



JANUARY 2026

Bore Crew Keeps Projects Moving and Costs Down

Lake Country Power's three-person bore crew drilled into action this fall and expects to expand on its work this spring.

Before the team was hired, underground directional boring beneath roads, driveways and ditches was performed by contractors. The cooperative now has the ability to bore new electrical lines in these areas in an efficient manner, save money and gain more control of the schedule.

"We're covering the whole service territory with a crew based out of our Cohasset service center. So detailed scheduling is important to our efficiency," said Ryan Patton, a senior engineer at LCP overseeing the bore crew.

The in-house crew expects to save the cooperative more than \$8 per foot compared to contractor rates – savings that benefit all our members.

Training has been a key part of building the program, Patton added. The crew has been learning not just the technology, equipment and safety procedures, but also how to work together as a tight-knit team where clear communication is essential.

HERE'S HOW IT WORKS:

Before drilling begins, the location of other underground utilities are marked and verified. A transmitter mounted in the drill head allows a

spotter to track the exact location and depth of the drill in real time. The spotter stays in communication with the drill operator, guiding them on which direction to turn and how deep to drill to safely avoid existing utilities while meeting code requirements.

"It can be challenging because the drill reacts differently depending on soil type," Patton explained. "And you never know where you'll hit rocks. The drill operator and the spotter need to be communicating really well on every job."

Since the full crew was hired in September, they have completed about 8,000 feet of boring for new services. The target goal is about 32,000 feet in 2026.



A Growing Momentum for Nuclear Energy

In 2023, the state of Minnesota passed legislation that all electricity used in the state would come from 100% carbon free resources by 2040. As the state takes strides toward meeting this ambitious carbon-free goal, we are seeing a growing enthusiasm for nuclear energy, both within our borders and nationwide. The Minnesota Rural Electric Association helped form the Minnesota Nuclear Energy Alliance (MNEA) because we see the promise of nuclear energy in helping to meet our state goals.

Did you know that of all the carbon free energy produced in Minnesota last year, nuclear energy made up about 40% of it. Fossil fuels still make up about 50% of all electric generation. As we replace these resources we must include generation that we can count on in any weather and at all times of the day — whose production is not at the whims of nature. Nuclear is the only generation fuel that is carbon free and can provide that continuous power that other carbon free sources lack.

For me, this topic represents a long-overdue opportunity. In the 30 years since Minnesota enacted its nuclear moratorium, the landscape has changed dramatically. Advanced nuclear technologies now deliver greater efficiency and safety than ever before. Meanwhile, renewables such as wind and solar have scaled impressively — but still face physical limitations in providing consistent, firm power.

Today, Minnesota faces an urgent decision. States surrounding us — Wisconsin, Illinois and North Dakota — are actively positioning themselves for nuclear development. Without removing structural barriers, Minnesota runs the risk of missing the boat, relegating ourselves to purchasing nuclear-generated electricity from neighboring states when we could build and benefit from clean energy solutions right here at home.

Lifting the moratorium does not mean a plant will be built tomorrow. The process will still go through our regular certificate of need process at the Public Utilities Commission. Lifting the moratorium clears the way for research, innovation and comprehensive planning. As Minnesotans, we pride ourselves on leading — not following — on issues that matter. By embracing nuclear energy alongside other technological advancements, we hold the power to create an energy system that meets our growing demands and lights the way for future generations.



Sincerely,
Darrick Moe,
President and CEO,
Minnesota Rural Electric Association

Board Meeting Highlights: September 30, 2025

REGULAR MONTHLY MEETING

The Following Reports Were Given:

President Olson reported that he attended the National Rural Electric Cooperative Association (NRECA) Region 5 and 6 meeting in Madison, Wisconsin. He also referred several member calls to General Manager Bakk.

General Manager Bakk reported on the Great River Energy (GRE) board and committee meetings held in September. Bakk participated in a Federal Emergency Management Agency (FEMA) presentation during the NRECA Region 5 and 6 meetings.

The Following Actions Were Taken:

Approved \$7,500 for Lake Country Power to be the title sponsor of the Better In Our Back Yard winter dinner.

Approved \$3,000 donations to each the United Way of Northeastern Minnesota, United Way of 1,000 Lakes and United Way of Carlton and Pine County Area, totaling \$9,000.

