Todd-Wadena
ELECTRIC COOPERATIVE

Pine to Prairie
www.toddwadena.coop
February 2026

2026 Director Candidates

The 2026 Nominating Committee met on January 21st to select candidates for the 2026 director elections. Three seats on the Todd-Wadena Electric Cooperative Board of Directors will expire at the Annual Meeting on April 16th, 2026. The committee nominated *Steven C. Peterson* and incumbents *Dale Adams, Kristine Spadgenske,* and *Gene Kern*.

Next month's newsletter, the March *Pine to Prairie,* will have profiles of each candidate. Profiles will also be mailed out in the ballot packets.

How to Vote

In mid-March, ballot packets with voting instructions will be mailed to members from *Survey & Ballot Systems (SBS)*, based out of Eden Prairie, MN.

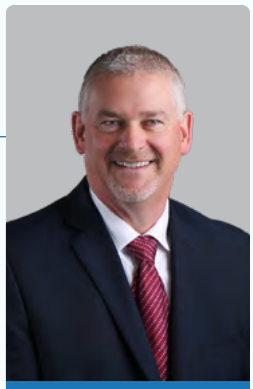
SBS will receive, scan, and tabulate ballots that members complete and return via **mail** using the pre-addressed, pre-stamped envelopes provided. SBS will also tabulate the alternative options that include electronic voting (**online** through DirectVote and SmartHub), and **onsite** voting at the Annual Meeting on April 16th, 2026.

Onsite voting will be conducted with an iPad at the Annual Meeting. Members of the Nominating Committee will be available to help members navigate onsite voting.

SAVE THE DATE

Todd-Wadena Electric Cooperative's **2026 Annual Meeting** will take place on Thursday, **April 16th, 2026** at the Maslowski Wellness & Research Center in Wadena.

Understanding the Power System That Serves You: From Generation to Distribution



Daniel Carlisle
President/CEO & General Counsel

Reliable electricity doesn't happen by accident. It takes coordination across an entire system — from where power is generated, to how it moves across the region, to the final delivery to your home or business. I want to take a moment to explain how that system works and, just as importantly, highlight the critical role your local electric cooperative plays in delivering dependable service every day.

Electricity moves through three interconnected parts: ***generation***, ***transmission***, and ***distribution***. Each one is essential, carrying different responsibilities and costs. All three must work together for the lights to turn on.

Electricity begins at power plants that generate energy using a mix of resources such as coal, natural gas, wind, hydro, and solar. Todd-Wadena Electric Cooperative does not own power plants. Instead, we purchase electricity from our wholesale power suppliers, *Great River Energy (GRE)* and *Western Area Power Administration (WAPA)*. GRE is a generation and transmission cooperative that supplies power to TWEC and other cooperatives across Minnesota, while WAPA provides cost-based hydropower generated primarily from large federal dams in the Upper Midwest. These power sources help balance reliability, resource diversity, and long-term cost stability for our members.

Members sometimes ask why TWEC doesn't simply generate its own power. Owning and operating power plants requires significant capital investment, specialized expertise, and long-term exposure to fuel costs and regulatory risk. By working with GRE and WAPA, TWEC shares those risks with other cooperatives, gains access to a broad mix of energy resources, and avoids placing the financial burden of power plant ownership directly on local members. This cooperative approach strengthens reliability while helping keep costs more stable over time.

