



Lake
Region
Electric
Cooperative

Welcome to **your** cooperative!

New Member Guide

Welcome to Lake Region Electric Cooperative!

Congratulations! When you signed up to receive electric service you also became a member-owner of Lake Region Electric Cooperative.

Lake Region Electric Cooperative is firmly committed to leading, empowering, and guiding members to use energy wisely in order to secure a better future for our families, our communities, and our world.

We focus on the cooperative's role in providing a safe, reliable, affordable, and sustainable supply of energy.

We operate from a not-for-profit business model where our member-owners share in the financial success of the cooperative. Our focus is on service and meeting your energy needs and expectations.

A deep commitment to the cooperative member-owners, the communities within our service territory, and our employees bring this all together in our daily work.

This guide was designed to familiarize our new members with need-to-know information as they begin service - from bill paying options and reporting an outage to cost-saving programs available from our Energy Services team. Over the next few months, you can also expect a series of emails that provide additional details to help answer any questions you may have.

Should you have questions or concerns, please don't hesitate to contact our office. Our employees stand ready to assist in any way possible.

Cooperatively yours,
Joel Janorschke, CEO



In the Know, On the Go

Have a question but not the time to call?

Text us at (218) 853-5732 during regular business hours and we'll message the information you need - ready to read now or later.

Contact Us

Member Services Hours

7:30am to 4:00pm
Monday to Friday

Phone

(800) 552-7658 or
(218) 863-1171

Text

(218) 853-5732

Email

lrec@lrec.coop

Website

www.lrec.coop

(online chat available)

Mailing Address

Correspondence:
*Lake Region
Electric Cooperative
P.O. BOX 643
Pelican Rapids, MN 56572*

Bill Payment:
*Lake Region Electric
Cooperative
P.O. BOX 650
Pelican Rapids, MN 56572*



Welcome to Lake Region Electric Cooperative — we are so glad to have you as a member! This guide's purpose is to serve as an overview of our cooperative and its services. If you have any questions, please contact us — we're happy to help you out.

About Our Cooperative

Lake Region Electric Cooperative is headquartered in Pelican Rapids, Minnesota. Our membership is a mix of residential, commercial and industrial, and seasonal homes. The cooperative averages 5 members per mile in our 3,200 square mile service territory. We own and maintain 5,891 miles of line.



Our Mission

To provide our members with safe, reliable, affordable electricity, and lead by offering innovative services to grow the cooperative.

Our Vision

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

Values

- » **Safety**
- » **Integrity**
- » **Innovation**
- » **Accountability**

- » **Open, honest communications**
- » **Commitment to members, community, and employees**

What is a Cooperative?

Electric cooperatives are not-for-profit energy providers whose purpose is to deliver electricity to their customers, which are called members. Profits are either reinvested into infrastructure or returned to members through capital credits. Cooperatives operate using a model of democracy — members elect a board of directors to guide the co-op's strategic decisions.

7 Principles of the Cooperative

1 VOLUNTARY AND OPEN MEMBERSHIP



DEMOCRATIC MEMBER CONTROL 2



3 MEMBERS' ECONOMIC PARTICIPATION



AUTONOMY AND INDEPENDENCE 4



5 EDUCATION, TRAINING AND INFORMATION



COOPERATION AMONG COOPERATIVES 6



7 CONCERN FOR COMMUNITY



HOW DO CAPITAL CREDITS WORK?

Your coop tracks how much electricity you buy and how much you pay for it throughout the year.

At the end of the year, your coop completes financial reports and determines whether there are excess revenues called margins.

Your coop allocates the margins to members as capital credits based upon their use of electricity during the year.

When your coop's financial condition permits, your board of directors decides to retire, or pay the capital credits.

Your coop notifies you of how and when you'll receive your capital credits retirements.

Capital Credits

As a cooperative member, you get back a portion of the amount you paid for electric service. Each year, funds are allocated to members' accounts. Before they are refunded, however, the money is used to maintain, improve, and ensure dependable service.

When capital credits for the years you were a member are paid out, you receive your share, whether or not you are still a member. That is why it is important for you to provide a forwarding address each time you move so you can still receive payment.

Since 1958, \$42.6 million in capital credits has been retired (paid out) to members.

Member Elected Board

Members have a voice in the operation of the cooperative through a member-elected Board of Directors who serve rotating three-year terms. Nominations take place during district meetings in early January, with elections being held during the annual meeting, which usually takes place in April.



