

Commitment to community in action

In 2019, Wright-Hennepin (WH) was a proud participant, host and sponsor of activities throughout its service area. Shown below are a few highlights from the year. Visit whe.org for our events calendar and follow us on Facebook and Instagram to see where we'll be next!



COMMITMENT TO COMMUNITY





CEO's Memo

Tim Sullivan, WH President and CEO

Reliable service depends on long-range planning

At WH, we're fortunate to serve a dynamic, growing part of the Twin Cities metro area. As growth within our service territory has progressed, so has growth at the co-op. Here are three ways to look at that growth over the past decade:

- **Membership:** Membership has grown by almost 15 percent to just shy of 45,000.
- **Revenue:** Annual revenues have grown by 36 percent, jumping from \$77 million to \$105 million.
- **New Services:** WH installed 1,001 new single-family services in 2018, our highest number in a decade. 2019 looks to be just slightly behind 2018 and 2017, producing our third highest number of new single-family services in ten years.

In general, this is very good news. But like all growth and development, the expansion of WH's electric grid comes at a cost. In the past four years alone, we will have constructed or rebuilt three substations, installed 163 miles of line and added more than \$30 million to our total utility plant.

Why is this a challenge? Because while we spent \$30 million in just four years to upgrade our system we won't collect all the revenue required to pay for these improvements for up to 30 years. Think of it like your own experience with buying a home: you produce a check for the total amount at closing but you don't actually pay off your mortgage for 30 years.

As a utility, every element of our infrastructure—poles, wires, meters, transformers, distribution lines, transmission lines, generating plants—must be in place before a single electron can be delivered or a single dollar collected. This means our investments must be made up front. We recoup these investment costs over time in order to make electric bills affordable for you.

Here's one way to look at: WH's annual revenues are about \$100 million, but the value of our total utility plant is north of \$215 million. Here's another way: the biggest increase of any line item in WH's 2020 budget is depreciation expense.

Think of depreciation as the diminishing value or usefulness of an asset over time. It's not unlike home maintenance or car repair expense for a consumer: it's necessary but not especially fun. After all, wouldn't we all rather spend money on a vacation or dinner out with loved ones?

Here's one more way to consider the costs of running a utility: WH's total budget for improving infrastructure in 2020 is almost \$13 million. To put that in perspective, it's more than we spend on member billing and collections, member service and business administration combined.

So what does this mean to you?

- 1. WH constantly reinvests in its system to assure affordability and reliability.** Transformers, meters, underground and overhead lines all have useful lives after which they must be replaced. This means WH grid investments must cover not just installation of new services but the replacement and upgrading of the old.
 - 2. WH recoups the cost of these investments over a very long time.** Because of this, it's critically important that policymakers in St. Paul or Washington D.C. give us long lead-times on major policy changes or risk negatively impacting the affordability and reliability of power for consumers.
 - 3. WH exercises great care and discipline over the costs we can control.** The costs over which we have direct control are operating costs. Think of operating costs as the equivalent of your family's monthly spending on things like groceries, clothing and daily living expenses. At WH, we are experts at controlling these costs, ranking in the best 10 percent of co-ops in the country.
- So, remember: when you pay your monthly WH bill, you're not just paying

for the energy you used last month. You're paying to help maintain and upgrade the grid and for your share of all the utility infrastructure it takes to bring power to you.

To make daily power delivery a reality, utilities like WH must plan, finance and build many years in advance so that—when you really need to charge your phone or heat your dinner in the microwave—all that's required is to hit a button. Taking care of the planning, financing and building of the grid is just one more way your electric cooperative delivers value to you today—and ensures safe, reliable, responsive and affordable service tomorrow.

As always, thank you for your business!



“In the past four years alone, we will have constructed or rebuilt three substations and installed 163 miles of line.”



Take advantage of 2020 rebate programs!



WH is pleased to provide members with great rebates to help reduce electric costs.

