

Wright-Hennepin Cooperative Electric Association's

Hotline Update

April 2015

Wright-Hennepin's 78th Annual Meeting recaps a solid business year in 2014

The halls of Wright-Hennepin's (WH) Rockford headquarters teemed with more than 2,200 members and guests, who were informed of strong performance in 2014, and what their cooperative is doing to prepare for a new era of energy at its 78th Annual Meeting on Thursday, March 26.



Members re-elected incumbent directors Burton Horsch, Howard Lake, District 3 (left); Erick Heinz, Corcoran, District 9 (middle); and Timothy Young, Annandale, District 1 (right). Members re-elected incumbent directors Timothy Young, Annandale, Minn., District 1; Burton Horsch, Howard Lake, Minn., District 3; and Erick Heinz, Corcoran, Minn., District 9. During the meeting, Board Chair Chris Lantto informed members that he was stepping down after 15 years at the position. Following the meeting, WH's Board of Directors elected former Vice Chair Erick Heinz as Board Chair.

"Shortly before this meeting, I informed your directors of my desire to step down as board chair to help pave the way for a new era of leadership at Wright-Hennepin," Lantto told a packed assembly. "While I intend to fulfill the time remaining in my term as WH Director ... I ask you to provide the new chairperson the same level of support and encouragement you gave me. Serving as your board chair has been a proud moment in my life. Thank you."

Heinz has been a WH member for 28 years and has served on the board of directors for 15 years. In addition, he has been a self-employed farmer for 33



After the announcement that Board Chair Chris Lantto (left) was stepping down after 15 years of service, WH Vice Chair Erick Heinz presented Lantto a plaque with a gavel and a certificate of leadership on behalf of the board.

years and has worked as a Mycogen seed corn sales representative, and provides snow plowing and commercial truck hauling services.

Continued on Page 7

Inside

- 2 A message from the CEO
- 3 Track your energy usage
- 4 Why solar energy?
- 5 Win a LED flashlight
- **6** Ease your mind on vacation
- 7 Spring energy-saving tips
- 8 Help clean up Lake Maria State Park

Stay cool and save money this summer with Cool Cash

The only thing cooler than air conditioning on a hot day is saving 15 percent on your total monthly-electric use by allowing Wright-Hennepin (WH) to cycle your air conditioner on and off with our Cool Cash air conditioning program.

Through the Cool Cash program, members' central air conditioners are cycled on and off at 15-minute intervals during times of high energy demand, which are usually the hottest times of the summer.

Since the intervals are so short, members have been astonished at how much they can save without sacrificing their comfort. Plus, it helps WH save on energy costs, which benefits all members.

Even if your air conditioner is only cycled on and off one day out of the month, you're

guaranteed to save 15 percent all summer. It's easy and free, as once you sign up, we will come to your house and install a radio receiver near your air conditioner at no extra cost. You don't even need to be

To sign up, or for more information, contact a representative at (763) 477-3000. Or, visit http://goo.gl/iVP4Bb.





A New Era For Energy

Editor's note: The theme for WH's 2015 Annual Meeting was "A New Era For Energy." CEO Mark Vogt defined that theme in a speech delivered March 26, 2015. Below is the full text of that presentation.

want to share with the audience that we are so privileged to have Bob Engel (CEO, CoBank, one of WH's prime lenders) with us tonight. I embellish-not when I say that he is a titan – one of the real thought leaders of the electric utility industry in the US, and we seek his insights often as WH prepares for this New Era for Energy. Please join me one more time in thanking Bob for flying in from Denver and being with us tonight.

The New Era For Energy, of which we speak, refers to the transition that must take place in how we will generate power for WH's members in the future. It shouldn't be a surprise that we would power the 21st Century differently than the 20th Century.

After all there are:

- New technologiesNew or improved fuel
- sources
- Certainly many new government regulations and mandates
- But most important, there are changing expectations among electric consumers.

So the stakes are high because power supply choices can be one of the most pricey and risky decisions we make if we don't go about it with just the right timing and with mature and critical judgment.

As these decisions get closer, we have sought YOUR insights to help set a foundation for boardroom discussion. I'd like to wrap up our annual meeting conversation with you tonight by sharing two of the more salient findings from a brand new survey of WH members, which will help influence decisions we need to begin making this year.

The first finding of note in this new survey came from the

answer to the question, "how should WH power your homes and businesses in the future?"

