MCLEOD COOPERATIVE POWER

NEWS

FEBRUARY 2024



In the delicate balance between trees and power lines, McLeod Co-op Power has taken proactive measures to address potential hazards and ensure the reliability of its electrical distribution system. 2023 marked a great first year of collaboration with our vegetation management contractor, TreeStory.

The decision to engage with TreeStory yielded positive results, setting the tone for a successful venture into enhancing the reliability and safety of the electric utility right-of-way. As we reflect on the achievements of the past year and the outlook for 2024 and beyond, it becomes evident that effective vegetation management is not only crucial for preventing safety issues but also for reducing outages and ensuring the safe operation of the electric grid.

The success of the partnership with TreeStory in 2023 was characterized by exceptional productivity. The team's dedication and efficiency allowed us to not only meet but surpass our goals for the year. Despite the challenges posed by vegetation overgrowth, we covered more territory than anticipated, all while remaining within budget constraints. This achievement underscores the efficiency of a well-planned and executed vegetation management strategy.

Looking back on the past couple of years, a key observation has been the need to fully implement the existing board policy on vegetation management. The policy dictates the maintenance of the electric utility right-of-way, requiring the removal of all vegetation within 15 feet on both sides from the center of the right-of-way. Adhering to this policy is essential for averting safety issues and minimizing outages, ensuring a secure environment for our members, line crews, and the public.

As we set our sights on 2024, the focus areas for vegetation management will be around Hutchinson, Silver Lake, and Winsted (north of State Highway 7). These areas have been identified based on careful

consideration of factors such as population density, vegetation growth patterns, and historical data on outages. By concentrating our efforts in these locations, we aim to maximize the impact of our vegetation management program, further fortifying the resilience of the electric grid.

Looking beyond 2024, recognizing that trees do not cease to grow, we know the importance of adopting an ongoing schedule for vegetation management. Regular tree trimming will be a cornerstone of our strategy, ensuring that previously addressed areas do not become problematic in the future. This proactive approach will contribute to improved reliability, reduced safety hazards, and a more sustainable vegetation management program.

As a reminder, residents will receive a door hanger notifying them of the contractor working in their area about two weeks prior to the start of the work. The contractors vehicles and equipment will be recognizable with the company's logo decal shown below. Additionally, members are urged to avoid planting trees in or near the right-of-way, particularly large, tall-growing trees that should be at least 50 feet away from power lines.

In the event of a compromised tree near power lines, members are encouraged to reach out to us for assistance. We will assess whether the tree falls under our responsibility for removal or if they should contact an independent tree service company. This collaborative effort between the McLeod Co-op Power and our members is essential for creating a robust vegetation management program that ensures the continued reliability and safety of the electric utility infrastructure.



NEW SOLAR ESTIMATOR

03

RURAL ELECTRIC YOUTH TOUR 2024

04

REMINDER: OPERATION ROUND UP APPLICATIONS DUE

Operation Round Up grant applications are once again available from McLeod Co-op Power's charitable donations program. The program collects donations from participating members by rounding up their electric bills to the nearest dollar and then distributing funds to worthy causes in our service territory that improve the quality of life for our community. The deadline to apply for funds is Friday, March 1, 2024.

DIRECTOR NOMINATIONS NOW OPEN

The Annual Meeting is scheduled for July16 this year and this year's election will include Districts 4, 5, and 6. The election process ensures that every member has a voice in the operation of this organization. Directors represent our members by responsibly overseeing the business of the co-op and determining its strategic direction.

Members in Districts 4, 5, and 6; who meet the Bylaw qualifications and have an interest in serving as a director of McLeod Co-op Power should complete a director application at mcleodcoop.com/about/co-op-info by 4:00 p.m. on March 31, 2023. If you have additional questions, need more information, or would like to request an application by mail please call (800) 494-6272.

DISTRICT 4:

Kingman, Osceola, Brookfield, Boon Lake, Preston Lake, Hector, Melville, Bird Island, Norfolk, and Palmyra Townships in Renville County and East Lake Lillian Township in Kandiyohi County.

DISTRICT 5:

Lynn and Acoma Townships in McLeod County, and Ellsworth Township in Meeker County.

DISTRICT 6:

New Auburn, Green Isle, Arlington, and Dryden Townships in Sibley County, and Penn Township in McLeod County.

VOLUNTEERS NEEDED

The co-op is also seeking volunteers to serve on the Nominating Committee for Districts 4, 5, and 6. Volunteers participate in the election process by reviewing candidate applications and submitting two applicants per district to the Board of Directors for approval. They also assist in collecting and counting ballots at the Annual Meeting on July 16, 2024. Committee meetings are tentatively scheduled for April 9 and May 7.

