

KILOWATT



MEMORIAL DAY

KPC OFFICE WILL BE CLOSED ON MAY 30TH
IN OBSERVANCE OF MEMORIAL DAY.

BOARD MEETING SUMMARY

April 27, 2022

The Kandiyohi Power Cooperative Board of Directors held their regular monthly meeting. All directors present. Chairman, Dale Anderson called the meeting to order.

Additions made to the agenda:

- Operation Round Up update.

The following reports were given:

- MREA Safety Training
- Lineman Appreciation Day
- CEO Spring Conference
- Ridgewater Fund
- Finance – Finance Manager
 - Border States rebate
 - kWh sales were on track with budget. PCA was large.
 - Line loss was low
 - 2021 Form 7 is complete
- Member Services/Communications
 - Pandemic Plan updates
 - Annual Meeting
 - Staffing update
- Engineering/Operations
 - Pole replacement has slowed down because of wet weather.
 - Increased traction with renewables.
 - Planning for materials for this year & next.
 - Outage update
- IT and Building
 - New server and SAN installation.
 - Two factor authentication is in place.

Motions made and approved by the Board:

- Regular Agenda
- Minutes of the February and March 2022 Board Meeting
- Consent Agenda
- Revised Board Policy 107 Attendance of Meetings- Authorization of Expenses
- Write offs
- EV Purchase
- CFC Forum & Meeting Voting delegate

Great River Energy (GRE) Director's Report by Chair Anderson

Executive Session

Meeting Adjourned – Next regular board meeting is May 25, 2022

FINANCIAL

In last month's edition of The Kilowatt, we presented the December 31, 2021 financial statements, comprised of both the year-end balance sheet and operating statement. The operating statement, also known as the statement of margins, displays total net margins of \$1,762,066 for the year. This equates to less than 8% of revenue generated by Kandiyohi Power in 2021, primarily from sales of electric energy. This amount is not retained permanently by KPC, but instead is returned to our membership in the form of capital credits, also known as patronage capital. As a member-owner, your portion of 2021 margins will ultimately be returned to you as either a bill credit (active members) or via paper check (inactive members) when this obligation is retired in the future. It is the policy of KPC to retire capital credits at the discretion of the Board of Directors, as the financial condition of the Cooperative permits.

Nearly all the \$1,762,066 in 2021 margins will be returned to member-owners in future capital credit retirements. Of this amount, \$921,093 was allocated by KPC from 2021 operating margins and will be returned to our membership in the coming years. \$671,437 was also allocated back to KPC by our power provider, Great River Energy, all of which will be returned to our member-owners over time. The only amount that will not be returned to our patrons is the income generated from KPC's equity investments, which totaled \$169,536 in 2021. This amount will be retained by the Cooperative, but still yields an indirect benefit to

Patrick Krueger,
Chief Financial Officer



all our members. This additional source of income from equity investments is used to offset operating expenses and allows KPC to keep member electric rates lower across all rate classes, producing a positive benefit to all those we serve.

Throughout 2021, roughly a single penny made its way to KPC's bottom line for each kWh sold to our membership. As explained above, this small amount remaining on the bottom line after all operating expenses were covered will be returned to our members in future years as the financial condition of the Cooperative allows. Our Cooperative is organized as a nonprofit, and the retirement of capital credits back to our member-owners is consistent with our intention to provide electricity at cost.

We at KPC are proud of the low energy rates we offer, and despite the thin margins we operate on, we remain committed to fulfill our mission to safely provide reliable, sustainable, and innovative energy solutions to meet all of our unique member needs.



LIKE US ON
FACEBOOK

[WWW.FACEBOOK.COM/KANDIYOHIPOWERCOOPERATIVE](https://www.facebook.com/kandiyohipowercooperative)

ANNOUNCING A LIMITED TIME AIR SOURCE HEAT PUMP PROMOTION

Kandiyohi Power Cooperative is pleased to announce our 2022 Air Source Heat Pump (ASHP) promotion. For a limited time, we will be increasing our rebate on ASHP's. Promotional rebate is subject to limited availability.

