Todd-Wadena ELECTRIC COOPERATIVE

Pine to Prairie October 2024 www.toddwadena.coop

Powering Communities with Purpose

Throughout October, cooperatives across the U.S. celebrate *National Co-op Month*. It's a time to reflect on all the aspects that set cooperatives apart from other types of businesses, but more importantly, it's a time to celebrate the power of co-op membership. Todd-Wadena Electric Cooperative is deeply committed to our members-owners, and we're glad you are part of the electric cooperative community.

Electric cooperatives are not-for-profit utilities that are built by the communities they serve. For Todd-Wadena, our mission has always been to provide you with reliable power. We care about your quality of life, and because we are locally operated, we're uniquely suited to meet our members' evolving energy needs.

Beyond the business of electricity, our employees and directors are equally invested in our local community. Why? Because we live here, too. That's why we work hard to support local economic development projects, youth programs and scholarships, charitable giving initiatives, and additional programs that make our community a better place to call home.

The 7 Cooperative Principles



Democratic Member Control Members elect directors to make decisions that shape the cooperative.



Members' Economic Participation

By purchasing energy, members contribute money to the co-op to make sure it runs smoothly now and in the future.



Cooperation Among Cooperatives

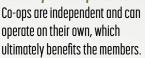
Co-ops share with and learn from

other cooperatives, helping out in

co-op's services. Autonomy and Independence

Open and Voluntary Membership

Co-op membership is open to anyone who can use the



times of need so all co-ops can thrive.

Concern for Community

All cooperatives work for the greater good of the local communities they serve.

Education, Training, and Information



Co-ops continuously focus on safety and education to ensure members, youth, employees, and directors have the training needed to make the co-op successful.



CEO's Message

Financial Outlook

As we progress through this year, I want to take a moment to update you on Todd-Wadena Electric Cooperative's financial scorecard. Although the cooperative's commitment to providing safe, reliable, and affordable electric service remains unwavering, a myriad of financial headwinds will require careful attention to ensure continued stability.



Daniel Carlisle President/CEO & General Counsel

In August, TWEC's sales were 2.1 million kWhs (14%) under the budgeted amount; year-to-date

sales are 11% under budget. This represents an 8% revenue shortfall. One of the primary reasons behind this shortfall in electric sales was the atypical weather we experienced over the past year. The warmer-than-average winter and cooler-than-average summer directly impacted the cooperative's revenue.

While TWEC's sales and revenue are significantly below the levels we anticipated, there has been positive progress in managing our expenses. Controllable expenses are under budget year-to-date. Fixed expenses are also below budget for the year. However, despite these savings, the cooperative is still facing challenges with its margins. Todd-Wadena's operating margin is currently \$172,000 under budget, with net margins for the year \$132,000 below the budgeted amount.

Adding to these financial challenges, the electric industry continues to experience rising costs in critical areas. Over the past few years, inflation has significantly impacted the cost of materials essential to operations. The cost of overhead transformers, cables, poles, and other required materials has contributed to increases throughout the year. These material cost increases are placing considerable strain on our budget. In addition to inflationary pressures, we are also dealing with ongoing and projected power cost increases from our power supplier, which are manifesting as higher rates and power cost adjustments.

Thank you for your ongoing trust and support. I remain confident that by working together, we can navigate these challenges and continue to build a strong future for Todd-Wadena Electric Cooperative.

