

October 2016

# Newsline

## IN THIS ISSUE

- Reflecting on a good thing
- Electric vehicles
- Rate update for 2017
- Save with Co-op Connections®

## Online auction available to members

### Retired LCP fleet vehicles up for bid

Lake Country Power is partnering with North Auctions of Hibbing, Minn., to hold its first ever online auction on fleet the co-op is liquidating, including six pick-up trucks and two all-terrain vehicles.

Any interested co-op members should register for a free user account at: <https://www.k-bid.com/auction/15015>. Once registered, members will be able to view the vehicles, gather more information and place bids. Members will need their LCP electric account number to complete the registration process.

"It's similar to submitting a bid through other online auctions like eBay," said Todd Johnson, LCP operations director.

The auction, open exclusively for member-consumers of Lake Country Power, will begin Tuesday, November 1 and end Tuesday, November 15, 2016.

The electronic bidding will be through K-Bid.com. Only winning bidders will be required to pay for the items they've won. Winning bidders may pick up their items with proof of purchase from Lake Country Power's service center in Mountain Iron at 8535 Park Ridge Drive.

If questions, please contact North Auctions at 218-969-3834.



[www.k-bid.com/auction/15015](https://www.k-bid.com/auction/15015)

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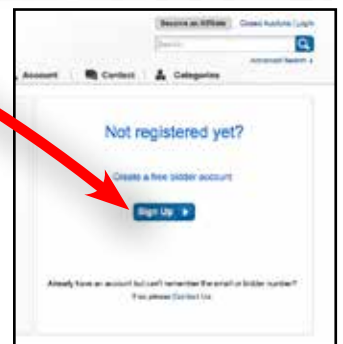
### How to Register

- Go to <https://www.k-bid.com/auction/15015>
- Click "Login" at the upper right corner of the website (login is above the "search" tool)
- Click the "Sign Up" blue button in the box to the right that says "Not registered yet?"
- Enter your user and location information. Click to check the box that says "I accept the Terms and Conditions." Next, click "Save."
- The next screen is where you will need to enter your credit card information. Your credit card will not be charged, unless you receive the

winning bid on Nov. 15.

The credit card is used for verification purposes only and will be tied to the e-mail you provide. One bidder per e-mail.

- Next, you'll receive an e-mail from K-Bid to confirm your registration. You'll now have access to view more information about the fleet for auction.
- The next time you want access to the site, you will click login and then the left box that says "Login to your account." Be sure to remember your password.



### BOARD MEETINGS

October 25 — 9:30 a.m. at Grand Rapids Service Center

November 22 — 9:30 a.m. at Kettle River Service Center

### DUAL FUEL REMINDER

Dual fuel is a controlled heating program, so be sure to check your backup fuel tank. Go into the season with it full. See page 2 for more information.

### PRIMARY NUMBER

Lake Country Power's phones are answered 24-hours a day.

**Our primary phone number is 1-800-421-9959.**

### EDITOR'S NOTE

Co-op events, including board meeting schedules, are posted at [lakecountrypower.coop](http://lakecountrypower.coop). Go to "Community Service" and click "Meetings/Events."



# Reflecting on a good thing

By Jim Huhta, District 8 Director

Reflecting on what cooperatives have accomplished over the years is a good thing to do every now and then. Looking back, co-op stores formed to market goods and services. Electric cooperatives formed to bring power to the rural areas. Folks shared and invested time and money to insure that amenities were available to rural people that others in more populated areas were probably already taking for granted. These amenities, like electricity, solved problems and made life better, all the while employing a local workforce and sharing capital credits with the members.

Recently, I was looking back at a 1952 *Hi-Lites* article from the former Carlton County Cooperative Power Association. I was a product of a co-op family and have some past articles archived. The first 40 kilowatt-hours (kWh) were \$.10 per kWh. Adjusting for inflation, that's \$.91 per kWh today. The tiered rates ran through 600 kWh before they stabilized. There were no "energy rate" programs, like off-peak and dual fuel, to help offset rates with energy needs.

The outages we've experienced this year have been devastating, but they offer an opportunity for us to just reflect, and then truly appreciate the service that we so much take for granted. The men and women who serve our co-op deserve a special thanks from us all, as they are often underappreciated. To those of you who've taken the time to express your appreciation to them, thank you!

