



MANAGER'S MESSAGE // PAT CARRUTH

General Manager



Board Approves 2025 Work Plan and Budget Which Includes 9% Rate Increase

At the November meeting, the Board approved the Work Plan and Budget for the coming year. This budget includes a 9% overall average rate increase, which will take effect on January 1st. The biggest drivers for the increase are wholesale power cost and construction projects. Wholesale power makes up over 50% of our annual operating expenses. Much of the wholesale increase is due to compliance costs from the mandates of our present national energy policy. It is expected to be up 7% (or about an additional \$1 million in annual expenses). Construction projects, or system improvements, will be about \$16 million, which is double what we spent this year. We have an aggressive, almost \$40 million, 2025 to 2028 Construction Work Plan—most of which is rebuilding transmission line.

Additionally, the budget includes the annual maintenance activities that we need to do to keep your system operating at a high level of reliability. One of the bigger maintenance projects is tree cutting, trimming and

spraying to keep our lines clear when the load of the ice and wind comes. The right-of-way clearing budget alone for 2025 is \$955,000. We will also inspect and maintain the 652 oil/vacuum enclosures spread throughout our 3,270 miles of line and 17 substations. The enclosures are basically big circuit breakers that trip and reset when things such as lightning or an incidental line contact drop out the line. We will also inspect and maintain the supervisory controls for our transmission line switches, which allow us to switch line from the office when we have problems or need to work on different sections of line. We also maintain the 150 voltage regulators spread throughout the system, which are constantly adjusting to keep the proper voltage to your place. We plan to test and treat about 4,500 poles this next year to get more life out of them and change out the 90 or so poles the treating crews will reject. These projects and many other maintenance activities must be performed on our system each year to make sure we provide you with good voltage while keeping your lights on.

(Manager's Message continued on page 2)

Merry Christmas from all of us at Minnesota Valley Cooperative



Directors

- Darryl Bursack
- Don Fernholz
- Gary Groothuis
- Steve Norman
- Wayne Peltier
- Mark Peterson
- Tim Velde
- Matt Haugen, Attorney

- Tony Bednarek
- Brandon Bjelland
- Stacey Boike
- Todd Bolkema
- Mitch Christensen
- Tyler DeZeeuw

Employees

- Pat Carruth, General Manager
- Trevor Diggins
- Brody Kimberlin
- James Hughes
- Andy Johnson
- Collin Kor
- Scott Kubesh
- Eric Landmark
- Matt Leese
- Blake Lymburner
- Cole Mertens
- Scott Monson
- Jerrad Perkins
- Tracie Peterson
- Jill Rothschild
- Jill Sand
- Logan Schmidt
- Kent Smith
- Don Snell
- Darwin Strand
- Lacey Wintz

Manager's Message

(continued from page 1)

Ending 2024 in Good Financial and Operational Shape

As of this writing, we have closed the financials through October. We have a total margin year-to-date of just over \$1 million and total revenue of just under \$16.5 million. We had budgeted to have a total margin of \$275,000 through October. We are in good shape financially at this point in the year. We expect a lower than average November and December finish in crop drying and electric heat energy sales. We also expect a fairly large patronage allocation to book from our Basin Electric to round out the year in good overall financial shape.

Operationally, we are closing in on finishing all of the construction and maintenance projects planned for the year to keep your system operating properly. We are making timely progress on catching up on our right-of-way clearing for our power lines. We will finish out the northwest quadrant early next year and move to the southwest quadrant.

Anyway, we feel like we are in pretty good shape operationally and financially at this point for 2024.

From All of Us to You

The Board and employees of Minnesota Valley want to let you know that we appreciate your business this past year - Thank You! We also want you to know that we appreciate working for you and will continue to get you the reliable electric service you have rightfully come to expect.

We wish you a blessed and Merry Christmas and a Happy and Prosperous New Year!

