

March 2021

Newsline

BOARD MEETINGS March 30 ■ April 27

IN THIS ISSUE

Virtual Annual Meeting
 Your Energy Mix
 Air Source Heat Pumps
 Seven Director Candidates

Under budget and on time

Working hard to manage member resources wisely

During challenging times and depressing headlines, it's encouraging to share some good news with members. Your local electric cooperative finished all operations work on time in 2020, despite the challenges of an ongoing pandemic that has impacted supply and how we must work to stay healthy.

"What's also exciting is that we came in \$107,000 under budget on last year's \$13.2 million work plan," said Derek Howe, P.E., chief operating officer for LCP. "Members can rest assured knowing our employees are working very hard to meet the cooperative's mission to manage their resources wisely."

Results & Records

Not only that, but LCP achieved the best System Average Interruption Duration Index (SAIDI) scores on record last year with 200 minutes of outage time – a number the co-op has never achieved before. SAIDI measures the average length of outage time members experience over the course of 12 months.

"This milestone is a direct result of completing our first full cycle in a seven-year rotation for tree clearing and

right-of-way maintenance," said Howe. "Yes, we had at least six weekends of storms in 2020 where all hands were on deck working to restore service, but the length of each outage was reduced because our crews had better access to the lines. The variety of clearing and treatment methods used with a consistent rotation through our vast service area is paying off."

2021 Investment and Work

This year's total capital investment for operations and engineering related work will help meet the co-op's mission to deliver safe and reliable service:

- \$6.2 million will address age related replacements (lines, poles, etc.).
- \$1.8 million will replace aged underground cable (LCP has 2,000 miles of aged cable and replaces 15 – 20 miles of it each year).
- \$2 million is needed for demand response units which are receivers that control load management programs.
- \$330,000 will be invested for a bushing project within seven substations (replacing aged insulators on the transformers).
- \$1.6 million will be used to replace 480 aged poles (LCP has 130,000 poles total).
- \$73 million will be invested



for member service upgrades.

Strategically placed planned outages will be scheduled this year to accomplish

CONTINUED ON P. 3

Let's Connect

When people say that we live in a "connected" world, most of us think about technology, like our smart phones and other devices and gadgets. But when you're a member of an electric co-op, there's so much more. As members, we are connected to a co-op community.

As members of Lake Country Power, we help to power good in our local communities through initiatives like Operation Round Up®, scholarships, Rachel's Challenge, and other community initiatives.

Our co-op depends on us because we power its success, and when LCP does well, the community thrives because we are all connected.

Programs & Services

LCP greatly values its connection with members. I'd like to remind you to maximize the value you can

get from the co-op through a variety of programs, products and services they offer. For example, LCP can help you save money on your energy bills through their water heating programs, off-peak heating, rebates and energy assessments.

When you download the SmartHub app, you can monitor and manage your home energy use, pay your bill online, report outages, vote in director elections, and access a menu of additional options for potential savings.

When you follow the co-op on social media, you can stay informed about power restoration efforts, operation updates, director elections, events and more.



By Craig CARLSON
District 4 Director

If you participate in an energy-saving program, you can get text or e-mail notifications when dual fuel and water heating is being controlled.

Update Your Contact Info

By connecting with LCP, you can get real-time updates from the co-op. That's why I encourage you to make sure they have your most current contact information on hand. If they can't find a current way to connect with you, you could miss out on capital credits, potential savings or other important information.

Updated contact information can even speed up the power restoration process during an outage. That's because when you call to report an outage, LCP's automated system

recognizes the phone number listed on your account and then matches it with your account location. Accurate information also helps the co-op's outage-management system predict the location, making it more efficient for crews to correct the problem.

I hope you will connect with Lake Country Power whenever you can. The co-op exists to serve you and me – the members – and when they're connected to you and our local communities, the co-op is better prepared to answer the call.

To update your contact information or learn more about the co-op, visit www.lakecountrypower.coop or call 800-421-9959. ■

Craig Carlson was elected by members in Lake Country Power District 4. He can be reached at 218-999-7175 or ccarlson@lcp.coop.

