



**IN THIS ISSUE**  
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Seeking Youth Tour Applications

**BOARD MEETINGS** December 16 ■ January 25

# \$65.5 million and counting

## \$4.6 million credit to benefit members this month

Members will see a special credit printed on their December billing statements this month. Lake Country Power's board of directors approved a \$4.6 million capital credit retirement during the monthly October board meeting.

Of this amount, \$2.5 million is from Lake Country Power's regular retirement of capital credits. Another \$2.1 million is from Great River Energy, LCP's wholesale power supplier, which will be retired to LCP members as well. This is the third consecutive capital credit retirement from GRE to its 28 member-owner cooperatives.

### Benefits of Membership

Co-op capital credits are a membership benefit of being served by a cooperative like Lake Country Power. The co-op allocates all appropriate margins to Lake Country Power members based on the annual amount of electricity a member purchases.

Here's how the 2021 capital credit retirement will work, based on the LCP capital credit portion and the GRE portion. An individual member's general retirement is from one, or all, of the following calculations.

- The remaining \$921,000 will be retired on a percentage basis to former and current members.
- 2.) GRE Portion (represents \$2.1 million):
- Members from 1991 and 1992 will receive 100% of their unretired Great River Energy capital credits,
- Members from 1993 will receive approximately 65% of their unretired GRE credits.

Active members will see a credit applied to their December 2021 billing statement. Inactive members (those who have moved off the co-op system) will be mailed a check to their last known mailing address if the payment amount is \$10 or greater.

Between Lake Country Power and its three predecessor cooperatives, more than \$65.5 million in capital credits have been returned to members through the years. ■

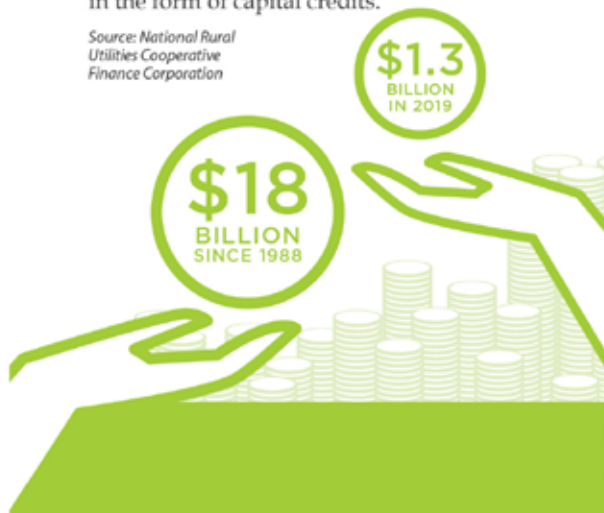
### Two Part Process

- 1.) LCP Portion (represents \$2.5 million):
- Members from 1995 will receive 100% of their unretired credits,
- Members from 1996 will receive 100% of their unretired credits,

## Did You Know?

Electric cooperatives have retired \$18 billion to members since 1988 – \$1.3 billion in 2019 alone. Because electric co-ops operate at cost, any excess revenues (called margins) are allocated and retired to members in the form of capital credits.

Source: National Rural Utilities Cooperative Finance Corporation



## Why do co-ops issue credits?

Unlike for-profit companies, co-ops do not operate to build shareholder wealth. Member equity, also called capital credits, is created when any earnings (revenues minus expenses) are left over at the end of each year. This creates a margin. At the end of each year, the co-op assigns each member's account a share of the margin, known as an allocation.

Before returning these margins back to members, electric cooperatives use the capital to help offset the cost of debt for equipment and materials used for the construction and maintenance of the electric distribution system. This helps lower financing needs.

To learn more about capital credits, or to review our list of unclaimed capital credits, visit our website at [lakecountrypower.coop](http://lakecountrypower.coop).

# Survey results show greater member satisfaction

Every couple years Lake Country Power conducts a survey among a sample of our membership to gauge satisfaction levels and to help identify areas needing improvement.

The most recent survey was done in September 2021 by National Rural Electric Cooperative Association (NRECA) Market Research Services. I'm pleased to report the survey results show positive trends for employees providing service excellence and members feeling happy with their

service and cooperative.

