

# MCLEOD COOPERATIVE POWER NEWS

MARCH 2025



## A LOOK BACK AT OUR EARLY YEARS!

Ninety years! Looking back at early records, it appears that the first known meeting to discuss rural electrification in McLeod County was at the Silver Lake Hall on August 19, 1935. At that meeting, the main topic was to evaluate the interest of the rural areas in bringing electricity to their farms and homes. About a month later, at the Glencoe courthouse, another meeting was held where even more interest was expressed that led to the association of McLeod Co-op Power which was officially incorporated on October 3, 1935.

We were in business! Being among the first to form an electric cooperative in Minnesota, there was much to do and no playbook to follow. However, McLeod Co-op grew from day to day through a lot of determination and hard work.

Meetings were held in town and fire halls, schools, church basements, and homes throughout the entire area to tell the people how they could obtain the advantages of electricity. As time went on, it was agreed upon by the membership to elect board members that would be comprised of one representative from each township.

The membership gained momentum because of volunteers stepping up their efforts, seeking support for the fledgling cooperative. They knocked on the doors of every farm, hoping to educate their neighbors that electricity was not only possible, but it was a necessity. With that knowledge and understanding, the goal was to get more rural residents to become members of the cooperative.

The next step was determining the cost and location of lines to meet the needs of the initial members. Farmers had to pay for the cost of wiring their buildings and additionally had to contribute to the cost of the construction of line to get to their property.

On February 19, 1936, McLeod Co-op's first loan of \$600,000 had been approved by the REA. The search for a wholesale power supplier was then navigated by the board of directors. Meetings were scheduled with representatives of Northern States Power Co. (NSP), but the two parties couldn't come to terms, and the decision was made to begin conversations with the City of Hutchinson

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## 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, 2025. Application forms are available online at [www.mcleodcoop.com/about/youth-programs/](http://www.mcleodcoop.com/about/youth-programs/) or by calling (800) 494-6272.

## GRID ACCESS CHARGE

Beginning this month, March 2025, the updated McLeod Co-op Grid Access Charge for member cogeneration installations goes into effect. This fee is based on the 2024 Cost of Service Study, and is a monthly charge to recover the fixed costs to serve a distributed generation qualifying facility. Those with cogeneration installations can find the current rates and charges listed on the NOVA portal.

DIRECTOR ELECTION  
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COLD WEATHER  
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## 90 YEARS CONTINUED...

as they were in the process of building a generating plant. Ultimately, Hutchinson agreed to supply power at a reasonable cost, and they even purchased an extra engine to ensure power for McLeod Co-op lines.

On July 27, 1936, E. S. Gaynor Construction Co., from Sioux City, Iowa was hired to start constructing lines for McLeod Co-op. The first pole set in the system was erected October 8, 1936, in Hassan Valley Township, about one and one-half miles south of Hutchinson. The first line was energized on May 29, 1937.

By this point, there were more and more believers in electricity. Each month more local area residents appeared at board meetings asking for electrical service to their areas as local farmers realized the potential for improved productivity with electricity. As you can imagine, farmers weren't the only ones seeing the benefits.

The ripple effect spread to appliance dealers and other industries that

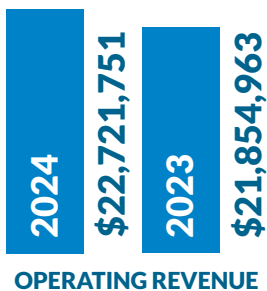
would impact almost every aspect of one's daily life as McLeod Co-op members purchased electric stoves, washing machines, refrigerators, radios, and smaller kitchen appliances. As time moved forward, telephones, televisions, computers, and other modern technologies would follow as people around the world benefited from electricity.

McLeod Co-op Power continues to be committed to powering the lives of our members as consumers invest in more and more products and services that rely on electricity. These present technological advancements include cell phones, internet service, electric vehicles, water heaters, home heating and cooling equipment, medical equipment, data centers, and so much more. Electricity truly touches almost every aspect of our modern lives.

