



NewsFlashes

FEBRUARY 2023



Recap of District Meetings Held in January

Thank you to all the LREC members who attended the three 2023 district meetings held last month in-person or by livestream. Around 130 members, plus many LREC directors and employees, attended the meetings. If you did not attend your district's meeting, please note the recorded meetings are available on our website at www.lrec.coop. It was great seeing many of our members. I think the venues we used this year worked very well.

The district meetings were held in Districts 2, 5, and 8. In District 2, incumbent Cecil "Bud" Hensel was nominated as a director candidate. In District 5, incumbent Patrick Meyers was nominated as a director candidate. In District 8, James Gronbeck was nominated as a director candidate to fill the seat left by Sid Wisness, who is retiring this year after serving on the board for 15 years.

These meetings showcase the grassroots efforts of our members, whether it is the

nomination of candidates, meeting members and connecting with them near their homes or businesses located in LREC's service territory, or having important discussions related to LREC—meetings like these never disappoint. As a cooperative, we are different. I can mention that we are different in the sense that LREC is a nonprofit organization that gives profit margins back to its members through capital credits—but it is much more than capital credits that makes LREC different from other organizations and investor-owned utility companies. LREC is different in the sense that your cooperative's operations and actions are driven by the seven cooperative principles that connect our most valued assets, the members, customers, and employees of LREC, with our local communities in ways that have value above and beyond the power being delivered to your homes or businesses. The seven cooperative principles that continue to drive the operations and actions of LREC are as follows:

- 1) Voluntary and open membership
- 2) Democratic member control
- 3) Member economic participation
- 4) Autonomy and independence
- 5) Education, training, and information
- 6) Cooperation among cooperatives
- 7) Concern for community

The LREC Annual Meeting will be held on April 13th, 2023, which is a bit earlier than in recent years. Like last year, there will be three in-person meeting opportunities—one at Life Church in Fergus Falls, another at the Frazee Event Center, and another at the Prairie Event Center in Parkers Prairie. The Annual Meeting will also be livestreamed for those members who are not able to attend in person. I really like having additional options for members to attend our Annual Meeting at locations near their homes or businesses. I hope to see many of you on April 13th!



Tim Thompson



If you haven't yet watched one of our new **Virtual Chats**, don't miss out on these special videos from LREC's CEO Tim Thompson! Scan the QR code to the left with a mobile device camera and/or QR reader app, or visit www.lrec.coop/virtual-chats.

Director Candidates in Districts 2, 5, & 8

Our district meetings with director nominations were held at the beginning of January. Thank you to all who joined us—your participation is greatly valued! In **District 2**, incumbent *Cecil "Bud" Hensel* was nominated as a director candidate. In **District 5**, incumbent *Patrick Meyers* was nominated as a director candidate. In **District 8**, *James Gronbeck* was nominated as a director candidate. Currently, the director candidates for each district are as follows:

- **District 2:** Cecil "Bud" Hensel
- **District 5:** Patrick Meyers
- **District 8:** James Gronbeck

Pending any other candidates via the petition process, any unopposed candidates nominated at the district meetings will be deemed elected by acclamation.

Annual Meeting Locations

Please make plans to join us for our Annual Meeting on **April 13th, 2023**.

We are again offering multiple locations which all will have a *meal* and *livestream* of the primary location.