Members were asked to evaluate 19 performance quality attributes related to member service, electric service, communication, billing and cost, among other topics such as electric vehicle interest. Most of the ratings scored more than 4.00 on a five-point scale, and a couple of the attributes met or exceeded 4.5, which is considered excellent.

The overall scores received are the highest the co-op has achieved since 2008 and is at the

top of industry leaders. That is a testament to the excellent service employees are giving members on a consistent basis. We're thankful when members participate in surveys like this one because it helps us identify how to serve you better and gives credit where credit is due.

The following attributes showed the highest ratings in the study:

- Having friendly, knowledgeable employees (4.51)
- Having convenient payment options (4.50)
- Having employees who know how to answer members' questions (4.47)
- Being easy to reach to report a

- power outage (4.45)
- Providing accurate and easy to understand bills (4.44)
- Resolving any issues or problems (4.35)
- Keeping longer outages to a minimum (4.35)
- Communicating with members and keeping them informed (4.34)
- Restoring power quickly after an outage (4.33)

Thank you to those who completed the survey. We are proud to be your local electric cooperative and service provider. This Christmas, I wish you and your loved ones peace, joy and good health. ■



By Mark BAKK  
General Manager

## HOW THE ELECTRIC CO-OP WORKS



## Election process underway

The nomination process for Lake Country Power board of director positions begins January 20, 2022. The three-year board terms for District 2 (Michael Forsman, incumbent), District 4 (Craig Carlson, incumbent) and District 8 (Jim Huhta, incumbent) are expiring.

Any Lake Country Power member who has voting rights in Districts 2, 4 and 8, and is interested in seeking nomination for the board of directors should follow these procedures:

1. Call to request a nomination packet, and complete a qualification questionnaire confirming you meet all qualifications for director as described in Article III, Section 2 of the Bylaws of Lake Country Power.
2. Submit a nomination petition signed by 15 Lake Country Power members. If a husband and wife have a joint membership, it will be counted as one signature.
3. Submit a board candidate biography of no more than 180 words in length.

Nomination packets will be available at all three service center locations beginning January 20. The deadline for submitting nomination materials is 4:30 p.m., February 9, at the Cohasset Service Center.

The notice of the annual meeting will be mailed to all members of Lake Country Power between March 31 and April 5. Members in Districts 2, 4 and 8 will receive a ballot for electing directors.

The annual meeting will be held Wednesday, April 20 at the Cohasset Service Center, Cohasset, MN. Registration begins 4:00 p.m. with the meeting to follow at 5:30 p.m. An evening meal will be served during registration, pending any COVID-19 restrictions. If you have questions regarding director elections, contact Tami Zaun at 800-421-9959, ext. 7152.



# People Powering You

This is a regular series of employee spotlights where you'll get to know the people behind your power.

**Years served:** Employed 5 1/2 years

**Brief overview of my job:** I provide service to our members anywhere from sales and education of our off-peak and dual fuel Energy Wise programs, to service and support on your heating systems and water heaters. I also address energy consumption concerns you may have.

**Why I enjoy working at LCP:** I enjoy my job because there is no limit to where you can go and what you can learn if you are motivated to do so. I also can't imagine finding better coworkers anywhere – they are a very helpful, caring and fun group of people.

**Community Involvement:** I'm a volunteer firefighter for McGregor Fire Department.

**Hobbies:** Anything outdoors like hunting, fishing, snowmobiling, traveling, and spending time with family and friends.

**One random fact of interest about yourself:** I am the proud father of two beautiful little girls.

**Before I worked for the co-op?** I was an apprentice electrician for Local 242 in Duluth.

**Education/training/background:** Hibbing Community College for electrical maintenance and construction; journeyman electrician; Certified Energy Manager.



## Jake Koen

Member Service Technician

## High school seniors: Scholarship applications open January 1, 2022

Graduating high school seniors whose parents or guardians are LCP members are invited to apply for the Les Beach Scholarship. The scholarship application process opens January 1, and must be completed electronically from the co-op's website by 11:59 p.m., January 31.

To complete the electronic application and submit electronic letters of recommendation, go to [www.lakecountrypower.coop](http://www.lakecountrypower.coop) > My Cooperative > Community > Scholarships.

