blood or other potentially infectious materials at this facility;

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 22

POLICY NUMBER: GP-14

SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

- Control methods which will be used at the facility to control exposure to blood or other potentially infectious materials;
- Information on the type, use, location, removal, handling, decontamination and disposal of PPE;
- An explanation of the basis for selection of PPE;
- Who to contact and the appropriate action to take if an emergency involving exposure to blood or other potentially infectious materials occurs;
- The procedure to follow if an exposure incident occurs;
- A question and answer session with the trainer;
- Post exposure evaluation and follow-up;
- Signs and labels used at the facility,
- Hepatitis B vaccine program at the facility; and
- Possible further training using video tapes, written materials, etc.

All employees will receive annual refresher training. Refresher training will be conducted within one year of the employee's previous training.

The outline for the training material is located: Northern Electric Cooperative, Inc., P. O. Box 457, Bath, S. D. 57427.

Recordkeeping: Medical Records and Training Records

The employer shall establish and maintain accurate records for each employee with occupational exposure, in accordance with 29 CFR 1910.20 and paragraphs (h)(1) of the Bloodborne Standard.

Training records shall be maintained in accordance with paragraph (h)(2)(i) and be retained for 3 years from the date on which the training occurred.

Both training and medical records required by the standard shall be made available upon request to employees or their representatives.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5PAGE 23

POLICY NUMBER: GP-14

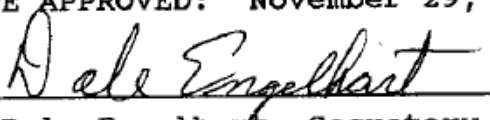
SUBJECT: Bloodborne Pathogens Exposure Control Plan (cont.)

All medical records required by the OSHA standard will be maintained by the company doctor.

All training records required by the OSHA standard will be maintained by this facility's safety coordinator.

Dates

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED: November 29, 1993



Dale Engelhart, Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 24

POLICY NUMBER: GP-15

SUBJECT: Lockout/Tagout Program

I. OBJECTIVE:

To establish a mechanical and electrical energy lockout/tagout program to reduce the risk of injury to employees and others from the unexpected energization, start-up or release of stored energy related to the service or maintenance of machines or equipment.

II. CONTENT:

- A. The cooperative will implement a lockout/tagout program to comply with applicable rules and regulations and to further safeguard the working environment for employees and others.
- B. The lockout/tagout program will consist of this policy statement and the continual development, implementation, review and revision of related work practices and procedures.
- C. Lockout/tagout work practices and procedures must conform to the following basic rules.
 - 1. Machines or equipment must be locked out and/or tagged out to protect against accidental or inadvertent operation when such operation could cause injury to employees or others.
 - 2. Employees must not attempt to operate any energy isolating device that is locked and/or tagged.
- D. Employees exposed to energized or de-energized electrical equipment must comply with the provisions of the lockout/tagout program.


III. RESPONSIBILITY:

The General Manager shall be responsible for implementation of this policy and delegate to appropriate staff the various activities necessary to carry out this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: April 20, 1994

REV. 05/20/2010


Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 25

POLICY NUMBER: GP-16

SUBJECT: Retirement of Capital Credits

Scope: Whereas, Article VII, Section 2 as amended of the bylaws of the cooperative give the Board of Directors authority to determine the method of allocation, basis, priority and order of retirement of patron's capital credits.

Policy:

A. Member Allocations:

The cooperative shall allocate Capital Credits for each member into two separate accounts. Annual excess margins from the operation of the cooperative shall be accounted for and allocated to each member. Patronage from current or previous power supply or other service entities will be accounted for and allocated to the members separately from operating margins.

B. General Retirements:

1. The cooperative shall strive to retire annually on a First-In, First-Out basis on each patron's allocated capital credit account accrued from operations.
2. Retirement of non-operating patronage will be accomplished if financial conditions warrant.

C. Special Retirements:

1. Percentage of Total Outstanding Balance: The cooperative, when approved by the board, can authorize a special retirement which strives to retire a small percentage of the outstanding balance of each patron's allocated capital credit account accrued from operations. This retirement enables all cooperative members to receive a portion.
2. Deminis Inactive Retirements: The cooperative, when approved by the board, can authorize a special deminis inactive retirement. Deminis Inactive Retirements would retire capital credits to any inactive members whose unretired balance is under \$100. This retirement strives to minimize reporting and bookkeeping costs to the cooperative.
3. Estate Retirements:
 - i. Death of Member. Upon the death of any natural person having been a member of the cooperative and subject to paragraph "2", the cooperative shall pay to the members' surviving heirs, next of kin, devisees, or legatees, 100% of the decedent's accrued allocated capital credits from operations.
 - ii. Death of Joint Member. Upon the death of any natural person having been a member of the cooperative whose membership in the cooperative is held jointly, the cooperative will pay to the surviving member or the successor in interest of the descendant as the case may be, 50% of allocated capital credits accrued from operations attributable to such joint membership.
4. Age 70 Special Retirements:
When any member or former member who is a natural person attains the age of 70, the cooperative shall retire on an annual basis allocated capital credits accrued from operations attributable to such membership in an amount equal to 10% per annum of such accumulated credits until the balance of such credits are paid in full, together with any future allocations of capital credits thereafter. In the case of a joint membership, disbursement of allocated capital credits accrued

from operations under this provision will begin when the first of either joint member reaches age 70.

Fiscal Responsibility:

Notwithstanding any of the above, all retirement parameters and amounts are subject to annual approval by the board. Therefore, the Board may suspend or defer any or all of the retirement payments set forth herein if the financial condition of the cooperative would be impaired thereby or if the Rural Utilities Service approval is required and not given.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 5/23/2024

REV. 3/18/96

REV. 7/31/08

REV. 5/23/2024

Ronald A. Kaaf
Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 26I

POLICY NUMBER: GP-17B (Page 1 of 2)

SUBJECT: Encryption Policy

PURPOSE

The purpose of this policy is to provide guidance that limits the use of encryption to those algorithms that have received substantial public review and have been proven to work effectively. The guidelines in this policy exist to protect NEC and its employees.

SCOPE

This policy applies to employees, consultants, vendors, and affiliates of NEC. This policy applies to all equipment that is owned, leased, operated, or maintained by NEC.

POLICY

Algorithms

- Proven, standard algorithms such as AES, 3DES, Blowfish, RSA, RC5 and IDEA should be used as the basis for encryption technologies. These algorithms represent the actual cipher used for an approved application. For example, Network Associate's Pretty Good Privacy (PGP) uses a combination of IDEA and RSA or Diffie-Hillman, while Secure Socket Layer (SSL) uses RSA encryption.
- The use of proprietary encryption algorithms is not allowed for any purpose, unless reviewed by qualified experts outside of the vendor in question and approved by NEC I.T. staff. Be aware that the export of encryption technologies is restricted by the U.S. Government. Residents of countries other than the United States should make themselves aware of the encryption technology laws of the country in which they reside.

Key Length

- Symmetric cryptosystem key lengths must be at least 56 bits.
- Asymmetric crypto-system keys must be of a length that yields equivalent strength.
- The Division's key length requirements will be reviewed at least annually and upgraded as technology allows.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 26J

POLICY NUMBER: GP-17B (Page 2 of 2)

SUBJECT: Encryption Policy

DEFINITIONS

- ***Proprietary Encryption:*** An algorithm that has not been made public and/or has not withstood public scrutiny. The developer of the algorithm could be a vendor, an individual, or the government.
- ***Symmetric Cryptosystem:*** A method of encryption in which the same key is used for both encryption and decryption of the data.
- ***Asymmetric Cryptosystem:*** A method of encryption in which two different keys are used: one for encrypting and one for decrypting the data (e.g., public-key encryption).

ENFORCEMENT

Any employee or contractor found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

REVISIONS

This document was created on 4-1-2005.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED: 5/19/05


Dennis Mitchell, Secretary

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (1 of 6)

I. OBJECTIVE

The safety of the employees of Northern Electric Cooperative and the public is of the utmost importance. Safety rules, procedures, and equipment shall be followed/used at all times. There shall be an accident investigation in the event of an accident involving a serious personal injury or over \$1,000.00 in property damage. All other accidents will be investigated if the General Manager or Manager of Operations deems necessary.

II. CONTENT

The Manager of Marketing and Member Services will be in charge of the initial accident investigation concerning employee injury, motor vehicle accidents, property damage, and public liability. The Manager of Operations will investigate near misses. If the Marketing and Member Services is absent, the General Manager will assign a member of the Accident Investigation Committee, made up of three staff members and two employees, to be in charge of the accident investigation. The investigation will include, but not limited to, taking appropriate pictures, collecting statements from witnesses, and contacting the appropriate authorities.

The safety and well being of the individual(s) involved in the accident and the public are the highest priorities. All necessary steps to ensure the safety and well being shall be taken immediately.

In all cases, the appropriate claims shall be filled out and submitted to appropriate agencies, including Workers Compensation, Federated Insurance, NRECA Insurance or any other appropriate forms.

Step by step procedures for each type of accident investigation are as follows:

1. Employee Injury

A. The safety and well being of the individual(s) involved in the accident and the public are the highest priorities. All necessary steps to ensure the safety and well being shall be taken immediately.

B. The Manager and/or members of the management staff shall be notified immediately. If necessary, steps to rectify any unsafe conditions shall

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (2 of 6)

begin immediately in a safe and prudent manner. After any unsafe conditions have been rectified, the Manager of Operations will determine if the accident shall be investigated. If no investigation is necessary, disregard the rest of Section 1.

- C. The individual in charge of the investigation shall collect written statements describing the accident. The statements shall be prepared as soon as possible by any employee or witness involved in the accident. The statements shall be signed and dated. The statements shall be detailed and include date, time, location, weather conditions, etc.
- D. An Accident Investigation Committee will review all pertinent information regarding the accident. After review by the Accident Investigation Committee, the individual in charge of the investigation shall complete an accident investigation report (form attached) for employee injury. The report shall state any unsafe acts or conditions that may have led to the accident, and the committee's recommended corrective action. The report shall then be reviewed and signed by the General Manager.
- E. The General Manager and members of the management staff will then review the accident investigation and implement any necessary corrective action to ensure that the corrective action increases job safety.

2. Motor Vehicle

- A. The safety and well being of the individual(s) involved in the accident and the public are the highest priorities. All necessary steps to ensure the safety and well being shall be taken immediately.
- B. The Manager and/or members of the management staff shall be notified immediately. If necessary, steps to rectify any unsafe conditions shall begin immediately in a safe and prudent manner. After any unsafe conditions have been rectified, the Manager of Operations will determine if the accident shall be investigated. If no investigation is necessary, disregard the rest of Section 2.

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (3 of 6)

- C. If any conditions specified in Northern Electric Cooperative, Inc. Policy No. P-31E, Section 3 (1-16) concerning Drug and Alcohol Testing in the event of a motor vehicle accident have been met, the driver will undergo a drug and alcohol test in accordance with that policy.
 - D. The Manager of Operations will make arrangements to have the vehicle removed from the scene if necessary.
 - E. The individual in charge of the investigation shall collect written statements describing the accident. The statements shall be prepared as soon as possible by any employee or witness involved in the accident. The statements shall be signed and dated. The statements shall be detailed and include date, time, location, weather conditions, witnesses names and addresses, investigating officer, a diagram of the incident, etc.
 - F. An Accident Investigation Committee will review all pertinent information regarding the accident. After review by the Accident Investigation Committee, the individual in charge of the investigation shall complete an accident investigation report (form attached) for motor vehicle accidents. The report shall state any unsafe acts or conditions that may have lead to the accident, and the committees recommended corrective action. The report shall then be reviewed and signed by the General Manager.
 - G. The General Manager and members of the management staff will then review the accident investigation and implement any necessary corrective action and follow-up on the corrective action to ensure that corrective action increases job safety.
3. Property Damage
- A. The safety and well being of the individual(s) involved in the accident and the public are the highest priorities. All necessary steps to ensure the safety and well being shall be taken immediately.

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (4 of 6)

- B. The Manager and/or members of the management staff shall be notified immediately. If necessary, steps to rectify any unsafe conditions shall begin immediately in a safe and prudent manner. After any unsafe conditions have been rectified, the Manager of Operations will determine if the accident shall be investigated. If no investigation is necessary, disregard the rest of Section 3.
 - C. The individual in charge of the investigation shall collect written statements describing the accident. The statements shall be prepared as soon as possible by any employee or witness involved in the accident. The statements shall be signed and dated. The statements shall be detailed and include date, time, location, weather conditions, value and description of the damaged property, etc.
 - D. An Accident Investigation Committee will review all pertinent information regarding the accident. After review by the Accident Investigation Committee, the individual in charge of the investigation shall complete an accident investigation report (form attached) for property damage. The report shall state any unsafe acts or conditions that may have lead to the accident, and the committees recommended corrective action. The report shall then be reviewed and signed by the General Manager.
 - E. The General Manager and members of the management staff will then review the accident investigation and implement any necessary corrective action and follow-up on the corrective action to ensure that the corrective action increases job safety.
4. Public Liability
- A. The safety and well being of the individual(s) involved in the accident and the public are the highest priorities. All necessary steps are to ensure the safety and well being shall be taken immediately.
 - B. The Manager and/or members of the management staff shall be notified immediately. If necessary, steps to rectify any unsafe conditions shall begin immediately in a safe and prudent manner.

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (5 of 6)

- C. After any unsafe conditions have been rectified, the Manager of Operations will determine if the accident shall be investigated. If no investigation is necessary, disregard the rest of Section 4.
 - D. The individual in charge of the investigation shall collect written statements describing the accident. The statements shall be prepared as soon as possible by any employee or witness involved in the accident. The statements shall be signed and dated. The statements shall be detailed and include time, date, location, weather conditions, etc.
 - E. An Accident Investigation Committee will review all pertinent information regarding the accident. After review of the Accident Investigation Committee, the individual in charge of the investigation shall complete an accident investigation report (form attached) for employee injury. The report shall state any unsafe acts or conditions that any have lead to the accident, and committees recommended corrective action. The report shall then be reviewed and signed by the General Manger.
 - F. The General Manager and members of the management staff will then review the accident investigation and implement any necessary corrective action and follow-up on the corrective action to ensure that the corrective action increases job safety.
5. Near Misses
- A. The safety and well being of the individual(s) involved in the near miss and the public are the highest priorities. All necessary steps to ensure the safety and well being shall be taken immediately.
 - B. The manager of Operations will determine if the near miss shall be investigated. If no investigation is necessary, disregard the rest of Section 5.
 - C. The individual in charge of the investigation shall collect written statements describing the near miss. The statements shall be prepared as soon as possible by any employee or witness involved in the near miss. The statements shall be signed and dated. The statements shall be detailed and include time, date, location, weather conditions, contributing factors, etc.

