

In 2020, commitment to community meant giving amid adversity for Team WH



WH employees donated 77 toys and more than \$2,000 to Toys for Tots in December.

During a unique year that disrupted all our lives, WH still connected with the community through significant donations and fun virtual events for members in 2020.



WH proudly awarded scholarships to 21 local students in 2020 to advance their education.



Through Operation Round Up, WH members donated more than \$175,000 to local organizations in 2020.



In September, WH and Sugar Mamas Ice Cream truck brought treats to daycares in Buffalo, Corcoran, Maple Grove and Rockford.



WH held a virtual bingo event to celebrate National Co-op Month in October.



CEO's Memo

TIM SULLIVAN
WH PRESIDENT AND CEO

WH Electric's Vision is for Best-in-Class Performance

What does best-in-class performance look like for an electric distribution cooperative? At Wright-Hennepin (WH), that's not just an interesting but idle question. In fact, your Board of Directors believes the answer is so important – so central and foundational to the co-op's service promise to its members – that they have answered it in WH's Vision Statement:

"To benefit our members, WH and its diversified businesses will outperform our competitors and sustain top 10 percent results in satisfaction, financial management, safety and reliability through 2022."

So, there's your answer. At WH, we believe best-in-class means delivering top 10% performance results in what we call the Big Four categories of member satisfaction, financial management, safety and reliability. Put another way, WH strives not to be an adequate or even an above-average utility. Our goal is best-in-class service because that's what we believe our membership deserves.

So how do we know where the bar is for top 10% results? Well, every year WH benchmarks our performance against more than 800 distribution systems from around the country, against our competitors, and against goals set by our WH Board of Directors. So, let's take a look at each in turn.

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2020 CONSUMER SATISFACTION SCORE

SATISFACTION

WH measures member satisfaction according to the American Customer Satisfaction Index (ACSI), the gold standard of consumer satisfaction measures. With the ACSI, satisfaction results can be compared accurately across companies and industries. For example, Google scored 79, Hilton scored 82 and Walmart scored 71 in 2020. In the cooperative network, top 10 performance in 2020 was an ACSI score of 89 or better.

WH came within an eyelash of achieving that goal, scoring an 88 on the ACSI in 2020. To provide context, that score is 16 points better than Touchstone Energy Cooperatives and 15 points better than Xcel.

FINANCIAL MANAGEMENT

We measure our financial performance several ways, including benchmarking against the cooperative network, neighboring utilities and goals set by the Board of Directors. Consider:

Operating Costs: WH's goal is to keep operating costs in the best (lowest) 10% for electric cooperatives in the country. We accomplished this in 2020, performing in the best 5% in the nation.

Competitiveness: WH's goal is always to keep monthly utility bills below those of our region's largest investor-owned utility, Xcel Energy. In 2020, the typical monthly residential member bill was almost four percent less than Xcel.

Capital Credit Returns: WH's goal in recent years has been to speed up capital credit refunds to members. In just five years, WH has reduced the period we borrow money from members from 27 years to less than 21. In fact, in December 2020, WH gave back \$6.3 million – our largest capital credit refund in history – including an average check (or bill credit) totaling \$148.42! For many consumers, this was like receiving a free month of electricity.

SAFETY

At WH, we are also firmly committed to safety, both for our employees and the members we serve. We measure safety performance several ways, including by the standards of the Occupational Safety and Health Administration (OSHA). But two of our most important include a measure for building a strong Safety Culture and a measure of safety outcomes. That's why we strive to ensure at least 90% of our employees attend four or more safety training classes during the year. To measure the impact of incidents, we also set a goal of keeping claims to 50% or less of our insurance premiums. In 2020, Team WH met both these goals.

RELIABILITY

In survey after survey, our members have told us that nothing is more important to them than keeping power on when it's needed most. To measure reliability results, we compare our performance to co-ops across the nation for outage number and length as well as response time. In 2020, on average our members were without power less than a half-hour (29.1 minutes) each. When individual members experienced an outage, they were without power, on average, less than 80 minutes (78.22 minutes). Within the cooperative network, these results firmly place WH in the top 10% for reliability.

In the end, our purpose goes beyond goals and measures. Our overriding commitment is to realize the vision of delivering best-in-class service to our members. Because for us, there can be no higher or better aspiration at a member-owned utility. And while we're proud of all WH accomplished in 2020, what matters most is that we continue to deliver the modern quality of life our members need, want and expect.

