

Manager's Article by Kory Johnson

2020 was a year of uncertainty. One thing that is certain, is that it was a financially successful year for Agralite Electric Cooperative. There were many different factors that have contributed to the cooperative's financial success in 2020. The cooperative had very strong irrigation sales during the summer months, and as summer turned to fall, the cooperative had very limited grain drying during the fall harvest. Typically, October and November grain drying loads result in significant demand charges from our power suppliers. In addition, throughout 2020, the cooperative was able to fully utilize our load control system to avoid peak demand from our power suppliers, which lowered our cost of power and reduced operating expenses for the cooperative. All of these contributing factors had a positive effect on our bottom line for 2020.

Agralite also received bill credits in 2020 from Great River Energy to assist the cooperative during the challenges faced during the COVID-19 pandemic. Agralite will receive an additional bill credit from Great River Energy and return a portion of excess margins the G&T had generated this year.

After discussion at our November board meeting, the Board of Directors of Agralite was pleased to return \$350,000 of this year's operating margins to you immediately during these trying times in the form of a margin rebate on your December statement. The credit on December's bill is based on your average electric use throughout the year. You will see your credit amount on the bill that was mailed at the beginning of December. This is a benefit of being a member-owner of Agralite Electric Cooperative.

With strong financials coming into the end of the year, Agralite is also planning for the future. The Board of Directors authorized an additional \$250,000 in margins to be deferred into the cooperative's revenue deferral plan. These funds will help ensure long term rate stability for our members in future years to come during these uncertain times.

2020 came with many uncertainties but, through that challenging year, Agralite continues to serve our members with safe, reliable electricity to meet the needs of our member-owners. Thank you for your patronage throughout the year and for many years to come.

Agralite Electric Cooperative is a not-for-profit electric co-op and we belong to the communities we serve. This means we're not in the business of making profits, we're in the business of serving you, our members.

Wishing each of you a Happy New Year in 2021. Stay healthy and stay safe!

CONTENTS

Page 1 ➤ Manager's Article

Page 2 ➤ ECO Act Remains a Top Legislative Priority in 2021, Find Your Account Number, Energy Saving Tip, Cold Weather Rule

Page 3 ➤ Five Ways to Stay Cozy This Winter, Heat Your Space Safely

Page 4 ➤ Winter Weather Can Bring Power Lines Down

Page 5 ➤ Snowmobilers: Be Alert For Electric Coop Equipment, 2021 Basin Scholarships, Pickup Your 2021 Photo Calendar

Page 6 ➤ Board Meeting Minutes, Energy Explorers Energy Efficiency Calendar

Agralite Electric Co-op

We're member-owned!

320 US-12, Benson, MN (320) 843-4150 1-800-950-8375 www.agralite.coop



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Find your account number and win a \$100 credit!

If your account number (as it appears on your monthly electric bill) is one of the <u>four account numbers</u> hidden in this issue, give our office a call by the end of the month and you will receive a \$100 bill credit. If more than one member finds their account number in a single issue, \$100 will be split equally amongst them.

Energy Saving Tip:

Replace standard power strips with advanced power strips to save energy. Advanced power strips look like ordinary power strips, but they have built-in features that are designed to reduce the amount of energy even when they're not in use (also known as phantom load).

The National Renewable Energy Laboratory (NREL) estimates that the average home loses \$200 annually to energy wasted by phantom load. *Source: nrel.gov*



ECO Act Remains a Top Legislative Priority in 2021

Here's How You Can Help: In 2007, Minnesota's Conservation Improvement Program (CIP) was established, creating goals for all utilities – including electric cooperatives – to reduce their annual electricity sales by 1.5% and to spend at least 1.5% of revenues to achieve this goal. Agralite Electric Cooperative is proud that we've consistently met or exceeded these goals.

When CIP started, select energy efficient purchases were incentivizing including Energy Star® rated appliances and LED lighting. Some of these items were just making their entry into the marketplace, and it was a win-win to encourage co-op member-owners to use these new products. Thanks in part to CIP, we've reached a point of saturation with many of the energy efficiency incentives introduced more than a decade ago and the electric power industry is the only segment of the economy that has exceeded its carbon reduction goals.

While CIP has been beneficial, it has become outdated, lacks an emphasis on innovation, and doesn't support many advancements that have positive environmental impacts. To modernize the program, Minnesota's electric cooperatives, along with other industry partners, drafted the Energy Conservation and Optimization (ECO) Act. 1609700 This bill emphasizes total energy efficiency across many sectors – energy, transportation, agriculture and others –to encourage diverse improvements. Under the ECO Act, the goal to reduce electricity use by 1.5% annually will remain intact. However, a portion of this may be achieved with efficient electrification programs such as incentivizing EVs. The 1.5% spending requirement would be eliminated unless the reduction in electricity use is not met.

