

WH gives back \$4.5 million to members this month!

Wright-Hennepin's (WH) Board of Directors is proud to announce that this holiday season, members will receive a capital credit refund of \$4.5 million! This total includes \$3.7 million—the largest general retirement in the cooperative's history—and more than \$856,000 in capital credits from Great River Energy (GRE), one of WH's power providers.

Capital credit refunds

WH has returned capital credits to members for 39 consecutive years. Members who purchased electricity from WH in 1996, 1997 or 2018 will receive a capital credit refund. The refund is possible due to WH's excellent operating and financial performance.

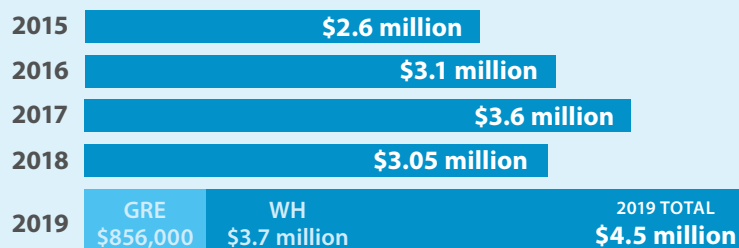
GRE will also return capital credits this year to members who purchased energy during the years of 1979-1983.

Members will receive a check in the mail if their refund is \$10 or more unless they have opted to receive a bill credit. Members whose refund is between \$1 and \$9.99 will automatically receive a bill credit.



Back: Burton Horsch, District 3; WH Vice Chair and Chair of WH Holding Timothy Young, District 1; Mike Tieva, District 6; WH Board Chair Erick Heinz, District 9; Duane "Butch" Lindenfelser, District 2. Front: Casey Whelan, District 8; Kenneth Hiebel, District 7; Secretary-Treasurer Dale Jans, District 4; Chris Lantto, District 5.

PAST FIVE YEARS OF WH GENERAL CAPITAL CREDIT REFUNDS



Capital Credits 101

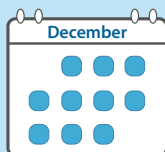
WH is a not-for-profit cooperative – collectively owned by members like you – whose mission is to provide electric power at the cost of service. Any remaining margins are returned to you, the member-owner, in the form of capital credit refunds.

Before returning it, WH uses member capital to offset the cost of debt for the construction and maintenance of the electric distribution system. This working capital represents your ownership equity in WH.

CAPITAL CREDITS 101



WH tracks the amount of electricity you use and pay for throughout the year.



At the end of the year, WH determines if there is excess revenue, called margins.



Based on how much electricity you've used, WH then allocates the margins as 'capital credits' to you.



When WH's financial condition permits, your board of directors decides to pay, or retire, the capital credits.



WH will notify you when you will receive your capital credits.



CEO's Memo

Tim Sullivan, WH President and CEO

To ensure safety, “Practice Makes Perfect”

When it comes to ensuring safety and reliability, no adage is more applicable than “practice makes perfect.” As with so many other things in life, the best way to ensure safety is to make safe behaviors a habit. It’s the same with reliability. When it comes to both outage prevention and outage response, WH’s most effective tools are consistent, excellent execution of a series of repeatable procedures.

So, in short, WH puts a huge premium on training and drill, training and drill, training and drill (repeat). Perhaps the single best example of this is our annual Emergency Response Plan (ERP) simulation. In it, we develop an emergency scenario, usually built around severe weather, mass outages and perhaps even a dangerous situation like a train derailment or a natural gas explosion. The goal is to answer the question: how would we actually respond?

For the ERP drill, we dedicate at least a half-day each December to simulate our response. The ERP impacts every department at WH, including operations, engineering, finance, member services, human resources, the CEO’s office and more. In fact, a typical drill actively involves 50 or more WH employees.



Conference room setup for ERP drill.

What do we practice?

