



NewsFlashes

NOVEMBER 2025



STRENGTHENING THE GRID

In early October, crews began clearing the site for the new Otto Substation by relocating structures and equipment that were in the way of construction. Once completed, the substation (expected to be in service by late 2028), along with the new 115 kV transmission line, will improve reliability for members and support future growth.

The Results Are In!

2025 Member Satisfaction Survey Takeaways

Distributed every October, our annual Member Satisfaction survey continues to serve not only as a gauge on our performance over the past year, but also as a way to make sure we're sharing information on areas of service most important to our members.

We're happy to report that regarding overall satisfaction, members rated the co-op a 9 out of a possible 10, helping us meet our survey goal for the fourth consecutive year. Your feedback plays an important part in the steps we take to maintain that score. We thank you for your participation and partnership in our efforts to improve.

We grouped this year's survey responses into four common themes: facility charge details, vegetation management, capital credits, and off-peak controls. This month and in December's newsletter, we'll provide content focused on those topics, beginning with the two below:

Facility Charge: What is it?

Many respondents – including seasonal members – had questions on how the facility charge is determined and why, if they are not actively using electricity year-round, they would pay the same as members who do.

It helps to understand that a **facility charge** covers ongoing fixed costs – the poles, wires, trucks, and equipment needed *just to have electric service available*. It also supports essential work such as vegetation management near power lines, routine system maintenance, outage response, and administrative operations that keep the cooperative functioning every day. These costs are **apart from individual household usage** and, because LREC continues to invest in improving service reliability, are divided equally among our members on a monthly basis. Also, note that cooperative service areas are comprised of rural or smaller communities with **fewer customers to help share the total cost**, which results in a facility charge that may be higher when compared against investor-owned utilities that serve more populated cities.



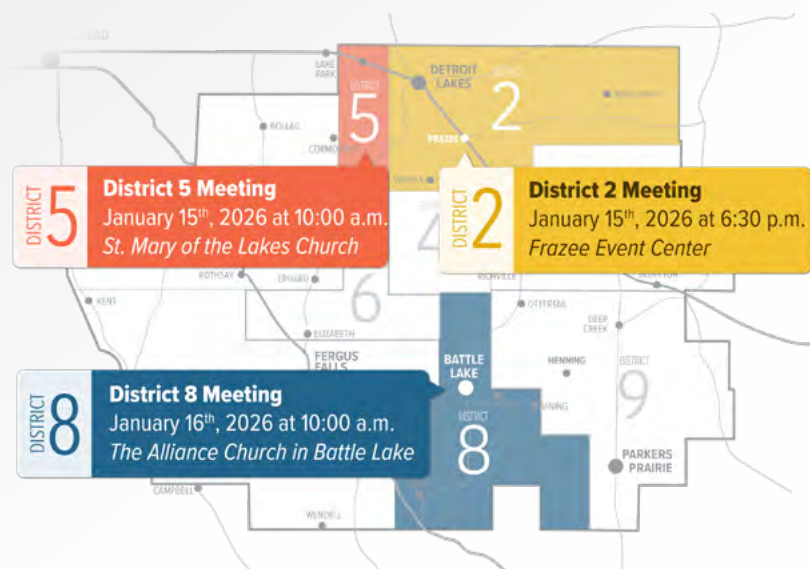
Interested in learning more? Scan the QR code or visit www.lrec.coop/facilitycharge.

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

2026 District Meetings OFFICIAL NOTICE

Candidates for the LREC Board of Directors will be nominated in districts 2, 5, and 8 at the district meetings. Meetings will be held in each of the three nominating districts. All members are invited, although only members of each district can vote. Livestreams of the meetings will be available as well.

- ② **District 2:** January 15th, 2026 at 6:30 p.m.
Frazee Event Center, Frazee
- ⑤ **District 5:** January 15th, 2026 at 10:00 a.m.
St. Mary of the Lakes Church, Detroit Lakes
- ⑧ **District 8:** January 16th, 2026 at 10:00 a.m.
The Alliance Church in Battle Lake, Battle Lake



Interested in Being a Director?

Any member interested in becoming a candidate for the Lake Region Electric Cooperative Board of Directors should visit www.lrec.coop/directorinfo or scan the QR code to learn more about the election process and responsibilities of being a director.



SAVE THE DATE

Annual Meeting April 30th

Vegetation Management (VM) Tree Trimming FAQs

Another identified area of interest was tree maintenance – specifically, when we talk about trimming, what do we mean by a “corridor”? Why is it needed and how can we help our members with their plans?

In VM, a maintenance corridor can best be described as the recommended distance between a power line and potential tree growth – dependent on tree-specific height and diameter – that should be maintained in order to both prevent vegetation-related interference and allow linemen access to the source of an outage so they can restore power as quickly and safely as possible.