Ducted ASHP

Rebate Qualifications/Considerations:

- Must be installed in KPC territory
- Must be "QI" installed and tested in May, June, July or August 2022
- Can be combined with furnace EC motor rebate
- Ask about off-peak program and reduced electric rates
- To qualify for a rebate, must be purchased and installed in May, June, July or August 2022
- Promotional rebates based on HSPF rating



Ducted ASHP

≥ 8.2 HSPF

≥ 9.0 HSPF

Ductless ASHP

Rebate Qualifications/Considerations:

- Must be installed in KPC territory
- To qualify for a rebate, must be purchased and installed in May, June, July or August 2022
- Promotional rebates based on HSPF rating

Ductless ASHP

Delivered Fuels

Electric Heat

Minimum HSPF ≥ 9.0

QI Rebate

\$750.00

\$1,500.00

Rebate

\$450.00

\$750.00

2022 ANNUAL MEETING

On April 26th at 9:00am, we held our annual business meeting at Little Crow Event Center. About 100 member-owners attended the meeting and following brunch. John Brekke, VP of Power Supply from Great River Energy (GRE) spoke, along with KPC's Board Chair Dale Anderson, CEO Ryan Nelson and CFO Patrick Krueger. Thank you for being a member-owner of Kandiyohi Power Cooperative.

Board Directors re-elected for a 3-year term:

District 1 Dale Anderson (Incumbent)

District 2 Stan Wubben (Incumbent)

District 3 Diane Helgeson (Incumbent)



RESTORING POWER SAFELY AND EFFICIENTLY

We do our best to avoid them, but there's no way around it: power outages occasionally happen.

For most Kandiyohi Power Cooperative members, outages are rare and only last a few hours. But when major storms impacts our area, extended outages are unavoidable.

So when the power goes out, how do KPC crews know where to start working? How do you know if your outage has been reported? We've got answers to these questions and more, and it all starts with a safe, efficient plan for power restoration.

When the lights go out and it's safe for our crews to begin the restoration process, they start by repairing power lines and equipment that will restore power to the greatest number of people in the shortest time possible.

This process typically begins with repairs to the larger main distribution lines that service a great number of homes and businesses. After those repairs are made, crews work on tap lines, which deliver power to transformers, either mounted on utility poles (for above-ground

service) or placed on pads (for underground service). Finally, individual service lines that run between the transformer and the home are repaired.

We can't control the weather, but we can prepare for it. KPC keeps a supply of extra utility poles, transformers and other equipment on hand so we can quickly get to work in the event of an outage. When widespread outages occur, multiple crews will be out in the field simultaneously working to repair damage at multiple locations. We also coordinate with nearby co-ops to bring in additional crews when necessary.

A proactive approach to maintenance helps minimize the chance of prolonged outages; this is why you see KPC crews or contractors periodically trimming trees and clearing vegetation near rights-of-way. We love trees too, but it only takes one overgrown limb to knock out power for an entire neighborhood. Trimming improves power reliability for our entire community. In addition to managing vegetation, we regularly inspect utility poles, power lines and other critical equipment to maintain a more reliable system.

If you experience a power outage, don't assume a neighbor reported it. It's best to report the outage yourself, and we make it easy to do. The quickest way to report an outage is through our SmartHub app; you can also call our outage reporting number at 800-551-4951.

If you have a medical condition that requires electrical equipment, please let us know, and always have a backup plan in place. This plan could include a portable generator, extra medical supplies or moving to an alternate location until power is restored. If you plan to use a generator for backup power, read all safety information and instructions before use.

Mother Nature can be unpredictable, but as a member of KPC, you can feel confident knowing we're standing by, ready to restore power as quickly and safely as possible.