Agralite Electric Cooperative supports this bill because we believe it provides more long-term, sustainable benefits for our members. *The benefits include:*

- Allowing Agralite Electric Cooperative more flexibility to meet our annual energy savings goals by enabling us to count EV incentives, electric storage water heaters and air source heat pumps toward part of the goal.
- Helping the environment by reducing greenhouse gas emissions and fostering a more resilient grid.
- Encouraging innovation by supporting continuously advancing technologies.
- Reducing consumers' total energy bills by eliminating the mandated 1.5% spending requirements while providing better tools for reducing carbon.

We encourage our member-owners to join us in advocating for this legislative change by contacting area legislators. If you have questions, please contact our Member Services Department. We are happy to discuss more details of the ECO Act with you.

COLD WEATHER RULE

Minnesota residential cold weather law (MN Statute, Ch 235, sec.216B.097) provides that cooperative utilities cannot disconnect a residential consumer between October 15 and April 15, provided that certain conditions are met. These conditions include:

- 1. The disconnection would affect the customer's primary heat source; and
- 2. The customer has declared an inability to pay on forms provided by the coop; and
- 3. The household income of the customer is less than 50% of the state median income, as documented by the customer to the coop; and you have entered into a payment schedule and are reasonably current with your scheduled payments.

It is important to remember that a customer must meet all of the above conditions in order to be covered by the law.

There are several agencies that provide financial assistance to qualifying households. We urge you to check with them for details on available programs. Contact your local health and human services department, or one of the community action councils listed below:

Prairie 5 CAC 320-269-7976 West Central CAC 800-492-4805 Heartland CAC 320-235-0850









Five Ways To Stay Cozy This Winter

Baby, it's cold outside!

When you're feeling chilly at home, there are several budgetfriendly ways you can keep comfortable without turning up the thermostat.

Here are five easy ways to stay cozy this winter:

- 1 Whether you're experiencing extremely cold winter temps or you simply "run cold," an electric blanket can deliver quick warmth like a regular throw or blanket cannot. 1242900 Electric blankets can include a variety of features, like timers and dual temperature settings (if your cuddle buddy prefers less heat). This winter, consider an electric blanket instead of turning up the heat, and your energy bill will thank you.
- One of the easiest ways to stay cozy at home is to keep your feet warm. Our feet play a critical role in regulating body temperature, so when your feet are warm, your body automatically feels warmer. Try a pair of comfortable wool socks or house slippers to stay toasty.
- 3 On winter days when the sun is shining, take advantage and harness natural warmth from sunlight. Open all curtains, drapes and blinds in your home to let the sunshine in—you'll be able to feel the difference.
- 4 Another way to make your home cozier is to use a humidifier. Cold air doesn't hold water vapor like warm air, so by adding humidity inside your home, you can feel a little warmer. A favorable level of humidity inside your home can also help clear sinuses, soften skin, and improve sleep.
- Beyond adding visual appeal to your home, area rugs can also provide extra insulation and a warm surface for your feet on cold winter days. Use large area rugs in rooms where you spend the most time. You'll enjoy the new colors and textures of the rug, and the additional warmth will help keep your home comfortable.

These are just a few ways you can stay cozy this winter without turning up the thermostat. Don't forget the hot chocolate!



WINTER WEATHER

CAN BRING POWER LINES DOWN



STAY WHERE YOU ARE

You've just been in an accident involving a downed power line. Your first instinct might be to get out and run, but that could cost you your life. In most cases, the safest place to be is inside your car or truck. Wait there until electric utility workers deenergize the power. If your car is on fire or you see smoke, escape as safely as possible by making a clean, solid jump out and hop away with both feet together as far as you can. Warn others not to approach the scene.



- That downed power lines are extremely dangerous and even deadly?
- The current could spread throughout the ground and anything touching the ground?
- Stray voltage spreads like ripples on a pond?
- If you step from one "ripple" (voltage) to another you could be electrocuted?
- Downed lines could be hiding under standing water, ice or debris?

Learn more at:

Safe Electricity.org®

Snowmobilers: Be Alert For Electric Co-op Equipment

Agralite Electric Cooperative reminds snowmobile enthusiasts of all ages to be cautious while snowmobiling. Heavy snow and drifting can bury electrical equipment, causing dangerous situations for snowmobilers. Most snowmobile accidents occur along roads and ditches where riders encounter culverts, signs, mailboxes, and even electric cooperative equipment.

Please remember to be safe by keeping these tips in mind this snowmobiling season:

- Watch out for power poles, guy wires, and electrical equipment that can be hidden in the snow. Heavy snowfalls can often bury transformer boxes and cabinets.
- Slow down, know the area where you are snowmobiling, and stay on the trails.
- If you see a downed power line, stay away from it; call your electric cooperative to report it. There is no way to tell if a power line is energized just by looking at it. Always assume it is live and can carry currents strong enough to kill.
- Always wait for help to arrive before you approach an accident scene where a power line may be involved.
- Don't drink and stay alert.