POLICY NUMBER: GP-19

SUBJECT: Accident Investigation (6 of 6)

- D. If the Manager of Operations feels it necessary, an Accident Investigation Committee will review all pertinent information regarding the near miss.
- E. The individual in charge of the investigation shall complete an accident investigation report (form attached) for near misses. The report shall state any unsafe acts or conditions that may have lead to the near miss, and recommendations for corrective action. The report shall be reviewed and signed by the General Manager.
- F. The results of the investigation will be discussed at the next Monthly Safety Meeting.
- G. The General Manager and members of the management staff will review the accident investigation and implement any necessary corrective action and follow-up on the corrective action to ensure that the corrective action increases job safety.

III. RESPONSIBILITY

The General Manager of his designee shall be responsible for implementation of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED 6/24/99

SECRETARY Randy Kuehl

EMPLOYEE INJURY INVESTIGATION FORM

Name of Investigator: _____

Date of Investigation: _____

ACCIDENT INFORMATION:Date of Notification: _____ Time of Notification: _____ A.M./P.M.

Witnesses to the Accident: _____

Description of Scene: _____

_____Description of Activity: _____

_____Description of How the Accident Happened: _____

_____**INJURY INFORMATION:**

Part of the body was injured: _____

Was medical attention given: Yes No If yes, doctor and facility: _____
_____Was there any lost time: Yes No If yes, how long (if known): _____

UNSAFE ACTS AND CONDITIONS:Were safeguards/safety equipment provided: YES NOWere they used: YES NO

Investigators opinion of safety awareness used at the scene of the accident: _____

Investigators suggested corrective action to prevent this type of incident in the future: _____

INVESTIGATOR'S SIGNATURE: _____

CORRECTIVE ACTION TAKEN:

Specific corrective action taken: _____

Supervisor's signature: _____ Date: _____

FOLLOW UP:

Follow-up date of corrective action review: _____

Did the corrective action increase job safety? YES / NO

Comments: _____

Supervisor's Signature: _____ Date: _____

GENERAL MANAGER'S SIGNATURE: _____

MOTOR VEHICLE ACCIDENT INVESTIGATION FORM

Name of Investigator: _____

Date of Investigation: _____

ACCIDENT INFORMATION:

Date of Notification: _____ Time of Notification: _____ A.M./P.M.

Parties involved (names, drivers license numbers, and addresses): _____

_____Investigating Officer(s) and witnesses names and addresses: _____

_____Description of Scene (diagram on back): _____

_____Description of Alleged Cause: _____

_____**DAMAGE INFORMATION:**What was damaged: _____
_____Description of damage: _____

Continued on back

[illegible]

DIAGRAM:

NORTHERN ELECTRIC COOPERATIVE, INC.
PROPERTY DAMAGE INVESTIGATION FORM

232

Name of Investigator: _____

Date of Investigation: _____

ACCIDENT INFORMATION:

Date of Notification: _____ Time of Notification: _____ A.M./P.M.

Witnesses to the Accident: _____

Description of Scene (including measurements): _____

Description of Activity: _____

Description of Alleged Cause: _____

DAMAGE INFORMATION:

What was damaged: _____

Description of damage including estimated dollar value: _____

NORTHERN ELECTRIC COOPERATIVE, INC.
PROPERTY DAMAGE INVESTIGATION FORM, Cont.

UNSAFE ACTS AND CONDITIONS:Were safeguards/safety equipment provided: Yes NoWere they used: Yes No

Investigators opinion of safety awareness used at the scene of the accident: _____

Investigators suggested corrective action to prevent this type of incident in the future: _____

INVESTIGATOR'S SIGNATURE: _____

CORRECTIVE ACTION TAKEN:

Specific corrective action taken: _____

Supervisor's Signature: _____ Date: _____

FOLLOW UP:

Follow-up date of corrective action review: _____

Did the corrective action increase job safety? Yes / No

Comments: _____

Supervisor's Signature: _____ Date: _____

GENERAL MANAGER'S SIGNATURE: _____

NORTHERN ELECTRIC COOPERATIVE, INC.
PUBLIC LIABILITY INVESTIGATION FORM

234

Name of Investigator: _____

Date of Investigation: _____

ACCIDENT INFORMATION:

Date of Notification: _____ Time of Notification: _____ A.M. / P.M.

Claimant name and address: _____

Witnesses to the Accident, names and addresses: _____

Description of Accident (including measurements, diagram on back): _____

Description of Activity: _____

DAMAGE INFORMATION:

What was damaged: _____

Description of damage: _____

Were safeguards/safety equipment in place: Yes No Explain: _____

Investigators opinion of BHEC safety awareness at the site of the accident: _____

Investigators suggested corrective action to prevent this type of incident in the future: _____

INVESTIGATOR'S SIGNATURE: _____

GENERAL MANAGER'S SIGNATURE: _____

DIAGRAM:

NEAR MISS INVESTIGATION FORM

Name of Investigator: _____

Date of Investigation: _____

NEAR MISS INFORMATION:

Date of Notification: _____ Time of Notification: _____ A.M./P.M.

Employees involved: _____
_____Witnesses: _____
_____Description of Near Miss (including measurements): _____

_____Description of Activity: _____

_____**RATING OF NEAR MISS:**

Rate the "near miss" based on severity and frequency. Level "A" is the most severe case and level "E" is the least severe case. Circle one.

A B C D E

Reason for rating: _____

UNSAFE ACTS AND CONDITIONS:

Were safeguards/safety equipment provided: Yes No

Were they used: Yes No

Investigators opinion of safety awareness used at the scene of the near miss: _____

Investigators suggested corrective action to prevent this type of near miss in the future: _____

INVESTIGATOR'S SIGNATURE: _____

CORRECTIVE ACTION TAKEN:

Specific corrective action taken: _____

Supervisor's Signature: _____ Date: _____

FOLLOW UP:

Follow-up date of corrective action review: _____

Did the corrective action increase job safety? Yes / No

Comments: _____

Supervisor's Signature: _____ Date: _____

GENERAL MANAGER'S SIGNATURE: _____

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5

PAGE 33

POLICY NUMBER GP-20

SUBJECT: Records Management and Retention Plan

I. OBJECTIVE:

To develop, maintain and dispose of Cooperative and subsidiary records consistent with applicable legal and business requirements.

II. CONTENT:

The board of directors authorizes management to utilize programs and procedures which reflect sound prudent business practices and maintain compliance with federal, state and local laws and regulations for the protection and retention of its records, Northern Electric Cooperative and its subsidiaries will also maintain Cooperative, licensor, third party proprietary, and trade secret information in strict compliance with existing and future agreements, contracts, and licenses.

The Cooperative may maintain records in paper or other alternative media. Alternative media selected will reflect sound, prudent business practices and comply with state and federal laws for the protection and retention of records. Northern Electric Cooperative and its subsidiaries will provide access to records retained on alternative media to the same extent as is required for paper records.

III. RESPONSIBILITY:

The general manager or his designee shall be responsible for the implementation of this policy.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED: August 19, 1999



Randy Knecht, Secretary

**Northern Electric Cooperative, Inc.
Emergency Evacuation Plan**

Section 5
Page 34

Policy Number: GP 21
Subject: Emergency Action Plan

Purpose:

The Emergency Action Plan purpose is to provide a safe and orderly evacuation from the NEC physical plant, should conditions warrant this plan. The plan provides the location of gathering points where a physical head count would identify any missing employee. This plan will also address the procedure to follow in the event of a tornado.

General Information:

Implementation of this program requires specific employees to be identified as team leaders and co-team leaders. It is the responsibility of these leaders to maintain order during an evacuation either to an outside designated assembly area or to the designated area in the office. It is also the responsibility of these team leaders to count department employees to determine if anyone is missing. The team leaders then give this information to the safety director who in turn would give it to the Fire Department so they can better do their jobs.

The Safety Director has posted maps of the office floor plan at various locations in the building. Employees have the responsibility of becoming familiar with this map and their designated assembly areas, as well as the fire and tornado routes. In the event of a fire, employees should go to east parking lot under the light pole, or in the event of a tornado; they should go to the basement in the northwest corner of the business office. Each department should review this program-procedure twice a year to ensure the continued safety of the NEC employees and/or consumers that might be in or on NEC premises.

Incidence of Use

Fire-If a fire situation occurs that would render occupancy of the building unsafe, this program provides for the immediate evacuation of the premises to the designated assembly area located in the east parking lot by the light pole.

In the event this evacuation plan is ordered, there will be prescribed exit routes for the employee's safety. These routes are marked in color on the maps located in each area of the building. Do not go against the colors on this map because it could prove dangerous to you. All exit doors are marked facing the flow of traffic. Go only in the prescribed direction from interior to exterior doors. Please use the nearest exit door from where you are located at the time of evacuation.

Section 5

The emergency evacuation maps posted in the various areas of the NEC building are for your information and protection. Become familiar with these procedures, your safety is NEC's concern. Once outside of the building, report to your designated assembly area for further instructions.

Tornado – In the event of a tornado, the order will be given to assemble in the basement, located in the northwest corner of the business office behind the business manager's office. Go down the stairs with the green arrow pointing down on the maps. Go only in the flow of the arrow and not against it. Upon arriving in the basement, an employee count will be taken and if the count is OK, the door will be closed until the storm passes and safe exit is determined by the leaders.

Emergency Evacuation Assembly Areas

In case of fire, report to the east parking lot by the light pole. In case of tornado, report to the basement in the northwest corner of the business office.

It is the employee's responsibility to be aware of his/her assembly area and the conditions that would lead them there.

First Aid:

In the event where first aid is necessary, a certified first aid person should provide it. If there is not a certified first aid person available then common sense must prevail. In either case, the Safety Director and management must be notified.

Do not move a severely injured person unless the potential for greater harm is imminent. If possible, wait with them until EMT's arrive.

Potential Causes for Evacuation:

Fire in building

Smoke in building

Strong gas odor in building

Explosion in any part of building

Damage to building structure

Discretion of management

Tornado – If a tornado is imminent, then all employees would be directed to the designated assembly area in the business office basement area.

Evacuation Procedures

Fire – In the event of a fire or unsafe conditions, the management or Safety Director will issue the order for evacuation of the building. However if the situation is life threatening, then any employee may issue the order. The Safety Director or management will call the emergency units.

Team leaders and co-leaders will lead their teams out of the building using the prescribed routes from their departments/areas to the designated assembly areas by the east parking lot light pole (refer to map). There the team leader – co-leader will count to verify that all of the department employees are present. This information will be given to the Safety Director.

It is the team leader's responsibility to keep track of his team members. Once all of the employee's have assembled at the designated areas, **DO NOT LEAVE**, wait for further instructions from the management. **DO NOT RE-ENTER** the building for any reason until emergency personnel give the OK to re-enter. When exiting the building, do not panic or rush and please help your fellow employees.

Tornado – In the event of a tornado warning, the Safety Director or management will issue the order to assemble all the employee's into the basement through the northeast door in the business office.

The team leaders and co-leaders will assist their teams to the designated assembly area, perform the required head count and pass the information on to the management. Management will then decide on the next course of action.

Please help your fellow employees. **DO NOT PANIC OR RUSH.**

APPENDIX "A"

Group A: Office Personnel

Team leader – Manager
Co-Leader – Office Manager

Employees – All Office Personnel

Group B: Outside Personnel

Team Leader – Operations Manager
Co-Leader – Manager of Member Service

Employees – All Line Personnel

Approved by the Board of Directors

Date Approved January 27, 2000

Secretary Judy Schaunman

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5

PAGE 37

POLICY NUMBER GP-22 (Page 1 of 2)**SUBJECT: VALUE-ADDED PATRONAGE LOAN PROGRAM**

The cooperative in cooperation with East River Electric Power Cooperative, Inc. will participate in the issuance of value-added patronage loans under a participation agreement with East River Electric Power Cooperative, Inc.

1. The total amount of loan funds available from the cooperative shall not exceed the amount certified by East River Electric Power Cooperative, Inc., under the "Certificate of Availability" issued by East River on an annual basis.
2. Loan funds available to Northern Electric Cooperative members shall be issued in the order that the applications are received by the cooperative in a completed form. Applicants must provide from the project coordinator proof of investment or proof of a commitment to invest in the project.
3. Loan funds may be made available only to eligible memberships and shall be limited to a maximum amount of \$5,000 per membership.
4. The minimum loan available to any member is \$750.
5. Members applying for value-added loan funds must execute documents providing that their patronage capital account with the cooperative shall be security for repayment of such loans. Members shall be required to execute a Security Agreement and Financing Statement.
6. Members as a condition of receiving a loan shall be required to prepay the costs and filing fees of the filing of the Financing Statement with the Secretary of State's Office together with the fees necessary to file three continuation statements. Each member applying for a loan shall be required to pay \$100 per membership as a loan origination fee. For purposes of this section, a husband and wife membership shall be considered one membership.
7. Members, when applying for a patronage loan may not aggregate a patronage accounts of memberships in which they may have an interest except when limited solely to those patronage accounts held in the name of any trust or entity that is owned 100% by the same member. Example #1: individual member owns 100% of a trust or corporation, which also has a membership with the cooperative. In such a case since the individuals are identical in both entities, the accounts may be aggregated. Example #2: if a corporation has a membership account and its sole shareholder also has an individual membership, then the corporation may aggregate its membership account and that of its sole shareholder when applying for loan funds. For purposes of this provision, a husband and wife will be considered as a single member.

NORTHERN ELECTRIC COOPERATIVE, INC.

