

KILOWATT

GREAT RIVER ENERGY'S BOARD APPROVES BUDGET AND RATES FOR 2025



Ryan Nelson,
CEO

As part of our ongoing commitment to transparency and communication, we want to inform our member-owners about an important upcoming change. Our Generation &

Transmission Cooperative, Great River Energy (GRE), has recently announced a rate increase for 2025. To avoid making cuts that would undermine our ability to meet service goals and support ongoing investments in the quality and integrity of our electrical distribution system, some of this increase will need to be passed on to our members. While we are still calculating the exact impact on our local rates, we want to share the key drivers behind this decision as detailed in GRE's proposed budget.



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

Margin Increase

One of the primary drivers of the rate increase is a planned increase in GRE's budgeted margin, which is projected to increase from \$23M to \$45M. This increase is intended to strengthen GRE's balance sheet during a period of significant capital expenditure and ensure the cooperative can meet its financial obligations and pay member patronage capital. While this margin increase does impact rates, it is important to note that the additional margin will be allocated to each member's capital account and ultimately returned as patronage capital.

Staffing Needs

The industry is becoming increasingly complex, necessitating the addition of new positions within GRE. These roles will support regional transmission projects, power supply planning, and IT security. Specifically, new staff will be focused on replacing and rebuilding aging transmission lines, managing vegetation, integrating information systems, and enhancing cybersecurity and project management.

Capital Project Ownership Costs

Ownership costs for capital projects are also contributing to the rate increase. These projects are essential for maintaining and improving reliability in our service area and replacing aging infrastructure. While spending on certain major projects will increase in 2025, ownership costs related to these projects are not expected to have a significant impact on the budget.

Power Supply Costs

An increase in power supply costs is another factor. The budget includes higher purchase power costs due to forecasted market prices and additional short-term purchases to hedge against potential price spikes during extreme weather conditions.

Financing Costs

Finally, Great River Energy is budgeting for increased debt and associated interest expense to support the capital spending plan. This includes higher interest expense on short-term borrowings and new interest expense from a projected \$300M debt financing in mid-2025.

We understand that any rate increase can be challenging, and we are committed to minimizing its impact on our members. Kandiyohi Power remains dedicated to delivering reliable and cost-competitive electricity to our community, and we will provide updates as we finalize our local rate adjustments.

Thank you for your understanding and continued support.

Holiday Hours


Kandiyohi Power Cooperative will be closed on December 24th and 25th and January 1st to observe the Christmas and New Year holidays. Please call 800-551-4951 to report an outage.



2024 CAPITAL CREDIT REFUNDS


Thank you for being a member-owner!

As a member-owner, you will receive your portion of the profits of KPC as well as your portion of the profits of GRE in the form of a bill credit on this month's electric bill. Please refer to your bill for further information about your credit.




HOW CAPITAL CREDITS WORK


Electric co-ops are not-for-profit and operate at cost. Capital credits are a financial benefit of co-op membership.




1. Members pay their electric bills, and we track their business with us each month.



2. The co-op pays operating expenses throughout the year and allocates any leftover operating revenue as capital credits.



3. When financial conditions permit, the co-op board votes to retire (pay) capital credits to the members.



4. We send members their share of capital credits as a bill credit or check.



SIMPLIFY LIFE AND SWITCH TO AUTO PAY!

Advantages of Auto Pay

- It's easy, convenient, and fast
- Saves you time — your monthly payment is processed automatically
- No postage or check — Save the hassle of writing a check every month, paying postage, and getting it mailed on time
- Avoid late payments and past due bills — Whether you're home or away, this service keeps your payments on time since the payments are already scheduled for you
- Eliminate paperwork — If you choose to go paperless, you produce less paperwork and receive fewer bills in the mail since your bill is emailed each month and accessible through SmartHub
- Help streamline your finances — Especially when you are distracted by other events going on in your life
- Scan this QR code with your cell phone camera to get started!



ENERGY ASSISTANCE PROGRAM

The Energy Assistance Program (EAP) is a federally funded program through the US Department of Health and Human Services, which helps eligible households pay toward home heating costs. Energy Assistance is free for eligible households. To learn more about the EAP or apply for assistance:

- Visit the Minnesota Department of Commerce Energy Assistance website, <https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/>
- Contact your County EAP service provider for additional information and assistance:
 - [United Community Action Agency – 320-235-0850 or 800-992-1710](#)
 - [Prairie Five Community Action – 320-269-7976 or 800-282-5437](#)
 - [Tri-County Action Agency – 320-251-1612 or 888-765-5597](#)
- Other Local agencies that provide aid for those in need:
 - [Salvation Army – 320-235-2033](#)
 - [Kandiyohi County Family Service – 320-231-7066](#)
 - [The Link \(New London/Spicer area\) – 320-354-5555](#)

Kandiyohi Power Cooperative exists because of you, and we are dedicated to the people and communities we serve. If you are having difficulty paying your electric bill, please contact us to discuss payment arrangements.

