

WH

Wright-Hennepin

Cooperative Electric Association

A Touchstone Energy® Cooperative

Hotline Update

News for Wright-Hennepin members

August 2017

● Cokato student returns from Youth Tour

More than 1,800 students attended the annual Electric Cooperative Youth Tour in Washington, D.C. June 10-15, including Cokato's own Katelyn Lundeen.

Wright-Hennepin sponsors one student each year for the event. Now in its 53rd year, the Youth Tour was established to help educate youth about the political process and allow students to visit national monuments and interact with U.S. government officials.

"Every moment of my trip was jam-packed with activities," said Katelyn. "During the trip we saw just about everything there was to see in D.C. My favorite activities were the Museum of the Marine Corps, The Newseum's FBI Exhibit, and the Iwo Jima Monument."

Katelyn will be a senior at Dassel-Cokato High School this school year, and her love of history and politics made her jump at the chance to tour the nation's capital after her counselor told her about the Youth Tour.

The group also visited the Jefferson Memorial, Lincoln Memorial, World War II Memorial, Vietnam Veterans Memorial, Korean War Memorial, Holocaust Museum, Smithsonian Museums and the Pentagon. They even got to meet and interact with elected legislators, including U.S. Representatives Peterson, Lewis, Nolan, Walz and Emmer, and even Senator Franken.

"It was a great experience for her," Katelyn's mom, Kathy added. "In fact, she wants



Katelyn Lundeen (far left) is pictured with three of her fellow Minnesota Youth Tour students in front of the White House in Washington, D.C. Lundeen and more than 1,800 students from across the country toured the nation's capital and all it has to offer as part of the Electric Cooperative Youth Tour. Below, Lundeen is pictured outside the Supreme Court Building.

us to go to D.C. this summer. It was so educational."

While she knew a fair amount about D.C., Katelyn didn't know a lot about cooperatives beforehand. "When I heard about the trip I started researching co-ops. I really like the business model of how you're a customer and a member." Through her research and the Youth Tour, she gained a new perspective, stating "I didn't realize how much they do for the community. Community is super important to cooperatives."

In addition to touring Washington, D.C., the groups convened for Rural Electric Youth Day and heard from inspirational speakers and public figures.

"I had an amazing time in D.C. and would like to thank Wright-Hennepin for this wonderful experience," Katelyn said. "I can't put into words how thankful I am for this trip, it has truly changed my life. I cannot think of a better way of exploring the amazing city of Washington, D.C.!"



High school juniors interested in applying for the Electric Cooperative Youth Tour can fill out an application and learn more at: <http://goo.gl/skrnb7>. Your parent/guardian must be a WH member.

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CEO's Memo

Tim Sullivan, WH President and CEO

This isn't your father's power supply

Given the pace of modern life, we typically don't think about the journey an electron takes from its origination at a power plant to its destination at the light bulb in our home. We flip a switch, the light comes on and that's that. But the story of the journey is actually quite fascinating, complex and important, because it ultimately affects the cost and reliability of your electric service.

Traditional Generation

In the past, the vast majority of electrons have been generated at baseload power plants, which in our part of country have been coal-fired. The electrons were then sent over high-speed transmission lines to the substations of local distribution systems like Wright-Hennepin (WH). From there, electricity has been delivered over distribution poles and wires to your home.

The power plants from which we traditionally acquired these electrons have been owned by Generation and Transmission (G&T) cooperatives. WH is supplied by two: Great River Energy (GRE) in Maple Grove and Basin Electric Power Cooperative in Bismarck, ND. Both of these providers own a variety of generation assets, including wind, gas and coal units. But today, in a massive change from a decade ago, we no longer receive our power *directly* from these providers. Instead, all our power comes through the Midcontinent Independent System Operator or MISO, based in St. Paul.

The New Power Market

MISO doesn't generate electrons. Instead, it manages an immense collective electricity market in 15 states in the Central U.S. Through MISO, power is pooled. This pooling helps to ensure delivery of least-cost power and greater reliability for the grid. It also ensures the most efficient use of generating resources, and consumers have benefited tremendously because of it. Power prices are, by historical standards, quite low. What's more, we have both sufficient capacity and reliable delivery.

