



The Role of a Director

By Director Mike Thorson

It was a warm day in the spring of 1974 when two gentlemen drove in the yard. Little did I know how it would change my life. My wife and I visited with them, and they said they were directors at Todd-Wadena Electric Cooperative (TWEC). One of them was retiring from the board (Walter Carlson) and they were looking for candidates to run for his seat. I remember the last thing I said to them was that I was too young and inexperienced. I told them they should come back in 20 years, as I would like to serve my community.

In the fall, I was totally surprised to see my name on the ballot – and even more surprised that I won! Becoming a board member involved a huge learning curve for me, but I worked hard to become familiar with the cooperative business model.

I would like to tell you a little about what it means to be a

cooperative director. The first thing a director learns is that the board has only three employees: the CEO, the attorney, and the auditor. TWEC has had five CEOs (managers) in its history. I have been involved in hiring four of them, which is one of the most important decisions a board makes. The everyday operations and all employees are under the direction of the CEO. Currently at TWEC, we have a CEO who is also our attorney. Therefore, the auditor is the only other employee of the board. The auditor comes in once a year to audit the books and report to the board.

The board typically meets once a month and receives reports from the CEO and senior staff. The board sets policies on how the cooperative is to operate, sets an annual budget for those operations, sets rates, and monitors the financial condition and operations each month.

(Mike Thorson's *The Role of a Director* is continued on page 3) —————>

2023 Nominating Committee

The grassroots participation in nominating and electing directors is one of the most important powers that you, the member-owners of Todd-Wadena Electric Cooperative (TWEC), have in order to guide the decisions of your cooperative.

Part of this participation involves the *Nominating Committee*, which is made up of between 5 and 11 members who are selected so that the geographical territory is well represented. This committee prepares a list of nominations for the next election of TWEC's Board of Directors. Members may contact the committee if they are interested in being a director. The committee may also recruit members to run in the election.

(2023 Nominating Committee is continued on page 3)

Back Row (L to R): Samantha Krause, Heather Gilreath, Erich Heppner, Ray Gildow
Front Row (L to R): Gary Stracek, Jerry Miller, Gerald Anderson, Annette Adamietz
Not Pictured: Wally Wiese



Concern for Community: A Defining Principle for Co-ops

Celebrated nationwide during the month of October, *National Co-op Month* is an annual opportunity to look at the many aspects that make cooperatives unique.

Cooperatives are motivated by people and their needs, not by profit. The seven cooperative principles guide electric cooperatives to operate differently from other utilities, putting the needs of their members first. We base the way we conduct business on these seven cooperative principles:

- *Voluntary and Open Membership*
- *Education, Training, and Information*
- *Democratic Member Control*
- *Cooperation Among Cooperatives*
- *Members' Economic Participation*
- *Concern for Community*
- *Autonomy and Independence*

I would like to highlight the last principle, *Concern for Community*. As a cooperative, we are committed to improving the quality of life for our members and investing in the local communities we serve. Here are a few ways that TWEC is actively applying this principle locally.

Operation Round Up: Since 2002, members have raised and donated over \$590,000 for more than 730 local community service projects.

Economic Development Loans: TWEC manages a USDA rural development loan fund that has provided loans to new and growing businesses in our area.

Scholarships: Dozens of local students have benefitted from scholarships funded by unclaimed TWEC capital credits.

Safety Presentations: Cooperative employees visit area elementary schools with an interactive simulator display and teach kids how to stay safe around electricity.

Community Groups: Our TWEC employees and directors are active participants on local committees and boards to promote economic development in our area.

Local Investment: Local electric cooperatives are, in many cases, some of the most important economic drivers in a rural community. As a rural electric co-op, we utilize local vendors and service providers whenever possible.

Area Celebrations: TWEC sponsors local community celebrations and parades each year.

Here at Todd-Wadena Electric Cooperative, we are genuinely concerned about and invested in our local communities. Please know that we work hard every day to support and grow the communities we serve!