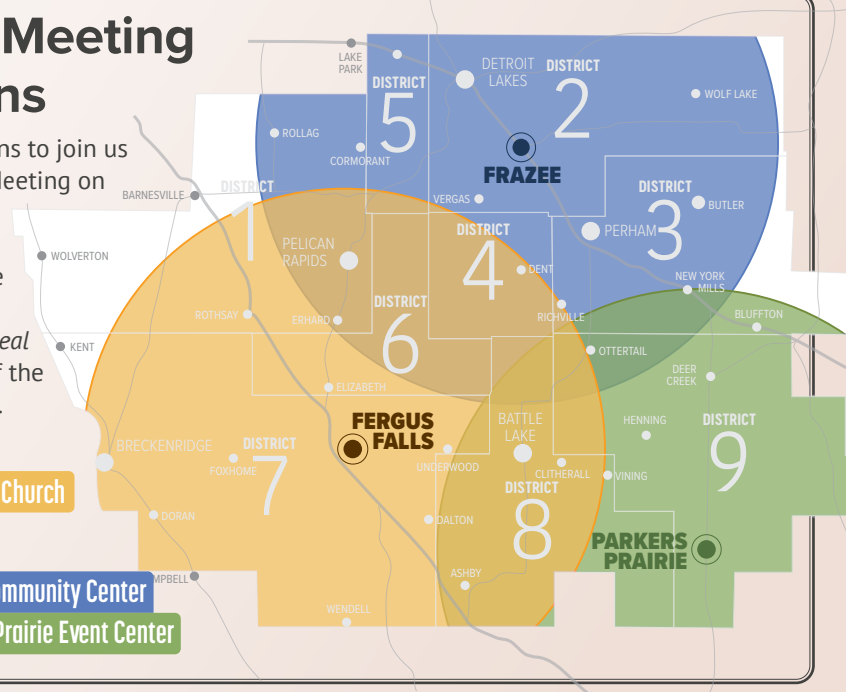
Primary Location

Fergus Falls at Life Church

Satellite Locations

Frazee at Frazee Community Center

Parkers Prairie at Prairie Event Center



Minnesota Legislature Update

PLEASE NOTE: BY THE TIME YOU READ THIS ARTICLE, THERE MAY BE CHANGES TO THE BILL REFERRED TO BELOW THAT HAVE TAKEN PLACE THAT MAKE THE FOLLOWING NO LONGER ACCURATE.

The 100% clean energy bill considered by legislators throughout the State of Minnesota last month would, among other things, require electric utilities like LREC to be 80% carbon-free by 2030 and 100% carbon-free by 2040. The original bill caused us huge reliability and affordability concerns due to the degradation of our baseload generation plants. Grassroots efforts and the leadership of *Minnesota Rural Electric Association (MREA)* achieved several changes to the original draft of the bill. This included lowering the 80% in 2030 to 60%, to help cooperatives with their mission to provide reliable and affordable power, which is essential to so many of our members. These efforts made a difference. MREA, with the support of many cooperative members throughout the state, worked with legislators to make several

changes to the bill to help with our mission of providing our members reliable and affordable power—even in the most extreme weather conditions. LREC, like so many electric cooperatives, will continue to strive for cleaner energy, so long as reliability and affordability are not compromised. We are grateful for the grassroots efforts and leadership of MREA; however, we still have concerns related to the bill and its mandates. Without proven technology to ensure affordability and reliability for our members, we can expect many challenges moving forward if this bill becomes law. We are up to such challenges and will carry on with the same spirit, grit, and determination of those hard-working pioneers who started LREC back in 1937.

Note: LREC offices will be closed on **February 20th** for continuing employee education and employee appreciation.

February Bills Include Updated Off-peak Rates

If you are a member utilizing LREC's off-peak programming, you may notice an increase on your February bill (January's usage). As of January 1st, 2023, LREC updated our off-peak rates to reflect the increases in the wholesale power market, which is primarily driven by the natural gas market.

Nevertheless, our off-peak programs are still very beneficial and continue to be a better value compared to propane. This winter, propane prices have been around \$2.05/gallon. When comparing that to LREC's off-peak dual fuel rate (*September-May*), the propane equivalent is \$1.46/gallon. When members are on LREC's dual fuel program and use their electric system as their primary heating source, they can expect a 28% savings compared to propane.

If you have any questions or concerns about the off-peak rate increase or general off-peak programming, please connect with our customer service team at (800) 552-7658 or chat with us online at www.lrec.coop.