As always, thank you for your business!

Save with WH's electric vehicle charging program

LEVEL 2 Electric Vehicle (EV) Charging Station Options



Available at energywisemnstore.com. Prices listed above reflect the online purchase agreement.

Up to \$1,000 in rebates

when you purchase a ZEFNET charger and join the EV Storage Charging Program

Charging your electric vehicle has never been easier! WH has partnered with Energy Wise MN to take the guesswork out of purchasing an EV charging station. We've narrowed it down to our top three options with onboard metering to offer an installation that does not require a meter on the outside of your home. Your electrician will help you to determine which model will fit your home's electrical structure and capabilities.

With WH's EV charging programs, we take the confusion out of how to charge your electric vehicle. When you purchase the ZEFNET charging station, which is compatible with all plug-in vehicles, you can sign up for WH's EV Storage Charging Program and take advantage of our rebates.



Which 2021 rebate programs will save you money?

WH is pleased to provide members with great rebates to help reduce electric costs. Listed to the right are two sets of rebates. More than one rebate may apply to your appliance. WH's Energy-Saving Program (ESP) rebates are available until December 31, 2021. 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. Complete details and rebate forms can be found at whe.org.

QUESTIONS?

(763) 477-3000 info@whe.org whe.org

Ground Source Heat Pump

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

Quick Cash Air Conditioning

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

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

Dual Fuel

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

Electric Thermal Storage

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

Ductless Air Source Heat Pump

- \$200 (CIP)

HVAC Electronically Commutated Motor

- \$50 per ECM (CIP)

Variable Speed Pool Pumps and 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)

Current program participation is required to qualify for rebate programs.

Co-op Connections deal of the month

WEST HENNEPIN AUTO & TIRE IN ROCKFORD
\$5 off an oil change

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 now for scholarships!

The deadlines for scholarships through WH are quickly approaching. WH offers scholarships to students in cooperative member households, and students are encouraged to start applying now. Scholarships are funded through unclaimed capital credits and a contribution from the WH Holding Company.

WH will award a scholarship to one student whose parent or guardian is a cooperative member at schools in WH's service territory. These applications are submitted directly to the high school. WH also 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 2, 2021. For a full list of schools participating in WH's scholarship program, visit our website and search "scholarships." Each school listed online has its own application deadline and the schools will select the winners.

EDWARD R. SLEBISKA MEMORIAL LINeworker SCHOLARSHIP

Each year, WH awards two \$3,000 scholarships to students pursuing a career as a lineworker to honor Ed Slebiska, the cooperative's first CEO. This scholarship is open to those who are 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, 2021.

For more details and application forms, please visit whe.org and search "scholarships." If you have questions about the application process, call Chrissy Piekarski at (763) 477-3069 or email cpiekarski@whe.org.

Mail applications for At-Large and Lineworker scholarships to:

Wright-Hennepin Cooperative Electric Association
Attn: Chrissy Piekarski
P.O. Box 330
Rockford, MN 55373



Pictured: 2020 scholarship winners

What are utility franchise fees?

Per state law, a city may impose a franchise fee on a gas or electric utility for use of the public right-of-way by adopting an ordinance that establishes fee terms, including structure, collection, schedule and effective dates. Cities have the sole authority to determine the amount, structure and use of utility franchise fees. Consequently, utilities collect franchise fees on behalf of a city by adding a fee to utility bills. The fees appear on members' bills as a separate line item and can be up to 5% of the average monthly utility amount. WH receives no benefit from collecting franchise fees and distributes them directly back to the city or township that requires them. Several cities in WH's service territory charge a franchise fee. If you have any questions about franchise fees in your area, please consult with your city staff.

Howard Lake Substation rebuilt

In December, WH held a ribbon cutting ceremony to celebrate the completion of the rebuilt Howard Lake Substation. The project began in May 2020. The substation was expanded from its original size to better meet the needs of the growing community.

FAST FACTS

1950s
FIRST BUILT

7.8 megawatts
ENERGY USED

800
HOMES SERVED

11/2020
SUBSTATION ACTIVATED



Howard Lake Substation ribbon cutting, December 2, 2020.



