

WH

Wright-Hennepin

Cooperative Electric Association

A Touchstone Energy® Cooperative

Hotline Update

News for Wright-Hennepin members

February 2017

Come celebrate 80 years of the cooperative difference

Wright-Hennepin's (WH) 2017 Annual Meeting will be the 80th in the history of the cooperative! On **April 20, 2017**, WH will open its doors to all members at its Rockford headquarters for a night filled with food, fun and information about your electric cooperative. We will be serving a complimentary pork chop dinner from 4:30 p.m. to 6:45 p.m. with a short business meeting to follow at 7 p.m. Registration starts at 4 p.m. Free parking and shuttles will be available.

Business Meeting

Members will hear from WH leadership on the cooperative's 2016 financial performance and what is in store for 2017. Members who attend the business meeting will receive a free pound of butter as an attendance gift, as well as a special 80th anniversary gift.

Events and Activities

Attendees can win prizes by playing bingo from 4:30 p.m. to 6:45 p.m., or enter prize drawings at a variety of informational booths. Bring the kids and drop them off in the children's area (ages 2-10) filled with games and activities from 4:30 p.m. to 8 p.m. We will also be giving away four children's bikes!

Director Elections

Elections will be held for Districts 2, 5 and 7. The 2017 Annual Report will be mailed to members at the end of March and will include detailed information about each director. Director ballots will be sent to members in Districts 2, 5 and 7 before the meeting. WH will announce the results of the director elections at the end of the business meeting. For more details on the event and a recap of last year visit www.whe.org.

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Wright-Hennepin's 80th Annual Meeting will once again include a complimentary (pork chop) dinner, along with prizes and activities for members of all ages. Above: come hungry, as WH will be serving up a free meal from 4:30 p.m. to 6:45 p.m.

At right: bring the whole family! There will be a children's area with games, crafts, face painting and much more! Plus, we'll be giving away four children's bikes!

Below: Get ready to win more great prizes during bingo from 4:30 p.m. to 6:45 p.m. A short business meeting will follow. During the meeting, hear the director election results from Districts 2, 5 and 7.





CEO's Memo

Tim Sullivan, WH President and CEO

Board Report

December Board Meeting Highlights:

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted December 13, 2016. A quorum of directors was present. Items discussed or Board action taken:

- The WH and Operation Round Up (ORU) Boards met and heard the annual ORU report of 2016 activities.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, financial, and operations reports.

Guests included:

- National Rural Electric Cooperative Association (NRECA) representatives: Ty Thompson, VP and Deputy Gen. Counsel - Dir. and Member Legal Services and Monica Schmitt, VP National Consulting Group shared their national view on Board best practices for financial governance via teleconference.
- Matthew Blackler, founder of ZEF Energy, shared his insights about the electric vehicle environment.

January Board Meeting Highlights:

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted January 12, 2017. A quorum of directors was present. Items discussed or Board action taken:

- Approved Minnesota Rural Electric Association's (MREA's) 2017 membership dues.
- Approved updated rate and tariff policies.
- Selected voting delegates and alternates for all known 2017 industry meetings.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, and operations reports.

Guests included:

- MREA's President & CEO Darrick Moe and Director of Government Affairs Jim Horan shared their insights on the 2017 MN Legislative Session.

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Act to save money, local democracy

Please: take two minutes to read this column and send the completed form below back to Wright-Hennepin to ask your legislators to eliminate duplicative and costly regulation of your member-owned co-op! This will not only save you money, it will ensure you and your neighbors continue to be the primary voices for running your cooperative!

Wright-Hennepin Cooperative Electric Association (WH) came into being 80 years ago based on the bold idea that local consumers – fellow farmers, homeowners, and small business men and women – could form and govern their own utility.

