

mjenegy

Legislation sessions and budget approval

The legislatures in Minnesota and Iowa are in session, which is also a busy time for your local electric cooperative. MiEnergy engages with our statewide associations and our local elected leaders by providing direct input and recommendations. On the electric energy front, we're pushing opportunities for more renewable energy in Iowa and in Minnesota we are pushing back on a 2040 100% clean energy mandate.

In early January, right after the start of the Iowa legislative session, I partnered with Andy Johnson, the executive director of Iowa's Clean Energy Districts to publish a letter to the editor in the Des Moines Register discouraging legislation to limit utility-scale solar setbacks or solar siting based on farmland soil composition.

MiEnergy supports member-owned distributed generation (most commonly this is solar). In addition, your cooperative's nine megawatt Fillinona solar project installed in 2022 has been very successful. The recent passage of the Inflation Reduction Act provides direct payment to electric cooperatives for utility-scale solar projects. For the first time, this puts us in the same position as investor-owned utilities utilizing tax credits.

At the end of January, I partnered with my two local electric cooperative managers from People's Energy Cooperative and Freeborn-Mower Electric Cooperative in Minnesota to slow down passage of House File 7/Senator File 4 for 100% clean energy by 2040. At the time of publishing this newsletter, both the House and Senate have

Board room highlights | Jan. 31, 2023

- CFO Shelly Hove presented a favorable year-end financial report.
- · Reviewed and approved the 2023 operating budget.
- Received an update from the District 1 nominating committee.
- Selected additional members to serve on the advisory committee.
- Approved and endorsed the 2023 Safety Goals and Objectives.
- Reviewed and approved Resolutions 23-01 and 23-02 regarding commitments for broadband.
- Updated the Procurement Policies and Procedures Policy.
- CEO Brian Krambeer provided an update on subsidiary organizations.

The next board meeting will be held at the Cresco office on February 28 at 9 a.m.

passed the bill and it is awaiting a signature from Governor Walz.

To be clear, we are not opposed to the clean energy initiative. However, the "mandate" sacrifices reliability and affordability. The legislation is also not attainable without allowing natural gas peaking plants to maintain reliability when the sun is not shining and the wind is not blowing. A recent example of that was on December 23 when it was well below zero and the Midcontinent Independent System Operator (MISO) went to stage two on their maximum generation alert. Coal generation was contributing 39% of the energy, natural gas was contributing 29% of the energy (nearly 70% combined), nuclear was contributing 10%, with wind contributing 18.5% and solar was contributing .0002%.

The legislation in Minnesota does not discuss repealing the nuclear moratorium or carbon capture and storage.

Again, MiEnergy supports the transition to 100% clean energy. We lead the electric cooperative family in Minnesota and Iowa in member-owned distributed generation and individual cooperative renewable energy projects. It is why we opposed the proposed solar siting laws in Iowa. We are very concerned about reliability and affordability, and we demand a functional transition plan in Minnesota.

Electric cooperatives are also engaged in property tax relief, electrical permitting for energy management receivers and electrical easement fees by the Department of Natural Resources in Minnesota. Deregulation for large data centers/large electric loads is also an issue we are following in Iowa.

2023 OPERATING BUDGET

On January 31, MiEnergy's board approved the cooperative's 2023 operating budget that includes our continued focus on system reliability, quality member services and affordability. A 6.5% wholesale power increase from Dairyland Power Cooperative impacted our budget significantly, and MiEnergy's staff did a great job of budget development. We are projecting a rate adjustment of 5.5%. Inflation, supply chain issues, fuel costs and rising interest rates are all increasing costs to your electric cooperative.

A cost-of-service study is underway. We will provide more details to members on the electric rate changes once the study is complete. Members will be notified in advance. The retail rate adjustment will be implemented in May.

As always, I welcome your calls, emails and personal visits.