Listed are two sets of rebates. More than one rebate may apply to your appliance. WH's ESP rebates are available until Dec. 31, 2020. The Conservation Improvement Program (CIP) rebates are available on a first-come, first-serve basis.

All rebates are for new installations only. Certain rebates require participation in one or more ESP.

Ground Source Heat Pump

- Up to \$750 (ESP)
- Up to \$1,200 (CIP)

Quick Cash Air Source Heat Pump

- Up to \$900 (ESP)
- 14.5 SEER – \$480 (CIP)
- 15 SEER – \$580;
- 16 SEER – \$630 (CIP)

Metered Water Storage

- Up to \$200 (ESP)
- Up to \$300 (CIP)

Quick Cash Water Heating

- Up to \$950 (ESP)
- Up to \$300 (CIP)

Electric Vehicle Charge

- Up to \$500 (ESP)
- Up to \$500 (CIP)

Dual Fuel

- \$5/kW up to \$250 (CIP)

Electric Thermal Storage

- \$5/kW up to \$250 (CIP)

Quick Cash Air Conditioning

- Up to \$200 (ESP)
- 15 or 16 SEER – \$25 (CIP)

Ductless Air Source Heat Pump

- \$200 (CIP)

HVAC Electronically Commutated Motor

- \$50 per ECM (CIP)

Variable Speed Pool Pumps & Pool Air Source Heat Pumps

- \$400 for pool air source heat pump (CIP)
- \$200 for variable speed pool pumps (CIP)

● WH Energy-Saving Rebates/ Program (ESP)

● Conservation Improvement Program (CIP)

RECEIVE UP TO
\$1,250
QUICK CASH
WATER STORAGE PROGRAM

Complete details and rebate forms can be found at whe.org.

Call (763) 477-3000 or email info@whe.org with questions.

EV charging stations 101

A charging station is one of the most fundamental elements of owning an electric vehicle (EV). To save money and energy, it's essential to know a thing or two about charger types and styles. Here is some basic information about charging levels and styles of charging stations so you'll be well informed when it is time for you to decide.

3 LEVELS OF CHARGING

LEVEL 1 CHARGING

- » The slowest charge at three to five electric miles per hour
- » Most commonly found in homes
- » Uses an Alternating-Current (AC) plug
- » Requires a dedicated circuit
- » Can typically use a standard 120-volt household outlet

LEVEL 2 CHARGING

- » Charges at a rate of 10 to 20 electric miles per hour
- » Can be found in public locations and at homes
- » Must be hardwired or plugged into a 240-volt outlet with a dedicated circuit by a certified electrician

DC FAST CHARGE

- » Provides the quickest charge
- » Typically located in high-traffic public areas
- » Can charge a depleted EV's battery to 80 percent in under 30 minutes

LEVEL 2 CHARGING STYLES



SINGLE-HEAD WALL MOUNT STATION



SINGLE-HEAD PEDESTAL STATION



DUAL-HEAD PEDESTAL STATION

11 2015
16 2016
21 2017
36 2018

71 2019 MEMBERS ENROLLED
IN WH EV ENERGY-SAVING PLANS

Programs and rebates are available to members who own EVs. You can choose from two charging program options: storage charge or time-of-use. Learn more at whe.org.

Co-op Connections featured deal of the month

Anytime Fitness of Albertville

Free 14-day trial membership. Albertville location only. See office for details.

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!



Apply for 2020 scholarships and Youth Tour

Scholarships

Since 1988, Wright-Hennepin (WH) has helped almost 500 local students further their education through scholarships.

Students, make sure to submit your WH scholarship applications by the following deadlines:

- **At-Large scholarship:** April 1, 2020.
- **Edward R. Slebiska Memorial Line Worker scholarship:** April 15, 2020.
- **Local school scholarships:** Deadlines vary, check with your guidance counselor.

Please submit the At-Large and Edward R. Slebiska scholarships to WH. Submit the local school scholarship application to your school's guidance counselor.



Last year WH awarded \$28,600 in scholarships to 21 local students to help them continue their education.