SECTION 5
PAGE 37A**POLICY NUMBER GP-22 (page 2 of 2)**
SUBJECT: VALUE-ADDED LOAN PROGRAM


8. Applicant and/or related memberships which are aggregated to provide the security for the loan must evidence a sufficient and good credit history with the cooperative in order to assure the cooperative that there will be no need to offset the patronage account of any member for the payment of delinquent obligations to the cooperative.
9. Before the cooperative will agree to provide loan funds for any value-added project, that project must agree with the cooperative to acknowledge in writing to the cooperative that an investment has been made by the cooperative's member in the project. Drafts will be paid jointly to the project and the member. Additionally, the qualifying project must agree to notify the cooperative of the transfer of any interest that the member may have in the qualifying project.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: April 18, 2001

REV. 7/19/2001

REV. 8/23/2001


Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5Page 38

POLICY NUMBER: GP-23

SUBJECT: PRIVACY AND CONFIDENTIALITY

I. OBJECTIVE:

To establish fair information principles for Northern Electric Cooperative in carrying out its responsibility to respect the privacy and confidentiality of member-consumer information.

II. POLICY:

A. NOTICE

1. Northern Electric Cooperative discloses to its member-consumers its policies and practices for the collection, maintenance, use, and disclosure of identifiable information about its member-consumers.
2. Northern Electric Cooperative collects and maintains appropriate information about its member-consumers as a routine part of its operations.
3. When providing electricity and related services, Northern Electric Cooperative collects information from member-consumers, including name, address, telephone number, Social Security number, credit information, and payment and usage history. Usage history may include information on a member-consumer's property and appliances, health information for lifeline service, service history, and information maintained for meter reading purposes (e.g., warning about a dog in the yard).
4. Membership and governance activities may result in the maintenance of capital and patronage account information for members and former members, and contact information for former members.
5. Occasionally, Northern Electric Cooperative may survey a sample of its member-consumers to collect information to identify needs or improve service.
6. Other activities by Northern Electric Cooperative or its affiliates[, including security and home improvement services,] will result in the collection of additional information about a member-consumer's property, appliances, and activities. This information will be collected and maintained only when and to the extent appropriate to provide the services.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5Page 38A

7. This notice describes generally Northern Electric Cooperative's privacy and confidentiality policies. The policy is not a formal limitation on the ability of Northern Electric Cooperative to use, manage, and disclose its records as Northern Electric Cooperative determines to be necessary, appropriate, or as required by law. It is subject to change without notice.

B. TRUST

1. General Practices: Northern Electric Cooperative maintains information about member-consumers for purposes that are suitable to its operations and management. Information is collected only through lawful and fair means and for appropriate purposes. Northern Electric Cooperative is committed to maintaining accurate, complete, timely, relevant, and appropriate information about member-consumers as necessary for the purpose for which the information is to be used.
2. Access and Correction: Northern Electric Cooperative generally permits its member-consumers to access and seek correction of records about themselves that are used by Northern Electric Cooperative to provide service, for billing, and to manage capital accounts. Any person who wants to identify personal records maintained by Northern Electric Cooperative, access the records, or correct the records should contact:

1. General Manager/CEO
2. Chief Financial Officer
3. Legal Attorney

C. SECURITY

1. Northern Electric Cooperative maintains member-consumer information with technical, administrative, and physical safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure. No record or computer system can ever be fully protected against every possible hazard. Northern Electric Cooperative provides reasonable and appropriate security to protect against foreseeable hazards.

D. USE AND DISCLOSURE

1. Northern Electric Cooperative uses and discloses identifiable information about member-consumers in defined and responsible ways [in order to carry out its operations]. This section describes how identifiable information about member-consumers may be used and disclosed.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5Page 38B

2. Records may be disclosed to affiliates or contractors hired by Northern Electric Cooperative to assist in carrying out operations, such as service, billing, and management functions including legal, audit, and collection services.
3. Member-consumer information may be disclosed to and shared with commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts).
4. Records may be disclosed to government regulators and other government agencies when authorized or required by law.
5. Records may also be compiled in aggregate form for Northern Electric Cooperative management activities.
6. Records may be disclosed when required by law, such as in response to a search warrant, subpoena, or court order. Northern Electric Cooperative may use and disclose records for investigations into employee misconduct or for law enforcement investigations related to our business. Disclosures may also be made when appropriate to protect Northern Electric Cooperative's legal rights or during emergencies if physical safety is believed to be a risk. These events are unlikely, but they are possible. Northern Electric Cooperative will take reasonable steps to limit the scope and consequences of any of these disclosures.
7. Records may be shared with other utilities under shared service agreements or to meet operational requirements.
8. For home security customers, information may be shared with law enforcement authorities as authorized in service agreements.
9. Records about a member-consumer may be disclosed at the request of or with the permission of the member-consumer.
10. In addition, member-consumer information may be shared with affiliates and partners of Northern Electric Cooperative that offer products and services to member-consumers.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5Page 38C

11. Membership lists of the Cooperative may be disclosed to a member of the cooperative for a proper purpose, such as in connection with Cooperative election activities. In some instances, lists may be made available for appropriate uses without disclosing the list to a third party. For example, the Cooperative may undertake a mailing on behalf of and at the expense of a third party. Disclosures of membership lists will only be made following a policy adopted by the Board [or the membership], and further uses of any lists so disclosed will be subject to that policy.
12. Northern Electric Cooperative does not sell, rent, loan, exchange, or otherwise release mailing lists or telephone lists of member-consumers [for marketing purposes]. Northern Electric Cooperative does not disclose any information about a member-consumer to nonaffiliated third parties without the [prior, written] consent of the member-consumer.
13. The members of the Cooperative have the right to vote to authorize other uses and disclosures of information.
14. Member-consumers may request that their information not be shared with affiliates for the offering of new products and services.

E. QUESTIONS AND DISPUTES

1. This policy is maintained and supervised by [office, address, email, telephone]. Questions about the policy may be directed to that office. Any disputes over access, correction, or other matters may also be directed to that office. Northern Electric Cooperatives will do its best to resolve any questions or problems that arise regarding the use of member-consumer information.

III. RESPONSIBILITY:

- A. The board shall ensure that this policy reflects current practices for personal information about member-consumers.
- B. The Chief Executive shall ensure that this policy is adhered to.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: June 23, 2005


Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 39

POLICY NUMBER: GP-24 (Page 1 of 2)

SUBJECT: Identity Theft Prevention**OBJECTIVE**

- A. To protect the identity/financial data of our member owners and minimize the possibility of identity theft of consumer information.
- B. To establish a program to detect, prevent and mitigate identity theft.

PURPOSE

To provide a guide in complying with the Federal Trade Commission “Red Flags” Rule.

POLICY

- A. As required by 16 CFR Part 1681, the Cooperative will have and maintain a written “Identity Theft Prevention Program” plan.
- B. The General Manager and Office Manager will be responsible for ongoing involvement in oversight, development, implementation and administrations of the Identity Theft Prevention Program.
- C. Training for the employees will be provided as necessary.
- D. Oversight of third party providers will assure that they also comply with the program.
- E. Annually review the plan and update it periodically to reflect changes in risks to customers and to the safety and soundness of the Cooperative. An annual report will be made to the Board of Directors on compliance with the program and any incidents experienced for the year. The report will include:
 - a. The effectiveness of the policies and procedures in addressing the risk of identity theft.
 - b. Significant incidents that have occurred and managements’ response.
 - c. Recommendations for changing the program.
- F. As risk factors are discovered, such as identity theft, member information breach, etc., the policy will be revised to address any future risks.
- G. An investigation will be conducted when any of the following “Red Flags” are discovered:

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 39A

POLICY NUMBER: GP-24 (Page 2 of 2)

- a. Incidents of identity theft
 - b. Methods of identity theft that reflect identity theft risks
 - c. Alerts, notifications, or other warnings received from a consumer reporting agency or service provider.
 - d. The presentation of suspicious documents, such as altered or forged.
 - e. The presentation of suspicious personal identification information.
 - f. The unusual use of an account.
 - g. Notice from consumers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft.
 - h. A fraud or active duty alert is included with a consumer report.
 - i. A consumer reporting agency provides a notice of address discrepancy
 - j. Identification photo that does not match the person.
 - k. Invalid social security number.
 - l. Mail sent to a consumer is frequently returned.
- H. When signing up a new member or changing an address for an existing member, every effort should be made to verify the information given.
- I. Monitoring the security of consumer identity data must be an ongoing process. When a consumer's information has been jeopardized, the following procedure should be followed:
- a. Contact the consumer
 - b. Eliminate the breach of information (such as change passwords, etc.)
 - c. Notify law enforcement
- J. The General Manager and Office Manager will provide ongoing oversight of third party software providers and service providers that utilize consumer information to assure that consumer identity information is secure and utilized properly.
- K. Require all employees to sign an "Employee Confidentiality Certification" stating those employees will not disclose confidential information to any unauthorized persons.

RESPONSIBILITY

General Manager

ADOPTED BY THE BOARD OF DIRECTORS
DATE ADOPTED 10/30/2008
Arnie Goldade, Secretary

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

IDENTITY THEFT PREVENTION PROGRAM

Purpose: The Federal Trade Commission, as outlined in 16 CFR Part 1681, has required that any entity that offers a “covered account” establish an *Identity Theft Prevention Program*. The program is established by a written plan.

Identify Records. In evaluating the FTC requirements for this written plan it was determined we needed to first identify what records (covered accounts) we maintain or establish that could be “targets” for identity theft. It should be noted here that we are a rural electric **member-owned** cooperative. Our members are our owners. We have identified the following:

1. **Social Security Numbers (SSN).** For each member account we establish we have the member’s social security number on file. If it is a joint account we will have the SSN for the member and spouse or multiple SSNs if there are multiple names on the account. The SSNs are protected by internal security levels set up at the Cooperative level. Only certain employees have access to “sensitive” member account information. The security levels are determined by Management and implemented/maintained by the Cooperative’s System Administrator. The software itself (what we call *Connect*) is purchased from a service provider called Professional Computer Systems, Inc (PCS). Northern Electric has been a “member-owner” of PCS since 1982 so has a long-standing business relationship with them. The software allows us to control the security levels via log-ins and passwords. We are confident of the security level provided. We also have SSNs as part of our personnel files and payroll software applications. The payroll software applications (also provided through PCS) have the same security level options as the Connect software.
2. **Member Address Records.** These records are maintained in much the same manner as the SSNs. Again we have the option of setting the security levels. There is a lower security level with the address records as they are a critical part of our ability to provide service. As a provider of electricity (a service our U.S. Government has classified as critical or vital) we must have widespread access by our employees to member addresses and locations for emergency situations (i.e. an ice storm or a major planned outage). Our dispatch service (a service provider) has access to this “member address/location data base” but we pay a monthly software fee for the maintenance of the proper internet firewalls to insure a safe environment.
3. **Credit Card Information.** We do allow payment of electric bills via credit card so do have some member’s credit card information as part of a member record. Only those members who have opted for the “recurring” payment (automatically pay their bill each month with their credit card) have their credit card information maintained on our member record profile. Those who choose a “one-time” payment with a credit card will not have their credit card information kept on file. Again we have a “service provider” that we utilize to process credit card transactions. This provider is “Payment Processing Inc. (PPI)”. Per an email from them, we have been notified that we are categorized as a “Level 4” merchant, meaning we process less than 1 million Visa or MasterCard “total transactions annually.
4. **Pay-By-Bank/ACH Payments.** We do have bank account information (bank routing numbers and member bank account numbers) on file for members who pay their electric bill by automatically crediting their authorized bank accounts. As with the SSNs and the credit card information we have security levels set to allow only authorized employees access to those files. We also have bank information for employees who have authorized us to automatically deposit their payroll checks. Again, this is a different module than the PCS software and we also have strict security levels assigned for payroll/employee software applications. Currently that access is restricted to the Office Manager and Staff Assistant positions.
5. **PERSONNEL FILES:** Personnel files contain information such as social security numbers and CDL physicals verification. These files are kept in a fire proof file cabinet located in the records room and locked at all times during both business and non-business hours. Only the General Manager/CEO and Executive Secretary have the key to the locked file cabinet.

6. RED FLAG CATEGORIES: EXAMPLES

- 1) Alerts, notifications, or other warnings received from consumer reporting agencies or service providers, such as fraud detection services;
- 2) The presentation of suspicious documents;
- 3) The presentation of suspicious person identifying information, such as suspicious address change;
- 4) The unusual use of, or other suspicious activity related to a member account; and
- 5) Notice from customers, victims of identity theft; law enforcement authorities or other persons regarding possible identity theft in connection with member accounts held by Northern Electric Co-op., Inc.

GENERAL PRACTICES: COVERED ACCOUNTS. It seems pertinent at this point to briefly describe our current practices in what it takes to open an account to get service with Northern Electric Co-op., Inc. A member can sign up for service by paying, if required, a security deposit. Since we do allow members to sign up via phone or internet, we do require verification of an identity (i.e. a driver's license, SSN, etc.) As has been the practice over the 60 plus years the Cooperative has been in existence, we simply assume a certain level of trust that people that want electricity give us valid data and information.

Obviously, there are potential problems with such an open and trusting procedure. However, to the best of our knowledge, there has never been a case yet of identity theft whose roots could be traced back to Northern Electric Cooperative records. Our position here is a delicate one with trying to interpret what the FTC expects with its "Red Flags" rules and what should be a common sense approach to providing our goal of top notch customer service to our member-owners. At this point it does not seem we should alter our existing practices. It seems burdensome to a would-be member that wants service may have to drive up to 120 miles to show us a driver's license and a Social Security card. Certainly we try to be aware of personal information that seems "suspicious" in nature. (i.e. not being able to provide us with a recent credit history). In these cases we will ask for a security deposit.

We will provide training (both in-house and trying to arrange outside consultants via our statewide organization) for our employees in identifying the "Red Flags" and what to do about it. This training will consist of the following:

- A. Explain what the FTC "Red Flags" Rule is.
- B. Review the types of records Northern Electric Cooperative, Inc. maintains that are primary identity theft targets (as noted above).
- C. Review what our policies and procedures are with regards to preventing ID theft and what our appropriate response is to any "Red Flags."

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 40

POLICY NUMBER: GP- 25 (Page 1 of 3)

SUBJECT: Whistle Blower

1 OBJECTIVE

- A. This policy is intended to set forth guidance concerning NEC whistleblower complaint procedures and the anti-retaliation protections afforded to personnel of NEC. NEC is committed to full compliance with applicable state and federal laws in all aspects of its operations. NEC encourages reporting (following Complaint Procedures, below) of truthful information regarding violations or potential violations of federal or state laws. All complaints brought in good faith will be investigated and all legal noncompliance will be corrected promptly. NEC prohibits retaliation against any person who utilizes this Complaint Procedure or who participates in an investigation pursuant to this policy. NEC also complies fully with all state and federal laws that protect employees from retaliation for reporting truthful information to state or federal law enforcement or for testifying, participating in, or otherwise assisting with investigations or enforcement actions against NEC.