I believe the folks who brought electric cooperatives to our area nearly 80 years ago, would be beaming with pride to see the teamwork and dedication of LCP's workforce that repaired damages to a system they started years ago.

We are building on the legacy of our pioneer founders to solve problems and make life better. To Lake Country Power's employees: tough summer, but a great job. Thank you.

*Jim Huhta was elected by members in Lake Country Power District 8. He can be reached at 218-644-3997 or hatchcheck@frontier.com.*

## Follow LCP's social feeds

Just in case you missed the recap video of the July 21 storm, you'll find it linked to several Lake Country Power social media feeds. LCP is on Facebook, Twitter, You Tube, Instagram and LinkedIn. The link to the video on You Tube is: <https://www.youtube.com/watch?v=A4Hnq9S81tw>



### CONNECT WITH US



Facebook.com/lakecountrypower



@LCPCoop



You Tube: Youtube.com/lakecountrypower



LakeCountryPower



www.linkedin.com/company/lake-country-power

## Dual Fuel: Check your backup

**Dual Fuel is a controlled heating program that's offered at a reduced electric rate. It can be shut off for up to 12 hours at a time. The program helps control electric demand during peak usage periods, which is why the reduced rate can be offered. It's also why an adequate backup system is required.**

**During the heating season, the electric heat portion of your Dual Fuel system could be controlled up to a maximum of 400 hours, however this is rare.**

**If you're on Dual Fuel, check the electric and non-electric (dual) parts of your heating equipment now.**

### 5 Check Points

1. Check the fuel tank. It's always a good idea to go into the season with a full or nearly full tank. Your oil or propane equipment will be expected to run for hours at a time during periods of severely cold weather or when the demand for electricity is high.
2. Operate the electric heating equipment to be sure the system responds to a "call for heat" from the thermostat.
3. Operate the oil or propane system also to be sure the system responds to a "call for heat" from the thermostat.
4. Have your gas or oil furnace/boiler checked periodically by a professional HVAC contractor. For cold weather, there is nothing better than knowing your Dual Fuel heating system will work as it should. For a list of contractors, visit lakecountrypower.coop (Under the "Residential" tab click "Contractor Resources")
5. Monitor Dual Fuel control throughout the heating season at lakecountrypower.coop (look for "Today's Load Control.")

Please call 1-800-421-9959, press #6, if you have questions concerning your Dual Fuel heating system or would like to add your electric water heater to the 8-Hour Interruptible program.

# Electric cars go farther, cost less than ever

Once thought of as a futuristic or out-of-reach luxury product, electric vehicles (EVs) are quickly becoming a realistic option for mainstream consumers.

A variety of factors, such as driving ranges going up and sticker prices dropping, are now allowing drivers who may have previously ruled out plug-in hybrid or all-electric cars to more seriously consider them as an option that fits into their everyday lifestyle.

One of the biggest roadblocks for people to overcome when thinking about the transition from gasoline to electric is “range anxiety,” or the belief that one charge cannot get them to where they need to go for a full day. These drivers are used to stopping at one of many gas stations when they need to fill up last minute or at pit stops along the way on a road trip.

But according to a 2013 study conducted by Consumer Reports and the Union of Concerned Scientists, 69 percent of U.S. drivers drive less than 60 miles on weekdays, which is within the range of many EVs today and well within the ranges of newer models set to be released within the next year.

Battery technology advancements are a major factor in why EV ranges are getting longer while the vehicle costs are becoming more affordable. EV batteries have improved by five to 10 miles per year, according to Charge Point, an EV charging station infrastructure company.

Researchers estimate that once EV batteries cost \$150 per kilowatt-hour (kWh), they’ll be cost-competitive with gas vehicles. In 2010, the global average was \$1,000 kWh, but by last year, it dropped to \$350 per kWh.

General Motors, which will release its 2017 Chevy Bolt later this year, said its lithium-ion battery cells cost \$145 per kWh and by late 2021, they could be at the \$100 mark. The 2017 Chevy

Bolt boasts an all-electric, 200-plus mile range on one charge for a \$30,000 price tag after the \$7,500 federal tax credit.

