Wright-Hennepin (WH) is proud to announce a $3.1 million capital credit refund to members to cap off 2016! This is the largest general retirement ever returned in the history of the cooperative, and marks the 36th consecutive year that WH has returned capital credits to members.

Members who purchased electricity from WH in 1991, 1992 and a portion of 2015 will receive a capital credit refund, as declared by WH’s Board of Directors. Like last year, members will receive a check in the mail if their refund is $5 or greater. Members whose refund is between $1 and $5 will receive a bill credit instead of a check.

Capital credit refunds are the equivalent of dividends from an investor-owned organization. Members receive a refund for their energy use during the years being retired, which represents their member share in the cooperative. Before returning these margins back to members, WH uses this capital to offset the cost of maintenance and construction of the electric distribution system.

Based on the cooperative’s financial condition and other factors, WH’s member-elected board determines the amount of margins retired each year.

“The Board is proud of the record-breaking return of capital credits to members this holiday season,” said WH Board Chair Erick Heinz. “Your capital credit refund is tangible evidence of the cooperative difference.”

Wright-Hennepin's Board of Directors is pleased to announce a record-breaking $3.1 million capital credit refund to members who purchased electricity in 1991, 1992 and a portion of 2015. This is the 36th consecutive year that the Board has returned capital credits to the membership.

Members may now file for seats on board of directors

Wright-Hennepin (WH) members can now submit nominations to vie for a seat on the cooperative’s board of directors in Districts 2, 5 and 7. Members elected to these positions will begin their terms immediately following next year’s Annual Meeting on April 20, 2017.

If you are unsure which district you live in, please refer to your mailing label on this month’s newsletter. The district number is shown on the second line of the label, just above your name. The “BD” stands for board district.

Members in these districts who would like to compete in the election need to file a director nominee application form and provide a résumé. To apply, print out, complete and sign the form found on WH’s website by visiting http://goo.gl/yGZTjN. Mail in the form along with a résumé to:

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

The application and résumé deadline is March 1, 2017.
How we’re doing, where we’re going

“How are we doing? “Where are we going?”

Not surprisingly, these are the two most common questions I’ve received from employees and members in my first year as CEO at Wright-Hennepin (WH).

And it makes sense. The first question seeks an answer for how we are performing against our goal to provide safe, reliable and competitively priced energy for our members. The second asks where we are headed next — and how we plan to improve our future performance.

The short answer to the first question is: your co-op is doing well. WH performs in the top 25 percent of the more than 800 electric distribution co-ops in the country on key measures of safety, reliability, financial management and member satisfaction. We know this from annual benchmark information collected and distributed by national service organizations that support our network.

Having said that, your Board of Directors isn’t satisfied with being a good performer. On your behalf, they want the co-op to be great. As a result, they have laid out the expectation — outlined in our new strategic plan — for WH to achieve top 10 percent performance among all the electric cooperatives in the nation for safety, reliability, financial management and member satisfaction by 2020.

Now that’s a stretch goal. But we’re committed to it. So let me share more about where we stand today and how we plan to get better.

Safety

Nothing is more important at WH than the safety of our employees and members. That’s why I am pleased and proud to say that our 2015 safety record was among the best 10 percent of co-op distribution systems in the country. And while we’re lagging somewhat so far in 2016, we are absolutely committed to putting the culture, practices, procedures and training in place to achieve sustained safety excellence.

Reliability

Our goal is exceptionally reliable service, so that when you turn on your lights, fire up your computer or heat up your home, you have the energy you need. WH is already among the top 20 percent of co-ops in the country for reliability. But our goal is to be among the best. To accomplish this, we’re pursuing a combination of initiatives, including investments in our electrical system, new technology, and consistent right-of-way clearing.

Financial Management

At WH, we have five especially important financial goals:

1. We will be price competitive.
   Again in 2016, the average WH residential member bill was lower than Xcel Energy. For 2017, we are on track to beat Xcel once more. Our plan is to expand that competitive advantage over time.