Youth Tour

Each year, WH sends one high school junior on an all-expenses paid trip to the annual Electric Cooperative Youth Tour in Washington, D.C. from June 18-25, 2020. The Youth Tour helps educate youth about the political process and allows them to interact with U.S. government officials.

Interested high school juniors from WH's service territory should submit a Youth Tour application to WH by **March 1, 2020**. The application and more information can be found at whe.org by searching Youth Tour.

Experiencing linework through winter internship

Five college students recently completed a two-week, hands-on lineworker internship with WH over their holiday break.

Interns Matthew Eggert, Sam Hedtke, Chad Pillatski, Ben Safar and Mason Monchamp assisted on lineworker projects under the supervision of experienced WH lineworkers.

"I've enjoyed what I've learned here, and the linemen are just incredible," said Hedtke.

"It's a lot of fun," said Eggert. "Everyone here is great! There are multiple ways to do different tasks and you can choose whichever is most comfortable to you."

The interns learned how to maintain and repair both overhead and underground power lines and equipment, switch out power poles, operate equipment and hook up new electric services.

"I've enjoyed the hands-on experience," said Monchamp. "We've been learning how to do everything for months and now actually get to put it to use."

All five interns are currently attending the Electrical Line Worker Technology program at Minnesota State University in Wadena.

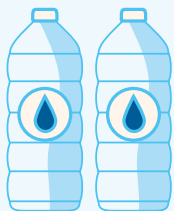
Along with an internship program, WH offers scholarships for lineworker training. Visit whe.org for more information about the scholarships.



WH's five winter lineworker interns (from left to right) Matthew Eggert, Sam Hedtke, Chad Pillatski, Ben Safar and Mason Monchamp spent their winter break gaining hands-on experience as lineworkers at WH.

Being prepared for winter weather

Midwest winter weather can quickly turn extreme. Whether a large snow storm hits or the temperatures drop, you can be prepared for most anything with an easy-to-find emergency supply kit. Go to [ready.gov](https://www.ready.gov) to learn more on how to be prepared for any situation.

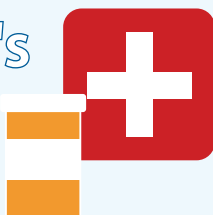


Water

A three-day supply
(one gallon per person per day).

First Aid kit and Rx's

First aid supplies, hand sanitizer and at least one week's supply of prescriptions and medications for the family.



Tools



Flashlight, extra batteries, manual can opener, battery powered or hand-crank radio, National Oceanic Atmospheric Administration (NOAA) Weather Radio with tone alert.

Supplies

Non-perishable foods, blankets and warm clothing.



Source: American Red Cross, Federal Emergency Management Agency

Your basic charge pays for...

The basic charge on your WH bill is the amount you pay each month, regardless of how much energy you use. It helps cover expenses like poles (see below) along with wire, transformers, meters and more!

UTILITY
POLE

\$500

42,000 Poles in WH Service area



WH invests in ZEF Energy

As part of a broader set of initiatives designed to promote the adoption of electric vehicles, WH has made an equity investment in ZEF Energy. ZEF Energy is Minnesota and Wisconsin's largest independently owned and operated D.C. fast charging network and network software operator. Along with the investment, WH will also have a seat on ZEF Energy's board of directors and input into the future directions of the company. Learn more about this recent investment on our website at [whe.org](https://www.whe.org).

2019 ACSI score

87

Thank you members! The results of our December survey are in and WH earned a member satisfaction score of 87. The score is higher than Nike, Amazon and Hilton and is 13 points higher than Xcel Energy according to the American Customer Service Satisfaction Index.

ANNUAL MEETING
THURSDAY, APRIL 23, 2020
6800 ELECTRIC DRIVE – ROCKFORD

Time to consider environmental sensors

Many of us think of an alarm or security system as a way to be alerted to an intruder or to prevent an intruder from gaining access to property. But there are many valuable applications for alarms beyond intruder protection.

