

MANAGER'S MESSAGE // PAT CARRUTH

General Manager



Annual Meeting

Please join us on Saturday, March 25th at the Prairie's Edge Casino for your

Annual Owners' Meeting. We will begin serving brunch at 8:30 a.m. and get the business meeting underway at 10:00 a.m. We will have director elections in Districts 5 and 7. The business meeting and drawings for the Basin Tour and door prizes should wrap up around 11:00 a.m. The Annual Meeting is a great place where you can come and visit with your board, employees and about your business. It is a good place to get more information as to how your business is doing. We look forward to seeing you there!

Sending Out Capital Credit Checks

The board approved retiring \$1,867,262, which is 100% of capital credits for 2010 and 50% of 2011. We are planning on mailing them out near the Annual Meeting on March 25th. We will also be retiring out and paying out estates throughout the year. Your board remains committed to aggressively retiring capital credits. For distribution cooperatives in Minnesota, there are only two out of 43 that have retired a higher percentage of their total patronage capital than Minnesota

Valley. Nationwide, there are only 37 out of 700 that have done better.

In case you didn't know, when you signed up to receive electric power from Minnesota Valley you became a member – and owner – of an electric utility. Not just any electric utility, a cooperative electric utility. One of the things that differentiates a cooperative from any other form of business is how we handle any profits. Profits in the cooperative world are called margins and we book them as capital credits.

What Are Capital Credits?

Investor-owned utilities return a portion of any profits back to their investors, which are, for the most part, not their rate payers. However, electric cooperatives operate on a not-for-profit basis. Any profits or margins belong to the member-owners and all are returned to them over a period of time. As a cooperative, if we are in good financial condition, we issue capital credits (also called patronage capital or equity capital) based on how much you paid the cooperative for electricity during a specified time period. This year, if you bought power in 2010, you will be getting a check.

Notice of Annual Member Meeting Minnesota Valley Cooperative Light and Power Association

Notice is hereby given that the Annual Meeting of the members of Minnesota Valley Cooperative Light and Power Association will be held at *Prairie's Edge Casino* near Granite Falls, MN on *Saturday, March 25th, 2023*.

Registration and a breakfast buffet open at 8:30 a.m. at which time the following business will be transacted:

- 1) To hear, examine and approve the reports of the officers, directors and committees.
- 2) To elect two directors for said Cooperative for the ensuing term.
- 3) For the transaction of other business as may lawfully be brought before the membership of the Cooperative and as may be deemed to be in the best interest of the Cooperative.

Dated: January 26th, 2023

Mark Peterson, Secretary



Manager's Message (continued from page 1)

Where does the money come from that makes up capital credits?

Member-owned, not-for-profit electric utilities like Minnesota Valley set rates to generate enough money to pay operating costs, make payments on loans and pay for wholesale power. At the end of each year, we subtract expenses from the total amount of money collected during the year. The balance is called a "margin" or what are essentially capital credits. We use the cash from this margin for several years to operate the cooperative before returning it to you.

Are capital credits refunded every year?

Each year, the Minnesota Valley Board of Directors makes a decision on whether to refund capital credits based on the financial health of the cooperative. During some years the co-op may experience events such as severe storms, which may result in the need to spend additional funds to repair line. This type of event might cause the board to defer any capital credit refunds.

How does Minnesota Valley compute the retirement of capital credits?

Margins are calculated and allocated to members as "capital credits" based on their purchases from the cooperative – how much power the member used. Capital credits have always been retired on a first-in, first-out method. Checks for less than \$10 are not issued and the amount is run into the next year. We also discount and retire estates at 4% per year.

We hope to see you at the Annual Meeting on March 25th.



Find Your Location Number for a Bill Credit

There are two hidden account numbers in this newsletter. If you find your location number, you receive a \$10 bill credit. If neither number is claimed before the 25th of the month, **the unclaimed amount rolls over into the next month!**

If both location numbers are claimed in a month, the recipients will split the credit. Once claimed, it will start again at \$10. If you find your number, call 320.269.2163 or 800.247.5051.