Legacy air conditioning programs to change

A study commissioned by WH recently found that two of WH’s programs, Metered AC and Cool Cash AC, are providing a discount larger than the benefit they provide. Quick Cash, which provides a flat \$5 monthly discount from June – September, was found to be fair and economical. As a result, in the spring of 2021, members on Metered AC or Cool Cash AC will begin to be transitioned to the Quick Cash program over a three-year period. Those affected will receive a personal letter outlining reasons for the change and the path forward. If you have any questions, contact WH at (763) 477-3000.



WH Intern Cole Evjen studies what’s behind keeping the lights on at Minnesota State University in Wadena.

Hands-on experience with WH’s internships

In January, students preparing to become lineworkers were able to gain hands-on experience in the field through WH’s internship program. Interns Cole Evjen and Dylan Grangroth participated in the two-week internship program, learning on-the-job experience doing underground line work. “The internship gave me a good understanding of line work,” said Evjen. “The linemen taught me new skills I haven’t gotten to do at school yet.”

Cole Evjen attends Minnesota State University in Wadena and will graduate in May 2021, and Dylan Grangroth is a senior at Howard Lake High School. Along with internship programs, WH offers scholarships for lineworker training. Additional information about scholarships can be found on page 4 or on whe.org.

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



Packages Start At

\$18⁷⁵ month

The 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

*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

WINTER SAFETY TIPS FOR YOUR HOME

When the temperature drops and snow starts to fly, it's time to think about the effect winter weather can have on your home. Two key things to look out for are significant temperature drops and/or carbon monoxide in the home.

Imagine if your furnace malfunctions when you are away from home for an extended period of time. Before long, the temperature may drop significantly. If not resolved quickly, you run the risk of pipes freezing and bursting, which can cause thousands of dollars in damages. With freeze sensor technology from WH Security, you'll be notified right away if the in-home temperature drops below 42 degrees so you can take action.

What about carbon monoxide (CO)? CO is an odorless, invisible gas that can't be seen or smelled. It's produced from the combustion of fossil fuels, which is how heat is produced in furnaces and ovens that are fueled by LP or natural gas. If not properly ventilated, CO can cause harm to people and animals.

Installing CO detectors monitored by WH Security in your home can provide some comfort. The device will constantly monitor the air quality and will alert you if your environment becomes unsafe - whether you are home or not. When your CO detector activates the alarm panel, it sends a signal to the monitoring center. Professionals will make the appropriate calls to individuals and authorities notifying them of the issue. If you have pets, having this device monitored is very important for their safety.

Freeze and CO sensors are inexpensive to purchase and install and add great value to your home security system by protecting you and your home during the cold winter months. Instead of relying on someone to check on your home while you are away, let WH Security monitor your home for you! Contact a WH Security representative today for more details at 763.477.3664.

WHSECURITY
Trusted. Local.

Protect your Ash trees!

The emerald ash borer bug is in Minnesota.

The signs and symptoms of the emerald ash borer bug include canopy dieback, bark splitting and increased activity from woodpeckers.

Call (763) 477-3000 to learn more.

WH Headquarters | 6800 Electric Drive | Rockford, MN 55373



Solar Winners

tenKsolar winners



BARRY SCHULTZ

of Annandale wins a credit for 93 kWh, November's output from WH's tenKsolar panel array.

ERIK LUUKKONEN

of Maple Grove wins a credit for 63 kWh, December's output from WH's tenKsolar panel array.

Solar winners



ALEXANDER VICINO of Rockford wins a credit for 172 kWh, November's output from WH's solar panels.

PAUL KLESMIT of Loretto wins a credit for 127 kWh, December's output from WH's solar panels.

Learn more at <http://bit.ly/2re3mGN>

Board Report: Meeting highlights

DECEMBER BOARD MEETING

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted December 15, 2020. A quorum of directors was present. Items discussed or Board action taken:

- Heard results of the third quarter Balanced Scorecard.
- Heard results of the Behavioral Off-Peak Pilot Study.
- Heard results of the Energy Use Consultants survey.
- Heard results of the Commercial Conservation Improvement Program survey.
- Heard report on process improvements and efficiencies achieved in 2020.
- Heard the pricing implementation plan for WH Security Service Agreements starting January 1, 2021.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, financial, and operations reports.