For example, consider environmental sensors and other life-safety devices that alert you to problematic situations in your home. WH Security's sump pump sensors will notify you of the presence of water (where it shouldn't be) helping prevent property damage, electrical shocks and wet basements. Freeze or low-temp sensors alert you when temperatures in your home drop below 42 degrees so you can take action to prevent your water lines from freezing and bursting.

While many homes now have carbon monoxide (CO) sensors, WH Security offers monitored CO sensors, which detect the presence of this poisonous gas. If CO is detected, an audible alarm will sound and our 24/7 monitoring center will also be notified. We will then alert you and the necessary authorities. If no one is home, the authorities can be sent to investigate and the result could be the saved life of a pet.

Another important life safety device is the dual-purpose smoke/heat sensor. This sensor not only detects for smoke in the air, it also detects if the temperature in the area has a rise of 15 degrees within one minute. Either one of these will trigger an alarm notification to our monitoring center and sound

an audible siren in your home. Our monitoring center will then contact the fire department on your behalf – saving you valuable time in a true emergency.

Another positive aspect of environmental sensors is that they are monitored 24 hours a day with or without arming the alarm system. Adding environmental sensors increases the level of home security you have, but doesn't increase the monthly monitoring fee.

Call WH Security at 763.477.3664 to learn more about adding environmental protection to your home or property.



WHSECURITY
Trusted. Local.

**Quick fix.
Fast service.
Fair price.**

WH Appliance Repair plan helps you with unexpected repair bills. The plan includes **your choice** of 5 appliances.*

Popular options include:

- ✓ Refrigerator
- ✓ Clothes Dryer
- ✓ Heating System
- ✓ Range
- ✓ Water Heater

Packages Start At

\$18⁷⁵ month

*Additional appliance coverage is also available. No deductible or trip charge. Certain restrictions apply.

(763) 477-3000

whe.org/services-products.html

WH Appliance
Repair

Protect your Ash trees!

FREE EMERALD ASH BORER SEMINARS



Tuesday, May 19, at 3:30 and 5:15 p.m.

Two identical seminars will be held on the impact of the Emerald Ash Borer (EAB) larvae on Ash trees in this area, how to identify an EAB infested Ash tree and how to treat it.

Call (763) 477-3000 to register.

WH Headquarters | 6800 Electric Drive | Rockford, MN 55373



(763) 477-3000 | whe.org

Solar Winners

tenKsolar Winner



DWIGHT WHITTLEF of Buffalo wins a credit for 83 kWh, November's output from WH's tenKsolar panel array.

KEVIN JOHN of Annandale wins a credit for 54 kWh, December's output from WH's tenKsolar panel array.

Solar Winner



PAUL LINDALA of Annandale wins a credit for 129 kWh, November's output from WH's solar panels.

DIANE ETZEL of Albertville wins a credit for 108 kWh, December's output from WH's solar panels.

Enter to win at <http://bit.ly/2re3mGN>

Board Report: Meeting highlights

December Board Meeting

The Wright-Hennepin (WH) and WH Holding monthly Board of Director meetings were conducted December 19, 2019. A quorum of directors was present. Items discussed or Board action taken:

- Met new Vice President of Human Resources, Jennifer Severson.
- Met with the Operation Round Up (ORU) Board and heard the annual ORU report of activities.
- Approved special retirement for a member leaving WH lines.
- Approved land option for Howard Lake Substation.
- Heard survey results for Electric Usage Consultants and WH Security.
- Heard results of WH's Commercial American Customer Service Index Survey. WH received a score of 90.
- Heard results of WH's annual Emergency Response Plan table top exercise.
- Heard report about WH Security's limited time offers and promotions.
- Heard 2019 results of the employee's WH Make a Difference quarterly fundraisers.
- Heard the results of the employee engagement survey.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, financial, and operations reports.
- Guest: Minnesota Rural Electric Association's Joyce Peppin highlighted legislative and regulatory issues taking shape for 2020.