Comparison of Current and New Rates

Current Rates 2024		New Rates Effective January 1 st , 2025	
Single Phase Service			
Availability Charge	\$25.00/month	Availability Charge	\$35.00/month
Energy Charge		Energy Charge	
First 700 kWh	\$0.1382/kWh	First 700 kWh	\$0.145/kWh
Over 700 kWh	\$0.1182/kWh	Over 700 kWh	\$0.125/kWh
Three Phase Service < 25 kW			
Availability Charge	\$55.00/month	Availability Charge	\$70.00/month
Energy Charge		Energy Charge	
First 700 kWh	\$0.1382/kWh	First 700 kWh	\$0.145/kWh
Over 700 kWh	\$0.1182/kWh	Over 700 kWh	\$0.125/kWh
Three Phase Service ≥ 25 kW			
Availability Charge	\$55.00/month	Availability Charge	\$70.00/month
Demand Charge	\$13.50/kW	Demand Charge	\$16.50/kW
Energy Charge		Energy Charge	
First 100 kWh/kW	\$0.0730/kWh	First 100 kWh/kW	\$0.0730/kWh
Over 100 kWh/kW	\$0.0530/kWh	Over 100 kWh/kW	\$0.0530/kWh
Seasonal Service			
Availability Charge	\$30.00/month	Availability Charge	\$40.00/month
Energy Charge		Energy Charge	
First 700 kWh	\$0.2121/kWh	First 700 kWh	\$0.2121/kWh
Over 700 kWh	\$0.1773/kWh	Over 700 kWh	\$0.1773/kWh
Irrigation Single Phase Service			
Availability Charge	\$48.00/month	Availability Charge	\$58.00/month
Energy Charge		Energy Charge	
First 700 kWh	\$0.1810/kWh	First 700 kWh	\$0.1941/kWh
Over 700 kWh	\$0.1510/kWh	Over 700 kWh	\$0.1641/kWh
Irrigation Three Phase Service			
Availability Charge	\$55.00/month	Availability Charge	\$65.00/month
Demand Charge	\$13.50/kW	Demand Charge	\$16.50/kW
Energy Charge		Energy Charge	
First 100 kWh/kW	\$0.1175/kWh	First 100 kWh/kW	\$0.1175/kWh
Over 100 kWh/kW	\$0.0875/kWh	Over 100 kWh/kW	\$0.0875/kWh
Dual Heat			
Energy Charge		Energy Charge	
October - April	\$0.0440/kWh	October - April	\$0.046/kWh
May - September	\$0.0910/kWh	May - September	\$0.125/kWh
Electric Heat			
Energy Charge		Energy Charge	
October - April	\$0.0480/kWh	October - April	\$0.05/kWh
May - September	\$0.0950/kWh	May - September	\$0.125/kWh

Comparative Report

	Jan-Oct 2024	Jan-Oct 2023	Jan-Oct 2004
Kwh Purchased	186,366,419	188,222,218	123,053,426
Kwh Sold	176,852,556	177,902,900	113,808,835
Cost Of Purchased Power	\$9,782,356	\$9,638,622	\$3,389,287
Patronage Capital Margins	\$1,466,459	\$1,758,919	\$291,086
Reserve For Taxes	\$213,693	\$240,000	\$151,068
Cost Per Kwh Purchased (mills)	52.62	52.85	27.54
	October '24	October '23	October '04
Total Plant	\$103,976,566	\$98,370,270	\$37,609,541
Number of Active Services	5,320	5,308	5,222
Avg. Residential Bill	\$306.44	\$323.15	\$153.41
Avg. Residential Kwh Consumption	2,333	2,508	2,246
Avg. Kwh Usage All Consumers	3,717	3,840	2,818
Peak Kw Demand (Peak Load)	39,380	40,454	37,723



ENGINEERING & OPERATIONS // TODD BOLKEMA

Engineering & Operations Manager



Much like all our farmers, we are taking advantage of the time we have before the frost sets into the ground. While you are plowing in new drainage tile, we are plowing in underground cable near the Gluek Substation on

County Road 13. More noticeable changes at the Gluek Substation include the installation of the new 69kV switch poles on the east and west sides of the substation. The **laminated pole shown** is set 12 feet deep and inside a 6 foot diameter culvert filled with rock. This provides the strong foundation to keep this pole straight and true for decades to come. H two twenty-three zero four By the time you read this, we will have installed a similar pole at the Asbury Substation on County Road 5, which will mark the completion of our 69kV line rebuild from Asbury to Gluek.

During the winter season, we perform line patrol looking for potential problems that may lead to future outages.

This year we are patrolling the east areas around our Gluek, Asbury and Chapman Substations as well as west and south around the Lisbon and Riverside Substations. Patrolling all the lines fed from four or five substations each winter keeps us on a four year cycle to inspect the entire system. We also depend on our members to notify us of any problems they see on the lines. Several times this fall, we have received calls about poles or guy wires impacted by harvesting equipment and were able to make repairs without a power interruption – much appreciated!



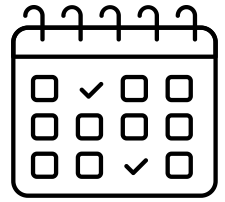
Find Your Location Number

If you find your location number in this newsletter, you will receive a bill credit that starts at \$10 (*Operation Round Up participants get an additional \$10 bonus*). If no 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, we will start again at \$10. If you find your number, call 320.269.2163 or 800.247.5051.