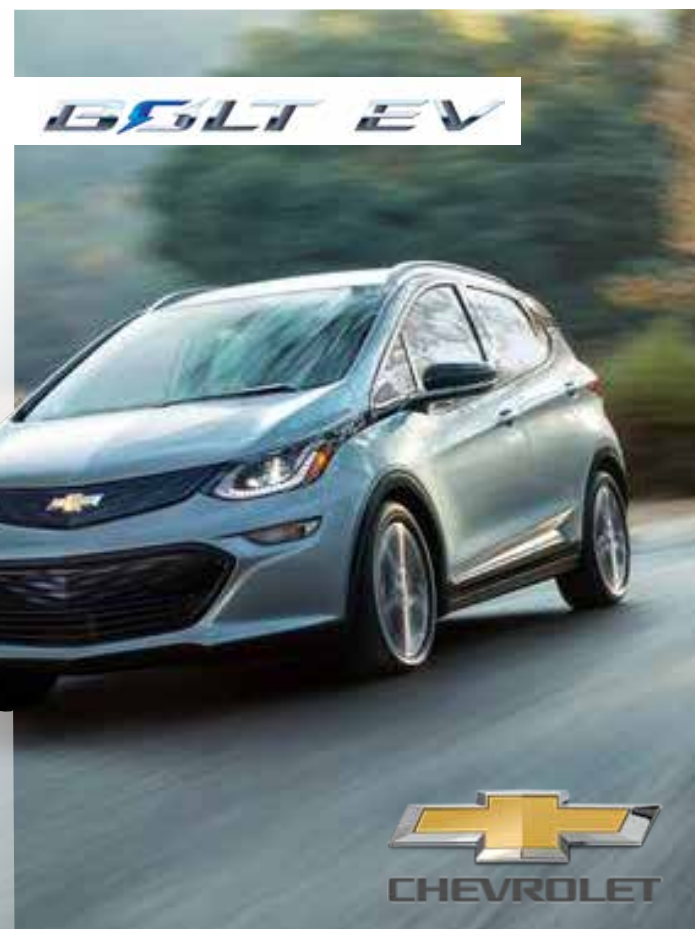
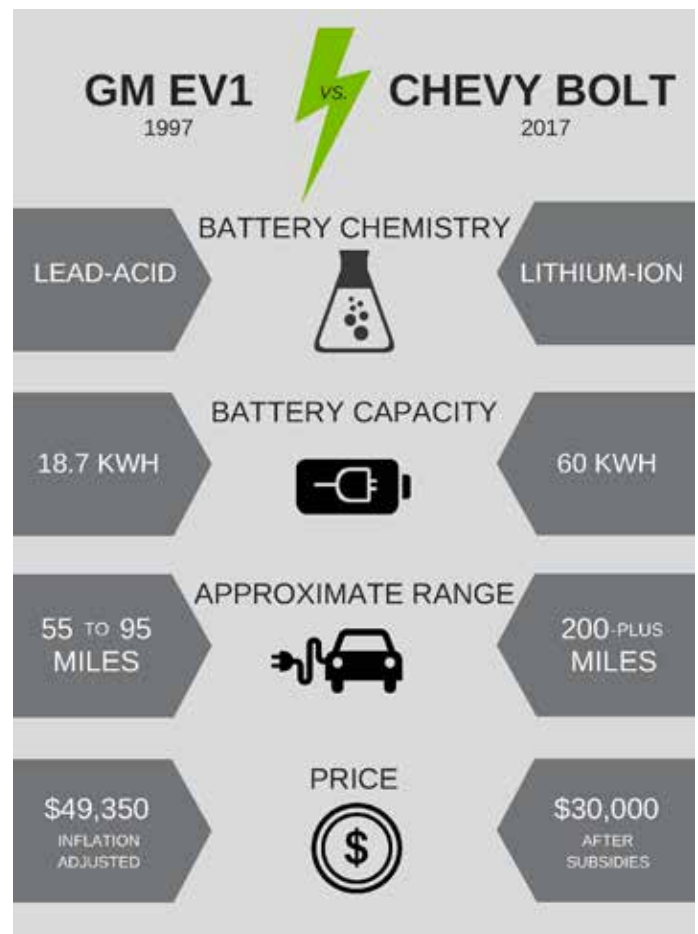
Other EVs that will soon undergo production and offer high ranges for an affordable price include the 2018 Tesla Model 3, which garnered approximately 400,000 orders after its unveiling earlier this year. The price for this 200-mile range EV starts at \$35,000 and is eligible for the federal tax credit as well. The second generation Nissan Leaf will also have a range of at least 200 miles, making it a contender against the Model 3 and Bolt. Its unveiling is anticipated to take place later this year.