January Board Meeting

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted January 9, 2020. A quorum of directors was present. Items discussed or Board action taken:

- Approved Minnesota Rural Electric Association's 2020 membership dues.
- Approved hosting WH's Scholarship Banquet on Thursday, May 28, 2020.
- Heard results of the 2019 Cooperative Difference Research and American Customer Satisfaction Survey. WH received a score of 87.
- Approved updated CORP-70 CDL policy.
- Held annual cyber security training.
- Heard report on WH and WH Holding's 2020 Political Plan.
- Heard the annual Conservation Improvement Program (CIP) update.
- Heard report on C&I and residential growth and developments in WH's service territory.
- Approved \$1 million reduction in the Power Cost Adjustment of member bills. Also directed additional funds be included in the December 2020 general capital credit retirement, pending approval from the Rural Utilities Service (one of WH's lenders).
- Selected voting delegates and alternates for all known 2020 industry meetings.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, financial, and operations reports.

Keep in touch with your cooperative!

Member call center:

(763) 477-3000 or (800) 943-2667

Hours: 7:30 a.m. – 6 p.m.

Monday – Friday

To report an outage:

Dispatchers are available 24/7

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

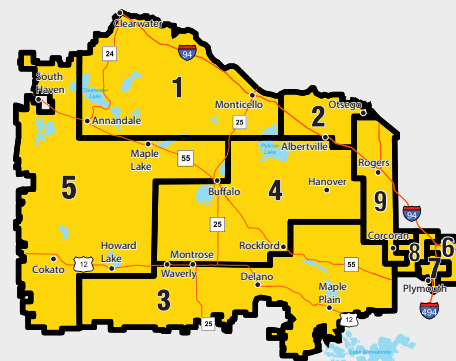
WH Security monitoring:

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.

Satisfaction Survey

WH will be conducting its bi-annual American Customer Satisfaction Index (ACSI) survey in April.

You may be contacted by a WH representative via phone or email to take part in the survey. Your participation is greatly appreciated.

6800 Electric Drive
Rockford, MN 55373

Hotline Update

February news for Wright-Hennepin members

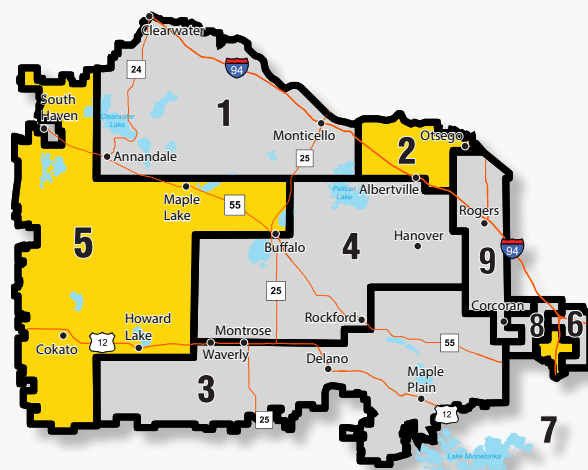
Last chance to file for board seats

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 run 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



You're invited to WH's Annual Meeting!

THURSDAY, APRIL 23, 2020
6800 ELECTRIC DRIVE – ROCKFORD

Member attendance gifts

- » Free reusable shopping bag
- » Free pound of butter*

Prize drawings

- » 2013 Ford Fusion* (registered members only)
- » Prize drawings at the individual information booths.



*Must be present until the end of the business meeting to receive butter and a chance to win the vehicle.

Schedule

Registration opens: 4 p.m.
Free Pork Chop Dinner: 4:30 - 6:45 p.m.
Bingo: 4:30 - 6:45 p.m.
Children's Activities: 4:30 - 8 p.m.
Business Meeting: 7 - 8 p.m.



Unclaimed capital credits

Do you know anyone who was a WH member years ago, and has since moved? They may have unclaimed capital credits.

Visit whe.org to review the unclaimed capital credits list to see if you know anyone on it. If so, they may submit the unclaimed capital credit/property request form.