Why choose an electric water heater? It's a smart energy choice

The co-op has been selling efficient, electric water heaters for decades. Members can get discounts on electric water heaters purchased at the cooperative. MiEnergy provides free service, parts and labor during normal business hours. A service charge applies if after regular business hours. To qualify for this discount, the water heater must be on MiEnergy's energy management program.

Whether you need a water heater for a brand-new home or to replace an electric or gas model, call the energy experts at MiEnergy today or visit our website at www.MiEnergy.coop.

MiEnergy has programs to manage your water heater's energy use so it heats your water during off-peak hours when the cost of electricity is lowest. And, because the new electric water heaters are larger

and better insulated, they'll keep all the water you want hot until you need it. The life expectancy of an average water heater is 10-15 years for electric and 8-12 years for gas. Prepare now, so you know your options.

An electric-powered water heater is a smart energy choice for your water heating needs. It is safe, reliable, clean, predictably priced and adaptable to many uses.

WHAT IS THE PURPOSE OF ENERGY MANAGEMENT PROGRAMS?

Energy management programs, also known as load control, help balance supply and demand. It consists of interrupting electric water heaters, electric heat systems, air conditioners, irrigation pumps and grain drying systems. It reduces the total demand during peak

use hours and in turn helps keep electric rates affordable. Demand can coincide with extreme weather events, but is also impacted by the regional energy market which spans across

states.

Dairyland

Power Cooperative, MiEnergy's wholesale power supplier, operates a network of radio transmitters which send out signals to interrupt power. These signals are received by a special receiver installed at a member's home or business.

Rather than starting up a power plant for a short period of time or purchasing more expensive power from the market, electrical demand is reduced by controlling water heaters.

Participating in energy management programs also helps reduce future energy costs by deferring construction of new power plants.

IATER HEATER PROGRAM

- The co-op has electric water heaters available in two sizes: 85 gallons and 105 gallons.
 Co-op members can receive a FREE water heater with the construction of a new home.
- MiEnergy offers a FREE lifetime tank warranty and FREE service calls during normal business hours with the purchase of a water heater from the cooperative.
- When combined with the co-op's energy management device, it runs like a "smart appliance," providing stability and efficiency to the power grid by heating water when demand for electricity is low and storing it for later use.
- All water heaters on the storage strategy are powered by four 100 kWh Evergreen blocks for FREE.



The application is posted at www.MiEnergy.coop. Deadline is March 1. Seventy \$1,000 scholarships will

be awarded. Questions can be directed to Annie Hoiland at ahoiland@MiEnergy.coop or by calling

800-432-2285. Scholarships are funded with unclaimed capital credit funds that would otherwise be

•WANTED•
ADVISORY COMMITTEE MEMBERS

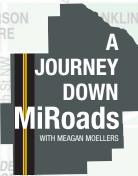
MiEnergy could use more members in districts 1, 3 and 5 to serve on its Advisory Committee. Members meet up to three times a year and are paid \$50 and mileage per meeting. Contact Heather Larson at 800-432-2285 or hlarson@MiEnergy.coop for details.

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forfeited to the state.

Changing lives since 1964

Co-op tradition makes lifelong memories for participants



The Rural Electric Youth Tour is a group of more than 1,000 high school students who visit Washington, D.C., every June, year after year from all over the United States. The students learn about electric cooperatives, American history, and U.S. government. They attend educational seminars and visit with their representatives in the House and Senate. They see historical sights in and around Washington - the U.S. Capitol, the monuments and countless other places – and they learn about the cooperative business model.

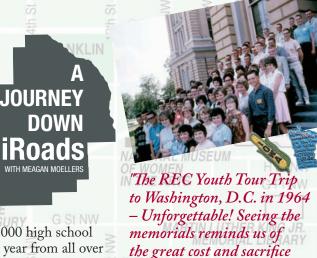
HOW DID IT BEGIN?