- Calling in and directing crews
- Ensuring we have the right equipment and materials on our trucks. To do this, we actively solicit the participation and support of our suppliers, vendors and partners

- Restarting our computer services, phone lines, outage management system and operations control system from scratch
- Communication and coordination with local emergency services, including fire and rescue and city and county first responders
- Mayday events. This includes a simulated injury to a lineworker or a simulated loss of our Rockford headquarters, which would require us to move our incident command center to a location off-site
- Posting messages, photos and information on Facebook and in the local media

To ensure an authentic response, only one or two staff members know about the scenario until it is revealed to the team on the spot. Consequently, we’re responding real time as if it were a real event.

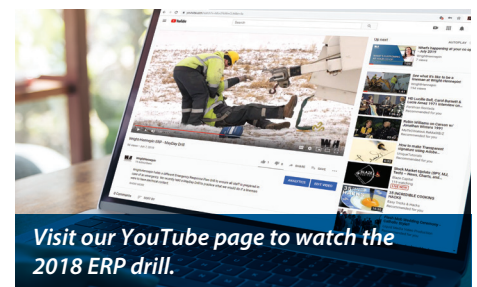
What is the value of an ERP drill?

You may wonder: with such an experienced, dedicated group of utility professionals, what is the real value of this drill? The fact is, no matter how many times we’ve experienced it, we always find opportunities for improvement. Sometimes we find snags in our communications processes. Sometimes the challenge is around coordination of crews or collaboration with other utilities and first responders. Sometimes we uncover unseen obstacles or delays in our technical response and capabilities.

In any case, we must think on our feet, respond quickly, make decisions with imperfect information and attempt to restore our system amid the wide-range of difficulties resulting from a natural or man-made disaster.

To ensure we identify and act on all improvement opportunities, we invite expert third-party observers—professionals from other electric cooperatives or Wright and Hennepin

County public safety professionals—to evaluate us. We take their observations and recommendations seriously, sharing them as part of an extensive post-event debrief session with all participants.



Visit our YouTube page to watch the 2018 ERP drill.

Examples of ERP drills

Last year, we practiced responding to a massive storm that knocked out a third of our distribution grid. We included a mock electrical contact to a lineman, or a “Mayday,” scenario. This required us to coordinate with county emergency services, police and fire, our own employees, other working crews and the public. You can watch a video of WH performing this drill on our YouTube channel at <http://bit.ly/2PCHzTC>.