Scholarship recipients may qualify for up to \$4,000 over four years to help pay for college or technical education. Scholarships are renewable for up to eight semesters, and students must maintain a grade point average of 2.5 or higher. They must have a full-time enrollment status at a technical school, community college or university. Qualifying students must also have parents or legal

guardians who are members of Lake Country Power.

Lake Country Power offers scholarships to more than 30 high schools in the LCP service area. Scholarships are also offered for home-schooled students and to students who qualify in the "at-large" category, as defined on LCP's website.

Letters of recommendation from mentors will be accepted via the online link through February 15, but all other student-submitted materials must be complete by January 31. ■



## Security measures for SmartHub users

Passwords need to be longer and more complex as cyber criminals become savvier at breaking into peoples' accounts. That is why Lake Country Power is making changes to the password requirements for all new SmartHub sign-ups. Current SmartHub users are strongly encouraged to improve the strength of their passwords as well.



The password requirement goes into effect on January 1, 2022. Lake Country Power will require a minimum of 10 characters and a maximum of 20 characters. The characters must include at least one number, one uppercase letter and one special character.

### Current SmartHub Users

Nothing will happen to your current password if you already have a SmartHub account. However, the next time you want to change your password, you will need to create one with the new required complexity.

"We strongly encourage all SmartHub users to review their password strength to ensure it aligns with Lake Country Power's new requirements," said Michelle Hedlund, network administrator at LCP. "Improve the strength of your SmartHub password to keep hackers away from your private information."

### Two Factor Authentication

LCP will also activate two factor authentication for SmartHub users, but members will have a choice whether to use it or not. This type of security measure asks for more than one form of identification to prove it's really you when logging into an account.

If you need assistance, please call LCP at 800-421-9959. ■

# North Country EV Show & Tell Event brings enthusiasts together



Several types of electric vehicles (EVs), including Teslas, the Ford Mustang Mach-E, and other models were available to the public for viewing during a special EV-focused event this fall in Duluth. The goal of this event was to connect those interested in EVs to those who have already made the leap to purchase an EV.

The event was co-hosted by Lake Country Power and neighboring cooperatives, including wholesale power supplier Great River Energy, Minnesota Clean Cities and Shift2Electric also co-hosted. Nearly 150 people attended, most of which were LCP members.

A follow-up survey among attendees showed the discussion panel was the most beneficial part of the event followed closely by conversations with EV drivers.

“Our event was designed to be an informational electric-vehicle show so people could learn valuable information from industry experts, drivers, and what kind of charging programs their co-op offers,” said Tami Zaun, public relations coordinator. “Our committee is already making plans for an even more exciting event set for September 8, 2022 at the Bayfront Festival Park in Duluth.”

“If you’re thinking about owning an electric vehicle someday soon, this is the perfect event to explore your options, get your questions answered, and engage in dialogue with a variety of experts,” added Ryan Ferguson, senior engineer metering & SCADA. “We want to see you there next year!”

Of the attendees who participated in the survey, 80% said they expect to consider an electric vehicle as their next vehicle purchase. The top five reasons they would buy an EV: Environmental impact, fuel costs, charging at home, maintenance costs, and driving a quiet vehicle. ■

## RECIPE CORNER CHOCOLATE NUT CLUSTERS

From the  
Kitchen of:  
**Christine Moroni,**  
Ely



- 1 6 oz. pkg. milk chocolate chips
- 1 6 oz. pkg. butterscotch chips
- ½ cup crunchy peanut butter
- 1 ½ cups Spanish peanuts or mixed nuts
- 1 ½ cups miniature marshmallows

Melt peanut butter, chocolate chips and butterscotch chips on medium heat or in a bowl in the microwave. Mix in nuts and marshmallows. Mix well. Drop on wax paper or set in a pan lined with waxed paper. Chill.

If mixture is poured into a pan, cut to size after chilling. Store in a festive cookie tin.  
Hint: Store in a cool place to prevent melting, if you have any remaining.

Submit your favorite recipe to Lake Country Power, Attn. Editor, 8535 Park Ridge Drive, Mountain Iron, MN 55768, or e-mail [jburnes@lcp.coop](mailto:jburnes@lcp.coop). If your entry is printed in *Newsline*, you'll receive a \$5 credit on your electric bill. Entries must include name, address and phone number on account.