2. We will speed up the return of capital credits. WH is pleased to return $3.1 million in capital credits this month, impacting 90 percent of our membership. Specifically, we retired all remaining credits from 1991 and 1992 (along with a portion of 2015) and next year we hope to retire all of 1993 and 1994 (along with a portion of 2016). We’re also pleased that the average member check this month is $56 — money we hope will come in handy for you and your family over the holidays.

3. We will hold down rate increases.
   In 2016, the average increase for residential members should be less than 2 percent.

4. We will keep interest costs down.
   We also manage our finances to ensure we retain sufficient equity to attract the low-cost capital necessary to fund the improvements required to run a world-class, 21st Century electric distribution system.

5. We will keep operating costs down.
   We are pleased to report that operating costs are being held flat in 2017. What’s more, WH accomplished this while absorbing wholesale power cost increases of 4.5 percent. This is part of our ongoing effort to manage the costs we can directly control.

Continued on Page 7
With the new year about to begin, we thought it would be a good time to share how your cooperative has been performing over the past year. Below is a look at different metrics we use at Wright-Hennepin (WH) to gauge our performance. We will expand on this in the 2017 Annual Report.

**Rate competitiveness**

Our goal is to provide power to you – our members – at the lowest possible cost consistent with good service. Competitive rates have always been, and will continue to be, at the core of our mission. When compared with other electric utilities and cooperatives, WH stacks up quite well when it comes to rates as the graph above shows. You’ll also notice that members who take advantage of our energy-saving programs and those who receive a capital credit check or refund (90 percent of you) pay an even lower price for power. As you can see, WH’s rates were below the state and national averages.

**Reliability**

Our engineers and line crews design, build and maintain WH’s electrical system to be among the most reliable in the country. And when the power does go out, our crews are on the scene restoring power as quickly and as safely as possible. Dating back to 2008, WH members have averaged less than one outage per year (0.55). When outages do occur, WH has multiple means of communicating vital information to those affected members. Through social media, text messages and emails, members are notified of the outage and informed when they can expect their power to return. The WH website also features an outage map that shows outages and the number of members affected in real-time. Whenever an outage occurs, our first priority when restoring power is always safety - for our crews and for our membership.

**Keeping costs lower than other utilities**

WH compares our financial metrics to other utilities. The teal line shows how WH stacks up on operating costs compared to cooperatives of the same consumer size, U.S. electric cooperatives, and Minnesota electric cooperatives.
Free trip to Washington, D.C., for high school juniors

If your child is currently a high school junior enrolled within Wright-Hennepin’s (WH) service territory, they are eligible for an all-expense paid trip to Washington, D.C., June 9-16, 2017.

Each year, WH sponsors one high school junior to attend the Electric Cooperative Youth Tour Program held at our nation’s capital. Electric cooperatives across the nation send more than 1,500 students from 43 states to participate in the tour.

Students get an in-depth look at the inner workings of Washington, D.C., with a healthy dose of American history. Those who attend also get to meet some of Minnesota’s senators and representatives on Capitol Hill. The itinerary also includes visits to the Jefferson and Lincoln memorials, Arlington National Cemetery, the Smithsonian Museum and much more!

“(The Youth Tour) opened my mind and inspired me to continue working to improve our world so that American history may be a happier and more successful story in the future,” said Mina Yuan, whom WH sponsored for last year’s Youth Tour. “This greatly emphasized to me that cooperatives provide more than electricity – they provide a community.”

Eligible students are encouraged to submit an application for a chance to be selected. Applications need to be postmarked by March 3, 2017, and sent to Ruth Potter at P.O. Box 330, Rockford, MN 55373. To receive an application, please visit http://goo.gl/eEsWRq. More information can be found by visiting www.youthtour.coop.

Announcing 2017 Scholarships

Believe it or not, the school year is nearly halfway complete. It’s never too early to get a jump on scholarship applications, and Wright-Hennepin (WH) is once again offering 19 scholarships to students in the service area who are cooperative members.

