

MCLEOD COOPERATIVE POWER NEWS

SEPTEMBER 2023



A CLEAR PATH TO RELIABLE POWER: MCLEOD CO-OP'S TREE MANAGEMENT INITIATIVES

When it comes to maintaining a reliable power distribution system, McLeod Co-op Power understands the importance of maintaining a clear separation between trees and power lines. Not only can trees lead to downed power lines during storms, endangering lives and causing outages, but they can also grow into power lines, disrupting the electrical distribution system's reliability. To address these challenges head-on, McLeod Co-op has been employing a proactive vegetation management program, which has proven to be an effective approach to maintaining safe and reliable electric service.

UNDERSTANDING RIGHT-OF-WAY

Central to upholding service reliability is keeping the power line right-of-way clear. This area of land is used to construct, maintain, repair, or replace power lines. McLeod Co-op's pledge to maintain a 15-foot clearance on both sides showcases our commitment to safety, reliability, and affordability for members.

PRIORITIZING SAFETY AND RELIABILITY

Trees growing too close to power lines pose a serious hazard, with electricity potentially jumping or arcing from lines to nearby conductors like trees. This poses a threat even when direct contact isn't made. Clear right-of-ways help avert these issues, enhancing service reliability not only for individual homes but for entire communities.

2023 TREE TRIMMING HIGHLIGHTS

In 2023, McLeod Co-op Power collaborated with TreeStory to assist with this important work. Our primary efforts were directed towards the western region of our service area, commencing with the western portion of District 4, encompassing Kingman, Bird Island, and Norfolk townships, then working east through East Lake Lillian, Oselola, Melville, and Palmyra

townships. Subsequently, TreeStory extended its efforts southeastward into District 8, addressing right-of-way vegetation in Grafton and Moltke Townships. The team then transitioned to Carver County, where they completed work in Woodland, Franklin, Hollywood, and Watertown Townships within Districts 1 and 9. To summarize we got a lot accomplished in 2023.

LESSONS FROM 2023 AND FUTURE PLANS

TreeStory's experience in the field revealed the significance of continuous maintenance. There were areas with significant growth issues over the years, reinforcing the Co-op's decision to adopt a five-year trimming cycle. Looking ahead, the plan for 2024 includes prioritizing areas like Acoma, Hutchinson, Hale, and Winsted Township for trimming, with potential for addressing other critical locations as well. While this is a smaller list than 2023, these are some of the townships that are in the greatest need for trimming to keep the lines clear of obstructions.

YOU CAN HELP

Members can contribute to the effort by exercising caution when planting trees near power lines. Keeping a safe distance and considering a tree's mature height before planting can prevent future conflicts. Large trees should be planted at least 50 feet from power lines to ensure adequate clearance. If you encounter any tree-related concerns, please inform us so that we can properly identify and address them.

The work we do with vegetation management helps minimize outages, reduces the potential for the public to come in contact with electric lines, and helps line crews access the line for maintenance and outage restoration. The collaborative efforts between the Co-op and our members demonstrate a commitment to fostering a resilient and reliable power distribution system for years to come.

STAY SAFE THIS FALL

While you're busy raking leaves and getting your outdoor space ready for the cooler months, don't forget about electrical safety. With the increased use of outdoor lighting, power tools, and heaters, it's crucial to ensure a safe environment for you and your loved ones.



Inspect Outdoor Wiring: Before you dive into your fall yard projects, check for frayed wires, exposed cables, and damaged extension cords. Replace or repair any hazardous wiring to prevent potential shocks or fires.

Extension Caution: Use outdoor-rated extension cords, keeping them elevated to prevent tripping and water exposure.

Outlet Wisdom: Install weatherproof covers on outdoor outlet to shield them from rain and debris, avoid overloading them, and consider GFCIs to prevent shocks.

Safe Outdoor Lighting: Opt for weather-appropriate, exterior use lighting and LED bulbs, keeping them away from flammables and considering solar-powered options.

Heater Placement: Position outdoor heaters away from flammable materials and verify their outdoor suitability.

Trim Trees: Don't attempt to remove or trim trees already near or touching power lines. Call McLeod Co-op and we will ensure that a crew takes action.

By prioritizing electric safety, you'll be able to enjoy the crisp fall air and cozy evenings.

YOUTH TOUR WINNER
RETURNS FROM D.C.

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FOUR FACTORS THAT
IMPACT ELECTRIC BILLS

04

NOMINATE A COMMUNITY DIFFERENCE MAKER

McLeod Co-op Power honors volunteerism and community service with the Touchstone Energy® Community Award. Nominate a civic organization or nonprofit in our service territory now at www.mcleodcoop.com/touchstone-energy-community-award. The application requires a description of the project, program or event, as well as the positive impact it brings to the community.