Approved the 2026-2029 Construction Work Plan that outlines planned upgrades and expansions of LCP's distribution system, including four new substations, 328 miles of line improvements and modernization efforts.

Editor's Note: These board minutes have been condensed. To view a complete copy, visit www.lakecountrypower.coop under "My Cooperative." A SmartHub account is required. To request a printed copy, call (800) 421-9959.

UPCOMING BOARD MEETINGS: JANUARY 27 | FEBRUARY 24 (9:30 am at the Cohasset Service Center, Members Welcome)

2026 District Meeting Schedule

Members are invited to join Lake Country Power and your elected directors at the 2026 district meetings in the coming months. All meetings start at 5:00 p.m. with a light supper, followed by staff updates and time for member questions. If you cannot make your district meeting, you are welcome to attend another date. Please RSVP according to the letter of invitation you will receive in the mail before your district meeting.

District 1: Jason Long

Date: Thursday, March 5

Location: North Woods School (cafeteria)

Address: 10248 Olson Rd, Cook

District 2: Mike Forsman

Date: Thursday, March 26

Location: St. Anthony Catholic Church

Address: 231 E. Camp St., Ely

District 3: Steve Raukar

Date: Monday, February 16

Location: Red Rock Hotel & Suites, Ballroom

Address: 1402 E. Howard St., Hibbing

District 4: Jeff Sheldon

Date: Monday, March 23

Location: Cohasset Community Center

Address: 305 1st Ave. NW, Cohasset

District 5: Bob Bruckbauer

Date: Wednesday, February 25

Location: Northland High School

Address: 316 Main St. E., Remer

District 6: Dan Kingsley

Date: Monday, February 23

Location: Blackberry Town Hall

Address: 25349 Dove Lane, Grand Rapids

District 7: Craig Olson

Date: Wednesday, February 11

Location: South Ridge School (cafeteria)

Address: 8162 Swan Lake Road, Culver

District 8: Brian Napstad

Date: Tuesday, February 24

Location: Cromwell-Wright School

Address: 5624 Highway 210, Cromwell

District 9: Larry Anderson

Date: Tuesday, March 24

Location: Hope Lutheran Church

Address: 204 Elm Ave., Moose Lake

Energy Prices, Distribution Costs Drive Rate Change in 2026

Rate Adjustments Begin January 1

A rate change for Lake Country Power members was approved by the board of directors at the December 18, 2025, regular board meeting. Some changes and adjustments will go into effect on January 1, 2026, while most will happen in March.

The changes on January 1 will affect members who participate in demand side management (DSM) programs, also known as load management or Energy Wise® programs. These new energy rates are a direct pass-through for the rising costs associated with energy generation and transmission. Lake Country Power's wholesale power costs from Great River Energy will increase by about 3% on average, with some of the DSM program rates receiving larger increases.

Effective March 1, 2026, there will be a \$2/month increase to the Service Availability Charge (SAC) to residential and small business members. The new charge will change the SAC from \$48/month to \$50/month and is necessary to contend with escalating distribution costs including materials, maintenance, and vegetation management.

"We find ourselves in a prolonged period of rising costs that is impacting every aspect of our business, with the possible exception of fuel costs," says LCP General Manager Mark Bakk.

Also, effective March 1, there will be an adjustment to kilowatt-hour (kWh) charges for all rate classes, excluding special rates and those previously mentioned. Overall, this rate adjustment will equate to an approximate 4% increase for residential and commercial members.

The approved general service rate is an increase of .61 cents per kWh to residential and small commercial rates. For the average co-op member consuming 1,000 kWh per month, this will result in a monthly bill increase of just over \$8 (\$6 for energy use, \$2 for SAC) and will vary with the amount of energy used.

Additionally, Lake Country Power plans to utilize deferred revenue to help mitigate the impact of these rising costs for members.

"Lake Country Power strives to exceed our member-owners' expectations. We continue to do what we can to balance persistent cost increases throughout our operations while providing the safe, reliable, and affordable electric services that our members deserve," said Tracy Peterson Wirtanen, LCP chief financial officer.

For a full list of all affected rate classifications and adjustments go to www.lakecountrypower.coop for details.



