MCLEOD COOPERATIVE POWER

NEWS

APRIL 2021



GREAT RIVER ENERGY: 2020 IN REVIEW

In a year when many retreated into their homes for work, school, and safety, the importance of dependable energy became clear. The electric service provided by Great River Energy's member-owner cooperatives proved essential during the COVID-19 pandemic, powering health care facilities, keeping essential businesses operating, and enabling remote learning.

Early in the pandemic, Great River Energy adopted safe work practices and social distancing, while quickly understanding new energy usage patterns as members spent more time at home. Great River Energy's goal was to minimize disruptions within the company and continue to safely and reliably operate the electric grid. That early action paid off, as Great River Energy not only endured during a difficult year — the cooperative excelled.

By the summer of 2020, Great River Energy was ahead of its financial targets to such a degree that it began issuing refunds to member-owner cooperatives to assist with pandemic-related financial challenges. The cooperative returned \$8.5 million to its members to offset lost sales, provide late fee holidays, or use in any other way they deemed appropriate.

Great River Energy employees found ways to boost efficiency and control spending throughout the year, identifying more than \$30 million in avoided costs. Year after year, Great River Energy's culture of business improvement and innovation produces new ways to serve member-owners better and more efficiently. Great River Energy ended the year with excess margins, which are used to issue bill credits to members and pay down financial commitments. The cooperative also retired patronage capital for the second consecutive year, returning more than \$10 million to the membership.

While employees tackled new challenges and implemented health and safety measures, Great River Energy set a course that will fundamentally change the way it serves member-owners.

Great River Energy will phase out remaining coal resources, add significant renewable energy and explore critical grid-scale battery technology. These changes will reduce wholesale electric rates while cutting direct carbon dioxide emissions by 95%. As this transition unfolds, Great River Energy's fleet of fast-starting natural gas-fueled power plants will ensure energy remains reliable

This decision was welcomed by the membership and financial community. Great River Energy's credit rating was upgraded by Moody's due in large part to the reduced risk associated with its power supply plans.

Great River Energy remains active in the evolution of the power grid as the electric industry transitions toward more non-dispatchable generation resources such as wind and solar. The cooperative is a co-founding member of CapX2020, an alliance of 10 utilities focused on understanding the transmission needs of the future. These utilities released the CapX2050 Transmission Vision Report, which identifies the elements necessary for continued safe, reliable, and affordable electric grid operation.

At Great River Energy, employees understand there is no budget or timeline more important than their safety. Great River Energy had the lowest injury rate in its history in 2020, a particularly impressive achievement due to employees adopting new work practices related to the COVID-19 pandemic.

Thanks to a supportive board of directors, engaged membership, and a talented employee team, Great River Energy entered 2021 stronger than ever and with a foothold firmly on the path to realizing its vision to competitively power the future.

THANK A LINEWORKER

03

SAFE DIGGING THIS SPRING

04

OPERATION ROUND UP REMINDER

McLeod Co-op Power recently converted Operation Round Up to an opt-out program. The opt-out conversion was effective with the March 2021 billing statement. This means that residential accounts were automatically enrolled in the program if the member had not notified MCPA that they would like their account(s) opted-out of the program. If you would like to opt-out of the program and haven't yet done so, please call (800) 494-6272.

CAPTIAL CREDIT

ALLOCATION NOTICE

McLeod Co-op Power is a notfor-profit member-owned utility. Any margins (profits) above the cost of service are allocated back to our members based on how much electricity each member purchased during the year.

The 2020 capital credit allocation was recently processed after the 2020 financial statements were reviewed and audited. The 2020 capital credit allocation notice for active members will be shown on the April 2021 electric bill.

The amount shown is not available to be deducted from your bill. It is merely a notice of allocation. The retirement and payout to members of these funds take place in the future. The Co-op's Board of Directors reviews capital credits each year and decides how and when to repay the amounts allocated. Their decision is based on a variety of factors including the overall financial condition of the Cooperative.



If you have questions about your capital credits, please contact us at (800) 494-6272 during regular business hours.



CEO MESSAGE

OUR PEOPLE MAKE A DIFFERENCE

People are what makes up any organization. Here at McLeod Co-op Power, we are made of a diverse group. It is what makes our cooperative so strong. There is a lot of effort every day to serve you, our members.

