

KILOWATT

STRENGTHENING SECURITY:

The Vital Role of Two-Factor Authentication in Our Electric Cooperative



Bryan Ashburn,
Network
Administrator

As the Network Administrator at KPC, I have witnessed firsthand how rapidly the cybersecurity landscape is evolving. With increasing threats targeting critical infrastructure, ensuring the safety of our systems and data is not just an IT concern—it's a business imperative for all cooperative employees. One of the most effective tools we have at our disposal is two-factor authentication (2FA), and I want to share why it's so important for our employees, partners, and fellow cooperative members.

Two-factor authentication is a security process that requires users to provide two forms of identification before accessing systems, applications, or sensitive information. Rather than relying solely on passwords—which can be compromised through phishing, brute force attacks, or data breaches—2FA adds an additional layer, such as a text message code, an emailed code, or an authentication app. This simple step dramatically reduces the risk of unauthorized access.

In the cooperative utility sector, the stakes are especially high. Our operations rely on interconnected networks and digital controls to deliver reliable power to our members' homes and

businesses. A breach could not only disrupt services but also compromise member data, damage our reputation, and even threaten public safety. Cybercriminals are increasingly targeting electric cooperatives for precisely these reasons. Implementing 2FA across all critical systems is one of the best ways to block these attacks before they start.

Consider a scenario where an attacker obtains an employee's password through a phishing email. Without 2FA, that password alone could grant them access to our network, allowing them to move laterally, escalate privileges, and potentially disrupt operations. With 2FA in place, the attacker would also need a second factor—such as a unique code sent to the employee's phone—which they are unlikely to possess. This extra barrier often deters attackers and prevents breaches from occurring.

The benefits of 2FA extend beyond immediate security. Regulatory bodies and industry standards increasingly require two-factor authentication for electric cooperatives, recognizing its effectiveness in mitigating cyber risk.

By staying ahead of these requirements, we demonstrate our commitment to best practices and build trust with our members and partners.

Adopting multifactor authentication is not just about technology, it's about fostering a culture of security within our cooperative. We encourage all employees and members to embrace 2FA not only at work but also in your personal lives. Start the new year off with a resolution to secure your online presence. Enable 2FA on ALL online accounts that support it. If you have a SmartHub account to access KPC's billing and payment system, enable 2FA to better protect your account. This ensures your account stays protected and your transactions remain secure.

Members with questions about SmartHub 2FA are encouraged to contact KPC's Member Services team for assistance.

To learn more about SmartHub 2FA, go to www.kpcoop.com/smarthub.



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WWW.FACEBOOK.COM/KANDIYOHIPowerCOOPERATIVE

SAVE
the
DATE

Annual Meeting
April 28, 2026

ANNUAL COGENERATION NOTIFICATION TO MEMBERSHIP

Kandiyohi Power Cooperative has adopted rules relating to cogeneration and small power production. KPC will interconnect with and purchase electricity from co-generators and small power producers who satisfy the conditions as a qualifying facility. Kandiyohi Power Cooperative will provide interested members rates and interconnection requirements, which can be found on our website at www.kpcoop.com/distributed-generation. All interconnections require an application and are subject to resolution by Kandiyohi Power Cooperative. Interested members should contact us at 800-551-4951 or contactus@kpcoop.com.



NOTICE OF ONGOING WORK

Throughout the winter season, KPC contractors will be working on load management equipment at various sites across our service area. This initiative reflects our continued dedication to enhancing system reliability and ensuring consistent service for our members.

You may observe work taking place in your neighborhood. We're making every effort to minimize disruptions during this process and appreciate your patience and understanding. If you have any questions or concerns, please don't hesitate to contact our Member Services team.



December's \$25 Winner Dean and Lori Schneider

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.

