



NewsFlashes

JUNE 2026

Members enjoy dinner at the Fergus Falls Annual Meeting location. More photos are on page 2.



CEO COLUMN

LREC 89th Annual Meeting Recap

Last month, Lake Region Electric Cooperative (LREC) closed the books on another successful event following the conclusion of our 89th Annual Meeting on April 30th. I would like to thank the over 1,000 members, both in-person and via our online livestream option, who joined our board directors and staff. Thank you for your continued engagement.

The annual meeting is an excellent opportunity to learn more about your cooperative's financial and operational performance over the past year, as well as hearing key updates for the coming months. I hope you found the information useful, and I welcome your feedback. Please do not hesitate to reach out.

Changes to this year's meeting included the introduction of the Holmes Theatre Ballroom in Detroit Lakes as one of our satellite locations and the addition of *Jon Brekke*, vice president and chief supply officer for LREC wholesale power provider Great River Energy (GRE), as a guest speaker. Brekke's presentation provided a detailed look at GRE's membership,

energy portfolio, and projects that will address changes to energy generation and transmission in our state.

Results of this year's board of directors election were also announced, with incumbent *Jim Gronbeck* re-elected in District 8; incumbents *Cecil "Bud" Hensel* (District 2) and *Patrick Meyers* (District 5) were re-elected via acclamation.

The meeting adjourned following a brief Q&A session with LREC staff and presenters. As part of our ongoing commitment to transparent communication, we've partnered with GRE to provide responses (*at right*) to questions not addressed at the end of the event. Questions with similar topics were grouped together to provide one comprehensive answer; keep an eye out for additional responses in our July *NewsFlashes*.

Cooperatively yours,

Joel Janorschke, CEO



MEMBER QUESTIONS FROM ANNUAL MEETING*

Is it realistic to be carbon free by 2040? What will it cost? Will coal still be used? Is wind hard to maintain?

Achieving 100% carbon free standard (CFS) by 2040 per current statutory rules is a requirement set by the state of Minnesota. It will take a mix of different energy sources working together to comply. Our long-term plan illustrated in the most recently filed *Integrated Resource Plan (IRP)* shows how we can get there while keeping electricity reliable and affordable.

There will be costs to update the power system, but we plan carefully to keep those costs as steady and manageable as possible. We study different scenarios, like changes in fuel prices and technology, to avoid sudden rate increases and protect our members.

The standard itself does not mandate the forced operational shut down of thermal generation assets. Utilities can continue operating these resources, instead procuring renewable energy certificates or zero emission certificates (RECs/ZECs) to achieve the standard.

Member Questions continued on page 2 →

Contact the CEO

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Member Questions from Annual Meeting

Continued from front page.

Coal is not expected to be a major part of the future. The system is moving toward cleaner energy sources with fewer or no carbon emissions.

Wind energy will continue to play a big role as it is an affordable energy resource and widely available in our region. As Great River Energy (GRE) does not own wind generation today, the main challenge with wind is not maintenance, but variability. It does not always produce electricity when needed, which is why other types of power, such as GRE's fleet of natural gas peaking plants, are still required to back it up.

Are the new combustion turbine plants carbon sources, and do they go away in 2040?

Combustion turbines use natural gas, so they do produce carbon emissions. However, they are important because they can turn on quickly and provide power when wind or solar are not producing enough electricity.

These plants help keep the system stable as more renewable energy is added. Looking toward 2040, the overall system must meet carbon-free goals, but the current CFS does

not require units to shut down in 2040. These assets can continue to provide reliability characteristics to the market, and decisions about individual plants will depend on future rules, technology, and changing reliability needs.

Why doesn't GRE use more hydroelectric power?

Hydropower is part of the energy mix, but there are not many places in our region where new hydro projects can be built. Geography, environmental limits, and permitting requirements make it difficult to expand. Also, the current CFS rules do not allow for newly constructed hydropower resources of certain size to count toward utility CFS goals. The existing hydropower assets held by utilities like Manitoba Hydro are grandfathered into the current standard and can be used for future compliance. Great River Energy will continue to work with partners owning hydroelectric assets to support its REC bank and potentially provide energy assets to GRE's portfolio.



**All responses in June NewsFlashes provided by GRE. Additional member questions from our Annual Meeting will be continued in our July issue.*

LREC Office Summer Hours

Please note: Our office hours will change over the summer months starting June 1st and going through September 4th. Scan the QR code for details.



SUMMER HOURS *Effective June 1, 2026*

Mon–Thur: 7 a.m. to 4:30 p.m.
Fri: 7 a.m. to 11 a.m.

Small Change Changes Lives



New Operation Round Up (ORU) sign-ups are now automatically entered into a quarterly drawing for a one-time \$20 bill credit! Scan QR code to learn more.



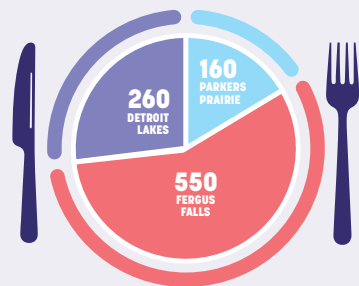
By the Numbers The numbers behind this year's Annual Meeting.