The development of the MISO market has also provided new opportunities for WH. Today, we obtain our power from three sources: 63 percent through GRE, 18 percent through Basin, and an incredible 19
2 percent directly through the MISO

pool. Thanks to wise decisions by your WH Board, these purchases of least-cost market power produce millions of dollars in annual savings for our membership. This power is also cleaner and greener than the energy it replaces.

Strategy: Diversity and Flexibility

Bear in mind the stakes are immense — 70 percent of your monthly bill is power supply. Our efforts to manage this expense are also an immense challenge. One objective is to expand our flexibility to choose least-cost power supply options. In the future, this could mean more purchases of market power or agreements to purchase power from specific generating assets. In any case, our goal is to build a more diverse, balanced portfolio of providers, assets and resources. In turn, we believe a diverse, balanced portfolio is the best way to reduce risk and to ensure stable, affordable power for you.

At heart, it's the same strategy you are probably employing in your 401(k) or IRA investments. You diversify your investments across many different companies, sectors and assets to ensure the best return with the lowest risk. In short, this isn't your father's power supply. The introduction of multi-state markets and third-party system operators has radically transformed the traditional generation world. You can be very proud of your WH Board for seeing these trends coming early and for first moving to take advantage of emerging opportunities more than a decade ago.

In fact, WH is a national leader among cooperatives in pursuing more flexible power arrangements that allow us to take advantage of least-cost, plentiful market power. This is just one more way we keep our commitment to you to deliver the power, products and competitive pricing essential for improving your quality of life.

As always, thank you for your business!

Board Report

June Board Meeting Highlights:

The Wright-Hennepin (WH) and WH Holding monthly Board of Director meetings were conducted June 8, 2017. A quorum of directors was present. Items discussed or Board action taken:

- Minnesota Rural Electric Association's CEO Darrick Moe gave the annual legislative update.
- AJ Gallagher's Managing Director Chris Dustin provided an overview of the results of the recent Employee Engagement Survey.
- Federated Representative Keith Johnson presented WH and WH Holding's insurance coverages.
- Approved renewal of insurance with Federated Rural Electric Insurance Exchange.
- Approved six required irrevocable letters of credit.
- Approved annual renewal of line of credit.
- Approved January – June 2018 board meeting dates.
- Due to a broken output shaft and the expense of repair, the Board approved disassembling WH's wind turbine and scrapping/donating it.
- Selected a director to represent the cooperative at a Wright County function.
- Board was informed that WH received an 85 on its recent American Customer Satisfaction Index (ACSI) survey.
- Reviewed and filed the monthly CEO, financial, legal and other operating reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.

July Board Meeting Highlights:

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted July 13, 2017. A quorum of directors was present. Items discussed or Board action taken:

- Heartland Security Services (HSS) Manager Guy Adams presented the annual review of HSS.
- Heard a report on the timeline for implementation of Co-Gen rules and regulatory authority. Public notice

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THE COOPERATIVE DIFFERENCE ON DISPLAY

Part of being a cooperative is concern for the communities we serve. In fact, it's one of the seven cooperative principles. Wright-Hennepin (WH) has been busy this summer participating in local events throughout the service territory because we're also a member of those communities. The photos below are a glimpse of some of the fun events we've hosted or participated in recently.



Wright-Hennepin supported two drivers in different heats during the Wright County Fair demo derbies. Above, Dylan Youngren brought home the first place trophy in the compact class. At left, Zach Kisner competed in the mid-size car heat but didn't place.



At right, WH employee Cody Decker and his daughter, Olivia, stop by the WH trailer.



WH's informational trailer featured details about energy-saving programs and hardhats for kids that Kayden Farrell (left) was all too happy to wear.

WH held a food drive for Wright County food shelves and displayed its vintage line truck (at right) during Saturday's Classic Car Show.



WH participated in an electric vehicle (EV) ride and drive event at the Albertville Outlet Mall on June 30. Attendees were able to test drive multiple electric vehicles and learn about WH's EV charging programs. They also got a glimpse of WH's new charging station housed in the Mall's parking lot.