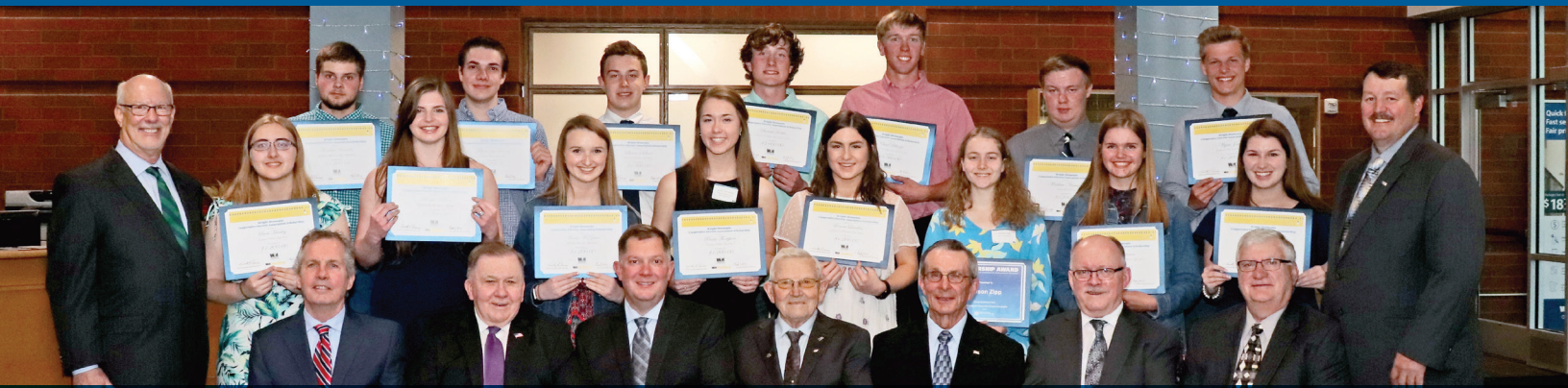
Safety and reliability

Despite WH’s outstanding safety and reliability record, we seek to remain humble and focused. But most of all, given the immense stakes, we want to remain absolutely committed to honing and improving our skills. While we hope and pray the next natural or man-made disaster is a long way off, we know that’s when our members and the communities we serve really need us.

In the meantime, please know we’ll continue to train and drill. So, the next time disaster strikes, our membership can say with conviction: “This truly was Wright-Hennepin’s finest hour!”

As always, thank you for your business!

Apply now for 2020 scholarships



Pictured above are the 2019 scholarship recipients. High school seniors may now apply for scholarships. Visit whe.org and search "scholarships."

Now is a great time to get a head start on scholarship applications. WH is once again offering scholarships to students in cooperative member households.

The following scholarships are awarded and funded through WH unclaimed capital credits and a contribution from WH Holding Company:

WH local scholarships

WH will award a scholarship to one student whose parent or guardian is a cooperative member at each of the following schools in WH's service territory: **Annandale, Buffalo, Dassel-Cokato, Delano, Heritage Christian Academy, Howard Lake-Waverly-Winsted, Maple Grove, Maple Lake, Monticello, Orono, Osseo, Rockford, Rogers, St. Michael-Albertville, Watertown-Mayer, Wayzata and Wright Technical Center (Buffalo).** These applications are submitted directly to the high school. Each school listed has its own application deadline.

WH offers an At-Large scholarship to one member's student who attends a private school, a school that neighbors WH's service territory or is home schooled. **The application deadline is April 1, 2020.**

Edward R. Slebiska Memorial Lineworker scholarship

Each year, WH awards two \$3,000 scholarships to students pursuing the lineworker profession to honor the memory of Ed Slebiska, the cooperative's first CEO. This scholarship is open to high school seniors or older living within a 30-mile radius of Rockford. Enrollment in a power line technical college is required. **The application deadline is April 15, 2020.**

Basin Electric Power Cooperative scholarship

Basin Electric Power Cooperative of Bismarck, ND, will award a \$1,000 scholarship to children of WH members and children of employees who work at the cooperative. Basin is one of WH's power suppliers. **The deadlines are Feb. 7, 2020.**

For more details and application forms, please visit whe.org and search "scholarships." If you have questions about the application process, call Ruth Potter at (763) 477-3046 or email rpotter@whe.org. Applications for At-Large, Lineworker and Basin scholarships should be mailed to:

Wright-Hennepin
Attn: Ruth Potter
P.O. Box 330
Rockford, MN 55373

Apply now for Youth Tour 2020

If your child is currently a high school junior enrolled within WH's service territory, they are eligible for an all-expense paid trip to Washington, D.C., June 18-25, 2020, with the Cooperative Youth Tour program. Electric co-ops across the nation send more than 1,500 students from 43 states to participate in the tour. Students will be able to explore museums, memorials and monuments along with meeting their U.S. Representatives and Senators.

Eligible students are encouraged to apply for a chance to be selected.

Applications need to be postmarked by March 1, 2020, and sent to Wright-Hennepin, Attn: Ruth Potter at P.O. Box 330, Rockford, MN 55373. Applications are available at whe.org by searching "Youth Tour." More information can be found by visiting youthtour.coop.



Energy-saving holiday tip

Trim your holiday energy costs by choosing energy efficient LED lights! LED holiday lights use less energy and can last up to 40 seasons. They're also easier to install – you can connect up to 25 LED strings without overloading a wall socket!