ANNUAL MEETING WILL BE VIRTUAL



Due to COVID-19, the annual meeting will be held virtually via Zoom on **April 15 at 5:00 p.m.** Instructions to join electronically (or by phone) will be provided on the official annual meeting notice.

Election results will be announced during the virtual meeting along with co-op business updates. Interested members should **register by April 14** to receive a unique web link. **Questions and comments should be submitted by April 9.** Please visit www.lakecountrypower.coop/2021-annual-meeting to register, submit questions and view materials that will be referenced during the virtual annual meeting.

If you do not have a computer, smart device (iPad, smart phone, etc.), or internet service, you will be able to register by calling 800-421-9959 (press 5) and talking to a consumer account representative for assistance.

Q: How can you save time, money, and enroll in an automatic bill payment plan through your SmartHub account?

- A:**
- 1) In SmartHub click "Billing & Payments" on the tool bar. The dropdown menu will show "Auto Pay Program," click that.
 - 2) Under "Actions" there will be a blue hyperlink that says "Sign Up for Auto Pay," click that.
 - 3) A new dropdown menu will show for you to select whether you're using a credit card or bank account information.
 - 4) A window will show up down below. Fill in the required information and follow the remaining prompts.
 - 5) Done!

Access is easy and it's free – perfect for members with busy schedules and the upcoming summer.

Special note: As you're signing up and if you already have a bill due, that particular bill will **not** be automatically paid on the due date. You will need to manually pay the current bill. After that, "auto pay" will start on your next billing cycle.



Under budget and on time

CONTINUED FROM P. 1

some of these projects. Lake Country Power will continue its practice of notifying members in advance with automated phone calls and messages concerning planned outages. Members are encouraged to make sure their primary phone contact information is current to receive notices.

The seven substations include: Pike River (north of Virginia), Keewatin, Lakeland A (near Hoyt Lakes and Forbes), Orr, Sturgeon B (Sturgeon Lake), Cohasset and Hill City. Line crews will be doing a lot of line switching and other technical work when they replace the aged insulators on each substation transformer.

Construction Crews

Lake Country Power's two five-person construction line crews will be dedicated for working on line replacement and other large-scale construction projects. This will be the first year LCP is able to replace at least 75 miles of line in one calendar year with a mix of internal construction crews and contractors doing the work.

Line replacements in 2021:

- 13 miles in the southern end of LCP's service area
- 24 miles in the west
- 39 miles in the north

When deciding between overhead lines or underground cable, several considerations are studied for each project to determine what makes most sense. Cost is a big factor. Underground cable can double the budget

in some service areas and has a 50-year lifespan. Plus, it is more difficult to trouble shoot underground cable failures in the winter. The co-op has 2,000 miles of underground cable and replaces 15 – 20 miles of it each year.

Overhead lines average a longer lifespan at 90-years and the material is less costly than cable. Overhead is also more efficient to repair during most outages.

Priorities Come First

Each year LCP engineers study a set of important criteria to prioritize which lines, poles and other equipment should be replaced and when. They prioritize the work based on:

- Identifying the most troublesome areas as part of a long-range plan that looks 15 – 20 years into the future.
- Load on the system, and which lines are seeing the most growth and demand.
- Number of members potentially affected by an outage.
- Growth trends to determine if the line replacement should be bumped up to a three-phase conversion to handle more load.
- Crew feedback.
- Age of the poles and lines.
- Statistical information which translates into outage duration and frequency. The feeders that give the most frequent outages are targeted for replacement.