Board of Directors



DISTRICT 1
Kurt Krueger
Vice Chair
kkruieger@lrec.coop



DISTRICT 2
Cecil "Bud" Hensel
Secretary/Treasurer
chensel@lrec.coop



DISTRICT 3
Michael Brasel
GRE Board of Directors Representative
mbrasel@lrec.coop



DISTRICT 4
Jeff Hildebrandt
jhildebrandt@lrec.coop



DISTRICT 5
Patrick Meyers
pmeyers@lrec.coop



DISTRICT 6
Charlie Blixt
cblixt@lrec.coop



DISTRICT 7
Tom Jennen
Chair
tjennen@lrec.coop



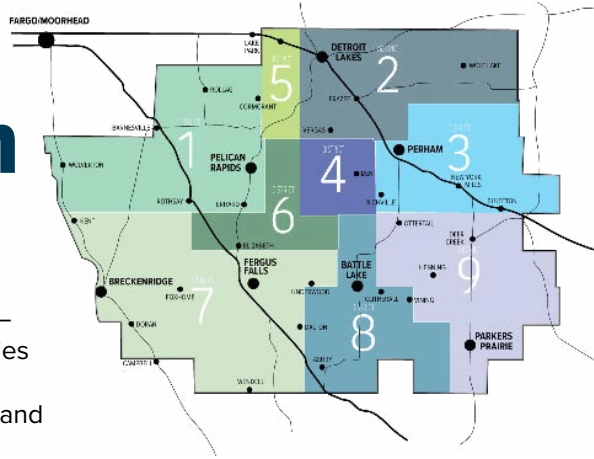
DISTRICT 8
Jim Gronbeck
jgronbeck@lrec.coop



DISTRICT 9
Gary Olson
garyolson@lrec.coop

Member Participation

At Lake Region Electric Cooperative, decision making is local. Our co-op policies and strategic imperatives are driven by Directors representing **you** — member-owners residing in communities that make up their district. Your active involvement is important for a healthy and vibrant cooperative.



District Meetings

In addition to hearing from our CEO, your Director, and other LREC staff leaders first-hand, district meetings are your opportunity to be involved in decisions that will impact the future of LREC. One of these opportunities is nominating qualified director candidates who will represent members at monthly board meetings.

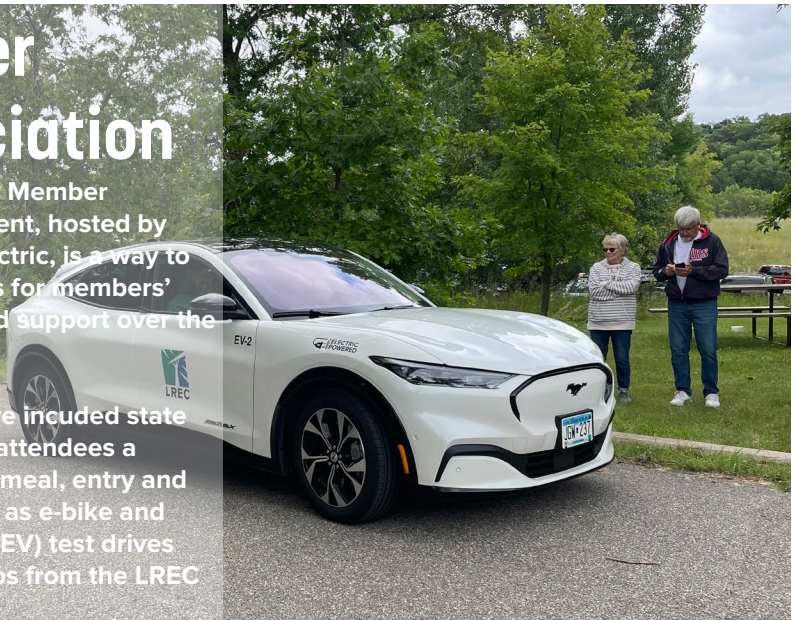
Annual Meeting

Our annual membership meeting takes place in April, in-person and virtually. Following a complementary meal, the business meeting summarizes the past year, shares an outlook for the coming year and election results are announced for those districts with nominated candidates.

Member Appreciation

Our free, annual Member Appreciation event, hosted by Lake Region Electric, is a way to show our thanks for members' engagement and support over the previous year.