Share this important information with family, friends, and anyone you know who rides a snowmobile, 443100

2021 Basin Scholarship - Qualify? Please Apply!

Basin Electric Power Cooperative, a wholesale power supplier to Agralite, is again offering this generous scholarship. Basin Electric's scholarship program began in 1990. Each year, Agralite solicits scholarship applications throughout our service area.

How Much Is The Scholarship? The Basin Electric Power Cooperative (BEPC) Scholarship Program will award more than 180 scholarships in the amount of \$1,000 each. The scholarships must be used for educational costs, and the student must enter college in the fall of the school year for which the scholarship is given. Checks will be made payable to the school, and will be distributed to the school by BEPC. Scholarships will be distributed in August.

Who Is Eligible To Receive The Scholarship? Dependent children (including adopted or step-children) of member-system consumers and dependent children of member-cooperative employees are eligible. The applicant must also be a U.S. citizen and enrolled or planning to enroll in a full-time undergraduate course of study at an accredited, two-year or four-year college, university or vocational/technical school. Recipients are selected on the basis of academic record, potential to succeed, leadership, and participation in school and community activities, honors, work experience, a statement of education and career goals, and an outside appraisal.

How do I apply? Obtain forms and applications from your school counselor, the Agralite Electric Cooperative office, or www.agralite.coop.

The completed application and all other necessary information must be returned to Agralite Electric Cooperative no later than February 19, 2021.

This institution is an equal opportunity provider and employer. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.



CURRENT AGRALITE BOARD OF DIRECTORS

Kathy Draeger, Clinton
District 1
Jeff Hufford, Morris
District 2 - Secretary/Treasurer
Bennett Zierke, Hancock
District 3
Steve Nelson, Starbuck
District 4
Orvin Gronseth, Murdock
District 5 - President
Andrea Thomson, Benson
District 6
Warren Rau, Appleton
District 7 - Vice President

MINUTES OF MEETING BOARD OF DIRECTORS November 2020

Board Chairman Orvin Gronseth called a meeting of the Board of Directors of Agralite Electric Cooperative to order at 8:30 a.m., November 25, 2020. All members of the Board were present via WebEx teleconference. The agenda, minutes of the last meeting, the monthly disbursements, and payment of capital credits of deceased members were approved.

Jonathan Messner, Manager of Member Services, reported on activities of his department for the month. He discussed load management, the Jennie-O turkey project, and distributed energy. He discussed the Operation Round Up meeting that was held October 18th. A total of \$5,250 was distributed.

Jenny Stryhn, Manager of Finance, discussed Agralite's margins for the month of October. She discussed an end of the year margin rebate in the amount of \$350,000 and the Board approved it. She discussed the 2020 Bad Debt Write-Offs and the Board approved it. She discussed unclaimed capital credit dollars. Jenny brought forth Work Order #502 and Special Equipment WO October 2020 and the Board approved them.

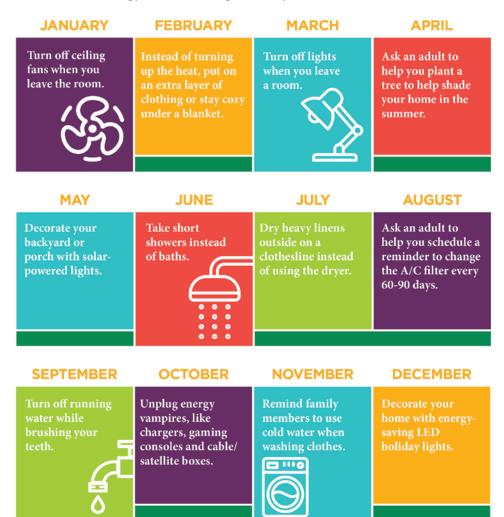
The financials were given by Jenny with a PowerPoint presentation.

Tom Hoffman, Manager of

2021 ENERGY EFFICIENCY CALENDAR

There are so many ways you can save energy! Saving energy helps reduce your family's monthly bills – and it helps our environment. Change your energy use habits by following the monthly tips below. Keep this calendar on your refrigerator to remind family members to be energy efficient throughout the year.





Engineering & Operations, reported on activities of his department for the month. He discussed line crew projects, pole testing, and the AMI project. He stated that Bob Hoberg has been promoted to Line Crew Foreman and Mike Haas has been promoted to Crew Lead.

Tom gave the safety report.

The 2021 Budget and Work Plan was approved by the Board.

Kory Johnson, General Manager, reviewed his report to the board. He discussed the Presidential Election and recent meetings

he attended. He discussed a request for a new service and solar array. Kory discussed East River and Basin Electric. Breitbach Construction visited to assess the headquarters building.

Director Gronseth will be the 2021 MREA voting delegate. 1633600

The December board meeting was set for the 31st.

Being no further business came before the Board, the meeting was adjourned.