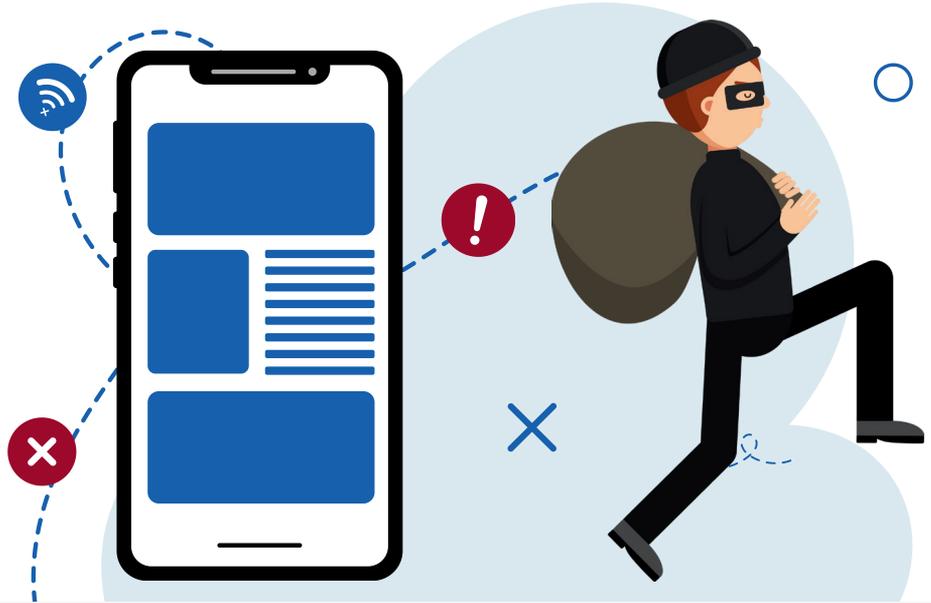


District Meeting Recording Available

Lake Country Power held its District 3 meeting in Hibbing on February 16. A recording of the meeting and the district meeting slideshow presentation can be found at www.lakecountrypower.coop, along with a schedule of the remaining meetings.



HOW TO AVOID ENERGY SCAMS



Scammers and cyber criminals look for weak points to exploit before software companies can fix them. Update software programs on your computer, tablet and mobile phone as soon as possible when a newer version becomes available. Software updates often contain critical patches and protections against security threats. Turn on automatic updates to automatically update your security software, internet browser, operating system and mobile apps.

Source: consumer.ftc.org

By The Numbers | December 2025 (Preliminary/Unaudited)

Lake Country Power is committed to responsibly managing resources to maintain the Cooperative's financial stability. Below is a snapshot of the year-to-date unaudited financial report. A complete set of financial statements can be viewed at www.lakecountrypower.coop under "My Cooperative."

2025
\$ 118,566,802
2024
\$ 111,208,265
YTD OPERATING REVENUE

	2025	2024
Cost of Purchased Power	\$60,716,189	\$55,805,687
Other Operating Expenses	\$52,596,452	\$49,075,499
Total Cost of Electric Service	\$113,312,641	\$104,881,186


YTD kWh's SOLD
708,112,774
2024 Comparison: 692,584,285


51,709
ACTIVE SERVICES
2024 Comparison: 51,487

	2025	2024
Operating Margins	\$5,254,161	\$6,327,079
Non-Operating Margins	\$7,504,041	\$4,162,560

YTD TOTAL MARGINS
\$12,758,202
2024 Comparison: \$10,489,639
  


UTILITY PLANT (NET)
\$328,956,621
2024 Comparison: \$314,613,985

Co-op Contacts

Mark Bakk, General Manager
800-421-9959 | mbakk@lcp.coop

Jason Long, District 1
218-240-9611 | jlong@lcp.coop

Michael Forsman, District 2
218-365-5789 | mforsman@lcp.coop

Steve Raukar, District 3
218-966-0298 | sraukar@lcp.coop

Jeff Sheldon, District 4
218-398-6104 | jsheldon1@lcp.coop

Robert Bruckbauer, District 5
218-290-8729 | rbruckbauer@lcp.coop

Daniel Kingsley, District 6
218-259-7366 | dkingsley@lcp.coop

Craig Olson, District 7
218-393-2276 | olson@lcp.coop

Brian Napstad, District 8
218-485-1528 | bnapstad@lcp.coop

Larry Anderson, District 9
218-428-2722 | 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 services, billing, outages or other service-related matters should call 1-800-421-9959.