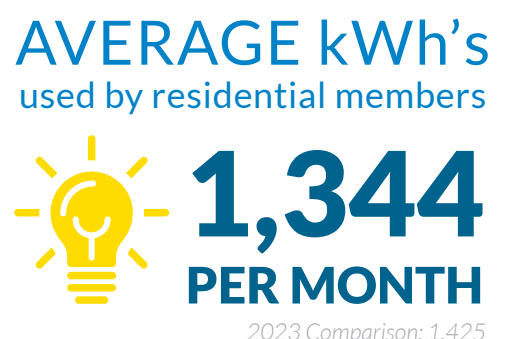
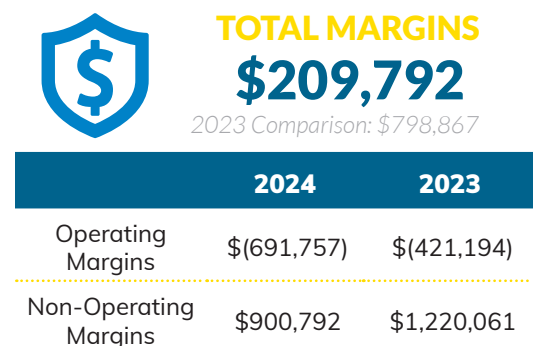
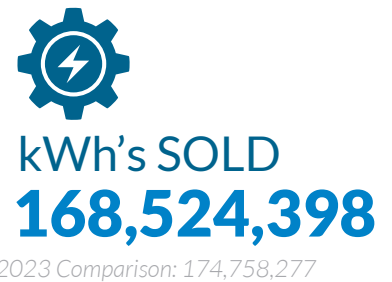
Cheers to the past 90 years and to the foundation it's built for our future as a cooperative! We look forward to the challenges and opportunities that await.

## BY THE NUMBERS | Q4 2024

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 Fourth Quarter Unaudited Financial Report.



	2024	2023
Cost of Purchased Power	\$14,155,649	\$13,685,967
Other Operating Expenses	\$9,257,859	\$8,590,190
Total Cost of Electric Service	\$23,413,508	\$22,276,157





## CEO MESSAGE

The Ames Hydroelectric Generating Plant, built outside Telluride, Colorado, in 1891, marked a significant milestone in the history of electricity. Gold and silver were abundant in the hills, and miners sought more efficient ways to extract these precious metals. A power line was extended over two and a half miles from a power plant to the Gold King Mine, making it the first instance of electricity being transmitted from its generation site to its point of use. The miners immediately understood the immense value of electricity.



Just over 90 years ago, a group of local community leaders in our area also recognized the value of electricity. They came together to form our electric cooperative, and soon after, power lines began to stretch across farms. They, too, understood the value of electricity. Today, many of us take electricity for granted. It is foundational to our way of life, enabling everything from the lights in our homes to the clothes on our backs and diesel fueling our trucks.

Growing up, electricity was always at my fingertips. The longest outage I experienced was only a day in Alabama after a hurricane; maybe it was two days—I was just a kid in kindergarten. Even when I lived in South Africa and the Philippines, I had electricity at the flick of a switch.

However, well-intentioned efforts have recently begun to challenge the financial and physical reliability of our electrical system. The infrastructure is aging and requires reinvestment, but due to regulations, this investment is more costly than it should be. Extended permitting timelines and increased



**CEO RON MEIER**

material costs mean we cannot build as much as we need within the limited time required to keep up with the growing demand.

Current legislation around net metering financially overvalues smaller solar projects installed behind our members' meters. Please don't get me wrong; our goal is always to allow our members to use the electrical system as they wish. However, we must ensure that other members are not negatively impacted. We are discussing evolving the statutes around net metering with our representatives in St. Paul. The proposed legislation would realign the value of electricity generated behind the meter. Today, we must pay for excess electricity being put back on the grid at an average retail rate rather than the wholesale rate we would pay our power suppliers. If this legislation is passed, it would remedy the overvaluation of excess energy being put back into the grid. At the time of writing, the proposed bill would not affect current installations, only future ones.

The founding members of our cooperative and the miners in Colorado knew the value of electricity. Perhaps it's time for us to pause and remember its value.

**Cooperatively**

*R1PL*



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[www.facebook.com/McLeodCoop/](https://www.facebook.com/McLeodCoop/)

## FEBRUARY 2025 BOARD MEETING HIGHLIGHTS

The Regular Meeting of the Board of Directors of McLeod Cooperative Power Association was held on February 25th, 2025, at McLeod Coop headquarters. Nine board members, attorney, CEO Ron Meier, and department managers participated in the meeting.

Highlights of the meeting included:

- The outage report for the month of January was reviewed with a total of 61 outages, affecting 78 consumers.
- A motion carried to approve the Emergency Response & Restoration Plan.
- A motion was carried accepting the DER/ Cogeneration Filing.
- Assistant Member Service Manager Bob Thomes reported that 90 load management controls were replaced in January as part of the system-wide changeout.
- Manager of Finance Jakel reviewed the January financials.
- Board of Director Hlavka gave his monthly Great River Energy report.
- An overview presentation was provided on the Annexation agreement between MCPA and the City of Hutchinson.