Past venues have included state parks and offer attendees a complementary meal, entry and such attractions as e-bike and electric vehicle (EV) test drives and safety demos from the LREC lineman crew.



Your Electric Account

Payment Options

Lake Region Electric Cooperative offers many ways to pay your bill and each one accepts a number of payment methods.



Pay by phone

Call (800) 552-7622 to make a payment anytime using our secure, automated system. You can pay by check or credit card. *You will need your account number.*



Pay online or with a smartphone

Use [SmartHub](#) to pay your bill online or with your smartphone. You can also see an account summary, access your billing and payment history, and change your contact information.



Pay with a one-time payment

Make a one-time payment using our [PayNow](#) option. You don't need to register for a SmartHub account and banking information is not saved. Only an *account number* and *name* are required in order to make a payment.



Pay by mail

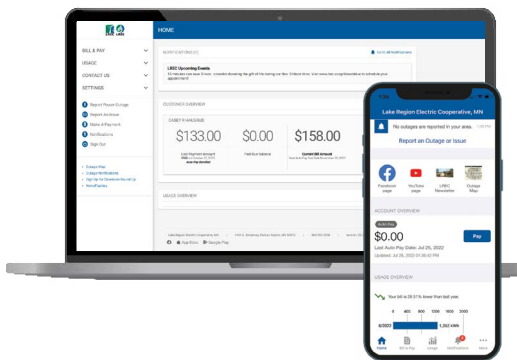
Mail your payment with bottom portion of your billing statement.

SmartHub

Use [SmartHub](#) to pay your bill and access other important account information. SmartHub is available online or through a free app which can be downloaded to your phone or mobile device.

SmartHub provides secure access to make payments, maintain your account information, view bills, see payment history, and gives you the option to choose to receive bill notifications from LREC by text or email.

To sign up for SmartHub, click on the SmartHub icon on the LREC home page at www.lrec.coop, or you can scan a QR code which will take you to your preferred app store to download the SmartHub app. First time users will need their LREC account number to register.



iOS



Android

Your Energy Usage

SmartHub makes it easy to understand your electric usage and bill. View your usage by logging into your SmartHub account.



Data and Alerts: Stay informed no matter where you are. Set up a threshold notification and receive alerts from SmartHub when your electric usage exceeds a preset limit. Alerts and meter data are accessible across different devices to keep you up-to-date even when you're on the road.

Energy Challenge: You can set energy saving goals and track your progress over time.

Track and Compare Your Usage:

Track your hourly, daily, or monthly usage against weather and temperature and see how you compare to your own usage from previous years.

Outage Notifications & Reporting:

Sign up for outage notifications and receive a text or an email informing you of the status of any outage affecting your property. You can also report outages via text message.

Energy Assistance

The Energy Assistance Program helps low-income households pay their home heating bills. Payments are made directly to the household's fuel dealer. To receive assistance, household income for the most recent month must be below guidelines which can be found on our website at www.lrec.coop/energy-assistance

Note: there are no deductions from income.

Households must provide proof of income when they apply.

To request an application call one of the numbers below:

Detroit Lakes: (218) 847-1385 **Mahnomen:** (218) 935-5022 **Wadena:** (218) 632-3600

Fergus Falls: (218) 739-3011 **Park Rapids:** (218) 732-7204 **Toll-free:** (888) 458-1385

Cold Weather Rule

The Minnesota Cold Weather Rule (*MN Statute, Ch. 235, Sec. 216B.097*) protects residential utility customers during the cold winter months. Under this rule, your electric service will not be disconnected from October 1st through April 30th because of non-payment provided you meet ALL of the following conditions:

- You declare an inability to pay.
- Your total household, not individual, income is less than 50% of the state median income. You must provide the necessary documentation to support this condition.
- You enter into and make reasonable, timely payments under a payment agreement that considers the financial resources of the household.
- You receive referrals to energy assistance, weatherization, conservation, or other programs likely to reduce the customer's energy bills.

Residential customers who cannot qualify for winter shut-off protection, yet cannot pay their full bill may make special payments over an extended period of time. To arrange for scheduled payments, call (800) 552-7658.

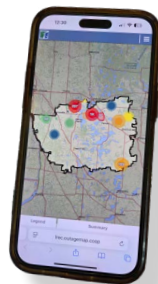
Outage Center

When severe weather hits, get the latest outage information at our Outage Center. When there are extended outages, the status of the repair progress will be detailed.