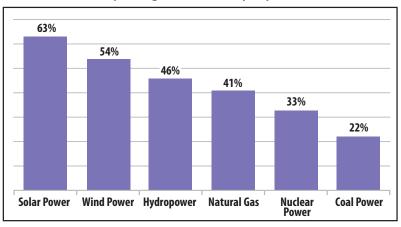
The survey offered six energy sources that you see listed (at the bottom of the graph below) and WH's members were asked to rank the importance of each (energy source) on a scale of 1 to 10, with 1 being "not very important at all" and 10 being "very important."

To simplify the graphical presentation, I'm going to focus just on the nines and tens – the "very important" responses scored by WH's members (see graph below).

WH 2015 MEMBER SURVEY

In your opinion, how important is each of the following as energy sources for the future?

(% responsing 9 and 10 - "very important")



These survey results are important and timely for your Board, because, I am asking them for a decision ... that has to be made by June ... that would enable WH to replace about six MW of our presently contracted coal generation with solar power. To give you an idea of the scale of this, six MW of solar panels would cover 30 acres, which we would intend to build on non-tillable or otherwise not productive land.

If negotiations continue favorably – as they have so far – a locally built, utility scale solar plant will be producing power one year from tonight and would be exclusively available to WH's membership for 20 years.

That's an easy, low-risk way to begin meeting your preferences in this New Era for Energy.

A more difficult question is the role going forward of our existing fleet of fossil fuel power plants. This is a trickier calculation because:

- They all have useful life left
- You have long-term financial commitments on these plants.
- They operate very efficiently –
 helping to keep our costs low in
 fact they are one of the prime
 reasons Chair Lantto was able to
 report tonight about WH's favorable
 competitive position.
- We've been socially responsible by making hundreds of millions of dollars in environmental upgrades over the year ... with results.

But there is debate occurring right now in Washington and across the land, which would add significant new regulatory cost on carbon dioxide emissions from the nation's fossil fuel power plants.

The risk with this aggressive new regulatory proposal is that they could make fossil fuel plants immediately too expensive to operate, forcing premature closure and loss of your investment. Plus, it would require significant

duplicate investment to build new resources to cover the loss of the fossil fuel resources. The final decision on these new regulations is currently scheduled to be made later this year.

So in our survey, it was important for us to know where WH's members stood on this issue. We asked: "How strongly do you support new regulations that limit carbon dioxide emissions?" Using the same scale noted earlier, 31 percent of you – almost one-third of WH's membership – provided a 9 or a 10 response. In other words, you strongly support these regulations.

We then tested your support when we added how it might affect your electric bills if these new regulations added just \$10 a month to WH electric bills. Strong support dropped by more than half to 15 percent.

Continued on Page 8

Board Report January Board Meeting Highlights:

The regular monthly meeting of Wright-Hennepin Cooperative Electric Association's Board of Directors was held January 13, 2015. A quorum of directors was present. Board action taken:

- Approved allocating all 2014 surplus margins to the membership for future capital credit retirements.
- Approved scheduled loan draw, as identified in the Long Range Financial Forecast and the 2015 Work Plan and Budget.
- Approved Minnesota Rural Electric Association's 2015 membership dues.
- Approved notice of 2015 Annual Meeting for Thursday, March 26, 2015 beginning at 7 p.m. at the cooperative's headquarters in Rockford.
- · Approved retiring trencher from fleet and bid to outside parties.

Continued on Page 7

WH's Board of Directors

Erick Heinz, board chair	District 9
Timothy Young, vice chair	.District1
Dale Jans, secretary-treasurer	District 4
Butch Lindenfelser	District 2
Burton Horsch	District 3
Chris Lantto	District 5
Thomas Mach	District 6
Kenneth Hiebel	District 7
Donald Lucas	District 8

The Board of Directors meets monthly at the cooperative's office in Rockford. Regular meetings are generally scheduled the second Tuesday of each month for 2015. Members with items of interest are encouraged to contact the president and CEO to confirm meeting date and time.

WH & WH Holding Management Team

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'Small guy in a big man's world'

Chris Lantto loves a challenge, which is why he was WH's Board Chair for 15 years, and has been a business owner for nearly four decades

Being Board Chair of Wright-Hennepin (WH) for 15 years for Chris Lantto has been eerily similar to owning and operating Lantto's Store - a gas station in the small town of French Lake, Minn., that's been his second home since 1976.