2 POLICY**(a) Reporting Information Regarding Federal/State Law Violations**

- (1) Individuals who reasonably believe they have information regarding a violation of Federal or State law, NEC Bylaws and/or NEC Policies, shall bring their complaint as follows:
 - (i) Employee: Allegations relative to employee activities are to be made to the General Manager\CEO.
 - (ii) Chief Executive Officer: Allegations relative to the GM\CEO shall be made to the Chairman of the Board.
 - (iii) Chairman of the Board: Allegations relative to activities of the Chairman of the Board shall be made to the NEC legal attorney. The legal attorney shall make adequate inquiry into the allegations and advise the proper person or entity as to the appropriate procedure to be taken.
 - (iv) Northern Electric Cooperative: Allegations relative to the activities of the cooperative organization shall be made to the appropriate entity having jurisdiction over the subject matter of the complaint.
- (2) Any complaint brought in good faith will be investigated promptly and, if required, corrective action will be taken promptly. Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 40A

POLICY NUMBER: GP-25 (Page 2 of 3)

- (3) Retaliation against an individual who reports violations or potential violations of state or federal law that the individual reasonably believed to be true and accurate is a serious violation of this policy and will be subject to disciplinary action. This whistleblower protection against retaliation extends to any individual who makes reports that the individual reasonably believed to be true and accurate internally at NEC, who makes such reports externally to state or federal law enforcement, or who testifies, participates in, or otherwise assists with any such internal or external investigation or enforcement activities against NEC.
 - (4) Acts of retaliation should be reported immediately to anyone in management and such acts will be promptly investigated and addressed.
 - (5) Misconduct constituting retaliation for whistleblower activities will be dealt with appropriately. Responsive action may include: training, referral to counseling and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay or termination of employment as NEC believes appropriate under the circumstances.
 - (6) Individuals who make false and malicious complaints under this policy (as opposed to complaints which, even if erroneous, are made in good faith based on a reasonable belief in the truth and accuracy of such information) may be subject to appropriate disciplinary action, including termination of employment.
 - (7) Any allegation of a whistleblower must be in writing and signed by the whistleblower. The designated person to whom the allegation is made shall furnish a copy of the allegation to each of the Board members within three business days.
 - (8) The recipient of the allegation shall make an investigation and report to the Board of Directors of the results of that investigation and the proposed action to be taken, if any, at the next regular or special board meeting occurring after the filing of the allegation.
- (b) Board of Directors Review
- The Board of Directors shall have full review and final decision authority in matters related to whistleblower and retaliation situations except where the allegation is against the Board entity.
- (c) Conclusion
- NEC has developed this policy so that all NEC personnel will work together to maintain the highest level of compliance with all state and federal laws. NEC will make every reasonable effort to ensure that all concerned are familiar with these policies and aware that any violation of such policies will be investigated and resolved appropriately. Any director or employee who has any questions or concerns about this policy should talk with the GM\CEO or with the NEC Attorney.

NORTHERN ELECTRIC COOPERATIVE INCORPORATED

SECTION 5
PAGE 40B

POLICY NUMBER: GP- 25 (Page 3 of 3)


1 INTERPRETATION

Where “NEC” is used in this Policy is to mean Northern Electric Cooperative, Inc., Bath, South Dakota

This Policy supersedes any and all other policies of NEC which are inconsistent herewith or conflict with the provisions of this policy.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 7/23/2010


Mike McHugh, Secretary

NORTHERN ELECTRIC COOPERATIVE

Section 5Page 41

POLICY NUMBER: GP-26

SUBJECT: Certification Regarding Debarment

I. OBJECTIVE

To recall the annual certification requirements set forth in 7 CFR 3017 & 3018 to obtain the proper certifications for vendors, contractors, ect. for any transactions in excess of \$25,000 for the Lower Tier Debarment Certification and in excess of \$100,000 for the Lobbying Certification requirements.

II. Policy Content

This certification is a material representation of fact that the NEC Operations Manager will check the disbarred website, <https://www.epls.gov/>, to ensure any contractor/vendor, before entering into an agreement with them, is not on the disbarred or suspended list.

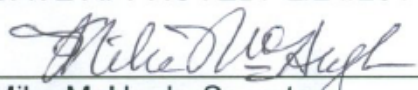
III. Compliance Methods

1. The Operations Manager will check the list prior to entering into any contract with a contractor/vendor.
2. If any contractor/vendor is found to be on the list:
 - a. NEC's electrical engineer will be notified
 - b. NEC's CEO and CFO will be notified
 - c. The contractor/vendor will be notified
 - d. A new contractor/vendor will be contacted

All copies of the certifications will be retained in NEC files and readily available for review upon request.

APPROVED BY THE BOARD OF DIRECTORS

DATE APPROVED: 2/24/2011



Mike McHugh, Secretary

NORTHERN ELECTRIC COOPERATIVE

Section 5Page 42

POLICY NUMBER: GP-27

SUBJECT: Capitalization Policy

The purpose of the capitalization policy is to set forth guidelines for the proper accounting treatment of equipment purchases and construction of electric plant.

Current year expenditures related to the purchase, construction, or repair should be capitalized based on the criteria identified below. The dollar amount indicated below is applied on a “per item” basis and not to the total invoice cost.

Northern Electric Cooperative, Inc. follows the prescribed guidelines set forth under **7 CFR Part 1767 Accounting Requirements for RUS Borrowers**

The following specific guidelines apply to the capitalization of asset purchases:

- Tangible plant and equipment which ordinarily has a service life of more than 4 years.
- The individual items of equipment purchases in excess of \$1,500 (including any direct and indirect costs described below):

The following guidelines further clarify items that are to be classified as repairs and maintenance within the accounting records and clarifies exceptions to the capitalization policies described above.

- Support and maintenance agreements for equipment and other services will be expensed pro rata over the term of the services to be provided in accordance with the agreement.
- Expenditures in the nature of repairs or other maintenance will be expensed.

APPROVED BY THE BOARD OF DIRECTORS
DATE APPROVED: 12/18/2014



Donna Sharp, Secretary

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-701

SUBJECT: IT Risk Management

I. PURPOSE

To empower the Information Technology department (IT) to perform periodic information security risk assessments (RAs) for the purpose of determining areas of vulnerability, and to initiate appropriate remediation.

II. SCOPE

Risk assessments (RAs) can be conducted on any entity within Northern Electric Cooperative or any outside entity that has signed a Third-Party Agreement with Northern Electric Cooperative. RAs can be conducted on any information system, to include applications, servers, and networks, and any process or procedure by which these systems are administered and/or maintained.

III. POLICY

The execution, development and implementation of remediation programs is the responsibility of the IT department and the department responsible for the system area being assessed. Employees are expected to cooperate fully with any RA being conducted on systems for which they are held accountable. Employees are further expected to work with the Risk Assessment Team in the development of a remediation plan.

IV. COMPLIANCE**A. Compliance Measurement**

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES

None.

VI. DEFINITION OF TERMS

None.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald G. Kaay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-702

SUBJECT: Acceptable Use

I. PURPOSE

Northern Electric Cooperative is committed to protecting Northern Electric Cooperative employees and the cooperative from illegal or damaging actions by individuals, either knowingly or unknowingly. Internet/Intranet/Extranet-related systems, including but not limited to computer equipment, software, operating systems, storage media, network accounts, electronic mail, Internet Web browsing, and FTP, are the property of Northern Electric Cooperative. These systems are to be used for business purposes in serving the interests of the company, and our members during normal operations. Northern Electric Cooperative's intentions in publishing an Acceptable Use Policy are not to impose restrictions that are contrary to Northern Electric Cooperative's established culture of openness, trust, and integrity.

Effective security is a team effort involving the participation and support of every Northern Electric Cooperative employee and affiliate who deals with information and/or information systems. It is the responsibility of every computer user to know these guidelines, and to conduct their activities accordingly.

The purpose of this policy is to outline the acceptable use of computer equipment and Information Technology (IT) infrastructure at Northern Electric Cooperative. These rules are in place to protect the employees and the Cooperative. Inappropriate use exposes Northern Electric Cooperative to risks including computer virus attacks, compromise of network systems and services, and legal issues. The policy balances the employee's ability to benefit fully from information technology with the company's need for secure and effectively allocated IT resources.

II. SCOPE

This policy applies to employees, contractors, consultants, temporary employees, and other workers at Northern Electric Cooperative, including all personnel affiliated with third parties. This policy applies to all equipment, software and/or applications that is owned or leased by the Cooperative.

III. POLICY**A. General Use and Ownership**

- i. While Northern Electric Cooperative's network administration desires to provide a reasonable level of privacy, users should be aware that data they create on the company systems remains the property of Northern Electric Cooperative. Because of the need to continually monitor network systems to protect Northern Electric Cooperative's IT resources and information, management cannot guarantee the confidentiality of personal information stored on any network device belonging to Northern Electric Cooperative or in files on the Cooperative network systems.
- ii. Employees are responsible for exercising good judgment regarding the reasonableness of personal use. Northern Electric Cooperative owned IT equipment and computers and related services may be used for incidental personal use purposes provided that:

- Usage is reasonable and does not interfere with work productivity.
 - Does not directly or indirectly interfere with Northern Electric Cooperative business operations, IT facilities or electronic communications.
 - Burden Northern Electric Cooperative with noticeable incremental cost.
 - If there is any uncertainty as to what constitutes acceptable personal use, employees should consult their supervisor or manager who will make the determination.
- iii. Since Internet activities may be monitored, all personnel accessing the internet shall have no expectation of privacy.

B. Security and Proprietary Information

- i. Data residing on Northern Electric Cooperative's corporate IT systems may be classified as either confidential or not confidential, as defined by corporate confidentiality guidelines. Examples of confidential information include but are not limited to company private corporate strategies, competitor sensitive, trade secrets, specifications, vendor and member lists. Employees should take all necessary steps to prevent unauthorized access to this information.
- ii. For security and network maintenance purposes, authorized individuals within the Cooperative may monitor equipment, systems, and network traffic at any time, per Northern Electric Cooperative's System Logging and Monitoring Policy.
- iii. Northern Electric Cooperative reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.
- iv. Employees must use extreme caution when opening e-mail attachments or links which could possibly contain ransomware, viruses, or Trojan horse code. Northern Electric Cooperative utilizes protection software on each workstation, laptop and server as well as filtering all email through protection systems, but some unsafe attachments could still find their way through these defenses. If there are ever any questions or if an individual is unsure, please contact the IT department prior to opening the attachment or clicking on links.
- v. Because information contained on laptops and other portable devices is especially vulnerable, special care should be exercised to protect both the device and its information.
- vi. Employees shall not use Northern Electric Cooperative e-mail, or other facilities to post to social media, message boards, or websites unless the posting is in the course of business duties.

C. Passwords

Please refer to employee policy #708 – Password Policy.

D. Endpoint Protection and Prevention

For complete information please refer to employee policy #705 – Malware Prevention Policy.

E. Unacceptable Use

The lists below are by no means exhaustive but attempt to provide a framework for activities which fall into the category of unacceptable use. The following activities are strictly prohibited, with no exceptions:

i. System and Network Activities

- Under no circumstances is an employee of Northern Electric Cooperative authorized to engage in any activity that is illegal under local, state, federal or international law, while utilizing Northern Electric Cooperative owned resources.
- Violation of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including but not limited to, the installation or distribution of “pirated” or other software products that are not appropriately licensed for use by Northern Electric Cooperative.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Northern Electric Cooperative or the end user does not have an active license is strictly prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to the export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, ransomware, Trojan horses, etc.)
- Using Northern Electric Cooperative computing assets to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user’s local jurisdiction.
- Making fraudulent offers of products, items or services originating from any Northern Electric Cooperative account.
- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, “disruption” includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service (DOS), and forged routing information for malicious purposes.
- Port scanning or security scanning is expressly prohibited unless prior notification to the IT department is made.

- Executing any form of network monitoring which will intercept data not intended for the intercepting employee unless the activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any computer, network, or account.
- Interfering with or denying service to any user other than the employee's computer (for example, denial of service attack).
- Using any program/script/command or sending messages of any kind with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Northern Electric Cooperative employees to parties outside Northern Electric Cooperative without Human Resources department approval.

ii. Email and Communications Activities

Email systems are the property of Northern Electric Cooperative, and such shall not be misused in any of the following manner:

- Sending unsolicited email messages, including the sending of "junk e-mail" or other advertising material to individuals who did not specifically request such material (spam), unless part of a corporate approved targeted marketing campaign.
- Any form of harassment via email, instant messaging, telephone, or texting, whether through language, frequency, or size of messages.
- Send or forward emails or instant messages including any of the following: disruptive or offensive messages, still images, audio, or video images, including but not limited to offensive comments about race, gender, disabilities, age, sexual orientation, pornography, religious beliefs and practice, political beliefs, or national origin. If you receive an email of this nature, promptly notify your immediate supervisor or manager.
- Forge or attempt to forge email messages.
- Disguise or attempt to disguise your identity when sending email.
- Send email messages using another person's email account unless authorized to do so.
- Copy a message or attachment belonging to another user without permission of the originator.
- Posting the same or similar non-business-related messages to social media

For additional information please refer to employee policy #704 – Email Use Policy

iii. Internet Access Activities

The following uses of the Internet, either during working hours or personal time, using Northern Electric Cooperative equipment or facilities, are strictly prohibited:

- Access, retrieve, or print text and graphics information, which exceeds the bounds of generally accepted standards of good taste and ethics.

- The Internet may not be used to access other systems for which the user has no authorization.
- The Internet or Internet connections shall not be used to access or transfer information that is in violation of Local, State, Federal, or copyright laws, or that contradicts the intent or spirit of these policies and procedures.
- Engage in personal commercial activities on the Internet, including offering services or merchandise for sale.
- Engage in any activity which would compromise the security of any Northern Electric Cooperative computer or system.
- Endorse any product or services, participate in any lobbying activity, or engage in any active political activity. The prohibition against engaging in any political activity or fundraising activity does not apply to employees that have Northern Electric Cooperative authorization.
- Employees and contractors working for Northern Electric Cooperative shall not engage in the transmittal of Northern Electric Cooperative information or data for non-business purposes and/or personal gain or benefit.