Sign up through **SmartHub** to receive updates via text or email when your property is directly affected by an outage.

HOW TO REPORT AN OUTAGE

Before you report please verify that you haven't blown a fuse or tripped a circuit breaker. Be prepared to provide as many details as possible. *It is important that we have your correct phone numbers on file. When you call or report online, these numbers identify your account.*



Call (800) 552-7658 to report a power outage or electrical safety hazard. During high volume call times, you will be directed to our Interactive Voice Response (IVR) system which may prompt you for outage information.

Visit lrec.smarthub.com to report an outage online. You will need to sign in or sign up. You will then be able to select the relevant service location, then tell us what the problem is. SmartHub users can also simply text "out" to (855) 939-3571.

POWERING UP AFTER AN OUTAGE

When the power goes out, we expect it to be restored within a few hours. But when a major storm causes widespread damage, extended outages may result. Our line crews work long, hard hours to restore service safely to the greatest number of consumers in the shortest time possible. Here's what's going on if you find yourself in the dark:

- 1** *High-voltage transmission lines supply power to transmission substations and rarely fail. But when damaged, these facilities must be repaired before other parts of the system can operate.*
- 2** *Distribution substations can serve hundreds or thousands of members. When an outage occurs, line crews inspect substations to determine if problems stem from transmission lines to the substation, the substation itself, or if problems exist further down the line.*
- 3** *If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to the supply lines (also known as tap lines) that eventually bring power to individual homes.*
- 4** *If local outages persist, supply lines are inspected. These lines deliver power to transformers, either mounted on poles or placed on pads for underground service, outside businesses, schools, and homes.*
- 5** *If your home remains without power, the service line between a transformer and your residence may need to be repaired. Always call to report an outage to help line crews isolate local issues.*



Vegetation Management

In the last five years, over 32% of LREC's unplanned outages were caused by trees, including major events such as storms.

Vegetation management, or right-of-way clearance, is necessary for public safety and to keep the lights on and blinks to a minimum. One of the most effective ways Lake Region Electric Cooperative addresses service reliability is through a proactive, highly advanced vegetation management program.

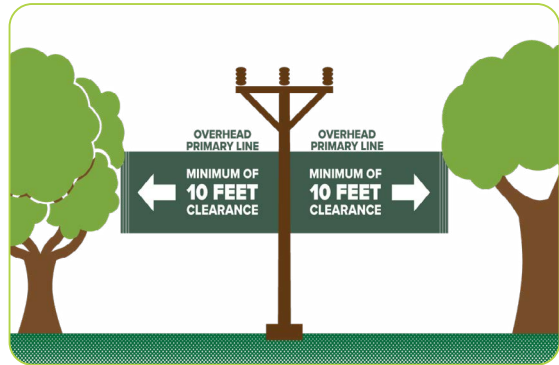
AiDash

AiDash uses satellite imagery and artificial intelligence (AI) modeling to identify vegetation risks and reliability impact at any spot, any time — enabling crews to proactively plan tree trimming and removal. Additionally, AiDash can look at growth patterns to predict vegetation growth up to 5 years in advance.

Right-of Way Guidance (ROW)

A ROW corridor is a strip of land that allows crews clearance to construct, maintain, repair, or replace an overhead or underground power line.

- A minimum 10' clearance on each side of the pole for overhead primary lines
- Property owners/members are responsible for the removal of personal property (vehicles, trailers, etc.) from the corridor before the process begins
- Underground cabinets and vaults require 3' clearance on back/sides and 10' in front
- Any cut branches/brush following the completion/as a result of the ROW clearing process are **owned by you**



TREE TRIMMING SERVICES

Contact Carr's Tree Service at (888) 470-3355 for your personal tree trimming needs. LREC is a part owner of Carr's Tree Service.



Questions?

For additional planting tips, info on preferred species and more,

**contact our Arborist at
(218) 863-9820.**

We're here to help.

Products & Services

Off-Peak Space Heating

STEFFES
Expanded charge hours
now available!

STEFFES ROOM HEATERS

Stay warm while saving on your electric bill with a Steffes room heater. Convert electricity to heat during off-peak hours when the demand and price of electricity is lower. The heat is stored in specially-designed ceramic bricks for extended periods of time so you can stay warm while saving money!