"You're a small guy in a big man's world," Lantto noted of the gas station trade from behind the counter of his business. "Nothing stays constant. The market has changed dramatically,"

But the 66-year-old husband and father of nine children is accustomed to challenges. That's why he captained WH's board of directors for nearly two decades - starting back in 2000 - before stepping down at the 2015 annual meeting.

"Running a business is like working in the electric industry," Lantto said. "Sometimes you get flat sales, no growth, and you have to make changes it's challenging. That's why I've stayed on the board. It's the same principle: don't put your feet in cement, because it's going to change."

The biggest adjustments that will have to be addressed in the electric industry, Lantto said, stem from power suppliers and renewable energies. Writings on the wall that, fortunately, WH's directors and CEO have seen for some time now.

"We're very fortunate to have such great foresight with Mark Vogt (President & CEO)," said Lantto. "We've seen the future for a while now and we're trying to shape the cooperative for that. We're



Former Board Chair Chris Lantto behind the counter of his business, 'Lantto's Store,' in French Lake; a place that has taught him a lot about leading WH's board of directors.

not just sitting around talking about the good old days."

And while he was the chair of the board, Lantto said he never felt alone in the decision making process, thanks to his fellow board members.

"(Being on the board) has always been a progressive, well oriented team effort," he stated. Later reiterating, "It wasn't just me. You provide leadership, but it's a team effort. "

Lantto admitted that it's hard to give up control, but said it's "time for somebody else to take the torch," as he plans to focus more on himself and his family.

Picking up where he left off is former Vice Chair Erick Heinz, who Lantto feels is a good fit for the position.

"I hope he is extended the same

support that the board, members and management have given me," said Lantto.

Under Lantto's rein as board chair, WH saw many forms of growth. Most notably, membership grew by 49 percent, while annual revenue increased by an astounding 183 percent, and company assets rose by 144 percent.

A humble business owner, selfproclaimed little guy in a big man's world and lover of challenges, Lantto simply smiled and shrugged at the thought of these achievements and said:

"I would rather receive a complaint than an accolade."

Editor's note: Next issue will feature an article about new WH Board Chair Erick Heinz.

Wright-Hennepin members donate more than \$63,000 to help local organizations

Wright-Hennepin (WH) members who participate in Operation Round Up (ORU) donated grants totaling \$63,449 in February 2015.

ORU participants allow their electric bills to be rounded up to the nearest dollar. The rounded amount is then used for donations to fund local programs. More than 80 percent of WH's members participate in the ORU program. ORU's trust board manages the generated money, which is held in a trust fund. Through a selection process and review of guidelines, the board evaluates funding requests on a bimonthly basis.

- \$2,000, Alzheimer Association MN-ND, funds to support Alzheimer Association programs
- \$1,500, Autism Allies, funds for a resource fair
- \$1,000, Boy Scout Troop #547, funds to support troop camping needs
- \$10,000, CROSS, funds to support programs provided by CROSS
- \$200, Delano High School Grad Party, funds to support an all-night safe party
- \$20,400, Food Shelf Donation, funds to replenish food supplies during MN

- Food Share Month in March
- \$3,000, Let's Go Fishing, funds for removable chairs, a ramp and life jackets
- \$1,400, Maple Lake Senior Connections, funds for Meals on Wheels drivers and a volunteer celebration
- \$800, Monticello Community String Orchestra, funds to help lower costs to individuals
- \$5,749, Options for Women, funds to support a women's center
- 5,000, Pay It Forward Funds, funds For those interested in applying for funds, the next application deadline is June 1, 2015. To receive an application, visit WH's

- for breast cancer victims to help pay for utilities, housing, medical expenses, transportation, phone costs and food
- \$10,000 Salvation Army Heatshare, funds to support a fuel fund for the local electric service area
- \$200, STMA All Night Grad Party, funds to support an all-night safe party
- \$2,000, TreeHouse, funds to support the cost of one van for three months of the year
- \$200, Watertown Mayer Post Prom Party, funds to support an all-night safe party

Source: Brainerd Dispatch

Industry News

Xcel says two-year rate hike in Minnesota will be 6.1 percent

Xcel said Monday (March 30) that it expects to raise its Minnesota electric rates by 6.1 percent, or \$168 million, under a two-year rate hike approved last week by state regulators. Although the increase is far short of what the Minneapolis-based utility originally requested, the company reaffirmed its profit projections for the year. Xcel's 1.2 million electric customers of Minnesota will need to wait a few weeks to know how much their bills are going up. That's because regulators last week ordered another study of how the increase should be spread among residential and business customers based on the cost of serving them.