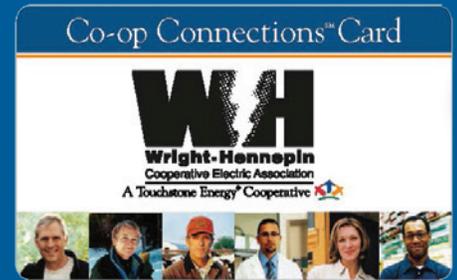


To help celebrate the Fourth of July, WH employees took part in the Annandale and Delano parades.

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

Get 10 percent off a regular visit or 20 percent off any dental procedures or laser surgery at Paws & Claws Pet Hospital of Maple Grove located at 13640 Grove Dr., Maple Grove, MN 55311.

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 or to sign up your business, 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!



Operation Round Up donations help fund Lunch Box Fever program

Eight years ago, Lunch Box Fever began as an idea by college student Emily Pennuto to help feed children who don't always have reliable access to food. In 2014, RiverWorks Community Development in Rockford adopted the program, and recently used donations from Operation Round Up (ORU) to help feed those children.

RiverWorks received a \$5,000 grant from ORU funded by donations from Wright-Hennepin members who allow their electric bill to be rounded up to the nearest dollar.

From June through August, RiverWorks feeds between 90-100 school-age students Monday through Thursday. This amounts to more than 4,000 meals, which cost about \$1.90 each.

Volunteers prep, package and deliver the food all over Rockford and the surrounding area to low-income families who may not always have nutritious lunches during the summer months.

"Students who need the food often have no way to get to a school summer food program, so we take away the barrier and bring them the food," said Denise Kesanen, RiverWorks executive director. "The smiles when they see us coming are rewarding."

"Thank you, Wright-Hennepin and Operation Round up for your donation," Kesanen said. "We appreciate your support in helping RiverWorks meet the needs of the community."



RiverWorks Community Development used the \$5,000 grant from ORU to fund the Lunch Box Fever program to help feed children in the Rockford area during the summer. Above, a volunteer loads his car before distributing meals. Below, a group of young volunteers pack lunches for the Lunch Box Fever program.

Other organizations that received June donations: \$1,012 to Shepherd's Care Christian Daycare; \$3,744 to Homeward Bound; \$2,500 to Rise; \$10,000 to True Friends; \$10,000 to Community Action Partnership of Hennepin County. Total June donations: \$32,256.



\$5

Wright-Hennepin
Cooperative Electric Association
A Touchstone Energy Cooperative

Receive a \$5 bill credit!

WH is offering a one-time, \$5 bill credit if you sign up for all of the following three items:

- EZ Pay (automatic payments from checking, debit or credit card)
- E billing (bill amount is delivered via email each month)
- Paperless (no paper bill - your bill amount will be delivered via email only)

Call today to sign up! (763) 477-3000 or (800) 943-2667. One \$5 bill credit per member

\$5

Wright-Hennepin
Cooperative Electric Association
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An overview of our Wellspring Wind Energy Program

The Wellspring Renewable Energy Program allows members to help Wright-Hennepin (WH) do even more for the environment by adding additional renewable energy into our power supply.

By purchasing blocks of wind energy, members replace electricity that would have been generated by conventional fossil fuels. The best part is, members don't need a personal wind turbine to run their home or business on wind power!

Members sign up for a one-year commitment and simply purchase wind energy in 100 kWh blocks for \$0.10 — so an average residential member will see about a \$1.00 extra charge per month. That's all that's required of members who wish to offset their usage with 100 percent renewable wind energy! To sign up, call (763) 477-3000 or visit <http://goo.gl/sbxn7K>.



September member forum to discuss next steps in local democratic control statute

During the 2017 Legislative Session the Minnesota Legislature passed and the Governor signed a provision that reduces duplicative regulation on your electric cooperative. This local democracy legislation ensures decisions that impact member-owners of Wright-Hennepin (WH) are made by your locally elected board of directors.

The legislation impacts the distributed generation section of statute and brings it in line with the rest of Minnesota Statute as it applies to rates, fees and charges of electric cooperatives. Electric cooperatives will follow the law as laid out by the legislature. Specifically, WH is considering whether to adopt authority to implement this section of statute (Minnesota Statute 216B.164). If the Board elects to do so, WH must pass a resolution to adopt this authority and implement related rules.