- Electric Thermal Storage (ETS) heater stores off-peak energy
- Qualifies for **low ETS rate**
- Up to \$50 per KW rebate available
- Great for a single room or entire home
- Replaces wood stoves, wall furnaces, or electric baseboard
- Interest free EASY-PAY — pay for heaters over 48 months on your bill

STEFFES WHOLE HOUSE

The Steffes electric thermal storage (ETS) system converts off-peak electricity to heat and stores it in high-density ceramic bricks. Utilizing a Steffes Comfort Plus unit with an air source heat pump allows the heat pump's high efficiency to be combined with off-peak electric rates, giving this system one of the lowest annual costs for space heating.



- Forced Air or Hydronic available
- Provides optimal comfort and efficiency
- Combining with ASHP reduces electricity usage of ETS systems by nearly 50%
- System is eligible for ETS rate
- Get \$50 per KW rebate for Steffes Comfort Plus on ETS
- Steffes Comfort Plus eligible for 48-month EASY-PAY plan

Off-Peak Water Heating

Reduce your electric bill with off-peak water heating!

- Peak Shave water heating option also available
- Up to \$400 in rebates available for new water heaters
- Use our EASY-PAY program — pay for your water heater on your electric bill with no money down!
- 50, 85, and 100 Gallon Capacities available for purchase from LREC
- Warranty available for all units sold



Rheem Heat Pump
Stainless steel tank

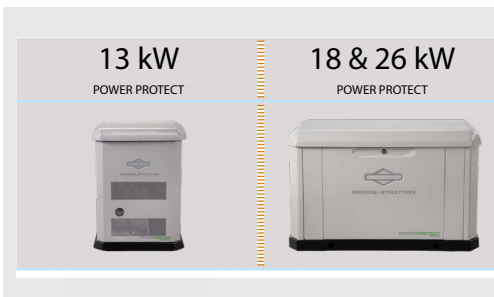
Marathon
Lightweight tank
that won't corrode

Standby Generators

Our standby power system packages contain everything you need from start to finish - *and beyond*. Purchasing a standby generator from LREC takes the guesswork out of an installation and includes first year of preventative maintenance.

A standby generator provides peace of mind and keeps your life uninterrupted. Lights stay on, the sump pump keeps running, and your furnace or AC keeps your family comfortable.

- Generator automatically starts when the power goes out
- Sold, delivered and start-up completed by LREC
- Eligible for 48-month EASY-PAY plan
- From Briggs & Stratton — The Power Experts!
- Runs on natural gas or LP
(*contact provider for connection*)



Generator packages include the following:

- » Seven year warranty on Power Protect series
- » Automatic transfer switch
- » Cold weather kit and battery
- » Concrete pad
- » Exterior indicator light
- » 1-year remote monitoring (Value of \$216.00)
Subscription renewal needed to continue service
- » First annual maintenance (Value of \$336.90)
LREC will notify for future services and pricing

Our Energy Management Specialists will help you choose the appropriate size for your home.

Residential Energy Efficiency Rebates

Heating and Cooling

		REBATE
Heat Pump Systems (Ducted/Ductless ASHP and Geothermal Heat Pumps limit 1 per account/year)	Ductless air source heat pump ≤ 1 Ton	
	High Efficiency (≥ 14.3 SEER & ≥ 7.5 HSPF2)	\$150
	Premium Efficiency (≥ 15.2 SEER2 & ≥ 8.1 HSPF2)	\$250
	Ductless air source heat pump > 1 Ton - 5 Tons	
	High Efficiency (≥ 14.3 SEER & ≥ 7.5 HSPF2)	\$750
	Premium Efficiency (≥ 15.2 SEER2 & ≥ 8.1 HSPF2)	\$1,000
	Ducted/hybrid air source heat pump up to 5 Tons	
	High Efficiency (≥ 14.3 SEER & ≥ 7.5 HSPF2)	\$750
	Premium Efficiency (≥ 15.2 SEER2 & ≥ 8.1 HSPF2)	\$1,000
	Geothermal heat pump, closed loop	\$400/ton*
Quality Installer (QI) ASHP	QI additional rebate for ductless/ducted ASHP	\$40/ton**
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

Water Heating

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

*NEW system, including loop field; \$4,000 maximum. Replacement heat pump \$200/ton; \$2,000 maximum.

**Additional rebate if the installing contractor is QI certified. To determine if a contractor is eligible, a search can be completed online or at www.lrec.qicontractors.com.