## RELIABLE POWER, NO MATTER THE WEATHER

Power outages can happen anytime—make sure you're ready with a fully automatic standby generator from McLeod Co-op Power. Our expert team provides turn-key sales and installation, so your home, farm, or business stays powered when it matters most.

- Professional installation from trusted experts
- Reliable Briggs & Stratton generators, available in 12 KW to 200 KW
- Power for essential systems like sump pumps, furnaces, refrigerators, and lights
- Optional annual maintenance to keep your generator running smoothly

**Call (800) 494-6272 today for more details and a price quote.**



## CONSIDERING AN EV? GET A LOOK AT THE NUMBERS

**Explore the financial feasibility of owning an electric vehicle using our handy EV Estimator Tool.**

Use our convenient online estimating tool to determine if buying an electric vehicle makes financial sense for you. Our energy management specialists are also available to guide you through the process, ensuring you make an informed decision.

### LEARN MORE

[www.mcleodcoop.com/services/electric-vehicle-estimating-tool](http://www.mcleodcoop.com/services/electric-vehicle-estimating-tool)



## IS SOLAR A SMART CHOICE FOR YOUR HOME? FIND OUT!

Considering solar energy but unsure if it's the right investment? Our Residential Solar Assessment helps you estimate your solar generation potential, ongoing utility costs, and expected payback period—all in just a few minutes!

Solar can be a great way to save on energy costs, but every home is different. Before making a decision, reach out to us—your trusted energy provider. We'll help you navigate your options and make a smart, informed investment in solar energy.

### START YOUR ESTIMATE

[www.mcleodcoop.com/services/solar-estimating-tool](http://www.mcleodcoop.com/services/solar-estimating-tool)



# ARE YOU INTERESTED IN BECOMING A BOARD MEMBER?

*The Cooperative business model depends on members like you to provide leadership and guidance.*

**Members like you who understand and listen to the community lead McLeod Co-op Power.**



**McLeod Co-op Power Directors are members just like you who understand and listen to the community. They represent you on the Board, while responsibly overseeing the business of the Cooperative and determining its strategic direction.**

Each year an election takes place to ensure that every member has a voice in the governance of this organization and that any member in good standing may seek election for the Board of Directors. In 2025, there are four districts up for election:

- **DISTRICT 2:** Hassan Valley, Rich Valley, Sumter
- **DISTRICT 7:** Collinwood, Hale, Hutchinson
- **DISTRICT 8:** Alfsborg, Bandon, Bismark, Collins, Grafton, Martinsburg, Moltke, Round Grove, Transit, Wellington
- **DISTRICT 9:** Camden, Watertown, Young America

## **RESPONSIBILITIES:**

- The board evaluates whether decisions and policies help the Cooperative successfully further its commitment to serving our community by providing excellent member service, and safe and reliable energy service at a competitive price.

- The board adopts and enforces policies, resolutions and actions governing ethical conduct, accountability and compliance with applicable laws and regulations.
- The board provides financial oversight, establishes financial targets, approves the Cooperative's budget, and reviews significant investments, loans and the rates for providing electric service to members.
- The board serves as ambassadors to our membership, community and legislative representatives. Directors are visible, active and available to members throughout their respective district.

## **QUALIFICATIONS**

Directors must receive electric service from McLeod Co-op Power at their primary residence in the district they represent. Directors cannot be an immediate relative to an employee, employed by an enterprise that directly competes with or provides substantial services to the Cooperative, or have any other conflict of interest. A complete list of qualifications is located within the Cooperative Bylaws.

## **COMMITMENT**

Directors serve a three-year term and must be available to attend monthly board meetings, the Annual Meeting, and additional training and/or

conferences throughout their term. Board members are also expected to prepare for board meetings and serve as an ambassador for the Cooperative in the community.

## **APPLY NOW**

Members in districts 2, 7, 8, and 9; 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](https://mcleodcoop.com/about/co-op-info) by 4:00 p.m. on March 31, 2025. If you have additional questions, need more information, or would like to request an application by mail please call (800) 494-6272.