## smart hub Tip

**Q:** Curious about the minutes from a monthly board meeting?

**A:** Having a SmartHub account gives you quick and easy access to board minutes. Simply click on the Quick Link and you'll be taken to an archive where you can access current and past minutes.

## She Won't Mow the Daisies

Leo Wilenius, LCP retiree, co-op member and former author of the Conservation Corner in *Newsline*, recently wrote a book of short stories. He named the book *She Won't Mow the Daisies*. It's available at various stores across the Northland or by contacting him directly at [llwilenius@gmail.com](mailto:llwilenius@gmail.com).



# Youth Tour is 'trip of a lifetime'

Lake Country Power is seeking applications from this year's high school juniors and seniors to attend the Electric Cooperative Youth Tour in Washington, D.C., June 14 – 19, 2022.

Locally, the co-op Youth Tour is open exclusively to students whose parents or legal guardians receive electric service from Lake Country Power – a benefit of co-op membership.

Nearly 2,000 teens from rural America are sponsored by their local electric cooperative each summer. Approximately 40 students from Minnesota travel together and are chaperoned by co-op staff.

While in Washington, D.C., Youth Tour delegates tour some of the finest museums in the world and visit America's most historic monuments. They meet with their elected officials and explore Capitol Hill. They learn about the impact electric cooperatives have on their communities and how co-ops operate.

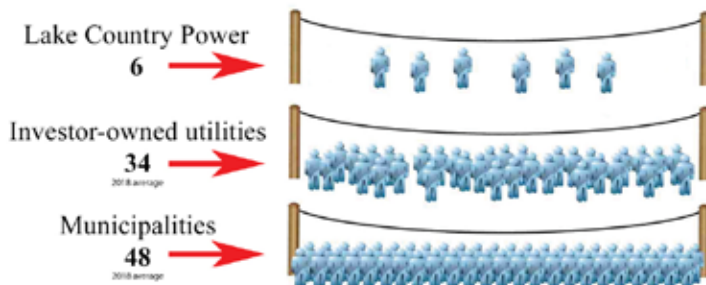


Since 1958, the nation's electric cooperatives have sponsored more than 50,000 high school juniors and seniors on the Electric Cooperative Youth Tour.

For more information and an application form that can be downloaded and completed electronically, visit [www.lakecountrypower.coop](http://www.lakecountrypower.coop) > My Cooperative > Community > Youth Tour. Email completed applications to Tami Zaun at Lake Country Power, [tzaun@lcp.coop](mailto:tzaun@lcp.coop), by February 1, 2022.

Additional information about the Youth Tour is online at [www.youthtour.coop](http://www.youthtour.coop) and [www.electric.coop](http://www.electric.coop). ■

## NUMBER OF CONSUMERS PER MILE OF LINE



▶ This graph shows the difference in density among populations of people served by Lake Country Power compared to other neighboring utilities. LCP's density per mile-of-line is low because cooperatives serve the rural countryside areas, not cities. Nearly 95 percent of LCP's membership base is residential and seasonal.

Other electric companies that serve large commercial and industrial (C&I) loads and populated cities benefit greatly from larger revenues, which helps offset their overall fixed costs and rate structure. Learn more about your electric cooperative at [lakecountrypower.coop](http://lakecountrypower.coop) where you will find access to board minutes, financials, bylaws, etc.

## September 28, 2021 • Regular Monthly Meeting

### THE FOLLOWING REPORTS WERE GIVEN:

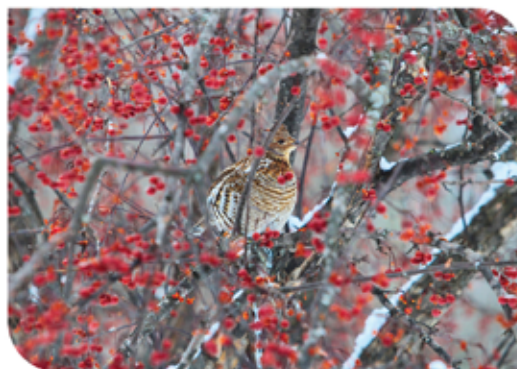
President Olson reported he attended the regional meeting with National Rural Electric Cooperative Association (NRECA).

General Manager Bakk commented about the NRECA regional meeting; LCP's participation in the North Country EV Show & Tell Event in Duluth; Great River Energy financials including year-to-date margins; power cost adjustments; demand side management rates; and LCP Strategic Planning.