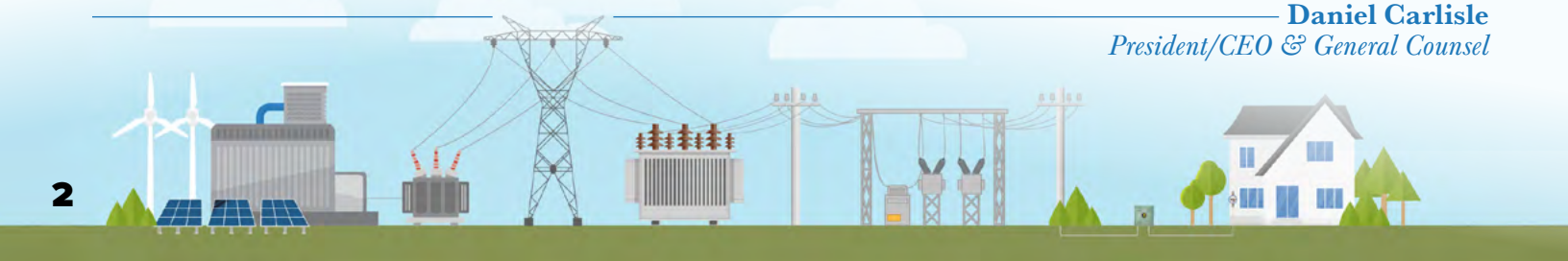
Once electricity is generated, it must travel long distances before it reaches local communities. This happens through high-voltage transmission lines — the large structures you often see along highways or across open land. These transmission lines are not owned by a single utility. Instead, they are owned by many different generation and transmission utilities across the region; they are all interconnected to form a large, coordinated grid.

Because the transmission system is interconnected, power can move where it is needed most, helping maintain reliability during peak demand, outages, or extreme weather. Transmission owners work together, under regional rules and oversight, to keep electricity flowing safely and efficiently. While Todd-Wadena Electric Cooperative does not own or operate these high-voltage transmission lines, transmission costs and reliability directly affect the electricity delivered to our system and are included as part of the overall cost of service.

The final *(and most local)* step is distribution — and this is where Todd-Wadena's role is most visible and most impactful. TWEC owns and maintains the distribution system that delivers electricity from our 15 substations to your homes, farms, and businesses. This includes poles, wires, transformers, meters, and service lines. We are responsible for maintaining this infrastructure, responding to outages, planning for growth, and ensuring safe, reliable service every day. This "last mile" of the electric system is where reliability becomes personal, and it is the part of the system TWEC controls directly.

Understanding how the entire power supply system works helps explain what TWEC can and cannot control. While we cannot directly control fuel prices, wholesale power costs, regional transmission expenses, or weather-driven demand, we are far from hands-off. TWEC works closely with both GRE and WAPA through ongoing coordination, forecasting, and long-term planning to help manage what we can. Locally, we make thoughtful infrastructure investments and operational decisions that support reliability, responsiveness, and cost stability for our members.

Daniel Carlisle
President/CEO & General Counsel



Understanding Power Outages at TWEC

Power outages can happen for many different reasons. Some are within our control, while others are caused by factors outside the cooperative's system. Common causes include:

- Planned construction or maintenance work
- Severe weather, trees/vegetation
- Animals such as squirrels, birds, or raccoons
- Automobile accidents or other public-related incidents
- Equipment failure
- Transmission or power supplier outages

At Todd-Wadena Electric Cooperative (TWEC), we work hard to keep outages to a minimum. While we cannot prevent all outages—especially those related to transmission systems, public accidents, or wildlife—we focus on reducing outages where we can. Our vegetation management program helps limit tree-related outages, and we continuously monitor our system to identify areas for improvement and reliability upgrades.

In 2025, outages occurred for a variety of reasons. While most were resolved quickly by TWEC crews, some types of outages—particularly transmission-related—tended to affect more members and last longer.

2025 Outage Causes	% of Outages	% of Total Outage Minutes
Transmission / Power Supplier	2.09%	24.66%
Construction / Maintenance	9.66%	1.91%
Weather, Trees/Vegetation	38.38%	51.36%
Animals	11.48%	1.76%
Public (accidents, etc.)	14.36%	1.29%
Equipment	4.43%	3.16%
Other	19.60%	15.86%

Most of these situations allow TWEC crews to respond quickly and restore power in a reasonable amount of time. Weather-related outages were the most common cause, accounting for the largest share of both outages and outage minutes.

Our Commitment to Reliability

Every outage, large or small, is taken seriously. TWEC crews are available 24/7 to respond as safely and quickly as possible. We continue to invest in system maintenance, vegetation management, and coordination with our power suppliers to improve reliability for our members.

Why Transmission Outages are Different

Transmission outages occur on high-voltage lines owned and operated by other utilities. Because TWEC does not own or control these transmission lines, power cannot be restored until the transmission provider identifies and repairs the problem. Transmission lines are what provide electricity to a substation. TWEC owns and maintains the substations and the distribution lines going to your homes, businesses, and farms.