## **2025 ANNUAL MEETING**

*The McLeod Co-op Power Annual Meeting will take place on Tuesday, July 15, 2025.*

# COLD WEATHER TECHNOLOGY ADVANCEMENTS IN AIR SOURCE HEAT PUMPS



**Minnesotans know that winter is no joke. With temperatures often plunging well below zero, homeowners need a heating system that can keep up with extreme cold. In the past, air source heat pumps (ASHPs) were considered more effective in mild climates, but thanks to recent advancements in cold-weather technology, today's ASHPs are a reliable and energy-efficient option for Minnesota homes.**

## WHAT'S NEW IN COLD-CLIMATE HEAT PUMPS?

### 1. Improved Compressor Technology

Modern variable-speed compressors allow heat pumps to adjust their operation based on the temperature, running at lower speeds for efficiency and ramping up as needed. These compressors can extract heat from the air at temperatures as low as -15°F or even lower.

### 2. Advanced Refrigerants

Newer ASHPs use enhanced refrigerants that work efficiently in frigid conditions, allowing them to operate at lower temperatures without freezing or losing efficiency.

### 3. Smart Defrost Cycles

Ice buildup on an ASHP can reduce efficiency, but modern models feature intelligent defrost cycles that activate only when needed. This prevents unnecessary energy use while keeping the system operating smoothly.

### 4. Dual-Fuel Compatibility

Many homeowners pair their ASHP with a backup heating source, such as a high-efficiency gas furnace or electric resistance heating. With smart controls, the system can automatically switch to the secondary source when temperatures drop below the heat pump's optimal range.

## WHY CONSIDER AN AIR SOURCE HEAT PUMP?

Cold-climate heat pumps offer several advantages over traditional heating systems:

- **Energy Efficiency:**  
ASHPs are up to 300% efficient, using significantly less electricity than electric baseboards or space heaters.
- **Lower Heating Costs:**  
Compared to propane or oil heating, ASHPs can reduce energy bills while maintaining comfort.
- **Year-Round Comfort:**  
These systems provide both heating in the winter and cooling in the summer, eliminating the need for a separate air conditioner.

## REBATES AND ENERGY SAVINGS WITH MCLEOD CO-OP POWER

McLeod Co-op Power offers rebates for members who install a qualifying ASHP. Enrolling in the Co-op's load management program can provide additional savings by shifting electricity use to lower-cost, off-peak hours. By installing an ASHP, homeowners can also reduce their reliance on propane or natural gas, protecting themselves from price fluctuations and supply shortages.

### HVAC

Ductless Air Source Heat Pump  
High Efficiency Systems ≤ 1 ton: \$150  
(≥ 14.3 SEER2 & ≥ 7.5 HSPF2)

Ductless Air Source Heat Pump  
Premium Efficiency Systems ≤ 1 ton: \$250  
(2025 CEE Tier 1 listed)

Ductless Air Source Heat Pump  
High Efficiency Systems ≤ 1 Ton - 5 Tons: \$750  
(≥ 14.3 SEER2 & ≥ 7.5 HSPF2)

Ductless Air Source Heat Pump  
Premium Efficiency Systems ≤ 1 Ton - 5 Tons: \$1,000  
(2025 CEE Tier 1 listed)

Ducted/Hybrid Air Source Heat Pump  
High Efficiency Systems Up To 5 Tons: \$750  
(≥ 14.3 SEER2 & ≥ 7.5 HSPF2)

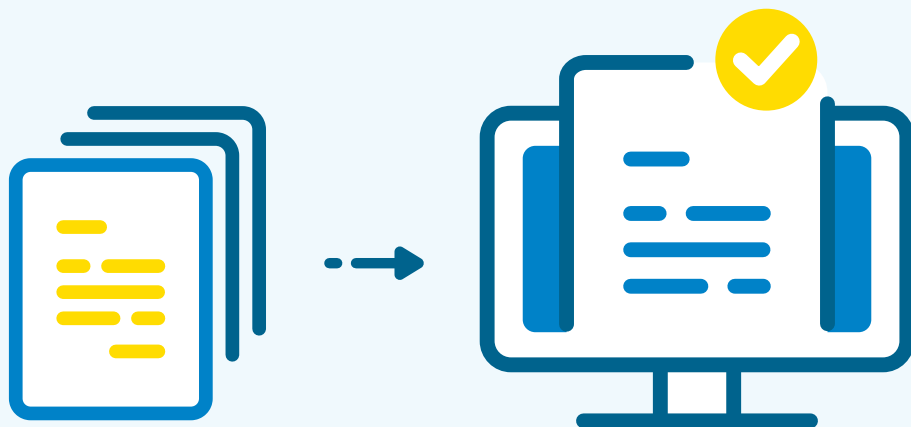
Ducted/Hybrid Air Source Heat Pump  
Premium Efficiency Systems Up To 5 Tons: \$1,000  
(2025 CEE Tier 1 listed)

## IS A HEAT PUMP RIGHT FOR YOUR HOME?

If you're considering an ASHP, it's essential to choose the right size and model for your home's needs. Consulting with a qualified contractor can ensure proper sizing, installation, and setup for optimal efficiency.