For additional information please refer to employee policy #703 -Internet Access Policy

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. DEFINITION OF TERMS

VI. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VII. Approved:

Ronald A. Kary
Secretary

1/18/2024
Date

VIII. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-703

SUBJECT: Internet Access

I. PURPOSE

Northern Electric Cooperative is committed to protecting Northern Electric Cooperative employees, and the company from illegal or damaging actions by individuals, either knowingly or unknowingly. This Internet Access Policy defines acceptable use of the Internet by employees, contractors, consultants, temporary employees, and other workers at Northern Electric Cooperative, including all personnel affiliated with third parties, while using Northern Electric Cooperative-owned or leased equipment, facilities, Internet addresses, or domain names registered to Northern Electric Cooperative. Northern Electric Cooperative's intentions for publishing an Internet Access Policy are not to impose restrictions that are contrary to Northern Electric Cooperative's established culture of openness, trust, and integrity.

II. SCOPE

This policy is intended to detail the rules of conduct for Internet use from a Northern Electric Cooperative computer or through the Cooperative's corporate network and applies to all employees, contractors, consultants, temporary employees, and other workers at Northern Electric Cooperative, including all personnel affiliated with third parties.

III. POLICY

Access to the Internet is available to employees, contractors, subcontractors, and business partners, whose duties require it for the conduct of company business. Since Internet activities may be monitored, all personnel accessing the Internet shall have no expectation of privacy. Internet access may also be limited by the user, to specific domains and websites or during predetermined hours, at management's discretion.

A. Acceptable use

Northern Electric Cooperative provides Internet access to facilitate the conduct of company business. Occasional and incidental personal Internet use is permitted if it does not interfere with the work of personnel, the company's ability to perform its mission, does not directly or indirectly interfere with Northern Electric Cooperative's business operations, IT facilities or electronic mail services, and meets the conditions outlined in official company directives.

B. Prohibited Use:

Prohibited Internet activities, whether during normal working hours or on personal time, using Northern Electric Cooperative equipment include but are not limited to, the following:

- Browsing explicit pornographic or hate-based web sites, hacker sites, or other sites that the company has determined to be off-limits.
- Access, retrieve, or print text and graphics information, which exceeds the bounds of generally accepted standards of good taste and ethics.

- Posting, sending, or acquiring sexually explicit or sexually oriented material, hate based material, hacker-related material, or other material determined to be off-limits.
- Posting or sending sensitive information outside of the company without management authorization.
- Posting commercial announcements of advertising material without management authorization.
- Promoting or maintaining a personal or private business, including offering services or merchandise for sale.
- The Internet or Internet connections shall not be used to access or transfer information that is a violation of Local, State, Federal or international copyright laws, or that contradicts the intent and spirit of these policies or procedures.
- Using non-work-related applications or software that occupy excess workstation or network resources.
- Engage in any activity which would compromise the security and integrity of any Northern Electric Cooperative computers or systems.
- Engage in any fund-raising activity, endorse any product or services, participate in any lobbying activity, or engage in any active political activity, without Northern Electric Cooperative authorization.
- Download any file from the Internet without prior approval from the user's immediate supervisor or manager unless the download is from an authorized Northern Electric Cooperative business partner. All requests will be sent through the IT department to verify the source and security of the download. The access may be approved for only a single download, or the user may be granted permanent download rights, depending on the business requirements. Once download access is granted, all aspects of this policy apply. Users are not allowed to download screen savers, animated cursors, weather alert programs or other software programs from the Internet that can introduce malware or impact computer performance.

C. User Responsibilities

Use of computer equipment and Internet access to accomplish job responsibilities will always have priority over incidental personal use. To avoid capacity problems and to reduce the susceptibility of Northern Electric Cooperative information technology resources to computer viruses, Internet users shall comply with the following guidelines.

- Files obtained via the Internet may only be stored on individual PC hard drives, or on file server shares, after they have been scanned for viruses.

For additional information please refer to employee policy #705 - Malware Prevention Policy

- Streaming Video and Music can impact corporate network bandwidth and access speeds and may be limited except when they are used to serve an approved Northern Electric Cooperative business function.

- Users shall follow existing security policies, and procedures in the use of Internet services. All users shall refrain from any practices which might jeopardize Northern Electric Cooperative computer systems and data files, including but not limited to ransomware and virus attacks, when downloading files from the Internet.
- It is suggested that users learn about, and adhere to Internet etiquette, customs, and courtesies, including those procedures and guidelines to be followed when using remote computer services and transferring files from other computers.
- Users shall conduct themselves in a way that reflects positively on Northern Electric Cooperative, since they are identified as Northern Electric Cooperative employees on the Internet.

D. Expectation of Privacy

The computers and computer accounts provided for Northern Electric Cooperative users are to assist them in the performance of their jobs. Users should not have the expectation of privacy anywhere they go on the Internet while using Northern Electric Cooperative's computer system. Users of the Internet should be aware that most sessions on the Internet are not private.

E. System Monitoring

Northern Electric Cooperative has the right to monitor all aspects of its computer systems, including but not limited to, adherence to the Internet Access policy. Circumvention of any monitoring software or tools is prohibited and is subject to the same penalties as any other violation of the Internet Access policy.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. DEFINITION OF TERMS

None.

VI. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VII. Approved:

Ronald A. Kaas
Secretary

1/18/2024
Date

VIII. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE CORPORATION

POLICY NUMBER: GP-704

SUBJECT: Email Use

I. PURPOSE

Northern Electric Cooperative is committed to protecting Northern Electric Cooperative employees, and the company from illegal or damaging actions by individuals, either knowingly or unknowingly. This email Policy defines proper use of the Northern Electric Cooperative electronic mail system, and to make users aware of what Northern Electric Cooperative deems as acceptable and unacceptable use of it. Users shall make every effort to prevent tarnishing the public image of Northern Electric Cooperative and themselves. When email goes out from Northern Electric Cooperative, the general public will tend to view that message as an official policy statement from the company. Northern Electric Cooperative's intentions in publishing an Electronic Mail (Email) Use Policy are not to impose restrictions that are contrary to Northern Electric Cooperative's established culture of openness, trust, and integrity.

II. SCOPE

This policy is intended to detail the rules of conduct for email and instant messages sent from a Northern Electric Cooperative email address or through Northern Electric Cooperative's email servers and applies to all employees, contractors, consultants, temporary employees, and other workers at Northern Electric Cooperative, including all personnel affiliated with third parties.

III. POLICY**A. Prohibited Use:**

The Northern Electric Cooperative email and instant messaging system referenced in this policy is the property of Northern Electric Cooperative and shall not be used for the creation or distribution of any of the following.

- Send or forward emails or messages consisting of any of the following: disruptive or offensive messages, including but not limited to offensive comments about race, gender, color, disabilities, age, sexual orientation, pornography, obscenity, religious beliefs and practice, political beliefs, or national origin. If you receive an Email of this nature, notify your immediate supervisor.
- Forge or attempt to forge email messages.
- Disguise or attempt to disguise your identity when sending an email.
- Send email using another person's account unless authorized.
- Sending chain letters and offensive joke emails from a Northern Electric Cooperative email account is prohibited.
- Forwarding of company confidential messages to external locations.
- Distributing, disseminating, or storing images, text or materials that might be considered discriminatory, offensive or abusive, in that the context is a personal attack, sexist or racist, or might be considered as harassment.
- Accessing copyrighted information in a way that violates the copyright.

- Breaking into the company's or another organization's system or unauthorized use of a password/mailbox.
- Transmitting unsolicited commercial or advertising material unless part of a Northern Electric Cooperative approved targeted marketing campaign.
- Undertaking deliberate activities that waste staff effort or networked resources.
- Introducing any form of computer virus, ransomware, or malware into the corporate network.

Emails generated and sent from a corporate email account should be limited to business content only. Emails shall not contain content, signature lines, or images promoting unsolicited personal views on social, political, religious, or other non-business-related matters.

B. Best Practices

Northern Electric Cooperative considers email as an important means of communication and recognizes the importance of proper email content and speedy replies in conveying a professional image and delivering good member service.

Users should take the same care in drafting an email as they would for any other communication. Therefore, Northern Electric Cooperative requests that users consider the following guidelines.

i. Writing emails:

- Write well-structured emails and use short descriptive subjects.
- Northern Electric Cooperative's email style is informal. Use of common salutations is acceptable such as "Hi" or "Dear" and the name of the person and ending with "Best Regards".
- Signatures should include pertinent information relative to your job classification such as your name, job title, company name, and company logos only. A disclaimer can be added underneath your signature. Signature lines shall not contain statements conveying religious, political, or other such references.
- Users should spell check all emails prior to transmission. This can be set to be performed automatically by most email clients.
- Do not send unnecessary attachments.
- Do not write in ALL CAPITAL LETTERS.
- Do not use Blind Carbon Copy (bcc :) fields unless the bcc: recipient is aware you will be copying a mail to him/her and knows what action, if any, to take. The recipient should be aware that they were copied without another recipient's knowledge.
- If you forward emails, state clearly what actions you expect the recipient to take.
- Only send emails of which the content could be displayed publicly. If they cannot be displayed publicly in their current state, consider rephrasing the email or using another means of communication.
- Only mark emails as important if they really are important.
- Don't set every email to require a read receipt, only those that specifically require it.

- Put nothing in an email that you would be unhappy to see on display in a courtroom.

ii. Replying to emails:

- Emails should be answered in a timely manner. Users should endeavor to answer priority emails as soon as possible. Priority emails from members and business partners.

C. Personal Use

Northern Electric Cooperative electronic mail services may be used for incidental personal purposes provided that:

- Usage is reasonable and does not interfere with work productivity.
- Non-work-related email is saved in a separate folder from work related Email.
- Does not directly or indirectly interfere with Northern Electric Cooperative business operations, IT facilities or electronic mail services.
- It is recommended that anyone using email for personal reasons have a separate Internet email account and access to that account is outside the Cooperatives networks.
- When accessing personal email accounts, using Northern Electric Cooperative equipment, please use caution opening attachments as they are not scanned for malware and can contain viruses or ransomware. It is preferable to access personal email using personal devices from the provided guest network.

D. Email Retention

- User email is directly retained on the user mailbox for an unrestricted period. The retention period of any particular mail article on the server is subject to change by the associated mailbox user making modifications to his/her mailbox through either deleting mail articles or moving mail articles to a storage source external to the email system, or by maintenance efforts to the email system requiring purging of system data. In the latter case, when the maintenance is planned, notification of such maintenance events will be sent to the user base and the IT department will coordinate with the user base to avoid loss of email. In particular cases email loss may be unavoidable.
- Email contained within system backups is retained for a period of time, subject to available resources and/or other policies and procedures.

E. Expectation of Privacy

The computers and computer accounts given to Northern Electric Cooperative users are to assist them in the performance of their jobs. Users should not have the expectation of privacy while using Northern Electric Cooperative's email system.

F. Disclaimer

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the President/CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. DEFINITION OF TERMS

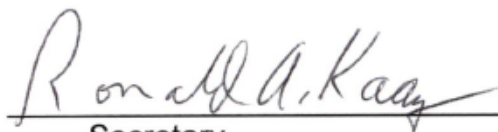
- **Email** - The electronic transmission of information through a mail protocol.
- **Forwarded Email** - Email re-sent from an internal network to a different outside or inside point.
- **Chain Email or Letter** - Email sent to successive people. Typically, the body of the note has directions to send out multiple copies of the note and promises good luck, money, or some other reward if the direction is followed.

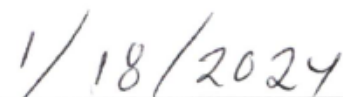
VI. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VII. Approved:


Secretary


Date

VIII. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-705

SUBJECT: Malware Prevention

I. PURPOSE

This Malware Prevention policy is to detail the requirements and guideline for Northern Electric Cooperative to identify, quarantine, and remove viruses and other malware. This is an essential information security control necessary for defense against cyber threats posed.

The purpose of this policy is to outline which technology systems are required to have endpoint protection applications and establish base requirements for these systems.

II. SCOPE

This policy applies to all technology that is owned, operated, or leased by Northern Electric Cooperative. This policy will also determine which technology will have endpoint protection applications installed on it and deploy such applications as appropriate.

III. POLICY

A. General

All computing systems, both physical and virtual, connected to the cooperative network shall have an endpoint protection application installed, configured, activated, and updated with the latest threat definitions. The endpoint protection application must be capable of real-time scanning protection to files and applications running on the target system.

B. Guidelines

- i. The IT department is responsible for deploying and maintaining and documenting Anti-Malware procedures, that details procedures to ensure endpoint protection systems are in place and operating, and that computers are verified as threat free.
 - Employees shall be instructed NOT to trust any other source for endpoint protection or patch management.
 - Ensure that the computers are connected to the protection and patch management systems and no more than a week out of date.
 - Endpoint protection systems should be configured to always scan new removable media and devices attached to cooperative computers prior to use. If this is not an available option, this can be accomplished by opening the anti-virus client software and selecting the appropriate media and manually executing a scan.
 - Whenever new threats are identified and determined to be of sufficient concern to cooperative business, all corporate computer users will be notified about the new threat and appropriate measures to take, if any.

- ii. Any activities with the intention to create and/or distribute malicious programs into Northern Electric Cooperative's networks (e.g., ransomware, viruses, worms, Trojan Horses, etc.) are prohibited, in accordance with Northern Electric Cooperative's Acceptable Use Policy.
- iii. Virus or malware infected computers must be isolated from the cooperative's network until they are verified as virus-free. Refer to Northern Electric Cooperative's Anti-Virus and Malware Remediation Processes for more information.
- iv. Employees will be educated about safe anti-malware practices such as, but not limited to:
 - Phishing emails
 - Opening unexpected attachments
 - Downloading files from unknown sources
 - Deleting spam, chain mails, junk emails
- v. To expedite the recovery from any virus/malware threats the IT department shall ensure that all critical network data and system configurations are backed up in accordance with Northern Electric Cooperative's Backup and Recovery Policy.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be documented and approved by the IT Manager and the CEO in advance.