In its rate decision, the state Public Utilities Commission rejected Xcel's request to increase the basic charge that customers pay regardless of how much power they use. Consumer groups had argued that increasing the charge, which will remain \$8 per month, would penalize those who conserve energy. "That is a big deal," added Phillips, who praised the PUC for its thorough process. "It was over a year of auditing — and they listened to the public," he said. The \$168 million increase approved last Thursday is 42 percent less than Xcel's original two-year rate hike, and 24 percent less than a scaled-back revised request the company submitted in February. Xcel's original request called for a 6.9 percent increase in 2014 and 3.5 percent in 2015.

Source: Star Tribune

Cheaper energy, or cleaner energy? Legislators torn

The Minnesota Legislature is pushing energy policy in two different directions this year. Some legislators are trying to make energy cheaper, while others want to make it cleaner. There's no consensus about what Minnesota's energy problems are, let alone how to solve them. Republicans and some DFL lawmakers in the House say electricity has become too expensive. They point to environmental regulations that could make prices go up even more and hurt Minnesota's industries.

Meanwhile, Gov. Mark Dayton and DFL energy leaders in the Senate say the way we make electricity is too dirty. They say fossil fuels pose risks to both the climate and Minnesotans' pocketbooks. The DFL-controlled Senate has been looking at bills that would boost efficiency and renewable energy. Sen. John Marty of Roseville, chair of the Senate Environment and Energy Committee, is pushing Dayton's proposal to increase the state's renewable energy standard. That would force large utilities to produce 40 percent of their electricity through renewable sources by 2030. Marty said the legislation could help the state exceed the emission reduction targets set by the federal government. The Minnesota Department of Commerce says the costs of increasing renewable energy to 40 percent would be modest and wouldn't hurt reliability. But Republicans in the House don't agree that the cuts would be modest. For them, the cost of electricity is paramount.

Why solar energy?

Free solar energy informational meeting set for April 30

Panels that harness the sun's energy are a great way to supplement some of your energy needs, especially when you're part of a color correct in the sun's energy are a great way to supplement some of your energy needs, especially when you're part of a solar community like the two that WH Solar houses at Wright-Hennepin's (WH) Rockford headquarters. With a third community solar array scheduled for spring of 2015, now is the time to get all the details on solar communities so you can get on top of this renewable energy wave.

Solar communities allow customers to choose the number of panels that are right for them, with the ability to add more later. If you want to start with just one panel to supplement some of your energy needs and then add more as you go, you can. This makes for an easy and cost-effective introduction into renewable energy. Plus, installation, maintenance and labor are out of the picture, because WH Solar takes care of all this for you.

We understand you probably have more questions regarding solar communities, so we will be holding a solar informational meeting on Thursday, April 30, at 6 p.m. The meeting will be held at WH's headquarters off Highway 55 behind the Rockford Mall in Rockford. Refreshments will be served, so come enjoy a snack and let us answer any questions you may have regarding community solar.



Money-saving cooling options

f you're looking for solutions on how to cool your home this summer, Wright-Hennepin (WH) suggests a variety of electric and geothermal cooling solutions. Geothermal systems harness the earth's natural energy to deliver heating and cooling throughout your living space, making them environmentally friendly and cost effective.

Air Source Heat Pumps: Air source heat pumps

provide heating and cooling in one efficient and economical system that looks like a central air conditioning unit. In the summer, air source heat pumps work the same as standard central air conditioning units, cooling your home by moving heat outside. The time when heat pumps really help save on a home's energy bill is during the cooler months, because the same technology is used to bring heat into the home by reversing the heat-pump process. Heat pumps are very efficient at heating the home any time the outdoor temperature is 20 degrees Fahrenheit or above. In addition, members who utilize WH's Off-Peak program receive additional savings with a discounted rate for all the energy that the air source heat pump uses.

Ground Source Heat Pumps: A ground source heat pump is the highest efficiency heating and cooling system available because it uses a renewable energy source: the earth. This system is three times more efficient than the highest efficiency gas furnace and consists of a

> network of durable plastic coils buried in the ground that absorb the earth's heat energy. which is then transferred into the home. At the

A heat pump, which is connected to the coils, extracts that energy and converts it into heat, flip of a switch, the process can be reversed to cool in the summer. Ground source heat pumps are long-lasting, low-maintenance systems designed to meet 100 percent of a home's heating and cooling needs.