2026 YOUTH TOUR APPLICATION DEADLINE!

Applications for the 2026 Youth Tour are due February 3! Youth Tour dates are June 15-19, 2026. Students applying for the tour must be a high school sophomore or junior during the 2025-2026 school year period.

APPLY ONLINE AT:

www.lakecountrypower.coop/youth-tour.

Cold Weather Rule in Effect Until April 30

The Cold Weather Rule, Section 216B.097 of the Minnesota State Statutes, provides that from October 1 through April 30 an electric cooperative cannot disconnect a residential customer for nonpayment of service, if the disconnect affects the primary heat source and all of the **following conditions are met**:

1. The customer declares an inability to pay and completes the Inability to Pay form; and
2. Household income of the customer is at or below 50 percent of the state median income. Income may be verified on forms provided by LCP or by the local energy assistance provider with whom the customer has applied for energy assistance; and
3. The customer enters into and makes reasonably and timely payments under a mutually agreeable payment plan, that considers the financial resources of the household; and
4. A customer receives from LCP referrals to energy assistance, weatherization, conservation, or other programs likely to reduce the customer's energy bills.

The law does allow for LCP to disconnect when it is necessary from October 1 to April 30, so please act promptly. LCP works with members during the Cold Weather Rule period, just as we do throughout the year. We don't want to interrupt service to any member, but in a cooperative, all members suffer when any bill remains unpaid. If bills remain unpaid, this amount must be absorbed by members who faithfully pay their bill each month. LCP would rather work with members to establish and maintain adequate payment schedules of their past due bill. A statement explaining the payment plan to secure continued service, a Payment Arrangement letter, will be provided.

Before disconnecting service to a residential customer from October 1 to April 30, the cooperative must provide the following information:

- notice of proposed disconnection (disconnection notice); and
- statement explaining customer's rights and responsibilities (Inability to Pay form); and
- list of energy assistance providers (Inability to Pay form); and
- forms available for customer to request cold weather disconnect protection (Inability to Pay form).

If you receive a disconnection notice this winter, you must act promptly. If you do not meet all the conditions of the Cold Weather Rule, mutually acceptable payment arrangements can be set up to prevent interruption of an electric service. Please contact Lake Country Power at 800-421-9959 if you have any questions about the Cold Weather Rule.

Local Energy Assistance Providers

- **AEOA:**
800-662-5711
- **AEOA Virginia:**
218-735-6839
- **AEOA Duluth:**
218-623-3011
- **Aitkin County Social Services:**
800-328-3744
- **Bi County CAP:**
800-332-7161
- **Bois Forte Tribal:**
800-221-8129
- **Carlton County Social Services:**
800-642-9082
- **Cass County Social Services:**
218-547-1340
- **Fond Du Lac Tribal:**
800-365-1613
- **Itasca County Social Services:**
800-422-0312
- **Kootasca:**
877-687-1163
- **Lake County Social Services:**
218-834-8400
- **Lakes & Pines:**
800-832-6082
- **Leech Lake Tribal:**
866-864-8668
- **Mille Lacs Band Tribal:**
320-532-7880
- **Pine County Social Services:**
800-450-7263
- **Salvation Army Office (Heat Share Programs):**
800-842-7279
- **St. Louis County Social Services:**
800-450-9777

ENERGY EFFICIENCY

Winter weather can cause your home heating system to work overtime. Check for air leaks and drafts around doors and windows, then seal them with weatherstripping or caulk. Close fireplace dampers when not in use, and consider installing insulating curtains to help keep warm air inside. You can also save energy by lowering your thermostat a few degrees. Even small adjustments like these can reduce heating costs and improve comfort during the winter.

NON DISCRIMINATION STATEMENT

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LCP Leads the Way in Revitalizing Tamarack SchoolHouse

In the small city of Tamarack, community revitalization has taken on new meaning through the Tamarack Learning Center project.

A partnership driven by vision and collaboration has turned the historic 1914 schoolhouse into a new fully-licensed childcare center. The community landmark is now serving one of the community’s biggest needs.

Lake Country Power supported the project through a \$105,000 income-eligible rebate to update the early 20th century building codes. Funding supported an advanced inverter-driven heat pump system, off-peak electric water heating, LED lighting, weatherization measures, and modern controls. All of which reduced

future operating costs but also ensured the project aligned with Minnesota’s low-income energy conservation goals.