Daniel Carlisle
President/CEO &
General Counsel

Board Minutes

Highlights from the August 31st, 2022, regular board meeting:

- *CEO Dan Carlisle went over Great River Energy's (GRE) DSM program costs/revenue comparison from 2015-2022. He also touched on some of the WAPA changes that will affect TWEC.*
- *Board Member Mike Thorson gave the GRE report. He shared that the month of July resulted in positive margins.*
- *Lisa Graba-Meech, CFO, presented the July financials to the board. Monthly kWh sales were 1 percent over budget. Energy revenue was 5 percent over budget. July's purchased power expense was 2 percent under budget. Tier is 0.94 and Equity is 41.24.*
- *Graba-Meech provided the full 2021 CFC Key Ratio Trend Analysis for the directors and highlighted key ratios and graphs during the meeting.*
- *Member & Energy Services Manager Allison Uselman noted how the Pancake Supper was a big success, serving over 400. There were also over 60 drivers or riders in the electric vehicles and over 30 electric bike rides.*
- *Lori Redetzke joined the meeting to share an overview on the Energy Assistance Program (EAP). The collection team works very closely with the EAP to assist members who are struggling with their utility bills, specifically during the Cold Weather Rule.*
- *Board Member Dale Adams gave the STAR Energy report. The recent 25th anniversary celebration went well and was well attended.*
- *Board Chair Miles Kuschel provided a legislative update. He shared a map of the redistricting and discussed how it affects TWEC's territory. He also reviewed the names that will be on the ballot in November.*
- *Several board members attended the Energy Issues Summit in August and gave a short recap of the meeting.*

Daniel Carlisle
President/CEO & General Counsel

The Role of a Director (continued from page 1)

The cooperative model of business is complex and a little different than most businesses, so we encourage all new directors to become credentialed by taking courses from the National Rural Electric Cooperative Association.

As directors, we lobby state and national leaders, both in-person and through our state and national organizations, to make sure they understand the needs of our members. Strategic long-range planning is another important part of what directors do. Planning, permitting, and building infrastructure to

serve our members is an ongoing process. As a board, it is important to have an informed vision of what the cooperative and our members will need in the future.

TWEC is a member of Great River Energy (GRE), which generates and transmits the power to TWEC substations. I have represented our membership on the GRE board for about 20 years. We are also a member-owner of STAR Energy, which provides many services including engineering and purchasing. Dale Adams represents us on that board.

I continue to learn as the utility industry changes. I enjoy the challenge of being a director and hope I can bring some accumulated wisdom to the position. It is rewarding to mentor young board members as they gain experience and grow into their roles. It has been an honor to serve you all these years and I thank you.



Mike Thorson
TWEC Director

Interested in being a director?

The Board of Directors is essential to the success of the co-op. Directors attend monthly meetings to discuss issues and make decisions on behalf of the members. They attend conferences and read many reports/papers to understand the policies for which they are responsible and the issues with which they grapple. Their responsibilities include mitigating risk, setting rates, understanding power supply, strategic planning, financial decision making, promoting the Cooperative business model, gaining insights on political and environmental impacts, and meeting member expectations.

To become a nominee for director you must:

- ▶ Be a TWEC member in good standing .
- ▶ Have a primary address on Todd-Wadena Electric Cooperative's lines.
- ▶ Not be an employee or have been an employee of the Cooperative within the last three years.
- ▶ Not be a close relative of an employee.
- ▶ Have not been convicted of a felony within the last three years.
- ▶ Agree to regularly attend all board, regular and special, members' meetings.
- ▶ Not be employed by, materially affiliated with, or have a material financial interest in any individual or entity which is either directly or substantially competing with the Cooperative, selling goods or services in substantial quantity to the Cooperative, or possess a substantial conflict of interest with the Cooperative.

2023 Nominating Committee (continued from page 1)

This year, the 3-year terms of *Gene Kern*, *Kristine Spadgenske*, and *Dale Adams* will expire at the Annual Meeting on April 18th, 2023. Election ballots will be mailed to all members in March, along with the opportunity to vote electronically. Members may also vote at the TWEC Annual Meeting.

The 2023 Nominating Committee is scheduled to meet on January 25th, 2023 to make selections for the 2023 director elections. Any member interested in becoming a director candidate may contact a member of the Nominating Committee listed to the right.

