Minnesota Valley Co-op News
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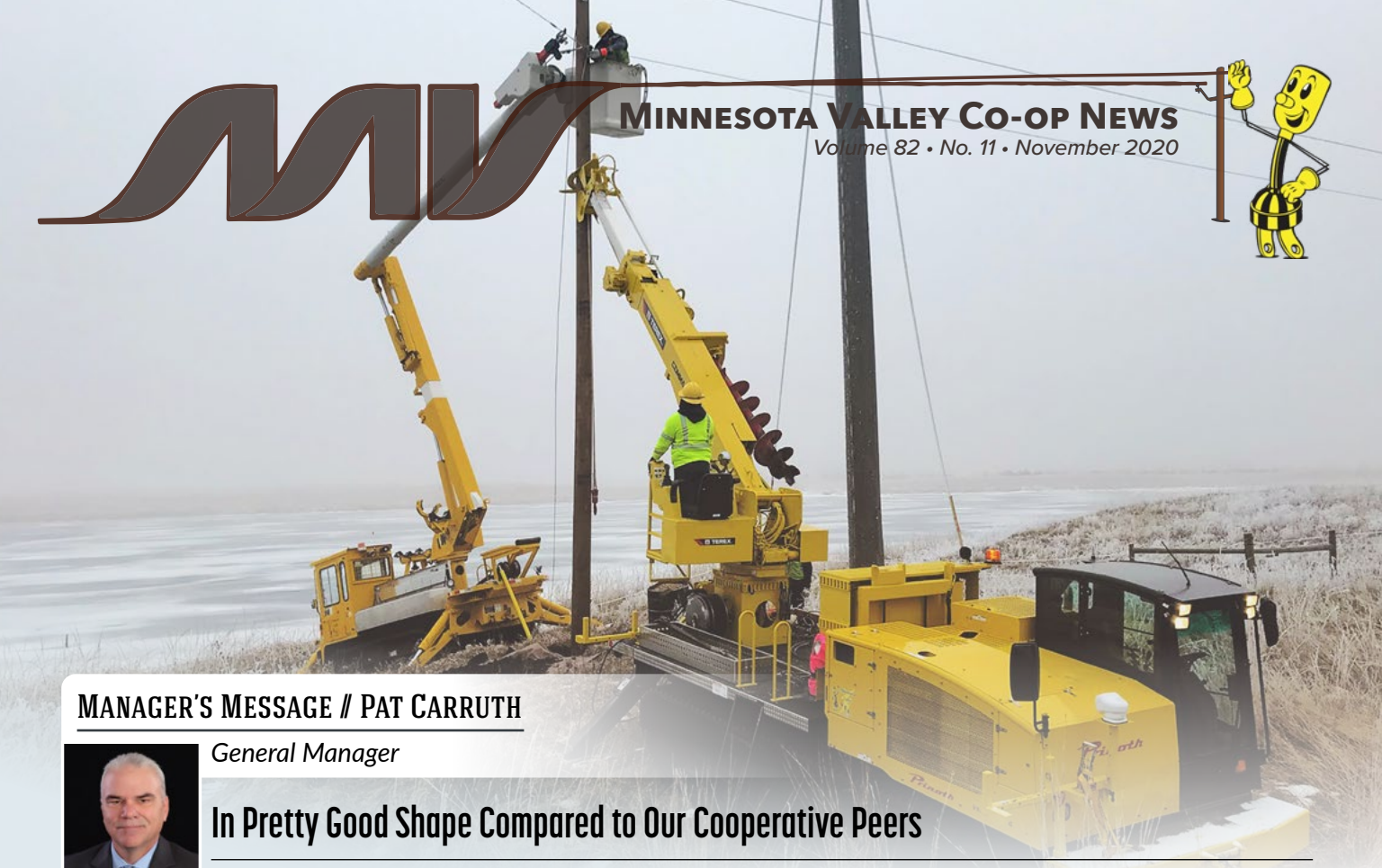


Manager's Message // Pat Carruth

General Manager

In Pretty Good Shape Compared to Our Cooperative Peers

Each year a report called the Key Ratio Trend Analysis or KRTA is put forth by one of our bankers, the Cooperative Finance Corporation or CFC. The report produces several ratios that we can use to track our performance against our peers in the state and across the country. We just got the 2019 numbers and comparatively, we think we have some good things going for us at Minnesota Valley.

