



NewsFlashes

JULY 2025



LREC Energy Forum Offers Engagement and Information

As your cooperative, education is one of our core principles. It's our responsibility to provide regular, transparent communication that allows our members to stay informed on the trends, outlook, and legislation that will shape how energy is delivered in the months and years ahead.

For the fourth consecutive year, LREC worked with industry partners to create an Energy Forum panel of diverse experts ready to share their perspectives on the planning and preparation required to meet the challenges presented by the current energy transition.



After the presentations, attendees had an opportunity to ask the panelists questions.

Jim Matheson, CEO of the *National Rural Electric Cooperative Association (NRECA)*, began the morning by discussing the increased demand driven by the rise of artificial intelligence (AI) and emergence of data centers. He emphasized the need for a balanced mix of energy that relies not only on increased renewables but also making sure dispatchable resources – those readily available such as natural gas and coal – are part of future portfolios. In addition, he gave information on federal grant monies that could fund renewable projects such as new wind and solar.

Darrick Moe, CEO of the *Minnesota Rural Electric Association (MREA)*, took a more regional approach to his presentation, reiterating the need for a balanced energy portfolio before sharing MREA's advocacy efforts toward net metering reform and lifting the state's nuclear moratorium. Moe made the case for nuclear as the clean energy source of the future, citing its safety and small carbon and environmental footprint. He presented small modular reactors as an efficient, and relatively inexpensive, option to traditional plants.



Joel Janorschke's CEO Column is continued on page 2 →

2024 Capital Credit Allocation

As a member-owner of LREC, you invest in your co-op through your energy purchases. Each year, any *margin* (revenue after expenses) earned by your co-op is reinvested. That margin is proportionally *allocated* to capital credit accounts for each member-owner based on their electric use during the year. These accounts are maintained until the credits are retired (paid).



A capital credit payment is proof that you are a member-owner of a successful, effective organization. As a member-owner of LREC, you are automatically eligible for capital credits. This is the value of being a member-owner, rather than just a customer.

This year, the LREC Board of Directors approved a capital credit allocation totaling **\$1,657,214.13**. This total includes \$646,866.85 from LREC and \$1,010,347.28 from Great River Energy (GRE). Please check your electric bill for the *2024 Capital Credit Allocation* details.

For more info and frequently asked questions, scan the QR code to the right or visit www.lrec.coop/capitalcredits
Note: this is only a notification – capital credit funds are not being disbursed at this time.



Member Appreciation Day

Join us on **August 7th**
at **Phelps Mill Park**
from **3 to 7 p.m.**

- ☼ Free Meal & Park Entry
- ☼ Test Drive Ebikes & EVs
- ☼ Safety Demonstrations

29029 County Highway 45, Underwood, Minnesota 56586

CEO Column *Continued from front page.*

First-time presenter **Justin Kringstad** of the *North Dakota Pipeline Authority* was on hand to give attendees a deeper understanding of North Dakota (ND) as a major source of natural gas. Kringstad also outlined new projects the state is developing to address growing volume needs in the region, delivering production from the western part of the state to markets in eastern ND and into Minnesota.

Remaining Forum panelists included **Zac Ruzycki** and **Priti Patel** from our wholesale power provider, *Great River Energy (GRE)*. Ruzycki, director of resource planning, covered how GRE is meeting the Midwest region's current capacity requirements and their plans for developing additional resources by 2030. Vice President and Chief Transmission Officer Patel gave an overview of projects led by GRE to increase high-voltage transmission throughout the state, including a 765-kV "superhighway" needed to transport energy generated by wind and solar.

Presentations were followed by a brief trade show, hosted by the LREC Energy Services team, providing consultation on our generator, water heater, and solar programs and information on vendor partners such as Briggs & Stratton.

For members interested in these issues who were unable to attend this year's Forum, a video is available by visiting the Energy Forum page on our website. We encourage you to give it a watch.