Senator Lyndon B. Johnson inspired the Youth Tour when he addressed the NRECA Annual Meeting in Chicago in 1957. Senator Johnson declared, "If one thing goes out of this meeting, it will be sending youngsters to the national capital where they can actually see what the flag stands for and represents."

In 1964, the National Rural Electric Cooperative Association (NRECA) began to coordinate the program and suggested that co-op representatives from each state arrange to be in Washington, D.C. during Youth Tour week. The first year of the coordinated tour included approximately four hundred young people from twelve states.

For many of these young students, the trip has led to career choices, lifelong friendships and a strong interest in politics. On the national level, Sheila Frahm from Kansas was appointed to the United States Senate in June 1996, finishing the term of Senator Robert Dole who resigned to run for president. Another "famous" Youth Tour alumni is Curt Jones from Illinois (1976) who started Dippin' Dots. Several others have gone on to work on Capitol Hill, start businesses and work in every industry in every corner of the country. There are even situations where sons and daughters of past Youth Tour participants have gone through the program.

Isaiah Passmore, of Cresco, majored in political science, ethics and public policy with a minor in history at the University of Iowa and is currently attending law school due to many of his experiences on Youth Tour. Emily Schwickerath, of New Hampton, studied political science and religion at Simpson College and received her MPA from Drake. After attending youth tour in 2013, she has worked numerous positions on political campaign teams for statehouse candidates. She was the executive assistant to Iowa Senate Majority Leader and was Political Director on Feenstra for Congress. She currently is the District Director at US House of Representatives for IA-04.



participants in the year 1964. Janet Price and Bill Seele attended the Youth Tour in 1964 This was one of the first trips that Hawkeve REC (MiEnergy's predecessor sponsored for students to attend the week-long

necessary to maintain our

freedom and way of life.

trip. Above: Students from Minnesota stand along students from Utah and Kansas to see Lyndon B. Johnson



NMENT IN ACTION The National Rural Electric Cooperative Youth Tour was an amazing trip. I learned a lot on this tour and had a lot of fun meeting many new people and exploring Washington, DC. The different learning experiences that were set up were very informative, and I was able to learn new things about cooperatives, the government, and the history of the U.S. My favorite part of this experience was the farewell dance at the end of the trip because I was able to meet many different people from all over the U.S. and also hang out with the Minnesota group and have a great time. Another part of the trip that was also one of my favorites was the capitol day, where we were able to go to the U.S. Capitol and meet with our elected representatives. I learned a lot more about politics through this experience and have a new understanding of how our nation works.' ~Noah Carlson, YT 2017

Top left: Youth Tour alumni participate in the Iowa Rural Power program coordinating grassroots events and legislative opportunities. Middle left: Minnesota students from 2018 visit the World War II Memorial. Left: Give me a Y-T-D-C!

WAY MORE THAN JUST A TRIP



youth opportunities at electric cooperatives for the tri-state area

She was also featured in the Cooperative Action Network as a

Rural Power Advocate in 2016 during the presidential elections

for a 50th anniversary celebration of the national Youth Tour

Hampton (2014) represented the state of Iowa on the Youth Leadership Council allowing her to return to D.C. in July of

poses next to the Franklin Delano Roosevelt Memorial. FDR played a significant role in the electrification of rural America in 1935. Passmore was selected as one of the fo \$1,000 Youth Tour Alumni Scholarship the Glenn **English National** Cooperative Leadership Foundation in 201

At right: Emily Schwickerath, of New Hampton, helped promote

KIDS HAVE BEEN SPONSORED TO EXPERIENCE A FREE TRIP



By the end of the week, the D.C. Munchie Cooperative had generated

a margin, so the board of directors declared a distribution to members, paid back the loan (plus interest) and held back a small amount to restart the co-op next year. The snack cooperative was formed to teach the youth tour students how a cooperative is formed and operated much like electric cooperatives in Minnesota and Iowa.

