

Happy Thanksgiving!

LakeCountryPower

A Touchstone Energy® Cooperative

Energy that Powers Our Lives

November 2021

Newsline

BOARD MEETINGS November 30 ■ December 16

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On Time, Under Budget

It's a Matter of Co-op Principles (part II)

For me, this is a time of year for reflection and being grateful for my family, our co-op family and our local communities. I know I speak for all Lake Country Power employees when I say that we are thankful to live in such an incredible place. We are fortunate to live in the same place where we work, which makes our ties to these communities that much stronger.

You may recall my column last month touched on the first three Cooperative Principles, so this month, I'd like to tell you about the remaining four principles. The Cooperative Principles are essential to the co-op business model and benefit all members of the co-op.

Autonomy and Independence

The fourth principal, Autonomy and Independence, means that the co-op operates in an autonomous way that is solely directed and guided by its members, reflecting the values and needs of our local community. This means the co-op is not being influenced by leaders or shareholders several states away. Instead, the co-op is led by the local members it serves.



By Mark BAKK
General Manager

Education and Training

The fifth principle, Education and Training, focuses on enhancing the knowledge of co-op employees and board members, which enables them to

contribute to the development of the co-op.

By investing in continuous learning for our employees and board members, our co-op is making a commitment not just to individual professional and personal growth, but to the future of the co-op and the high quality of service our members expect and deserve.

We also strive to inform our members and the public about the mission and operations of the co-op. In fact, that's why you receive this newsletter every month, so we can share the latest co-op news and updates, as well as energy efficiency and safety tips, etc.

Cooperation Among Cooperatives

Cooperation among cooperatives is the sixth principle and fosters the way that co-ops work together to address bigger challenges. While this principle applies to all types of cooperatives, it is especially relevant in the energy industry. In our case, we put this principle in action after major storms and disasters that cause widespread power outages. When this happens, we call on nearby co-ops to come to our aid and assist with restoration efforts—and we of course extend the same help to them when they need us. I can't think of a better example of cooperation among cooperatives.

In addition, because we are part of the national electric co-op network, we can connect and collaborate with other



electric co-ops to tackle industry-related challenges, like cybersecurity and an everchanging energy landscape.

Concern for Community

The seventh principle, Concern for Community, is essential to who we are as cooperatives. We serve our community not only by being an essential service, but by helping to power our local economy. Whether through economic development, volunteerism or donations to local causes, we invest in this community because it's our home too.

I think you'll find that cooperatives bring good people together to make good things happen in the community. We hope you feel that way about us, your local electric co-op.

On behalf of everyone at Lake Country Power, we're thankful for your membership, and we hope you have a wonderful Thanksgiving. ■

Holiday Observed

All LCP offices will be closed November 25 – 26 for Thanksgiving. If you experience a power outage, use SmartHub to report the outage. Register for SmartHub at lakecountrypower.coop. Or call 800-421-9959, press #1.

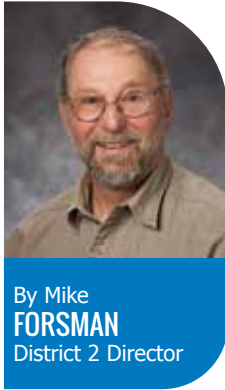
Jasper Company highlights innovation, value through Revolving Loan

The innovative spirit of the Northwoods and the cooperative value of using innovation to improve its business is on full display at Jasper Company as it presses forward with new technology, creative solutions, efficiency and better methods. Lake Country Power encourages innovation among its members, and Jasper Company's current work is a perfect example.

Jasper Company recently received a \$100,000 Revolving Loan from Lake Country Power, which the cooperative administers from previous economic development grants received through the U.S. Department of Agriculture. The USDA is a federal agency that provides loans to not-for-profit rural electric cooperatives like LCP, in an effort to boost economic development in rural America.

Jasper Company is 16 miles northeast of Ely in District 2

of LCP's service territory. With the loan, the family resort and outfitting business of Don Beans, his wife Joan Kjorsvig-Beans and daughter Cindy Smyka are building a 3,800-square-foot guest house on property at the edge of the Boundary Waters Canoe Area Wilderness.



By Mike FORSMAN
District 2 Director

Touring the construction site, the innovation value is evident. Jasper is utilizing cross-linked polyethylene (PEX) tubing in its water system in a way that allows for easier isolation for maintenance without impacting the entire home through individualized on/off valves. It also installed new water pump technology that holds pressure to ensure quality water flow no matter the activity in the house.