Specific Servers can be excluded from required endpoint protection software for compatibility. Alternate protection methods such as isolation, Operating system hardening etc. should be implemented to prevent vulnerabilities. Any servers or systems excluded should be documented by the IT department.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies. To ensure that the use of the Cooperative's Information Systems and other electronic communications systems is consistent with the cooperative's legitimate business interests, authorized representatives of the Cooperative may monitor the use of such equipment from time to time and without notice.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- Backup and Recovery Policy #706
- Acceptable Use Policy #702.

VI. DEFINITION OF TERMS

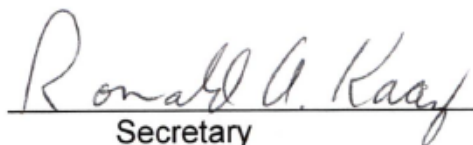
- **Malware** – a general term used to refer to a variety of forms of hostile or intrusive software such as: computer viruses, worms, trojan horses, ransomware, spyware, adware, scareware, and other malicious programs.
- **Virus** – a computer program or piece of code that is installed on or executed by any computer without the knowledge of the owner and runs against the owner's wishes. Viruses are often destructive and malicious.
- **Spyware** – malware that aids in gathering information about a person or organization without their knowledge and that may send such information to another entity without the consumer's consent, or that asserts control over a computer without the consumer's knowledge.

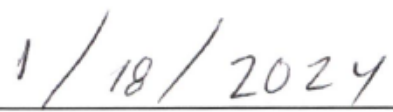
VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:


Secretary


Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE CORPORATION

POLICY NUMBER: GP-706

SUBJECT: Backup and Recovery

I. PURPOSE

Northern Electric Cooperative is committed to protecting Northern Electric Cooperative employees, partners, and the company from illegal or damaging actions by individuals, either knowingly or unknowingly.

The purpose of the Backup Policy is to establish rules and outline the use of media systems and network servers for storage, backup, and recovery of electronic information in Northern Electric Cooperative's Information Technology environment. Electronic backups are a business requirement to enable recovery of data and applications in the case of events such as natural disasters, system drive failures, espionage, data entry errors, or systems operations errors.

II. SCOPE

IT department personnel are responsible for providing adequate backups to ensure the recovery of data and systems in the event of failure. These backup provisions will allow Northern Electric Cooperative business processes to be resumed in a reasonable amount of time with minimal loss of data. Since hardware and software failures can take many forms, and may occur over time, multiple generations of institutional data backups should be maintained.

Federal and state regulations pertaining to the long-term retention of data (e.g., financial records) will be met using separate archive policy and procedures, determined by the designated personnel. Backups are not primarily intended to archive data for future reference, but rather system restoration. Data stored locally on desktop computers is not backed up, nor is data backed up on systems that are not managed by the IT department. Long-term archive requirements are beyond the scope of this policy.

III. POLICY

Northern Electric Cooperative requires that computer systems be backed up on a regular basis and that the backup media is located/stored in a secure off-site location. The purpose of the systems backup is to provide a means to restore the integrity of the computer systems in the event of a hardware/software failure or physical disaster and provide a measure of protection against human error or the inadvertent deletion of important files. Systems backups are not intended to serve as an archival copy or to meet records retention requirements.

- The frequency and extent of backups must be in accordance with the importance of the information and the acceptable risk as determined by the cooperative.
- Northern Electric Cooperative Information Technology backup and recovery processes for each system and service should be annually reviewed by the designated department personnel and the IT department personnel.
- Backup procedures should be periodically tested to ensure that the IT resource is recoverable.

- Procedures for the offsite backup storage should be reviewed periodically.
- Backup media must be readily identified by appropriate labeling and noted in a centralized log as to its physical storage location.
- All critical information used on workstations should be placed on networked file shared drives for backup.

A. Network Storage Structure

Northern Electric Cooperative has network storage in both the Bath and Redfield offices. Northern Electric Cooperative management and staff have file storage folders allocated for their account on network servers. These storage areas are usually referred to as the users "U: drive", where U denotes a mapped storage area on a network server as described below.

U: Drive – Users personal folder on the network share

When the user successfully logs on to their workstation, network connections are established to these folders which can then be accessed as the "U: Drive" in Windows Explorer, and other software programs. Files can be copied from the user's workstation to their "U Drive", or software programs may be configured to save files directly to these mapped drives. These mapped drives are backed up to network storage and removable media. The removable media shall be rotated to an off-site storage facility and securely stored to provide security and disaster recovery.

B. Storage of User Data Files

In order to be able to recover lost data, management and staff should store essential data files requiring backup, to one of the network mapped drives. Data files on the user's local workstation may not be recoverable if the drive fails. Appropriate use of network storage will ensure ample capacity for archival storage of user data files. Users should store and maintain data files (or current copies), which are important to the cooperative and which would be costly or impossible to recreate, on the network mapped drives. Users should not store non-business or non-essential data files on the network drives.

C. Backup Schedule

System backups will be in accordance with Appendix A, "Northern Electric Cooperative Backup Schedule by System".

D. Documentation

Northern Electric Cooperative Information Technology backup and recovery processes for each system and service must be documented by the designated IT department personnel.

- Backup documentation includes identification of all critical data, programs, documentation, and support items that would be necessary to perform essential tasks during a recovery period.

- Documentation of the restoration process must include procedures for the recovery from single-system or application failures as well as a total data center disaster scenario.
- Backup and recovery documentation will be reviewed and updated annually to account for new technology, business changes, and migration of application to alternative platforms. Recovery procedures will be tested on an annual basis where feasible.

E. Backup verification

Test restores from backup archives must be performed at least annually where feasible. This ensures that both the archive media and backup procedures work properly. It must at least once be proven that complete data restoration is possible. This ensures reliable testing as to whether:

- Data restoration is possible.
- The data backup procedure is practical.
- There is sufficient documentation of the data backup process, thus allowing a substitute to carry out a data restoration if necessary.
- The time required for the data restoration meets the availability requirements.

F. Offsite Storage

Backup media are maintained in offsite storage according to the schedule outlined in Appendix A, "Northern Electric Cooperative Backup Schedule by System."

G. File Recovery

In order to have a file restored from the backup archive, the user should contact the IT department and provide the date of the last known good version of the file – this will help identify the set of backup media to use in attempting to restore the file.

Files can usually be restored within a few hours or less. The IT department cannot restore data files which were not archived on the network servers. Users should request restoration of data files as soon as possible to prevent data being overwritten on the backup media.

H. Backup Failure

All backup failures will be logged and investigated as soon as practical upon detection.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- Appendix A, Northern Electric Cooperative Backup Schedule by System

VI. DEFINITION OF TERMS

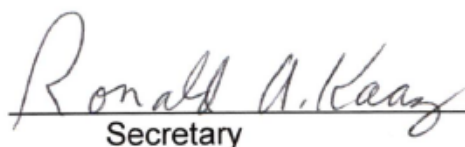
None

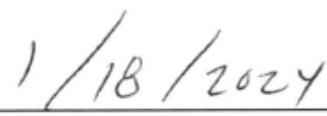
VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- The CEO shall be responsible for the overall administration of this policy.
- All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:


Secretary


Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

Northern Electric Cooperative Backup Schedule by System

Appendix A

Enterprise and AMI Servers

- All servers are replicated to a local host nightly. Replications rotate every 14 days. Replication backups are used as the first option to restore data or servers. This will be the fastest recovery method.
- All servers are backed up to the Redfield office each night. Nightly copies are kept for 14 days, the last weekly copies are kept for 4 weeks, last monthly copies are kept for 12 months, and year end copies are kept for 3 years. Offsite backups are used as disaster recovery for offsite restoration.
- Server images are taken after the year end process performed in January of each year and stored on Network Attached storage along with offline media stored at the Great Plains Bank Lock box. These copies are kept for 7 years.

NISC iVUE and Docvault Servers

- The iVUE and Docvault servers are replicated nightly. Backups rotate every 14 days. Replication backups are used as the first option to restore data or servers. This will be the fastest recovery method.
- Databases are backed up to the NISC offsite Disaster Recovery Center nightly. Restoration of these databases to the NISC Disaster Recovery Center are tested by Northern Electric Cooperative employees once per year in January.
- All NISC servers are backed up to the Redfield office each night. Nightly copies are kept for 14 days, the last weekly copies are kept for 4 weeks, last monthly copies are kept for 12 months, and year end copies are kept for 3 years. Offsite backups are used as disaster recovery for offsite restoration.
- Data base backups along with Server images are taken after the year end process performed in January of each year and stored on Network Attached storage along with offline media stored at the Great Plains Bank Lock box. These copies are kept for 7 years.

Managed Network Equipment

- Backups are performed monthly. This backup media shall be retained for 12 months.

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-707

SUBJECT: System Logging and Monitoring

I. PURPOSE

Monitoring and logging are essential to information security control that is used to identify, respond to, and prevent operational problems, security incidents, policy violations, and fraudulent activity.

The purpose of this policy is to establish requirements and parameters for creating, maintaining, storing, and accessing Northern Electric Cooperative computer and communication device logs. The logs shall be used to assist in troubleshooting, monitoring changes to system performance, recording the actions of users, properly maintaining security, and providing data useful for investigating malicious activity. Additionally, logs may be used to assist in business recovery activities and to comply with federal, state, and local laws and regulations.

II. SCOPE

All employees, contractors, consultants, temporary and other workers at Northern Electric Cooperative and its subsidiaries must adhere to this policy. This policy applies to technology that is owned, operated, or leased by Northern Electric Cooperative or registered under Northern Electric Cooperative.

III. POLICY

A. General Requirements

- i. Timestamps of all systems generating log files will be synchronized using an application such as the Network Time Protocol (NTP) Service to construct and maintain a clear sequence of events.
- ii. The level of information detailed in a log will be determined by the IT department based on the risks to the relevant technology and underlying data and shall be determined in accordance with the cooperative's risk management policy.
- iii. Log files must be examined on a regular basis to protect cooperative technology. The frequency and nature of log monitoring and review depends on the risks to the relevant technology and underlying data and shall be commensurate with the cooperative's risk management policy.
- iv. Log files may contain confidential data and must be handled in a manner that is consistent with the cooperative's policy for such data.
- v. Logging facilities and log information should be protected against tampering, modification, destruction, and unauthorized access. Wherever possible,

system administrators should not have permission to erase, deactivate, or modify logs of their own activities.

- vi. Log files will be retained to comply with the cooperative's record retention policy or as required to support analysis of misuse, incident reconstruction, or other investigations.

IV. COMPLIANCE

A. Compliance Measurement

- i. The IT department will be responsible for configuring log facilities to comply with this policy and dedicating resources sufficient for the storage and review of log files as required by this policy. The IT department is responsible for documenting appropriate compliance with this policy in their areas of responsibility.
- ii. Documentation should be periodically reviewed to ensure continued compliance with this policy.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES

- IT Risk Management Policy #701

VI. DEFINITION OF TERMS

None

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald G. Kaay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-708

SUBJECT: Password Policy

I. PURPOSE

Passwords are an important aspect of computer security. Most cyber-attacks involve the use of compromised user credentials. A poorly chosen password may result in unauthorized access and/or exploitation of Northern Electric Cooperative's resources. All users, including contractors and vendors with access to Northern Electric Cooperative systems, are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords.

The purpose of this policy is to establish a standard for creation of strong passwords, and the protection of those passwords.

II. SCOPE

The scope of this policy includes all personnel who have or are responsible for an account (or any form of access that supports or requires a password) on any system that resides at any Northern Electric Cooperative facility and has access to the Northern Electric Cooperative network.

III. POLICY**A. Password Creation**

- i. All user-level and system-level passwords must conform to the Appendix C Password Construction Guidelines.
- ii. Users shall never use the same password for Northern Electric Cooperative accounts as for other non-Northern Electric Cooperative access (for example, personal accounts)
- iii. User accounts that have administrator/system-level privileges must have a unique password from all other accounts held by that user.
- iv. Where Simple Network Management Protocol (SNMP) is used, the community strings must be defined as something other than the standard defaults of public, private, and system and must be different from the passwords used to log in interactively. SNMP community strings must meet password construction guidelines.

B. Multi Factor (MFA)

- i. All employee user accounts are required to also use Multi Factor Authentication on all systems that support it.

C. Password Change

- i. All system-level passwords (for example, root, enable, Windows admin, application administration accounts, and so on) are set to not expire. These passwords must be changed if an employee with knowledge of the password leaves the cooperative, or there is a suspected compromise of these accounts.

- ii. All user-level passwords (for example, email, web, desktop computer, and so on) are set to not expire. All user accounts will be set to lock if there are 3 failed attempts.
- iii. Password cracking or guessing will be performed on a periodic or random basis by the IT Department. If there is a suspected account compromise or weakness found, a password change is required.
- iv. Passwords may be required to be changed upon identification or notification of a cybersecurity incident or threat.

D. Password Protection

- i. All employees with access to administrative privileges on internal and external systems is required to use an encrypted password management system to store account information. These passwords should never be shared with anyone.
- ii. All individual user-level passwords should not be shared with anyone, including administrative assistants, secretaries, managers, co-workers while on vacation, IT, and/or family members.
- iii. Passwords must not be inserted into email messages or other forms of electronic communication.
- iv. Passwords must not be revealed over the phone to anyone without prior approval from department supervisors.
- v. Do not reveal a password on questionnaires or security forms.
- vi. Do not hint at the format of a password (for example, "my family name").
- vii. Do not write passwords down and store them anywhere in your office. Do not store passwords in a file on a computer system or mobile devices (phone, tablet) if unencrypted. The use of Cooperative approved password management software is encouraged.
- viii. Any user suspecting that his/her password may have been compromised must report the incident to the IT Department and change passwords for all accounts related to that user.

E. All the rules above that apply to passwords apply to passphrases.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to, account cracking and analyzing techniques, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES

- Appendix C

VI. DEFINITION OF TERMS

- Simple Network Management Protocol (SNMP) - is a popular protocol for network management. It is used for collecting information from, and configuring, network devices, such as servers, printers, hubs, switches, and routers on an Internet Protocol (IP) network.
- Single Sign On - a session/user authentication process that permits a user to enter one name and password to access multiple applications.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald A. Kaay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

Appendix C: General Password Construction Guidelines

Passwords are used for various purposes at Northern Electric Cooperative. Everyone should know how to select strong passwords.