Now 80 years later, look at what this boldness has produced. WH is a \$100 million business employing 150 people and serving more than 50,000 of your friends and neighbors with safe, reliable, affordable power – the very lifeblood of modern living. Even better, you're purchasing energy for less than your neighbors pay to Investor Owned Utilities (IOUs) like Xcel Energy – even though (ironically) it was the IOUs who 80 years ago wouldn't extend lines to rural America because it cost too much!

Given this record of member satisfaction and service, you might think electric cooperatives like WH have proven themselves models of self-sufficiency and self-governance, but a regulatory process originally put in place to oversee IOUs in Minnesota now threatens to upset this proud tradition of local democratic control. What's even more concerning is that this is moving quickly through the legislature, so co-ops need to act fast.

Under this scheme, the PUC – the state-appointed regulator of investor-owned utilities – can impose additional regulation on cooperatives now regulated by the Boards of Directors chosen by their members.

Our members, and the members of 44 other electric distribution cooperatives in Minnesota, do not benefit from such duplicative and costly regulation. To cite just one example, a cooperative last year was required to pay a \$40,000 assessment after the PUC re-regulated a local decision to charge a \$5 monthly fee to recover grid interconnection costs. Moreover, as so often happens, the very threat of additional regulation challenges innovation because co-ops don't know what to expect.

Beyond the costs, this regulation undermines local democratic control by:

- Taking rate decisions out of the hands of your Board of Directors.
- Effectively taking control out of your hands.
- Shifting power to a small group of decision-makers at the PUC.

We believe cooperative boards must retain responsibility for balancing the interests of all our members in ratemaking and other decisions. Like other democratic institutions, if members believe we are off track, they can always seek correction at the next election. So, please fill out and return the form below to allow us to contact legislators on your behalf!

As always, we appreciate your support and thank you for your business!

Warmest Regards,

YES I WANT MY VOICE HEARD!

Yes, please contact lawmakers on my behalf about saving money and preserving local democracy.

Yes, I am interested in receiving information about critical energy issues from Wright-Hennepin.

Name: _____

Service Address: _____

Email: _____

Phone: _____

2 Cut out and return to: WHCEA at P.O. Box 330, Rockford, MN 55373

2017 rebates are available!

Last year, Wright-Hennepin (WH) completely overhauled its energy-saving rebates and programs so members could take better advantage of energy-efficient technologies. We are pleased to provide members the same great rebates and programs from last year, and a new water heating rebate and program with an energy-saving rate for 2017.

Listed below are two sets of rebates. The WH Energy-Saving rebates are available now until December 31, 2017. The Conservation Improvement Program (CIP) rebates are available on a first-come, first-served basis.

All rebates are for new installations only.

Certain rebates require participation in an Energy-Saving program. Complete details and rebate forms can be found at www.whe.org. Call (763) 477-3000 or email info@whe.org with questions.

WH Energy-Saving Rebates/Program

Ground Source Heat Pump:
Up to \$750 rebate
Energy-saving rate of \$0.099/kWh

Air Source Heat Pump:
Up to \$900 rebate
\$30 credit per year

Metered Water Storage: \$200 rebate
Energy-saving rate of \$0.06/kWh

Quick Cash Water Heating:
Up to \$750 rebate
\$120 credit per year

Quick Cash Air Conditioning:
Up to \$200 rebate
\$20 credit per year

Electric Thermal Storage: Energy-saving rate of \$0.054/kWh

Dual Fuel: Energy-saving rate of \$0.054/kWh

Electric Vehicle Charge: up to \$200 rebate
Energy-saving rate of \$0.054/kWh

CIP Rebates

Ground Source Heat Pump: Up to \$1,200

Quick Cash Air Source Heat Pump: 13 SEER - \$50; 14.5 SEER - \$480; 15 SEER - \$580; 16 SEER - \$630