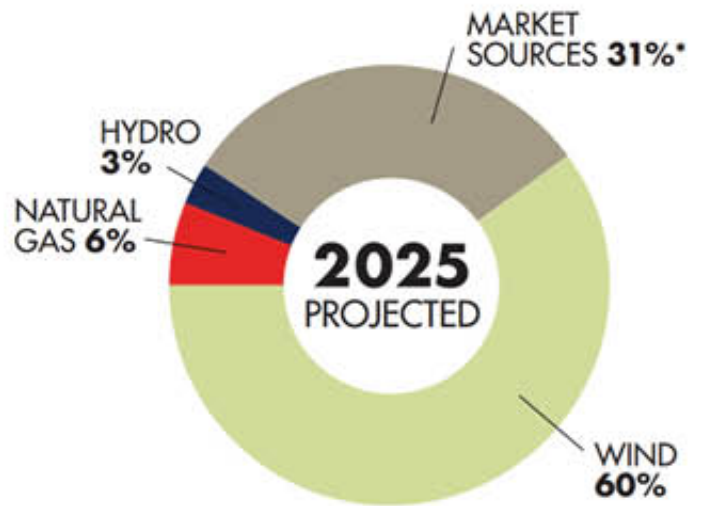
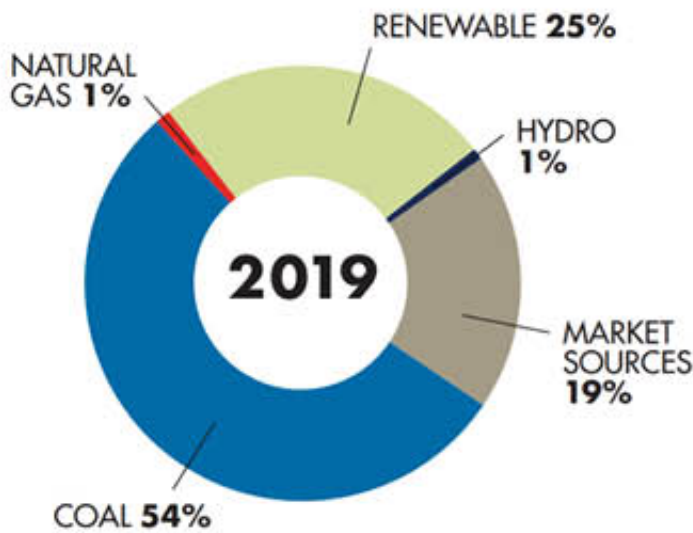
▶ Line crews working to build the new Gunn Substation east of Grand Rapids last summer.



Photo Courtesy: @potecat230

With an eye on minimizing rate pressure, Lake Country Power will continue to make cost-effective and well-engineered investments in today's infrastructure that will benefit members now

and into the future. For more information about the projects in your area, visit www.lakecountrypower.coop > Newsroom > 2021 Construction Projects. ■



*Potential future resource additions would reduce market sources.

► **Your Energy Mix:** The future generation mix of your energy will significantly change by 2025, as reflected in the charts above from Great River Energy, LCP's wholesale power supplier. GRE plans to phase out remaining coal resources, add significant renewable energy and explore critical grid-scale battery technology. With these changes, your power supply resources will be more than 95% carbon dioxide-free. Learn more at www.greatriverenergy.com > Making Electricity.

Three Electrifying Kitchen Appliances to Save Time *and* Energy

Whether your oven and stove top are powered by gas or electricity, it's no secret that they consume more energy than smaller countertop appliances, like slow cookers and toaster ovens. When you're cooking a smaller meal, countertop appliances can save time and energy.

If you're looking for convenient cooking methods with the added bonus of energy efficiency, here are three appliances for your kitchen:

- Air fryers** are becoming increasingly popular, and consumers have a lot of good things to say about these handy little appliances. Air fryers use convection to circulate hot air and cook the food – this means little to no oil is required, resulting in healthier meals than those from traditional fryers. Air fryers are fairly small, so they won't take up much of your counter space, and with everything cooked in the fryer, cleanup will be a breeze. Air fryers are available in a variety of sizes, and prices range from \$40 to \$200+.
- Electric griddles** have certainly been around for a while, and they offer several benefits for any home chef (beyond bacon and eggs!). Griddles are convenient because you can cook everything at once – like a “one-pan” meal, and the possibilities are endless. From fajitas to sandwiches to French toast, griddles can help satisfy any taste buds. They consume small amounts of energy and provide quick cooking times, so your energy bill will thank you. Prices and sizes for griddles vary, but you can typically find one for about \$30 at your local retail stores.

- Pizza brings people together**, so why not consider a pizza maker for your kitchen? These compact, countertop machines are an inexpensive alternative to a costly brick oven, and they use less energy than your traditional oven. Choose your own fresh ingredients to whip up a faster, healthier pizza at home. Plus, most pizza makers are multifunctional and can be used to cook flatbreads, frittatas, quesadillas and more. You can purchase a pizza maker for about \$30 to \$150+.