All rebates are subject to change. Please contact LREC to verify availability.

Aquanta Water Heater Program

Open to **new** water heater control signups with 80+ gallon water heaters, members on our **Aquanta Water Heater** program receive a **no-cost** Aquanta retrofittable water heater controller. This cellular-enabled controller is accessed via an app on mobile device. It's a fast and easy way to beat the peak and save money.



Operation Round Up

HOW IT WORKS

Member-supported Operation Round Up (ORU) provides financial assistance to charitable organizations in our communities to complete projects and raise funds through the extra change donated by “rounding-up” their monthly bill.



SIGN UP // OPERATION ROUND UP

It's easy to sign up online by logging into your SmartHub account.

1. Log into [SmartHub](#) and visit the Billing & Payments tab, then select Operation Round Up
2. Click Enroll and accept the Terms and Conditions
3. Choose an Enrollment Option and click Confirm
4. You can unenroll at anytime

Visit www.lrec.coop/oru or use the QR code to the right to sign up online!



Faith Haven Camp



Bluffton Fire Dept.



Our Savior
10 Mile Lake Church
Quilters



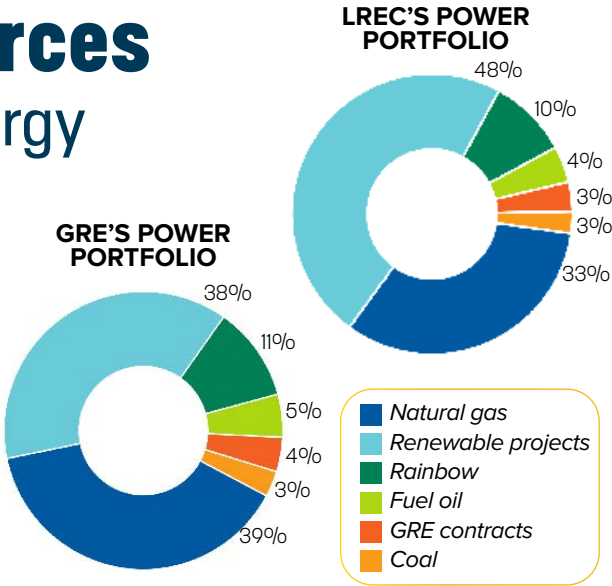
In 2025 alone, the ORU Board of Trustees awarded almost \$90K locally — with over \$1M donated since the program's inception.

Energy Sources

Great River Energy

Lake Region Electric’s energy primarily comes from our wholesale power supplier, Great River Energy (GRE). GRE is an electric transmission and generation cooperative with 28 member cooperatives throughout the state of Minnesota.

Other sources of power for LREC come from hydropower and our Wind/Solar Hybrid Project, both of which are renewable.



Wind/Solar Hybrid Project

LREC generates approximately 2% of our own power from our Wind/Solar Hybrid Project in an innovative, first-of-a-kind project with General Electric.

Since becoming fully operational in March 2019, this important step for renewable energy in our service area has generated approximately **\$1.8M in savings** for the co-op and our members since October 2025.



Community Solar

Our community solar program also contributes to our own power generation. Community solar is an affordable, low-risk way for LREC members to benefit from solar energy without any of the hassles of designing, permitting, installing, maintaining, and insuring your own photovoltaic solar array. We have currently sold out of two phases of community solar. Contact us if you would like to be on a waiting list for a possible future project.



ChargeWise Electric Vehicles

CHARGE EV BATTERIES WITH OFF-PEAK ELECTRICITY

They may be few in number now, but electric vehicles (EV's) have arrived in the lakes area. Electric vehicle owners can save money every time they charge their car with LREC's ChargeWise EV rates and rebates. We have since added a plug-in hybrid (PHEV) rate option as well. Please see the EV page on our website for details:

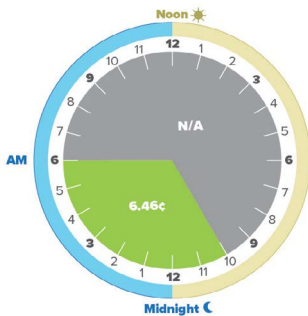
<https://www.lrec.coop/energy-services/electric-vehicles/>