We have people like Justin and Shannon, our Energy Management Specialists, who are helping our members understand what it takes to install backup generation and to use electricity as efficiently as possible. Deb and Becky are upfront to greet you as you come into the office or give us a call on the phone as they support you with your electric account. Patty is taking care to make sure the bills you receive are accurate, and the capital credits you are owed are received. Dan, in our Member Services Department, is there to support them and to help get the word out about what is happening here. Bob also works with Dan to meet your expectations and is keeping our new facilities in tip-top shape.

We have Eric, who is responsible to make sure all of us have the right equipment and manage our technology needs. On the finance and accounting side, we have Teri and Steph, who are minding the books. Katie is one of everyone's favorite employees at least twice a month when it is payday. There is another Dan at the company, he is taking care of the operations and engineering side, with Curt, Debbie, and Gregg constantly looking at the electrical system. Also, the other Bob is always minding the warehouse and making sure we have all the parts and pieces ready for our lineman.

Speaking of lineman; Brad, Ryan S., Nate, Jared, Ryan K., Kevin, Craig, Nick, and Terry are the guys that are out on the lines, our first



CEO RON MEIER

responders during a storm. The time of day doesn't matter; when the lights go out, they head out. They leave their families at home to take care of yours. No matter how many hours it takes to bring the lights back on.

I also would be remiss not to mention this team of people is not alone. The people at Eide Bailey (auditors), Star Energy (engineers), and Melchert Hubert Sjodin (attorneys), Great River Energy, and all our other consultants and contractors also support the membership.

Of course, we have our board of directors: Susan, Randy, Oria, Keith, Joe, Gary, Doug, Dave, and Allan overseeing the entire operation. They give a lot of their time and energy every month to our shared endeavor of reliable electricity.

At the end of the day, no matter the organization, it takes good people, working together towards a common goal. We will be celebrating our people through the rest of the year, and they will be the focus of our Annual Meeting that is happening July 13th here at the new facilities in Glencoe.

Cooperatively,



MARCH 2021 BOARD MEETING HIGHLIGHTS

The Regular Meeting of the Board of Directors of McLeod Cooperative Power Association was held on March 25, 2021 at McLeod Co-op Power headquarters. All nine board members, the attorney, CEO Ron Meier, and department managers participated in the meeting.

Highlights of the meeting included:

- The February outage report was provided showing 47 outages, affecting 154 consumers, noting extreme cold temperatures as the largest cause.
- Operations Manager Schade reported line crews changed out 31 reject poles in February and continue to change out transformers that contain PCBs over 50 parts per million.
- A motion was carried to approve the 2021 Nominating Committee for the upcoming Board of Director Election.
- Assistant Member Service
 Manager Thomes reported that
 the Operation Round Up Trust
 Board met on March 8 with 20
 applicants receiving funding
 totaling \$20,000.
- Finance Manager Jakel shared that GRE approved the return of patronage capital to its memberowner cooperatives. McLeod Coop Power will be receiving a dividend in the amount of \$335,255.25 on March 26.
- A motion was carried to approve Resolution 2021-03-01 Allocate 2020 Margins.
- A motion was carried to support an amendment to the lease/ purchase agreement with Sam's Tire Shop on the old facility.

CREWS WORK QUICKLY, SAFELY WHEN STORMS KNOCK DOWN POWER LINES

When the lights go out, McLeod Co-op Power crews spring to action. We work with Great River Energy, our wholesale electric supplier, to restore power quickly and safely.

Severe Weather Awareness Week, April 12-16, is a good time to refresh your knowledge on what to do if your power goes out and how your power is restored.

Some outages are very brief, but when severe weather leaves widespread damage, outages can last longer. At the same time, homeowners start gathering flashlights, crews of line technicians are dispatched to restore power as quickly as possible.

When cooperatives get to work restoring power, safety is always the top priority. Crews give immediate attention to dangerous situations, such as downed power lines on roadways or streets. Typically, local police or fire station personnel are called to secure the area until electric cooperative employees can restore power.

Electric cooperatives regularly update emergency response plans to prepare for outages. Employees train for major events and understand their role in the power restoration process. Electric co-ops also subscribe to mutual aid agreements, which allow them to get assistance from neighboring utilities when major power outages occur.

