



**Wright-Hennepin**  
Cooperative Electric Association

A Touchstone Energy® Cooperative 

# Wright-Hennepin Cooperative Electric Association's Hotline Update

**December 2012**

## \$1.2 million in capital credit refunds to be returned to WH members during holiday season

Thanks to Wright-Hennepin's (WH) continuing strong operational and financial performance, almost all members will receive a capital credit refund on their energy bill this holiday season.

WH's board of director's recently declared a capital credit return of \$1.2 million to members who purchased electricity from the cooperative during 1987, 2010 or 2011.

Capital credit refunds in the cooperative business model are similar to dividends in investor business models. Each member's share of the capital credit refund is based on their energy use during the years being retired. However, before returning these margins back to members, WH uses this capital to offset the cost of debt for the construction and maintenance of the electric distribution

system. This working capital represents the members' ownership equity in WH.

WH retires portions of annual margins faster than many electric co-ops in the nation because of a board-recommended bylaw amendment passed by the membership in 1998. This amendment has resulted in more members being eligible for a refund each year.

Per cooperative bylaws, WH's member-elected board determines the amount of margins retired each year based on the cooperative's financial condition and other considerations.

"Capital credits are the cornerstone of the cooperative way of doing business," said WH Board Chair Chris Lantto. "The board of directors is again pleased to return margins to members despite so many challenges in the economy at this time."

Since the first capital credit refunds were made by WH in 1957, more than \$32 million has been returned to the members. This is the 32nd consecutive year that the board has distributed capital credit refunds to

WH's members. Recently, the board began the distribution of capital credits to coincide with the holiday season. Capital credit refunds will be included on December electric statements.



This is the 32nd consecutive year that WH's board of directors has given capital credit refunds to the membership.

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- 4 Space heating options
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- 6 Prevent holiday burglaries
- 7 WH offers 20 scholarships
- 8 Get a free calendar

## Outage text alerts now available

Wright-Hennepin (WH) works to keep outages to a minimum by making sure equipment is properly maintained and upgraded. However, when outages do occur, we want to make sure our members have the best possible information regarding the situation.




WH is launching a new service that allows you to receive outage notifications via text.

WH is launching a new service that allows you to receive outage notifications informing you when there is an electric outage at your property via text, and/or email.

These messages will be sent when the power goes out at your property and will provide an estimated time of restoration advising when power is expected to be restored.

In addition to these new alerts, WH has a real time outage map that shows where outages are located, how many people are affected and an estimated restoration time for each outage available at <http://outage.whe.org>.

During large outages, WH also posts regular updates on our Facebook page, found at [www.facebook.com/WrightHennepin](http://www.facebook.com/WrightHennepin) and our outage update Twitter handle, @Wright\_Hennepin.

Members can sign up at <http://goo.gl/6CSK7> to receive the alerts via text, email or both. If you have any questions about outage notifications, contact customer service at (763) 477-3000. 



## CEO's Memo

**MARK VOGT** WH President & CEO

**READ MORE!**  
from CEO Mark Vogt  
on his blog:  
<http://goo.gl/awkmm>

## Your Board continues its 55 year tradition of returning \$\$\$ to you again this year

Since 1957, your Board of Directors has returned capital credits to the membership of WH. 2012 is no exception.

At their October board meeting, your locally elected directors declared a \$1.2 million capital credit return to WH's members. This will occur in the form of a direct credit on your next electric bill, which equates to an average of \$28.24 reduction per residential member. Based on average 2012 electric bills, that's like a 24 percent average bill reduction for December! Your individual credit may be higher or lower, based on the amount of electricity you purchased in the years being retired. Those years include the remaining capital credits from 1987, and partial retirements from 2010 and 2011. The Board has chosen this method of retirement so more members can get a capital credit refund each year. By doing it this way, almost 90 percent of Wright-Hennepin's (WH) members will receive a capital credit bill reduction in December.

Capital credits are one of the unique features of being a member of an electric cooperative. Because cooperatives do not earn profits in the sense that for-profit businesses do, any margins remaining after all expenses have been paid are returned to you in the form of capital credits. This is in contrast to for-profit businesses that pay dividends to investors. (But not the customers who actually purchased the product.)

WH's first capital credit return occurred in 1957. Since that time, more than \$32 million has been paid back to members living in Wright and western Hennepin counties.

The Board's decision to return capital credits in December is made in part to coincide with the holiday season.