ENERGY STORAGE RATE

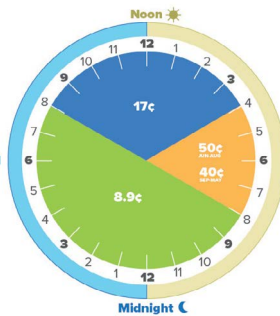
TIME OF USE RATE

HYBRID RATE (PHEV)



10PM-6AM: 6.46c/kWh

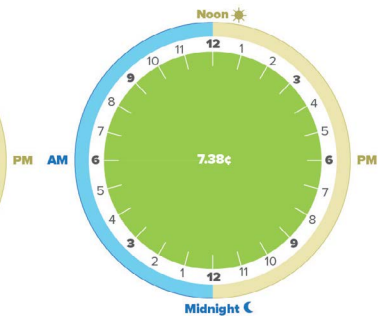
Charging Not Available



8PM-8AM: 8.9c/kWh

8AM-4PM: 17c/kWh

4PM-8PM:
- JUN-AUG: 50c/kWh
- SEP-MAY: 40c/kWh



ANYTIME: 7.38c/kWh

Visit www.lrec.coop/energy-services/electric-vehicles for enlarged image.

ELECTRIC VEHICLE CHARGING STATION

The program requires that a separate sub-metered circuit be installed to accommodate an Electric Vehicle Supply Equipment (EVSE) charging station. A rebate of up to \$500 is available through ChargeWise for the installation of a Level 2 EVSE charging station on ETS or TOU rate.



Call Energy Services at (800) 552-7658 for more information or visit www.lrec.coop/chargewise for program sign-up form and rebate application.

Be Safe Around Electricity

LREC fosters a safety culture that values our employees and our members as we deliver electricity to you safely. Yet, we can't do this alone.

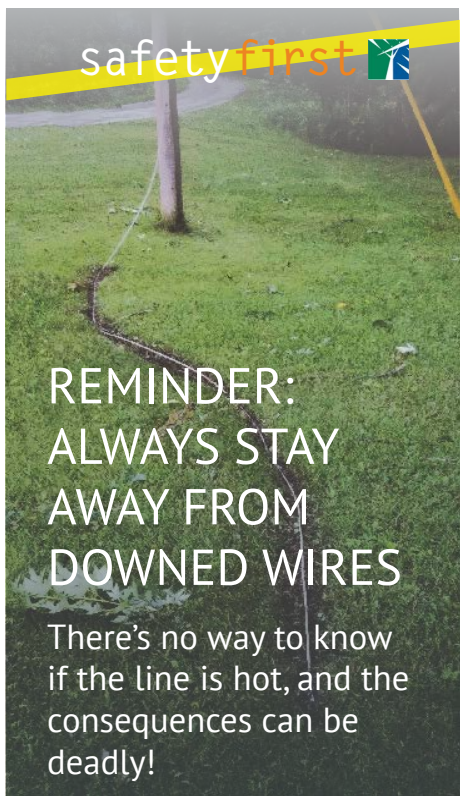
As you use your electrical power today, don't forget that safety plays a vital role. It takes all of us working together to respect this critical energy source. Thank you for working with us to deliver safe power to you.

PREVENTING HOME ELECTRICAL FIRES

Each year, electrical failures and malfunctions cause 43,900 home fires, resulting in 438 deaths, 1,430 injuries, and \$1.47 billion in property damage. But many home electrical fires can be prevented simply by understanding basic electrical safety principles:



- We recommend that a qualified, licensed electrician perform all home electrical work in compliance with local and national safety standards.
- Consider having your circuit breakers replaced with arc fault circuit interrupters (AFCIs), which provide enhanced electrical fire protection by detecting dangerous arcing conditions.
- Every month, use the TEST button to check that ground fault circuit interrupters (GFCIs) at outlets and AFCIs are working properly.
- Be mindful of warning signs of an electrical problem, such as outlets and switches that are warm or make crackling, sizzling, or buzzing noises.
- Regularly check cords, outlets, switches, and appliances for signs of damage. Do not use damaged electrical devices.
- Do not use extension cords on a permanent basis, and never use them with space heaters or air conditioners.
- Avoid overloading outlets.
- Do not use lightbulbs that exceed the recommended wattage of the light fixture or lamp.



