



NewsFlashes

APRIL 2026



Pictured are a few of LREC's lineworkers from the Ottertail and Pelican Rapids crews. #ThankALineworker

CEO COLUMN

You're Invited to Our 89th Annual Meeting!

I hope you'll join us on April 30th for Lake Region Electric Cooperative's 89th Annual Meeting. As a member-owner, this is an excellent opportunity to learn more about the financial and operational condition of your cooperative, along with connecting with board members, employees, and fellow members.

Inside this edition of *NewsFlashes*, you'll find everything you need to know—meeting locations, livestream info, the program, and details about the District 8 election. We'll also post updates on our social channels and at www.lrec.coop/annualmeeting as the date gets closer.

New to this year's business meeting is presenter Jon Brekke, Vice President and Chief Power Supply Officer with Great River Energy (GRE). With direct experience working with energy markets and power acquisition for GRE, Jon's presentation will provide an inside look at GRE rate trends and current transmission projects.

I encourage you to join us for this opportunity to learn more about how the cooperative is run. Members who attend the business meeting either in person or online will receive a one-time \$10 bill credit. Remember to bring your Annual Meeting postcard to be entered into drawings for additional \$50 and \$25 bill credits at each location.

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

SCHEDULE FOR APRIL 30TH

5:00 p.m. Dinner will begin at *Life Church* in Fergus Falls

5:30 p.m. Dinner will begin at the satellite locations

Livestream starts at lrec.coop/annualmeeting

Live piano music by **April Spaeth**

6:30 p.m. Annual Meeting begins

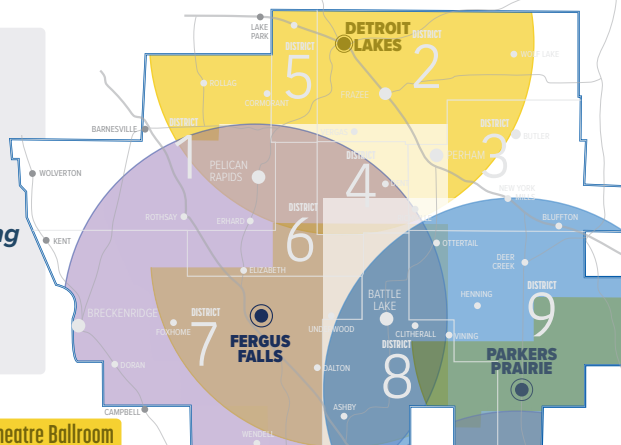
Primary Location

Fergus Falls at Life Church

Satellite Locations

Detroit Lakes at Holmes Theatre Ballroom

Parkers Prairie at Prairie Event Center



Lineworker Appreciation Day is April 18th

Every April, members and customers of electric utilities take a moment to recognize the efforts of lineworkers across the country. For LREC, it's a well deserved shout out to our crews and their commitment to keeping our cooperative's lights on, our homes warm, and our neighborhoods running no matter what the Minnesota weather decides to throw at us. We're grateful for their ability to restore power through rain, wind, or snow – whatever the job requires.

And, while long nights in extreme conditions may get the attention, day-to-day assignments focused on ensuring our service remains efficient and reliable are also worth noting. For the past year, we've shared progress and planning for projects that will strengthen our grid and help prepare the cooperative for future demand.

Lineworker Appreciation Day is continued on page 3 →

CEO Column *Continued from front page.*

Stay tuned for more information as we get closer to the event – we look forward to your participation!

2026 Rate Adjustment

As your April statement will be the first to reflect the rate and facility charge changes that took effect March 1st, 2026, I want to remind members that complete information for all rate classes can be found by scanning the QR code to the right or by visiting www.lrec.coop/2026rates.



We're here to help. If you have any questions about how this adjustment has been applied to your energy usage, please reach out to our Member Services team at (800) 552-7658.