MAY IS ELECTRICAL SAFETY MONTH

Electricity lights homes and businesses, provides warmth and keeps appliances and equipment running smoothly. During Electrical Safety Month, Kandiyohi Power Cooperative and Safe Electricity provide these electrical safety tips to avoid hazards both inside and outdoors.

Staying safe on the road

Downed power lines can happen because of wind, storms, animals or an auto accident/collision.

1. If you see a downed power line, call 9-1-1 to report it and stay in your car. You cannot tell by looking or listening if the power line is deenergized. Wait in your vehicle until an electric utility crew member says it is safe to get out.
2. Do not drive over a downed power line. Doing so could cause a domino effect and bring down other lines, poles and equipment.
3. The only time you should exit is if your vehicle or cab is on fire. If this is the case, make a solid jump from the car or cab without touching it, landing with both feet together. Then, hop away with your feet together as far as you can.

Staying safe outside

When working outside, be aware of overhead and underground power lines.

1. Keep at least 10 feet away from overhead power lines. Keep any items you are carrying or using, such as long poles or other extended equipment, 10 feet away from power lines at all times. Carry an extension ladder or other far-reaching tools or equipment horizontally.
1. Make sure that all outside outlets are ground-fault circuit interrupter (GFCI) protected.
2. Before digging, call 8-1-1 or your state's underground locating service.

Buried lines such as electric, gas, water, sewer and other lines bring services indoors. Besides the dangers of coming in contact with a gas or electric line, fines due to damage are the responsibility of the homeowner or landowner. Privately owned lines and systems will not be marked by the free service.

3. When you see lightning, take shelter inside the house, shop or a hard-topped vehicle for protection. Stay away from high places, and do not take shelter under an isolated tree. Stay away from items that conduct electricity, such as metal fences. If you are swimming or in a hot tub, get out. Water is an electrical conductor that is dangerous during a storm.

Staying safe inside

With so many people working from home, the workplace and where you live can be one and the same. This means more devices are plugged into outlets or circuits that may not be able to handle the load.

1. Have a qualified electrician/licensed contractor check for hazards if you

notice the following: dimming lights, a sizzling or buzzing sound, the smell of warm plastic, a switch plate that feels warm or looks scorched, sparks when plugging in or unplugging items or circuits that trip often.

2. When working with electrical equipment inside the house or shop, be aware that electrical equipment can spark when flammable vapors, gases or dust are present.
3. Do not overstretch a cord or use frayed or damaged cords.
4. During storms, lightning can enter homes through corded phones, televisions, radios or computers. Lightning can also travel through plumbing, so do not take a bath, shower or wash dishes when you see lightning strikes. If possible, unplug appliances and electronics before the storm, including cell phones that are charging via electricity. Surges caused by lightning can damage electronics and appliances.

**PLUG
INTO
SAFETY**



ELECTRICAL SAFETY MONTH

Make electrical safety a priority
this month, and every month.



Enroll in our Auto Pay program to be entered into a monthly drawing for a \$25.00 bill credit. Save time and money! Must be on Auto Pay to be eligible to win. You can also select email as your only delivery option. You will then receive an email instead of a paper bill when your bill is ready for payment.

Auto Pay Winner: Kimberly Lippert



8605 47th Street NE, Spicer, MN 56288
www.kpcoop.com

Office Hours: Mon.-Fri. 7:30am – 4pm
Phone: 1-800-551-4951
Fax: 320-796-0620

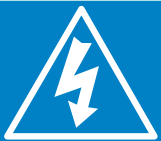
Tom McCormick
Electric Inspector: 320-221-2809

Drop boxes available for your convenience
at Cash Wise and our headquarters
building near flag pole.