JANUARY BOARD MEETING

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted January 12, 2021. A quorum of directors was present. Items discussed or Board action taken:

- Approved Minnesota Rural Electric Association's 2021 membership dues.
- Approved updated policies.
- Approved rescheduling the March board meeting.
- Heard about three scenarios (Red Alert Drill, Oil Spill and Widespread Outage) that took place during WH's annual Emergency Response Plan table top exercise.
- Heard results of the 2020 American Customer Satisfaction Survey. WH received a score of 88.
- Heard results of WH Security and WH International Response Center's surveys.
- Heard WH and WH Holding's 2021 Public Policy Plan.
- Heard results of translating service data.
- Selected voting delegates and alternates for all known 2021 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.
- Guests: WH lenders, CoBank Representative Cliff Bolstad and CFC Representative Darrin Lynch, shared financing options.

Keep in touch with your cooperative!

Member call center:

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

Hours: 7:30 a.m. – 5 p.m.

Monday – Friday

To report an outage:

Dispatchers are available 24/7

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

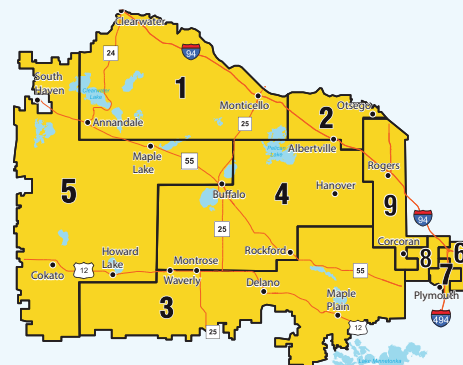
WH Security monitoring:

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: David Silver, Maple Grove
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.

ANNUAL MEETING THURSDAY, APRIL 15, 2021

WH'S ANNUAL MEETING
WILL BE LIVESTREAMED
APRIL 15.

ENERGY EFFICIENCY TIP

Make sure drapes and shades are open during the day to catch free solar heat in winter

6800 Electric Drive
Rockford, MN 55373

Hotline Update

FEBRUARY NEWS FOR WRIGHT-HENNEPIN MEMBERS

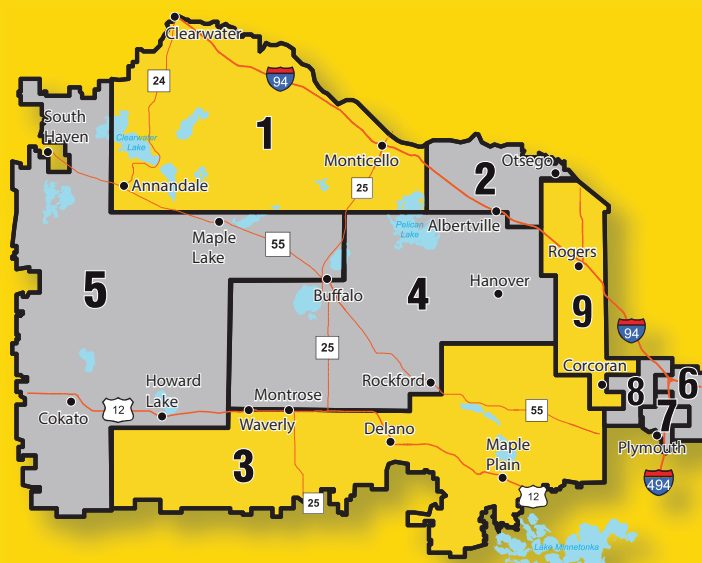
Last chance to file for board seats

WH members can still submit nominations to vie for a seat on the cooperative's board of directors in Districts 1, 3 and 9. Elections will take place at WH's 2021 Annual Meeting on April 15, 2021. 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 February 24, 2021.

Mail in the form along with a resume to:

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



WH's 2021 Annual Meeting

THURSDAY, APRIL 15



The Annual Meeting will include:

- Director elections for Districts 1, 3 and 9
- Financial report
- Board chair report
- Bylaw results

Due to ongoing health concerns, details on attendance will be announced at a later date via mail and email. The event will be livestreamed for members to watch online.

Unclaimed capital credits

Do you know anyone who was a WH member years ago but has since moved? They may have unclaimed capital credits. Visit whe.org and search "unclaimed capital credits" 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.