Today, EVs make up about 1 percent of cars on the road but many analysts watching the market expect that long-range EVs are poised for dramatic growth due to continued breakthroughs in battery technologies and everyday drivers deciding to make the switch to electric.

## Charge EVs on Off-Peak

Wake up with a full “tank” every day when you go on Lake Country Power’s ChargeWise program. The program allows members to charge the vehicle in their garage or carport using electricity from a specially installed ChargeWise outlet. This outlet only provides energy during the off-peak hours of 11 p.m. to 7:00 a.m. at a reduced rate.

To set up a ChargeWise program, a state-certified electrician will install a circuit large enough to handle the charging needs of the vehicle. LCP will provide the meter and load control receiver for free. LCP will pay for up to \$500 of the installation cost. Call LCP’s member service department to get started: 800-421-9959, press #6.



# Save money with your Co-op Connections® Card

A few local lodging facilities participate in LCP's Co-op Connections Card® program. If you're looking for a getaway, use your card at these places to save on your stay. Visit [lakecountrypower.coop](http://lakecountrypower.coop) for the full list of businesses offering discounts—there are local and national offers.



- AmericInn, Grand Rapids
- Aitkin County Estate, Roseville
- Cascade Vacation Rentals, LLC, Tofte
- Comfort Inn-West, Duluth
- Country Inn & Suites, Hermantown
- Custom Cabin Rentals, Ely
- Deer Ridge Resort, Ely
- Holiday Inn Express, Mt Iron

- Horseshoe Lake Inn, McGregor
- Motel Ely, Ely
- Northern Lights Lodge, Ely
- Paddle Inn, Ely
- Pine View Inn, Virginia
- Radisson Hotel Duluth – Harberview, Duluth
- Second Wind Country Inn, Ashland, WI
- Willard Munger Inn, Duluth
- South Pier Inn, Duluth
- The Coates Plaza Hotel, Virginia

## Back then

When co-ops were first organized nearly 80 years ago, directors wondered how they and their neighbors were going to use all the electricity the lines were built to carry. Forty kilowatt-hours a month seemed impossible.

Their apprehensions were short-lived. Within 12 months after one project was energized, a survey showed the following purchases of appliances by co-op members:

- Electric irons and radios: 84.3 percent
- Washing machines: 63.2 percent
- Vacuum cleaners: 48.2 percent
- Toasters: 35.5 percent
- Electric motors: 27.1 percent
- Electric water pumps: 16.2 percent



In community after community, appliance stores flourished as families rushed to join the 20th century. The promoters and pushers of rural electrification were amazed. The skeptics and critics were confounded.

— Source: *The Next Greatest Thing*, National Rural Electric Cooperative Association

# Get your *green* on with Wellspring®



The Wellspring® renewable energy program offers members an opportunity to support wind and solar developments through the Wellspring Wind program and the Wellspring Solar program.

Members can sign up for these programs with Lake Country Power's member service department. Wellspring is a voluntary program offered to co-op members.

While the electricity that is

delivered to your home includes at least 25 percent renewable energy, the Wellspring program allows energy-conscious members the option to feel good about their energy choices.

## Here's how the program works

- An average home uses 800 - 1,000 kilowatt-hours of electricity per month
- You can purchase Wellspring Energy in 100

kWh blocks. One block per month is the minimum requirement for a 12-month commitment.

- Eight to ten blocks is equivalent to an average home's monthly electric use.
- Participating members pay an additional amount on their electric bills.
- Participants remain on the program for 12 months, minimum. After 12 months, you may discontinue participation at any time.

### Renewable Energy Source

WIND  
SOLAR

### Cost per 100 kWh block/mo.

50 cents per block  
\$2.00 per block

### Member purchases at least one 100 kWh block ea. mo. for 12 mo. min.

\$6/year  
\$24/year

## Sign me up for Wellspring®

You may sign up for both programs, if you like, or one if preferred.