900+

IN-PERSON ATTENDEES



154
REGISTERED
LIVESTREAM
ATTENDEES



1970
MEALS SERVED

521
ENTRIES FOR BILL
CREDIT DRAWING



- ▶ **June 26th** – Youth Baseball Clinic in Frazee from 10 a.m.- noon
Register for free at www.twins.com/clinics
- ▶ **July 3rd** –LREC is closed for Independence Day
- ▶ **August 13th** – **Member Appreciation Day** at Maplewood State Park from 3-7 p.m. *(details in next issue of NewsFlashes)*

Cooperative Heroes Award

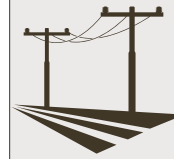


In April, LREC CEO Joel Janorschke presented Grace Grell with the Touchstone Energy Cooperative Heroes award at her home on behalf of the cooperative. Open to nominations from cooperatives across the state, the award was established to honor individuals making positive impacts within their communities.

A cancer survivor and graduate of St. Cloud State University with her master's in Rehabilitation Counseling, Grace was selected for her perseverance, exceptional volunteerism, and community involvement. Daughter of LREC member Polly Ann Grell, she overcame blindness and bullying in her youth to become a frequent volunteer at charitable camps, certified public speaker for the Make-A-Wish Foundation and now serves as a licensed counselor to children and families with disabilities.

As the award recipient, Grace received a trophy and a check for \$1,000 toward the charity of her choice, which she plans to donate to Special Olympics of Minnesota.

Congratulations, Grace, on living out our principle of "Concern for Community!"



STRENGTHENING THE GRID

With the lifting of road restrictions in early May, LREC crews were able to start project work included in our **4-Year Construction Work Plan**. Phase 1 entailed boring an underground tunnel, which began in the Dunvilla area last month. The project scope in its entirety will involve burying 3-phase line underground out of the Pelican Lake substation and splitting the load into two separate feeders. Once completed, the substation will be able to better manage the stress of increased load in that specific lakes area, resulting in improved reliability for our members.



Employee Spotlight

Lacey Stoll
Dispatch
Supervisor

"We take pride in prioritizing safety and strategic thinking in every decision."



Lacey Stoll *Dispatch Supervisor*

Family: Married with two school-age children.

How long have you worked at LREC? 11 years

Starting position and current role: In 2015, I started as an Operations Specialist/Dispatcher; in 2021, I was promoted to my current role as Dispatch Supervisor.

Can you give us a brief overview of what your job entails? In addition to supporting a great team of dispatchers and locators, I am responsible for outage reporting and maintaining the Outage Management System (OMS). We also oversee documents required for crews to complete daily scheduled jobs, which translates to verifying accurate system records and mapping.

Sounds like you deal with a lot that's out of your control. What's the best thing you've learned?

There is always information to communicate—whether it is estimated restoration times to be shared with member services or reported outage details to be shared with crews.

How do you make sure safety—for members and lineworkers—stays a priority? Communication and clearly understood procedures. If you don't understand something—keep asking questions!

Tougher season—winter or summer? Summer.

You must have seen some crazy weather. Any big event come to mind? Not a specific weather event—but working a multi-day storm 36 weeks pregnant does!

Meet the New District 4 Director: Jeff Hildebrandt



LREC joins our Board of Directors in welcoming recently appointed District 4 Director Jeff Hildebrandt to the cooperative. Named to his new position in April following a selection process conducted by Board members, Hildebrandt fills the vacancy left by the resignation of former Director Lee Mindemann earlier this year.

Recently relocated to the Dent area with his wife Shannyn and their two children, Brookston and Sandra, Jeff brings a professional background to the role focused on strategic vision, operational discipline, and collaboration.

Currently employed with Swan Machine/Kit Masters in Perham, MN, where he serves as Senior Manufacturing Engineer, Jeff looks forward to working with the Board in furthering the cooperative's mission in any way possible.

To read Jeff's full bio, scan the QR code or visit our site at www.lrec.coop/hildebrandt



Capital Credit Allocation Notice

Look for your 2025 Capital Credit Allocation Notice on your July billing statement. Please see our Capital Credits FAQs located at www.lrec.coop/capitalcredits. For any further questions use the chat on our website, email lrec@lrec.coop, or call (800) 552-7658.

Board Meeting Highlights

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

Seven board members, CEO Joel Janorschke, department VPs, LREC's HR consultant, along with three other LREC staff were present.

The following reports were given:

CEO Joel Janorschke provided a strategic update focused on employee and member engagement, including updates on Great River Energy (GRE) meetings and upcoming contract discussions.

CFO Amanda Fuller presented February 2026 financials, noting early-year budget performance and PCA adjustments. Additional reports included Q1 write-offs and audit results, with auditors reporting no deficiencies and a smooth audit process.

Mike Brasel, GRE's Board Chair, provided updates on the GRE

power supply outlook—including rising costs, future generation planning, and ongoing discussions around rate design and contract extensions.

The following actions were taken:

Approved credentials and election committee for the annual meeting.

Approved updates to Policy 610B – Retail Rate Tariffs (Rate Classes 2, 3, 4, 5, 9, 10, and 11).

Approved updates to the generator pilot program rates.

The Board also reviewed plans for the upcoming annual meeting.

LREC is an equal opportunity provider and employer.

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

Jeff Hildebrandt
jhildebrandt@lrec.coop

DISTRICT 5

Patrick Meyers
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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



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