The winning organization receives a \$500 cash prize and competes with winners from other electric cooperatives for statewide recognition and an additional \$1,000 cash prize. Nominations must be received by October 31, 2023.

McLeod Co-op is a proud member of Touchstone Energy® Cooperatives, a national alliance of more than 750 local, consumer-owned electric cooperatives.



MANAGER MESSAGE

As the Member Services Manager at McLeod Co-op Power, I am delighted to share the inspiring ways in which our cooperative actively engages with and supports our region. Our dedication to enriching lives goes beyond delivering electricity – committed to supporting youth, fostering volunteerism, and making life better in our community for everyone.

Our cooperative's dedication to community reaches far and wide. The Operation Round Up initiative allows our members to contribute small change that accumulates into substantial support for local organizations and initiatives. Since its inception in 2004, Operation Round Up has provided over \$230,000 to our community, showcasing the collective power of giving.

Additionally a highlight at the end of each year is the Touchstone Energy® Community Award which shines a light on local civic organizations and nonprofits within our service territory. Through this accolade, we honor impactful projects that uplift our community. Nominations are open until October 31, 2023, at www.mcleodcoop.com/touchstone-energy-community-award, offering a chance to win a \$500 cash prize and statewide recognition.

McLeod Co-op Power takes immense pride in fostering economic development as well. Through our Revolving Loan Fund, we provide essential gap financing for local business projects, exemplifying our commitment to the growth and prosperity of our region.

The spirit of youth education is alive through the Rural Electric Youth Tour to Washington, D.C. which extends a unique learning experience to high school juniors and seniors. By immersing them in the workings of our democracy and the cooperative business model, we empower the next generation of leaders. Each year, we proudly sponsor a fully-funded trip for a deserving student. Read more about Marea Maki's experience on the 2023 tour on page 3.



DAN EHRKE

Our dedication to education continues with the Lineworker Scholarship. This year, we are excited to support Sam Ebert from Sibley County, who will be embarking on his Electrical Lineworker Technology program this fall at Minnesota West Community & Technical College in Jackson. Our \$500 scholarship aims to fuel promising careers in this essential field. Our partnership with the Ridgewater College Foundation also awards \$1,000 in scholarships, supporting local students like Danielle Krotzer and Stephanie Lopez Bartolon as they pursue their higher education dreams.

On that note, as school approaches, I'd like to remind everyone to be cautious around school buses and wish local students the best of luck in their studies.

Finally to celebrate our community and our members, we invite you to join us at our upcoming open house. This event is an opportunity to connect and learn more about your cooperative. Learn more about the open house on page 4.

At McLeod Co-op Power, we are honored to stand by our members, nurturing the spirit of community, education, and service. Together, we light the way to a brighter future.

Cooperatively


Dan Ehrke
Member Services Manager

AUGUST 2023
BOARD MEETING
HIGHLIGHTS

The Regular Meeting of the Board of Directors of McLeod Cooperative Power Association was held on August 22, 2023, at McLeod Co-op headquarters. Nine board members, the attorney, CEO Ron Meier, and department managers participated in the meeting.

Highlights of the meeting included:

- Manager of Finance Jakel reviewed the July financials, Budget vs. Actual report, and the financial forecast. There were reduced sales for July due to unseasonable cool weather.
- The July 2023 outage report was reviewed with a total of 97 outages, affecting 476 consumers.
- Operations Manager Brady gave his report which included an update on the Bell Substation construction. The fence footings for the structure have been installed.
- A motion was carried to approve Policy 5-25B, Non-DOT Drug, Alcohol, Cannabis & Controlled Substance Use.
- A motion was carried to approve Resolution 2023-08-01 Reconsideration & Withdrawal for Board Resolutions 2023-07-01 and Board Resolution 2023-06-02.
- A motion was carried to approve Susan Anderson as the CFC voting delegate and CEO Ron Meier as the alternate voting delegate.
- A motion was carried to approve Susan Anderson as RESCO's voting delegate.

BY THE NUMBERS | Q2 2023

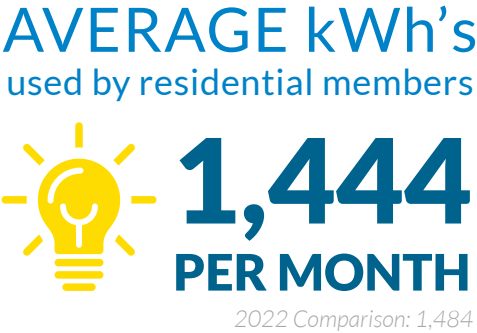
McLeod Co-op Power's leadership spends substantial time managing and providing oversight of the Co-op's operations, including ensuring that the organization remains in a strong and stable financial condition. Below is an overview of our Second Quarter Unaudited Financial Report.