Ductless Air Source Heat Pump:
\$200

Quick Cash Water Heating:
Up to \$300

Quick Cash Air Conditioning: 15 or 16 SEER - \$25

Electric Thermal Storage: \$5/kW up to \$250

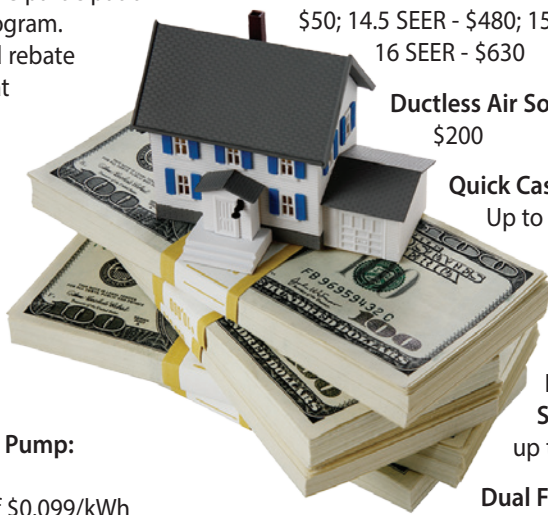
Dual Fuel: \$5/kW up to \$250

Electric Vehicle Charger: Up to \$500

HVAC Electronically Commutated Motor:
\$50 per ECM

Variable Speed Pool Pumps and Pool Air Source Heat Pumps: \$400 for pool air source heat pump; \$200 for variable speed pool pumps

Certain program requirements and agreement lengths may apply.



System upgrades mean greater reliability

Nothing is more important to our members than power being on when it needs to be on. Wright-Hennepin (WH) is tasked with providing the most reliable service at the lowest possible cost. So let's take a look at some of the investments WH is making and why they're important.

New construction

WH is constantly investing in extending new services to new homes, businesses and schools in our growing service area. The vast majority of this is underground, which improves reliability but also comes with a higher cost. This is the price of growth, and one of the happy challenges of a growing system.

Upgrade and upkeep

There are three components to upgrading WH's system:

- Infrastructure and construction: WH is regularly involved in construction

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Wright-Hennepin will double the size of its Plymouth substation in 2017 to address rising energy needs.

Updated rate structure for 2017

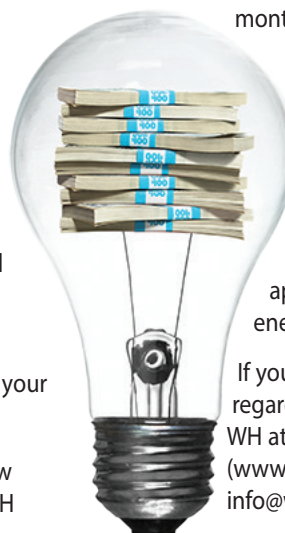
Wright-Hennepin's (WH) Board of Directors approved a moderate adjustment to 2017 rates, similar to 2016.

Increases will be applied to the basic service charge and general service rates. However, the Power Cost Adjustment (PCA) – the most unpredictable portion of your bill – will decrease again.

WH's top priority is to consistently provide competitively priced and reliable power. However, the increased cost of wholesale power – which accounts for 70 percent of your bill – is the biggest driver for these changes.

2017 rate details:

- Members' basic charge will increase from \$9.35 to \$10.65. This portion of your bill pays for costs of our distribution system like poles, wires and transformers.
- The residential service rate will increase from \$0.0895/kWh to \$0.094/kWh.
- The PCA will *decrease*, making your bill more consistent.
- The monthly impact of the new electric rates for an average WH



household is approximately \$2.50 per month - or about a 2 percent increase.

- All rates for Energy-Saving Programs will remain the same.

We encourage members to take advantage of our Energy-Saving Programs (see article above) and install energy-efficient electrical appliances to better manage your energy bill.

If you have any questions or comments regarding the rate study, you may contact WH at (763) 477-3000, visit our website (www.whe.org) or email us at info@whe.org.

Co-op Connections featured "Deal of the month":

30 to 50 percent off chiropractic services at Buffie Chiropractic Clinic located at 8340 Bridge St., Rockford, MN 55373.