Daniel CarlislePresident/CEO & General Counsel

TWEC Board Minutes

Highlights from the August 27th, 2024, regular board meeting:

- Heidi Zimmerman gave a short presentation about her experience on the 2024 NRECA Youth Tour to Washington, D.C. She spoke about a number of things she learned about cooperatives and thanked directors for the opportunity.
- CEO Dan Carlisle discussed how the management team continues to work with MNDOT on Highway 10 renovations proposed to begin in 2025. MNDOT will have a temporary construction easement that will close off south access points to the headquarters building.
- Lisa Graba-Meech, CFO, presented the July financials to the board. Monthly kWh sales were 4 percent under budget. Energy revenue was 3 percent under budget. July's purchased power expense was 11 percent under budget. Tier is 1.82 and Equity is 40.14.
- The 2023 Key Ratio Trend Analysis results were reviewed by the board.
- Great River Energy's Long Range Load Forecast was accepted as presented.
- Member & Energy Services Manager Allison Frederickson discussed the upcoming Meet the Candidates event. All state and federal candidates were invited to attend.
- Senator Jordan Rasmusson joined the meeting and spoke about his bipartisan trip to Germany to gain insight on environmental and electrical industry challenges.
- Mitch Heltemes, supervisory electrical engineer with STAR Energy Services, introduced the 2025-2028 Construction Workplan proposal to the board.
- Operations Manager Tyler Fisher provided an update on new services and outages for the year. Trees continue to be the leading factor for outages, reinforcing the need for a strong vegetation management program.

We Want to Hear From You!

You are at the heart of all that we do, and we want to hear from you on how we are doing. We would appreciate it if you could please take a few minutes to complete this survey. Answer the questions and mail it to us along with your electric bill payment, drop it off at the office, or place it in the drop box outside our office. You can also complete the survey online — please scan the QR code to the right to access it. All surveys submitted will be eligible to win one of ten \$25 energy credits.



*One survey per household/business. Surveys must be submitted by November 25th, 2024.

1) Is the electric service provided by Todd-Wadena Electric Cooperative your primary residence, summer or seasonal residence, commercial/business, or an irrigation only account?

	PRIMARY RESIDENCE	SUMMER OR SEASONAL RESIDENCE		COMMERCIAL/BUSINESS		IRRIGATION ONLY	
	0	0			0	C)
	-	ction with Todd-Waden a each of the following:	a Very Satisfied	SATISFIED	DISSATISFIED	VERY DISSATISFIED	NOT APPLICABLE
2)	Providing excellent	customer service	0	0	0	0	0
3)	Friendly and courte	eous employees	0	0	0	0	0
4)	Community involve	ment and support	0	0	0	0	0
5)	Having minimum o	utages	0	0	0	0	0
6)	Restoring power qu	uickly after an outage	0	0	0	0	0
	Considering all of your experiences with TWEC, overall how satisfied are you with		VERY SATISFIED	SATISFIED	DISSATISFIED	VERY DISSATISFIED	NOT APPLICABLE
	Todd-Wadena Elec		0	0	0	0	0
8)	How do you stay u	o to date with the co-op	o? Check all t	hat apply:			
		WSLETTER 🗆 INSTAGE	RAM	🗆 RADIO			
			E	O BILL M	ESSAGE/BILL IN	SERTS	
9)	How do you view your relationship with Todd-Wadena Electric Cooperative?		I'M A MEMBER O		I'M A CUSTO O	MER	
10	Are you more likely survey or an electro	PAPER SURVEY	ELECTRONIC SURVEY				
11)	How long have you	been a member of Toc	ld-Wadena E	lectric Coo	perative?		
	□ LESS THAN 1 YEAR	□ 3-5 YEARS		□ 11-14 YEA	RS	🗆 20 OR M	ORE
	□ 1-2 YEARS □ 6-10 YEAR						

Please list your account number so we can contact you if you are one of the 10 winners of the \$25 energy credit drawing. Your account number can be found on your electric bill. *Account #:_____*

Snowbirds: Prepare Your Northern Home While You're Away

This is the time of year when some members start to prepare to head south to avoid the harsh Minnesota winter. To help keep your electric use to a minimum while you're away, we recommend you:

- Turn off the water supply, make sure to drain the pipes, and give each toilet a flush. Don't forget to close and drain outdoor faucets. Exceptions include homes that use a hot water heating system, or homes with a fire sprinkler supply.
- Make sure your windows and doors close tightly. If they don't, cold air will find a way inside, there is still time to install new weatherstripping if needed.
- Turn your thermostat down to 55 degrees. This should prevent pipes and drains from freezing, given there are no significant weatherization leaks or a lack of insulation. Consider installing a wi-fi thermostat so you can monitor your home's heating system from afar.

