

Pine to Prairie

April 2021

www.toddwadena.coop

Join Us for Our Virtual Annual Meeting

Make sure to join us for our Annual Meeting on **Tuesday**. **April 20**th **at 5:30 p.m.**! For the safety of our members and employees, we are holding the Annual Meeting virtually this year via Zoom. You can log in virtually via SmartHub and click on the *Annual Meeting* link. Those who join us virtually will be eligible to win one of five \$100 energy credits! Members can also tune into our Annual Meeting on the radio at *101.7 KWAD* and *99.7 FM Hot Rod Radio KXDL*.

Return the registration card on the back of this newsletter (with your address) by mail or to our drop box by 9 a.m. on April 20th to be entered into prize drawings for energy credits and gift cards to local businesses.

Proposed Bylaw Changes

Todd-Wadena Electric Cooperative (TWEC) Bylaws are the rules by which the Cooperative is operated. At various times, the membership votes to amend the Bylaws to keep up with changes the Cooperative is experiencing.

TWEC's Board of Directors is unanimously recommending the approval of the proposed Bylaw amendments. A summary of the changes is listed below. You should have already received a ballot with the proposed ammendments. If you have questions or comments, please call us at (218) 631-3120. Our staff is happy to discuss the proposed changes with you.

SUMMARY OF BYLAW CHANGES RECOMMENDED BY THE BOARD OF DIRECTORS:

Article I, Section 5

The intent behind adding this new section to the Bylaws is to allow the Cooperative to better protect its members' information by clarifying and restricting the circumstances under which the Cooperative may disclose such information.

Article III, Section 4

The intent of the amendment to this Bylaw provision is to allow adequate time for proper ballot preparation in advance of printing and administrative deadlines imposed by our election administrator.

Article IX, Section 1

The intent of adding this new section to the Bylaws is to implement the arbitration process for dispute resolution with members. It is expected that arbitration will provide a fair, expedient, and cost-effective means of resolving disputes between the Cooperative and its members.

Voting Options Available

Return your ballot in the provided envelopes. Your ballot must be received by mail at Survey & Ballot Systems by April 20th, 2021, or placed in the drop box located outside Todd-Wadena Electric Cooperative's office by 9 a.m. on April 15th, 2021.

Follow the instructions that came with the ballot you received in the mail on how to vote online using DirectVote. You do **not** need a SmartHub account in order to vote this way. Once you've authenticated with your Member Number and Election Passcode (found on the back of the return envelope) on the DirectVote page, simply follow the directions there to cast your vote. Note: your ballot must be completed by 9 a.m. on Tuesday, April 20th.

Vote Online via SmartHub
Log into your SmartHub account
and look for the "Vote Now"
button in the upper right corner.
Follow the instructions to finish
casting your vote. New this year, you can
also vote from within the SmartHub mobile
app (available on both iOS and Android
platforms)! When you open the app, you
will see a button that says "Vote Now" –
tap it to get started. Your ballot
must be completed by 9 a.m.

There is also a link to join our Virtual Annual Meeting taking place on April 20th at 5:30 p.m.

on Tuesday, April 20th.

Cooperatives Step Up in the Cold

While spring can still be a bit chilly in Minnesota, we are thankful to have left behind the coldest days of winter. This February, in particular, brought a long stretch of subzero weather that challenged our nation's electric system. As parts of the United States struggled to maintain electric service during the historic cold snap, Minnesota's cooperatives went to great lengths to ensure their members had the energy they needed.

In mid-February, cold weather across the country drove up demand for natural gas and electricity to such an extent that some regions experienced rotating power outages. Thankfully, Todd-Wadena's members continued to receive reliable electric service throughout the duration of the cold snap. This reliability is due, in part, to Great River Energy (GRE). Serving as Todd-Wadena's wholesale power provider, GRE has a system designed to provide reliable electricity even in extremely cold weather.