For more information about electric heating and cooling options as well as air source heat pump rebates, call a representative at (763) 477-3000.



Air source heat pump

Introducing LED light bulbs from WH

LEDs are an excellent choice for lighting your home. Thanks to their long life, you do not need to replace them very often. They are 84% more efficient than comparable 60W incandescent bulbs.

To help with the up-front cost, WH is now offering \$0-down LED light bulbs. Choose to pay for the LED bulbs in full, or finance them over three years, letting them pay for themselves with their energy savings. In both cases, the charges will appear on your electric bill.

OPTIONS PAY UP FRONT, OR FINANCE FOR 36 MONTHS

Call (763) 477-3000 or visit www.whe.org for details.



April 13 was
National Lineman Appreciation Day, and we thought it would be a good idea to let Wright-Hennepin (WH) members know what a day in the life of a lineman entails. Divulging those details is WH's lead lineman on the underground construction crew, Keith Burandt.



Keith Burandt WH Electric Lineman

Keith's responsibilities are to build, repair and maintain power lines for WH.

Q: What does an average day in the life of a lineman consist of?

A: Normal working hours are 7:30 a.m. to 4 p.m., Monday through Friday. We start the day with a morning tailgate, where our foreman goes over what we're going to do for the day. He details service orders and maps, then we load the trucks up. We'll check with everybody and make sure they get what they're supposed to get as far as supplies, then we basically go out to the job site and start working. We get back to the shop sometime around 4 p.m. and clean the trucks before going home.

Q: What type of work are you doing on the majority of your work days?

A: It could be overhead line or underground line construction. A lot of what I do involves underground cable replacement and fault repair, but if a storm comes in we put that all aside and work on getting the lights back on for members.

Q: Why did you become a lineman?

A: I was going to school for electrical engineering in Mankato, and I realized I didn't want to sit behind a desk all day. Now I get to drive big trucks and equipment, and I feel it's a respectable trade. People I meet who don't know what a lineman is, when I explain it to them, they usually say, "that's pretty cool, thanks for keeping my lights on." There are a lot of high points to working in this field.

Q: What is your favorite part about the job?

A: Variety. There's a lot of variety. When storms come in, you don't know what you're getting into, and sometimes you really have to piece the puzzle together. Especially when you're working underground, there's a lot that comes into play and the problem can be hard to find. You really have to figure out where to dig in the right spot, and how to find the right line.



tenKsolar Winner

John M. Lyrek of Cokato wins a credit for 113 kWh, Jannuary's output from WH's tenKsolar panel array.

Jenna Diem of Maple Grove wins a credit for 194 kWh, February's output from WH's tenKsolar panel array.

Lucas Keranen of Long Lake wins a credit for 249 kWh, March's output from WH's tenKsolar panel array.



Solar Winner

Robert J. Kwakenat of Buffalo wins a credit for 155 kWh, January's output from WH's solar panels. Alma B. Oberpriller of South Haven wins a credit for 230 kWh, February's output from WH's solar panels. Kevin Martin of Monticello wins a credit for 280 kWh, March's output from WH's solar panels.



Wind Winner

Syrene M. Bastien of Annandale wins a credit for 844 kWh, January's output from WH's wind generator.

Lance Lindstrom of Monticello wins a credit for 930 kWh, February's output from WH's wind generator.

Douglas Kempenich of Maple Lake wins a credit for 1,157 kWh, March's output from WH's wind generator.

Average monthly energy output over 12 months:

Wind generator: 823 kWh Solar panels: 221 kWh tenKsolar system: 188 kWh

To enter the monthly contest to win the output from WH's wind generator or solar panels, go to: http://goo.gl/QjyTM.

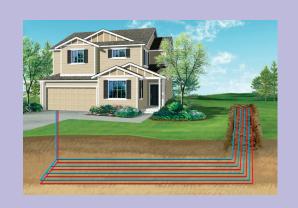
Summer Off-Peak Schedule

Wright-Hennepin (WH) would like to remind members enrolled in Off-Peak programs that the switch to summer load management will begin on April 29. The summer period runs May through September.