There are 43 electric cooperatives in Minnesota and of those, only three have lower retail rates than Minnesota Valley. One of the big reasons we have lower rates is that we continue to have the lowest wholesale power cost in the state. Our overall average power cost per kwh purchased in 2019 was 5.2 cents; the state average was 7.2 cents. We get our wholesale power from two low-cost providers. We purchase a fixed amount of federal hydropower through the Western Area Power Administration. This amounts to about 22% of our annual wholesale power purchases and averaged about 2.5 cents per kwh. The balance of our wholesale power purchases come from our Basin Electric via their well-run fleet of power plants. Our Basin Electric purchases ran on average about 5.8 cents per kwh in 2019.

We feel being one of the lowest cost electric providers in the state is particularly notable for us because the KRTA shows we have the lowest member density in the state. We have 1.6 consumers per mile of line. The Minnesota average is 4.6 consumers per mile of line and the national average is 6.2. This means we are required to build and maintain more miles of line to serve a single member than anyone else in the state. It also means each of our member-owners must build, maintain and pay for more power line to get their electric service than any member from any other cooperative in the state.

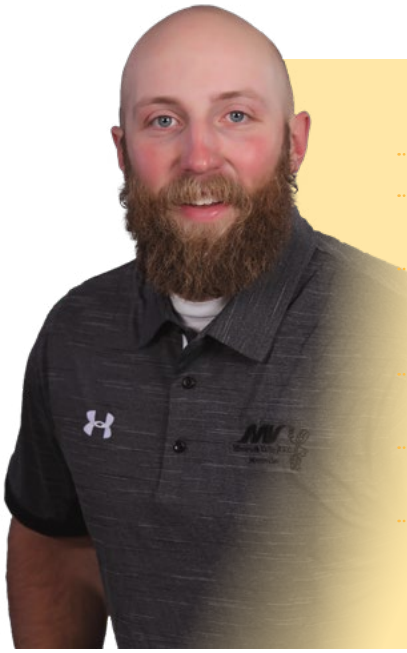
Another ratio in the report that we feel tells a lot about what type of cooperative Minnesota Valley is, is how committed we have been to retiring capital credits. Only three cooperatives in the state have retired or paid out more capital credits as a percentage of total allocated than us. We have paid out almost 49%. The state average is 37% and the nation average is 28%. The Minnesota Valley Board has historically set rates sufficient to build and maintain a reliable system and to generate enough revenue to retire capital credits aggressively. We have always retired on a first-in first-out basis. At our March 20th, 2021 Annual Meeting, we will be distributing checks for the retirement of patronage capital from 2008. Hope to see you there!

Veterans Day

We appreciate and remember the service of our Veterans on November 11th. Thank you, Veterans!

Minnesota Valley Cooperative will be closed Thursday, November 26th, in observance of Thanksgiving.

Meet Your Employees



Name	Mitch Christensen
Hometown	Montevideo, MN
Family	Mother: Betty; Father: Tim; Sisters: Andrea & Elissa; Nephew: Chase
When did you start at Minnesota Valley?	Started as a pole digger in high school and worked summers until May of 2014 when I got hired as a 1,000-hour lineworker. I was hired full time in September of 2014.
What do you like best about working here?	Working outside, the places we get to see/work and the people I work with.
What do you like to do in your free time?	Archery, bowhunting and spending time at the lake with family.
If you could be anyone from any time period, who would it be and why?	Michael Jordan in his prime.