	2023	2022
Cost of Purchased Power	\$6,474,552	\$7,325,972
Other Operating Expenses	\$4,301,021	\$4,006,760
Total Cost of Electric Service	\$10,775,573	\$11,392,732



	2023	2022
Operating Margins	\$(3,412)	\$188,623
Non-Operating Margins	\$631,094	\$113,290



WINTER
CONSTRUCTION
CHARGES

McLeod Co-op Power reminds members that additional winter chargers will apply if they are planning to run electric service to a home, outbuilding, or other facility between November 1 and April 15. Additional charges apply due to the cost of construction during winter related conditions. You can avoid winter construction charges by having your site ready for service installation and having an electrical inspection completed prior to October 15. Please contact our Engineering Department for more information at (800) 494-6272.



MN COLD WEATHER RULE REMINDER

The Minnesota Cold Weather Rule protects residential utility customers during the cold winter months. Under this rule, McLeod Cooperative Power will not disconnect your electricity from October 1 through April 30 if you meet the Cold Weather Rule requirements.



In order to qualify for winter shut-off protection, you must meet all of the following conditions:

- Your total household, not individual, income is less than 50% of the state median income.
- You contact the Co-op, set up a payment arrangement, and are reasonably current with scheduled payments.

It's important to understand that the Cold Weather Rule still allows electricity to be shut off for non-payment. You will only be protected if electricity provides your primary source of heat and you meet the conditions above.

Before disconnecting service to a residential member during the cold weather months, McLeod Co-op will provide a disconnect notice, statement of member rights and responsibilities, a list of local energy assistance providers, and available payment plans or options to the affected member. Inability to pay forms are available upon request.

At McLeod Cooperative Power our members are important. We would rather work with you to set up a plan to pay your bill than disconnect your service. If you are worried about paying your electric bill this winter, reach out to us at (800) 494-6272 before the due date of your bill. Winter will be here soon. Let's work together to keep everyone safe and warm.



ENERGY EFFICIENCY

Did you know fall is the perfect time to schedule a tune-up for your heating system? No matter what kind of heating system you have, you can save energy and money by maintaining your equipment. Combining proper equipment maintenance and upgrades with recommended insulation, air sealing and thermostat settings can save about 30% on your energy bills.



1,800 students from all across America took part in the Rural Electric Youth Tour experience this year. The unique trip gives young people the opportunity to watch history come alive, explore museums, memorials, and monuments, make friendships that will last a lifetime, and be part of a group that has more than 50,000 alumni in every walk of life, including U.S. Senators and CEOs.

Thirty-four Minnesota students, including Marea Maki of Hutchinson, recently returned from a fast-paced, action-packed and unforgettable trip to Washington, D.C. The Rural Electric Youth Tour, sponsored by McLeod Co-op Power and coordinated by the Minnesota Rural Electric Association, is an all expenses-paid experience that offers young adults the opportunity to learn about their government and electric cooperatives, make friends, and visit famous landmarks.



On the June trip, the Minnesota delegates met with their elected representatives to discuss current issues. They toured Capitol Hill and explored monuments and museums, including Mount Vernon, the National Cathedral, the Smithsonian Institution, the Holocaust Memorial Museum, and the Lincoln, Jefferson and Vietnam Veterans memorials, among others. Other events included Youth Day, coordinated by the National Rural Electric Cooperative Association, when all of the approximately 1,800 Youth Tour delegates from about 44 states came together for a special event with guest speakers.



Here's what Marea had to say about the experience:

"I have a lot of wonderful memories from this trip. One of my favorites is when all the delegates from every state gathered for dinner, a motivational speaker, and to hear about what NERCA is doing across the country and in still developing countries.

Another great memory from the trip is our night tour of some monuments! I loved learning about the symbolism, and seeing the monuments all lit up. Additionally, Washington D.C. has so many museums, and I was grateful to see so many.



Our day spent on Capitol Hill meeting with legislators was awesome! I appreciated the conversations we had, and the questions answered. It was such a cool opportunity to talk to our own representatives, and make sure they can hear the voices of those they're representing. My group had a lengthy conversation with Angie Craig, who was passionate about making sure to continue to support our rural cooperatives. We talked about how to stabilize an energy grid, but still keep costs low. We also discussed how to provide solar energy to rural communities, along with broadband. One of my favorite things she mentioned was how she believed in building a future for the generations to come. I felt inspired by her, and it was comforting to know that Angie heard us. It was amazing to know our reps in the Capitol are just as passionate as we are.