Jasper deployed a forced air heating system that uses less duct work throughout the home in the form of a diffusion air flow method that pushes air downward from the ceiling.



▶ Lake Country Power recently awarded a \$100,000 Revolving Loan to Jasper Company to help fund the addition of a new guest home at the resort. Pictured (from left): Cindy Smyka of Jasper Company; Todd Johnson, LCP Manager of Energy Services and Business Development; Tracy Peterson Wirtanen, LCP Chief Financial Officer; Mike Forsman, LCP District 2 Director; Greg Schulzetenberg, LCP Manager of Community Relations & Marketing; and Don Beans of Jasper Company.

Furthermore, the application of high performance spray foam insulation will result in major energy savings.

The amount of forethought and planning put into the construction process by Don, Joan and Cindy have allowed them to find these creative solutions and efficiencies to not only save on their own energy costs, but add a new destination location to the thriving tourism industry located

within District 2, on Jasper Lake near the BWCAW.

In addition, Jasper is building the home using local lumber from Don, Joan and Cindy's land, further meeting the goals of the co-op to help local communities prosper through thriving local business. ■

Michael Forsman was elected by members in Lake Country Power District 2. He can be reached at 218-365-5789 or mforsman@lcp.coop.

Energy Awards presented to Representative Igo and Senator Bakk



Representative Igo was awarded the 2021 Energy Champion Award from the same organizations as Bakk at LCP's Cohasset service center. Pictured left to right: Tracy Peterson Wirtanen, Derek Howe, Paul Undeland (Minnesota Power), Rep. Igo, and Kelsey Johnson.



Senator Bakk was awarded the 2021 Lifetime Achievement Energy Award at LCP's Mountain Iron service center. He received the award from the Lignite Energy Council and Coalition for a Secure Energy Future for his work towards ensuring Minnesotans have access to reliable, affordable, and resilient energy. Pictured left to right: Derek Howe, P.E., LCP chief operating officer; Tracy Peterson Wirtanen, LCP chief financial officer; Larry Anderson, LCP District 9 Director; Steve Raukar, LCP District 3 Director; Sen. Tom Bakk; Mark Bakk, LCP general manager; and Kelsey Johnson, executive director of the Iron Mining Association of Minnesota.

People Powering You

This is a regular series of employee spotlights where you'll get to know the people behind your power.

Years served: Employed 3 years

Brief overview of my job: The biggest part of my job is removing hazard trees to help provide safe and reliable power to our members.

Why I enjoy working at LCP: One of the things I enjoy most about working at LCP is the area I get to work in. I get to travel the whole service territory.

Community Involvement: I most recently volunteered at the "Take a Vet Fishing" event on Lake Vermilion.

Hobbies: My favorite hobby is trapping. I started trapping a couple years ago. It has challenged me and taught me much more about nature and animals than anything else ever has. My favorite animal to trap is beaver.

One random fact of interest about yourself: I am a triplet.

Before I worked for the co-op? I worked for a line clearance contractor for another co-op in the north metro for 4.5 years before moving to the Iron Range. During the last two years of employment with them, I was a foreman on a bucket crew frequently tasked with training new employees.

Education/training/background: I have an associate's degree in law enforcement. I completed the training at my last employer for bucket operator, tree climber, and specialized equipment operator. Recently I have been studying for the exam for the International Society of Arboriculture certification.



Sean O'Neil

Tree Crew, 3 years

Wherever energy is needed, the grid is there

Whenever you flip a switch, plug in your phone or open your refrigerator, you're relying on the grid to bring you reliable electricity. Cooperatives like Lake Country Power put a lot of time and effort into providing electricity when you need it.

At the most basic level, the electric grid is a set of interconnected wires connecting places where energy is produced to where it is used. Over time, the grid has become smarter, more dynamic and more interconnected with advancements in technology along with additional wind and solar energy resources.

Great River Energy, wholesale electric provider to Lake Country Power, uses the grid to move electrons and information to ensure reliable electric service. This fast transmission of energy and information makes for a quick response time.

But how does the grid work?

Electricity from power plants and wind farms travels along high voltage transmission lines to the places where it can be "stepped down" and used. Specialized transformers reduce the electric energy down to a lower voltage making it suitable for high-volume delivery over short distances.



Power lines belonging to Lake Country Power carry electricity to smaller transformers that reduce power to levels appropriate for use at schools, farms, small businesses and homes.

For homeowners and businesses that have installed solar panels, wind turbines or other generators, the grid is always there to supply energy when the sun isn't shining or the wind isn't blowing.