Engineering & Operations // Bob Kratz

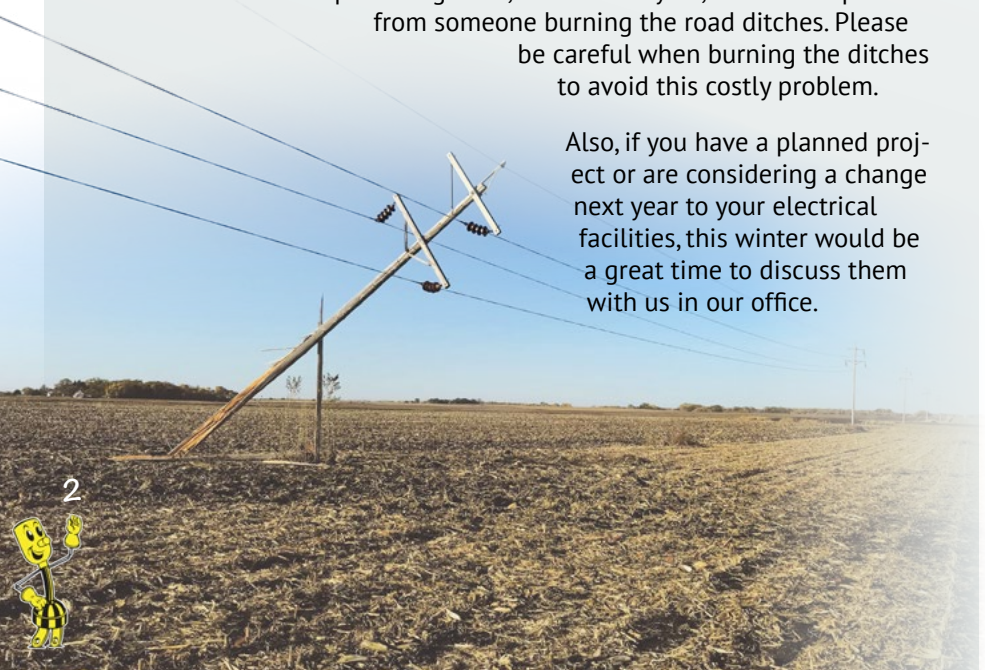
Manager of Operations

It looks like we are still going to try to get a few projects done before the ground freezes. Besides getting last minute service upgrades and larger transformers for added load, the line crews are also doing pole changeouts.

On Thursday, October 8th, one of Minnesota Valley's transmission poles was struck by machinery and needed emergency repair. The Substations of Wood Lake and Echo needed to be de-energized for what we thought would be an hour to an hour and a half. The line crew did a very good job of getting the pole replaced in about half the time expected. We can't express enough the importance of watching out with the big machinery today. Be aware of your surroundings, such as poles and guy wires. Not only is it a cost for repairing the structure, but the machinery itself gets damaged sometimes.

One of the things that the crews find when running around doing maintenance or patrolling lines, this time of year, are burned poles from someone burning the road ditches. Please be careful when burning the ditches to avoid this costly problem.

Also, if you have a planned project or are considering a change next year to your electrical facilities, this winter would be a great time to discuss them with us in our office.



2021 Caucus Meetings

Wednesday, January 27th, 2021

District 1: Don Fernholz
10:30 AM • Madison VFW

District 3: Mark Peterson
1:30 PM • Dawson City Hall

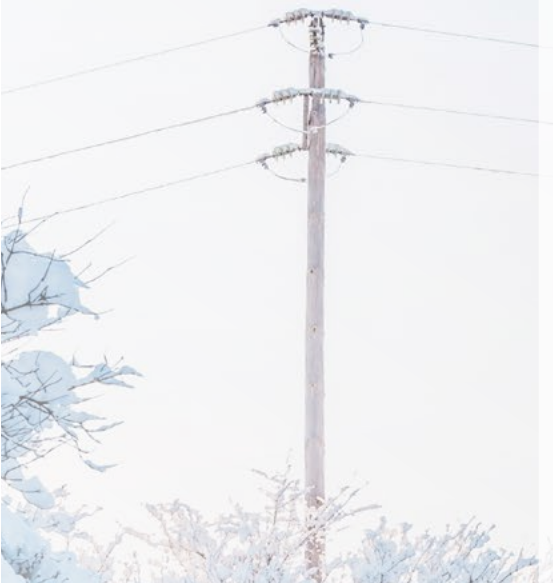
Find Your Location Number!

There are two account numbers hidden in this newsletter. If you find your number, call 320.269.2163 or 800.247.5051 to receive a bill credit. The bill credit starts at $10, but if neither number is claimed before the 25th of the month, *the unclaimed amount rolls over to the next month!* If both numbers are claimed, the recipients split the credit, then it starts again at $10.

CLAIM BY NOVEMBER 25TH TO RECEIVE: $10

Congratulations to Mark Weckwerth of Montevideo who identified his location and received a $10 credit to his energy account!

Staying Safe in the Event of a Winter Outage



As we head into the coldest months of the year, it seems inevitable that our region will get hit with at least a few strong winter storms. When these storms bring thick ice, heavy snow, strong winds and sub-zero temperatures, they can take down power lines and damage our infrastructure – resulting in power outages.

Here at Minnesota Valley, we do our best to be prepared for all kinds of extreme weather conditions brought by our harsh winters. Q one fifteen zero two Know that when your power goes out, we are working hard to resume electric service as quickly and safely as possible.

Follow these guidelines to keep you and your loved ones safe in the event of a power outage this winter:

- After a storm has caused damage in or alongside a roadway, be alert and slow down. Do not attempt to drive over downed lines or through water or over snow or debris that could be covering downed lines.
- If you encounter a downed power line, always assume it is energized. Call 9-1-1 to report the downed line and then notify Minnesota Valley. Do not go near the line for any reason and make sure others stay away as well.
- If your home's heating source is not operational, dress in layers to stay warm.
- Close off unneeded rooms and place draft blocks at the bottom of doors to minimize cold air entering the house.
- Closely monitor the temperature in your home. If it gets too cold, consider staying with friends or relatives.
- Check on neighbors and loved ones who are without power to see if they need assistance.
- Keep a supply of blankets, flashlights, batteries, water and nonperishable food items on hand so you are prepared in advance for a wintertime outage.