Newsline

Published monthly by Lake Country Power
8535 Park Ridge Drive, Mountain Iron, MN, 55768
Editor: Jerry Burnes | jburnes@lcp.coop
Designer: Amanda Groethe | Sartell, MN

Lake Country Power Service Centers:
Cohasset • Kettle River • Mountain Iron
800-421-9959 • www.lakecountrypower.coop

Lake Country Power

An equal opportunity provider and employer.



Staying Safe Before and After the Water Rises

Flooding can happen quickly, and water and electricity are a dangerous combination. Taking steps to protect your family, home and electrical equipment before a flood, and knowing what to do afterward, can help prevent fires, shocks, injuries and costly damage.

BEFORE A FLOOD

- Move electrical items to higher ground. Unplug and move small appliances, cords and surge protectors to higher ground.
- Shut off power if flooding is likely. If it's safe to do so, switch off electricity at the main breaker or fuse box.

AFTER A FLOOD

- Never enter a flooded basement or room if water may be in contact with outlets, appliances or cords.
- Have all electrical systems inspected. All electrical systems or devices must be completely dry before returning them to service.
- Watch out for downed powerlines in flood-affected areas. If you see a downed power line, stay away and call 911 and Lake Country Power to report it.
- Use generators safely. For the safety of line crews, be sure your generator is installed correctly to avoid backfeed.

Even after the water recedes, hidden electrical dangers can remain. Never attempt to turn off power at the breaker box if you must stand in water to do so. When in doubt, call your utility or a licensed electrician before turning power back on.

Taking precautions before and after a flood can protect your family, your home and your community from electrical hazards.

Breakfast at the Cabin

Submitted By: **Rita Lahtonen, Babbitt**

2 tablespoons butter or oil, divided
1/2 small onion, chopped
1 tart or sweet apple, cored and diced

1/4 to 1/2 teaspoon garlic, diced
2 medium already-cooked potatoes, diced
1/2 cup sauerkraut

DIRECTIONS:

In a skillet over low heat, sauté 1 tablespoon of butter or oil with the chopped onion, diced apple, and garlic until soft and translucent. Transfer the mixture to a plate and set aside temporarily. In the same skillet, add the remaining 1 tablespoon of butter or oil and fry the diced potatoes over medium heat until golden brown and crisp. Stir the apple and onion mixture back into the skillet with the potatoes. Add the sauerkraut and stir just until heated through. Serve warm. Makes 2 to 3 servings.

Submit your recipe to Lake Country Power, Attn. Editor, 8535 Park Ridge Drive, Mountain Iron, MN 55768, or email jburnes@lcp.coop. If your entry is printed in the Newsline, you'll receive a \$5 credit on your electric bill. Entries must include name, address, and phone number of your account.



MARCH 2026

Report: Minnesota's Electric Grid at High Risk of Future Shortages

A recent assessment by the organization responsible for monitoring the reliability of North America's electric grid warns of potential electricity shortfalls in Minnesota's region in the years ahead.

The Minnesota Rural Electric Association (MREA) is highlighting the latest Long-Term Reliability Assessment from the North American Electric Reliability Corporation (NERC), which finds the Midcontinent Independent System Operator (MISO) region, including Minnesota, faces elevated reliability risks as electricity demand grows and existing power plants retire.

"The assessment from NERC contains warnings that need to be taken seriously," said Mark Bakk, Lake Country Power general manager. "The risk of energy shortfalls is particularly alarming during our winter weather when temperatures in our service territory regularly fall well below zero. Many of Lake Country Power's members depend on reliable electric service to heat their homes and we need to be there for them when they need it. Reliability is not optional."

NERC regularly evaluates electricity supply and demand across North America. Its latest assessment, which looks ahead through the mid-2030s, shows MISO remains one of the regions with the greatest long-term reliability challenges, particularly during periods of extreme weather.

According to the report, expected growth in electricity demand is outpacing the addition of new generation resources. At the same

time, dispatchable power plants that provide consistent, around-the-clock electricity continue to retire. NERC notes this combination increases the risk of resource shortfalls, especially during prolonged heat waves or extreme cold events.

While summer peak demand remains a concern, the assessment also highlights increasing winter reliability risks across much of the country, including the Upper Midwest. Cold weather events place significant strain on the grid as heating demand rises and energy resources are tested simultaneously.