Members who serve on the Nominating Committee are paid a per diem for each meeting plus mileage. If you are interested in serving on this committee, please call the Co-op at (800) 494-6272 no later than February 29, 2024.



CEO MESSAGE

In January, temperatures dropped a bit following an unseasonably warm December. While chilly days are typical for us here in Minnesota, other regions, like Texas, may not be accustomed to such conditions. A few years ago, Texas faced a severe polar vortex that resulted in a tragic outage event, emphasizing the crucial role of the electrical grid at the regional level.

While our January weather might not be considered extreme for Minnesotans, it can pose challenges for those in the southern regions. So, just how did the grid perform last month? Regionally, it experienced some strain, but the grid did keep up with demand.

In the realm of power generation, "peaking plants" play a vital role. These power generators, like the ones utilized by Great River Energy (GRE), can swiftly respond to the grid's power needs. GRE's plants, powered by natural gas and can switch to fuel-oil, enhance reliability.

One of these plants, located east of our area near Highway 7, caught my attention during one of the coldest days this past January. As I approached, expecting to see the plant online, it was surprisingly quiet. During our chilly January, GRE's peaking plants weren't needed as the wind turbines, supported by coal, natural gas, and a touch of nuclear power, ensured a stable supply of electricity. They were ready, but they were not needed this time.

In addition to peaking plants, we work with GRE to implement load management programs. These programs reduce electricity demand during peak times. One example of a technology that works with these programs is electric water heaters. They can heat water when there is plenty of electricity and be turned off when there is a high demand for electricity. Home heating and cooling systems can be another effective load management tool.

Depending on the program or equipment, participating members receive a lower electricity rate or a credit on their monthly electric bill. Rebates for equipment might also be available. We encourage members to consider how our load management



CEO RON MEIER

programs are used when they're looking at upgrades in their home or business.

Despite our efforts, localized outages did occur in January. These weren't driven by capacity but occurred due to an array of issues such as small animals, planned outages for maintenance projects, or equipment failure. Fortunately, our linemen worked diligently to repair the affected powerlines. While we strive for resilient powerlines, we know that outages are inevitable. Installing a standby generator at home can be a way to cope with such situations when they do occur. If you're interested, give us a call as our Energy Management Specialists can get you information on standby generators that we sell and install.

When reflecting on our most recent cold snap in January, it becomes evident that our collaborative efforts, from the use of responsive peaking plants to innovative load management programs, contribute significantly to maintaining a stable electrical supply. While localized outages serve as reminders that even with the best planning and infrastructure, outages do happen, and it is always best to be prepared.

As we move forward, exploring new technologies and considering the interplay between individual choices and the broader electrical system ensures a more robust and reliable energy future. If you have any inquiries or are considering enhancing your home's systems and power preparedness, we can assist you in navigating the evolving landscape of energy efficiency and security.

RIPLi

JANUARY 2024 BOARD MEETING HIGHLIGHTS

The Regular Meeting of the Board of Directors of McLeod Cooperative Power Association was held on January 23, 2024, at McLeod Co-op headquarters. The nine board members, attorney, CEO Ron Meier, and department managers participated in the meeting.

Highlights of the meeting included:

- The December 2023 outage report was provided with a total of 26 outages, affecting 100 consumers.
- Operations Manager Brady provided an update that TreeStory has completed 35% of the vegetation management work in Hutchinson township and once complete they will move to Acoma township.
- Member Service Manager Ehrke reported high school students from Glencoe Silver Lake and Sibley East were recently at the facility as part of a career exploration program that MCPA hosted.
- A motion was carried to approve Resolution 2024-01-02 Adoption of the MCPA Owned Level 2 EV Charger Rate.
- Manager of Finance Jakel reviewed the December financials.
- A motion was carried to approve Resolution 2024-01-03 Amend Revenue Deferral Plan.
- A motion was carried to approve Resolution 2024-01-04 Write-Off Uncollectible Accounts.
- A motion was carried to approve Resolution 2024-01-01 Vote in Favor of Amendment to Appendix B of the Transmission Service Contact.
- A motion was carried to approve Directors Anderson, Burdorf, and Griebie to attend the MREA Annual Meeting & Legislative Day in St. Paul on March 18th-20th.

POWER OUTAGES

MONTH	OUTAGES	MEMBERS	AVG.	LONGEST
January	20	35	121 min	293 min
February	26	33	80 min	415 min
March	61	128	68 min	178 min
April	76	536	118 min	369 min
May	91	328	76 min	273 min
June	70	350	58 min	263 min
July	97	476	105 min	415 min
August	75	531	110 min	505 min
September	54	198	78 min	183 min
October	69	166	110 min	229 min
November	47	62	91 min	277 min
December	26	100	111 min	186 min

WHAT'S CAUSING OUTAGES?