We understand how frustrating these outages can be. That's why TWEC works closely with transmission companies to improve reliability, especially in areas that experience repeated interruptions.

In 2025:

- Transmission outages caused **8 major outages**
- **4,989 members** were affected
- The average restoration time was **39 minutes**
- **45% of all members** affected by outages in 2025 experienced a transmission-related interruption

While transmission outages made up a small percentage of total outages, they impacted a larger number of members and accounted for a significant portion of outage minutes.

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

MISO Energy Emergency Alert Level 2 (EEA2):
Keeping the Grid Stable During Extreme Conditions

During the last weekend of January, our regional grid operator, MISO *(Midcontinent Independent System Operator)*, issued an Energy Emergency Alert Level 2 (EEA2) as the electric system across the Midwest experienced extremely high demand, combined with tight generation availability.

These conditions not only strain the electric grid, but they also drive significant spikes in wholesale electricity prices. During this event, Minnesota locational marginal prices (LMPs) reached as high as $700 per megawatt-hour at times, reflecting how limited supply and high demand can quickly increase costs on the regional market.

What Does an EEA2 Mean?

An EEA2 is declared when power supplies are becoming tight and additional steps are needed to maintain reliability across the grid. While this does not mean outages are occurring, it signals that the system is under stress and requires coordinated action to prevent disruptions and manage costs.

One of the tools used to support grid reliability and help mitigate the impact of extreme market conditions is the use of our load control programs. Full load control was issued over several days. This included calling upon:

- Commercial and industrial load control
- Dual fuel heating systems
- Electric water heaters

This event was one of the longest and most sustained load control periods in years, spanning multiple events over a several day timeframe. Load control allows cooperatives across all of Minnesota to temporarily reduce or shift electricity use during critical periods. During energy emergencies, this helps:

- Keep the regional grid stable
- Reduce strain during peak demand
- Limit exposure to extremely high wholesale power prices

By lowering demand when prices spike, load control helps protect all members from higher long-term costs while maintaining reliable service.

Members Played a Key Role

Many members also helped by reducing usage during peak periods—delaying large appliance use, making small thermostat adjustments, and being mindful of overall electricity consumption. These actions, combined with load control, make a meaningful difference.

This extended EEA2 event highlights the importance of proactive planning and the value of cooperative load management programs. Through coordination between MISO, power suppliers like Great River Energy, Todd-Wadena Electric, and our members, we were able to respond to extreme system conditions while keeping the grid reliable.

We appreciate our members' patience and participation during this rare and challenging event.

Why Load Control Feels Different This Winter

We've had quite a few members reach out recently asking if there's been more load control this year than usual. While the heating season isn't over yet, the number of load control events so far is right in line with the past two years.

What's different this year is the timing. Because of the polar vortex, we've seen more events packed into a shorter stretch of time — which can make it feel like there's been more control overall.

Load control is initiated during peak demand periods, which are influenced by weather conditions and market prices. These decisions aren't made by Todd-Wadena alone — they're coordinated across all Great River Energy cooperatives and shaped by what's happening throughout the broader MISO region.

We appreciate your questions and your participation in load management programs. They help us keep energy reliable and affordable for everyone.

Heating Season	Control Events	Control Hours
2023-2024	18	87.5
2024-2025	19	90.75
2025-2026 (YTD)	17	88

What are Heating Degree Days? How Do They Affect Me?

What are heating and cooling degree days and how can they be useful to you as a Todd-Wadena Electric Cooperative member? *Degree days* are units of measurement used to indicate how warm or cool a location is at any point. The most common use of degree days is for tracking energy use.

The temperature of 65º is used as the baseline for calculating degree days because it is assumed that at 65º a person can be reasonably comfortable without any additional heating or cooling. The daily temperature for a specific location is compared to the baseline, and the difference is the *Heating/Cooling Degree Days.*

To calculate a heating degree day (HDD), subtract the average temperature for the day from 65. For temperatures below 0º, remember that subtracting a *negative* number is the same as *adding* a positive number (so 65º minus -5º = 70 HDD). To calculate a cooling degree day (CDD), simply subtract 65 from the daily average temperature.