A Rapid Response

Each year, Great River Energy employees complete training on the proper protocols to respond when the Midcontinent Independent System Operator (MISO) declares a "capacity and energy event" like the one that occurred in mid-February.

MISO is the grid operator for 15 U.S. states and the Canadian province of Manitoba. It oversees the operation of the bulk power transmission system, facilitates an energy market, and has responsibility,

along with its members, for maintaining electric reliability across its system. The transmission team rose to the challenge, responding quickly and safely to the needs of memberowners and the transmission grid.

Producing More Electricity

Great River Energy's power supply resources – which include coal, gas, and fuel oil based

power plants as well as wind energy resources – performed as planned for extreme weather events.

The coal-based Coal Creek Station and Spiritwood Station operated throughout the cold weather with no issues. Great River Energy's peaking stations operated as designed, injecting electricity onto the grid quickly and dependably when needed. Most of GRE's peaking plants are "dual fuel" facilities, which means they can operate on

fuel oil when demand for natural gas is heightened or in short supply.

Reducing Energy Needs

Great River Energy deployed its demand response programs — a strategy that reduces demand for electricity during events such as a polar vortex. More than 200,000 cooperative members participate in these voluntary programs, which allow GRE to temporarily interrupt,



Daniel CarlislePresident/CEO &
General Counsel

or "cycle," water heaters, space heaters, or other electric loads for a period of hours on high-demand days.

Over the course of a few days, GRE's member cooperatives collectively reduced hundreds of megawatts of electricity demand. This alleviated stress on the electric grid and allowed GRE to avoid expensive purchases from the energy market during both morning and evening peak periods. This, in turn, helped keep our Todd-Wadena Electric purchases from becoming overly expensive.

Rolling Blackouts: Could They Happen Here?

The Midwest electric grid looks quite different from Texas, which experienced widespread rolling blackouts in February. Most utilities in Minnesota are part of a much larger and geographically diverse energy market coordinated by MISO, which is physically interconnected to other transmission grids. Unlike most of the Texas grid, this allows our region to more easily "import" and "export" electricity. Most of Minnesota is located in MISO's northern region which includes generating resources using a wide variety of fuel sources and technologies, both conventional and renewable. Power plants in the northern states are also designed to operate in very cold weather.

At no point during the polar vortex were rolling blackouts considered in the MISO North region. MISO works aggressively with its member utilities to plan for emergencies, and rolling blackouts are only used as a last resort to prevent more widespread outages.

Weather like Minnesota experienced in February certainly presents challenges on the electric grid, but we were prepared for it. Planning for these kinds of events by Todd-Wadena Electric Cooperative, Great River Energy, and MISO North helped ensure resources and resiliency practices were ready for the challenge.

Daniel Carlisle

President/CEO & General Counsel



Your Board of Directors

Front Row (left to right):

Marie Katterhagen, Secretary
Tom Brichacek, Vice Chair
Kristine Spadgenske, Director

Back Row (left to right):
Gene Kern, Director
Dale Adams, Treasurer
Miles Kuschel, Chair
Michael Thorson, Director