With the passage of the provision, the legislature affirmed the value of local decision-making and will result in rates and services that reflect our community's needs while keeping administrative costs down.

Consequently:

- The WH Board will address adoption of Minnesota Statute 216B.164 at a member forum on Tuesday, September 12, 2017.
- The forum will be held in WH's Hannon Conference Center at 6800 Electric Drive, Rockford, Minnesota at 8:45 a.m.
- Members who are interested in learning more about this legislation are encouraged to attend. Members will have the opportunity to provide feedback.
- Members may also submit questions or concerns by contacting WH at info@whe.org. Mailed comments should be sent to:

Wright-Hennepin Cooperative
Electric Association
Attn: WH Board of Directors
PO Box 330
Rockford, MN 55373
- Submitted comments or questions must be postmarked no later than September 8, 2017.



Wright-Hennepin's Board of Directors will be discussing the adoption of Minnesota Statute 216B.164 during the September 12 member forum. This legislation impacts the distributed generation section of the statute and applies to rates, fees and charges of electric cooperatives, and allows for local decision-making that reflects community needs.

WH Appliance Repair



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● WH Security cameras help catch scrap metal thieves just one week after installation

Paul Archambault is the CEO of Stinson Electric, an electrical contracting company serving the Twin Cities. He opted for a WH Security alarm system at one of his properties back in 2012 and decided to install another system with surveillance cameras at the Stinson Electric main office this past April. About a week later, Archambault's system caught a pair of scrap metal thieves in action as they stole materials for a paint-spraying booth from his neighbor's loading dock.

"They were driving a pickup truck and, before taking it (the materials) off his dock, they drove down by our building close enough that we could get the license plate number," Archambault recalled of the video footage. "Police used that to start an investigation."

When the thieves were spotted on the premises a week later, Archambault contacted the police and returned to the warehouse where he blocked off their escape with his truck.

"It worked out perfectly," Archambault said satisfied. "We were able to identify them, and with the video footage they



Paul Archambault, CEO of Stinson Electric in New Brighton, caught scrap metal thieves in action with his WH Security camera a week after it was installed.

(the police) were able to basically connect the two events."

Archambault said his WH Security systems give him peace of mind, especially the

ability to access his cameras in real-time via interactive services.

"As a business owner, it does give you peace of mind as far as the deterrent effect of it, and also the fact that if someone does try to vandalize or remove property from you, you have some kind of recourse," said Archambault. "And with the interactive features, I can look at footage in two different ways. I can look at it from my desktop locally, or there's an app I use on my smartphone or iPad."

A satisfied customer of five years, Archambault said he recommends security services through WH Security.

"I've used WH Security as my alarm provider for five years and I feel like I've always gotten a fair price," he said. "I think the techs that set it up and the kind of support they've given me has been very good. Even meeting with the salesperson to walk the building and get his recommendations to help cover your vulnerabilities was very helpful."

Want your own peace of mind? Contact WH Security at (763) 477-3664 today to learn more about your security options.

● WH to begin removal of wind turbine in August

Wright-Hennepin (WH) strives to be the energy expert for our members. In that spirit, WH installed a 25 kW wind turbine back in 2007 at its headquarters in Rockford. At the time, small scale distributed wind mills were being introduced into the energy market and multiple WH members were interested in exploring this technology. Consequently, the goal of the project was to understand:

- The ability of a wind turbine to produce power at this height and location.
- The impact on the grid caused by the interconnection of a variable resource such as wind.
- Ongoing operations including maintenance and capital expenditures.

WH learned a tremendous amount of information about distributed wind, including:

- On average, the wind turbine produced 9,000 kWh of energy annually, which is almost enough to power one average residential home.

- Energy production would have been higher had the turbine been sited on an optimal site, away from trees and buildings.
- Maintenance could be costly and time consuming. WH needed expert personnel to work on the equipment (to climb the tower, and to understand wind turbines).
- The challenge of matching output with consumption. Wind is a power source that changes depending on the weather — sometimes the wind blows, sometimes it does not. This makes it almost impossible to match exactly the amount of power needed at a given time. Consequently, having a wind turbine does not replace the need to be connected to the electric grid.

