



February 2023

Newsline

BOARD MEETINGS February 28 ■ March 28 (9:30 am at Cohasset Service Center. Members welcome)

LakeCountryPower

A Touchstone Energy® Cooperative

Energy that Powers Our Lives

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Carbon-free energy proposal needs safeguards for cost, reliability

On January 5, the Minnesota Legislature proposed a bill to transition all electricity sold in the state to be carbon-free by 2040. The bill must consider potential impacts to the reliability and affordability of the essential electric service provided by Minnesota cooperative utilities to their 1.7 million members.

As new energy generation and transmission facilities are built to meet clean energy requirements, existing generation facilities are being retired early and are being replaced with renewable resources, such as wind and solar. This significantly impacts reliability as variable resources (i.e. wind and solar) cannot be counted on to always be available when needed. This bill would accelerate this troubling trend.



By Mark BAKK
General Manager

It is currently not possible to expect the electric system to function in Minnesota without significant gas, coal and/or nuclear generation. Technology to fully transition these generation fuels to renewable resources is not developed yet, much less deployed.

Both MISO (Midcontinent Independent System Operator) and NERC (North American Electric Reliability Corporation) recently issued warnings about potential energy shortfalls during extreme weather in the Midwest. These warnings have extended off and on year-round with increasing frequency. In fact, just this past December 23,

MISO declared, yet again, another maximum generation emergency event to maintain the reliability of the electric system. These maximum generation events are warnings the system is nearing a point that rotating power outages may be required, and they are predicted to happen more often in the coming years as reliable energy sources are replaced with unreliable sources. MISO studies have shown that when the grid increases past 40% renewables the system becomes exponentially unreliable. The word 'renewable' sounds nice but it is not yet reliable. And for a state that encounters extreme cold, it is only the reliable energy that keeps your heat and lights on in your home and businesses.

If we want "carbon free" and reliable energy, we should look closer at the new nuclear reactor designs being developed and carbon capture on existing baseload power plants today.

Minnesotans are already experiencing rising costs of goods and services throughout the economy. Developing new renewable generation facilities, equipment, and infrastructure to support carbon-free energy will take significant time and money. Forcing premature energy resource decisions through mandates, as is the case in the proposed legislation, will only drive costs up.

These new mandates are not needed to transition to a cleaner electricity system. Minnesota's clean energy transition in the electric utility sector is already well underway. In 2005, 65% of the state's



electricity was generated by coal. Today, that number has dropped to 26% and is projected to be no more than 5% by 2035.

Additionally, 30% of our energy generation comes from renewable sources, up from just 5% in 2005. By 2035, renewable energy generation in Minnesota is projected to be 50%. No other state in the country has reduced electric sector carbon dioxide emissions more successfully than Minnesota.

Let's not forget about the hefty investments over the years to meet emissions reductions mandates for carbon dioxide emitted from existing fossil fuel power plants like coal and natural gas. Consumers are still paying for these investments through their electric bills. Meanwhile policymakers favor shutting down these clean, efficient baseload power plants in the interest of intermittent energy produced by renewable technologies.

WE NEED YOUR HELP! Help keep energy reliable and affordable to all Minnesotans, especially rural electric cooperatives. Make your voice heard on

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Embarrass Region Fair Association wins Touchstone Energy® Community Award

Lake Country Power selected Embarrass Region Fair Association of Embarrass, Minn., as the winner of its annual Touchstone Energy® Community Award. The co-op chose this organization to recognize a community of hard-working volunteers who rallied together to prevent the fair from almost folding.

As winner of the Touchstone Energy® Community Award, the association was awarded a plaque and \$500 that will go toward maintaining the fair.

Lake Country Power is one of several Touchstone Energy® Cooperatives in Minnesota providing a local award to encourage and recognize local community contributions. Embarrass Region Fair Association will compete with winners from other Minnesota-based electric cooperatives in February for statewide recognition and \$2,000.