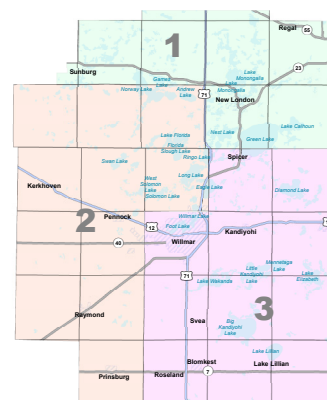
DIRECTOR FILINGS NOW OPEN FOR DISTRICTS 1, 2, AND 3

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. The seats in Districts 2 and 3 are open positions with no incumbent currently seeking re-election.

Members interested in filing may request a Director Candidate Packet, which includes the Cooperative's bylaws and the qualifications required to serve as a Director. To request a packet, please contact the KPC office at 800-551-4951, email khanson@kpcoop.com, or visit the office in person. Directors serve a three-year term and must reside within the district for which they are filing.

Filings are due at the KPC office by 4:00 pm on January 28th, 2026. Election results will be announced at our Annual Meeting on April 28th, 2026.

Email address to contact for a Director packet: khanson@kpcoop.com



**Filing Due Date: 4pm on
January 28th, 2026**
**Annual Meeting Date:
April 28th, 2026**

I've decided not to seek re-election in the next term, and I want to thank each of you—our member owners—for the privilege of serving. It has been the honor of my life to help steward this electric distribution cooperative through storms and seasons, working with dedicated employees to strengthen reliability, safety, and fiscal responsibility. As I step back, I encourage members who care about our community and the cooperative model to consider running for the board—fresh perspectives and willing hands keep us strong. The cooperative is in capable hands, and I'm confident the next generation of leaders will carry our mission forward. Thank you for your trust, your engagement, and the partnership that powers us all.

—Dan Pomranke

KPC
KANDIYOHI POWER
COOPERATIVE



Dan Pomranke

**Board of Directors
District 2**



IN LOVING
Memory
Of
Darrell Fostervold

We are deeply saddened to share the passing of Darrell Fostervold, a dedicated member of our cooperative and our Board of Directors. Darrell served our cooperative with commitment and integrity for 30 years, helping guide important decisions that strengthened our service and community. His leadership and passion will be remembered for years to come. We extend our heartfelt condolences to Darrell's family and friends during this difficult time.



2026 RATE ADJUSTMENT

In last month's newsletter, we shared that KPC's Board of Directors approved an increase to the fixed Access Charge beginning in 2026. This change is designed to better align cost recovery with the realities of operating a rural electric system. While kWh and demand charges will remain unchanged, the fixed charge for all member classes will rise, resulting in an overall revenue increase of about 5%. For residential members, this means the Access Charge will move from \$49.59 to \$61.04, which translates to an average bill increase of approximately 6.7% for those using 1,100 kWh per month. These adjustments are essential to cover fixed costs such as maintaining lines, substations, and other infrastructure that ensure reliable service regardless of usage fluctuations.

At the same time, KPC faces growing financial pressures from rising costs in equipment, insurance, and purchased power—power alone accounts for more than half of KPC's expenses. Over the past four years, purchased power costs have surged by more than 23%, while previous KPC revenue adjustments totaled only 12%. These trends, combined with higher interest expenses and reduced non-operating revenue, make proactive planning critical. KPC is committed to managing these challenges through operational efficiencies, system upgrades, and securing grants to minimize the impact on members. Transparency and community-focused investments remain at the heart of these efforts, ensuring that members continue to receive safe, reliable, and affordable electricity for years to come.

We're here for you! If you have questions about these changes or want to learn more about how they affect your bill, please reach out to our Member Services team or visit our website: www.kpcoop.com/access-charge-information. Your trust and partnership are what keep our cooperative strong, and we appreciate your continued support as we work together toward a reliable energy future.



BOARD MEETING SUMMARY

December 17, 2025

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

Additions made to Regular Agenda: Director monthly retainer amounts and NRECA Winter School. Training report by Director Moller.