**Know what's below.
Call before you dig.**

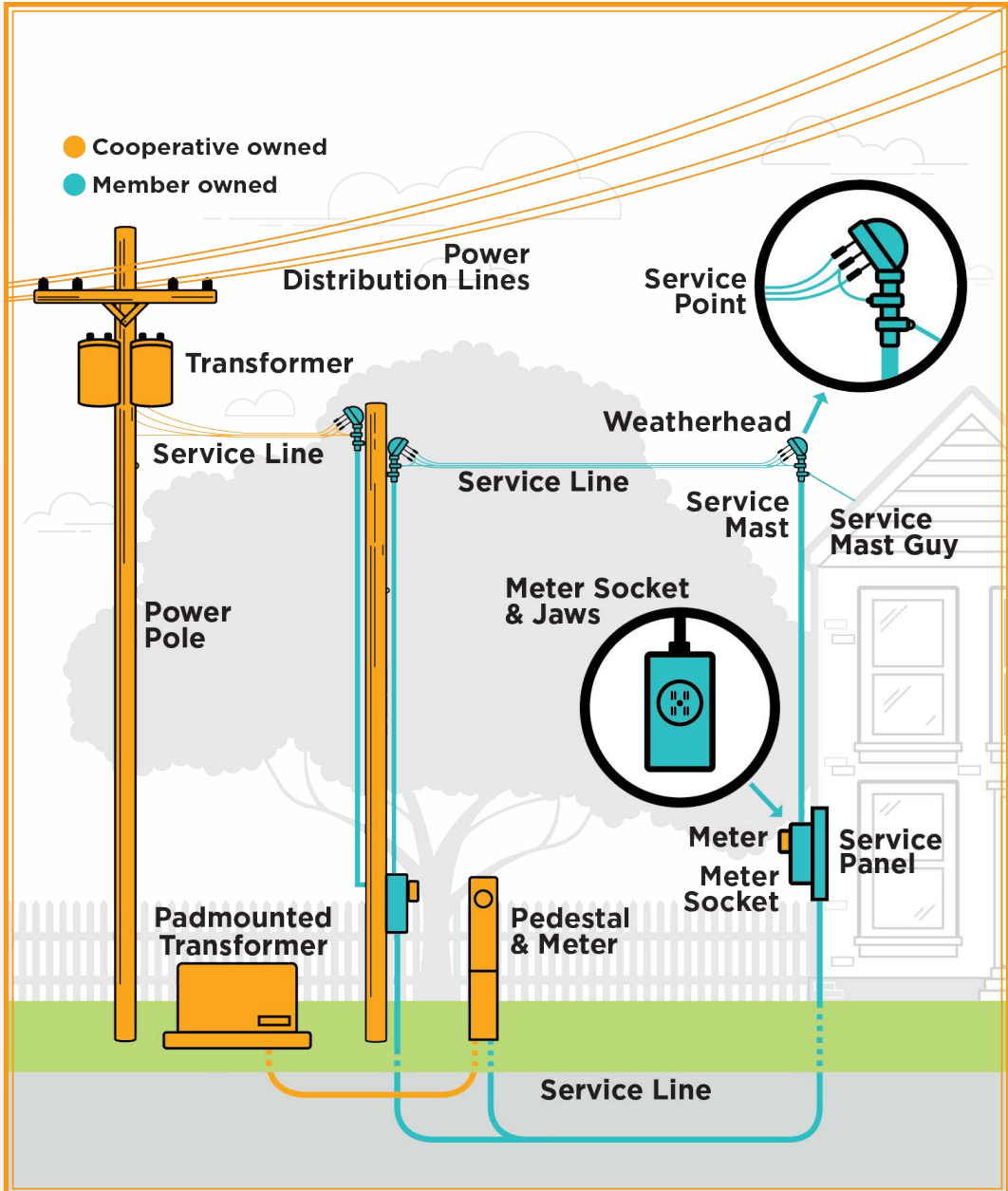
When starting a digging project deeper than 12 inches you must notify Gopher State One Call **before you dig.**

Call **811** or **(800) 252-1166** to avoid costly damages to underground facilities!

Lake Region Electric Coop will locate our underground power lines up to the meter. Anything beyond the meter is owner-side wiring, and an electrician or private locator must locate those wires.

Your Electric Service:

A guide to who owns what



What are you waiting
for? **ENROLL TODAY!**



OUTAGE TEXTING



Get alerts through SmartHub!
Fast. Convenient. Easy.

Lake Region Electric Cooperative

Learn more about
Lake Region Electric
Cooperative at
www.lrec.coop

LREC is an equal opportunity employer and provider.

Connect with us!