► Pictured are representatives from the Embarrass Region Fair Association: Gustave Schroeder, chair of the board, is pictured in the center holding the \$500 check along with Janine Patten, trustee/secretary of the board, holding the plaque. Also pictured are Sue Beaton on the left, Tana Johnson, Bonnie Meier, Rodney Dale, Roland "Charlie" Fowler on the right and several law enforcement officers.

Co-op calendar contest opens

The 2024 co-op calendar contest is officially open for members to begin submitting their beautiful scenic entries. The deadline to submit is Tuesday, August 1.

The calendar will showcase the photography talents of LCP's membership. Your photography should be scenic, capturing the beauty of northern Minnesota's four seasons. The photos are not required to include power lines but may if you choose.

A panel of judges will select the winning photos in "round one" of the judging process. During "round two," members will select the finalists through a contest on LCP's Facebook page.

Winners will receive a \$25 credit on their electric bill and will be notified in October.

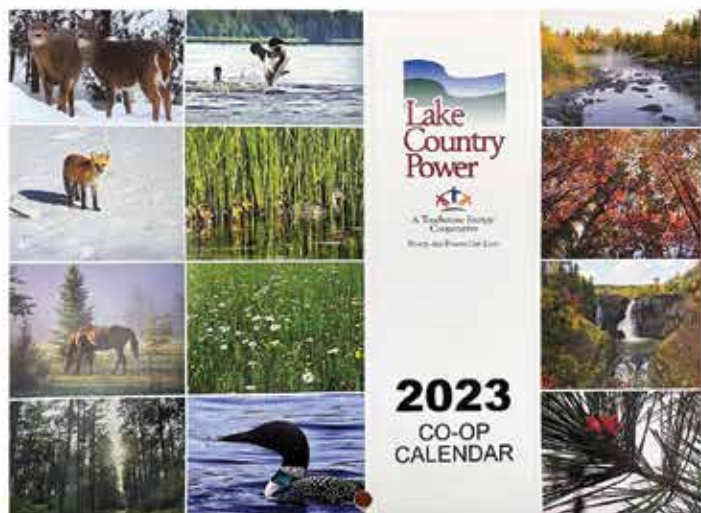


Photo Contest Guidelines

1. Dimensions must be 3600 x 2400 = 12" x 8" high-res print photo, or 5400 x 3600 = 18" x 12" high-res photo. Adjust your camera settings to ensure these high-quality dimensions. Cell phone photos are often not acceptable quality for print. A quality digital camera is best for good photography.
2. Photos must be 300dpi (dots per inch). Photos under 1 MB will be labeled as KB, and are too small for print application and should not be entered.
3. Separate emails are required per entry. Attach the photo file to your email, include a photo description for the entry, and remember to include your name and the phone number on your account as well.
4. Horizontal/landscape photos only; no vertical shots for design reasons.
5. Only Lake Country Power members may enter the contest. (LCP employees and their immediate families and spouses are not eligible to enter the contest.)
6. Hard copy photos cannot be accepted; only electronic files please.
7. Photos should capture the beauty of northern Minnesota. You may submit photos taken in spring, summer, fall and/or winter. All photos must be taken by you, not someone else.
8. One membership (household) may submit up to 10 photos and will be limited to one winning entry per membership.
9. Please do not submit close-ups of people.
10. Winning photographers automatically give Lake Country Power permission to use winning photos in the calendar, in other publications, member presentations or electronically online.
11. Photos must be e-mailed to tzaun@lcp.coop. All entries must be received by August 1, 2023.

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these issues by reaching out to your local legislators. An easy way to do this is to sign up for Voices for Cooperative Power.

Here is what we ask of our state legislators:

- **Eliminate the separate renewable energy mandate in the proposed carbon-free legislation**, which complicates the overall goal of reducing carbon emissions.
 - **Eliminate the 2030 and 2035 compliance milestones.** These milestones are unnecessary and will force premature and costly resource decisions before more effective and economical technologies are available to meet the 100% carbon-free objective as affordably and reliably as possible. In the near term, these milestones will accelerate the closure of
- **Exclude gas resources with limited capacity factors, otherwise known as peaking plants, from the generation facilities used to determine compliance with the mandate.** These peaking facilities are crucial when energy demand is at its highest – usually the hottest or coldest days of the year in Minnesota.
 - **Exclude non-Minnesota generation in determining compliance for those utilities whose carbon-emitting resources are located entirely outside of Minnesota.**
 - **Put cooperative boards in the role of balancing reliability and affordability in the event meeting deadlines would put them at risk.** The bill currently relies on

state regulators to do that for all utilities, which is not appropriate for cooperatives, who rely on locally elected governing boards to balance these concerns.

- **Include all carbon-reduction resources and technology in the mandate.** This includes lifting the nuclear moratorium to allow small modular nuclear generation as a possible energy resource and allowing generation facilities to count carbon capture technology as part of their carbon emission reductions.

Cooperatives were founded by individuals working together to make their voice heard, leading change and bringing power to the people in rural areas. Today, we must remain unified and make our voices heard to ensure the transition to carbon-free energy maintains the affordability and reliability of electricity for all of Minnesota residents, especially rural electric cooperative member-owners. ■



RECIPE CORNER FARMHOUSE WHITE BREAD

From the
Kitchen of:
Bobbi Pirkola,
Esko



- 1 cup milk
- 1 egg
- 2 tbs butter
- ½ tsp salt
- 1 1/12 tbs sugar
- 3 cups all-purpose flour
- 1 package quick-rising yeast

Warm the milk in a bowl with the butter for 44 seconds and pour into a bread machine. Add all the rest of the ingredients and turn on. You can let this bake in the machine, or use the dough setting and remove when done, form the loaf and let rise in the pan until doubled. Bake at 350 degrees for 30 minutes. Lightly butter the top crust after removing from the oven.

Submit your favorite recipe to Lake Country Power, Attn. Editor, 8535 Park Ridge Drive, Mountain Iron, MN 55768, or e-mail bjurnes@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.



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.

MARCH 2023 RATE CHANGES

	March 2023	2022	Change
Single Phase Service			
Service Availability Charge	\$ 48.00	\$ 42.00	\$ 6.00
Summer Energy (June - Aug)	\$ 0.1559	\$ 0.1503	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1459	\$ 0.1403	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1359	\$ 0.1303	\$ 0.0056
Residential Three-Phase			
Service Availability Charge	\$ 131.00	\$ 115.00	\$ 16.00
Energy Charge	\$ 0.0957	\$ 0.0920	\$ 0.0037
<i>(No change to demand rates)</i>			
Commercial Demand			
Service Availability Charge	\$ 131.00	\$ 115.00	\$ 16.00
Energy Charge	\$ 0.0957	\$ 0.0920	\$ 0.0037
<i>(No change to demand rates)</i>			
Commercial Three-Phase (rate is closed to new members/accounts)			
Service Availability Charge	\$ 131.00	\$ 115.00	\$ 16.00
Summer Energy (June - Aug)	\$ 0.1508	\$ 0.1450	\$ 0.0058
Winter Energy (Dec, Jan, Feb)	\$ 0.1373	\$ 0.1320	\$ 0.0053
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1269	\$ 0.1220	\$ 0.0049
Fully Interruptible Commercial			
Service Availability Charge	\$ 239.00	\$ 210.00	\$ 29.00
Energy Charge	\$ 0.0707	\$ 0.0680	\$ 0.0027
<i>(No change to demand rates)</i>			
Commercial Ground Source Heat Pump			
Service Availability Charge	\$ 108.00	\$ 95.00	\$ 13.00
Energy Charge	\$ 0.1196	\$ 0.1150	\$ 0.0046
Partially Interruptible Commercial			
Service Availability Charge	\$ 239.00	\$ 210.00	\$ 29.00
Energy Charge	\$ 0.0707	\$ 0.0680	\$ 0.0027
<i>(No change to demand rates)</i>			
Non-Compliant Load Management			
Summer Energy (June - Aug)	\$ 0.1559	\$ 0.1503	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1459	\$ 0.1403	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1359	\$ 0.1303	\$ 0.0056
Heat Pump (rate is closed to new members/accounts)			
Summer Energy (June - Aug)	\$ 0.1509	\$ 0.1453	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1409	\$ 0.1353	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1309	\$ 0.1253	\$ 0.0056
Whole House Heat Pump (rate is closed to new members/accounts)			
Service Availability Charge	\$ 48.00	\$ 42.00	\$ 6.00
Summer Energy (June - Aug)	\$ 0.1509	\$ 0.1453	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1409	\$ 0.1353	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1309	\$ 0.1253	\$ 0.0056
Distributed Generation (DG) Lineside Interconnect - Residential			
Summer Energy (June - Aug)	\$ 0.1559	\$ 0.1503	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1459	\$ 0.1403	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1359	\$ 0.1303	\$ 0.0056
Distributed Generation (DG) Lineside Interconnect - Commercial			
Summer Energy (June - Aug)	\$ 0.1559	\$ 0.1503	\$ 0.0056
Winter Energy (Dec, Jan, Feb)	\$ 0.1459	\$ 0.1403	\$ 0.0056
Shoulder Energy (Mar - May, Sept - Nov)	\$ 0.1359	\$ 0.1303	\$ 0.0056

"Where's Willie?"

Find out more about the "Where's Willie?" Contest by visiting lakecountrypower.coop/wheres-willie



Get Involved! Join LCP at district, annual meetings

Some of my favorite events are coming up across the next few months, when Lake Country Power hosts its district meetings, leading up to the annual meeting for the members the co-op proudly serves. I always look forward to this event because it's a great opportunity for me and the board to talk with members and hear what's on their minds.

I hope you'll join LCP for the district meetings, for which a schedule can be found on this page, and at the annual meeting on Thursday, April 20, 2023, at Cromwell-Wright School.



By Jason
LONG
District 1 Director

What to expect

During those meetings, senior staff at Lake Country Power share a business update on cooperative financials, projects and operations, with the chance for members to ask them questions. It's not all business either — it's a chance to gather as a community, share a meal and win some door prizes.

Spending time with you and hearing your take on our community's energy future is so important to Lake Country Power and its board of directors. In fact, it's essential because everything the co-op does is shaped by the members of our community. As I'm sure you know, the energy industry is in the midst of massive change. Consumer needs and changing technology impact nearly every aspect of how we manage and deliver energy to local homes, schools and businesses.

As LCP navigates major changes in the coming years, it needs to hear from you and your neighbors to inform the co-op's planning as it strives to meet the long-term needs of all Lake Country Power members.

You have a say

You may be wondering if your opinion really makes a difference, and yes, it does! Gaining guidance and perspective from members helps set priorities for the co-op and guide future decisions.

The district meetings are a chance for members to hear about what's going on at the co-op, discuss rates and other issues.

The annual meeting is also a time for members to vote on the co-op's board of directors. The board of directors is composed of nine members who live and work right here in their respective local service area, so we are in the best position to know where community investments are most needed.



I hope you'll exercise the benefits of your Lake Country Power membership and join us for the district meetings in the coming months, and the annual meeting on April 20 in Cromwell. I look forward to seeing you!

Jason Long was elected by members in Lake Country Power District 1. He can be reached at 218-240-9611 or jloug@lcp.coop. ■

2023 District Meeting Schedule

All meetings 5 – 7 p.m.

District 1: Jason Long
Date: March 30
Location: North Woods School
Address: 10248 Olson Road, Cook, MN

District 2: Mike Forsman
Date: February 28
Location: Grand Ely Lodge, Ridgeview Room
Address: 400 N. Pioneer Rd., Ely, MN 55731

District 3: Steve Raukar
Date: March 28
Location: Minnesota Discovery Center, Taconite Room
Address: 1005 Discovery Dr., Chisholm, MN, 55719

District 4: Vacant
Date: April 6
Location: Cohasset Community Center
Address: 305 1st Ave. NW, Cohasset, MN 55721

District 5: Bob Bruckbauer
Date: April 4
Location: Northland High School/Remer High School (commons and Room C113)
Address: 316 E. Main St., Remer, MN 56672

District 6: Dan Kingsley
Date: February 27
Location: Goodland Town Hall
Address: 13502 Community Center Rd., Goodland, MN 55742