The following scholarships are awarded and funded on behalf of WH and WH Holding through unclaimed capital credits and local families:

WH Local Schools Scholarships

WH will award a scholarship to one student whose family is a cooperative member at each of the following public schools in WH’s service territory: Annandale, Buffalo, Dassel-Cokato, Delano, Howard Lake-Waverly-Winsted, Maple Grove, Maple Lake, Monticello, Orono, Osseo, Rockford, Rogers, St. Michael-Albertville, Watertown-Mayer and Wayzata. WH also offers one “at-large” scholarship to students from private schools within, and schools that neighbor, WH’s service territory. Each school listed has its own application deadline. The “at-large” application deadline is March 31, 2017.

Edward R. Slebiska Memorial Line Worker Scholarship

Each year, WH awards two $3,000 scholarships to students pursuing the line worker profession to honor the memory of Ed Slebiska, the cooperative’s first CEO. The application deadline for this scholarship is April 21, 2017.

Basin Electric Power Cooperative Scholarship

Basin Electric Power Cooperative of Bismarck, N.D., will award a $1,000 scholarship to dependents of WH members. Basin is one of WH’s power suppliers. The application deadline for this scholarship is February 10, 2017.

For additional scholarship details and application forms, please visit http://goo.gl/QPP1tN. If you have any questions regarding the application process, call WH representative, Ruth Potter, at (763) 477-3046 or email her at rpotter@whe.org. Applications can be mailed to: Ruth Potter at P.O. Box 330, Rockford, MN 55373.
Brad Kvanbeck operates ICF Construction out of his shop in Minnetrista, Minn., year-round thanks to the help of the NextGen Boiler, which keeps his equipment and materials in a climate-controlled environment.

The NextGen Boiler is the most modern and complete electric boiler on the market. It is used for radiant underfloor heating, and it keeps Kvanbeck’s 3,000 square-foot shop above 60 degrees F throughout the winter. He was drawn to this technology because of how clean it looked, and the ease of installation compared to traditional electric boilers.

“I checked out the boilers at the big box stores and saw that the boiler and the components were separate and they take up a lot of space,” Kvanbeck said. “I didn’t see anything else on the market that was as clean of an install, or as easy to install, as the NextGen Boiler.”

Kvanbeck also set it up on Wright-Hennepin’s (WH) energy-saving program, which helps him save on his heating costs.

“WH has a great off-peak program that makes it very cost-effective to run the boiler,” Kvanbeck said.

The NextGen Boiler is only available through wholesale plumbing distributors. Visit www.nextgenboiler.com or call (844) 227-9977 for more information. You can also watch a video of Kvanbeck’s testimonial at: http://goo.gl/M822fx.

The NextGen Boiler is perfect for your shop, home or business

Wright-Hennepin members donate more than $51,000 to local organizations

Wright-Hennepin (WH) members who participate in Operation Round Up (ORU) donated grants totaling $51,900 in October of 2016. The ORU trust board approved the following donations on behalf of WH members for October 2016:

- **$4,000, Adopt a Family - Buffalo Rotary**, funds to provide coats and boots for children in need.
- **$500, Ambassador Company**, funds to support “My Favorite “Book” distribution to local school and church programs.
- **$3,000, Annandale Youth First, Inc.**, funds to provide student-to-student mentoring programs.
- **$5,000, Community Toys for Tots**, funds to purchase toys and gifts for children.
- **$5,000, Crisis Nursery Wright County**, funds to support crisis nursery in Wright County.
- **$3,000, EquipAllife**, funds to assist people with disabilities.
- **$1,500, French Lake Sunshine Club**, funds to support local outreach, assist families in need and celebrate residents’ birthday at Annandale Care Center.
- **$3,000, Hammer Residences, Inc.**, funds for the Quality of Life Fund and for a home improvement project.
- **$800, Monticello Special Olympics**, funds to offset expenses for facilities, equipment, uniforms and competitions.
- **$700, North Hennepin Pioneer Society**, funds to repair and paint one room school house in Corcoran.
- **$1,000, Our Brother’s Keeper**, funds to purchase supplies to make bedrolls for homeless.
- **$5,000, Second Chance for Life Foundation**, funds to assist patients in need of heart transplant expenses.
- **$5,000, Toys for Tots Buffalo**, funds to purchase toys and gifts for children.
- **$10,000, True Friends**, funds to install central air conditioning in Eagle cabin at Camp Friendship.
- **$400, True Friends Camp Friendship Auxiliary**, funds to offset dinner costs for Auxiliary fundraiser.
- **$1,500, Wright County Blue Star Mothers**, funds to defray costs of shipping packages to deployed military personnel.