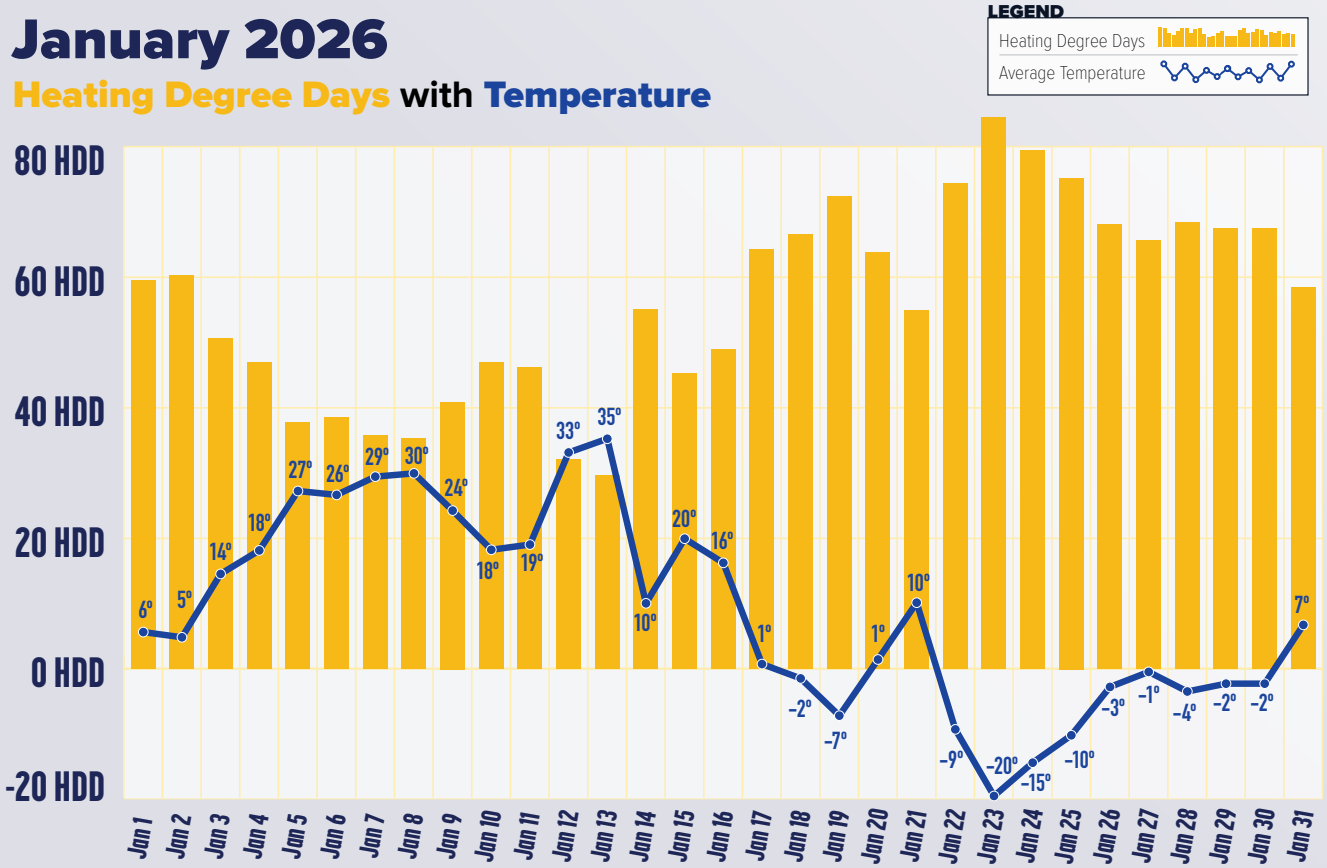
Heating and cooling degree days are a local, geographic measurement. They are an effective way to generally assess how much energy (or demand) is required to heat or cool a building in a specific location, as well as understand changes in usage.