District 7: Craig Olson
Date: April 11
Location: South Ridge School (cafeteria)
Address: 8162 Swan Lake Road, Culver, MN 55779

District 8: Vacant
Date: April 13
Location: Cromwell Pavilion
Address: 1272 MN-73, Cromwell, MN 55726

District 9: Larry Anderson
Date: March 23
Location: Hope Lutheran Church
Address: 204 Elm Ave., Moose Lake, MN 55767

NOVEMBER 29, 2022 • Regular Monthly Meeting

THE FOLLOWING REPORTS WERE GIVEN:

President Olson stated that he referred several member calls to the LCP management team. He also reported about joining General Manager Mark Bakk and others in a presentation of the Senator David J. Tomassoni Bridge of Peace project that LCP and Great River Energy (GRE) provided financial support toward.

General Manager Bakk reported on the November 15 GRE manager meeting in Maple Grove. Among the topics of discussion were GRE's October demand and energy sales, natural gas prices and the 2023 GRE budget. He also commented on recent legislative elections in Minnesota and noted the importance of LCP and other co-ops to work together and align with the direction of the Minnesota Rural Electric Association (MREA) regarding likely generation legislation.

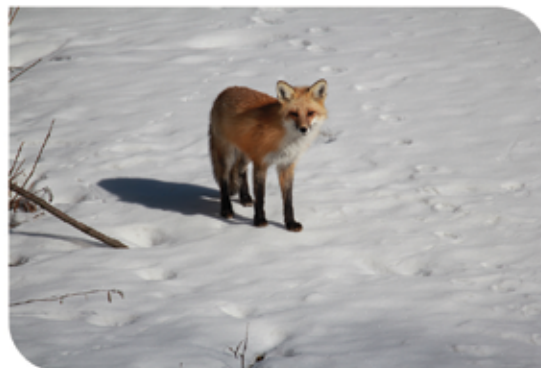
THE FOLLOWING ACTIONS WERE TAKEN:

Approved LCP entering a contract with HomeServe for services and repairs on interior/exterior electric, heating/cooling, water heaters, appliances and more.

Approved a load management EnergyWise® rate increase effective January 1, 2023, to be reflected on members' bills in February. The increase is a "pass-through" of GRE's wholesale rate increase.

Approved purchase of network switching gears for the Cohasset, Mountain Iron and Kettle River service centers by December 3, 2022. The 2023 budget included \$400,000 for the purchase, but management reported favorable pricing if LCP committed by December 3.

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.



▶ Cheryl Bunes of Bovey says this fox was walking through her yard and gave her a cute pose to photograph.

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

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

Vacant (To be filled spring 2023),
District 4

Robert Bruckbauer, 218-290-8729
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

Vacant (To be filled spring 2023),
District 8

Larry Anderson, 218-428-2722
District 9 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

Do you have a home office? Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life. Another way to save in the home office is to use energy efficient lamps for task lighting. Small lamps use less energy than whole-room lighting. Source: energy.gov

Comparative Operating Statement

Year-To-Date — November 2022

	2022	2021
Electric Operating Revenue	\$ 97,793,876	\$ 85,142,097
Cost of Purchased Power	52,403,117	46,417,022
Distribution Expense - Operations & Maintenance	15,526,760	13,093,265
Consumer Accounts Expense & Informational	3,756,163	3,092,137
Administrative and General Expense	6,338,982	5,671,545
Depreciation, Interest Expense and Other Deductions	15,766,374	15,425,199
TOTAL ELECTRIC OPERATING EXPENSES	93,791,396	83,699,168
Net Electric Operating Margins	4,002,479	1,442,929
Non-Operating Margins	868,204	1,076,788
Total Margins before Subsidiaries	4,870,684	2,519,717
Net Income (Loss) from Subsidiaries	136,019	1,791,371
TOTAL MARGINS	\$ 5,006,703	\$ 4,311,088
TOTAL KWH SOLD (YEAR-TO-DATE)	671,224,346	561,969,833

2021 operations included PPP loan forgiveness, which favorably impacted operating expenses and subsidiary operations.

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.