For those interested in applying for funds, fill out an application. To receive an application and to see what types of activities Operation Round Up supports – visit WH’s website at http://goo.gl/sKsZx2, send an email to oru@whe.org, or call Lisa and leave a message at (763) 477-3000 extension 6126.

Operation Round Up recently awarded a grant to Our Brother’s Keeper in the amount of $1,000 to purchase supplies to make bedrolls for the homeless. ORU Board Chair John Meister (third from left) presented the award to, from left: Arlene Lesser, Marlene Barthel, Claire Solien, Jeanette Hermansen, and Mary Nelson.

Brad Kvanbeck installed the NextGen Boiler himself to keep his 3,000 square-foot shop at 60 degrees F throughout the winter.
Carbon monoxide sensors are invaluable

According to the Center for Disease Control and Prevention, approximately 50,000 people in the U.S. visit the emergency department each year due to accidental carbon monoxide (CO) poisoning.

CO sensors are key to preventing poisoning. They detect CO in your home by monitoring your air quality, and should be placed on every floor of your home.

Standard sensors are great for alerting you to high CO levels when you’re home, but CO sensors paired with a WH Security system are monitored 24/7 by WH International Response Center. That means you’re alerted to the situation no matter where you are in the event CO is detected. All of this is offered for no additional monthly monitoring fee.

For more information, visit http://goo.gl/UbtDkg or call (763) 477-3664.

Illuminate your tree from anywhere with interactive services

When you leave for the holidays is your house the only one on the block that doesn’t have a beautiful, bright tree illuminating in your window? Well now you can light your tree, and more, from anywhere with interactive services offered through a WH Security system.

With interactive services, all you need is Internet access from a mobile device to control state-of-the-art technologies around your home like video monitoring, thermostat adjustment, light control and more.

Turn your tree lights on while you’re away, or inspire your neighbors to have a fun holiday dance party. The opportunities are endless with interactive services and WH Security.

For more information, call (763) 477-3664, or visit http://goo.gl/k7u2Jy.

In the know: transformers and meters

Powering your home with electricity is mostly a hands-off experience for members. However, there are certain pieces of equipment members must maintain so that service may be performed by Wright-Hennepin (WH).

Meters

WH distributes electricity to your meter, and performs any necessary maintenance or repairs. You are responsible for the service mast – the pipe in which the wires run down to the meter. If the service mast is damaged, an electrician will need to make repairs at your home. Please remember that the National Electrical Code requires at least 36 inches of clear area in front of the meter for access, and no structure may be built around the meter, except for approved meter rooms.

Transformers

The green metal boxes you see in yards is a padmount transformer. These transformers are only found in areas where electric service is buried underground. Planting too close to these boxes creates a hazard for linemen, who need quick access in the event of an emergency or for routine maintenance. Please maintain a clearance of 10 feet in front of the transformer. This is the side with the lock, generally facing the front of your house. Please also keep a 4-foot clearance on the other three sides of the transformer as well for air circulation. Never dig beside a transformer.

WH linemen inspect these transformers annually between January and April. Please be aware that WH crews may be on your property to complete this work. We appreciate your understanding during this time. Please know our crews are doing this for the benefit of all our members.

