

KILOWATT

MEMORIAL DAY

KPC OFFICE WILL BE CLOSED
ON MAY 26TH IN OBSERVANCE
OF MEMORIAL DAY.

CHALLENGES AND OPPORTUNITIES AHEAD

As a member-owner of Kandiyohi Power Cooperative, you are part of a community that values reliable and affordable electric service. These two items, reliability and affordability, remain central to us as we explore cost-effective ways to solve industry challenges that have direct implications on electricity rates in both the short-and-long-term.



Ryan Nelson,
CEO

2040 Carbon-Free Mandate

A significant milestone on the horizon is the 2040 Carbon-Free mandate in Minnesota. This law requires the state to transition to a carbon-free electric grid by the year 2040. The transition calls for substantial investments in renewable energy sources and storage, and the chase for clean baseload power requires the ability to explore nuclear power. These investments are essential to replace fossil fuel-based energy generation and achieve the mandate's objectives, but multi-day battery storage isn't quite ready for primetime and more importantly there is a nuclear moratorium in Minnesota.

Transmission Buildout in the MISO Region

Another critical factor impacting the future affordability of electric service is the major buildout of transmission infrastructure in the Midcontinent Independent System Operator (MISO) region. The MISO region encompasses

several states, including Minnesota, and plays a vital role in coordinating the generation and transmission of electricity. As we integrate more renewable energy sources into the grid, upgrading and expanding the transmission network becomes crucial. This buildout ensures that electricity generated from renewable sources can be efficiently transmitted to where it is needed most and avoid congestion on existing transmission lines. Our power provider, Great River Energy, plans to make more than \$2 billion in strategic investments in these projects to help mitigate the financial impact on member-owners. Regardless, the costs associated with these infrastructure enhancements are significant and will be reflected in future electric service rates.

Rising Material Costs

Since 2020, we have consistently witnessed significant increases in the costs of materials required for maintaining and upgrading our electric infrastructure. Items such as transformers, power lines, and other essential equipment have seen price hikes due to various factors, including supply chain disruptions and increased demand. Unfortunately, the uncertainty surrounding new tariff policies has further exacerbated these cost pressures. As we await clarity regarding these policies, we anticipate that material costs will continue to rise. This projected increase necessitates careful financial planning and prudent man-

agement of our resources to mitigate the impact on our members.

Cost of Purchasing Power

The cost of purchasing power is KPC's largest expense. Over the last three years, we have seen this cost increase by over 20%. In response to this, KPC has implemented necessary rate adjustments to maintain financial stability while continuing to provide reliable electric service. Member rate adjustments, however, have been significantly lower than the rise in operating costs. This has only been possible through strategic, timely decision making, and a passionate staff focused on finding cost savings and efficiencies wherever possible.

Our Commitment to You

Despite these challenges, our co-operative remains steadfast in its commitment to protecting the future affordability of electric service for our members. We are actively exploring innovative solutions and strategies to manage costs while maintaining the reliability and quality of our service. Our focus remains on investing in energy efficiency programs, advocating for fair regulatory policies, and utilizing technology and a talented workforce to navigate the roads ahead.

Thank you for your ongoing support and commitment to KPC. We will keep you updated on any developments and continue to work tirelessly to serve our community's energy needs.

SAVE THE DATE



GET STUNG WITH THE FUN!

Member Appreciation Stingers Game June 25th

HAPPY RETIREMENT



*Congratulations On Your Retirement
Jean Nesburg*

Thank you for your dedication and years of service to our membership at KPC. Your hard work and commitment have made a lasting impact, and we are truly grateful for all you've done. Wishing you happiness and fulfillment in this exciting new chapter—enjoy your well-earned retirement!

RETIRING BOARD MEMBERS

We bid farewell to two dedicated board members who have served with passion and commitment.

Their years of service have shaped our cooperative, guiding decisions that strengthened reliability, advanced innovation, and upheld our mission. Their wisdom and leadership have been invaluable, and we are deeply grateful for their contributions.

Please join us in thanking them for their dedication and wishing them all the best in their next endeavors!