To prepare for a power outage:

- Create an emergency kit with food, supplies, and flashlights
- Have a place to store food safely
- Know how to check breakers and fuses during a power outage
- Test your generator if you have one available

Learn more about preparing for a power outage at Great River Energy's YouTube page or at mcleodcoop.com/safety/power-outages.





ENERGY EFFICIENCY

Some manufacturers set water heater thermostats at 140 degrees, but most households usually only require them to be set at 120 degrees. Consider lowering your water heater's temperature to save energy and slow mineral buildup in the heater and pipes.

MOVE OVER

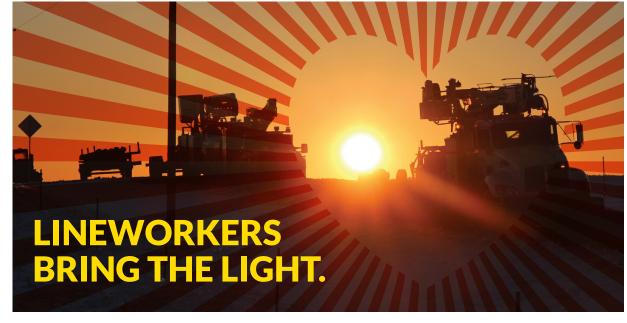
If you see utility or emergency crews working on the side of the road, we kindly ask that you move over when possible and give them extra space to work.

We care about everyone's safety, and this extra precaution ensures just that. If you approach a crew while traveling on a two-lane road, moving over to the next lane might not be an option. In this case, we simply ask that you slow down when approaching roadside crews. If you approach a crew while traveling on a four-lane road, and safety and traffic conditions allow, we ask that you move over into the far lane.

Utility crews aren't the only ones who could use the extra space. Emergency responders, police officers, and firefighters often find themselves responding to emergencies near busy roadways.

The Minnesota Move Over Law is intended to keep emergency workers safe and prevent motorists from crashing into stopped vehicles. This law includes and protects utility crews. There's plenty of room for all. Let's work together to keep everyone safe on our local roadways.





If you were asked to associate an image or a person at McLeod Co-op Power, we bet you would picture a lineworker. One of the most visible employees of the co-op, lineworkers work tirelessly to ensure our community receives uninterrupted power 24/7.

"Lineworker" is listed as one of the top 10 most dangerous jobs in the U.S. This is understandable as they perform detailed tasks near high-voltage power lines. Regardless of the time of day, having to brave stormy weather and other challenging conditions, lineworkers must climb 40 feet in the air. They do this often carrying heaving equipment to get the job done.

Being a lineworker is not a glamorous or easy profession. It takes years of specialized training, ongoing education, dedication, and equally important, a sense of service and commitment. How else can you explain the willingness to leave the comfort of your home to tackle a challenging job in difficult conditions, when most are sheltering comfortably at home?

"We spend 10-12 weeks a year on call, which means that one week a month I tell my kids I can't be at their basketball games or gymnastics meets. I've missed birthdays and family events. It's part of the job, and my family understands the sacrifice it takes to serve our community," Line Foreman Ryan Schuette shared on the commitment of a lineworker.

"I joined this industry because I enjoy working outside and I knew every day would be different. Now, it's all about the team, we work together and watch each other's backs," said Operations Manager Dan Schade. Schuette added, "We all know each other's families and don't want any of them to lose their husband or father. Whether it's midnight during a storm and we're a little anxious, or it's -10 degrees and water lines are at risk of freezing during an outage, or any other urgent situation we respond to, we have to balance a fast response with safe working procedures so that everyone goes home at the end of the shift."

This dedication and sense of service to the community is truly what sets lineworkers apart. That's why we set aside the second Monday in April to celebrate and recognize the men and women who work around the clock to keep the lights on.

"We have a small, but mighty crew of 9 lineworkers that dedicate their lives to serve our members and provide them with the safety and convenience electricity provides. I'm proud of them for doing a great job of getting the work done, keeping each other safe, and going above the call of action to serve the community and promote electric safety to our youth," Schade shared about the team.

Our dedicated and beloved lineworkers are proud to represent the Co-op, and they deserve all the appreciation and accolades that come their way on Lineworker Appreciation Day.

While we show our appreciation in many ways throughout the year, on April 12, McLeod Coop Power employees will be celebrating with a company gathering to recognize our lineworkers.

