Kandiyohi Power Co-op

MARCH 2026 - ISSUE 173 VOLUME 03

# KILOWATT

## UNDERSTANDING THE WHOLESALE POWER COST ADJUSTMENT AND YOUR ELECTRIC BILL

Ryan Nelson, CEO

As member-owners of Kandiyohi Power Cooperative, you play a vital role in the continued success of our member-owned electric cooperative. We know that receiving your monthly bill can sometimes bring questions, especially when you notice an unexpected increase. One important factor affecting your bill is the Wholesale Power Cost Adjustment, commonly called the PCA. The goal of this article is to help you better understand what the PCA is, why it exists, and how it affects your bill, so you feel informed and confident about the charges you see.

Kandiyohi Power Cooperative purchases the majority of the electricity we distribute to our homes, farms, and businesses from Great River Energy (GRE), our wholesale power supplier. GRE is responsible for generating or acquiring electricity from a range of sources and making sure it reaches our distribution system here at KPC. Sometimes, the cost for GRE to produce and purchase power changes due to things like weather, fuel prices, or market conditions. When these costs fluctuate, GRE passes the changes on to us, and we, in turn, pass them through to you, our member-owners. This transfer of costs and credits is done through the PCA, which is a line item on your bill that ensures you are only paying what it actually costs to provide your electricity, no more and no less.

The PCA helps us avoid frequent changes to our standard electric rates. Instead of raising or lowering rates every time the cost to buy power changes, we use the PCA as a flexible tool that adjusts in response to real-world conditions. This system ensures fairness for all members and keeps the process transparent. The amount of PCA on your bill depends on how much electricity you use. If you use more, the adjustment will be higher; if you use less, it will be lower. This means the PCA is directly related to your own energy consumption, encouraging everyone to be mindful of their usage.

You may wonder why your bill is higher this month. The main reason is that extremely cold temperatures recently caused everyone in our area to use more electricity to stay warm. At the same time, the cost for GRE to purchase power from the market went up because demand was high across the region. Both of these factors, higher usage and higher purchase costs, are reflected in the PCA on your bill. We want to reassure you that this adjustment is not extra revenue for Kandiyohi Power Cooperative. Instead, it is simply a method to pass the actual cost of electricity along to you in a fair and straightforward way.

When market conditions improve or weather is mild, the cost for GRE to buy power can decrease. In those months, the PCA might be lower or even show up as a credit on your bill, reducing your total amount due. This was the case for most of 2025, a year where the PCA was a net credit, which returned close to half a million dollars back to KPC member-owners. This approach ensures that you only pay what is necessary to cover the true cost of electricity each month. GRE is constantly working to manage costs by using a variety of energy resources and implementing strategies like reducing purchases during peak demand times, which can help control price swings and keep your bill more stable.

We want you to know that our team at Kandiyohi Power Cooperative is here to support you. If you have questions about your bill or would like to learn more about ways to manage your energy use, please don't hesitate to reach out. We appreciate your partnership as we work together to provide reliable, affordable electricity for our community, no matter what challenges we face from weather or the broader energy market. Thank you for being a valued member-owner and for helping us keep Kandiyohi Power Cooperative strong.

## UPDATES TO COOPERATIVE DER INTERCONNECTION PROCESS

Residential solar and battery systems continue to grow in popularity, offering homeowners more control over their energy use. Because these systems are considered Distributed Energy Resources (DER), members are required to apply for interconnection with their electric cooperative.

Minnesota cooperatives use the Cooperative DER Minnesota Interconnection Process (C-MIP), which has recently been updated to simplify the interconnection process for non-exporting DER systems.

A non-exporting DER system does not send energy back onto the distribution grid. Examples include battery energy storage systems, electric vehicles, or combined renewable generation and energy storage. Because these systems have a reduced impact on the distribution grid while still providing homeowners with additional power flexibility, your cooperative has updated its interconnection procedures to provide a more streamlined path for non-exporting DER interconnections.

Going forward, members installing a non-exporting DER system 100 kW or smaller may apply under the new Non-Export Track.

Key details include:

- No application fee
- The system must use a certified Power Control System (PCS) or other approved non-export controls listed in C-MIP
- Members must submit applications through the NOVA Power Portal and provide all required documentation
- The Cooperative will review applications using expedited technical screens to accelerate approval and physical interconnection

Additional updates to C-MIP have also been implemented for exporting DER systems, acknowledging that advanced inverter settings and power control systems can influence a system's capacity rating.

For full details, visit the KPC's DER Document Library on the NOVA Power Portal www.novapowerportal.com/Home/Index/21.

If you have questions about the updated interconnection process or need help getting started, we are here to help!

## ONLINE VOTING

This year marks our second year of offering online voting in the Director election process, building on the success of last year's rollout. While we continue to provide the traditional paper ballot mailing, members have the convenient option to cast their votes electronically. Voting packets go out March 23. Watch your mailbox for your packet, which includes all the information you need to cast your vote online or by mail.

***Be sure to participate and make your voice count!***

## MAKE YOUR ANNUAL MEETING RESERVATION NOW!

Kandiyohi Power Cooperative is holding our Annual Meeting April 28th at the Little Crow Golf Resort. The doors will open at 8:30 a.m. with the meeting beginning at 9:00 a.m. Due to limited space, we ask that you please RSVP NO LATER than April 15th if you plan on attending. Contact us at 800-551-4951 or by email at contactus@kpcoop.com to make your reservation. We hope that you will be able to join us and take this opportunity to visit with your Board Directors and hear what is happening at your cooperative. We will have a membership gift and prize drawing for those in attendance.