PURPA policy information available upon request

The PURPA (Public Utilities Regulatory Policy Act) of 1978 states that Wright-Hennepin (WH) is obligated to interconnect with and purchase electricity from co-generators and small power producers. WH will provide information to all interested persons free of charge upon request. Any disputes over interconnection, sales, and purchases are subject to resolution by the Public Utilities Commission upon complaint. If any member has questions regarding PURPA policies, contact WH at (763) 477-3000, per Rule 7835.4600.

Request your free 2017 calendar

Free 2017 calendars featuring tips to help you save energy are now available, courtesy of Wright-Hennepin. Stop in or call (763) 477-3000 for your complimentary calendar (while supplies last).

You can also send a request to info@whe.org.

Free 2017 calendars featuring tips to help you save energy are now available, courtesy of Wright-Hennepin.
How we’re doing, where we’re going

Continued from Page 2

Satisfaction

In the end, our goal is your satisfaction, something we measure twice a year through the American Customer Satisfaction Index (ACSI). In 2016 your feedback resulted in an 85 for WH, a score better than Chevrolet (83), FedEx (82) Hilton (81) and Nike (80). And we’re not satisfied with that. Our goal is to meet or exceed the highest satisfaction score in the ACSI Index, which is an 87 in 2016.

To be sure, the goal of top 10 percent performance in every major category is ambitious. But at WH, we believe our membership deserves our very best. In 2017, we are poised to make additional down payments on our three-year improvement plan. So if you have ideas you think might help, please let us know!

As always, thank you for allowing us to serve you. And thank you for your business.

Sincerely,

Wright-Hennepin (WH) has received multiple reports of utility payment scams from neighboring utilities. A common story is a caller demanding payment from a utility customer within the hour to prevent disconnection. Several members of these utilities, including businesses, reported multiple calls threatening action. If someone calls demanding for an immediate payment DO NOT pay them or reveal your financial information. If a call sounds suspicious, hang up and report it to WH and to local law enforcement.

Average monthly energy output over 12 months:

- Wind generator: 795 kWh
- Solar panels: 210 kWh
- tenKsolar system: 190 kWh

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

Wind Winner

KRISTIN CASSIDY of Plymouth wins a credit of 605 kWh, September’s output from WH’s wind generator.

HEIDI ROTHBAUER of Greenfield wins a credit for 793 kWh, October’s output from WH’s wind generator.

Solar Winner

BRIAN BEAUDRY of Otsego wins a credit for 228 kWh, September’s output from WH’s solar panels.

TED CHRISTENSON of Plymouth wins a credit for 210 kWh, October’s output from WH’s solar panels.

tenKsolar Winner

SUSAN LINDEMAN of Maple Grove wins a credit for 158 kWh, September’s output from WH’s tenKsolar panel array.

DONNA KLICHE of Maple Grove wins a credit for 182 kWh, October’s output from WH’s tenKsolar panel array.

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As always, thank you for allowing us to serve you. And thank you for your business.

Sincerely,
Do you ever find that Santa left you an increased electric bill after all of the holiday festivities? With the uptick of cooking, baking, heating and lighting, it’s easy to pour on the power between now and the start of 2017. Here are some tips to help save on your energy bill for the holidays and ensure the only lumps of coal go to misbehaving children this year:

- Reflective ornaments and decorations help cut down on lighting.
- Use timers for outdoor and indoor lighting displays with LED lights.
- If temperatures permit, store food and beverages in a garage or outside instead of using a second fridge.
- Turn down your thermostat if you’re having a holiday party. More bodies mean more heat, and warmth from cooking goes a long way.
- Turn down your thermostat if you’re using your fireplace.
- Bake and cook several dishes at once to cut down on oven usage.
- Use your microwave or toaster oven as much as possible.

For more energy-saving tips and information visit Wright-Hennepin’s blog at http://goo.gl/nFXfyM.