RECIPE CORNER HOMEMADE SUET

From the Kitchen of:
**Judith Ophus
Proctor**



INGREDIENTS

- 1 pound lard
- 16 – 20 oz. crunchy peanut butter
- 1 cup raisins
- 1 cup birdseed
- 6 cups cornmeal
- 5 cups flour

DIRECTIONS

In a saucepan, melt lard. Add peanut butter and stir until melted. Stir in raisins and birdseed. Add cornmeal and flour. Mix until well combined. Spread in two 9x13 pans that are foil lined and sprayed. Freezes well.

We need more recipes!

Submit your favorite recipe to Lake Country Power, Attn. Editor, 26039 Bear Ridge Drive, Cohasset MN 55721, or e-mail tzau@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.

Air source heat pumps for heating and cooling

With heating and cooling as some of the largest expenses for homeowners, it makes sense for your home, cabin or business to heat and cool with one high-efficiency appliance to keep your costs in check. Discover the energy savings by installing an air source heat pump.

In heating mode, air source heat pumps transfer heat from outdoor air into your home, reducing your reliance on propane, fuel oil or other fuel sources and may be controlled on LCP's dual fuel load management program.

In cooling mode, ASHPs work like a central air conditioner, transferring heat out of your home to keep you comfortable during the hot and humid summer season.

Options: Ductless or Ducted

Ductless (mini-split) air source heat pumps are highly efficient products that deliver warm or cool air directly into different rooms in your home, instead of routing it through ducts.

They are a cost-effective solution to replace inefficient baseboard electric heating and window air conditioners in older homes. They are also used in new construction, home additions, multifamily (condo or apartment) housing and to improve comfort in poorly heated or cooled rooms.

Ducted air source heat pumps are up to 300 percent efficient even when the outdoor air temperatures dip. They consume up to 72 percent less electricity than

conventional air conditioners and furnaces, leaving you with a savings of up to 30 percent on your electric bills.

Earlier generations of ASHPs were limited in terms of their effectiveness in states with colder climates like Minnesota's, but technology has advanced to where they can now operate down to 0 degrees Fahrenheit – making them ideal for indoor climate control nearly year-round.

Clean Energy

Air source heat pumps utilize a clean energy source by recycling earth's outdoor air, offering an environmentally friendly heating and cooling alternative to fossil fuels. ASHPs provide a safe, environmentally-friendly solution for home comfort conditioning. They don't use an open flame or create products of combustion –



such as carbon monoxide – so there is no need for venting.

For more information, visit www.lakecountrypower.coop > Money Saving Programs or call 800-421-9959 (press 6).

Seven members meet filing deadline

The following LCP members met the filing requirements for nomination as a candidate for the co-op's board of directors. The nomination deadline was 4:30 p.m., February 4.

District 1: Jason Long, Cook*

District 3:** LaTisha Gietzen, Mountain Iron; Steve Raukar, Hibbing

District 5: Robert Bruckbauer, Remer*

District 9: Larry Anderson, Esko; Paul Horgen, Sturgeon Lake; Kevin Maki, Saginaw

* Denotes current LCP Director

**Special election to fill a two-year vacancy

Ballots will mail between March 26 and March 31. Online voting begins March 31, 2021, at 8:00 a.m. Central Standard Time, and ends April 14, 2021, at 5:00 p.m. Central. Instructions will be printed on your ballot explaining the three options to cast a vote. Dropped off ballots at the service centers cannot be accepted due to COVID-19 and no in-person meeting this year.



We work hard to keep your coffee hot, your milk cold, your batteries charged and your home warm.

The Value of Electricity

– Energy that Powers our Lives

Military personnel disconnection law

The 2007 Minnesota Legislature passed a law called the Military Personnel Disconnection Law. The law recognizes the value of military service and limits utility disconnections if a member of the household has been issued orders such as active duty, deployment, or for a permanent change in duty station during that period. To be eligible for disconnection protection, the member must contact the cooperative to request a "Military Personnel Disconnect Protection Form", meet income eligibility guidelines and set up a mutually acceptable payment schedule.