Ryan Nelson, CEO	320-796-1160
Michele Scheffler,	
Member/Communications/HR	320-796-0982
Brent Hatlestad,	
Line Superintendent	320-796-1163
Patrick Krueger, CFO	320-796-0991

BOARD OF DIRECTORS:	District
Dale Anderson, Chair - 320-894-1687	1
Rollo Campe - 320-894-1601	1
Larry Powers - 320-212-7960	1
Dan Pomranke, VC - 320-894-7113	2
Todd Post - 320-212-1119	2
Stan Wubben, Secretary - 320-905-8325	2
Ryan Erickson - 320-979-5033	3
Diane Helgeson - 320-220-3745	3
Robbert Stone - 320-894-8867	3

KILOWATT STAFF:
Michele Scheffler, Editor



24-HOUR OUTAGE NUMBER

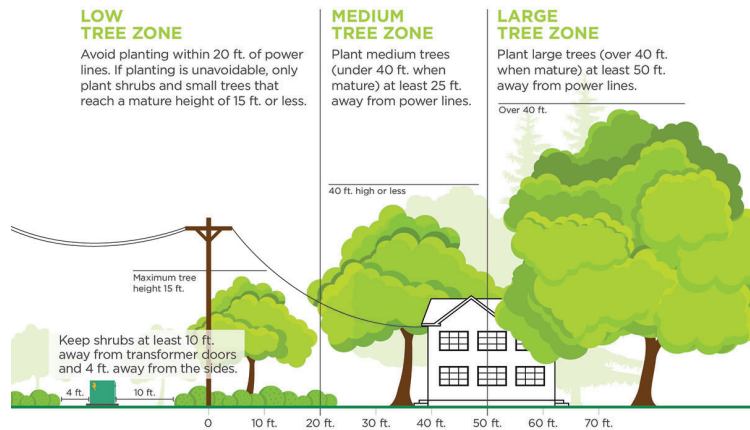
When your lights go out, so do we.

Call us if your power goes out even if you think your neighbors
already did. Leave one light on so you know when power has
been restored and make sure you have an emergency kit ready.

1-800-551-4951

Plant Trees Safely

Before you dig, call 811 to
locate buried utility lines.



Selecting a tree? Know its mature height before deciding where to plant

If you are considering planting a tree, carefully select its location before you begin digging. Also, call 8-1-1 before you break ground to get underground utilities marked. If trees are planted in the wrong location, they can be expensive to maintain and even dangerous. Kandiyohi Power Cooperative and Safe Electricity offer tips on how to pick an optimal location.

A mature height of fewer than 15 feet is recommended if planting near lines. Some trees that are generally not tall enough to interfere with lines include crabapple, honeysuckle, juniper, flowering dogwood and hawthorn.

Trees should never be planted directly under power lines, near poles or too close to electrical equipment.

Once you have a tree selected, call 8-1-1 before putting a shovel to the ground. The "Call Before You Dig" number is a free service that locates and marks public underground utilities in your yard or on your land. Call several business days before you plan to dig. Locators will mark public underground utilities such as electric, gas, water, cable and fiber. The service does not mark privately owned lines or pipes.

Other tree tips

- If your established trees are growing into power lines, contact us to ask about them. In some cases (depending on the tree's location), we will come out and trim the tree. If it is your responsibility, do not take on the task yourself. Only tree trimmers who are line-clearance certified are legally allowed to prune and trim trees within 10 feet of power lines.
- It is important to have trees trimmed. Limbs can fall on power lines during bad weather, resulting in power outages or blinking lights. Broken or drooping limbs could also cause a fire.
- Tall-growing trees with a mature height greater than 45 feet should be planted at least 45 feet away from lines to avoid future pruning. Some of these trees include oak, white and blue spruce, most pines and most maples.
- Be sure no one climbs a tree near power lines. If branches are touching the wires, the tree could be energized. Even branches that do not touch power lines could become energized if a child's weight is added. In addition, a child could climb high into the tree and be able to reach the line.



Congratulations!

Ashley Veeder, our Plant Accountant, recently graduated
from the Willmar Lakes Area Leadership Perspectives class.
Congratulations Ashley!