Lake Country Power works with Great River Energy to ensure a resilient grid able to meet growing demand and address the complexities of integrating renewable resources. ■



Scholarship process opens January 1

Save the date! January 1, 2022, is important for high school seniors because that's when Lake Country Power's online application process opens for the Les Beach Scholarship. The application deadline is January 31, 2022.

To complete the electronic application and submit electronic letters of recommendation, go to www.lakecountrypower.coop > My Cooperative > Community > Scholarships.

Scholarship recipients may qualify for up to \$4,000 over four years to help pay for college or technical education. Scholarships are renewable for up to eight semesters, and students must maintain a grade point average of 2.5 or higher. They must have a full-time enrollment status at a technical school, community college or university. Qualifying students must also have parents or legal guardians who are members of Lake Country Power.

RECIPE CORNER CINNAMON SUGAR PUMPKIN MUFFINS

From the Kitchen of:
Becky Pingatore,
Mountain Iron



- 2 ¾ cups all-purpose flour
 - 1 tsp salt
 - 1 tsp cinnamon
 - 1 tsp baking soda
 - 2 cups sugar
 - 2/3 cup brown sugar
 - 3 eggs
 - 1 15 oz. can pumpkin
 - ¾ cup coconut oil
 - ¼ cup milk
 - 1 tsp vanilla
- Topping**
- 2/3 cup sugar
 - 2/3 cup nuts
 - 1 tsp cinnamon
 - Sprinkle on muffins before baking

Preheat oven to 350.
Line two muffin pans with muffin liners. Combine flour, salt, cinnamon, baking soda.
In a large bowl, combine sugars, eggs, pumpkin, coconut oil, milk and vanilla.
Fold dry mixture with wet mixture until just combined.
Bake for 25-30 minutes

Submit your favorite recipe to Lake Country Power, Attn. Editor, 8535 Park Ridge Drive, Mountain Iron, MN 55768, or e-mail jburnes@lcp.coop. If your entry is printed in Newsline, you'll receive a \$5 credit on your electric bill. Entries must include name, address and phone number on account.

smart hub Tip

Q: Need to report an outage, — or have other issues or questions?

A: Using your SmartHub account makes reaching us easier than ever. Under 'Contact Us' click the option 'Report an Issue/Inquiry.' You'll then have the option of picking 'Power Outage' or 'Other issues/General Inquiry.'

Make your holiday merry and bright.

LED holiday lighting is 50% off!

The holiday season is one of the most energy-intensive times of the year, but that doesn't mean you should keep your twinkling, strobing and glittering decorations packed away. Instead, use up to 90% less electricity by switching from incandescent to durable, longer-lasting LED holiday lighting. And now, we're making it easy to make the switch with a 50% discount. Offer ends Tuesday, December 28, 2021.

Give yourself the gift of energy savings at energywisemnstore.com/holidaylights.

Take advantage of this 50% discount while you can!

ENERGY WISE MN

Line projects coming in on time, under budget for 2021

Lake Country Power's engineering and operations projects are heading toward finishing on time and under budget for 2021, with new services increasing 15% from 2020, despite regulatory and staffing challenges.

The cooperative focused on overhead line work this year and has 15 miles remaining for completion of the planned 75.4 miles as of mid-October — at a cost that trended 14.6% under budget, said Chief Operating Officer Derek Howe.

Construction crews completed the 57.4 miles of line work at a cost of \$4.47 million, with a goal of \$33,000 per mile for labor, but have come in at more than \$650,000 under budget.

“They're actually doing it for \$26,000 a mile,” Howe said. “They're definitely doing a good job.”

One of the biggest challenges LCP faced this year was a 67% turnover rate among linestakers, accounting for retirements and staff moving on to new positions in the cooperative.

Linestakers have a complicated job in the field, Howe noted, and involve knowing the available construction units, making sure poles can handle the load, managing clearance requirements and varying heights of the poles depending on the terrain, among other factors in the field.

“We've been fortunate to have them picking it up in a year,” Howe said. “It's a two-year process, typically. They've been stepping up. They had to.”

Installing underground lines has also been a challenge for LCP this year due to turnover at the Rural Utility Service (RUS) lending arm of the United States Department of Agriculture. The cooperative borrows through RUS to obtain the best available interest rate — currently around 2%, Howe said — while other lending sources could



▶ 3 miles of aged line and pole replacements near Saginaw in 2021.

charge an additional 2-3% percent interest.