**To learn more about rebates and available programs, visit [www.mcleodcoop.com/products/rebates/](http://www.mcleodcoop.com/products/rebates/) or contact McLeod Co-op Power today!**





## SIMPLIFY YOUR LIFE WITH SMARTHUB & PAPERLESS BILLING!

*Managing your McLeod Co-op Power account has never been easier! With SmartHub, you can take control of your electric service anytime, anywhere.*

### VIEW & PAY YOUR BILL INSTANTLY –

No more waiting for the mail or writing checks. Pay securely from your phone, tablet, or computer.

### GET BILL REMINDERS & NOTIFICATIONS –

Never miss a due date with helpful alerts sent straight to your inbox or phone.

### TRACK YOUR ENERGY USE –

See daily, weekly, and monthly trends to manage your usage and avoid surprises.

### ACCESS YOUR ACCOUNT ANYTIME –

Whether you're at home or on the go, your account is always at your fingertips.

Signing up for paperless billing means no more misplaced bills and no more clutter—just simple, secure access to everything you need in one place.

**Make the switch today at <https://mcleodcoop.smarthub.coop/>**

#### OFFICE PHONE

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

#### 24-HOUR OUTAGE PHONE

(800) 927-5685

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District 9: Susan Anderson  
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(952) 250-3109

**McLeod Cooperative Power  
is an equal opportunity  
employer and provider.**



## ENERGY EFFICIENCY

March is an ideal time to service your home cooling system, ensuring it runs efficiently when the heat of summer arrives. Routine maintenance, like cleaning or replacing filters, checking refrigerant levels and inspecting parts, can improve your system's energy efficiency and lower your energy bills. By addressing potential issues early, you can avoid costly emergency repairs and extend the lifespan of your unit. Scheduling service in the spring helps you beat the peak-season rush, giving you faster access to qualified technicians. A well-maintained cooling system can save energy and keep your home comfortable all summer long.



3515 11th St. East  
Glencoe, MN 55336

[WWW.MCLEODCOOP.COM](http://WWW.MCLEODCOOP.COM)

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## AVOID ELECTRICAL FIRES AT HOME

*It is estimated that more than 30,000 non-fatal electrical shock accidents occur each year and it's estimated that between 600 and 1,000 people die each year from electrocution.*



Fire departments respond to an average of **46,700 HOME FIRES** each year caused by electrical failure or malfunction.

According to the National Fire Protection Association (NFPA): Over a recent 4-year period...



Fires caused an estimated average of:  
**390 DEATHS**  
**1,070 INJURIES**

**30%**  
happened in cold weather months (Nov. - Feb.)



Wiring and related equipment were involved in the greatest number of home electrical fires.



Lighting, a lamp or a bulb was involved in the second largest number of fires.

### WARNING SIGNS OF ELECTRICAL ISSUES:



1. Damaged cords and flickering lights.
2. Discolored outlets and switch plates.
3. Frequently tripped circuit breakers or blown fuses.

Hire a licensed contractor to ensure that your home's wiring is installed to code and functioning properly.

McLeod Co-op Power offers these tips to help you avoid becoming a part of these statistics:

**Electrical Outlets:** Check for loose-fitting plugs and replace missing or broken wall plates so wiring and components are not exposed. If you have young children in the home, check that unused outlets are covered.

**Plugs:** Never force a plug into an outlet and avoid overloading outlets with adapters or too many plugs at once.

**Cords:** Make sure cords are not frayed or cracked, placed under carpets or rugs, or placed in high traffic areas. Never secure a cord to walls, floors or other objects with nails or staples.

**Light Bulbs:** Check the wattage to make sure light bulbs match the fixture requirements and make sure they are screwed in securely so they don't overheat.

**Ground Fault Circuit Interrupters (GFCIs):** Make sure GFCIs are installed in your kitchen, bathrooms, laundry, workshop, basement and garage as well as on outdoor outlets. Test them monthly to ensure they're working properly.

**Appliances/Electronics:** If an appliance repeatedly blows a fuse, trips a circuit breaker, or has given you an electrical shock, immediately unplug it and have it repaired or replaced. Look for cracks or damage in wiring and connectors.

**Electrical Wiring:** Wiring defects are a major cause of residential blazes. Check periodically for loose wall receptacles, loose wires, or loose lighting fixtures. Listen for popping or sizzling sounds behind walls.