PLANNED MAINTENANCE ANIMALS 52.25% 13.76% 8.43%

LS WEATHER 8.01%

000

OTHER

7.87%



7.44%



EQUIPMENT UNKNOWN 1.83% 0.42%

UNKNOWN

ENERGY EFFICIENCY

Area rugs are an easy, cost-effective solution to cold floors. Adding area rugs to hard-surface flooring can add warmth to any room and keep your feet cozy. Choose rugs made from wool or other natural fibers and plush or high-pile textures for the most insulation. Place rugs in areas where you need additional warmth, like the foot of a bed or under a coffee table. Area rugs can enhance the aesthetic of your home and keep you cozier.

2024 REBATES

ENERGY STAR APPLIANCES

Energy Star Dehumidifier \$25

Energy Star Electric Clothes Dryer \$25

RECYCLING

Old Freezer or Refrigerator \$25 (Proof of recycling required, limit of two per year.)

ELECTRIC VEHICLES

Level II EV Charging Station \$500 (Level 2 charger installed on the co-op's Storage/Off Peak Program)

WATER HEATERS

Heat Pump Water Heater \$500 (50-gallon minimum capacity)

Replacement Electric Water Heater \$50 (40-gallon minimum capacity)

Electric Storage Water Heating Program \$400

ENERGY STAR SWIMMING POOL

Air Source Heat Pump Pool Heater \$400

Variable Speed Pump \$200

HVAC

Central Air Conditioner or Air Source Heat Pump Tune-up \$25

> Electric Thermal Storage Space Heating \$50 per kW

Air Source Heat Pump 8.2-8.99 HSPF or ≥ 7.5 HSPF2 \$500

Air Source Heat Pump \geq 9.0 HSPF or \geq 8.1 HSPF2 \$1,000

Ductless Air Source Heat Pump > 9.0 HSPF \$300

Ground Source Heat Pump \$400 per ton

ECM \$50 (retrofit only, no new construction)

ELECTRICAL LAWN EQUIPMENT
(APPLIES TO LAWNMOWERS, CHAINSAWS,
TRIMMERS, LEAF BLOWERS AND SNOWBLOWERS)

Purchase of \$149 or Less \$25 Purchases of \$150 and Above \$50

Visit our website at www.mcleodcoop.com for complete rebate rules and requirements.

NAVIGATING THE SOLAR DECISION: A GUIDE TO SEEKING ADVICE BEFORE INSTALLATION



As the interest in residential solar systems grows, so does the need for comprehensive information to guide homeowners through the decision-making process. While advancements in technology and decreasing costs make solar an attractive option, seeking advice before committing to installation is crucial. Here's a comprehensive guide to help you make informed decisions.

The first step in the process of considering solar installation is education. It involves understanding whether a solar photovoltaic (PV) system aligns with your energy consumption patterns. While solar is a popular choice, alternative technologies such as air source heat pumps, ground source heat pumps, and improved insulation may be more suitable depending on your specific needs.

Site assessment is pivotal in making an informed decision. Factors such as orientation, roof pitch, tree coverage, and local weather patterns must be considered. Utilizing tools like the MN Solar Suitability App can provide an initial sense of your site's solar potential. Additionally, consulting with a solar site assessor can offer valuable insights into the best technologies for your home, addressing structural or electrical considerations.

Local ordinances and zoning regulations play a crucial role and should not be overlooked. Before committing to a solar project, it's essential to check with your city or county regarding any ordinances that might impact your installation. Some areas may have setbacks or require structural assessments for solar projects.

Budget considerations are also crucial. While most solar installers provide estimates, it's essential to plan for all financial aspects. Take into account potential energy savings, available rebates, incentives, hidden costs, and upfront payments. Various incentives, such as federal tax credits and grants, can make solar more financially feasible.

McLeod Co-op Power now provides a solar energy estimating tool on our website for members considering solar installation. This tool helps members determine the financial viability of solar energy for their homes or businesses. Members can experiment with different system sizes, electric rates, and estimated system prices to see how projections may change based on inputs. The tool aims to assist members in evaluating the financial impact of purchasing their solar systems.

When it comes to choosing a contractor, comparing bids from multiple solar contractors is a wise move. Resources like the Clean Energy Resource Teams (CERTs) solar directory can aid in finding reputable installers. CERTs also provides a set of questions to ask potential contractors, ensuring you make an informed decision.