Your Employees



Electric Cooperative APRIL 2021

■2020 Financial Reports

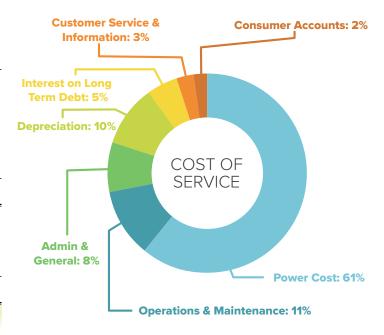
BALANCE SHEETS

	2020	2019
Utility Plant		
1.Utility Plant in Service	\$59,360,579	\$58,301,520
2.Construction Work in Progress	2,652,206	263,239
3.Total Utility Plant	62,012,785	58,564,759
4.Less Acccumulated Depreciation	21,109,704	20,708,183
5.Net Utility Plant	40,903,081	37,856,576
Other Property and Investments		
6.Investments in Associate Orgs.	9,686,385	9,450,604
7.Other Investments	244,009	324,899
8.Total Other Property and Investments	9,930,394	9,775,503
Current Assets		
9.Cash	367,918	454,155
10.Short-Term Investments	3,388,435	2,386,546
11.Current Maturities of Notes Rec.	40,300	69,051
12.Accts. Receivable, less reserves	1,658,935	2,220,880
13.Materials & Supplies	519,350	606,061
14.Prepayments	21,898	20,652
15.Interest Receivable	5,489	6,400
16.Total Current Assets	6,002,325	5,763,745
Other Assets		
17.Deferred Debits	314,302	440,703
Total Assets	\$57,150,102	\$53,83 <mark>6,527</mark>
Current Liabilities		
18.Notes Payable	-	-
19.Current Maturities: Long-Term Debt	1,068,117	1,361,324
20.Current Maturities: Post-retirement Benefits	17,600	28,424
21.Accounts Payable	2,562,124	2,497,965
22.Consumer Deposits	210,702	204,417
23.Accrued Taxes	272,734	310,995
24.Accrued Interest	41,792	47,118
25.Other Accrued Liabilities	180,767	135,089
26.Total Current Liabilities	4,353,836	4,585,332
Long-Term Debt		
27.Net Current Maturities	26,095,900	23,266,522
Other Liabilities		
28.Deferred Credits	1,333,843	1,352,718
29.Other Non-Current Liabilities	341,576	349,752
30.Total Other Liabilities	1,675,419	1,702,470
Total Liabilities	32,125,155	29,554,324
Equities		
31.Patronage Capital	23,252,298	22,633,698
32.Other Equities	1,772,649	1,648,505
33.Total Equities	25,024,947	24,282,203
Total Liabilities and Equities	\$57,150,102	\$53,836,527

PROFIT & LOSS STATEMENT

	2020	2019
Operating Revenue		
1.Electric Energy Revenue	\$19,551,687	\$19,967,479
2.Other Electric Revenue	19,494	69,594
3.Total Operating Revenue	19,571,181	20,037,073
Operating Expenses		
4.Purchased Power Cost	11,421,147	11,560,912
5.Operations Expense	777,578	1,085,011
6.Maintenance Expense	1,265,231	1,415,793
7.Consumer Accounts Expense	437,979	456,832
8. Customer Service & Information	479,067	592,415
9.Sales Expense	34,496	25,022
10.Administrative & General Expense	1,407,144	1,509,709
11.Depreciation	1,826,278	1,723,917
12.Interest on Long-Term Debt	1,012,948	1,070,405
13.Other Expenses	9,038	9,314
14.Total Cost of Electric Service	18,670,906	19,449,330
15.Operating Margin	900,275	587,743
Non-Operating Margins		
16.Interest Income	287,859	395,476
17.G & T Capital Credits	275,249	328,566
18.Other Capital Credits	83,365	92,455
19.Other Income Loss (-)	82,425	37,313
20.Total Non-Operating Margin	728,898	853,810
Total Net Margins	\$1,629,173	\$1,441,553