Stan Wubben and Diane Helgeson

2025 BOARD ELECTION RESULTS

Thank you to those who ran for board.

- District 1: Dale Anderson
- District 2: Ken Warner
- District 3: Robert Moller



**April's \$25 Auto Pay Winner:
Hazel Thonvold**

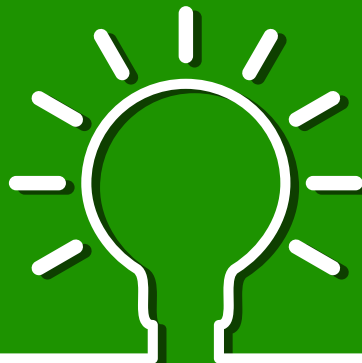
Enroll in our Auto Pay program to be entered into a monthly drawing for a \$25.00 bill credit. Save time and money!

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.

LIGHT BULB RECYCLING

Recycle your light bulbs at the Willmar Recycling Center. If you're a KPC member, simply bring your current KPC bill, and you'll receive free recycling for your bulbs. They accept fluorescent bulbs, including CFLs, ensuring they are disposed of safely and responsibly.

Please note that we will no longer accept bulbs at our office—so be sure to take them directly to the recycling center.



Household Hazardous Waste Center
1400 SW 22nd St
Willmar, MN 56201

 LIKE US ON FACEBOOK

WWW.FACEBOOK.COM/KANDIYOHIPOWERCOOPERATIVE

NEW SERVICES AND UPGRADES

Spring has arrived, and with it comes construction season! If you're planning new services or upgrades, be sure to let our Engineering and Operations team know as soon as possible, as some materials may take longer to arrive. Also, keep in mind that our line crews are hard at work on multiple projects. We're excited to collaborate with you on your new home, business, or farming expansion and look forward to bringing your plans to life!

MEMBER NOTICE

As the weather warms up, KPC will have contractors working on load management equipment in various locations throughout our service territory. These efforts are part of our ongoing commitment to improving and maintaining reliable service for you. You may notice activity in your area, but we're working to minimize any inconvenience. Thank you for your understanding as we continue to serve you better. For any concerns, feel free to reach out to our Member Services team.

Congratulations

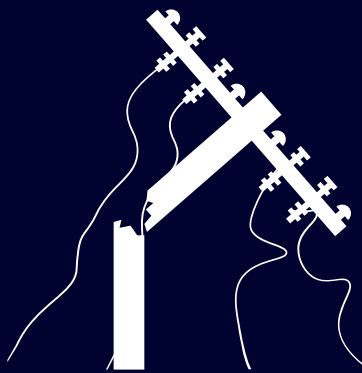
Kelly Erickson earned her Credentialed Cooperative Director Certificate. Kelly is pictured with Board Chair Dale Anderson. Directors at KPC must become credentialed by the end of their first term.



The Credentialed Cooperative Director (CCD) program consists of five courses that focus on basic governance knowledge and the essential skills required of cooperative directors. The CCD prepares directors to fulfill their fiduciary duty as elected officials serving on behalf of their membership. Upon completion of all five CCD courses, directors are awarded the Credentialed Cooperative Director Certificate by NRECA.

Safety Tip

When you see power lines on the ground following a storm, stay far away, warn others to stay away, call 9-1-1 and contact the electric utility. Lines do not have to be arcing or sparking to be live.



Safe
Electricity.org®



BOARD MEETING SUMMARY

April 23, 2025

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

Additions made to the regular agenda: Director dinner, annual meeting recap, and GRE transmission contract.

The following reports were given:

- CEO Report
 - New ERA Grant update.
 - MSR and Part Time Seasonal hire update.
 - MRET Safety Training recap.
 - Net Metering Reform discussions.
 - MREA Spring Conference recap.
 - GRE member manager group recap.
- Member Services/Communications
 - Annual meeting recap and items.
 - Update on load control change out project with Allegiant.
 - New Member Services hire.
 - Form EIA-861S submitted.
 - ASHP Promotion.
 - Auto pay metrics.
 - Insights and analytics.
- Engineering Report
 - Seven new services; one retired YTD.
 - Grants update.
 - Winter snowstorm update.
 - Work Order Inspections.
 - STAR – Annual Operations Meeting.
 - Outage breakdown YTD.
 - Compliance and safety update for March.
- Finance Report
 - Review of financials for March.
 - Federated Insurance Review.
 - 2025 Spring Finance Conference.
 - NRECA MIP (Part II).
 - GRE update and discussion.