### THE FOLLOWING ACTIONS WERE TAKEN:

Approved a board resolution to commit \$6,000 to be divided equally among the three United Way organizations within LCP's service area.

Approved the CoBank resolution that authorizes LCP board president, general manager and chief financial officer to sign the Incumbency Certificate authorizing them to transact Lake Country Power financial matters with CoBank. ■



► This picture earned a spot in the co-op calendar for John Brula of McGregor. He photographed this ruffed grouse in the tree enjoying lunch while watching John.

**Editor's Note:** These board minutes have been condensed. A full copy of the board minutes can be read at [www.lakecountrypower.coop](http://www.lakecountrypower.coop) under "My Cooperative." You'll need to sign up for access if you haven't already. Or call 800-421-9959 for a printed copy.

### HOLIDAYS OBSERVED

LCP will be closed December 23 - 24 for Christmas, and December 31 for New Year's Day. If you experience a power outage, use SmartHub to report an outage or call 800-421-9959, press 1. Register for SmartHub at [lakecountrypower.coop](http://lakecountrypower.coop).



## Co-op Contacts

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<b>Michael Forsman,</b> District 2	<b>218-365-5789</b> mforsman@lcp.coop
<b>Steve Raukar,</b> District 3	<b>218-966-0298</b> sraukar@lcp.coop
<b>Craig Carlson,</b> District 4	<b>218-999-7175</b> ccarlson@lcp.coop
<b>Robert Bruckbauer,</b> District 5	<b>218-566-2436</b> rbruckbauer@lcp.coop
<b>Daniel Kingsley,</b> District 6	<b>218-697-2628</b> dkingsley@lcp.coop
<b>Craig Olson,</b> District 7	<b>218-393-2276</b> colson@lcp.coop
<b>Jim Huhta,</b> District 8	<b>218-644-3997</b> jhuhta@lcp.coop
<b>Larry Anderson,</b> District 9	<b>218-428-2722</b> landerson@lcp.coop

Directors are members of the cooperative and are elected to act in the best interests of the co-op with the same care that an ordinarily prudent person in a like position would exercise under similar circumstances.

Directors set policy, approve strategy and are charged with fiduciary responsibility of the cooperative. Directors do not oversee day-to-day LCP operations. Administration of maintenance, electric service and operations are the responsibility of employees and staff.

**Members with questions or concerns about service, billing, outages or other service-related matters should call 1-800-421-9959.**

## Newsline

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## ENERGY EFFICIENCY TIP OF THE MONTH

Heading out of town for the holiday season? Remember to unplug electronics that draw a phantom energy load. Some gadgets like TVs, phone chargers, gaming consoles and toothbrush chargers use energy when plugged into an outlet—even when they're not in use.  
Source: [energy.gov](http://energy.gov)

## Comparative Operating Statement

Year-To-Date — September 2021

	2021	2020
Electric Operating Revenue	\$ 69,488,905	\$ 67,969,521
Cost of Purchased Power	37,828,251	33,934,845
Distribution Expense - Operations & Maintenance	10,293,997	10,560,484
Consumer Accounts Expense & Informational	2,422,518	2,997,523
Administrative and General Expense	4,646,108	4,816,697
Depreciation, Interest Expense and Other Deductions	13,164,570	12,777,120
<b>TOTAL ELECTRIC OPERATING EXPENSES</b>	<b>68,355,444</b>	<b>65,086,670</b>
Net Electric Operating Margins	1,133,461	2,882,851
Non-Operating Margins	1,036,935	777,972
Total Margins before Subsidiaries	2,170,397	3,660,823
Net Income (Loss) from Subsidiaries	1,791,371	987,490
<b>TOTAL MARGINS</b>	<b>\$ 3,961,768</b>	<b>\$ 4,648,312</b>
<b>TOTAL KWH SOLD (YEAR-TO-DATE)</b>	<b>441,347,547</b>	<b>435,534,957</b>

**Editor's Note:** These financials are condensed. A complete set of financials can be viewed at [www.lakecountrypower.coop](http://www.lakecountrypower.coop) under "My Cooperative." You'll need to sign up for access if you haven't already. Or call 800-421-9959 for a copy.