The cost for Wellspring Wind is 50 cents per 100 kilowatt-hour block. The cost for Wellspring Solar is \$2.00 per 100 kilowatt-hour block. Both programs will be an addition to your regular electric charges, and are a one-year commitment.

Please mail this form to  
Lake Country Power, P.O. Box 98,  
Kettle River, MN 55757.

**WIND:** Number of 100 kWh blocks wanted per month for Wellspring Wind \_\_\_\_\_

**SOLAR:** Number of 100 kWh blocks wanted per month for Wellspring Solar \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Account Number \_\_\_\_\_

## 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.

## Seeking applications for Community Award

A Touchstone Energy® Cooperative 

It took a grassroots effort of many rural folks to develop electric cooperatives nearly 80 years ago. With that same grassroots spirit in mind, we are seeking any type of organization that has contributed to their local communities through a special effort of volunteers and unique efforts.

Through an application process, the cooperative will recognize the true spirit of community and award a deserving organization the 2016 Touchstone Energy Community Award.

Any organization that meets these qualifications is eligible for a \$500 cash award.

Community members may nominate an organization or association by completing an application form, available at Lake Country Power or online at lakecountrypower.coop. The application requires a description of the project, program or event and the positive impact it brought to the community.

Applications are due by 4:30 p.m. on Tuesday, November 1. Mail to Lake Country Power, attention Tami Zaun, 2810 Elida Drive, Grand Rapids, MN 55744, or e-mail tzaun@lakecountrypower.com. Visit www.lakecountrypower.coop to download an application.

### Recipe Corner

## BBQ Chicken Sandwich

Cheryl Struck, Lafayette, MN

- ½ cup shredded cooked chicken
- ¼ cup shredded carrots
- 2 Tbsp barbecue sauce
- 2 tsp light ranch dressing
- 1 small whole wheat sandwich bun
- 1 leaf romaine lettuce



Directions: 1) Combine chicken, carrots and barbecue sauce in bowl. 2) Spread ranch dressing on the bun. 3) Top with chicken mixture and lettuce. Yield: 1 serving

Submit your favorite recipe to Lake Country Power, Attn. Editor, 2810 Elida Drive, Grand Rapids, MN 55744, or e-mail tzaun@lakecountrypower.com. If your entry is drawn and printed in Newsline, you'll receive a \$5 credit on your electric bill. Entries must include name, address and phone number on account. Recipes will be published as space allows.

## Power supply costs expected to increase in 2017

Great River Energy, Lake Country Power's power supplier, is reviewing costs and rates for 2017. The GRE board will be reviewing the 2017 budget in the coming months, and it's expected a small increase in rates will be implemented in early 2017.

Any increase in wholesale power rates will affect LCP members as well. It's expected LCP will pass GRE's rate adjustment through to co-op members in early 2017.

GRE will be shutting down a coal plant in North Dakota next year, which will cut costs for the generation and transmission co-op. But other costs for renewable energy investments, environmental improvements, transmission upgrades, technology, health care and preventive maintenance at power generation facilities continue to rise.

Lake Country Power will provide more detailed information as decisions are made and GRE's 2017 rates are set in the coming months.

## Energy Assistance Providers

Should you find it difficult to pay your electric bill this winter, these agencies can provide additional assistance and more information.

AEOA  
800-662-5711

- Virginia  
218-749-2912
- Duluth  
218-623-3011

Aitkin County  
800-328-3744

Bi County CAP  
800-332-7161

Bois Forte Tribal

800-221-8129

Carlton County  
800-642-9082

Cass County  
218-547-1340

Fond Du Lac Tribal  
800-365-1613

Itasca County  
800-422-0312

Kootasca  
877-687-1163

Lake County  
218-834-8400

Lakes & Pines  
800-832-6082

Leech Lake Tribal  
866-864-8668

Mille Lacs Band

320-532-7880

Pine County  
800-450-7263

Salvation Army Offices:  
800-842-7279

- Cloquet  
218-879-1693

- Grand Rapids  
218-326-5620

- Duluth  
218-722-7934

- Hibbing  
218-263-5096

- Virginia  
218-741-1889

St. Louis County  
800-450-9777

It all adds up: Investing in a reliable electric system

How much does one repeater\* cost?