For more information on how you can save by joining Off-Peak programs, call a representative at (763) 477-3000 or visit http://goo.gl/YwYxZ.

Open house on geothermal heating

Want to know about an energy-efficient way to heat and cool your home that will also lower your energy bill? Stop by our Rockford headquarters on Tuesday, May 19, for an open house on geothermal heating. The event runs from 4:30 p.m. to 7 p.m. Refreshments will be offered, and a presentation by a Minnesota Geothermal Heat Pump Association representative will start at 6 p.m. No RSVP is required, just show up and learn about the benefits of ground source heat pumps.



Win a LED Flashlight!



The fi	st 100 people who sign up for outage notifications will be entered to win
Name	Last Name
Address/City/State/	Zip
MAIL YOUR EN Wright-Henne PO Box 330 Rockford, MN 5	up for outage notifications
Skip the n	ail and sign up online! http://goo.gl/MU94dx

Once you have signed up for outage notifications, in the event of a power outage you will receive:

- Notification of the affected area(s)
- Estimated time of restoration
- Notification when power is fully restored
- An explanation of the outage

Stay safe: Call Before You Dig

Before you call 811, have the following information ready to provide to the operator:

- County, city or township
- Digging location (street address and nearest cross street)
- Type and extent of work that will be done
- Digging start date and time





Intrusion sensors from WH Security can ease your mind while on vacation

Minnesota's 10,000 lakes will soon be swarming with families enjoying all our great state has to offer. But before you ditch your home for the camper, tent or cabin this summer, secure your house and set your mind at ease with intrusion sensors from WH Security.

Warm weather brings everybody outside because we're tired of the snow and cold experienced over the past few months. Unfortunately, this includes burglars and thieves too.

Window, door and glass-break sensors will trigger your activated alarm while you're away on vacation. If you want the ultimate in home protection, motion sensors that can detect movement inside your house are also available. When any of these sensors are triggered, they notify the monitoring center, which then notifies the proper authorities, and you.

And if you want to check in on your home while you're away to make sure everything is fine, WH Security offers the option of installing cameras that you can access from a mobile device with interactive services that also allow you to remotely arm the system, lock and unlock doors, adjust the thermostat and control lights.

Also, be sure to check out this blog that features some great tips on how to keep your home protected while you're on vacation: http://goo.gl/VQKy59.

Adding a bit of extra security can go a long way, especially when you're a long way from home. So contact WH Security at (763) 477-3664 or visit www.wh-security.com.







Office hours switch May 26 to 7:30 a.m. to 4 p.m.

Call center remains 7:30 a.m. to 6 p.m.

Trees need trimming?

WH Services can help with all of your landscaping needs:

- Aerial bucket truck work
- Tree and stump removal
- Tree and shrub pruning / shaping
- Emerald ash borer treatment
- Storm damage clearing
- Lot clearing



90 day, no-interest financing available

Call today!

(763) 477-3000 WHSERVICES

www.whe.org

A subsidiary of Wright-Hennepin Cooperative Electric Association

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Office Hours:

8 a.m. to 4:30 p.m. Monday - Friday

Customer Call Center Hours:

7:30 a.m. to 6 p.m. Monday - Friday **Call:** (763) 477-3000 or (800) 943-2667

Report an Outage:

Electric dispatchers are available 24/7 **Call:** (763) 477-3100 or (888) 399-1845

WH Security Monitoring:

Security dispatchers are available 24/7 **Call:** (763) 477-4275 or (800) 858-7811



Spring energy-saving tips

Spring is the perfect time of year to ensure your home is energy efficient. At Wright-Hennepin, we encourage members to consider making some changes around the house to conserve energy during the warmer months, and would like to offer some tips to help you save energy and money:

- To get ready for summer, clean or replace filters in your air conditioner, and inspect the unit closely for debris or damage. Don't forget to schedule regular maintenance for your cooling equipment.
- Ensure windows and doors are air tight by adding caulk or weather stripping to seal leaks.
- When possible, grill outside or use your microwave for meals in order to avoid unnecessary heat in your home.
- Use power strips to shut off electronics when they aren't in use.
- Consider hanging clothes outside to dry when possible.
- Ceiling fans cool people, not rooms. Turn them off when you leave a room.
- Dust light bulbs and lamp shades so they provide more light.
- Clean under and in back of your refrigerator. Dust can build up in those areas, causing the refrigerator to run less efficiently.