Polar Vortex and the PCA

Finally, in addition to the rate adjustment, you'll also notice this month's statement includes the second part of the

Power Cost Adjustment (PCA) charge of \$0.01585/kWh (related to the polar vortex). As last month's bill stuffer explained, the extremely cold temperatures at the end of January caused wholesale power costs to spike. This affected the purchase pricing for LREC. Your board of directors chose to split that cost over two months instead of appearing all one one statement.

As always, our goal with any communication is to be as transparent and informative as possible. If you have questions on these or any other topics, please let me know.

Cooperatively yours,

Joel Janorschke, CEO



Contact Me

Email: jjanorschke@lrec.coop

Cell: (320) 292-4036

Energy Services Video Series

Beginning this month, we're introducing a new video series from our Energy Services team created to provide details on energy saving programs that can lower your monthly bill, equipment troubleshooting, and more. Short, easy to understand clips will be posted every two weeks to both our Facebook page and the LREC website to help when you have questions but not a lot of time.

Scan the QR code or visit www.lrec.coop/energyservices to start watching!



March Rate Change Reminder

Beginning March 1, 2026, the general energy rate changed to 12.4¢/kWh for summer months (June–August) and 11.0¢/kWh for all other months, along with an increased monthly facility charge of \$45. This rate change is reflected on your March billing statement.

You can see how all rates have changed, as well as a list of frequently asked questions, at www.lrec.coop/2026rates or scan the QR code to the right.

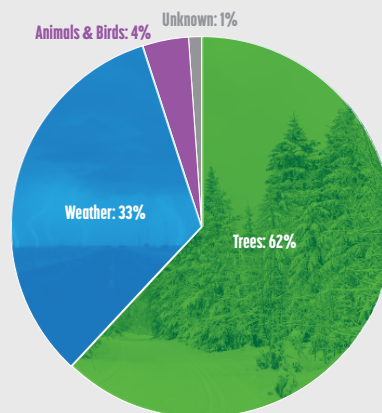
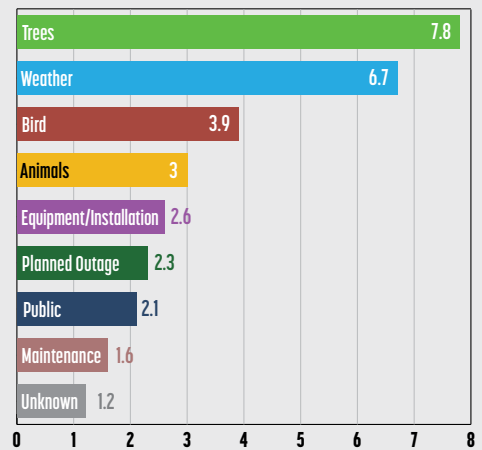


Causes of Outages in Q4 of 2025

Lake Region Electric Cooperative tracks the cause and impact of every outage to guide reliability improvements. In the fourth quarter of 2025, tree-related outages and weather were the primary drivers of service interruptions, accounting for the majority of total customer hours. Tree-related incidents had the greatest overall impact, followed by weather, while equipment issues, animal contacts, public incidents, and other causes made up smaller portions.

Outage Hours per Member Affected

Organized by Cause of Outage



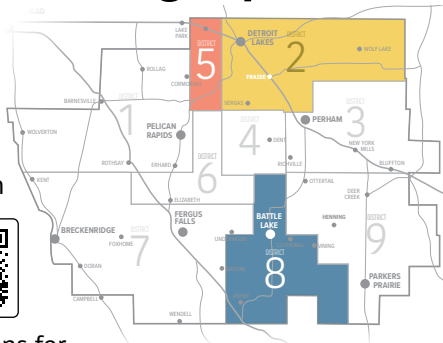
November 25th Outage

Outage Causes by Percentage

A large share of outage time was tied to a major weather event on November 25th. Tree damage and severe conditions drove most of the impact, showing how a single event can significantly affect quarterly totals. These results also highlight the importance of vegetation management, as tree-related outages contribute to longer outage times when they occur. Crews continue working in all conditions to restore power quickly and safely, while ongoing system improvements help reduce future outages.