With RUS loans, however, comes rules and regulations to run lines underground, and approvals have been slowed by turnover at RUS in Washington D.C. To date, Howe said, LCP has 6.5 miles of line remaining of the planned 6.9 miles due to those delays, but anticipates finishing the work as planned.

“With weather, we're running up against the end,” Howe said. “We try to wrap it up in October. We're going to try this year to go into November.”

New services are 15% higher than usual this year, due in large part to a number of RV connections that Howe attributes to Enbridge Line 3 construction and more people working remotely in the cooperative's service territory, a widely seen trend during the COVID-19 pandemic that has stayed around. ■



Request your 2022 Co-op Calendar

The 2022 co-op calendars are ready... and beautiful! Supplies are limited to a first-come, first-serve basis and two per membership. Request your free 2022 co-op calendar online at www.lakecountrypower.coop or call 800-421-9959.

August 31, 2021 • Regular Monthly Meeting

THE FOLLOWING REPORTS WERE GIVEN:

President Olson shared several letters from members with the board. He also commented about the Minnesota Rural Electric Association Energy Issues Summit.

General Manager Bakk reported that Great River Energy is seeking regulatory approval for the sale of Coal Creek Station and the HVDC line. He also reported about GRE's July energy and demand, power cost adjustment charges, terms of a GRE board resolution, and GRE's proposed changes to demand side management rates. He gave an update on the Northland Connect operations where the three owners have agreed to continue operations through 2022. An acceptable resolution has been reached with the City of Mountain Iron to the ongoing territory dispute.

THE FOLLOWING ACTIONS WERE TAKEN:

Approved that Mark Bakk, LCP's CoBank voting delegate, cast LCP's vote supporting Mac

McLennan to the CoBank board.

Approved a resolution to update the signatories/authorizers of all Members Cooperative Credit Union bank accounts associated with Lake Country Power.

Approved the Revolving Loan Fund documents as presented, which were also reviewed by legal counsel and approved by the United States Department of Agriculture.

Approved the 2022 construction contracts to Lake States Construction and Integrity Contracting Inc. ■

Editor's Note: These board minutes have been condensed. A full copy of the board minutes can be read at www.lakecountrypower.coop under "My Cooperative." You'll need to sign up for access if you haven't already. Or call 800-421-9959 for a printed copy.



► This picture earned a spot in the co-op calendar for Edee Conner of Isle who captured the personality of this couple in a series of photos near Makinen.

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Directors are members of the cooperative and are elected to act in the best interests of the co-op with the same care that an ordinarily prudent person in a like position would exercise under similar circumstances.

Directors set policy, approve strategy and are charged with fiduciary responsibility of the cooperative. Directors do not oversee day-to-day LCP operations. Administration of maintenance, electric service and operations are the responsibility of employees and staff.

Members with questions or concerns about service, billing, outages or other service-related matters should call 1-800-421-9959.

Newsline

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ENERGY EFFICIENCY TIP OF THE MONTH

Fall is the perfect time to prep your home for the upcoming winter chill. One of the best ways you can save energy and stay comfortable is to caulk and weatherstrip areas that typically need sealing. Start by sealing around windows and doors. Seal plumbing, ducting, and areas where electrical wiring comes through walls, floors and ceilings for additional energy savings.

Source: energy.gov

Comparative Operating Statement

Year-To-Date — August 2021

	2021	2020
Electric Operating Revenue	\$ 63,149,229	\$ 61,478,168
Cost of Purchased Power	35,260,403	31,337,316
Distribution Expense - Operations & Maintenance	9,108,276	9,664,870
Consumer Accounts Expense & Informational	2,028,870	2,600,613
Administrative and General Expense	4,078,030	4,291,772
Depreciation, Interest Expense and Other Deductions	11,021,913	10,709,181
TOTAL ELECTRIC OPERATING EXPENSES	61,497,492	58,603,752
Net Electric Operating Margins	1,651,737	2,874,416
Non-Operating Margins	962,218	731,600
Total Margins before Subsidiaries	2,613,955	3,606,016
Net Income (Loss) from Subsidiaries	1,300,863	177,782
TOTAL MARGINS	\$ 3,914,818	\$ 3,783,798
TOTAL KWH SOLD (YEAR-TO-DATE)	406,469,992	397,118,106

Editor's Note: These financials are condensed. A complete set of financials can be viewed at www.lakecountrypower.coop under "My Cooperative." You'll need to sign up for access if you haven't already. Or call 800-421-9959 for a copy.