Before disconnecting service to military personnel in situations as listed above, the cooperative must provide the following information: notice of proposed disconnection; statement explaining customers' rights and responsibilities; list of energy assistance providers; disconnect protection form and a statement explaining the payment plan to secure continued service.

Please contact Lake Country Power, if you have any questions about the "Military Personnel Disconnection Law" or energy assistance programs.

December 17, 2020 • Regular Monthly Meeting

THE FOLLOWING REPORTS WERE GIVEN:

President Olson discussed a call from a former member who inquired about the recent LCP capital credit retirement. He reported about other cooperative matters during the month. All directors attended the LCP budget meeting December 15. He had discussion with LCP's manager and attorney Felstul about the 2021 director nomination process. Olson noted this was General Manager Greg Randa's last official meeting as general manager of LCP. He and other directors thanked Greg for his leadership and commitment to the co-op.

General Manager Randa stated LCP closed on the Grand Rapids service center property on Monday, December 7. Mark Bakk, chief financial officer, will prepare a financial summary related to the sale and expenses incurred associated to the sale

of the property. Randa has been reviewing various files and transitioning information to Mark Bakk who is LCP's next general manager. Additional reports were provided by department managers as part of Randa's update.

THE FOLLOWING ACTIONS WERE TAKEN:

Approved the 2021 capital and operating budgets.

Approved Personnel Policy 322: Background screens. ■

Editor's Note: These board minutes have been condensed. A full copy of the board minutes can be read at 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.



► This picture earned a spot in the co-op calendar for March. Kay Tellinghuisen of Richfield took this photo of two bald eagles perched in the pine trees overlooking Prairie Lake near Floodwood.



ENERGY EFFICIENCY TIP OF THE MONTH

Don't keep your refrigerator too cold. The Department of Energy recommends a temperature setting of 35 to 38 degrees for the fresh food compartment and zero degrees for the freezer. Make sure the refrigerator doors are sealed airtight to maximize efficiency.

Source: www.energy.gov

Co-op Contacts

- Mark Bakk,** 800-421-9959
General Manager mbakk@lcp.coop
- Jason Long,** 218-240-9611
District 1 jlong@lcp.coop
- Michael Forsman,** 218-365-5789
District 2 mforsman@lcp.coop
- Vacant (To be filled spring 2021),**
District 3
- Craig Carlson,** 218-999-7175
District 4 ccarlson@lcp.coop
- Robert Bruckbauer,** 218-566-2436
District 5 rbruckbauer@lcp.coop
- Daniel Kingsley,** 218-697-2628
District 6 dkingsley@lcp.coop
- Craig Olson,** 218-393-2276
District 7 colson@lcp.coop
- Jim Huhta,** 218-644-3997
District 8 jhuhta@lcp.coop
- Sherman Liimatainen,** 218-879-3135
District 9 sliimatainen@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

Published monthly by Lake Country Power
26039 Bear Ridge Drive, Cohasset, MN 55721
Editor: Tami Zaun • tzaun@lcp.coop
Lake Country Power Service Centers:
Cohasset • Kettle River • Mountain Iron
800-421-9959 • www.lakecountrypower.coop
This institution is an equal opportunity provider and employer.



Comparative Operating Statement

Year-To-Date – December 2020

	2020	2019
Electric Operating Revenue	\$ 89,687,626	\$90,282,134
Cost of Purchased Power	46,303,133	46,128,555
Distribution Expense - Operations & Maintenance	15,211,507	15,168,723
Consumer Accounts Expense & Informational	3,854,998	4,443,688
Administrative and General Expense	6,304,678	6,679,934
Depreciation, Interest Expense and Other Deductions	17,074,023	17,022,169
TOTAL ELECTRIC OPERATING EXPENSES	88,748,339	89,443,068
Net Electric Operating Margins	939,287	839,065
Non-Operating Margins	2,836,789	2,585,476
Total Margins before Subsidiaries	3,776,075	3,424,542
Net Income (Loss) from Subsidiaries	1,269,424	571,812
TOTAL MARGINS	\$5,045,499	\$ 3,996,354
TOTAL KWH SOLD (YEAR-TO-DATE)	613,337,173	631,344,174

Editor's Note: These financials are condensed. A complete set of financials can be viewed at 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.