Strong passwords have the following characteristics:

- At least fifteen characters long, preferably 25 or more characters long for all user level accounts.
- At least 15 characters long for system level accounts (for example, root, enable, Windows admin, application administration accounts, and so on).
- Passwords should never be written down. Try to create a password that can be easily remembered but difficult for someone else to guess. The longer the password, the better.

NORTHERN ELECTRIC COOPERATIVE

POLICY NUMBER: GP-709

SUBJECT: Personnel Security

I. PURPOSE

Understanding the importance of cyber security and personnel security via individual responsibilities and accountability are paramount to achieving organization security goals. This can be accomplished with a combination of general computer security awareness training and targeted, product specific, training as well as personnel background verifications. The security awareness and training information needs to be continuously reviewed and reinforced.

The purpose of this Policy is to establish the background check requirements and processes for Northern Electric Cooperative prospective employees, current employees, volunteers, and contractors in order to protect employees, membership, board members, and other associated parties. The philosophy of protection and specific security instructions needs to be taught to and re-enforced with computer users.

II. SCOPE

This Policy applies to all employees, vendors, contractors, partners, collaborators, and interns, henceforth referred to as an Applicant, who will conduct business for, or research with, Northern Electric Cooperative that are in contact with financially sensitive information and/or security sensitive information.

III. POLICY

The CFO (Human Resources) is authorized to conduct and oversee the background check process necessitated pursuant to this Policy on behalf of Northern Electric Cooperative.

Either the CEO, CFO, or Department Supervisor may work with law enforcement or outside agencies in executing any of the obligations set forth in this Policy. The CEO and hiring Department Supervisor are responsible for making decisions regarding what type of background check is appropriate, interpreting background check records and information, and determining whether an Applicant is eligible for employment.

Notwithstanding this Policy, nothing precludes CEO, CFO, and Department Supervisor from conducting a background check on any individual when they determine that a background check is necessary.

Management is responsible for initiating the background check process by contacting CFO.

Applicants must consent to a background check to be considered for a position. Any Applicant who refuses to consent to the background check, refuses to provide information necessary to conduct the background check, or provides false or misleading information will not be considered for the position for which she or he has applied. Any Applicant, or current employee, who is found to have provided false or misleading information related to the background check, may be subject to disciplinary action, up to and including termination.

The CEO, CFO, and Department Supervisors are responsible for ensuring the integrity and confidentiality of the Background check process. The CFO and Department Supervisors shall define all positions that meet the criteria for financial sensitivity, security sensitivity, or is in contact with vulnerable populations and shall develop a program for periodically following up on hired individuals to assure there have been no events requiring a revocation of privileges.

A. Security Requirements

i. Criminal Screening

A criminal history check may be conducted for all final applicants, unless a criminal history check has been conducted within the previous three years while employed with the cooperative.

ii. Financial screening

Financial history check must be conducted for final applicants for positions that have access to any Northern Electric Cooperative sensitive information.

iii. Employee Self-Disclosure Requirements Criminal Conviction or Felony Charge

Current employees are required to self-disclose criminal convictions or felony charges against them that occur on or after the effective date of this Policy within (2) two business days of the conviction or felony charges. This information should be reported to CEO, CFO or Department Supervisors. Employees failing to self-disclose may be subject to disciplinary action, up to and including termination.

The Information Technology (IT) Department will implement a program communicating Northern Electric Cooperative's expectations relating to cyber security. This program shall include periodic training and formal acceptance of computer use policies.

B. Training Requirements

- i. All new users must complete a Northern Electric Cooperative Approved Security Awareness training class, prior to, or at least within 14 business days of being granted access to any Northern Electric Cooperative information resources.
- ii. All users must sign an acknowledgement stating they have read and understand Northern Electric Cooperative requirements regarding computer security policies and procedures.
- iii. All users (employees, contractors, interns, vendors, consultants, etc.) must be provided with sufficient training and supporting reference materials to allow them to properly protect Northern Electric Cooperative information resources.
- iv. All users must regularly complete computer security compliance training and pass the associated examination if applicable.
- v. The IT Department will develop and maintain a communications process to be able to communicate new computer security program information, security bulletin information, and security items of interest.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None

VI. DEFINITION OF TERMS

- Financially Sensitive – Pertains to work that meets one or more of the following criteria:
 1. Responsibility for handling or having access to cash, social security numbers, financial account information for either Northern Electric Cooperative or associated members, vendors, or contractors.
 2. Access to financial account information for either Northern Electric Cooperative, or associated members, vendors, or contractors such as banking account information, credit/debit card information, etc.
- Security Sensitive – Pertains to work that meets one or more of the following criteria:
 1. Positions with information technology responsibilities that meet criteria for Privileged Access.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald D. Kay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE**POLICY NO. 710****SUBJECT: User Account Management****I. PURPOSE**

User/Network accounts control access to the Cooperatives technology resources. They are critical to any Information Technology (IT) security program, and the proper creation, control, and supervision of all User/Network accounts is vital.

The purpose of this policy is to establish a formal process to ensure timely action related to granting, modifying, or deleting user account access. This policy is necessary to safeguard the confidentiality and integrity of the Cooperative's information.

II. SCOPE

This Policy applies to all accounts on any system that is owned or leased by the Cooperative.

III. POLICY**A. General**

The Information Technology (IT) Department is responsible for ensuring that this policy is adhered to. All authorized users will be provided a unique User/Network account for their sole use. All accounts must be uniquely identifiable by an assigned username. All accounts must have a password that complies with the Password Policy.

Individual Accounts

Individual accounts are the primary and preferred method of providing access to the Cooperatives IT resources. Users are accountable for their actions and can be audited by the systems to which they have access rights. Individual users must adhere to the terms and conditions of the Cooperatives Acceptable Use Policy.

Administration (Privileged) Accounts

IT Administrative staff can be granted privileged accounts that permit elevated access rights for specific systems or application support and maintenance. Generic/built-in privileged accounts (e.g., Windows domain and local administrator, etc.) shall not be used for daily systems administration. Use a cooperative privileged account instead. Cooperative privileged accounts are to be used by the assigned individual and are not to be shared or used by other individuals unless under direct supervision and must be logged off immediately when finished.

Application-Specific Service Accounts

An application-specific service account controls access to individual applications. Access rights and privileges are programmed/configured within the application. These accounts must never be used for individual access to the network.

Guest Accounts

A guest account is associated with an account that has a generic ID rather than an individual User/Network ID. Such accounts are intended for temporary use by a visitor who has been authorized by a designated account administrator. Guest accounts must be kept to a minimum and their access limited to only what is needed. Guest accounts must be disabled when not in use.

Group Accounts

A group account identifies a functional group or organization. It provides a group of users with a shared User/Network ID to access a common application or system. Group accounts should provide the minimum access privilege required to meet business needs (e.g. read/write access is not given when read-only access will suffice).

B. Account Creation

A Department Supervisor must request the creation of a new account or access to a guest account to the IT Department. A user is not permitted, under any circumstances, to inherit the User/Network ID that was originally assigned to another user. Before access is given to an account, all users should be provided with the Cooperatives Acceptable Use Policy. (Or any other policy that might pertain to using Cooperative IT resources). The account administrator shall create the user ID, the privileges for the account, and a temporary password.

C. Account Status

A user's supervisor must immediately notify IT and the CFO of changes in a user's employment status (departure, extended leave). The account administrator will then disable or remove all associated User/Network accounts.

D. Account Management

The account administrator will:

- Ensure that disabled User/Network IDs are not re-issued to another user.
- Modify user accounts in response to events like name changes, accounting changes, permission changes, or office transfers,
- Remove, after consultation with a user's manager, redundant User/Network accounts that are no longer required.
- Periodically review existing accounts for validity.
- Supervisors may be granted access to an account if an individual is involuntarily removed from a position to ensure continuity of communication for business purposes. Also, upon special request, a supervisor will be granted access to the account after an employee voluntarily leaves.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None

VI. DEFINITION OF TERMS

- None

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald A. Kaay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NO. 711

SUBJECT: Cyber Security Employee Awareness Training

I. PURPOSE

Northern Electric Cooperative recognizes the need to protect Northern Electric Cooperative, our members, and both cooperative and member data, and systems, from cybersecurity threats. This document establishes a formal program for ongoing Employee Awareness Training within Northern Electric Cooperative to ensure employees are adequately trained to recognize, appropriately act upon, and mitigate threats and protect company resources.

II. SCOPE

All full-time and temporary employees and other workers at Northern Electric Cooperative and its subsidiaries must receive identified introductory and ongoing Cyber Security Awareness Training.

III. STANDARDS AND LEGISLATIVE REQUIREMENTS

A formal Cyber Security Training program is required for compliance with many standards, legislative requirements, and Cyber Security Best Practices. Requirements applicable to Northern Electric Cooperative are listed below, along with NERC CIP standards. Northern Electric Cooperative, at this time, is not bound by NERC CIP standards but they are included herein for reference. Other standards and legislation may occur subsequent to this program acceptance and should be adopted and implemented as necessary.

ISO/IEC 27001 & 27002 §8.2.2 - All employees of the organization and, where relevant, contractors and third-party users should receive appropriate awareness training and regular updates in organizational policies and procedures, as relevant for their job function.

PCI DSS §12.6 - Make all employees aware of the importance of cardholder information security.

- Educate employees (for example, through posters, letters, memos, meetings, and promotions).
- Require employees to acknowledge in writing that they have read and understood the company's security policy and procedures

Health Insurance Portability and Accountability Act (HIPPA) §164.308. (a).(5).(i) - Implement a security awareness and training program for all members of its workforce (including management).

Red Flag Rules §16 CFR 681.1(d)-(e). Employees should be trained about the various red flags to look out for, and/or any other relevant aspect of the organization's Identity Theft Prevention Program.

The North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection

Standard. §CIP-004-3(B)(R1) - The Responsible Entity shall establish, document, implement, and maintain a security awareness program to ensure personnel having authorized cyber or authorized unescorted physical access to Critical Cyber Assets receive

on-going reinforcement in sound security practices. The program shall include security awareness reinforcement on at least a quarterly basis using mechanisms such as:

- Direct communications (e.g., emails, memos, computer-based training, etc.).
- Indirect communications (e.g., posters, intranet, brochures, etc.).
- Management support and reinforcement (e.g., presentations, meetings, etc.).

IV. PROGRAM

Roles and Responsibilities

1. **IT Manager** – Ensures that high priority is given to effective security awareness training for all employees. This will include implementation of a viable Information Technology (IT) Cyber Security program with a strong awareness and training component. The IT Department will:
 - Ensure that a Northern Electric Cooperative wide IT Cyber Security program is implemented, well supported by resources and the budget, and is effective.
 - Ensure that Northern Electric Cooperative has enough sufficiently trained personnel to protect its IT resources.
 - Establish the overall strategy for the IT security awareness and training program.
 - Ensure that the Board of Directors, CEO, all employees, and others understand the concept and strategy of the security awareness and training program and are informed of the progress of the program's implementation.
 - Promote the development and certification of the IT security program staff, full-time or part-time security officers, and others with significant security responsibilities.
 - Ensure that Northern Electric Cooperative's IT security awareness and training program is funded.
 - Ensure that all users are sufficiently trained in their security responsibilities.
 - Ensure that effective tracking and reporting mechanisms are in place.
2. **Network Support Specialist** - Functions in the role of Information Technology Security Manager and has tactical level responsibility for the IT security and awareness training program. The Network Support Specialist will:
 - Ensure that awareness and training material developed and presented is appropriate and timely for the intended audiences.
 - Ensure that awareness and training material is effectively deployed to reach the intended audience.
 - Ensure that users and managers have an effective way to provide feedback on the awareness and training material and its presentation.
 - Ensure that awareness and training material is reviewed periodically and updated when necessary.
 - Assist in establishing a tracking and reporting strategy.

3. **Supervisors** – Have responsibility for complying with IT security awareness and training requirements established for their users. Supervisors will:
 - Work with the IT Department to meet shared responsibilities.
 - Serve in the role of system/data owner, where applicable.
 - Consider developing individual development plans (IDP's) for users in roles with significant security responsibilities.
 - Ensure that all users (including contractors) of their systems (i.e., general support systems and major applications) are appropriately trained in how to fulfill their security responsibilities before allowing them access to systems.
 - Ensure that users (including contractors) understand specific rules of each system and application they use.
 - Work to reduce errors and omissions by users due to lack of awareness and/or training.

4. **Users** – Users comprise the largest audience and are the single most important group of people that can help reduce unintentional errors and IT vulnerabilities. Users may include employees, contractors, other agency personnel, visitors, guests, and other collaborators or associates requiring access. Users must:
 - Understand and comply with Northern Electric Cooperative security policies and procedures.
 - Be appropriately trained in the rules of behavior for the systems and applications to which they have access.
 - Work with management to meet training needs.
 - Be aware of actions they can take to better protect Northern Electric Cooperative's information. The actions include, but are not limited to proper password usage, data backup, proper endpoint protection, reporting any suspected incidents or violations of security policy, and following rules established to avoid social engineering attacks and rules to deter spread of spam or viruses and malware.

Training Needs Assessment

1. A needs assessment will be conducted to determine the Northern Electric Cooperative's awareness and training needs. As a minimum, the following roles will be involved and addressed to identify any special training needs:
 - Staff - Identify directives and laws that form the basis of the security program. Ensure comprehension of leadership roles in effecting full compliance by users within their departments.
 - Identified Security Personnel – Ensure these individuals, who are acting as consultants to Northern Electric Cooperative, are well educated in security policies and accepted best practices.

- System Owners – Ensure a broad understanding of security policy and a high degree of understanding regarding security controls and requirements applicable to the systems they manage.
- System Administrators and IT Support Personnel – Ensure a high degree of technical knowledge in effective security practices and implementation.
- Operational Supervisors and System Users – Ensure a high degree of security awareness and training on security controls and rules of behavior for systems they use to conduct business operations.

Awareness Training

1. IT security awareness will be used to focus attention on security and should not be confused with Security training. Various methods will be utilized to promote awareness of security to include items such as, but not be limited to, the following methods:
 - Utilization of security awareness posters and banners throughout all Northern Electric Cooperative offices.
 - Targeted emails with an Awareness message appropriate to the group.
 - Presentations by IT security managers at employee meetings.
 - Scheduled online security awareness training and testing.