Offer valid when showing your FREE Co-op Connections card to the cashier. Another benefit of being a WH member! Lost your card? No problem. For a free replacement call (763) 477-3000. For more deals visit: <http://www.connections.coop>, or use the Co-op Connections app on your mobile device to find all your local deals and more!



Local chiropractor helps clients save with Co-op Connections Card

Working in the world of health care, the owners of the family-operated Buffie Chiropractic Clinic, P.C. in Rockford, Minn., had been looking for a financial discount for its patients, and found the perfect partner with the Co-op Connections Card (CCC) through Wright-Hennepin (WH).

"In this era of high-deductible health insurance and increasing copays, the CCC allows us to provide necessary care to our patients at discounted prices without running afoul of numerous state, federal and insurance company rules," Dr. Perry Buffie said. "It's a great benefit the co-op is providing to its members, and frankly I am surprised that more health care providers of all disciplines are not taking advantage of what Wright-Hennepin is offering."

Patients appreciate being able to have discounted care similar to the discounts insurance companies get, and the staff at Buffie Chiropractic like how easy it is to use, Buffie said.

"This is a tremendous benefit that could easily save you hundreds – if not thousands – of dollars a year," Buffie said. "It's just sitting there waiting."



Dr. Perry Buffie (center) and his wife, Dr. Kimberly (right) love telling their patients about the money they can save on health care through the Co-op Connections Card (CCC) available to all Wright-Hennepin members. Hannah (left), their daughter, and the rest of the staff love how easy the CCC is to work with.

Youth Tour and scholarship deadlines

Below are upcoming deadlines for the Youth Tour and scholarships offered to high school students with a parent/guardian who is a Wright-Hennepin (WH) member. Please submit all applications to WH. More information and applications can be found at www.whe.org, or by calling (763) 477-3000.

The Washington, D.C., Youth Tour deadline is March 3, 2017. For additional Youth Tour information visit www.youthtour.coop.

Scholarship deadlines:

- At-Large Scholarship: March 31, 2017.
- Edward R. Slebiska Memorial Line Worker Scholarship: April 21, 2017.

Track your home's energy use with MyMeter

house **Energy-savings** electricity
 Daily energy use **MyMeter** comparison
Temperature energy Reliability
 Neighborhood comparison awareness Wright-Hennepin
 Threshold Alerts Sign up at mymeter.whe.org
 or (763) 477-3000

mymeter
 Data kwh comparison
 home kwh MyMeter
FREE MyMeter POWER
 computer

AWARENESS

● Operation Round Up donations help those in need this winter through WeCAN

Founded in 1989 to address the lack of social service programs for low-income families in western Hennepin County, WeCAN provides services and goods to those in need with donations from programs like Operation Round Up (ORU).

Recently, WeCAN received a \$10,000 grant from ORU provided by donations from Wright-Hennepin members who allow their electric bill to be rounded up to the nearest dollar.

“Operation Round Up is an incredibly important part of WeCAN’s emergency assistance program,” said WeCAN Executive Director Christie Larson. “Without it we would not be able to offer help to our families struggling with concerns such as car repairs, utility bills and prescriptions.”

Most of our funding is specific to rent or mortgage and it is so helpful to have flexible funds to prevent our clients’ situations from getting to the point of losing their homes.”

Other organizations that received January donations : \$3,000 to Angel Bears of Hope; \$3,000 to Boys & Girls Clubs of the Twin Cities; \$6,000 to Can Do Canines; \$7,500 to Children’s Home Society and Family Services; \$1,100 to Confidence Learning Center; \$2,000 FYCC; \$7,500 to Hartley’s Safe House; \$700 to Hassan Area Historical Society; \$200 to Maple Grove All-Night Grad Party; \$1,065.92 to Noah’s Ark Preschool; \$200 to Osseo Senior All-Night Grad Party; \$2,000 to Relate Counseling Center; \$600 to Summer Food Service Program ISD 877; and \$200 to STMA All-Night Grad Party.