A. \$970

B. \$739

C. \$2,551

D. \$173

\*LCP has 871 repeaters. A device that boosts the AMR (automated meter reading) signal. In other words, when a signal is transferred from the substation, the repeater will strengthen the signal to the meter, especially for those meters that are furthest from the substation.

## Condensed Board Minutes

### July 26, 2016 • Regular Monthly Meeting

#### The following reports were given:

President Long reported on a few calls he received from members.

Director Bruckbauer, one of LCP's representatives on the Great River Energy board, reported the GRE board approved to shut down Stanton Station in North Dakota.

General Manager Randa reported about recent storms and outages in LCP's service area. There was discussion about LCP's methods of communicating outage information and outage restoration progress to members. Members are using social media and are accessing the outage map on the co-op's website.

Director of Finance and Administration Bakk reported the financials through May were under budget, however storm activity in June and July will impact the financials.

LCP's telephone infrastructure was stressed with the volume of incoming

calls from the July 21 storm and 27,000 members out of power.

#### The following actions were taken:

Approved the 2017 right-of-way contracts based on LCP management's recommendation.

Approved a resolution to support Great River Energy's decision to enter into a purchase agreement with APEX Clean Energy Holdings, LLC, for the purchase of 300 MW of wind energy, renewable energy credits and other attributes from the Dakota Range III and IV projects located in South Dakota.

*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) in the "Member's Area." 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 Oct. 2016. Julia Bies of Tamarack, MN took this photo of a pretty autumn sunset with an old wooden fishing dock on Lake Minnewawa. She named it, *Autumn's Light on the Lake*.



### ENERGY EFFICIENCY Tip of the Month

An average household dedicates about 5% of its energy budget to lighting. Switching to energy-efficient lighting is one of the fastest ways to cut your energy bills. By replacing your home's five most frequently used light fixtures or bulbs with models that have earned the ENERGY STAR, you can save \$75 each year. *Source: energy.gov*

### Co-op Contacts

**Greg Randa, General Manager** 800-421-9959  
granda@lakecountrypower.com

**Dale Long, District 1** 218-757-3634  
jlong004@centurylink.net

**Michael Forsman, District 2** 218-365-5789  
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**George Harvey, District 3** 218-741-6633  
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bobbbruckbauer@northlc.com

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**Craig Olson, District 7** 218-393-2276  
cdolson106@aol.com

**Jim Huhta, District 8** 218-644-3997  
hatcheck@frontier.com

**Sherman Liimatainen, District 9** 218-879-3135  
sgliimatainen@gmail.com

Directors are members of the cooperative and are elected to act in the best interests of the co-op with the same care than 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  
2810 Elida Dr., Grand Rapids, MN 55744  
Editor: Tami Zaun  
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**Lake Country Power Service Centers:**  
Grand Rapids • Kettle River • Mountain Iron  
800-421-9959 • [www.lakecountrypower.coop](http://www.lakecountrypower.coop)

*This institution is an equal opportunity provider and employer.*



## Comparative Operating Statement

Year-To-Date — July 2016

	2016	2015
Electric Operating Revenue	\$51,057,248	\$50,431,044
Cost of Purchased Power	27,340,021	27,285,514
Distribution Expense - Operations and Maintenance	8,062,537	6,746,123
Consumer Accounts Expense & Informational	2,277,250	2,228,675
Administrative and General Expense	3,567,860	3,510,127
Depreciation, Interest Expense and Other Deductions	8,479,978	8,696,765
<b>TOTAL ELECTRIC OPERATING EXPENSES</b>	<b>49,727,646</b>	<b>48,467,204</b>
Net Electric Operating Margins	1,329,602	1,963,840
Non-Operating Margins	1,197,798	752,527
<b>TOTAL MARGINS BEFORE SUBSIDIARIES</b>	<b>2,527,400</b>	<b>2,716,367</b>
Net Income (Loss) from Subsidiaries	(252,575)	(238,818)
<b>TOTAL MARGINS</b>	<b>\$2,274,825</b>	<b>\$2,477,548</b>
<b>TOTAL kWh SOLD (YEAR-TO-DATE)</b>	<b>364,397,054</b>	<b>382,877,072</b>

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