Source: energy.gov



Co-op Connections featured deal of the month

West Hennepin Auto & Tire

\$5 off oil change; \$20 off a set of four tires (select brands).
Some restrictions apply.

For more information, visit www.connections.coop. Lost your card? No problem. For a free replacement or to sign up your business, call (763) 477-3000. For more deals, visit www.connections.coop, or use the Co-op Connections app on your mobile device to find all your local deals and more!



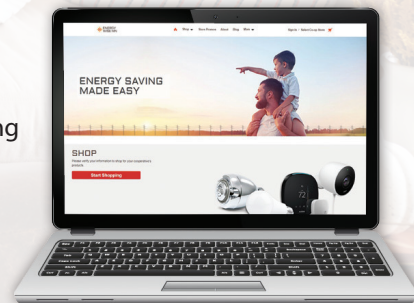
Managing your energy with efficient products

WH knows it's important to you to manage your energy efficiently. To help, WH offers several ways to make managing your energy simple and easy. One way WH helps is through the Energy Wise MN store.

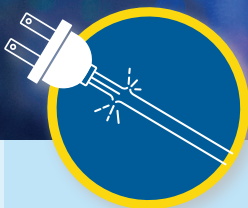
Energy Wise MN offers opportunities to members of electric cooperatives across Minnesota and Western Wisconsin to save and manage energy wisely with information, products and exclusive offers.

As a WH member, you are able to shop for products to make your home more energy efficient. You can access deals on LED light bulbs, power strips, thermostats, water savers, electric vehicle chargers and special promotions. Each energy product can help you save and manage its use while saving you money.

WH wants to help make managing your energy simple and easy! Create your own free Energy Wise MN account at energywisemnstore.com and start saving with energy efficient products.



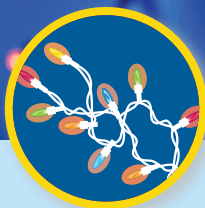
Holiday lighting safety tips



Carefully inspect all electrical decorations for damaged, loose or exposed wires before you use them.



Consider using LED lights for all your decorating needs this holiday season.



Never mount or support light strings in a way that might damage the cord's insulation.



Always unplug electrical decorations before replacing bulbs or fuses.



Turn off all indoor and outdoor electrical decorations before turning in or leaving home.

PURPA policy information available upon request

The Public Utilities Regulatory Policies Act (PURPA) of 1978 states that WH is obligated to interconnect with and purchase electricity from co-generators and small power producers. WH will provide information on its PURPA policies to all

interested persons free of charge upon request. Any disputes over interconnection, sales and purchases are subject to resolution by WH. If any member has questions regarding PURPA policies, contact WH at (763) 477-3000.

Thank you for your ORU donations!

By rounding up electric bills to the nearest dollar, WH members have donated more than \$4 million to local charities and organizations through Operation Round Up (ORU) since 1994. Eighty-seven percent of WH's membership participates in the program and each member gives about \$6 a year.

The ORU trust board, which consists of WH members, awarded the following donations at their October meeting:

- \$4,000 to **Annandale Youth First** to provide student to student mentorship programs.
- \$7,500 to **MN Adult and Teen Challenge** to support the "Know the Truth" drug prevention program.
- \$3,500 to **Gifts Anonymous** to purchase gifts for children in the Elk River/Otsego area.
- \$5,000 to **Toys for Tots of Buffalo** to purchase toys and gifts for children 0-17 years of age.
- \$1,500 to **French Lake Sunshine Club** to support local outreach to assist families in need and to celebrate the birthdays of the residents of Annandale Care Center.
- \$1,900 to Friends of the **St. Michael-Albertville-Hanover Library** for the early literacy program.
- \$7,500 to **Hope Chest for Breast Cancer** for emergency assistance grants for those with breast cancer.
- \$5,000 to **RiverWorks Community Development** to support Lunch Box Fever 2.0 and 3.0 for the Christmas meal program and for students to receive lunches at school when their lunch account is at zero.
- \$500 to **Angel Quilters** for their quilting supplies.
- \$10,000 to **True Friends** to support furnace needs at Irish Rose cabin and construction of two new cabins.
- \$500 to **True Friends Auxiliary** to defray costs of dinner for their annual fundraiser.
- \$10,000 to **Wright County Health and Human Services Special Needs Fund** to provide one-time support to get families back on their feet.
- \$700 to **Wright County Historical Society** to repair, relight and display the neon sign from the historic Red's Café in Montrose.