Comparative Report

	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020
Kwh Purchased	234,152,301	210,804,040	151,050,158
Kwh Sold	221,988,233	197,304,399	140,929,994
Cost Of Purchased Power	\$10,980,248	\$9,939,459	\$3,975,007
Patronage Capital Margins	\$1,251,693	\$2,883,110	\$1,177,430
Reserve For Taxes	\$275,296	\$248,816	\$268,436
Cost Per Kwh Purchased (mills)	47.07	47.15	26.32
	December '22	December '21	December '20
Total Plant	\$92,311,089	\$86,273,368	\$34,910,603
Number of Active Services	5,316	5,336	5,225
Avg. Residential Bill	\$292.72	\$266.31	\$91.85
Avg. Residential Kwh Consumption	3,173	2,761	2,432
Avg. Kwh Usage All Consumers	4,339	3,993	2,602
Peak Kw Demand (Peak Load)	45,074	43,370	26,740

FIND YOUR NUMBER AND CLAIM BY THE 25TH OF FEBRUARY TO RECEIVE:

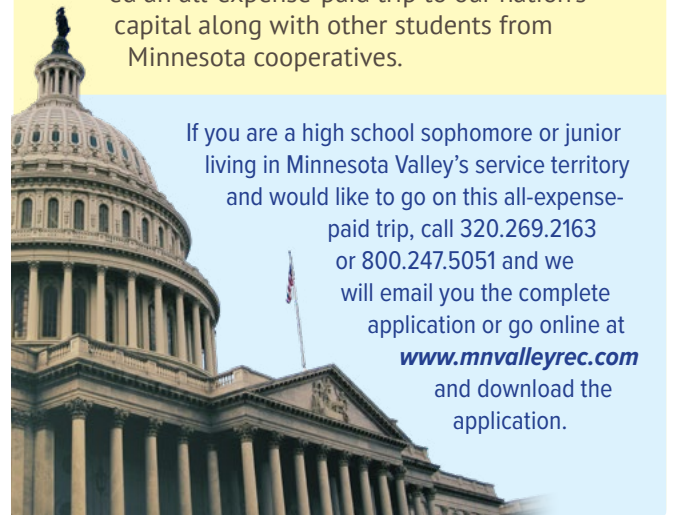


Electric Cooperative Youth Tour to Washington, D.C.

Minnesota Valley is again sponsoring a youth trip in 2023. The Electric Cooperative Youth Tour to Washington, D.C. is scheduled for **June 13th-18th, 2023**. The students will join other young people from across rural America given the opportunity to see American government in action, tour our nation's capital, visit historic places of interest and meet many new friends.

The program is open to all high school sophomores and juniors in Minnesota Valley's service area, whether or not their parents are members of the cooperative. To qualify, you will need to submit an essay and application form, which are available by calling Minnesota Valley.

All applications/essays must be completed and in our office by March 3rd, 2023. If you place first in the competition, you will be awarded an all-expense-paid trip to our nation's capital along with other students from Minnesota cooperatives.



If you are a high school sophomore or junior living in Minnesota Valley's service territory and would like to go on this all-expense-paid trip, call 320.269.2163 or 800.247.5051 and we will email you the complete application or go online at www.mnvalleyrec.com and download the application.



ENGINEERING & OPERATIONS // ERIC WOLLSCHLAGER



Manager of Operations

It's the middle of January and there is plenty of snow on the ground. Blizzard conditions over the Christmas weekend caused some problems for travelers over the holiday weekend. Minnesota Valley got through the white-out conditions with only a couple problems at individual locations.

This time of the year is also the snow blowing season. Please keep in mind the overhead power lines either along the road or in the yard. Snow blowing around the yard can sometimes lead to blowing snow into overhead wires causing an outage. K two zero six zero three Blowing snow into Minnesota Valley's overhead primary wires and transformer poles can not only be dangerous, but can also lead to line outages for everyone in the area.



Line crews have been staying busy with collecting photos and pole information for FEMA. Approximately 1,700 poles have to be photographed for the FEMA process. These photos include the leaning pole and the percent of lean that is measured by a digital level. This process has taken some time and is about completed. FEMA also sent out a team of site inspectors to assess damages from the May storms.

Karian Peterson continues work on the Minnesota Substation transmission line rebuild. They are in the process of stringing in conductors. They have a couple miles strung already with approximately 14 miles to go. This year's snowfall and drifts have slowed down progress but we continue to move forward with the project.



2023 ANNUAL MEETING // SATURDAY, MARCH 25TH, 2023

Our **2023 Annual Meeting** will take place at Prairie's Edge Casino in Granite Falls. Breakfast will be served at 8:30 a.m. with the **business meeting** starting at 10:00 a.m.