Director Oath
Director Dinner
Annual Meeting Recap
GRE Transmission Contract
Operation Round Up Update
Great River Energy (GRE)

- Director's Report by Chair Anderson.

Closed Session

Motions made and approved by the Board:

- Regular Agenda with additions.
- Consent Agenda.
- Capital Credit Payout for Dissolved Corporation.
- April Write-offs.
- Chair Anderson appointed KPC's representative at GRE Annual Meeting.
- Vice-Chair Post appointed KPC's alternate representative at GRE Annual Meeting.
- Chair Anderson to be KPC's Director of GRE for one-year term.
- Adjourn meeting.

Meeting Adjourned- Next regular board meeting is May 21, 2025.



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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

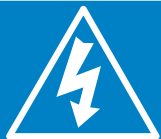
| | |
|---------------------------------------|-----------------|
| BOARD OF DIRECTORS: | District |
| Dale Anderson, Chair - 320-894-1687 | 1 |
| Rollo Campe, Secretary - 320-894-1601 | 1 |
| Larry Powers - 320-212-7960 | 1 |
| Dan Pomranke - 320-894-7113 | 2 |
| Todd Post, VC - 320-212-1119 | 2 |
| Ken Warner - 320-212-8700 | 2 |
| Kelly Erickson - 320-894-2930 | 3 |
| Robert Moller - 320-295-1362 | 3 |
| Darrell Fostervold - 320-212-4824 | 3 |

KILOWATT STAFF:
 Michele Scheffler, Editor

Equal opportunity provider and employer.



811 CALL BEFORE YOU DIG!!!
 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.

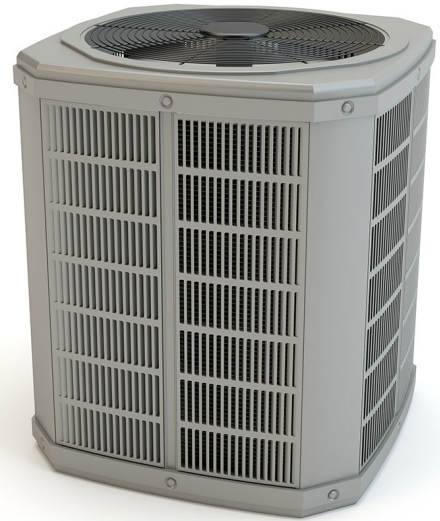
1-800-551-4951

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

●●● YOUR SOURCE FOR ENERGY-EFFICIENT HEATING AND COOLING.

ASHP Rebate Promotional Special

Take advantage of these hot promo rebates when you install a qualifying, energy-saving air source heat pump!



Air source heat pumps are a high efficiency heating system. By switching to air source heat pumps, you can reduce your energy bills as you'll be using the outside air for your heating and cooling needs. If you are considering installing an air source heat pump, take advantage of these rebates!

Equipment must be purchased and installed in May, June, July or August 2025.

| Ducted ASHP | Promotional Rebate |
|---|--------------------|
| High Efficiency | \$600.00 |
| Premium Efficiency | \$900.00 |
| ≤ 5 ton & Quality Installation required. Efficiency based on AHRI directory certificate provided by HVAC Quality Installer. | |
| Ductless ASHP | Promotional Rebate |
| Primary Heat Source is Delivered Fuels | \$400.00 |
| Primary Heat Source is Electric Heat | \$600.00 |
| High Efficiency Requirements: >1 ton & ≥ 14.3 SEER2 & ≥7.5 HSPF2 | |

Limited funds are available and awarded on a first-come, first-served basis. Rebate amounts and programs are subject to change without notice.

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Upgrade to cellular communication and get three months monitoring FREE!
 with system upgrade and three-year monitoring agreement

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