I didn't know a lot about cooperatives before this experience. I did some research before we departed, but I really had no idea about the world of Cooperatives. First, there is a sea of wonderful people working in co-ops across the country. While in D.C., I was surrounded by knowledgeable, kind, passionate, and caring people who wanted the best for their country, and communities. I also learned all about the Rural Electrification Act.

I was inspired by all my other delegates. It was amazing to see how passionate and knowledgeable my peers were, and I'm so glad to see that there are other people my age invested in our government, their communities, and our future.


I want to extend my most heartfelt thank yous. Truly this was a once in a lifetime trip, and I am beyond grateful for the opportunity."



FOUR KEY FACTORS THAT IMPACT ENERGY BILLS


In a world where the cost of daily living seems to be on a constant rise, it's only natural to wonder what factors contribute to the fluctuations in electricity prices.

While there is no short answer, there are a few key elements that impact electricity prices and rates. Below is a summary of the four primary factors that impact your bill. While we can't control the weather or the rising costs of fuels, please know McLeod Co-op works proactively to manage our system delivery costs. Additionally, members can manage their monthly electricity consumption. Your energy consumption directly influences your bill, as this covers the usage of appliances, heating/cooling, lighting, and electronic devices. We're here to help you, too by offering a variety of load management programs, rebates, and tips for saving energy and money. Contact us if you have questions about your electric bill or for advice on how to start saving today.




VARYING FUEL COSTS

The cost of fuels used to generate electricity fluctuates, which is why you see a power cost adjustment (PCA) on your monthly bill. This monthly charge or credit covers cost fluctuations without having to continually restructure electricity rates. The PCA is allocated to all members based on the passed-through cost adjustment from our whole sale supplier, Great River Energy.




SYSTEM DELIVERY COSTS

Your bill includes a monthly system delivery charge, which recovers part of the co-op's ongoing investments in poles, wire, meters, system maintenance and additional costs necessary to provide electric service regardless of the amount of energy you use.



WEATHER AND TEMPERATURE

When temperatures soar or dip, your cooling or heating equipment must run longer and at maximum capacity, which can greatly increase your energy use. Extreme temperatures can also affect electricity market prices. When the need for electricity increases due to extreme heat or cold, the price of power typically rises.



ENERGY CONSUMPTION

This is the amount of electricity you use each month to power your home's cooling/heating system, appliances, lighting, electronics and more. The amount of electricity you consume is measured in kilowatt-hours (kWh). You have control over when and how much energy you use, which can ultimately help manage your monthly costs.

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YOU'RE INVITED: MEMBER APPRECIATION OPEN HOUSE

Join us for the McLeod Co-op Power Member Open House as we celebrate National Co-op Month!

Stop by the McLeod Co-op Power warehouse on Tuesday, October 10th, from 9:00 a.m. to 11:30 a.m. for a morning of discovery and appreciation. Engage with our displays of trucks, equipment, and safety booths. Experience hands-on demonstrations showcasing how our dedicated crews work hard to keep the lights on. Displays will include generators, water heaters, heating equipment, and more. Don't miss exciting exhibits like the EGO booth featuring electric lawn equipment and pole climbing demonstrations (weather permitting). Coffee and cookies will also be available.

MEMBER APPRECIATION EVENT

OPEN HOUSE

OCTOBER 10

9:00 AM - 11:30 AM

3515 11TH STREET EAST, GLENCOE



3515 11th St. East
Glencoe, MN 55336

WWW.MCLEODCOOP.COM

The McLeod Cooperative Power News (USPS 2220) is published monthly by McLeod Cooperative Power Association, 3515 11th St. East, Glencoe, MN 55336-0070. Subscription rate: \$6.10 per year for members and \$12.20 per year for non-members.

Periodicals Postage Rate is at Hutchinson, MN, 55350 and additional mailing offices.

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

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

24-HOUR OUTAGE PHONE
(800) 927-5685

WEBSITE
www.mcleodcoop.com

EMAIL ADDRESS
mcpainfo@mcleodcoop.com

CHIEF EXECUTIVE OFFICER
Ronald Meier

EDITOR
Dan Ehrke and Fuller Creative

BOARD OF DIRECTORS
District 1:
Kirk Newman
(952) 955-3319

District 2:
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(320) 779-1101

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