2020 COST OF SERVICE



SCHEDULE OF CAPITAL CREDITS

Year	Todd-Wadena Capital Credits	G&T Capital Credits	Total
1980	\$-	\$32	\$32
1981	_	144	\$144
1982	-	-	\$-
1983	-	7	\$7
1984	_	290	\$290
1985	-	896	\$896
1986	_	439	\$439
1987	_	817	\$817
1988	-	60,423	\$60,423
1989	-	104,662	\$104,662
1990	_	92,062	\$92,062
1991	-	86,761	\$86,761
1992	-	74,208	\$74,208
1993	-	56,229	\$56,229
1994	-	79,700	\$79,700
1995	-	64,878	\$64,878
1996	-	85,567	\$85,567
1997	55	66,780	\$66,835
1998	34	1,219	\$1,253
1999	10	-	\$10
2000	159	5,775	\$5,934
2001	174	77,623	\$77,797
2002	218	116,987	\$117,205
2003	475	104,219	\$104,694
2004	517	153,594	\$154,111
2005	865	327,878	\$328,743
2006	426,671	572,423	\$999,094
2007	1,152,815	364,116	\$1,516,931
2008	691,473	318,147	\$1,009,620
2009	1,019,053	315,151	\$1,334,204
2010	788,989	243,692	\$1,032,681
2011	867,129	311,729	\$1,178,858
2012	1,196,684	445,652	\$1,642,336
2013	1,465,997	474,772	\$1,940,769
2014	1,135,953	616,200	\$1,752,153
2015	1,032,783	95,467	\$1,128,250
2016	1,073,074	400,929	\$1,474,003
2017	1,429,541	433,007	\$1,862,548
2018	1,452,791	304,045	\$1,756,836
2019	1,104,739	326,406	\$1,431,145
2020	1,353,924	275,249	\$1,629,173
Total Patr. Capital	\$16,194,123	\$7,058,175	\$23,252,298

2020 HIGHLIGHTS

Economic Development & Community Service

Revolving Loans Outstanding (4 loans)	\$261,647
Revolving Loan Fund Balance	\$819,229
Operation Round Up Grants in 2020 (19)	\$31,186
Operation Round Up Grants to date (717)	\$554,374
Improve-It loans to members in 2020 (1)	\$13,088
Improve-It loans to members to date (490)	\$1,300,081

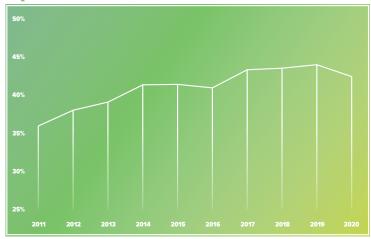
Operational

New Services Connected	111
Services Retired	26
Total Services in Place	9,129
Miles Overhead Line	1,793
Miles Underground Line	477
Total Miles Energized Line	2,270

Energywise Program Accounts

ETS Storage Heating	187
Dual Fuel	2,706
Air Source Heat Pump	258
Ground Source Heat Pump	90
Cooling	752
PowerNap (Cycled Air)	92
Irrigation	467
Commercial/Industrial	25
Water Heating	3,484
ETS Water Heating	2
EV Storage (ETS)	4

EQUITY OVER TIME



Todd-Wadena Electric Cooperative • 2020 Bifurcated Annual Meeting Minutes

-Part One • April 28th, 2020-

The 2020 Bifurcated Annual Meeting of the members of Todd-Wadena Electric Cooperative was held at the Todd-Wadena Electric Cooperative headquarters at 550 Ash Ave NE, Wadena, MN 56482 and broadcasted live across the Cooperative's Facebook page. The meeting was held in accordance with the revised official notice of "Exhibit B" which was mailed to all members in the March and April editions of the Pine to Prairie, which follows the Cooperative's bylaws. The structure of the annual meeting changed due to the COVID pandemic and the Cooperative's initiative to follow state and federal guidelines with the intention of keeping members, directors, and employees safe.

Board Chair, Miles Kuschel called the Bifurcated Annual Meeting to order at 5:30 p.m. The directors, candidates, and nominating chair, along with Dan Carlisle acting as parliamentarian were present for the Bifurcated Annual Meeting. Miles called upon Dan Carlisle, CEO and acting parliamentarian and then welcomed Tony Hoff, Marketing Manager with Survey and Ballots. He reported that 1,757 ballots were cast for the 2020 Todd – Wadena Electric Cooperative election of directors. Dan established the Cooperative did reach over 50 votes to be cast, which abides by the bylaws set forth. He declared a quorum to exist.

