

Mid-year update

Welcome to summer! June temperatures have engaged air conditioning systems, and our first peak energy alert of the summer occurred on June 14. Thankfully, with the great support of our membership, MiEnergy saw a very promising reduction in electric load during the hours of the event. Thank you, members!

Dairyland Power Cooperative, our wholesle power provider, can issue up to nine peak alert events in the months of June, July and August. Energy efficiency and conservation have been a cornerstone of our electric cooperative and proven time and time again to be successful.

Year-to-date, your electric cooperative is tracking close to budget but is challenged with higher fuel costs, higher material costs and contractor surcharges. Thankfully, we started the year with strong margins due to colder temperatures in February and March, allowing MiEnergy to remain within the positive guardrails of the operating budget through the first six months of the year. Supply chain and product availability are ongoing concerns. The good news is relationships with multiple vendors and suppliers have allowed our summer construction season to continue as planned.

The volatile summer wholesale power pricing is concerning and certainly highlights the ever-present need for dispatchable generation and new transmission investments, such as the Cardinal-Hickory Creek line from Madison, Wisc. to Dubuque, Iowa. At one point on the afternoon of June 14, the Dairyland Power Cooperative wholesale power node recorded \$140/MWh (14¢ per kWh), yet in the North Dakota node the cost was negative. Meaning, transmission constraints would not allow the

Board room highlights | June 30, 2022

- CFO Hove provided a favorable financial report for May.
- · Youth Tour Delegate Elaina Rosonke provided a recap of her trip to Washington, D.C.
- · Safety and Compliance Coordinator Brad Pecinovsky provided a quarterly safety update.
- Approved the amendments to the idle service rate tariff.
- Adopted Resolution 22-06 in support of Harmony Telephone and MiBroadband's application for Minnesota Border-to-Border grant funds.
- CEO Krambeer provided updates on subsidiary businesses.

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

overabundance of wind energy in the Dakotas to be delivered across the state to lower our wholesale power costs at the La Crosse, Wisc. node where energy was needed.

Dairyland Power continues to monitor the volatile wholesale pricing and has been equally challenged with natural gas pricing, delayed coal deliveries and delays on the Badger State Solar facility, a Ranger Power project, that was scheduled to be operational in 2022. Unfortunately, construction has not begun due to delays in product availability. Solar supply chain issues are impacting the whole industry right now. Despite these tremendous challenges, Dairyland's operations and operating budget also remain on target year-to-date.

SUSTAINABILITY MEETING JULY 21

On July 21, MiEnergy will hold an informal information meeting at our Rushford office for members who would like to learn more about our cooperative's sustainability planning, EV charging network plans and distributed generation updates being considered for continued expansion of new member-owned generation. We plan to meet in our training room and request an RSVP, so we can plan for attendance numbers. Look for details on the back of this newsletter.

As I mentioned in last month's column, the saturation of member-owned generation is creating challenges for our cooperative in maximizing generation on distribution feeder lines during periods of limited energy use. It is equally challenging for members desiring to install a new solar generation system which now results in a supplemental engineering review and project delays before receiving approval or modifications to their proposal.

MiEnergy is considering options and alternatives for new member-owned systems in the Minnesota service territory to alleviate these challenges to the cooperative and to new member participants. These options would NOT impact any of our members with existing systems in our service territory and would allow nearly all members of our electric cooperative the option to pursue distributed generation at their home, farm or business. We look forward to the discussion.

As always, I welcome your calls, emails and personal visits. Have a safe and enjoyable summer.



Keep rates stable by doing the Summer Shift

Reduce electric use between 11 a.m. - 7 p.m.

This is the 11th summer that your electric cooperative has promoted a campaign that asks members to reduce energy use during the summer on weekdays from 11 a.m. to 7 p.m.

You may be wondering why a company would want people to use less of their product. The simple answer is because we are a cooperative. We are here to serve you with reliable, affordable power. We are not here to make a profit. We promote programs and services that help save you money.

Turning items off or shifting the time of use helps the cooperative manage costs today and into the future. Demand for electricity is highest during the months of June, July and August between the hours of 11 a.m. and 7 p.m. on weekdays. When members reduce their energy use during that timeframe it saves the cooperative money on wholesale power costs, leading to less frequent and smaller rate increases for all members.

When we ask you to Do the Summer Shift, there are two approaches. You can conserve energy by turning things off. For example, dry your clothes outside on a laundry line rather than the electric dryer. Or, you can choose to shift the time you use energy. For example, run the dishwasher cycle before 11 a.m. or after 7 p.m.