THE COOPERATIVE DIFFERENCE

After successfully launching a snack cooperative

for lowa's hungry students in 2017, the organizers

of the 2018 trip decided to kick the concept up a

notch. The D.C. Munchie Cooperative became a ful

functioning co-op with 43 members who each paid

a dollar to join, five elected board members, a CEO/

The co-op raised additional capital for purchasing

snacks by borrowing \$131 from a special trust fund

and by selling punch cards students could use for

purchases at the co-op's store. The co-op also held

its inventory on responses to a member survey.

regular meetings and sent out daily safety messages to members

plus ads to encourage them to patronize the co-op's store, which based

genera<mark>l manager and othe</mark>r employees

Are you ready for an experience you won't forget!?! Sign up deadline is February 28. TRIP DATES: MINNESOTA JUNE 13-18 & IOWA JUNE 17-23

nack cooperati

LOCAL YOUTH

Youth Tour's overall sponsor is the National Rural Electric Cooperative Association which represents more than 900 consumerowned, not-for-profit electric cooperatives that

serve 42 million

Americans in 48 states

Youth Leadership Council (YLC)



STATE/NATIONAL PEER NETWORK

Spend your trip with other students from across Minnesota and lowa (MN has 33 co-ops & IA has 27 co-ops that participate and send representatives). Combine that with an average of nearly 1,800 teens from all over the country! You already have a strong network built after this unique opportunity



MiEnergy.coop/youthtour

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Easy ways to control water use

Conserving water at home can result in downstream benefits and savings. Being mindful of home water use helps preserve the amount of water in our local reservoirs and reduces costs associated with water and wastewater treatment, including the cost of delivering it to the home (for those using a public water service).

Leaky toilets, showerheads and dripping faucets can waste up to 2,700 gallons of water annually. Home water conservation can simply start by checking your house for any leaks and drips. Another simple way to conserve water is to limit running water when it isn't necessary. For example, turn off the faucet while brushing your teeth, and defrost food in the refrigerator or in the microwave instead of placing frozen food under running water.

Reducing water use at home can





also help lower your energy use. The Department of Energy estimates that water heating accounts for about 20% of a home's energy bill. Switching to an energy efficient heat pump water heater can save considerable money on electric bills. Heat pump water heaters have higher upfront costs than storage tank models, but tax incentives and rebates can offset this cost. MiEnergy offers rebates for heat pump water heaters.

If upgrading your water heater isn't an option, there are small changes you can make to increase water heating efficiency. Reduce hot water use by switching to low-flow faucets and showerheads. You can also turn down the water heater thermostat to 120 degrees and insulate hot water lines to increase energy savings.

Additional ways to conserve both water and electricity in the home include upgrading clothes washers and dishwashers to newer, more energy efficient models. Running these appliances only when full or selecting a "light wash" setting reduces water and electricity use.

Washing dishes by hand uses more water than an energy efficient dishwasher, so avoid this method when possible. MiEnergy offers rebates for Energy Star rated clothes washers and dishwashers.

If your home uses well water, it's important to be mindful of water conservation, particularly in drier climates. Well pumps run on electricity and can be a source of higher energy bills. Dry, over pumped wells can cause the pump to run continuously, using excess energy in the process. Malfunctioning well pumps also lead to spikes in energy use. Regular maintenance can help identify problems, such as leaks and faulty intake, which can lead to increased use of both water and electricity.

As you can see, there are a variety of changes—some large, some small—that can help you conserve water at home. Regardless of how you do it, thoughtfully managing water use can protect our water supply and make significant changes on energy bills.

Personnel change at the co-op

Josh Mitchell has become a MiEnergy employee as of January 1, 2023. Josh has been a shared arborist with Allamakee-Clayton Electric Cooperative, Heartland Power Cooperative and MiEnergy for the past several years. Josh will continue to be a shared employee, but his home office will be with MiEnergy.





AHEAD

Create a safe zone.

SMART VIDEO LETS YOU CREATE **ZONES AROUND YOUR HOME** TO NOTIFY YOU OF ACTIVITY.