"Exhibit A" sets forth the nominees for three director positions for a three-year term; the candidates are Dale Adams (I), Gene Kern (I), Kristine Spadgenske (I), Steve Riewer, and Lee Paskewitz.

Tony Hoff released the results of the election. The following were the results: Gene Kern (1122) Kristine Spadgenske (1085) Dale Adams (1055) were reelected. Steve Riewer (727) and Lee Paskewitz (691) were thanked for running for the board. The Certification of

Election, "Exhibit D" certifying said results is attached to these minutes.

Miles called upon Wally Weise, Nominating Committee Chair, for the Nominating Committee Report. He certified Survey and Ballots results naming Gene Kern, Kristine Spadgenske, and Dale Adams for a three-year term as directors of the Todd-Wadena Electric Cooperative Board.

Miles closed the first portion of the 2020 Bifurcated Annual meeting. Asking for a motion to recess until a later date determined by the Board when it was safe to do so.

A motion was made and seconded to recess until a later date to conclude the 2020 Bifurcated Annual Meeting.

ACTION: the motion carried

The meeting adjourned at 5:40 p.m.

-Part Two • September 18th, 2020-

The second half of the 2020 Bifurcated Annual Meeting of the members of Todd-Wadena Electric Cooperative was held at the Long Drive-In Theatre at 24257 Riverside Dr, Long Prairie, MN 56347. The structure of the annual meeting changed due to the COVID pandemic and the Cooperative's initiative to follow state and federal guidelines with the intention of keeping members, directors, and employees safe.

Board Chair, Miles Kuschel called the Bifurcated Annual Meeting to order at 7:45 p.m. All directors were present, and members were invited to participate by socially distancing their vehicles at the outside theatre. Miles recognized the veterans in attendance and then everyone joined in reciting the Pledge of Allegiance.

Miles asked for those in attendance to approve the 2019 Annual meeting minutes as printed in the April Pine to Prairie newsletter by honking their horns.

ACTION: the minutes have been approved

Miles introduced the Board of Directors, and the CEO, Dan Carlisle. All Directors and the CEO were available for questions. Miles gave a recap of the elections that took place at the first half of the bifurcated annual meeting on April 28, 2020.

Miles gave the Chairman's report. He spoke about all the changes that have occurred in 2020 and the trials that the pandemic has caused for the Cooperative and its members. He spoke about the new headquarters building and the ability to self-serve electricity to the facility and grounds. Miles then spoke about the exciting research project 'Sota Grown; with whom the Cooperative has joined forces with, Lakewood Health Systems, Central Lakes College, EPRI, and GRE, to learn about indoor agriculture. He also spoke about Great River Energy's forecast, as well as the new programs Todd-Wadena Electric has for its members.

Dan Carlisle, CEO gave the Business report. The kilowatt hour sales were lower than expected for 2019, with the residential rates being the top kilowatt hour generator. The total operating revenue was

\$20 million, and the cost of electric service was \$19.5 million. The non-operating margin was \$853,000, which then resulted in a total net margin of \$1,441,553. Equity was 45.1%. Dan then spoke about the new services & programs that Member Services department has developed. This includes, but is not limited to: prepaid metering, text notifications, new rebates, utilizing technology, and beneficial electrification options. In 2019, the Cooperative installed 118 new services. The Operations department is working on resolving some underground fault issues as well as rebuilding the Leaf River substation. Dan did share with the members some of the challenges that could be coming to the Cooperative in the near future. He discussed service territory erosion, closure of Coal Creek Station and moving away from coal generated energy, distributed generation and interconnections that are occurring.

Miles closed the meeting by thanking Long-Drive in Theatre, employees, and members for making the second half of the bifurcated annual meeting a success.

The meeting adjourned at 8:00 p.m.