Areas planned for trimming are determined by *AiDash*, our predictive technology system, and scheduled by LREC crews on a rotational basis. Members residing in affected areas will be notified with a postcard or phone call by our Arborist before trimming begins. The Arborist can also assist with reviewing tree and powerline conflicts; however, in most cases, it is best to wait until your circuit is scheduled for routine maintenance.



Need more help? Detailed information on maintenance corridors, trimming maps, and planting recommendations can be found by visiting our Vegetation Management page at www.lrec.coop/vm or by scanning the QR code.

Thanks again to everyone who took time to participate in this year’s survey. I look forward to working with our members in the months ahead.

Cooperatively yours, **Joel Janorschke, CEO**

Contact the CEO
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Update on Our Class Cost of Service Study

Earlier this year, we shared that Lake Region Electric Cooperative’s Board of Directors approved a Class Cost of Service Study (CCOSS) to help ensure our rates remain fair and balanced. The study is now underway, and we expect to receive the results early next year.

A CCOSS is the industry standard for evaluating electric rates. It examines the actual costs of providing service to different groups of members (i.e., residential, commercial) and compares these costs to the revenue each group contributes. The goal is to make sure each member class pays its fair share for the services it receives.

Although much of the work involves detailed accounting, the study also takes into account how our electric system operates in real life. It looks at *when* and *how* electricity is used, how different types of members affect *system demand*, and how these factors drive *overall costs*. Using data from our membership helps ensure costs are allocated as accurately and fairly as possible.

Once the study is complete, our staff and Board will use its findings to guide any future rate adjustments. Our goal throughout this process is to keep rates fair, equitable, and financially sound, while continuing to provide the reliable service our members count on.

Living Our Principles

As a follow-up to October’s National Cooperative Month feature, we’re continuing to shine a light on the ways in which LREC is putting our cooperative principles into action.

Cooperative Principle 5: Education, training, and information is a good example of how the cooperative model benefits the entire LREC community, both members and employees alike.

By participating in national campaigns in schools such as Ag in the Classroom, our linemen have been able to demonstrate the potential dangers of electricity, explain how it works, and ideally, inspire students of all ages to consider a career in our industry. LREC staff, including linemen, have regularly scheduled sessions administered by the Minnesota Rural Electric Association that provide job skills, workplace environment training, and support our commitment to safety. And finally, our monthly newsletter, website, and social media channels are dedicated to providing timely content that not only allows our members to prepare for change, but understand the decisions or environment that drove it.



Our goal is to use each cooperative principle as a guideline to create a high level of service for our members that has a positive impact on the community. Stay tuned for next month’s feature! Scan the QR code to the right to view a complete list of the cooperative principles.



Lake Region Electric Cooperative offices will be closed for Thanksgiving on November 27th-28th.
For Christmas and New Years, the offices will be closed on December 24th-25th and December 31st-January 1st.

Operation Round Up Recipients

Operation Round Up (ORU) allows LREC members to support local charities by rounding up their monthly bills. The small extra amounts, from \$0.01 to \$0.99, collectively make a meaningful impact in the community.



A total of **\$30,500** was awarded by the Operation Round Up Board of Trustees at the October 6th meeting.

- ◆ **\$500** to *Kaddatz Galleries* for art classroom accessibility upgrades
 - ◆ **\$500** to *Someplace Safe – Pelican Rapids* for emergency resources cabinetry and shelving
 - ◆ **\$1,000** to *New York Mills Art Retreat* for family-friendly Halloween event
 - ◆ **\$2,500** to *Gather & Give, Inc.* for coffee shop start-up to support local communities
 - ◆ **\$2,500** to *LSS Camp Knutson* for camp bathhouse renovations
- ◆ **\$3,500** to *BIO Girls* for 2026 Lake Region Area program support
 - ◆ **\$5,000** to *Camp Joy* for cabin door and window replacements
 - ◆ **\$5,000** to *Empowering Kids Perham* for Social Group Programming scholarships
 - ◆ **\$5,000** to *Erhard 4th of July Parade Committee* for playground equipment upgrades
 - ◆ **\$5,000** to *Friends of Pelican Library* for computer replacements

Veteran Lineworker Scholarship

Lake Region Electric Cooperative and M State Foundation and Alumni offer \$1,500 annual scholarships to qualifying veterans attending the Wadena campus of Minnesota State Community and Technical College. Eligible applicants must be U.S. military veterans (including National Guard), part-time or full-time students in the Electrical Line Worker Technology program, and members of Lake Region Electric Cooperative. For more information, contact Lake Region at (800) 552-7658.