I appreciated the invitation I received to attend this year's Forum; as I was not yet CEO, it served as a welcome introduction to LREC's culture of interacting with the community. Along with the content provided within the presentations, your engagement and willingness to ask questions helped provide a clearer picture of the issues facing Minnesota. I look forward to hearing from more of our members in the coming months.

Cooperatively yours,
Joel Janorschke, CEO



Employees were available for members interested in learning more about LREC's various services.



To view recordings of the Energy Forum, please visit www.lrec.coop/energyforum or scan the QR code to the left.

LREC Events

Twins Youth Baseball Clinic • August 1st • 4-6 p.m.
Parkers Prairie High School and Lake Region Electric Cooperative invite kids ages 6–12 to a free baseball clinic! Meet at Parkers Prairie High School. Open to all. Register at twins.com/clinics

Member Appreciation Day • August 7th • 3-7 p.m.
Join us for our Member Appreciation Day at Phelps Mill Park! Enjoy free park entry, a meal, ebike and electric vehicle test drives, safety demonstrations, and more as we celebrate and thank our members.

Blood Drive • August 29th • 9 a.m.-3 p.m.
LREC is hosting a blood drive at our headquarters in Pelican Rapids. We need volunteers willing to donate blood or Power Red. Reserve a time at www.lrec.coop/blooddrive

Construction Work Plan Updates

In the last quarter of 2024, LREC's Board of Directors approved a four-year *Construction Work Plan (CWP)* with the goal of enhancing our grid to improve resiliency and ensure it is ready for future load growth. As planning and construction occurs on these projects, we will be providing monthly updates in future newsletters. The following information reflects the initial progress made in early 2025:



Field Regulators: We are upgrading our field regulators (devices that maintain proper voltage levels on power lines) on several substations. Staking was completed in February and March for the four projects (out of 11) scheduled for 2025. The upgrades at Evergreen, Butler, and New York Mills substations will be completed late 2025 as the work can be done in winter.

Upgrading Substation Reclosers: Reclosers, the automatic switches that detect and respond to power line disturbances, are also being upgraded. Two projects (out of 10) have been completed as of March to replace end-of-life equipment experiencing operational issues/failures. This work ensures reclosers continue to operate correctly, and migrates all electronic reclosers to one platform, simplifying field operations.

Line Upgrades: The CWP also includes 22 line upgrade projects covering 38.25 miles of line. Early in the year, staking was completed on three of those projects covering 6.3 miles in the Parkers Prairie area, with work scheduled to begin in spring/summer. Replacing older overhead lines with larger conductors will improve system performance and reliability and allow for future growth.

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Switch to Paperless & AutoPay!

New sign-ups get a one-time bill credit of \$5.
Learn more at www.lrec.coop/paperless



Smart Comfort, Real Savings

LREC SMART THERMOSTAT PILOT PROGRAM

Pre-cool* or warm* your home prior to peak events to save on costs when energy is most expensive. Program participants receive a one-time \$25 bill credit upon joining, then \$25 for each participation season**.



Call (800) 552-7658 or start a chat at www.lrec.coop to learn more about being a part of this new program!

* Thermostats are adjusted 2-3°F before the peak period, then re-adjusted to 3-4° from the member's typical set point for 4 hours during peak.

** Members can choose to participate in cooling and/or heating seasons and receive a \$25 bill credit for each one they participate in.

Notice to Distributed Generation Facilities

In compliance with Lake Region Electric Cooperative's adopted rules relating to cogeneration and small power production, Lake Region Electric Cooperative is obligated to interconnect with and purchase electricity from cogenerators and small power producers, whom satisfy the conditions as a qualifying facility. Lake Region Electric Cooperative is obligated to provide information free of charge to all interested members upon request regarding rates and interconnection requirements. All interconnections require an application and approval to become a qualifying facility. Any dispute over interconnections, sales, and purchases is subject to resolution by the Lake Region Electric Board of Directors. Interested members should contact Lake Region Electric Cooperative, 1401 S. Broadway, PO Box 643, Pelican Rapids, MN 56572 or call (800) 552-7658, or visit the cooperative website at www.lrec.coop.