Small change that changes lives

Grant application deadline August 15

Operation Round Up (ORU), a voluntary community support program, helps local organizations and worthy causes via spare change. MiEnergy members can choose to have their monthly electric bills rounded up to the



nearest dollar, with the exceeding cents going towards ORU. Sign-up is available by calling the co-op or by filling out our online form.

The deadline to apply for grant funds is August 15. A list of program guidelines and an application is available online at www.MiEnergy. coop.

The campaign does not include weekends, holidays or overnight use, as the cost of electricity is not at a premium during those times.

WHAT CAN YOU DO TO HELP?

- Delay the start of the dishwasher.
- · Turn up the thermostat a few degrees.
- Shift the start of laundry.

Taking these steps to reduce electricity use on weekdays from 11 a.m. - 7 p.m. truly helps make a difference. Thanks for your participation!

SUMMER **SHIFT**



Planning a remodel? Timing is everything

Remodeling is a great opportunity to take care of energy efficiency improvements by adding them to your scope of work. If your home is already under construction, take the extra step to make it more efficient.

Planning for efficiency is the first step. Look at the scope of your remodeling project to see what energy efficiency upgrades you can add. There may be cost savings and convenience in tackling both at once.

Here are a few examples of energy efficiency upgrades for common remodeling projects.

KITCHEN REMODEL

If your kitchen remodel includes new appliances, buy ENERGY STAR®-rated models. ENERGY STAR® refrigerators are about 9% more efficient than standard models, and ENERGY STAR® dishwashers save both energy and water.

As for kitchen faucets, there are options available with

multiple flow-rate settings. You can save water by using a lower flow rate on your faucet when washing dishes, vegetables or your hands, but you can change the setting to quickly fill a pot for cooking.



BATHROOM REMODEL

If you plan to remodel your bathroom, include a highperformance showerhead. Look for the WaterSense logo for showerheads, faucets and toilets, which ensures the product meets performance and water use standards.

Check the fine print on your existing equipment to see how much you can save. The gallons per minute (GPM) is usually printed on showerheads and faucet aerators and the gallons per flush (GPF) is usually printed on toilets.

High-performance showerheads and faucet aerators conserve water and save energy used to heat water. Using less water can lower your water bill or increase your septic system's lifespan.

BASEMENT REMODEL

This is where I find myself right now. Our basement has gone from a wide-open space with concrete walls to a nearly completed living space with a den, two bedrooms, a bathroom and a laundry room.

We air sealed and insulated the sill plate and rim joist the framing between the concrete foundation and the main level floor. We built and insulated walls around the basement's perimeter, ensuring a cozy living space and a more comfortable home.

We upgraded our electric storage water heater to a hybrid—or heat pump—water heater, which is 70% more efficient than a standard electric model.

Also, we ran power for an electric vehicle charger while the walls were open. It is much less expensive to run the power supply while you have access.

NEW SIDING OR EXTERIOR PAINT

The best time to make sure your wall insulation is adequate—or to see if you have wall insulation at all—is when you replace your siding or paint the exterior of your

Wall insulation saves on energy costs, makes your home more comfortable and reduces outside noise.

Batt insulation, spray foam or foam board are good options if you are removing the siding. If you are painting, you can have a contractor blow insulation into the wall cavities through holes cut into the siding or from inside the house. The holes are then plugged and prepped for paint.

LIGHTING

Whether it's under cabinet kitchen lighting or new can lights in the basement, LED options use less energy than traditional incandescent or CFL bulbs.

ATTIC INSULATION

Often, remodeling requires work in the attic for new lighting or venting bath or kitchen fans. During any project that takes you into the attic, check insulation levels. Work in the attic can negatively impact attic insulation by crushing it or removing it to access work areas.

If more insulation is needed. air seal and check ventilation. Also, make sure all bath and kitchen fans vent to the exterior of the house.

Insulation may not be as pretty as new countertops, but it can help reduce your energy costs and make your home more comfortable.

A little planning during a remodel can go a long way toward improving your home's energy efficiency. Remember: it's more difficult and more expensive to go back and tackle energy efficiency projects after your space is finished.

Miranda Boutelle is the director of operations and customer engagement at Efficiency Services Group in Oregon, a cooperatively owned energy efficiency company. She also writes on energy efficiency topics for the National Rural Electric Cooperative Association, the national trade association representing more than 900 local electric cooperatives.



Power outages can be more than a minor nuisance. Extreme weather can knock out the electric grid for days. Even for shorter outage durations, those with electricity-dependent medical equipment or who have home-based businesses can be deeply impacted by loss of power.

More intense and frequent severe weather events are prompting many to consider offgrid solutions for energy during prolonged power outages. Gas-powered generators are a traditional choice for residential power generation, but new battery storage systems coupled with solar panels can also be a solution. There are pros and cons for each type of backup power system, so members should consider their personal power needs and budget.

Sizing your home energy needs is a first step to deciding which system to install. Evaluate if it is necessary to power the whole house or just a few critical appliances. Tally up the reported energy use of each appliance that needs to remain operational to get a rough estimate of minimal energy needs. This can be a guide to choosing your backup power option with enough capacity.

PORTABLE GENERATORS

Gas-powered generators have the lowest upfront costs. These can either be portable, permanent or stand-by systems. Portable generators typically cost between \$400 and \$1,500 and can use roughly 20 gallons of gasoline per day. Gas-powered generators are noisy and have the least output, making them suited for occasional, short-duration power outages. Portable generators can be manually connected to a circuit panel. An electrician must install a manual transfer switch to protect appliances from a power surge once electricity is restored. If not connected to a circuit breaker, appliances can be plugged directly into the generator, but require a heavy-duty extension cord for safe operation. Portable generators also must be operated in well-ventilated areas and shielded from wet weather. The U.S. Consumer Product Safety Commission estimates there are 80 deaths per year from carbon monoxide (CO) exposure due to improperly operated portable generators. Availability of gasoline can be a challenge

during severe weather, and long-term storage of gasoline requires proper containers and stabilizers.

PERMANENT/STANDBY GENERATORS

Permanent, or standby, generators typically cost \$2,000 to \$5,000 and can have installation costs that run from a few thousand dollars to \$10,000. These are connected directly to a residence and turned on automatically in the event of a power outage. Permanent generators can run on natural gas or propane. If connected to a natural gas line, these can run indefinitely and power an entire home. Standby generators are suitable for frequent outages or occasional but sustained outages.

SOLAR & BATTERY STORAGE

Overall expenses for a solar and battery storage combination are much higher than a generator. The National Renewable Energy Lab estimates the average U.S. cost for installation to be around \$1,200 to \$1,500 per kilowatt of system capacity. This estimate includes the cost of the battery, installation, permitting and inspection costs, and is done at the time of solar panel installation. Adding a battery storage system to an existing solar installation is significantly more expensive and may require an inverter change. Compared to generators, this option is quieter and does not create local emissions like CO. In states that allow net metering, excess solar energy can be sold back to the utility. A battery storage system can provide 10 to 15 hours of continuous power. In weather situations that limit solar power generation, this would not be a long-term solution.

There can be sizeable upfront costs for both generators and battery storage systems, but backup systems can bring great peace of mind when the power goes out. If you have questions about backup power options, contact MiEnergy Cooperative.

Katherine Loving writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the national trade association representing more than 900 local electric cooperatives. From growing suburbs to remote farming communities, electric co-ops serve as engines of economic development for 42 million Americans across 56% of the nation's landscape.

Grid-Tied Solar with Battery Storage System

PROS:

- Quiet operation
- Seamless transition from grid to battery
- Clean, emissions-free energy
- Minimal maintenance
- Excess power can be sold back to utility

CONS:

- High upfront cost
- Requires sunlight to operate or charge
- Requires multiple batteries to power the home



PROS:

- Lower upfront costs
- Higher capacity/longer run times
- No refueling (if connected to propane or natural gas)

CONS:

- Requires routine maintenance
- Requires propane, natural gas or diesel

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Co-op wins silver award for newsletter

MiEnergy recently received recognition in the national 2022 Spotlight on Excellence Awards program, sponsored by the Council of Rural Electric Communicators (CREC) and the National Rural Electric Cooperative Association (NRECA). MiEnergy received a Silver Award in the Best Newsletter category for "MiNews."

"Printed news publications, social media and videos are all more important than ever to keep members updated on issues affecting the electric cooperatives and their members," added Scott Peterson, Senior Vice President of Communications for NRECA.

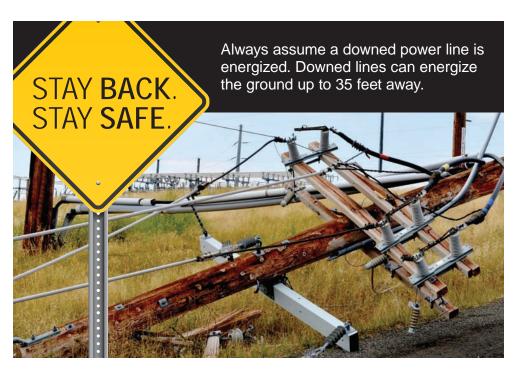
Winners were recognized during the CONNECT conference, a national conference for communications and marketing professionals, held in May.

The annual Spotlight on Excellence Awards program recognizes the best communication and marketing efforts by electric cooperatives and related organizations. Entrants competed with electric cooperatives of similar size in 18 categories. Electric cooperative



MiEnergy's communication team pictured from I-r: Brenda Tesch, Meagan Moellers and Annie Hoiland.

communicators and marketing professionals submitted nearly 600 entries in the Spotlight on Excellence program. Faculty members from the University of Missouri - Columbia and University of South Carolina, as well as noted professionals in the fields of marketing, web design, digital communications and newspapers judged the event, which uses a finite scoring system to determine the winners.







TESMER FARM SAFETY DAY CAMPS — **CALEDONIA & PRESTON**

MiEnergy's Noah Manning (I) and Christian Anderson (r) gave electric safety demonstrations at the Fillmore County Fairgrounds on May 19 and the Houston County Fairgrounds on May 24. Approximately 450 kids heard safety presentations on ATVs, general farm safety, weed identification, tractor rollovers, lawn mowers, electricity, grain bin drowning, bicycles,

911, power take-off equipment, fires, first aid, livestock and horses.

BE YOUR OWN BOSS CAMP — CRESCO

NICC's 'Be Your Own Boss Camp' of 18 students visited MiEnergy's Cresco office. They had the chance to talk about electricity, solar generation, tour our facilities, and learn about the technology the co-op has in place to efficiently serve members and assist employees. Thank you



to MiEnergy's Dave Wilkes for leading the kids on the tour.



NICC FARM SAFETY CAMP — CALMAR

The National Education Center for Agricultural Safety hosted Ag Safety Day at the Northeast Iowa Community College - Calmar Campus on June 16. Local experts taught 75 children how to stay safe this summer. They talked about safety with fire, electricity. machinery, lawn mowers, bike safety and more. Thanks to MiEnergy's Caleb Steiner (I) and Tom Hart (r) for presenting electrical safety tips.

KESSEL KIDS TRANSPORTATION DAY — CRESCO

Kessel Kids Childcare Center recently organized a transportation theme week for their kids and invited MiEnergy to bring two boom trucks. Lineworkers Caleb Steiner (I) and Kyle Quam (r) showed the many different parts of our trucks, tools and equipment used at the local electric cooperative.



HOWARD COUNTY FAIR —

MiEnergy sponsored three contests at the Howard County Fair: homemade salsa, strawberry dessert and light bulb decorating.

Pictured I to r: Kathy Ferrie, first place winner of the homemade salsa contest; Ruth Riha and Kim Larson, MiEnergy judges; and Beckett Swestka, third place winner.



Your Touchstone Energy® Cooperative



OFFICE INFORMATION

Open Monday-Friday 7:30 a.m. - 4 p.m. IOWA 24049 Highway 9, PO Box 90, Cresco, IA 52136 MINNESOTA 31110 Cooperative Way, PO Box 626, Rushford, MN 55971

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2022 OFFICES CLOSED

SEP 5 Labor Day SEP 20 Employee Development Day NOV 24-25 Thanksgiving Holiday **DEC 8** Employee Development Day DEC 23, 26 Christmas Holiday

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

Blood drive coming to Rushford



American **Red Cross**

MiEnergy's Rushford office will be hosting an American Red Cross Community Blood Drive on July 19 from 1-7 p.m. This blood drive is open to the general public. Call 1-800-RED-CROSS (1-800-733-2767) or visit www. redcrossblood.org and enter MiEnergy to schedule an appointment.

View power outages 24/7

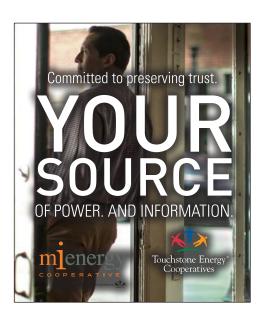
Real-time outage map available for mobile devices and online

Members can view a map of our service territory in Minnesota and Iowa in real-time on computers, smart phones or tablets. The



map is for visual reference only. Please call 800-432-2285 to report an outage or with questions concerning outages. Members can click on their township to get an estimate of the number of members experiencing an outage in that area. Visit www.MiEnergy.coop to view the outage map.

MiEnergy also offers power outage text notifications. Sign up online at www.MiEnergy.coop/outages. Select Power Outage Notification Sign Up and be prepared with your electric account number. The site will walk you through the set-up to have a text message sent to you when it knows your power is out and another when power has been restored.





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