YOUR POWER

THANK A LINEWORKER

On April 12, and any time you see a lineworker, join us in thanking them for their exceptional service.

Front row (left to right): Ryan Schuette, Brad Hundt, Jared Klein, Terry Underdahl, Nick Tritz, and Dan Schade.

Back row (left to right): Craig Marti, Ryan Kobliska, Kevin LaCourse, and Nathan Kelzer.



KNOW WHAT'S BELOW: STEPS FOR SAFE DIGGING

If you plan on doing any digging on your property, make sure you remember to "Call Before You Dig". It is very important to have all underground utilities located before digging to prevent costly and potentially dangerous contact with buried utility lines.



Spring is just around the corner, and there's never been a better time to get outside and enjoy the fresh air. Perhaps you're making plans for a new garden or a lawn makeover. However, you're planning to revamp your backyard oasis, remember to keep safety in mind for all projects—especially those that require digging near underground utility lines.

Most of us never think about the electric, gas, water, and other utility lines buried below the ground, but hitting one of these lines while digging is not the reminder you'll want—trust us! McLeod Co-op

Power reminds all members who are planning a digging project to call 811 at least three business days before you start. Or you can submit a request online by visiting www.gopherstateonecall.org. Here's how the process works:

After you call 811 or submit your request online, all affected utilities will be notified of your intent to dig. It may take the utilities a few days to get to your request, so please be patient. The affected utilities will send someone out to mark the buried lines with paint or flags. Before you break ground, confirm that all the utilities have

responded to your request. If you placed your request by phone, use the process explained by your 811 call center representative. If you submitted your request online, refer to your 811 center ticket to confirm everything.

By taking this important step before you break ground on your project, you can help protect not only yourself but our community. Disrupting an underground utility line can interrupt service, cause injuries and cost money to repair, so remember to call 811 first and know what's below.





















online two to three days before

utilities have responded by comparing the markers to the list of utilities the 811 call

near the provided markers, consider moving your project

USPS 2220
PERIODICALS
POSTAGE PAID
HUTCHINSON, MN

WE WANT YOUR FEEDBACK

McLeod Co-op Power is conducting a Member Satisfaction Survey this Spring.

Included in your April billing statement, members will receive a survey. This is your chance to provide direct feedback to the Cooperative on how satisfied you are with your electric service. We want to know what you think about your current experience and the future direction of the Co-op.

We know your time is valuable, so rest assured, we will use the results to make decisions on matters important to the future of your Co-op and that benefit you, your family, and your neighbors.

We ask that you complete and return the survey in the mail by May 5, 2021. For participating in the survey; you'll be entered in a drawing to win one-of-five \$100 electric bill credits.

We appreciate your honest feedback. If you have any questions regarding this upcoming survey, please contact us at (800) 494-6272 during regular business hours.



Whether it's restoring a power outage or discussing energy improvement options for your home, answering a billing question, or hosting a community event, we are working hard for you every day.

OFFICE PHONE (320) 864-3148 (800) 494-6272

24-HOUR OUTAGE PHONE

(800) 927-5685

www.mcleodcoop.com

EMAIL ADDRESS mcpainfo@mcleodcoop.com

CHIEF EXECUTIVE OFFICER

Ronald Meier

EDITOR

Dan Ehrke and Fuller Creative

BOARD OF DIRECTORS

District 1: Oria Brinkmeier

(320) 485-2554

Joe Griebie, Vice President (320) 779-1101

District 3:

David Resch, Asst. Secretary-Treasurer

(952) 449-1793

District 4:

Doug Kirtz, President (320) 583-7673

District 5: Allan Duesterhoeft (320) 587-9134

District 6:

Gary Burdorf (507) 964-5815

District 7: Randy Hlavka, GRE Representative (320) 583-0037

District 8:

Keith Peterson (320) 583-0997

District 9:

Susan Anderson, Secretary-Treasurer (952) 250-3109

McLeod Cooperative Power is an equal opportunity employer and provider.



Glencoe, MN 55336 3515 11th St.

operative Power incoe. MN 55336-0070. r members and \$14.76 per WWW.MCLEODCOOP.COM I monthly by McLe , 3515 11th St. Ec rate: \$7.38 per y

POSTMASTER: Send address changes to: McLeod Coop Power News, 3515 11th Street E, Glencoe, MN 55336-0070