WeCAN recently received a \$10,000 grant from Operation Round up to assist low-income families in western Hennepin County. Executive Director of WeCAN Christie Larson (center) is pictured with two helpers who recently completed a food and personal care drive.

● Line worker interns stay busy at WH over the holidays

Five college students recently completed a two-week internship with Wright-Hennepin over their holiday break from college.

Interns Blake Paumen, Ben Elfmann, Lucas Fobbe, Noah Haaland and Kyle Kreuger helped with a number of projects under the supervision of experienced WH linemen.

“I really enjoyed getting outside working on some actual projects,” said Fobbe.

“It was nice to take what we’ve learned in the classroom and apply it to the job,” said Elfmann.

Some of these projects included maintaining and repairing power lines and equipment. All are currently attending the Electrical Lineworker Technology program at Minnesota State University in Wadena.

Along with an internship program, WH also offers scholarships for line worker training. Please see the story on page 4 for more information about the scholarships available.



WH Line worker interns spent part of their winter break applying what they have learned in the classroom to the field. Pictured from left to right are: Blake Paumen, Ben Elfmann, Lucas Fobbe, Noah Haaland and Kyle Kreuger.

● How to save on energy this winter

Minnesota winters test a lot of things – your patience and pocketbook to name two. And while Wright-Hennepin may not be able to solve the winter doldrums, we’re happy to share some energy-saving tips you can employ to fight back against winter.

- Give your air vents room to properly ventilate your home.
- Cover old or drafty windows with a window insulator kit or heavy drapes.
- Insulate your attic and seal any air leaks.
- Free heat is free heat. Use the sun to your advantage by leaving blinds open on south-facing windows during the day.
- Change your furnace filter monthly. This can greatly affect your central heating system.
- Have an engine-block heater? Put it on a timer and stop warming your engine all night.



For more energy-saving tips, check out the WH blog at www.whe.org.

● Introducing DragonFly: a low-cost, do-it-yourself home security solution

DragonFly is a do-it-yourself (DIY) home security option that gives you the freedom to wirelessly secure your home while enjoying the same 24/7/365 professional monitoring as a traditional security system.

This product is perfect for college students, renters, or anyone who prefers DIY projects and control in their hands. DragonFly is completely customizable. You choose the

location and number of motion-activated cameras for your residence and follow the installation instructions provided. Then you simply use the DragonFly app on a mobile device to stay informed about what's going on at your home.

Visit <http://goo.gl/2TxL8j> for more information, or call 1-844-581-4241.



DragonFly
SECURITY SYSTEM™
Provider

- Do-it-yourself
- Wireless
- Motion-activated cameras
- Mobile app

WHSecurity

● Director candidate applications are due by March 1

Members who wish to vie for a seat on Wright-Hennepin's (WH) Board of Directors in Districts 2, 5 and 7 should have their application and resume turned in by March 1, 2017. Members elected to these positions will begin their terms immediately following the Annual Meeting on April 20, 2017.

Members in these districts who would like to compete in the election need to file a director nominee application form and provide a resume. Applications can be found at www.whe.org. Your district number is shown on the second line of this month's newsletter just above your name.

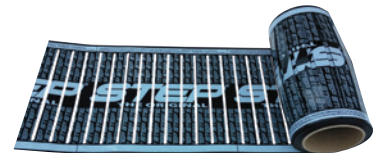


Wright-Hennepin Cooperative Electric Association,
Attn: Dale Jans, Secretary/Treasurer,
PO Box 330, Rockford, MN 55373.

6 Mail your application and resume to:

Transform cold rooms into cozy rooms

Our award-winning STEP Warmfloor system is ideal for tile, carpet and wood floors in both residential and commercial spaces. No other underfloor heating system can match the product's reliability and energy efficiency.



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Up in Flames?

Avoid unexpected repair bills with a repair plan for \$17.99 per month

WHAppliance
Repair



(763) 477-3000 info@whe.org



tenKsolar Winner

ROBERT WELCH of Otsego wins a credit for 141 kWh, November's output from WH's tenKsolar panel array.