DIRECTOR FILINGS NOW OPEN FOR DISTRICTS 1, 2, & 3

Are you interested in serving as a Director on the Kandiyohi Power Cooperative Board? We are now accepting filings for Directors in Districts 1, 2, and 3. To request a director's packet, please call the KPC office at 800-551-4951, send an email to aveeder@kpcoop.com, or visit our office. The packet includes the cooperative's bylaws, and the qualifications required to become a director. As a Board Director, you will serve a 3-year term and must reside within the district for which you are filing. Filings are due at the KPC office by 4:00 pm on January 22nd, 2025. Election results will be announced at our Annual Meeting on April 22nd, 2025.

Accepting applications: November 13th, 2024

Filing Due Date: 4pm on January 22nd, 2025

Annual Meeting Date: April 22nd, 2025

Email address to contact for a director packet: aveeder@kpcoop.com



BOARD MEETING SUMMARY

November 25, 2024

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

Additions made to the regular agenda: None

The following reports were given:

- CEO Report
 - IJA Consortium, Topic 3 and New ERA update.
 - Stearns Co. proposed ordinance.
 - Future Energy Forum.
 - Heartland Security meeting update.
 - GRE MMG Meeting recap.
 - Strategic plan update.
- Member Services/Communications
 - Stinger's Member Appreciation Event communications.
 - Member Halloween event recap.
 - Annual solar inspection/maintenance completed.
 - Energy assistance updates.
 - Capital Credit Payout.
 - Insights and analytics.
 - Auto pay metrics.
- Engineering Report
 - Sixty-two new services; twenty-seven retired to date.
 - Grant updates.
 - Meadow Star/Riverview Dairy new service update.
 - GRE MEG recap.
 - Substation and feeder loss evaluation information.
 - Outage breakdown YTD.
 - Employee safety and compliance update.
- IT/Maintenance
 - PCI DSS 4.0 compliance information presented.
 - Recap of NISC Member Conference.
 - FirstNet vs. Verizon service during recent hurricanes.
 - Cybersecurity awareness month; analytics presented.
 - Building maintenance and security updates.
- Finance Report
 - Review of financials for October.
 - State competitiveness fund cost share approval pending.
 - Withlacoochee River Electric Coop mutual aid financial update.
 - Capital credits retirement discussion.

GRE Presentation – Jon Brekke, VP & Chief

Power Supply Officer

CRC Voting Delegate

Upcoming Meetings & Conferences

Great River Energy (GRE)

- Director's Report by Chair Anderson.

Closed Session

Motions made and approved by the Board:

- Regular Agenda.
- Consent Agenda.
- Capital Credits Payout per Board Policy.
- November Write Offs.
- Capital Credits Retirement: KPC's- \$862,354.17 FIFO method; GRE's- \$409,632.27 FIFO method.
- Approval of 2025 wage budget.
- Approval for Chair Anderson to attend NRECA Directors Conference.
- Approval of the Three Waters Wind Energy Purchase Resolution.
- Approval of the Big Bend Wind Energy Purchase Resolution.
- Adjourn meeting.

Meeting Adjourned- Next regular board meeting is December 18, 2024.

HOLIDAY



GIFT GUIDE



Give the gift of safety!



Portable Ground Fault Circuit Interrupter (GFCI)

Designed for locations where there is not a permanent GFCI installed, these devices detect an abnormal flow of electricity and shut off the power, preventing shock or electrocution.

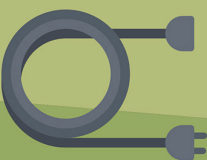
Outdoor Remote Control Outlet Switch

Leaving outdoor lighting on overnight can be costly and pose a potential hazard. An alternative to smart lights, this remote control switch allows you to turn outdoor lights or other gadgets on or off remotely.



Tamper Resistant Outlets (TROs)

Great for families with small children, TROs are wall receptacles that have shutters that stay closed unless a plug with two prongs is inserted into the outlet. Because they help keep children safe, the National Electrical Code requires TROs in new homes and apartments.



Heavy Duty Extension Cord

Power devices safely. Too often the tools or equipment necessary for larger projects are powered by extension cords that are inadequate for the environment or heavier electrical load.

Learn more at [SafeElectricity.org](https://www.SafeElectricity.org)



8605 47th Street NE, Spicer, MN 56288

www.kpcoop.com

Email: contactus@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

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 - 320-894-7113 2

Todd Post, VC - 320-212-1119 2

Stan Wubben, Secretary - 320-905-8325 2

Kelly Erickson - 320-894-2930 3

Diane Helgeson - 320-220-3745 3

Darrell Fostervold - 320-212-4824 3

KILOWATT STAFF:

Michele Scheffler, Editor

Equal opportunity provider and employer.

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ACCEPT



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www.gopherstateonecall.org

1-800-252-1166



**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

The Cooperative will attempt to furnish continuous service but will not guarantee uninterrupted service.

Tips for a Safe and Efficient Holiday Season

This holiday season, keep energy savings and electrical safety in mind.

SAVE ENERGY

- Use smaller appliances like slow cookers instead of the oven.
- Lower the thermostat when hosting friends and family.
- Decorate with energy-saving LED lights.

PRIORITIZE SAFETY

- Never leave unattended candles burning.
- Ensure all smoke alarms are working.
- When decorating, inspect all light strands and cords for damage.



November's \$25 Auto Pay Winner: William and Caroline Lambert

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.

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monoxide sensor from
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