For more ways to save energy, visit WH's Energy Saving Programs blog at http://goo.gl/QFUPiU or visit TogetherWeSave.com.



Consider replacing old light bulbs with high-efficiency LED or CFL lighting when doing your spring cleaning this year.

WH's Annual Meeting continued from cover

WHE Board Executive Committee

- Chair: Erick Heinz, Corcoran
- Vice Chair: Timothy Young, Annandale
- Secretary/Treasurer: Dale Jans, Buffalo

WH Holding Board Executive Committee

- Chair: Thomas Mach, Maple Grove
- Vice Chair: Timothy Young, Annandale
- Secretary/Treasurer: Duane "Butch" Lindenfelser, Monticello

Lantto also informed members of five categories that were favorable to WH's members in 2014, including rate competitiveness, profit sharing, reliability performance, high customer satisfaction ratings and members' overall enthusiasm and support of the community solar project the company has put forth.

WH's chief financial officer Angie Pribyl reported to members on the financial state of the cooperative, which was reviewed by an independent auditor, and informed them that WH continues to be financially strong and a competitive leader.

"Your business thrived in 2014 by maintaining its very strong balance sheet and an excellent operating condition," Pribyl said. "These strong financials were complimented by competitive rates."

Wright-Hennepin Holding Company Chair Tom Mach reported that since 2008, WH Holding diversified businesses have provided more than \$11 million in rate relief.

Keynote speaker Bob Engel, CEO at

CoBank, told members of industry trends and happenings around the globe that will affect them.

"The new era of energy is not the only new era you and your cooperative will need to deal with – as we witness a global economy trying to emerge from a global financial crisis; as central

banks use financial repression in place of needed structural reform to overcome debt burdens; as a positive supply shock resets the range for energy prices and creates even more dynamics for increased geopolitical risks; and as a U.S. economy tries to normalize in the face of a strengthening U.S. dollar."

WH President and CEO Mark Vogt touched on the burgeoning boom of solar energy, and how renewable energies will affect WH. Vogt also documented the cooperatives plans regarding renewable energy in a new era for energy.

"First, your cooperative will do its very best to bring renewable energy into the mainstream when new resource or (power supply) contract choices are available, and we will do this quicker and more enthusiastically than most utilities. Second, we will also do our



WH served 2,295 meals at its 78th Annual Meeting.

level best to support and protect the existing investments you've made in generating resources until their useful life has been reached."

In addition to the business meeting, the event also included a complimentary pork chop dinner, bingo and children's activities. Numerous prizes were given throughout the evening, including a retired 2005 Chevy extended cab pickup, which was awarded to Kenneth Yager. To see the full list of prize winners, visit: http://goo.gl/WVkUSL.

WH statement of non-discrimination: "Wright-Hennepin Cooperative Electric Association" is the recipient of federal financial assistance from the U.S. Department of Agriculture (USDA). The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call toll free (866) 632-9992 (voice) or (800) 877-8339 (TDD) or (866) 377-8642 (relay voice users). USDA is an equal opportunity provider and employer.

Board Report

Continued from Page 2

- Approved agenda, director and bylaw ballots, and tellers for the 2015 annual meeting.
- Selected firm to conduct Cost of Service/Rate Study.
- Selected voting delegates and alternates for 2015 industry meetings.
- Reviewed the monthly CEO, Legal , operations and year-end financial reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.

Guests included:

- Great River Energy's (GRE's) CEO David Saggau gave a recap of GRE's 2014 performance, its upcoming challenges and opportunities, and insights on emerging issues.
- Bob Patton, formerly of National Rural Electric Cooperative Association, addressed strategic governance issues.
- CoBank Representatives Cliff Bolstad and Miranda Strokes addressed consumer financing opportunities for WH Solar and WH Security.

February Board Meeting Highlights:

The regular monthly meeting of Wright-Hennepin Cooperative Electric Association's Board of Directors was held February 10, 2015. A quorum of directors was present. Board action taken:

- Approved refinancing five notes with CoBank at lower interest rates contingent upon assurance that the transaction will not prohibit WH's ability to borrow from RUS in the future.
- Approved updated Long Range Load Forecast for Basin Electric Power Cooperative.
- Approved additional tellers for the 2015 annual meeting.
- Approved Bylaw Committee's recommendation to the membership at the 2015 annual meeting.
- WH Electric received aggregated score of 87 on its 2014
 American Customer Service Index (ACSI) survey, which is among the strongest in the utility industry and across all industry sectors.
- Approved the WHE and WH Holding strategic planning sessions for September 23-24, 2015.
- Approved RUS required resolutions on the City of Buffalo and City of Delano service territory transfer.
- Approved purchase and financing agreement for security acquisition.
- Heard year-end reports and reviewed and filed the monthly CEO, Legal, financial, and operations reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Conducted CEO's 2014 performance review. Board congratulated and recognized Vogt on a successful year for WH, its diversified businesses and the co-op's membership.