ORU donations make an impact

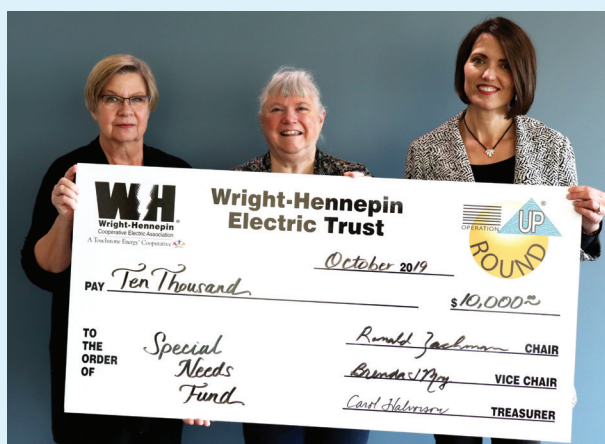
In 2019, WH members donated \$10,000 to Wright County Health and Human Services Special Needs Fund through Operation Round Up (ORU). The donation will help

individuals and families get through a crisis and back on their feet.

The Special Needs Fund began in January 1999 and helps provide one-time support to individuals and families to get back on track when they have exhausted all other resources. For example, the fund has helped purchase test strips for a diabetic whose health insurance wouldn't be available for two months,

a month's rent for a single parent family to avoid eviction and for the purchase of clothing for children.

"Wright County Health and Human Services thanks you for helping us help clients and families turn crisis situations around and prevent problems from getting worse and more costly," said Marianne Charbonneau, family intervention services supervisor and founder of the fund. "This donation will help with part of the funds we distribute yearly."



WH employees making a difference in communities

At the end of 2018, WH Make a Difference was created by WH employees with the goal to help those in the communities served by WH. Ten employees lead the effort, and in 2019, WH Make a Difference hosted fundraisers, raffles and drives for employees to donate to local organizations.



Committee members deliver check to Can Do Canines.

In quarter one, employees raised \$1,071 and chose to donate the money to True Friends/Camp Courage, a non-profit organization that provides life-changing experiences for children and adults with disabilities.



Committee members with school donations.

In quarter two, employees raised \$1,000 and elected to donate the money to Can Do Canines. The money helped a young boy, who had been waiting three years to receive an Autism Assist Dog.

In quarter three, employees raised more than \$368 and

donated more than 280 school supplies for WeCAN's Ready-to-Learn program. In addition, six employees volunteered their time to help organize and pre-pack school supplies at WeCAN's headquarters.

Lastly, in quarter four, WH Make a Difference ran a toy drive and WH was an official Toys for Tots drop-off location in the community. All the donations went to Hennepin County's Toys for Tots program. To learn more about the results of the drive, visit our website at whe.org.

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Fast service.
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- ✓ Clothes Dryer
- ✓ Heating System
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Packages Start At

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(763) 477-3000

whe.org/services-products.html

WH Appliance
Repair



Beat the freeze with temperature sensors

What if the heat goes out in your home when you aren't there? The temperature may drop significantly, which could cause your pipes to freeze and burst. This can ruin walls, appliances and possessions. WH Security offers freeze sensor technology that is designed to detect temperature drops in the home, helping to prevent freeze damage. These sensors can help you worry less while still protecting what matters most.

How does it work? These environmental sensors are mounted in your home, often under the kitchen sink, and detect if the in-home temperature drops below 42 degrees. If this happens, the sensor alerts our 24/7 monitoring center. Dispatchers will inform you of the situation so you can take action to warm up your home before the pipes freeze and burst.