This past March, during a severe weather event, the wind turbine experienced a major failure leaving it inoperable. WH has determined that it is not cost effective to rebuild it. Consequently, crews will begin dismantling it at the end of this summer. The turbine has served its purpose by providing



The wind turbine located on WH's campus will be dismantled this month.

WH staff and membership with a wealth of information on small scale wind power.

In any case, WH will continue to strive to be your trusted energy expert.

Solar Winners



tenKsolar Winner

CLETUS HUHN of Buffalo wins a credit for 268 kWh, June's output from WH's tenKsolar panel array.

TROY BETTIN of Hamel wins a credit for 282 kWh, July's output from WH's tenKsolar panel array.



Solar Winner

CRAIG NELSON of Monticello wins a credit for 271 kWh, June's output from WH's solar panels.

MARK MOTZKO of Delano wins a credit for 286 kWh, July's output from WH's solar panels.

Average monthly energy output over 12 months:

tenKsolar system: 200 kWh

Solar panels: 216 kWh

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

Board Report

Continued from Page 2

will be included in the August WH Update.

- Heard a report on the June 11th storm which affected more than 6,000 members.
- Heard a report on the director's role in the Emergency Response Plan.
- Heard WH Security reports on the "Voice of the Customer" survey and the "Loyalty Program."
- Board was informed of Wright County's decision to approve a local one-half cent sales tax option and the impact on the membership.
- Reviewed and filed the monthly CEO, financial, legal and other operating reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.

Move over for roadside crews

When the power goes out, so do Wright-Hennepin's (WH) line crews. Lineworkers are the first to respond after an outage occurs to restore power as quickly and safely as possible.

During the work day, crews are out and about on a variety of construction and maintenance projects, often adjacent to busy roads.

If you're traveling and see one of our crews on the side of the road, please move over when possible and give them a little extra space in which to work.



If you approach a crew while traveling on a two-lane road, moving over to the next lane might not be an option. In this case, simply slow down. If you approach a crew while on a four-lane road, and safety and traffic conditions allow, move over into the far lane.

Minnesota's Move Over Law was named in honor of Ted Foss, a State Patrol trooper who was killed while on the shoulder of I-90 in Winona in 2000. Fines for ignoring this law can exceed \$100.



Save on your next purchase of **GE ENERGY STAR®** certified LED bulbs.

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Home Lighting Promotion runs June 1 – August 31, 2017.

ENERGY WISE  MN

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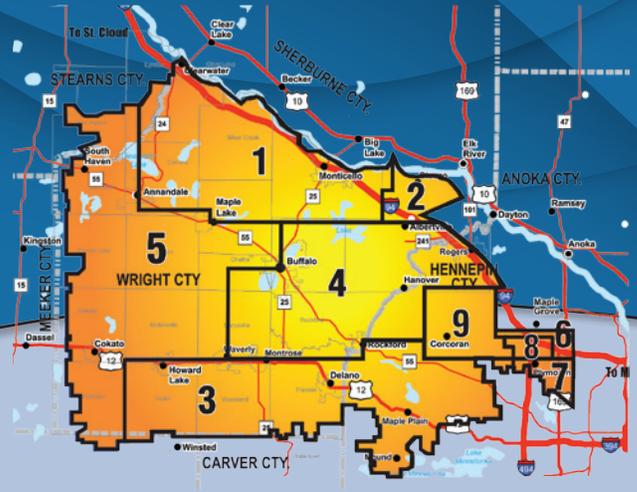
Board of Directors:

- 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

August News for Wright-Hennepin members

Periodicals



Wright-Hennepin
Cooperative Electric Association

A Touchstone Energy Cooperative

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

REMINDER: Wright-Hennepin is closed Monday, September 4 in observance of Labor Day. Our office hours will change to 8 a.m. to 4:30 p.m. Labor Day through Memorial Day.

The Cooperative Difference on display this summer

Wright-Hennepin has been busy this summer participating in local events throughout the service territory, like the Wright County Fair. WH held a food drive during the Classic Car Show (at right), sponsored a pair of drivers during the demo derbies and more!



More photos on Page 3



The Kisner family poses with their WH Voltmobile before driver Zach (center) smashed it up during the Wright County Fair Demo Derby on Friday, July 28.