No one found their number last month, so we are rolling that amount over to this month! If you find your number, claim by the 25th of December to be eligible for:



Important Dates



Minnesota Valley Cooperative will be closed the following dates for **Christmas and New Year's Day:**

Tuesday, December 24th
Wednesday, December 25th
Wednesday, January 1st

2025 Caucus Meetings

Tuesday, February 4th, 2025

District 2: Gary Groothuis
10:30 AM • REC Headquarters

District 4: Steve Norman
1:30 PM • REC Headquarters

Thursday, February 6th, 2025

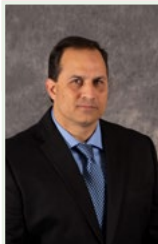
District 6: Tim Velde
10 AM • Wood Lake Community Center

2025 Annual Meeting

Saturday, April 5th, 2025

Prairie's Edge Casino – Granite Falls





MEMBER SERVICES // SCOTT KUBESH

Member Services Manager

How To Avoid Or Investigate A High Winter Bill

No matter how conservative you are, there's a good chance that you'll use more electricity during the upcoming winter months. Many factors will have an effect on your electricity usage during the colder months of winter. A better understanding of your energy consumption may help you to track your usage on the electric bills you will receive this winter. One or more of the following things are possibly going to contribute to increased energy consumption this winter. There may also be other hidden "energy hogs" that you may not be aware of.

- ◆ Central heating systems are used more during the colder months of winter
- ◆ Space heaters can be used more to keep certain areas warmer
- ◆ Heat tapes and heaters may be used to keep water pipes from freezing
- ◆ Shorter days mean more lights are on longer
- ◆ Exterior lighting is used more often
- ◆ Clothes dryers are used in place of line dried clothes
- ◆ Additional cooking and baking is usually done
- ◆ Christmas lighting is used throughout December
- ◆ We stay in the house for more hours using electronics and appliances more often.
- ◆ Livestock and pet water tank heaters are used to keep waterers from freezing
- ◆ Vehicle engine heaters are used more to get equipment started

Three easy steps can help you understand a higher bill and avoid high bills down the road:

- 1) **Compare your usage** – view your KWh consumption, not just the cost, to see if it has increased
- 2) **Find opportunities to save** – if your consumption is higher, look for ways to reduce it
- 3) **Monitor you usage** – with the use of energy monitors you can track what certain appliances are using for electric energy

It's important to remember that higher bills can be due to a number of different reasons – and our Member Services Department is here to help you better understand your energy usage. Please call our office at 320.269.2163 or 800.247.5051 if you have questions with your electric consumption.

The Member Services Department wishes you all a very Merry Christmas and Happy New Year!



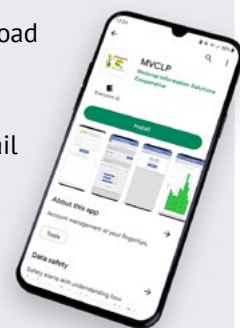
Bill Print Vs USPS

At Minnesota Valley REC, we strive for quick and accurate billing. Back in 2018, we took on a new computer system and with that a mailing service to streamline the billing statement mailing process. Our bill file goes to our mailing service around the 8th of the month and they print, stuff and ship all our statements, usually the next morning after we process the bill.

The weakest link, recently, has been the United States Post Office. Our mailing service was notified by USPS that mail can take 7-10 days before reaching its destination during the holidays and 5-7 days the rest of the year. That is not great news.

We have some other options for you to get your bill statement on time.

- 1) Sign up for online access at www.mnvalleyrec.com or download the app (*instructions below*).
 - a) This will give you access to print your statement and mail in a check or pay online. You can still have the option to get a paper copy. In addition, SmartHub will send you a "bill available" email when it's ready.



- 2) Sign up for automatic payments. Take the worry out of buying a 73 cent stamp and being late by signing up for autopay. The file pulls on the 25th of each month, if that's a weekend or holiday, it will be the following business day without penalty. We can take checking account information over the phone but we suggest logging into your online account to setup a credit/debit card. E three fourteen zero three A The cards expire and SmartHub will send you a reminder email to update your info when necessary.

If you have any questions finding your account number or registering, please don't hesitate to call us at 320.269.2163.

How to Get the App

- 1) Download the app from the Apple App Store or the Google Play Store by searching for "MN VALLEY REC" or "MVCLP" (*not case sensitive*). If duplicates appear, our partner, National Information Solutions Cooperative, provides the correct app.
- 2) Select the *New User* link.
- 3) Enter your account information and choose *Register*.
- 4) A temporary password will be sent to the email address you provide. When you receive the email, click the login link and use the temporary password.
- 5) Change your password and choose *Continue* to access the MVCLP app.