These freeze sensors are especially helpful for "snowbirds" who travel south for the winter, or those with cabins not often used in the winter months. The sensors are inexpensive and, better yet, installing a temperature sensor as a part of a monitored alarm system does not increase your monthly monitoring fee.

Temperature sensors can also be paired with interactive thermostats to allow you to control your home's temperature remotely with your smart phone or tablet. You can even manage the temperature in a specific room. Our app will send you an alert if the temperature is unexpectedly high or low, so you can take action.

Instead of relying on someone to check on your home while you are away, let WH Security monitor it for you. Contact a WH Security specialist today for more details at 763.477.3664.

WHSECURITY
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Protect what matters most.

Custom Security Services

Protect what matters most against disasters such as: fire and smoke, freeze damage, sump pump failure, carbon monoxide poisoning, flammable gas, flood/water damage and power outages with sensors.

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Solar Winners

tenKsolar Winner



VERNA HILLSTROM of Maple Grove wins a credit for 141 kWh, September's output from WH's tenKsolar panel array.

MEL BERG of Howard Lake wins a credit for 124 kWh, October's output from WH's tenKsolar panel array.

To enter the contest, go to <http://bit.ly/2re3mGN>.

Solar Winner



LANCE LINDSTROM of Monticello wins a credit for 192 kWh, September's output from WH's solar panels.

ROXANNE PETERSON of Maple Grove wins a credit for 177 kWh, October's output from WH's solar panels.

Board Report: Meeting highlights

October Board Meeting

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted October 10, 2019. A quorum of directors was present. Items discussed or Board action taken:

- Approved a general WH capital credit retirement of \$3.7 million during the upcoming Holiday Season. Those with refunds above \$10.00 will receive a check unless they have requested a credit on their bill. For those whose refund totals \$1.00 to \$9.99, will receive a credit on their electric bill.
- Board was informed that WH received a check from Great River Energy for the retirement of 1979-1983. Board approved a capital credit refund to members for those years.
- Per the CORP-20 Capital Credit Policy, "there shall be no special retirement of capital credits in excess of \$25,000 per member unless Board approved" the Board approved the special retirement of capital credits at a discount for a member leaving WH's lines.
- Approved collecting a franchise fee imposed by the City of Montrose from members in Montrose.
- Approved updated policies.
- Selected a delegate and alternate for Basin's Annual Meeting.
- Reviewed annual write-off of bad debt.
- Heard a report on unclaimed capital credit process, AML project update, and electric vehicle saturation projection and usage in WH's service area.

- Heard reports from directors on recent industry meetings.
- Reviewed and filed the monthly CEO, Legal, financial, and operations reports.
- Guest: Matthew Blackler of ZEF Energy gave a market and corporate update on ZEF Energy.

November Board Meeting

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted November 21, 2019. A quorum of directors was present. Items discussed or Board action taken:

- Approved 2020 work plan and budget.
- Approved annual auditor engagement letters with Brady Martz.
- Approved two resolutions for Rural Utilities Services (one of WH's lenders) requesting possible deferral.
- Per the CORP-20 Capital Credit Policy, "there shall be no special retirement of capital credits in excess of \$25,000 per member unless Board approved," the Board approved the special retirement of capital credits at a discount for a member leaving WH's lines.
- Approved resolution authorizing transfer of electric service territory to the City of Buffalo.
- Selected 2020 delegates and alternates for business meetings of the Minnesota Rural Electric Association and National Rural Electric Cooperative Association.
- Heard third quarter top 10 Balanced Scorecard results for the electric business, WH Holding and its subsidiaries.
- Heard reports from directors on recent industry meetings.
- Reviewed and filed the monthly CEO, Legal, financial and operations reports.

Our office will be closed in observance of the holidays on December 24-25 and January 1.

CLOSED

Keep in touch with your cooperative!