Guests included

Rick Macke of Power Systems Engineering reviewed the fundamentals of various cost and rate structures.

March Board Meeting Highlights:

The regular monthly meeting of Wright-Hennepin Cooperative Electric Association's Board of Directors was held March 10, 2015. A quorum of directors was present.

- Accepted auditor's report, which included an unqualified opinion for fiscal year 2014 and was congratulated by the firm of Brady Martz on the cooperative's strong internal controls and overall financial condition.
- Approved Cooperative Network's dues.
- Reviewed and filed the monthly CEO, Legal, financial, and operations reports.
- Directors reported on industry meetings.
- Heard annual report on WH's strong safety record and congratulated manager on effort to keep the employees and the general public safe.
- Selected director delegation to attend the Wright County Dairy Princess program.
- Heard report on new developments in smart home technology and the internet of things.

Guests included:

- Attorney Scott Kelly gave an update on upcoming legal proceedings.
- Luke Hellier and Joel Johnson, lobbyists for Minnesota Rural Electric Association, gave an update on Minnesota legislative developments.

CEO'S memo continued from Page 2

As you can see, support quickly fades as there is direct impact on electricity prices (see graph at right).

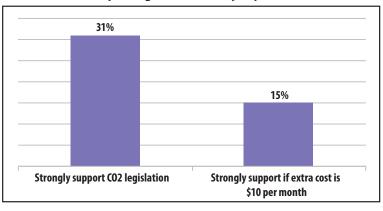
So the findings from the two survey questions I've focused on for this presentation will help give your board of directors the membership's perspective on these important decisions.

There are obviously other considerations besides survey findings that go into weighty decisions like future power supply. But what emerges by starting with your input is the seed of a plan that might go something like this:

• First, that your cooperative resolves, where feasible, to do **WH 2015 MEMBER SURVEY**

How strongly do you support legislation that limits CO2 emissions?

(% responsing 9 and 10 - "very important")



its very best to bring renewable energy into the mainstream when new resource or contract choices are available, and that we will do this quicker and more enthusiastically than most utilities.

Second, that your cooperative resolves, where feasible, to do our level best to support and

protect the existing investments you've made in generating resources until their useful life has been reached.

By approaching the Next Era For Energy this way, we immediately begin achieving your preference shown (graph on page 2, left) ... without high risk and with a reasonable expectation that your electricity from WH will remain affordable and reliable in the future.

Wright-Hennepin looks forward to the Next Era For Energy.





Protect yourself

the competition

WH Appliance Repair

No deductible or trip charge. Most labor and parts covered.

- √ Clothes dryer
- √ Heating system
- √ Range
- √ Water heater
- √ Refrigerator

\$17.99 / month

Additional appliance coverage available

Local Competitor:

No deductible or trip charge. Most labor and parts covered.

- √ Clothes dryer
- √ Heating system
- √ Range
- √ Water heater

\$18.50 / month

Additional appliance coverage available



Sign up today! Visit whe.org, or call (763) 477-3000

Help clean up Lake Maria State Park!

Wright-Hennepin is sponsoring Green Touch spring clean-up day at **Lake Maria State Park:**

> Saturday, May 2 10 a.m. to 2 p.m.

- Come plant wildflowers and trees and help rake leaves
 - Free refreshments and lunch for all volunteers

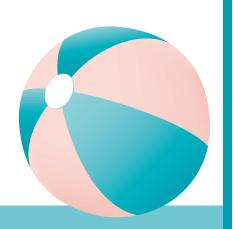
For more information, or to sign up, call: (763) 477-3000



Save 15% off your summer electric bills!

It's not too soon to think about warm weather!

If you are not already participating, join WH's Cool Cash Off-Peak Air Conditioning program and save 15% off your June, July and August electric bills. Past participating members saved an average of \$54.67 in 2014. Sign up today!



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