2023 Nominating Committee

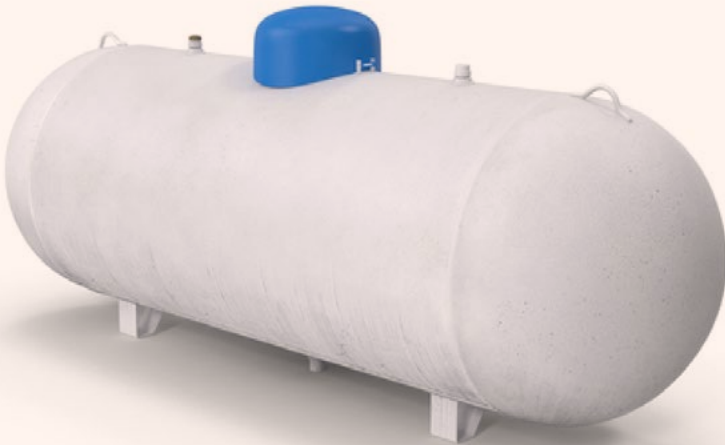
Name	City	Phone Number
Gerald Anderson	Eagle Bend	(218) 738-4609
Jerome Miller	Sebeka	(218) 837-5690
Gary Stracek	Browerville	(320) 594-2960
Wally Wiese	Verndale	(218) 639-6348
Ray Gildow	Staples	(218) 821-8848
Annette Adamietz	Verndale	(218) 445-5190
Erich Heppner	Staples	(952) 807-3279
Samantha Krause	Staples	(507) 766-0238
Heather Gilreath	Sebeka	(218) 841-0309

Members interested in becoming a director candidate may also contact the Cooperative office at (218) 631-3120 or (800) 321-8932 or at kvandeventer@toddwadena.coop.

Dual Fuel Members: Please Check Your Back-up System Now

If you have a **Dual Fuel Heating System**, NOW is the time to be sure your back-up heating system is prepared and that you have adequate fuel supply.

- Dual Fuel Heating Systems are usually controlled during periods of high demand (such as frigid winter evenings), but other factors such as the generation system, maintenance, and high market cost can lead to load control as well.
- There can be up to 400 hours of control during the heating season. However, most winters the control has averaged 100 to 120 hours.



Receive Dual Fuel Load Control Notifications with SmartHub

Members who participate in our **dual fuel load management program** can receive a notification of control events! To manage or receive notifications from Todd-Wadena Electric Cooperative, you will need a SmartHub account.



SmartHub Instructions:

Sign in (or sign up) at toddwadena.smarthub.coop. If you haven't previously added a contact for notifications, you will need to start at **Step 1** below, otherwise you may go directly to **Step 2** to enable Dual Heat Control notifications.

1 Add Contacts: Click *Notifications* in the navigation menu, then select *Manage Contacts*. Add an email contact and/or a phone contact. Follow directions and enter verification code where appropriate.

2 Set Up Notifications: Click *Notifications* again, and select *Manage Notifications*. Select *Reports*, then choose *Dual Heat Control*. Click *Options* and select the contact(s) you wish to receive load control notifications.

Increased Load Control in Future – Be Prepared

Inflationary pressures and supply constraints throughout the energy industry continue to drive unusually high prices in the electricity and natural gas markets. Forward curves indicate the current pricing environment will continue into the 2022-23 winter season. There will also be additional pricing pressure in the wholesale power markets during the heating season due to natural gas supply competition with domestic heating. Great River Energy, Todd-Wadena Electric Cooperative's wholesale power provider, will manage costs by using dual fuel program participants to reduce load during peak pricing hours, which may include both morning and evening peak load periods.

As a reminder, the primary heating systems of participants can be controlled up to 12 hours per day and up to 400 hours per heating season. Control occurs on days of high electrical demand, high wholesale energy prices, and/or system emergencies.

Because we anticipate increased control hours, we highly encourage dual fuel program participants to ensure they have adequate supplies of a secondary fuel source. Replenishing storage tanks now typically leads to cost savings versus filling up during peak winter heating months.

If you have any questions, please contact TWEC's office.

In addition to purchasing in the early fall, you can also save money if you:

1. Buy a bigger tank, which allows you to stock up when prices are low.
2. Shop around and then lock in low rates. The propane market is competitive, so research rates and consider perks such as free service calls, maintenance, buybacks, and bonuses. If rates are low (often in September and October), ask if the company will lock in the low rate for a period of time.
3. Ask about discounts. Oftentimes these are made available for veterans, seniors, employees of the state or major corporations, those with memberships in travel clubs, or credit card holders. You never know where a discount may exist, so don't be afraid to ask.
4. Schedule deliveries carefully. Avoid holiday, weekend, and other peak delivery times that may incur a fee.
5. Conserve propane by using less. Install a smart thermostat, keep appliances clean and well-serviced, and choose energy-efficient models.

Cold Weather Rule

Each year, some members are unable to pay their electric bill during cold weather months. The *Minnesota Cold Weather Rule* was established to protect residential members from electrical service disconnection between October 1st and April 30th.