How Can Heating and Cooling Degree Days Be Used?

Below is a chart showing January's data for our local region. The ***heating degree days (HDD)*** and the ***average temperature*** for each day are shown together for the period of January 1st-31st. Notice how on days when the temperature is low, the heating degree days are higher.

If you notice an increase on your energy bill/usage, check the heating degree day data for your location at ***www.degreedays.net***. A high HDD over the billing period could explain the increase in energy usage. If the HDD has not increased or has even decreased, then other factors should be reviewed. There could be a human factor, mechanical issue, or even a building issue. Finding the root cause of any unexpected increase to your electric bill could save you time and money in the future.

Heating and cooling degree days can also help you see trends in your own household energy usage and assist in energy budgeting.



Energy Support Programs Available for Income-Eligible Members

Todd-Wadena Electric Cooperative participates in Minnesota's state-mandated income-eligible energy programs to help qualifying households lower energy bills and improve home safety and efficiency. A portion of our conservation and energy-optimization efforts is required to be dedicated to income-eligible members, supporting long-term upgrades such as efficient electric appliances, improved heating systems, and other energy-saving measures.

By partnering with local Community Action (CAP) agencies, we help ensure eligible households can access these resources and stay safely connected. CAP agencies determine eligibility and coordinate directly with TWEC to cover costs for qualifying improvements, which may include electric stoves and ranges, electric storage heat, water heaters, clothes dryers, and certain labor costs for converting gas appliances to electric.

Members who may qualify should contact their county's CAP agency first. If approved, the CAP agency will work with TWEC to move the process forward. This partnership ensures upgrades are completed safely, efficiently, and with long-term affordability in mind.

If your household could benefit from appliance replacement or conversion assistance, the first step is to reach out to your local CAP agency to learn more about available income-eligible programs.

Contact your local CAP agency by county:

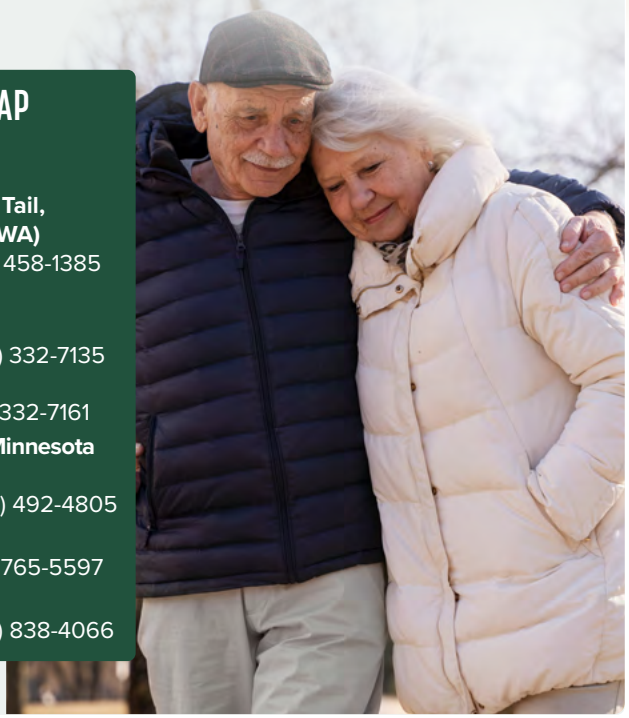
Becker, Hubbard, Otter Tail, & Wadena (Mahube OTWA)
(218) 847-1385 or (888) 458-1385

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

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

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

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



MEALS 4 MEMBERS

Support your neighbors through Meals 4 Members! Donate unexpired, non perishable food or monetary gifts now through April. Need a little help? Request a one-time food basket via the QR code, ***toddwadena.coop/meals4members***, or contact Kallie at (218) 632 3216. Deliveries run mid-January through April.