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

Financial Assistance Available To Help With Utility Bills

We know that COVID-19 has created additional financial hardships, placing an even larger burden on families already struggling to pay their bills or bring their accounts current. 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. For the second year in a row, the Minnesota Department of Commerce has increased the maximum annual crisis-benefit grants for qualifying households from \$600 to \$1,200.

3 MONTH MAX GUIDELINES
\$7,066
\$9,240
\$11,415
\$13,589
\$15,763
\$17,937

The EAP application deadline is May 31st, 2021. To learn more about the EAP program, please contact your county EAP service provider for additional information and 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 (Detroit Lakes)

(218) 739-3011 (Fergus Falls)

(218) 632-3600 (Wadena)

(218) 732-7204 (Park Rapids)

Cass (Bi-Cap) Beltrami

(218) 547-3438 or (800) 332-7135 (Walker Office - Satellite) (218) 751-4631 or (800) 332-7161 (Bemidji Office)

Morrison (Tri-Cap) Stearns, Benton, Sherburne

(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

Board Minutes

Highlights from the February 25th, 2021, regular board meeting:

- Board Member Mike Thorson was appointed as TWEC's Great River Energy (GRE) Board Representative. Thorson was also approved as delegate, with Board Member Gene Kern as alternate, for GRE's upcoming Annual Meeting
- An administration fee of 1 percent of the loan amount was approved as a one-time charge to be paid at the closing of any economic development loan.
- CEO Dan Carlisle shared that GRE's rate forecast is flat beyond 2024 and that GRE calculated its rates to be 10.2 percent below the weighted regional average, which does not include patronage payments.
- Directors reviewed and approved the 2021 Legal Retainer with Pemberton Law.
- Lisa Graba-Meech, CFO, presented the January financials to the Board. Monthly kWh sales were 8 percent under budget. Energy revenue was 5 percent under budget. January's purchased power expense was 5 percent under budget. Tier is 0.24 and Equity is 43.51.
- The Board accepted the GRE Long Range Load Forecast.
- Mitch Heltemes, STAR Energy LLC, presented the STAR Long Range Construction Workplan 2017-2031. It focuses on addressing areas of voltage and load issues, contingency and reliability, and the replacement of overhead copper lines and bare concentric undergrounds.
- Member Services Manager Allison Uselman reported on the successes, challenges, production statistics, and financial statistics of the 'Sota Grown project.
- The Board approved the Local Democracy Report and 2021 Cogeneration Rates as presented.
- Operations Manager Todd Miller reported on outages, the status of the hiring process for a new apprentice lineworker, and gave a quick safety report.
- Board Member Mike Thorson gave the GRE report. January was a warm month which affected the financials. However, with the cold weather that occurred in February, Thorson mentioned how he is hopeful that GRE will recover and be back on budget moving forward.
- Board Chair Miles Kuschel touched on the cold weather that occurred across the United States and how the shut down in Texas has affected everyone.
- The Operation Round Up Trust Board recently awarded \$4,500.

APRIL 2021

Pine to Prairie News

A monthly publication for members and friends of



Office Hours: 8:00am - 4:30pm

Monday - Friday

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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:

Gary Zacharias (218) 631-1392

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







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

Todd-Wadena Electric Cooperative

P.O. Box 431

Wadena, MN 56482

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Member Registration Card



April 12th, 2021 is National Lineworkers Appreciation Day. #ThankaLineworker

READER'S CONTEST

1. Join us for the 5:30 p.m.	Annual Meeting on Tuesday, April 20 th at
2. Members can tune link found on	e into the Annual Meeting on the radio or via the Zoom
3 is the province of Manito	e grid operator for 15 U.S. states and the Canadian oba.
Name:	Your TWEC Service Address:

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 *kvandeventer@toddwadena.coop* with the subject line "*Reader's Contest*". Be sure to include your name and TWEC service address. Entries must be received by April 25th.

Scott Halverson of Cushing was the winner of our March Reader's Contest.