JOSEPH STONE of Maple Grove wins a credit for 73 kWh, December's output from WH's tenKsolar panel array.



Solar Winner

CHARLOTTE HANSON of Annandale wins a credit for 177 kWh, November's output from WH's solar panels.

PATRICIA LAGRANGE of Annandale wins a credit for 90 kWh, December's output from WH's solar panels.



Wind Winner

JERMEY SWANSON of Albertville wins a credit of 852 kWh, November's output from WH's wind generator.

TOM SICHENEDER of Hamel wins a credit for 1,491 kWh, December's output from WH's wind generator.

Average monthly energy output over 12 months:

Wind generator: 815 kWh

Solar panels: 213 kWh

tenKsolar system: 194 kWh

To enter the monthly contest to win the output from WH's wind generator or solar panels, go to www.whe.org

Cooperative principle #2: Democratic member control means you're in charge

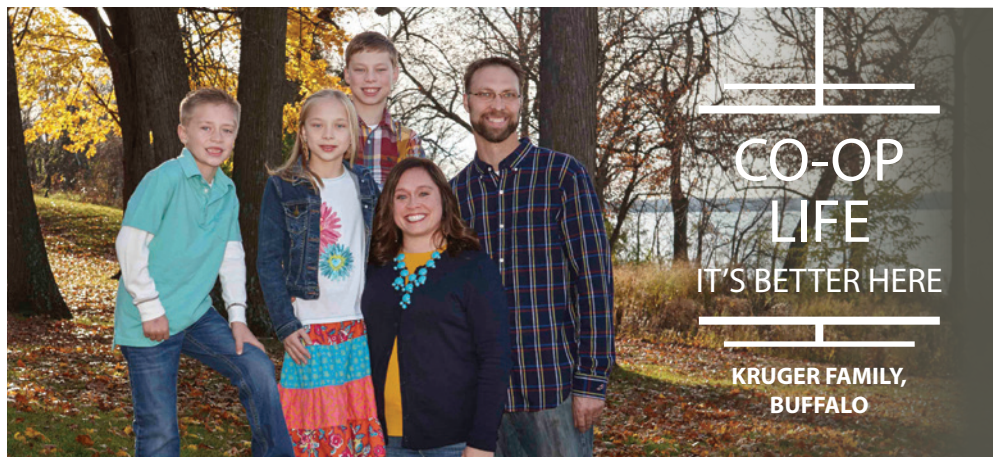
One of several guiding principles for all cooperatives is **Democratic Member Control**. This means that as a member of Wright-Hennepin (WH), you have a say in setting the cooperative's policies and overall direction through a Board of Directors elected by you and fellow members.

Members exercise this principle at WH's Annual Meeting when they elect a representative from their district to serve on the Board, a process that ensures members are represented by fellow members. Members also get to vote on amendments to WH's bylaws and can voice their concerns or raise questions during the co-op's Annual business

meeting. In contrast, at investor-owned utilities, customers don't have a direct say in the governance of their electric provider. They are ratepayers rather than members.

This year, Districts 2, 5 and 7 will elect representatives through the democratic process. We urge all members in these districts to vote. If you're interested, please also know you can apply to run for a director position (see details on page 6).

Remember: WH is *your* cooperative. You have a say in the processes and direction of this organization, and we look forward to hearing from you at our Annual Meeting on April 20.



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Board Report

Continued from Page 2

- Minnesota Valley Light and Power Director Tim Velde and NRECA Director Ron Schwartau discussed their candidacy for the NRECA director position.
- RESCO's CEO Matt Brandup gave a RESCO and industry update.
- Jay Huhn, Executive Director of the Central Station Alarm Association, shared his view of the national monitoring environment.

System improvements

Continued from Page 3

based on infrastructure needs that are dependent on the road construction calendar. In 2015 WH had a substantial expense when 494 was being updated.