The following reports were given:

- CEO Report
 - Rate Adjustment Info Preparations.
 - Kandiyohi Co. Economic Development meeting recap.
 - Heartland Security Board Meeting recap.
 - GRE MMG review
- Member Services/Communications
 - Youth Tour advertising.
 - Load Management Project update.
 - Energy Assistance update.
 - Year end software tasks in progress.
 - Stinger's Baseball Schedule preferences.
 - Auto pay metrics.
 - Insights and analytics.
- Engineering Report
 - Fifty-eight new services; forty-nine retired YTD.
 - New ERA Grant (no update).
 - Pole Attachment Charge.
 - Fleet update; received bucket truck.
 - Outage breakdown YTD.
 - Compliance and safety update for November.
- Finance Report
 - Capital Credit Retirement.
 - Energy Efficiency & Electrification (E3) Loan Program.
 - Year-End Preparation.
 - July Storm Update.
 - Review of financials for November.
 - No write-offs this month.
 - GRE update and discussion.

Governance Training Video — Filling Board Vacancies & Methods of Nominating Director Candidates.

Regular Agenda

Consent Agenda:

- November 2025 Meeting Minutes.
- 2026 Board Meeting Date Changes.

Commitment to Excellence / Board Self-Assessment Summary

Board Pay

Upcoming Meetings & Conferences

NRECA Winter School Report by Director Moller — tabled for next month.

Great River Energy (GRE)

-GRE Report — Dale Anderson

Motions made and approved by the Board:

- Regular Agenda with additions.
- Consent Agenda.
- Approval of Rate 64 Controlled Irrigation & Rate 65 Controlled Irrigation.
- Adjourn meeting.

Meeting Adjourned- Next regular board meeting is Jan. 19, 2026.



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Email: contactus@kpcoop.com

Office Hours: Mon.-Fri. 7:30am – 4pm

Phone: 1-800-551-4951

Fax: 320-796-0620

Tom McCormick

Electric Inspector: 612-246-8017

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:

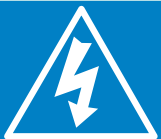
Michele Scheffler, Editor

Equal opportunity provider and employer.

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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.



*A week of building memories, skills, leadership
and friendships that will last a lifetime!*

Experience the trip of a lifetime with Youth Tour!

- Explore Washington, D.C. through historic monuments, world-class museums, and visits with elected officials.
- Build leadership skills and discover how you can make your mark on the future.
- Connect with students from across the country and form friendships that last a lifetime, all sponsored by your local electric cooperative.

**KPC KANDIYOHI POWER
COOPERATIVE**

Learn more about applying at
www.kpcoop.com/youth-tour

**MAKE YOUR
MARK!**



Kandiyohi Power Cooperative is currently accepting applications from eligible high school sophomores and juniors for an all-expense paid trip to Washington D.C. for the 2026 Rural Electric Cooperative Youth Tour, June 15-20. You and your parents or guardian must be served by Kandiyohi Power Cooperative to be eligible, additional eligibility guidelines can be found on our website. Spend six days in our nation's capital visiting famous museums and historical sites and chatting with politicians.

Every year, 40 bright, enthusiastic, and passionate high schoolers are chosen to represent Minnesota on the Rural Electric Youth Tour. But we're not the only ones there. Youth Tour is a national sensation!

Over 1,900 student delegates from all over the country visit D.C. on this tour! They visit with their congressional representatives, tour some of the most famous museums in the world and make memories and friends that will last a lifetime.

Make 2026 the year you experience the monuments that are dedicated to our country's leaders. Let your voice be heard and get your questions answered.

This tour is coordinated by the Minnesota Rural Electric Association (MREA) and is scheduled for June 15 through June 20, 2026.

Visit our website www.kpcoop.com/youth-tour for the complete Youth Tour Contest Rules and how to apply. Or call 800-551-4951 for information. Application deadline is February 6, 2026. Additional information on the National Youth Tour can be found at www.electric.coop/our-organization/youth-programs/about-the-youth-tour.