MREA and LCP continue to advocate for what we call an "all-tech-on-deck" approach to maintaining reliability, recognizing that a diverse mix of resources is needed to meet future demand while keeping electricity affordable.

"Long-term reliability requires long-term planning," said Darrick Moe, president and CEO of the Minnesota Rural Electric Association. "That includes taking a fresh look at policies, like Minnesota's nuclear moratorium, that limit our ability to consider proven resources that operate in all weather conditions. Today's energy policy decisions will affect reliability in the decades ahead."

The NERC assessment is a regional analysis and does not suggest that individual utilities are unable to meet their obligations today.

Lineworkers Are Ready When It Matters Most

As a director and former employee of Lake Country Power, I have had a front-row seat to what it truly takes to keep the lights on for our members. As we head into April, we take time to pause and recognize the brave men and women who make that possible every single day.

The Lake Country Power lineworkers.

When storms impact our communities and outages occur, many people experience the inconvenience, but lineworkers see a call to action. The crews are always ready when it matters most, often leaving family dinners or their kids' games, working through the night and heading into challenging conditions to restore power as safely and quickly as possible. That readiness is not accidental. It comes from rigorous training, deep experience and a shared commitment to serving others.

What makes lineworkers especially remarkable is that they aren't just restoring power to a system. They're restoring power to their own communities. They live here. They raise their families here. They understand that electricity is more than a convenience. It's essential.

Electric cooperatives like Lake Country Power were built on the principle of neighbors helping neighbors, and our lineworkers embody that spirit every day. They are the first to respond and the last to leave. At times, serving our neighbors also means going beyond the LCP service territory through a process known as mutual aid.

Lake Country Power understands any time the lights go out can be frustrating, bringing everyday life to a halt. The cooperative is incredibly grateful to its members for your patience and encouragement during these times. Linework is demanding, physical, and at times, it can be dangerous. LCP crews approach each job with a focus on safety and teamwork. They take pride in their craft and in the trust our members place in them.

On April 13, 2026, Lineworker Appreciation Day will be celebrated, but one day is hardly enough. Every day, we thank lineworkers for their service and dedication, which are the backbone of the cooperative.

To our lineworkers: thank you for your hard work, your readiness and your unwavering commitment to the communities we serve. Lake Country Power is proud to stand behind you and grateful for all that you do.

Jeff Sheldon was elected by members in Lake Country Power District 4. He can be reached at 218-398-6104 or jsheldon1@lcp.coop.



Sincerely,
Jeff Sheldon,
District 4 Director

Board Meeting Highlights: November 25, 2025

REGULAR MONTHLY MEETING

The Following Reports Were Given:

President Olson reported it was a quiet month with only a few calls from members.

Olson and Director Bruckbauer, who serve on the Great River Energy (GRE) board, reported on GRE's 2026 budget and a 2.9% average wholesale rate increase. Factors of the increase were upward rate pressure, decreased sales and regional transmission projects, among others.

General Manager Bakk elaborated on discussions about GRE's rate design efforts. He also reported on the 2026 LCP budget and projected rate increase.

The Following Actions Were Taken:

Approved a revenue deferral plan in which \$1 million of the 2023 revenue deferral (\$5 million total) will be recognized in 2025, and \$4 million of the deferral recognized in 2026.

Approved Bakk and Olson, respectively, as the Minnesota Rural Electric Association (MREA) voting delegate and alternate.

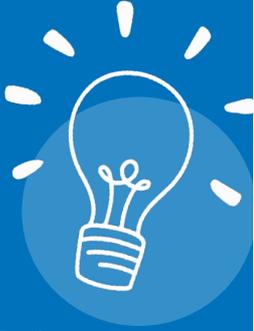
Approved Directors Bruckbauer, Napstad and Olson to attend the National Rural Electric Cooperative Association (NRECA) PowerXchange conference.

Editor's Note: These board minutes have been condensed. To view a complete copy, visit www.lakecountrypower.coop under "My Cooperative." A SmartHub account is required. To request a printed copy, call (800) 421-9959.

UPCOMING BOARD MEETINGS: MARCH 31 | APRIL 24 (9:30 am at the Cohasset Service Center, Members Welcome)

DID YOU KNOW?