- Unplug and disconnect electrical devices that are not in use instant-on devices such as TVs, coffee makers, gaming consoles, computers, printers, etc. These items are still drawing a small amount of electricity even when they are not "in use."
- If feasible, clean out, defrost, and disconnect refrigerators and freezers. Is that extra fridge in the garage being used? If not, unplug it for the winter.
- We also suggest snowbirds entrust a neighbor, relative, or close friend to check in on their home/property from time to time. Harsh winters come with storms that may knock out power for longer periods of time. A breaker may also trip; heating systems are not able to turn on after a tripped breaker.

DID YOU KNOW?

If you are a snowbird, you can temporarily change your mailing address with us while you are away from your property.

This ensures that you will receive your TWEC billing statements, newsletters, and other important information. Please contact the office at (218) 631-3120.

Dual Fuel Load Control Notifications

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.



Add Contacts: Under the settings menu, click Contact Methods. Add an email contact and/ or a phone contact. Follow directions and enter verification code where appropriate.

Set Up Notifications: Under the settings menu, click *Manage Notifications*. Select *Reports*, then find *Dual Heat Control*. Use the dropdown menu under *Text Message* and/or *Email* to select the contact(s) you wish to receive load control notifications, and then click *Save*.

Verified Conta	cts		
These are the co sage.	ontacts we have on file	that you have created \sim verified and will be used for notification	is that are configured on the Manage Notifications Add Email Add Phone
Method	Contact	Status	Action
20		Errolled – Voice Calls Errolled – Text Messages	
ø		Errolled - Text Messages	0
8		Enrolled - Emails	0 10
83		Enrolled - Emails	0

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 ONLY if the following conditions exist:

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

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 <u>must</u> <u>act</u> before the disconnect date on the bill.

Billing			
Miscellaneous			
Reports			
Alert Type	Description	Text Message	Email
Air Conditioning Control		Multiple	• Multiple •
Dual Heat Control		Multiple	* Multiple *
Gen-Set (Generators)		Text Message	• Email •
Irrigation Control Notice		Text Message	* Email *
Peak Alert Control		Multiple	• Multiple •

Sales Tax Exemption for Residential Electric Heat

With the start of another heating season, we would like to inform our residential members who have electric heat as their primary heating system that their electric bills are exempt from Minnesota sales tax from November-April.

Please Note: All certificates signed during previous years are **ON FILE** and **NO REFILING** is needed. If you have a signed certificate on file, bills you receive will not include sales tax on your usage.

If you qualify, go to *www.toddwadena.coop* to apply for sales tax exemption for electric heat. If you have questions regarding your eligibility, contact the Minnesota Department of Revenue at (651) 296-6181 or toll free at (800) 657-3777.

**Off-peak and Dual Fuel program participants are already tax exempt, so there is no need to file this form.

Meet the Candidates Forum

On the evening of Tuesday, September 10th, TWEC hosted a *Meet the Candidates Forum* in Verndale. State and federal candidates were invited to attend, along with all eligible voters. It was a time when voters could hear from the candidates themselves before they go to the voting booth in November. Thank you to all who participated. Candidates who participated in this year's event are listed to the right:

- Brian Hobson, MN House District 05A
- Gregg Hendrickson, MN House District 05B
- Representative Mike Wiener, MN House District 05B
- Julia Samsal Hipp, MN House District 10A
- A. John Peters, U.S. House Representative District 7
- Norann (representative for Michelle Fischbach), U.S. House Representative District 7



Cybersecurity Tips

October is *National Cybersecurity Month*, and while good cyber hygiene should be practiced year-round, we'd like to share a few cybersecurity tips to help you bolster your online safety.