Cold Weather Rule protection is available if the following conditions exist:

- The disconnection would affect your main heating source
- You and Todd-Wadena Electric Cooperative agree on a payment plan
- You have returned the Cold Weather Rule form to TWEC

**The Cold Weather Rule form was mailed with all September bills.*

The Cold Weather Rule does not prevent winter disconnections. If you have a DISCONNECTION NOTICE on your bill between October 1st and April 30th, you must act before the disconnect date on the bill.

To avoid disconnection between October 1st and April 30th you must complete the following steps:

1. Set Up a Payment Plan

If you receive a disconnect notice on your bill, you must call and set up a mutually agreed upon monthly payment plan before the disconnect date on the bill. This payment plan must be kept current to be protected by the Cold Weather Rule and avoid disconnection.

2. Return the CWR Form

Complete the Cold Weather Rule form and return it to TWEC before the disconnect date on your bill. You may complete this form online at www.toddwadena.coop.

Financial Assistance Available to Help with Utility Bills

If you are experiencing difficulty paying your electric bill, the *Energy Assistance Program (EAP)* helps pay for home heating costs and furnace repairs for income-qualified homeowners and renters. EAP primary heat grants range from \$200 to \$1,600 depending on family size, income, and energy costs. In addition to primary heat grants, crisis-benefit grants are also available. To learn more about the EAP program, please contact your county EAP service provider for additional information and assistance.

mn.gov/commerce/consumers/consumer-assistance/energy-assistance

Financial Assistance Resources

If you need help paying your electric bills, you may qualify for energy assistance. For complete qualifications and application information, contact your local Social Services or Community Action Council (CAC).

Energy Assistance by County

Becker, Hubbard, Otter Tail, & Wadena (Mahube OTWA)
(218) 847-1385 or (888) 458-1385

Cass (Bi-Cap) Beltrami
(218) 547-3438 or (800) 332-7135 (*Walker Office*)
(218) 751-4631 or (800) 332-7161 (*Bemidji Office*)

Morrison (Tri-County)
(320) 251-1612 or (888) 765-5597

Todd
(320) 732-4516 or (888) 838-4066

Douglas (West Central Minnesota Communities Action)
(218) 685-4486 or (800) 492-4805

Energy Efficiency Tip of the Month

With winter weather on the way, now is the time to seal drafty windows. If you can see daylight around a window frame or if you can rattle a window (movement means possible leaks), the window likely needs to be sealed.

Most window leaks can be sealed with caulk or weatherstripping, which come in a variety of compounds and materials. Visit energy.gov/energysaver to learn how and where to seal air leaks.

Source: www.energy.gov



Capital Credit Retirement Notice

Active TWEC members will have their capital credits applied to their accounts as an **energy credit** on their December bills.

What are capital credits and how do they work?

Todd-Wadena Electric Cooperative is a not-for-profit cooperative. Each member has a share in the ownership, construction, maintenance, and prosperity of the co-op — through capital credits. Capital credits have two steps, or stages, they can be in.

STEP 1 ALLOCATION

An allocation is made annually for each member based on the amount of electricity purchased. The allocation is the member's share of the net margins. The co-op sets this money aside to be used as operating capital for improvements and maintenance over a period of years.



When a person establishes service with us, they become a member and are eligible for capital credits.

Capital credits represent a member's share of the cooperative's margins during the time they have membership.



At the end of each year, any funds remaining after expenses (margins) are allocated to the member's account based on percentage of electricity purchased.



The allocated funds are used as operating capital for system improvements and maintenance until the board of directors retires capital credits.



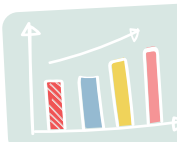
STEP 2 RETIREMENT

A retirement is the amount a member receives back as a refund. It is a portion of the total allocation. When capital is no longer needed for operating expenses, it is retired. The amount paid is decided annually by the board of directors based on the financial conditions of the cooperative, and is subject to Rural Utility Services (RUS) and other lending institutions.

Annually, the board of directors evaluates the financial condition of the cooperative to determine whether to retire capital credits.



When the board elects to retire capital credits, we calculate the amount to pay each member based on historical allocation.



Capital credits will be returned to active members in the form of an energy credit. For inactive members, retirements less than \$10 are not issued a check and the allocation remains in the member's capital credit account until the member's refund exceeds \$10.



Our Mission, Vision, and Values

► Mission Statement

To be a trusted partner providing safe, reliable, and affordable energy options to our members.