Using a heat pump can be more efficient, even in northern climates? LCP supports air-source heat pumps as a way to heat (and cool) efficiently when upgrading HVAC systems.



ELECTION UPDATE!

3 Members Meet Filing Deadline for Board Seats

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 12.

District 3: Steve Raukar, Hibbing*

District 6: Daniel Kingsley, Grand Rapids*

District 7: Craig Olson, Culver*

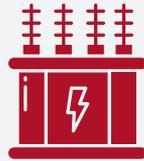
*Denotes Incumbent

Ballots will mail between April 4 and April 8. Online voting begins April 8, 2026, at 8:00 a.m. Central Standard Time, and ends April 23, 2026, at 11:00 a.m. Central. If voting online, instructions will be provided on your ballot. Otherwise, members in Districts 3, 6 and 7 may vote by mail with their paper ballot, or in person at the annual meeting before polls close.

2026 LCP Operations Outlook

Lake Country Power last year completed work on the Grand Lake substation and focused Integrated Vegetation Management (IVM) work around Duluth, Grand Rapids and Big Sandy areas.

This year will continue to focus on replacing aged infrastructure, a new substation and right-of-way cleaning, while also realizing more savings from in-house construction crews and the opening of the Saginaw outpost.



SUBSTATION REPLACEMENT

LCP is scheduled to replace the Pike River substation serving nearly 1,092 members near Embarrass.

The construction-to-operations timeline is expected to take place between May and October, and will provide safer, more reliable electric service in that region.



IVM CYCLE CONTINUES

Right-of-way projects in 2026 will total 757 miles and focus on the areas around Bena, Boy River, Hill City, Longville, Onigum, Pokegama, Remer and Wright.

This is the second run through the seven-year IVM cycle that concludes in 2027. LCP intends to reduce the cycle length to six years starting in 2028, which would result in less mowing and spraying throughout the service territory.

IVM work focuses mainly on danger trees, which caused 37% of all outages and 68% of total outage time in 2025.



SAGINAW OUTPOST

The \$2.8 million Saginaw outpost is expected to be completed this winter. It will house nine lineworkers in total, an AMI technician, mechanic and potentially a tree crew.

LCP has 5 outposts around its service territory, with crews stationed out of them for better response time to outages. The Saginaw project updated the building to allow more room for crews and equipment.



CONSTRUCTION CREWS

LCP continues to see cost savings from its in-house construction crews at about \$550,000 annually for Cohasset and Mountain Iron.

Crews will expand their work in 2026 to perform underground construction in addition to overhead line work.

LCP plans to add a new construction team in the Kettle River area in 2027. Lineworkers currently handle about 22.5 miles of construction in the region. Equipment will be purchased in 2026 and crews hired and deployed in 2027.



How GRE Powers Minnesota: Riding the Wind

Great River Energy, the wholesale power supplier to Lake Country Power, is leading the way in supplying reliable, affordable and increasingly sustainable electricity to its 26 member-owner cooperatives.

Over the past decade, Great River Energy has made significant investments in wind power, recognizing early on the potential of renewables to transform the energy landscape. Today, the cooperative sources more than 950 megawatts (MW) of wind energy from eight large wind farms in the Midwest, and plans are underway to double this capacity in the coming years.

Wind power now accounts for more than a quarter of Great River Energy's electricity supply and the cooperative is actively expanding its wind resources with several large projects planned.

HOW WIND ENERGY GETS TO MEMBERS

Once wind energy is produced at wind farms, it is transmitted through an extensive network of high-voltage transmission lines owned and operated by Great River Energy.

These lines carry electricity from remote wind generation sites across Minnesota to substations. Then local cooperatives like LCP deliver electricity directly to members.

MAINTAINING A BALANCED MIX

While wind is important, Great River Energy maintains a balanced mix of resources to ensure reliability. Natural gas-fueled peaking plants are used to quickly ramp up electricity production during periods of high demand or when wind generation is low, such as during heat waves or cold snaps.

ENERGY EFFICIENCY

As spring arrives, take advantage of milder temperatures to save energy at home. Open windows on pleasant days to bring in fresh air instead of running your HVAC system. It's also a great time to replace dirty air filters, which helps your system run more efficiently and improves indoor air quality. As daylight increases, turn off unnecessary lights and rely on natural sunlight when possible. Small seasonal adjustments like these can reduce energy use, lower monthly bills and help keep your home comfortable as winter transitions into spring.

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.