Save the Date

Annual Meeting Saturday, March 20th, 2021
Lac qui Parle High School

Comparative Report

	Jan-Sep 2020	Jan-Sep 2019	Jan-Sep 2000
Kwh Purchased	149,609,810	157,785,511	99,117,230
Kwh Sold	140,195,983	148,473,468	93,058,705
Cost Of Purchased Power	$7,068,764	$7,626,422	$2,962,592
Patronage Capital Margins	$803,888	$896,483	$426,573
Reserve For Taxes	$223,289	$191,997	$177,000
Cost Per Kwh Purchased (mills)	47.25	48.33	29.88

	September '20	September '19	September '00
Total Plant	$79,909,671	$74,916,427	$33,324,980
Number of Active Services	5,303	5,281	5,214
Avg. Residential Bill	$177.75	$183.59	$117.61
Avg. Residential Kwh Consumption	1,339	1,421	1,547
Avg. Kwh Usage All Consumers	2,341	2,452	2,009
Peak Kw Demand (Peak Load)	25,202	27,754	21,275

MEMBER SERVICES // BOB WALSH
Member Services Manager

Your Fall To-Do List for Your Home

1 Have you had your furnace inspection yet?

Your furnace had to work pretty hard during the air condition season this year and it probably could use a little attention before we enter the heating season. Minnesota Valley offers a furnace inspection program to check your HVAC system. This preventative measure helps to ensure your heating system is ready for the long winter ahead. Call the Member Services Department to schedule your furnace inspection today.

2 Power up your electric heat sub meter.

A growing number of Minnesota Valley consumers have an electric heat sub meter that records the kWhs used for heating your structures. This sub meter has to have power to it in order to be able to register these kWhs. AA three twenty one zero four If the breaker is turned off, the meter will not work and the member will have to pay full price for their electric heat usage instead of being on the cheaper heat rate.

Please verify that the meter power is turned on. If you have an electric heat meter, there are two ways to do this. A digital meter will not show anything on the front display screen if the breaker is turned off, while a standard meter will not have a lit LED bulb on the underside of the "Turtle" circuit board. Please check your meters for power to make sure you receive the credit for the heat rate that you are on.

3 Water your geothermal loop.

This summer was extremely dry and hot, which could cause a problem with the "loop field" of a geothermal heating system during the heating season this winter. The loops of a geothermal heating system are buried underground and exchange heat with the ground to heat or cool your home. With the dry weather we had, the ground dried out lowering its ability to transfer heat between the pipe and the soil.

If you have a geothermal heating system, it may be equipped with a soaker line that will saturate the soil around the loop field with water. This process should be started now before the ground loop starts to freeze up in December. The added water will greatly increase the heat transfer ability of the geothermal heat pump system.

4 Take steps to prevent a dryer fire.

Every year, clothes dryers cause thousands of major residential fires in the U.S. People are often surprised to learn of the primary culprit: Lint. Dryer venting can become clogged with lint, causing a dangerous buildup of heat and an instant fire that spreads fast.

Clean out your dryer's lint screen after every load. Pay attention to drying time. If it's taking longer for clothes to dry, it's likely that lint is clogging the venting system. You should clean it out as soon as possible. Waiting to do this will threaten safety. In fact, a venting system should be cleaned out from inside of the dryer to the outside vent cap at least once per year.

5 Seal up your house.

Reducing the amount of air that leaks in and out of your home is a cost-effective way to cut heating and cooling costs, improve durability, increase comfort and create a healthier indoor environment. Caulking and weather stripping are two simple and effective air-sealing techniques that offer quick returns on investment, often one year or less. Caulk is generally used for cracks and openings between stationary house components such as around door and window frames, and weather stripping is used to seal components that move, such as doors and operable windows.

Air leakage occurs when outside air enters and conditioned air leaves your house uncontrollably through cracks and openings. It is unwise to rely on air leakage for ventilation. During cold or windy weather, too much air may enter the house. When it's warmer and less windy, not enough air may enter, which can result in poor indoor air quality. Air leakage also contributes to moisture problems that can affect occupants' health and the structure's durability. An added benefit is that sealing cracks and openings reduces drafts and cold spots, improving comfort.