"Ground zone" alerts are best for observing specific areas where activity is important but unpredictable, like porches or backyards.





THE POWER IS IN YOUR HANDS

When you're part of a Touchstone Energy Cooperative, your voice is heard, loud and clear. Because you're more than a customer, you're a member. And what's more powerful than that?

To learn more about the power of the cooperative difference, visit TouchstoneEnergy.com

YOUR SOURCE OF POWER. AND INFORMATION.





Your Touchstone Energy® Cooperative



OFFICE INFORMATION

Open Monday-Thursday 7 a.m. - 4 p.m. Friday by appointment

IOWA 24049 Highway 9, PO Box 90, Cresco, IA 52136 MINNESOTA 31110 Cooperative Way, PO Box 626, Rushford, MN 55971

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WEBSITE www.MiEnergy.coop

SOCIAL MEDIA Facebook, Twitter, YouTube, and Instagram

DISTRICT 1 Dennis Ptacek, secretary and Jeff Redalen **DISTRICT 2** Dean Nierling, chair and Ron Stevens, vice chair

DISTRICT 3 Don Petersen, treasurer, Skip Wieser and

DISTRICT 4 Kyle Holthaus and Carl Reicks

DISTRICT 5 Beth Olson and Jenny Scharmer

MANAGEMENT STAFF

BRIAN KRAMBEER president/chief executive officer SHELLY HOVE chief financial officer STEVE OIAN vice president of operations - Minnesota

VASSIL VUTOV vice president of information technology MIKE WALTON vice president of operations - Iowa KENT WHITCOMB vice president of member services

MINEWS STAFF

MEAGAN MOELLERS communications specialist, editor ANNIE HOILAND communications specialist **BRENDA TESCH** marketing and communications manager

2023 OFFICES CLOSED

MAR 23 Employee Development Day APR 7 Good Friday

MAY 29 Memorial Day

JUN 8 Employee Development Day

IIII 4 Independence Day

SEP 4 Labor Day

SEP 20 Employee Development Day

NOV 23-24 Thanksgiving Holiday

DEC 6 Employee Development Day

DEC 22. 25 Christmas Holiday

DEC 29 Close at 11:30 a.m. (New Year's Eve Observance)

Energy Efficiency Tip of the Month

Do you have a home office? Set equipment like printers and scanners to automatically switch to sleep or energysaver 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.









Need to pay your bill? Want to get a closer look at how you are using electricity? Curious to know the scope of a power outage? Want to know the details of a rebate? Fill out a scholarship application? Catch up on the monthly issues of MiNews?

You can do all this and more by visiting www.MiEnergy.coop on your computer, tablet or smartphone.

Create a SmartHub account from the co-op's website or download the SmartHub app and you can pay your bill online or view your energy use.

Click on the Outages tab of the website to get a live look at current power outages. Check out the Member Services > Ways to Save menu to view rebates and get additional tips on how to save energy.

High school students can apply for the scholarship program and Youth Tour trip to Washington, D.C. online.

The co-op also communicates via social media. Search for MiEnergy Coop on Facebook, Twitter, Instagram and YouTube.



Winter weather typically means increased energy use at home. Keep your bills in check with these tips to save energy—and money!



Mind the thermostat. If you have a traditional heating and cooling system, set the thermostat to 68 degrees or lower. Consider a smart or programmable thermostat for additional savings.



Get cozy. Add layers of clothing for additional warmth, and snuggle up under your favorite heavyweight blanket.



Don't block the heat. If your air vents or heating elements (like radiators) are blocked by furniture or rugs, your home isn't being adequately heated.



Take advantage of sunlight. Open window coverings during the day to let natural sunlight in to warm your home. Close them at night to block the chilly night air.



Block air leaks. Seal windows and exterior doors with caulk and weather stripping to improve indoor comfort and decrease the amount of energy used to heat your home.