Energy Efficiency Tip of the Month

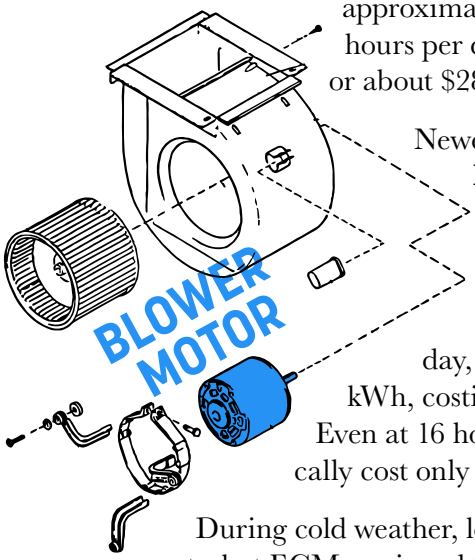
Mid-winter is a good time to check your heating system. Clean or replace filters to maintain efficiency, listen for unusual noises, and watch for uneven heating that may signal a need for service. Keep vents and radiators clear to ensure proper airflow, reduce energy use, and avoid unnecessary repairs while staying comfortable all winter.

Source: ***www.energy.gov***

Cost of Running a Propane Furnace Fan

While propane furnaces use ***fuel*** to generate heat, ***electricity*** is required to power the blower motor, controls, and ignition system. The blower motor is by far the largest electrical load, and its energy use depends mainly on furnace age and motor type.

Older furnaces typically use **PSC blower motors**, which run at a *fixed speed* and consume about 500–800 watts. If operated 8 hours per day, these motors use 120–180 kWh per month, costing approximately $14–$21 per month. At 16 hours per day, usage rises to 240–385 kWh, or about $28–$45 per month.



Newer high-efficiency furnaces use **ECM blower motors**, which run at *variable speeds*, adjusting airflow based on demand and use far less electricity—typically 80–300 watts. At 8 hours per day, monthly usage is about 18–72 kWh, costing roughly $2–$8 per month. Even at 16 hours per day, ECM motors typically cost only $4–$17 per month to operate.

During cold weather, longer run times increase electric costs, but ECM-equipped furnaces dramatically reduce that impact compared to older systems.

Years of Service Awards

Left: Brayden Gwiazdon, 5 years
Right: Jason Orlando, 25 years

TWEC Board Minutes

Highlights from the December 19, 2025, regular board meeting:

- *CEO Dan Carlisle shared that the Member Managers Group met in December to continue the conversation on the new rate redesign that is being presented; Great River Energy (GRE) would like an agreed upon contract in place mid-2026.*
- *Board Member Mike Thorson gave the GRE report, providing a high-level overview of the changes that are coming to transmission billings.*
- *Policy updates were accepted to Operation Round Up bylaws.*
- *Lisa Graba-Meech, CFO, presented the November financials to the board. Monthly kWh sales were 6 percent under budget. Energy revenue was 2 percent under budget. November's purchased power expense was 2 percent under budget. TIER is 1.91 and Equity is 40.99.*
- *Member & Energy Services Manager Allison Frederickson went over results from the recent member survey, highlighting areas where TWEC is doing well and areas that can be improved.*
- *Operations Manager Tyler Fisher touched on the large outage that took place in November, when a winter storm hit the territory. There were 34 outages affecting 2,000 members throughout the month – all related to the weather.*
- *Board Member Dale Adams gave the STAR Energy report. TWEC's equity is approximately $762,000.*
- *The board approved a motion to reduce the 2026 Directors Budget by 5 percent.*
- *A motion was approved to utilize a PCA true up to support 2025 financial needs..*
- *TWEC management was authorized to continue operations at the Cooperative following 2025 spending levels pending the approval of the 2026 budget; the wage and benefit package approved in November for 2026 remains.*

Pine to Prairie News

A monthly publication for members & friends of

Todd-Wadena
ELECTRIC COOPERATIVE

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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

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www.instagram.com/twec.coop

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February Reader's Contest

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 **March 15th**.

1. TWEC owns and maintains the distribution system that delivers electricity from our _____ substations to your homes, farms, and businesses.
2. Load control is initiated during _____ demand periods, which are influenced by weather conditions and market prices.
3. While propane furnaces use fuel to generate heat, _____ is required to power the blower motor, controls, and ignition system.

Name:	Your TWEC Account Number:

Dan and Cindy Schmitz of Verndale were the December Reader's Contest winners.