MARCH

25

2023 ANNUAL MEETING

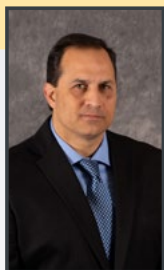
Cogeneration and Small Power Production Compliance Notification

In compliance with MN Adopted Rules Relating to Cogeneration and Small Power Production Chapter 7835 along with State Statute 216B.164, Minnesota Valley Cooperative Light and Power Association is required to interconnect with cogenerators and Small Power Producers which satisfy the conditions of a Qualifying Facility. The Cooperative will provide information relating to rates and interconnection requirements to all interested members free of charge upon request. An application of interconnection is required for a Qualifying Facility to interconnect and operate in parallel with the Cooperative's distribution system and is subject to approval

by the Cooperative. Any disputes between the Cooperative and its members over interconnections, sales and purchases are subject to resolution by mediation of an independent third party. The third party mediator must be listed on the roster of neutrals for civil matters established by the state court administrator under Rule 114.12 of Minnesota's General Rules of Practice for the District Courts.

Members interested in obtaining further information should contact *Scott Kubesh, Member Services Manager, Minnesota Valley Cooperative Light and Power Association*, at 320-269-2163/800-247-5051.





Member Services Manager

What is the Energy Assistance Program?

The Energy Assistance Program (EAP) helps people with lower incomes pay their heating/energy bills during the fall, winter and spring months. EAP agencies around the state take applications for the program and determine how much help each household can get to pay their heating bills.

Who can get help from the Energy Assistance Program?

EAP is available to many households with lower incomes, including homeowners and renters. Renters can get help unless they are subsidized with both heat and electric included in their rent. Your household's income has to be below 50% of the state median limit to get help.

How do I find out who my Energy Assistance Program agency is?

In Chippewa, Lac Qui Parle, Swift and Yellow Medicine Counties:

Prairie Five Community Action 1-800-292-5437

In Lincoln, Lyon, Redwood and Renville Counties:

United Community Action Partnership 1-800-992-1710

How much will the Energy Assistance Program pay?

It depends on how many people live in your household, their income, the type of fuel you use and how much fuel you use. Those families with the lowest incomes and the highest cost for energy will get the most help paying their bills. You will get between \$200 to \$1,400 of help. The average grant is \$500. Households whose energy services have been disconnected (or are in danger of being disconnected) may be eligible for additional help to get reconnected or prevent disconnection. Even if you received a grant earlier, you may be able to get more help.



Some homeowners may also be eligible for furnace repair/replacement if they meet eligibility requirements. Ask your local Energy Assistance agency for more information.

What is the Cold Weather Rule?

The Cold Weather Rule protects all Minnesotans from having their heat turned off during the winter (*from October 15th to April 15th*) even if they have not paid all of their bills. There is information about the Cold Weather Rule on the EAP application. If you fall behind paying your heating bills, you will get a letter in the mail from your energy company called a "Notice of Proposed Disconnection" telling you that your heat may be turned off soon. One way to make sure your heat is not turned off is to call your utility company and set up a budgeted payment plan. That way, you can plan to pay about the same amount each month of the year, instead of having very large bills during the winter.

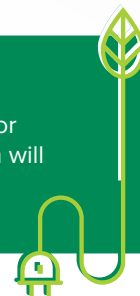
What will happen if my heat gets shut off?

If your heat gets shut off, it will cost more money (a reconnection fee) to have it turned back on. Your energy company may also require an additional deposit before they will turn on the heat. That is why it is important to fill out the Cold Weather Rule form or arrange a payment plan with your energy company. B four eleven zero one Then your heat cannot be turned off during the winter as long as you make the required payments.

Energy Efficiency Tip of the Month

Do you have a home office? Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life. Another way to save in the home office is to use energy efficient lamps for task lighting. Small lamps use less energy than whole-room lighting.

Source: energy.gov



Office Hours

8:00 a.m. - 4:30 p.m.
Monday through Friday

24-Hour Telephone Answering

320.269.2163
800.247.5051

Minnesota Valley Co-op News

Published monthly by:
Minnesota Valley Cooperative
Light and Power Association

Website

www.mnvalleyrec.com

Address

501 South 1st Street
P.O. Box 248
Montevideo, MN 56265

This institution is an equal opportunity provider and employer.