Security Training

1. All Technical Services staff involved with IT systems will attend security basics and literacy training courses relative to their areas of oversight and level of security responsibility.
2. Northern Electric Cooperative will provide advanced education for IT staff for industry recognized certifications in IT Security.

New Employee Orientation Training

Newly hired full-time and part-time employees will be provided Cyber Security orientation training to consist of the following:

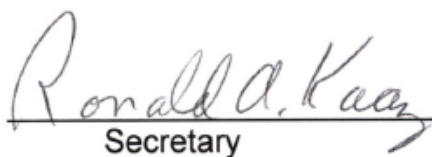
1. Overview of Northern Electric Cooperative employed computing technology.
2. Provision of Northern Electric Cooperative IT Cyber Security Policies Packet. This includes the covering of major aspects of the policies with a signed acknowledgment that the employee has read and understood Northern Electric Cooperative's security policies and procedures.

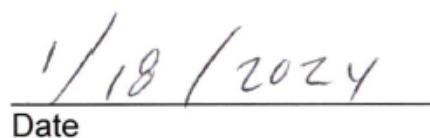
Related Standards

- Adapted from NIST Special Publication 800-50 Building an Information Technology Security Awareness and Training Program.
- Reference PCI Security Standards.

V. DEFINITION OF TERMS

VI. Approved:


Secretary


Date

VII. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE**POLICY NO. 712****SUBJECT: Cyber Security Incident Management****I. PURPOSE**

Cyber incidents occur frequently. It is important to realize that having an incident response and management policy allows Northern Electric Cooperative to protect its information, as well as its reputation. This policy requires the Information Technology department to develop the appropriate procedures, reporting, data collection, management responsibility, legal protocols, and communications strategy to allow the staff to successfully understand, manage, and recover from a cyber incident.

This policy defines the requirement for a baseline incident response and management plan to be developed and implemented by Northern Electric Cooperative that will describe the process to investigate a suspected incident, discover an attack and then effectively contain the damage, eradicating the attacker's presence, and restore the integrity of the network and system.

II. SCOPE

This policy is intended to state the requirements to have an incident response and management plan, along with the phases of incident management, and categories of incidents. It is not intended to specify what goes into the plan or sub-plans.

III. POLICY

The Incident Response Plan shall:

- Ensure that there is a written incident response plan that includes a definition of personnel roles for handling incidents.
The plan shall define the following phases of incident handling:
 - Preparation
 - Detection and Analysis
 - Containment, Eradication and Recovery
 - Post Incident Analysis & Forensics
- Use incident prioritization by determining incident impact:
 - Functional impact – how systems were affected functionality.
 - Information impact – what information was accessed.
 - Recoverability – how quickly systems can be recovered.
 - Define responsibilities during incident response.
- Assign job titles and duties for handling computer and network incidents to specific individuals.
- Define management personnel who will support the incident handling process by acting in key decision-making roles.
- Devise organization-wide standards for the time required for system administrators and other personnel to report anomalous events to the incident handling team, the mechanisms for such reporting, and the kind of information that should be included in the incident notification.
- Define standards and processes for notifying the appropriate legal and/or regulatory organizations.

- Provide instructions on how to report computer anomalies and incidents. Such information should be included in routine employee awareness training and activities.
- Conduct periodic incident handling drills.
- Review the Plan on a periodic basis.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None.

VI. DEFINITION OF TERMS

- **Cyber Security Incident** - any malicious act or suspicious event that: Compromises, or was an attempt to compromise, the electronic or physical security perimeter of a computing system or asset, or disrupts, or was an attempt to disrupt, the operation of a computing system or asset.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald A. Kasey
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NO. 712

SUBJECT: Cyber Security Incident Management

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Cyber incidents occur frequently. It is important to realize that having an incident response and management policy allows Northern Electric Cooperative to protect its information, as well as its reputation. This policy requires the Information Technology department to develop the appropriate procedures, reporting, data collection, management responsibility, legal protocols, and communications strategy to allow the staff to successfully understand, manage, and recover from a cyber incident.

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II. SCOPE

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- Use incident prioritization by determining incident impact:
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 - Information impact – what information was accessed.
 - Recoverability – how quickly systems can be recovered.
 - Define responsibilities during incident response.
- Assign job titles and duties for handling computer and network incidents to specific individuals.
- Define management personnel who will support the incident handling process by acting in key decision-making roles.
- Devise organization-wide standards for the time required for system administrators and other personnel to report anomalous events to the incident handling team, the mechanisms for such reporting, and the kind of information that should be included in the incident notification.
- Define standards and processes for notifying the appropriate legal and/or regulatory organizations.

- Provide instructions on how to report computer anomalies and incidents. Such information should be included in routine employee awareness training and activities.
- Conduct periodic incident handling drills.
- Review the Plan on a periodic basis.

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None.

VI. DEFINITION OF TERMS

- **Cyber Security Incident** - any malicious act or suspicious event that: Compromises, or was an attempt to compromise, the electronic or physical security perimeter of a computing system or asset, or disrupts, or was an attempt to disrupt, the operation of a computing system or asset.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald A. Karp
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE

POLICY NO. 714

SUBJECT: Social Media

I. PURPOSE

Northern Electric Cooperative recognizes that social media could be used by employees. This policy provides guidelines that aim to protect Northern Electric employees and members. This policy applies both to personal use as well as use during working hours that would interfere with the employee's job responsibilities.

II. SCOPE

This Policy applies to employee participation in existing and emerging social media related to Northern Electric Cooperative, including:

- Social and professional networking sites, such as Facebook and LinkedIn.
- Video and photo sharing websites, such as YouTube.
- Blogging sites, such as Twitter.
- Weblogs and discussion groups, including corporate blogs, personal blogs and blogs hosted by media or industry organizations.
- Online encyclopedias, such as Wikipedia.
- Any other website that allows individual users to post information.

III. POLICY

You are responsible for the content of your postings. In participating in social media related to Northern Electric Cooperative, it is your responsibility to:

- Comply with all applicable Northern Electric Cooperative policies, including those related to ethical business conduct, confidentiality of Northern Electric Cooperative information, use of Northern Electric Cooperative furnished equipment, electronic communications, discrimination, and harassment.
- Not to represent that you are speaking on behalf of Northern Electric Cooperative unless you are authorized to do so.
- Respect copyright and fair use laws.

If you participate in social media activities related or referring to Northern Electric Cooperative, you should:

- Disclose your connection to Northern Electric Cooperative.
- Write in the first person and clarify that you are speaking for yourself.
- Ensure factual accuracy of the content you post that references or relates to Northern Electric Cooperative.
- If you believe a news story or blog posting requires an official Northern Electric Cooperative response, contact your immediate supervisor who will determine if one is warranted.

If you participate in social media activities, you should NOT disclose any of the following information related to Northern Electric Cooperative:

- Financial information.
- Confidential information about Northern Electric Cooperative, its members, or its business partners.
- Legal information.

- Information about other employees, former employees, members, or business partners.
- If you are not sure whether information is appropriate for disclosure, do not disclose it.

In addition to the accountabilities described above, you are responsible to ensure that your participation in social media activities does not interfere with your employment responsibilities to Northern Electric Cooperative.

IV. COMPLIANCE

A. Compliance Measurement

Management will monitor social media sites that mention Northern Electric Cooperative through various methods, including but not limited to, business tool reports, internal and external audits, and feedback from others.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None.

VI. DEFINITION OF TERMS

- None.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- The CEO shall be responsible for the overall administration of this policy.
- All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

Social Media
Effective: 12/21/23
Page 3

VIII. Approved:

Ronald A. Keay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023
Date Effective: December 21, 2023

NORTHERN ELECTRIC COOPERATIVE**POLICY NO. 715****SUBJECT: Artificial Intelligence (AI) Acceptable Use Policy****I. PURPOSE**

Northern Electric Cooperative (NEC) recognizes Artificial Intelligence (AI) tools are transforming the way work is produced. AI tools have the potential to automate tasks, improve decision-making, and provide valuable insights into NEC's operations. However, the use of AI tools also presents new challenges in terms of information security and data protection. This standard is intended to ensure employees use AI tools safely and ensure data security, especially when it involves the sharing of potentially sensitive company and member information.

II. SCOPE

This Policy applies to employee utilization of AI tools and services being accessed from NEC's networks, or devices. This also applies to any data exported from NEC's databases.

III. POLICY

All employees are expected to adhere to the following best practices when using AI tools.

A. Evaluation and Approval of AI Tools

Prior to engaging in the use of any AI tool, employees are required to do an evaluation of the tool, including research of:

1. The tool's developer or company reputation
2. The tool's ability to ensure data security
3. The tool's terms of service
4. The developer or company's privacy policy
5. Use of the tool by third-party companies

The General Manager along with the I.T. department will approve the evaluation has been sufficiently done prior to allowing the use of the desired AI tool.

B. Access Control

Since most AI tools are explicitly Internet based tools, employees must take special care when using these tools to ensure data security. Employees shall not provide external access to NEC systems or provide credentials for an internal system to any AI tool without prior approval from The General Manager and the I.T. Manager. Additionally, any significant changes made by the AI tool vendor will require additional

evaluation and approval to ensure security compliance requirements continue to be met.

C. Protection of Confidential Data and Data Privacy

Employees must not upload or share any data with an AI tool that is confidential, proprietary, or protected by regulation without prior approval from the General Manager. This includes data related to members, employees, or NEC vendors. Additionally, employees must exercise discretion when sharing other non-proprietary data publicly to ensure it cannot cause harm or damage to NEC's reputation or cause harm or damage to any of NEC's members.

D. Compliance with Security Standards and Policies

Employees must apply the same security standards and policies used for all company and member data. This includes using strong passwords for access to AI tools, keeping the software up-to-date, and following NEC's data retention and disposal policies.

IV. COMPLIANCE

A. Compliance Measurement

Management will monitor the use of AI tools through various reporting tools, audits, and feedback from employees.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES (Cross references to industry standards)

- None.

VI. DEFINITION OF TERMS

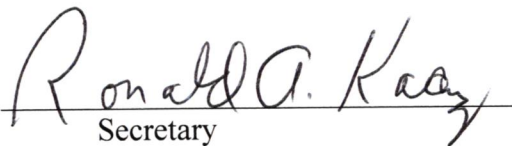
- None.

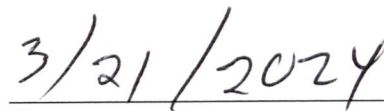
VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- The CEO shall be responsible for the overall administration of this policy.
- All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:


Secretary


Date

IX. Revision History

Date Approved:

Date Effective:

NORTHERN ELECTRIC COOPERATIVE

POLICY NO. 720

SUBJECT: Cyber Incident Response Plan

I. OBJECTIVE

To establish a set of guidelines or a plan in the event of a cyber-attack or data breach. To establish a program to detect, prevent and mitigate Cyber theft or damage.

II. PURPOSE

To provide a guide for Cyber Threat Detection & Validation, Containment, Investigation, Legal Strategy, Communications, Remedial Measures and Updating, Testing and Auditing the plan.

III. SCOPE

Cyber Incident Response Team (CIRT): Manager of Information Technology, CEO, CFO, Cooperative Attorney, Communications Director.

III. POLICY

A. Threat Detection & Validation

- i. It will be the Manager of Information Technology's responsibility to monitor and detect threats through protection systems and 3rd party vendors.
- ii. Firewall and Network Protection systems – The coop will maintain up to date systems that secure and log all Northern Electric Cooperative (NEC) network traffic on all connected networks.
- iii. Endpoint Security – NEC will maintain and monitor Endpoint Security software on all Cooperative owned devices that connect to Cooperative owned networks and systems.
- iv. Logging and Incident Detection – Other means of logging may be used to detect threats as needed, systems will be monitored by the Technology Department and outside support vendors.

B. Types of Data

- i. National Information Solutions Cooperative
 - Customer and Accounting data is located on the Cooperatives in house iVUE and NISC servers and in NISC's data centers.
- ii. Metering data
 - is located on the cooperatives Aclara servers and on the NISC MDM cloud system.
- iii. Northern Electric Cooperative Servers
 - Active Directory, Application servers, File Storage, and other servers are located in the Cooperatives data center in Bath.
- iv. Backup Data
 - Server backups are done nightly and stored both at the Bath office and Redfield office.
 - File Storage backups are replicated to the Redfield office nightly.
 - NISC databases are backed up to the NISC Disaster Recovery Center nightly.

C. Containment

- i. Once a threat has been identified it is the responsibility of the Technology Department to contain and isolate the infected device or devices to prevent the spread of the threat. Care should be taken to not damage any forensic evidence.
- ii. Disconnect infected devices from all network connections but do not power off devices, as doing so can destroy necessary evidence.

- iii. Run threat detection scans on related devices or devices on the same network as the affected devices.

D. Investigation

- i. Once a threat has been identified it will be the responsibility of the CIRT to investigate and communicate with law enforcement agencies, software partners, and the media.
- ii. Federated Rural Insurance Should be contacted for guidelines and any forensic analysis needs.

E. Legal

- i. It will be the responsibility of the CIRT and Federated Rural Insurance to examine all legal actions that may arise from such a threat.

F. Communications

- i. It will be at the guidance of the CIRT to establish any communications to the appropriate people.
 - Board of Directors
 - Employees
 - Consumers
 - Software Partners
 - Media
- ii. What needs to be communicated?
 - What was the threat?
 - What was the impact?
 - Is the threat contained?

IV. COMPLIANCE

A. Compliance Measurement

The IT department will verify compliance to this policy through various methods, including but not limited to business tool reports, internal and external audits, and feedback to the policy owner.

B. Exceptions

Any exception to the policy must be approved by the CEO in advance.

C. Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action in accordance with cooperative employee policies.

V. RELATED STANDARDS, POLICIES, AND PROCESSES

None.

VI. DEFINITION OF TERMS

None.

VII. RESPONSIBILITIES

A. Responsibilities for this policy are delineated as follows:

- i. The Board of Directors of Northern Electric Cooperative are responsible for the content of this policy and its implementation.
- ii. The CEO shall be responsible for the overall administration of this policy.
- iii. All Northern Electric Cooperative personnel are responsible for following the guidelines and procedures laid out in this policy as well as for reporting known violations of the policy.

VIII. Approved:

Ronald A. Kaay
Secretary

1/18/2024
Date

IX. Revision History

Date Approved: December 21, 2023

Date Effective: December 21, 2023