► Vision Statement

To improve the quality of life for our members and embrace beneficial opportunities in a changing industry.

► Values

Service › Safety › Fiscal Responsibility › Integrity › Communicate & Educate › Commitment to Community

Todd-Wadena Electric Cooperative is an equal opportunity provider and employer.



We have a fun month lined up here in October to celebrate **National Co-op Month!**

CO-OP MONTH GIVEAWAY

Follow us on Facebook for *Co-op Month Trivia*. Each Monday in October, a new question will be posted to win a prize or energy credit.

READER'S CONTEST

This month we will be choosing **FIVE Reader's Contest** winners from this issue of *Pine to Prairie* newsletter (see back page).

Voters Take Part in Candidate Forum

Todd-Wadena Electric Cooperative (TWEC) hosted a candidate forum and meet and greet on Thursday, September 8th at the Verndale Lions Community Center. All local state candidates and federal candidates were invited to the forum, along with all eligible voters.

Candidates in attendance included U.S. Congressional District 8 Candidate, *Jen Schultz*; MN House District 5B Candidates *Gregg Hendrickson* and *Mike Wiener*; MN House 9B Candidate *Tom Murphy*; and MN House 12B Candidate *Mary Franson*. *Paul J. Utke* and *A. John Peters* of MN Senate District 5 were in attendance, along with District 9, *Jordan Rasmusson*, and moderator Dan Skogen.

Each candidate was given time to explain who they were and why they were running. Questions posed to the candidates varied on topics, including: transportation, renewable energy, education, police reform, territory boundaries, and more. Those in attendance were able to submit questions to the candidates.

“We were really excited to host the candidate forum again, and were happy that we had a good turnout with candidates,” said Allison Uselman, member and energy services manager at Todd-Wadena Electric Cooperative. “It’s great to be able to offer a forum like this for our communities to take part in so that they can take this knowledge to the voting booth in November.”



Pine to Prairie News

A monthly publication for members & friends of



Todd-Wadena
ELECTRIC COOPERATIVE

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Monday - Friday

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(800) 321-8932

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Email: todd-wad@toddwadena.coop

Address: 550 Ash Avenue NE
P.O. Box 431
Wadena, MN 56482

BOARD OF DIRECTORS

Miles Kuschel, Chair
Tom Brichacek, Vice Chair
Marie Katterhagen, Secretary
Dale Adams, Treasurer
Michael Thorson, Director
Gene Kern, Director
Kristine Spadgenske, Director

Daniel Carlisle, President/CEO &
General Counsel

LOCAL ELECTRICAL INSPECTORS

Todd County:

Troy Bak (320) 760-1017

Wadena County:

Adam Sorensen (320) 304-3927

District 5 (Todd County):

Mark Hunter (320) 616-5574

District 6 (Wadena County):



Sheldon Monson (218) 689-3260

If your electric power goes out:

First, make sure the problem is not on your side. (Members may be billed for service calls if the problem is caused by their own equipment.) Check fuses and circuit breakers in your home and by the meter pole. (Call us for help, if necessary.)

Second, check with your neighbors to see if they have power. Then call Todd-Wadena to report the problem. Give your name and account number. Then report any tree branches, twisted wires, broken poles, and whether or not your neighbors are also out of power.

Before digging call:
Gopher State One-Call
811 or (800) 252-1166

Find us on  

www.facebook.com/toddwadenaelectriccooperative
www.instagram.com/twec.coop

Todd-Wadena Electric Cooperative

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Todd-Wadena Electric Cooperative will be closed
Friday, **November 11th** in observance of **Veterans Day**.

October Reader's Contest

1. The _____ committee prepares a list of nominations for the next election of TWEC's Board of Directors.
2. Active TWEC members will have their capital credits applied to their accounts as an energy credit on their _____ bills.
3. With winter weather on the way, now is the time to _____ drafty windows.

Name:

Your TWEC Account Number:

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For your chance to be entered in a drawing to **win a \$10 credit** on your bill, correctly answer the questions and include with your TWEC bill. Mail to TWEC, P.O. Box 431, Wadena, MN 56482. Or email the answers to mbrservices@toddwadena.coop with the subject line "Reader's Contest". Be sure to include your name and TWEC service address. Entries must be received by October 25th.

Cindy Buhl of Browerville was the winner of our September Reader's Contest.

To celebrate National Cooperative Month, we are choosing FIVE Reader's Contest winners this month!