Member call center:

(763) 477-3000 or (800) 943-2667
Hours: 7:30 a.m. – 6 p.m.

To report an outage:

Dispatchers are available 24/7

Call: (763) 477-3100 or (888) 399-1845

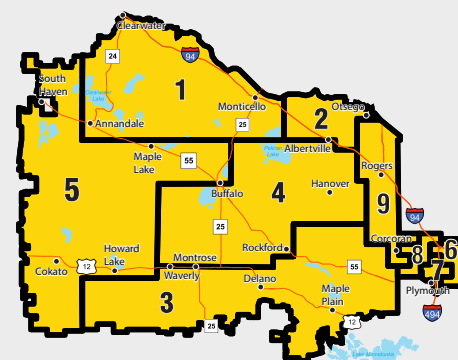
WH Security monitoring:

Security dispatchers are available 24/7

Call: (763) 477-4275 or (800) 858-7811

Website: whe.org

Email: info@whe.org



Board of Directors:

District 1: Timothy Young, Annandale
District 2: "Butch" Lindenfelser, 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, Plymouth
District 9: Erick Heinz, Corcoran

WH President and CEO: Tim Sullivan

WH CFO: Brian Swanson

WH Holding COO: Wendy Youngren

This cooperative is an equal opportunity provider and employer.

CHECK us out on SOCIAL MEDIA!

Facebook: @WrightHennepin
Twitter: @WrightHennepin
Instagram: [wrighthennepin](https://www.instagram.com/wrighthennepin)
YouTube: [WrightHennepin](https://www.youtube.com/WrightHennepin)

6800 Electric Drive
Rockford, MN 55373

Hotline Update

December News for Wright-Hennepin members

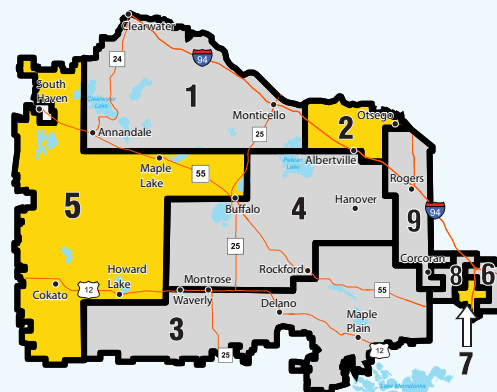
Members may now file for board seats

WH members can now submit nominations to vie for a seat on the cooperative's board of directors in Districts 2, 5 and 7. Elections will take place at WH's 2020 Annual Meeting on April 23, 2020. Your board district (BD) number is shown on the second line of the mailing address, just above your name.

Members in these districts who would like to compete in the election need to file a director nominee application form. To apply, print, complete and sign the form on the *Director Election Information* page at whe.org by March 4, 2020.

Mail in the form along with a resume to:

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



Board seat nominations for Districts 2, 5 and 7 can now be submitted for 2020.

Co-op Month events a success!

October was National Co-op Month and to celebrate, WH hosted two free events for members. The WH Member Appreciation Lunch was held on Thursday, October 10. More than 200 members enjoyed delicious food and entered a drawing to win a \$100 bill credit. The WH Fall Festival was held on Thursday, October 24. More than 200 members and children enjoyed decorating pumpkins, face painting, fall treats, bounce houses and more!



More than 200 members connected at the Co-op Month Appreciation Lunch.



Excited to be in a line truck with dad.



Proud pumpkin creations were made and shared by many smiling faces!



Members enjoyed the appreciation lunch at WH's headquarters.

Annual Meeting

THURSDAY, APRIL 23, 2020!



Keep an eye out for more information about WH's 83rd Annual Meeting on our social media channels, website and newsletters.

Free wooden spools

WH has excess wooden spools in various sizes to give away. Please check in at the front desk before picking up the spools. You can pick them up Monday – Friday between 9 a.m. – 3 p.m. For questions, call Charlie at (763) 477-3116.