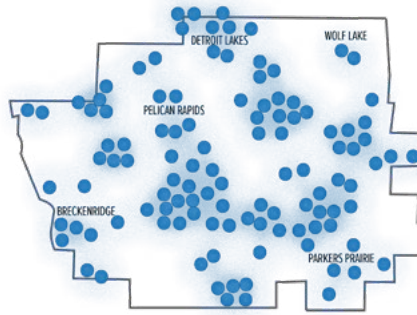
Operation Round Up Awards Nearly \$45,000 to Local Organizations



Lake Region Electric Cooperative (LREC) is thrilled to announce its latest Operation Round Up (ORU) distribution. During the quarterly meeting on Jan. 9, the ORU Board of Trustees awarded funding to 108 local organizations, totaling \$44,950. Since 2007, ORU has awarded \$559,820 and has become a valued and indispensable charitable fundraising program.

This quarter, organizations receiving funds were:

- 5 county extension offices for 4-H programs
- 5 county fair associations for fair expenses
- 22 cities for community festivals
- 26 fire departments for department expenses
- 14 food pantries for the March food drive
- 13 Post Prom committees for post prom party expenses
- 23 schools for scholarships



ORGANIZATIONS RECEIVING FUNDS FROM THE MOST RECENT ALLOCATION ARE DISTRIBUTED THROUGHOUT LREC'S ENTIRE SERVICE TERRITORY.

In addition to the distribution of funds, the ORU Trustee Board welcomed two new members: **Nick Murdock** (*District 3*) and **Denise Laymon** (*District 4*). *District 5* representative Patty Johnson was voted in as the Board Chair. ORU trustees are selected to serve by LREC's Board of Directors and represent each of LREC's nine districts.

As a LREC member, you can participate in ORU by donating the extra change on your electric bill when rounding up to the next dollar (\$0.01-\$0.99 each month). To sign up, members can visit the LREC website, log onto their SmartHub account, email billing@lrec.coop, or call (800) 552-7658.

If you have a community project that needs funding, complete the online form found on www.lrec.coop/oru and submit it with supporting documentation for consideration. Applications for the next round of funding will be accepted until **March 15th, 2023**.

Go Paperless & Get a \$5 Bill Credit

Help us save money with paperless billing. You can choose to receive your monthly bill and *NewsFlashes* delivered via email. Your account information is always available online. Go paperless and receive a one time **\$5 bill credit!**

1. Visit *SmartHub* by clicking *View & Pay Bill*.
2. Log in or register for *SmartHub*.
3. Click on *My Profile*.
4. Choose *Update My Printed Bill Settings*.
5. Change your printed bill status to *Off*.

2023 Energy Efficiency Rebates

Heating and Cooling

Heat Pump Systems*	Ductless air source heat pump—ENERGY STAR or 16 SEER minimum	\$300
	Air source heat pump, SEER 14.5 -16+	Up to \$630*
	Geothermal heat pump, closed loop	Up to \$400 per ton
Central Air Conditioners*	Central air conditioner, SEER 14.5 or greater	\$50/unit*
Electric Thermal Storage (ETS) Heating Systems	Steffes ETS systems on short term storage	\$25 per KW
	All ETS systems on long term storage	\$50 per KW
Electronically Commutated Motor	Motor replacement only	\$50

Water Heating

Heat Pump Water Heater	Must be ENERGY STAR	\$500
ETS Water Heater (5.5¢ rate)	Must be at least 100 gallons and grid enabled	\$400
Peak Shave Water Heater (6.1¢ rate)	Must be at least 80 gallons and grid enabled	\$100

Miscellaneous

Electric Vehicle Charger Installation	Level 2 chargers: \$500 (must be on EV rate)	Up to \$500
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*Rebates for high efficiency air source heat pumps and air conditioners are available only through qualified contractors registered at HVACRedu.net. Go to www.lrec.coop and on "QI A/C & ASHP Contractors" under *Quicklinks* to find qualified contractors in your area. All rebates are subject to change. Please contact LREC to verify availability.