The old two-room school operated until 1976 and recently served as a community center, but fell into disrepair beyond the outdated systems. Everything — from structural elements to windows, insulation, plumbing, and siding — needed to be rebuilt.

Now it serves the rural area of Aitkin County with space for 49 children ages 6-12 with three full-time employees, addressing a prominent childcare shortfall in Minnesota, especially in Greater Minnesota.

Lake Country Power’s initial support was followed by other partners. Aitkin County awarded a \$60,000 Child Care Acceleration Grant to the project, which originated from a Department of Employment and Economic Development (DEED) grant to the county. The Northland Foundation followed with another \$50,000, and local organizations from the Tamarack Sno-Flyers to the Tamarack Activities Club added donations of their own. Talon Metals continued championing the effort, by connecting partners and contributing employee tuition support.

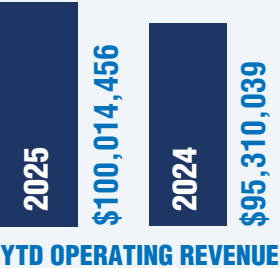
Jim and Niki Elvidge, owners of the Tamarack Learning Center, in the project’s \$416,000 total costs, along with support from the Arrowhead Regional Development Commission.

For Lake Country Power, the project stands as a testament to what cooperatives do best: leveraging their tools, relationships, and mission-driven values to strengthen the communities they serve.

In Tamarack, the cooperative principle of Concern for Community isn’t just a slogan — it’s now a living, thriving place where families can learn, grow, and build their future.

By The Numbers | October 2025

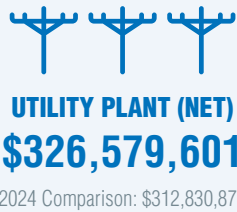
Lake Country Power is committed to responsibly managing resources to maintain the Cooperative’s financial stability. Below is a snapshot of the year-to-date unaudited financial report. A complete set of financial statements can be viewed at www.lakecountrypower.coop under “My Cooperative.”



	2025	2024
Cost of Purchased Power	\$49,171,430	\$45,890,844
Other Operating Expenses	\$43,625,160	\$40,204,484
Total Cost of Electric Service	\$92,796,590	\$86,095,328



	2025	2024
Operating Margins	\$7,217,865	\$9,214,711
Non-Operating Margins	\$1,545,437	\$2,156,879



Co-op Contacts

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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 services, billing, outages or other service-related matters should call 1-800-421-9959.

Newsline

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Protecting Yourself from Frostbite and Hypothermia

When the temperature drops, so does your body's ability to stay safe. Outdoor workers — and those who enjoy outdoor sports like hunting, fishing or hiking — face added risks and must take extra steps to guard against frostbite and hypothermia.

Follow these tips and have a plan to stay safe when working outdoors:

- **Watch the weather.** Monitor the temperature and wind chill. Take frequent breaks indoors to help prevent cold stress.
- **Stay warm and dry.** Dress in loose, warm layers. Wear a moisture-wicking base, an insulating mid-layer, and a protective outer layer (flame-resistant/arc-rated if required for your work). Use warm socks and waterproof boots. Remove any wet clothing as quickly as possible.
- **Protect your head and face.** Use a hat, hood, or hard-hat liner. When required for your job, choose FR/AR-rated liners or balaclavas. Avoid bulky hats or loose scarves.
- **Keep your hands safe.** Wear insulated gloves or mittens to guard against frostbite.
- **Fuel your body.** Drink warm fluids, stay hydrated and eat high-energy foods.
- **Know the warning signs.** Watch for frostbite (numbness, skin color changes) and hypothermia (shivering, confusion, slurred speech).
- **Be prepared on the road.** Keep a winter emergency kit in your vehicle with blankets, traction aids, and extra PPE.

A Call For More Recipes

Send us your favorite recipes to be featured in Newsline and receive a \$5 bill credit! Recipes can be emailed to jburnes@lcp.coop or mailed to 8535 Park Ridge Dr., Mountain Iron, MN, 55768.

Scholarship Deadline Approaching

High School Seniors:

The Les Beach Memorial Scholarship is your opportunity to earn a \$4,000 scholarship from Lake Country Power! Apply online at www.lakecountrypower.coop by 11:59 p.m., January 31!