KPC KANDIYOHI POWER COOPERATIVE

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Spicer, MN 56288-0040
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NOTICE OF THE ANNUAL MEMBERS' MEETING
of the
KANDIYOHI POWER COOPERATIVE

NOTICE IS HEREBY GIVEN, that the Annual Meeting of the Members of the Kandiyohi Power Cooperative will be held in person at Little Crow Golf Resort, 15980 Hwy 23 NE, Spicer, Minnesota on Tuesday, April 28th, 2026. The Annual Business Meeting of the Members will be called to order at 9:00a.m. The following business will be transacted:

1) To hear, examine, and approve of the reports of the officers, directors, and committees.

2) To elect three (3) Directors, one in each district, for said Association for the ensuing term.

   The 2026 candidates elected by acclamation are as follows:
   Larry D. Powers – District 1

3) For the transaction of such other and further business as may lawfully be brought before the membership of the Association and as may be deemed to be in the best interest of the Association.

DATED: Spicer, Minnesota, February 25th, 2026

BY ORDER OF THE BOARD OF DIRECTORS

Dale Anderson, Chairman

Rollo Campe, Secretary/Treasurer

# CONGRATULATIONS

Robert Moller earned his Credentialed Cooperative Director Certificate. Directors at KPC must become credentialed by the end of their first term on the Board of Directors.

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.

Win $25

**February's $25 Winner Jeffery & Andrea Karnes**

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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# BOARD DIRECTOR-FILING FOR 2026

**District 1:**
**Larry Powers**

**District 2:**
**Steven Combs**
**Bonnie Watson**

**District 3:**
**Dale Fladeboe**
**Steven Gehrke**
**Logan Kalkbrenner**
**Lyle Mangen**
**Brittany VanDerBill**

Article 5, Section 2, Number 9 states: "In the event that there is only one candidate for election to a Director position, either through filing or by nomination, the single candidate shall be deemed elected by acclamation as an unopposed candidate and no voting shall be required for such an uncontested Director election. The notice of the Annual Meeting shall state the name of the candidate elected by acclamation and a report of such election by acclamation shall be given to the Members at the Annual Meeting."

Voting for directors will take place for members in District 2 and District 3. Visit https://www.kpcoop.com/2026-annual-meeting for Director Profiles and additional information on voting. Paper ballots will be mailed, and electronic voting will open for members in District 2 and District 3 on March 23rd.

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## BOARD MEETING SUMMARY

February 25, 2026

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 Regular Agenda:
Board candidate qualifications.

The following reports were given:

- CEO Report
  - New ERA, MN Dept. of Commerce Update.
  - GRE regional meeting update.
  - Southern Managers Group recap.
  - GRE Loan Option – Solar Facilities Lease.
- Member Services/Communications
  - Load management project update.
  - Youth Tour update.
  - Bakken Museum presentation.
  - Annual Meeting planning.
  - 2026 residential member rebates available.
  - Auto pay metrics.
  - Insights and analytics.
- Engineering & Operations Report
  - YTD 2026 services: two new services connected; one retired.
  - New ERA Grant (no update).
  - NISC Operations Analytics (OA) and Engineering Model.
  - Transportation and fleet schedule update.
  - Annual DER reporting and compliance.
- IT & Maintenance Report
  - SimSip migration completed.
  - VMware transition in process.
  - PCI compliance completed.
  - NISC projects in process for member services and operations.
  - Building maintenance.
- Finance Report
  - Financial statement audit discussion.
  - Artificial intelligence training.
  - Transitioning of duties.
  - Review operating margins for 2026.
  - 2025 Capital Credit allocation.

Regular Agenda

Consent Agenda:
- January 2026 Meeting Minutes.
- February Write-offs.

Brady Martz 2025 Audit Report- Jay Welsh, Senior Manager, Brady Martz

ORU Q1 Meeting Recap by Director Pomranke

Director Monthly Retainer Discussion

Upcoming Meetings & Conferences

Great River Energy (GRE)
-GRE Report – Dale Anderson

Motions made and approved by the Board:
- Regular & Consent Agendas.
- Revision of Board Policy #612.
- Cogeneration and Small Power Production Agreement.
- 2025 Capital Credit Allocation
- MREA Voting Delegates.
- Adjourn meeting.

Next regular board meeting is March 30th 2026

KPC
KANDIYOHI POWER
COOPERATIVE

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: 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 |

KILOWATT STAFF:
Michele Scheffler, Editor

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**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.

## LINEWORKER APPRECIATION DAY ON APRIL 13th

**On Lineworker Appreciation Day, we take a moment to recognize and thank our Lineworkers for the skill, dedication, and courage they bring to their work every day.**

Because of you, our homes stay lit, our businesses continue to operate, and our communities remain connected. Whether responding to outages, working through severe weather, or putting in long hours behind the scenes, you consistently rise to the challenge with professionalism and determination.

Your commitment to safety and reliability makes a real difference for the members and communities we serve. Your hard work does not go unnoticed, and we are truly grateful for all that you do.

*Thank you for being the everyday heroes who power our lives.*

## OPERATION ROUND UP BOARD OPENING

ORU is a volunteer community support program. It is designed to provide financial assistance to worthwhile projects and charities throughout our area. It's people helping people. The ORU Board Members review grant applications at a quarterly meeting to determine grant award amounts. This nine-member board has an open seat in District 2. If you are interested in serving on the board and helping your local community, please email contactus@kpcoop.com or call 800-551-4951 for more information.

***800-551-4951*** **email contactus@kpcoop.com**