Once a contractor is selected, the installation process typically takes between two weeks and two months. The chosen contractor will facilitate the interconnection agreement, enabling the tracking of production and receiving payments for excess energy through a "net metering" billing arrangement.

For personalized assistance, McLeod Co-op Power offers one-on-one support. If you're considering solar implementation and want guidance, contact us. We are ready to help you determine the best option and navigate the interconnection process.

In Minnesota, it's important to note that consumers cannot legally install solar until after applying for interconnection to the power grid, meeting safety installation requirements, and receiving approval to interconnect. Contacting the co-op ahead of time can save both money and time. To initiate the process, visit McLeod Co-op Power online and follow the link to the NOVA Power Portal, where you can access application forms, requirements, tariffs, and more.





BELL SUBSTATION SET FOR MAY COMPLETION

Construction of the new Bell Substation has been advancing quite nicely over the past few months. The project reached a significant milestone when the power transformer was delivered on January 5th. McLeod Co-op Power's contractor is continuing to work on the install with May of 2024 being the estimated date for completing the construction project. Energizing of the new substation will take place shortly thereafter.

The new substation, crafted from robust steel, is set to house a 10 MVA Power Transformer and five circuits, serving multiple townships. The additional capacity strategically situates the Co-op for further growth. A notable feature of the new substation is the incorporation of electronic breakers, promising enhanced tracking and outage management capabilities. Furthermore, the site's expansion along State Highway 15 creates a greater setback, diminishing the risk of vehicle accidents and fortifying the overall reliability of the substation.

WIN A TRIP TO WASHINGTON D.C.

If you are a High School Junior or Senior and your parents live in McLeod Cooperative Power Association's service area (McLeod, Sibley, Renville, and Carver Counties) you could win an all-expense paid trip to Washington, D.C.







Every year, rural electric cooperatives nationwide sponsor about 1,900 high school juniors and seniors on the Rural Electric Youth Tour to Washington, D.C. This program, dating back to the late 1950s, aims to cultivate the grassroots spirit of rural electric cooperatives. Over 50,000 students from small towns and rural areas have participated, gaining firsthand insights into American history and citizenship. During a week in June, students meet Representatives and Senators, enhancing their understanding of government functions and the electric cooperative business model.

In 2024, McLeod Co-op Power will sponsor an all-expense-paid trip for one qualifying student. The contest is open to any current high school junior or senior whose family is a member of our cooperative. The selected student will engage with congressional representatives, explore renowned museums and monuments, and create lasting memories and friendships.

To apply, eligible students can complete an online application and submit a recommendation letter from a teacher, coach, or youth organization leader. The application deadline is March 1, 2024.

For those interested in this exciting opportunity, further details and the application are available at www.mcleodcoop.com/about/youth-programs/. Don't miss the chance to be an advocate for electric cooperatives and experience a memorable week in Washington, D.C.!







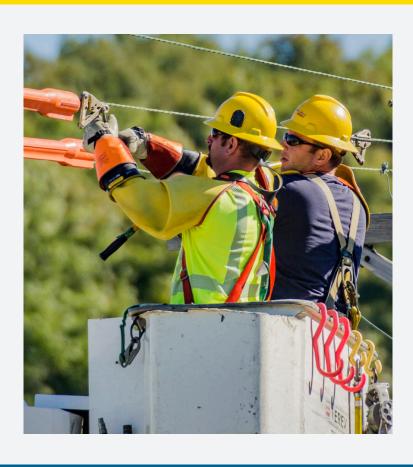
PAST TOUR HIGHLIGHTS HAVE INCLUDED:

Arlington Cemetery Holocaust Memorial Museum John F. Kennedy Center U.S. Capitol Potomac River Smithsonian Institution 911 Pentagon Memorial **Lincoln Memorial WWII Memorial Mount Vernon Martin Luther King Memorial** Korean War Veteran's Memorial **Iwo Jima Memorial Museum of Natural History Jefferson Memorial** Franklin D. Roosevelt Memorial **National Museum of Air and Space Washington Monument Social Events Legislator Visits Cooperative Learning Sessions**

POWER LINE WORKER SCHOLARSHIP AVAILABLE

McLeod Co-op Power is pleased to offer a \$500 scholarship for a student entering an accredited line technician program at a Minnesota vocational school; to help fulfill their ambition of becoming an electrical lineworker and having a career in the electric utility industry.

Applications are due no later than 4:00 p.m. on April 15, 2024. Application forms are available online at www.mcleodcoop.com/ about/youth-programs/ or by calling (800) 494-6272.





Glencoe, MN 55336

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