- Legacy lines: Over time, WH is converting service connections that are in the back of a property to the front, closer to the road. This is for easier access during outages.
- Increase system capabilities: WH is going to update the Plymouth substation due to growth in 2017. It is literally doubling in size because of rising energy needs in that part of our system.

Technology, innovation and improvement

WH will translate investment into a new Automatic Meter Infrastructure (AMI) system for 2017 and over the next several years. This new AMI system allows us to read meters remotely and delivers other capabilities like: load management, outage notification and response, and real-time information for MyMeter. This is a key-enabling technology for a modern, 21st century distribution grid.



Also part of this are generator arrangements WH has with a number of commercial and industrial members, which help us clip peak demand when power is expensive. This also provides additional backup and reliable power for those customers.

All of this is aimed at providing you with world-class, reliable service at an affordable price.

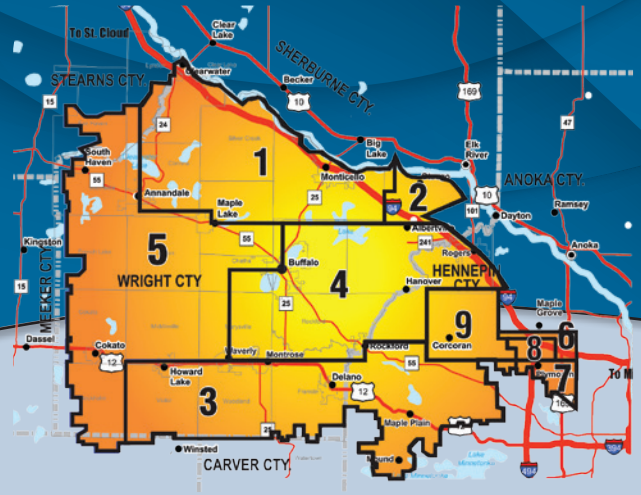
Board of Directors:

- District 1: Timothy Young, Annandale
District 2: Duane "Butch" Lindenfesler, Monticello
District 3: Burton Horsch, Howard Lake
District 4: Dale Jans, Buffalo
District 5: Chris Lantto, Annandale
District 6: Mike Tieva, Maple Grove
District 7: Kenneth Hiebel, Plymouth
District 8: Casey Whelan, Maple Grove
District 9: Erick Heinz, Corcoran

WH President and CEO: Tim Sullivan

WH CFO: Angie Pribyl

WH Holding COO: Wendy Youngren



Hotline Update

February News for Wright-Hennepin members

Periodicals



6800 Electric Drive
Rockford, MN 55373

Keep in touch with your cooperative!

Member Call Center Hours (all year):

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

Office Hours:

8 a.m. to 4:30 p.m. Monday - Friday
(Labor Day - Memorial Day)

7:30 a.m. - 4:00 p.m. Monday - Friday
(Memorial Day - Labor Day)

To 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

Website: www.whe.org

Email: info@whe.org

Facebook: www.facebook.com/WrightHennepin

Twitter: @WrightHennepin

Wright-Hennepin completes fourth solar community in four years

Wright-Hennepin (WH) rang in the new year by energizing its fourth solar community in four years on January 5.

The 540-panel array is located on utility-owned, non-productive land beside WH's Willow Creek substation in Medina, Minn. It is expected to produce 200,000 kWh per year, which is enough to power approximately 17 homes.

WH maintains the solar communities and furnishes the costs for upkeep – thus providing a renewable energy option for members who otherwise could not implement such a system.

"As a member-owned organization, responding to our members wants and needs is job one," said WH CEO Tim Sullivan. "Community solar allows us to provide clean energy options to members who want to reduce the cost and eliminate the hassle of installing and maintaining individual units. These projects are a great example of the Cooperative Difference in action."



WH's fourth solar community is mounted in Medina, Minn., near the cooperative's Willow Creek substation. It was energized on January 5, and consists of 540 panels that produce 200,000 kWh to members who subscribe to the program.