2026 Director Election Voting Options

In the cooperative democratic process, director candidates are nominated at district meetings, and then a director is elected by members of that district. Directors were unopposed in Districts 2 and 5 and are elected by *acclamation*. In District 8, an election is being held and official ballots were mailed in March. You can read the director candidates' bios at www.lrec.coop/2026directorbios or by scanning the QR code. There are three options for voting – *online voting*, returning *paper ballots* by mail, or voting at the *annual meeting*.



1) Online Voting

Online voting is currently open and will close at 10 a.m. on April 30th. Log into your SmartHub account and find the “Vote Now” button, which will lead you to your online ballot.

2) Paper Ballots

Paper ballots must be received by Survey and Ballot Systems no later than April 30th in Eden Prairie, MN, so please mail with plenty of time.

3) In Person

Though we encourage members to submit their ballots ahead of time, if a member has not submitted a ballot by mail or online, he or she will be provided a ballot upon registration at the annual meeting.

Lineworker Appreciation

Continued from page 1

Until construction season kicks off in early summer, LREC crews will be busy over the next few months completing line patrol and maintenance work. Data collected through our Exacter technology will be used to proactively address faulty or damaged equipment by scheduling revisits before service interruptions occur.

Behind the scenes, classroom presentations that educate our youth on staying safe around power lines and participation in area job fairs to share information and advice on pursuing line work as a career path are just a few ways our lineworkers contribute to supporting the communities we serve.

LREC lineworkers play a critical role in our co-op and are essential in making sure our members' needs are addressed as quickly and safely as possible, every day.

On behalf of all of us – members and staff – thank you!



#THANKALINEWORKER

Employee Spotlight

Don Hanson

Lead Journeyman Lineworker

Family: Wife Colette; daughter Courtney

How long have you worked at LREC?

29 years – March of 1997

What position did you start in?

Journeyman Lineworker

Can you give us a quick overview of your experience in the electric field?

I was hired as an Apprentice Lineman with Sheridan Electric Cooperative in Montana and worked there for 13 years, before making the decision to move back to my hometown of Pelican Rapids in 1997, when I started with LREC. I was promoted to Lead Journeyman Lineworker in 2009, where I am today. In July, I will have 43 total years of experience keeping the lights on. Military veteran; served 4 years in U.S. Air Force.

What's the biggest change in equipment or safety you've seen?

I started out climbing poles every day. It's physical, demanding work. I was in great shape back then. Bucket trucks have made my job safer and easier. That, and the ability to work a lot of lines without shutting off power to our members.

Best (and worst) part about being a lineworker?

I am pleased and proud to be part of the LREC work force, working with a great team of co-workers and interacting with our members. Long, irregular hours spent away from my wife and family restoring power in extreme weather conditions can be hard.



Don Hanson
Lead Journeyman
Lineworker

You've helped restore power after some pretty major weather events, right?

I went on both major storm restorations to Hurricane Katrina in Louisiana and Hurricane Sandy in Long Island, NY. The satisfaction of restoring power – the joy and appreciation of the members – was heartwarming.

Any advice for other lineworkers or those thinking about it as a career?

Have a good work ethic and prioritize safety above anything else. Treat every wire as energized, unless it is dead and grounded, and always use your personal protective equipment (PPE).

Any hobbies outside of work?

I like meeting friends for morning coffee at the local coffee shop; also take daily 1 mile walks. I enjoy boating and short road trips. Other than that, I like doing home improvement projects and keeping my vehicles clean and polished!

Planning to Dig?

First, make the call—it's the law!

Before you dig, call *Gopher State One Call (GSOC)* at 811! GSOC coordinates with utilities to locate their underground facilities. Call at least two

business days before beginning your project.