Learn how to spot and report phishing attempts. Phishing occurs when criminals use phony emails, direct messages, or other types of digital communications that lure you to click a bad link or download a malicious attachment. If you receive a suspicious email or message that includes urgent language, offers that seem too good to be true, generic greetings, poor grammar, or an unusual sender address, it could be a phishing attempt. If you spot one, report it as junk-and don't forget to block the sender.

- ✓ Create strong, unique passwords. When it comes to passwords, remember that length trumps complexity. Strong passwords contain at least 12 characters and include a mix of letters, numbers, and symbols. Create unique passwords for each online account you manage and use phrases you can easily remember.
- Enable multi-factor authentication when available. Multi-factor authentication (also known as 2-factor authentication) adds an

extra layer of security to your online accounts. These extra security steps can include facial recognition, fingerprint access, or one-time codes sent to your email or phone.

✓ Update software regularly. Software and internet-connected devices, including personal computers, smartphones, and tablets, should always be current on updates to reduce the risk of infection from ransomware and malware. When possible, configure devices to automatically update or notify you when an update is available.

Please Note: Our IVR *(interactive voice response)* line that allows members to pay their bill over the phone has a <u>new</u> <u>number</u>. Members will need to dial **(844) 971-1080** *(and have their account number ready)* to pay their bills over the phone.

Also, our new bill layout is now live! For more information on how to read your electric bill, please reference the September Pine to Prairie Newsletter.

2024-2025 Nominating Committee

TWEC's 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. If you are interested in becoming a director candidate, please contact one of the members of the Nominating Committee listed below.

2024 Nominating Committee

Name	City	Phone Number
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
Samantha Krause	Staples	(507) 766-0238
Heather Gilreath	Sebeka	(218) 841-0309
John Fair	Sebeka	(218) 639-0942
Lloyd Lanz	Wadena	(218) 639-1806
Dan Skogen	Hewitt	(218) 639-3405

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

Photo (L to R): Wally Wiese, Dan Skogen, Annette Adamietz,Ray Gildow, Jerry Miller, Gary Stracek, Lloyd Lanz, and John FairNot pictured: Samantha Krause and Heather Gilreath





- Do not shoot at, or near, power lines, transformers, or insulators.
- Do not shoot at birds perching on utility lines. That goes for any type of firearm, including pistols, rifles, or shotguns.
- Familiarize yourself with the location of power lines and equipment on land where you shoot. Be especially careful in wooded areas where power lines may not be as visible.
- Do not place deer stands on utility poles or climb poles. Energized lines and equipment on the poles can conduct electricity to anyone who comes in contact with them, causing shock or electrocution.
- Do not place decoys on power lines or other utility equipment. Anything attached to a pole besides utility equipment can pose an obstruction – and a serious hazard – to electric cooperative employees as they perform utility operations.

Pine to Prairie News

A monthly publication for members & friends of



Office Hours:	8:00 a.m 4:30 p.m. Monday - Friday
Telephone:	(218) 631-3120 or (800) 321-8932
Website:	www.toddwadena.coop
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: Bob Kent (612) 528-5326 Wadena County: Brandon Disselbrett (218) 580-8614 District 10 (Todd & Wadena Counties): 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

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The Office Will Be Closed

- Tuesday, October 29th for employee training
- Monday, November 11th for Veterans Day
- Thursday-Friday, November 28th-29th for Thanksgiving

October Reader's Contest

We are drawing 5 names for Co-op Month! 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.

John & Jill Opdahl of Browerville were the winners of our September Reader's Contest.

- **1.** October is national _____ month.
- 2. If you are a _____bird, you can temporarily change your mailing address with us.
- **3.** Do not place deer stands on _____ poles or climb poles.

Name:

Your TWEC Account Number: