

McLEOD COOPERATIVE POWER ASSOCIATION
MINUTES OF THE 86th ANNUAL MEETING
July 13, 2021
HUTCHINSON EVENT CENTER – Hutchinson, MN

The Meeting was called to order by President Doug Kirtz at 10:00 A.M.

President Kirtz welcomed members to the 86th Annual Meeting.

President Kirtz gave the invocation.

The Pledge of Allegiance was recited.

President Kirtz declared the balloting closed and instructed the tellers to count the ballots for the director election.

A quorum was established and verified by President Doug Kirtz and Secretary-Treasurer Susan Anderson.

President Kirtz called for reading of the 2020 Annual Meeting minutes.

A motion was made, seconded, and carried to dispense with the reading of the minutes.

A motion was made and seconded to approve the Minutes of the 2020 Annual Meeting as printed in the Annual Report. Motion carried.

Secretary-Treasurer Susan Anderson read the “Notice of the Cooperative’s Annual Meeting” and declared that the notice had been properly published in an official newspaper in McLeod County.

President Kirtz announced the Director Candidates in the following districts. District 4: Doug Kirtz and Frank Berg; District 5: Allan Duesterhoeft and Karl Reinhard; District 6: Gary Burdorf and Avery Grochow.

President Kirtz also introduced the Directors in Districts 1-3 and 7-9.

CEO Ronald Meier provided a presentation highlighting 2020 for McLeod Co-op Power. He referenced 2020 as a challenging year with the COVID-19 Pandemic. Employees adjusted to working remotely while continuing to provide our members with reliable service. During 2020 the cooperative invested over 1-million-dollars into the power lines. There were 22 miles of powerline improvements. In 2020 we also provided our members with \$114,900 in rebates and grants.

The new 9-million-dollar facility was completed on time and on budget. We moved into the new facility in August 2020. Sam’s Tire Shop has a pending purchase agreement on the old facility.

2020 was a challenging year, but the employees of MCPA came together to serve you, our members.

CEO Ronald Meier explained that due to a conflict in schedules our power supplier Great River Energy (GRE) President and CEO David Saggau was unable to attend; however, a prerecorded message was provided on behalf of GRE.

President and CEO of GRE David Saggau thanked CEO Ron Meier and President Doug Kirtz for the opportunity to share a few words with the membership today.

GRE's focus is on three things: Rates, Reliability, and Environmental Stewardship.

Wholesale power rates are very competitive. In 2021 GRE's wholesale power rate is about 10% below the weighted regional average cost of electricity. The projections for the future show rates to remain flat and start decreasing. This is possible through the economic efficiencies and power source changes being made.

In 2020 the decision was made to sell or close Coal Creek Station and the High Voltage Direct Current (HVDC) Transmission Line. Economically it is advantageous to our membership. To replace Coal Creek Station, we will be adding over 900 MW of cost-effective wind resources and natural gas peaking plants, most of which are dual fuel capable. By making these changes to the power source portfolio we will reduce Carbon Emissions by 90%.

Financially, GRE has been doing very well. This year GRE retired 25 million dollars in capital credits to the members. In May of 2021 GRE also began providing bill credits to the members.

GRE is actively involved with neighboring utilities and together formed an association called Grid North Partners. This association collaborate in planning, building, and maintaining a reliable transmission system capable of using the most cost-effective resources.

Manager of Finance Steph Jakel presented the 2020 Financial Report. She reported the Co-op saw good sales in 2020 and is projecting an increase of Kilowatt hours sold for 2021 with current demand. She also cited potential growth in the region with the US Highway 212 project. The Cooperative ended 2020 financially sound with a clean audit report. Additional information was provided on expenses related to tree trimming activities as well as capital expenses of converting powerlines from overhead to underground. It was also reported that the cooperative returned Capital Credits of over \$350,000 to members.

Manager of Member Services Dan Ehrke introduced SmartHub, a new account management tool that launched July 12. One of the goals is to make it more convenient for members to pay their bills. Members heard that SmartHub also allows you to view payments and usage history, make secure payments, receive notifications and updates, and report outage issues.

Operation Round Up Trust Board Member, Cheryl Bielke announced that since Operation Round Up began in 2004 the program has awarded nearly \$150,000 to local organizations. This year 23 applications were received. Twenty projects received funds for a total of \$22,000.

President Kirtz introduced the 2021 Nominating Committee.

District 4: Doug Toreen, Glen Kurth, Tom Koeberl.

District 5: Andrew Rasmussen, Morris Rettman, Lynn Mackedanz.

District 6: Rachel Lueth, Veryl Becker, Don Mader.

Nominating Committee Chairman Glen Kurth read the results of the Director Election and declared Doug Kirtz elected from District 4, Allan Duesterhoeft elected from District 5, and Gary Burdorf elected from District 6. Each director elected will serve a three-year term.

President Kirtz stated there was no Unfinished Business. President Kirtz then asked for New Business.

A member in attendance had a question, which CEO Ron Meier answered.

CEO Ron Meier responded to several other questions from the Members.

With no further business, a motion was made, seconded and carried to adjourn the meeting at 11:41 A.M.

Attendance prizes were awarded. The winner of the Grand Prize, a 21" EGO Power Mower was Donald Sturges from Hutchinson

Following the meeting, Chef Craig served approximately 250 members with a grab and go lunch.

Dated: July 13, 2021

PRESIDENT, Doug Kirtz

SECRETARY/TREASURER, Susan Anderson