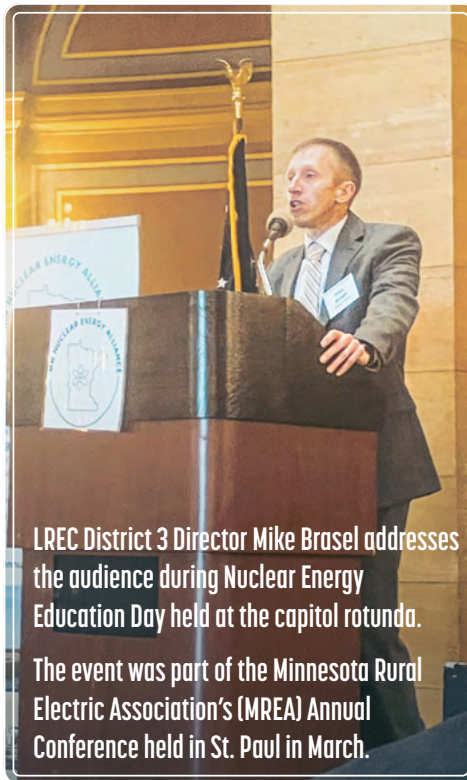
811

Blood Drive

LREC is hosting a blood drive at our headquarters in Pelican Rapids on April 24th from 9 a.m. to 3 p.m. We need volunteers willing to donate blood or *Power Red*. Reserve a time at www.lrec.coop/blooddrive (scroll down until you see Lake Region Electric Cooperative).



Note: Lake Region Electric Cooperative offices will close at 2 p.m. on April 30th for the Annual Meeting.



LREC District 3 Director Mike Brasel addresses the audience during Nuclear Energy Education Day held at the capitol rotunda.

The event was part of the Minnesota Rural Electric Association's (MREA) Annual Conference held in St. Paul in March.

Board of Directors

DISTRICT 1

Kurt Krueger, *Vice Chair*
kkrueger@lrec.coop

DISTRICT 2

Cecil "Bud" Hensel, *Secretary/Treasurer*
chensel@lrec.coop

DISTRICT 3

Mike Brasel, *GRE Board of Directors Rep.*
mbrasel@lrec.coop

DISTRICT 4

VACANT

DISTRICT 5

Patrick Meyers
pmeyers@lrec.coop

DISTRICT 6

Charlie Blixt
cblixt@lrec.coop

DISTRICT 7

Tom Jennen, *Chair*
tjennen@lrec.coop

DISTRICT 8

Jim Gronbeck
jgronbeck@lrec.coop

DISTRICT 9

Gary Olson
garyolson@lrec.coop

www.lrec.coop

(800) 552-7658

LREC is an equal opportunity provider and employer.

Board Meeting Highlights

Lake Region Electric Cooperative's Board of Directors conducted its regular monthly meeting Thursday, January 26th, 2026.

Nine Board members, CEO Joel Janorschke, Department VPs, and three LREC staff were present at the meeting.

The following reports were given:

Power Systems Engineering (PSE) presented their findings on the rate design through the CCOSS (*Class Cost of Service Study*) that was conducted. Directors made a decision on the rates with the information presented to them.

Directors who attended the BLC (*Board Leadership Certificate*) Summit education courses, available to directors through cooperation between MREA and NRECA, presented on their experience and the education they received. Both directors found the courses to be extremely valuable and recommended that other directors attend.

The following actions were taken:

Approved Homestead Fund employee contribution, a performance-based recognition program tied to LREC's strategic dashboard goals.

Approved LREC Rate Design to go into effect on March 1st, 2026. Details of this rate design were included in the February special edition and March monthly edition of *NewsFlashes*.

Accepted the resignation of District 4 Director, Lee Mindemann.



OUR MISSION

Provide our members with **safe, reliable, and affordable energy**, and lead by offering **innovative services** to grow the cooperative.

OUR VISION

Leading, empowering, and guiding members to use energy wisely to secure a better future for **our families, our communities, and our world.**

OUR VALUES

- ◆ Safety
- ◆ Integrity
- ◆ Innovation
- ◆ Accountability
- ◆ Open, honest communications
- ◆ Commitment to members, community, and employees