### Working in your behalf to keep the cost of power competitive

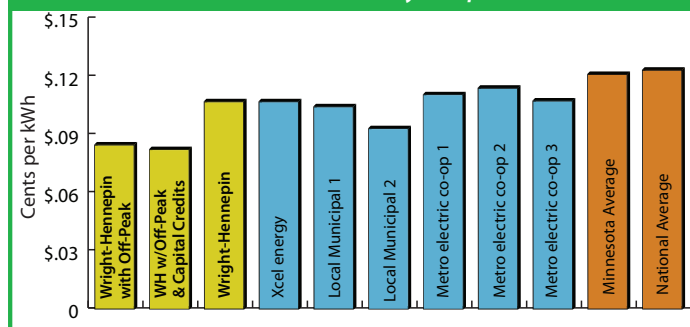
Typically June, July and August in the summer, and December, January and February in the winter are the times when members use the most electricity. As we enter this year's high usage heating season, I thought it important to comment on the things we are doing – and things you can do – to keep electric bills low.

WH's number one goal is to provide you with highly reliable electric service at a competitive price. Your Board and employees work hard every day towards this goal – and as a result we have been able to keep local operating costs flat for more than a decade. (See graph above and right)

However, the single biggest challenge we face when working towards our competitiveness commitment is the rapidly increasing price of wholesale power. From the beginning of this decade wholesale power costs have increased 22 percent. For 2013 alone, a 10 percent wholesale rate increase is expected. (We will keep your retail increase to less than Five percent for 2013 with

aggressive management of our other costs. That increase will be reflected only in the power cost adjustment line item on your monthly electric bill, which reflects the fluctuating cost of wholesale power.) These wholesale rate increases are an especially large challenge because of the

WH's 2012 rates were very competitive



fact that wholesale power costs make up 73 percent of our overall cost structure.

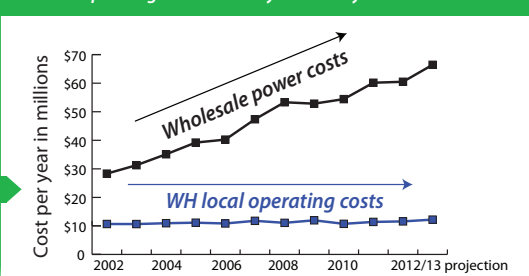
We aren't alone in this challenge. As a nation, we are experiencing rapidly growing costs to generate and distribute power due to the unprecedented growth in government regulations coming from the Environmental Protection Agency (EPA). I couldn't possibly list all the new EPA regulations in the space this column allows, but allow me to just say that these new regulations will now require about 10 percent of the nation's coal-fired generating capacity to permanently shut down before its useful life is over. When this abrupt and disruptive regulation takes place, it is impossible for these types of government actions to not have impact on your electric rates.

These regulations are occurring due to what many have called the EPA's "war on coal." So, let's discuss coal for a moment. In my opinion, there are several things the commercial press rarely reports on:

- The United States is "coal rich". Our inventory level of coal makes Saudi Arabia's stockpile of oil look small in

**continued on back**

WH local operating costs have stayed virtually the same since 2002



## Board Report

### October board meeting highlights:

The monthly meeting of the Board of Directors was held October 9, 2012. A quorum of directors was present. Board action taken:

- Due to WH's strong financial condition the board approved lowering the budgeted Power Cost Adjustment for members' November bills.
- Approved a general capital credit retirement of \$1,200,000 to members as credits on electric bills during the upcoming Holiday Season.
- Approved 2013 board meeting dates.
- Approved the 2013-2015 Construction Work Plan.
- Approved an updated policy as part of their annual review.

**Continued on Page 7**

### WH's board of directors

Chris Lantto, board chair	District 5
Thomas Mach, vice chair	District 6
Dale Jans, secretary-treasurer	District 4
Timothy Young	District 1
Butch Lindenfelser	District 2
Burton Horsch	District 3
Kenneth Hiebel	District 7
Donald Lucas	District 8
Erick Heinz	District 9

The board of directors meets monthly at the cooperative's office in Rockford. Regular meetings are generally scheduled the second Tuesday of each month for 2012. Members with items of interest are encouraged to contact the president and CEO to confirm meeting date and time.

### WH & WH Holding LLC's Management Team

**MARK VOGT**  
President and CEO  
763.477.3013, [mvogt@whe.org](mailto:mvogt@whe.org)

**ANGIE PRIBYL**  
Vice President, Finance and CFO  
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**LANCE HOVLAND**  
Vice President, Energy Distribution  
763.477.3105, [lhovland@whe.org](mailto:lhovland@whe.org)

**SONJA BOGART**  
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**STEVE NISBET**  
Vice President, Technology Operations  
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**WENDY YOUNGREN**  
Vice President, WH International Response Center  
763.477.3144, [wyoungren@whe.org](mailto:wyoungren@whe.org)



## Members may now file as director candidates

Wright-Hennepin (WH) members can now submit nominations to vie for a seat on the cooperative's board of directors in Districts 4, 6 and 8. Members elected to these positions will begin their terms immediately

following the 2013 Annual Meeting on April 2, 2013.

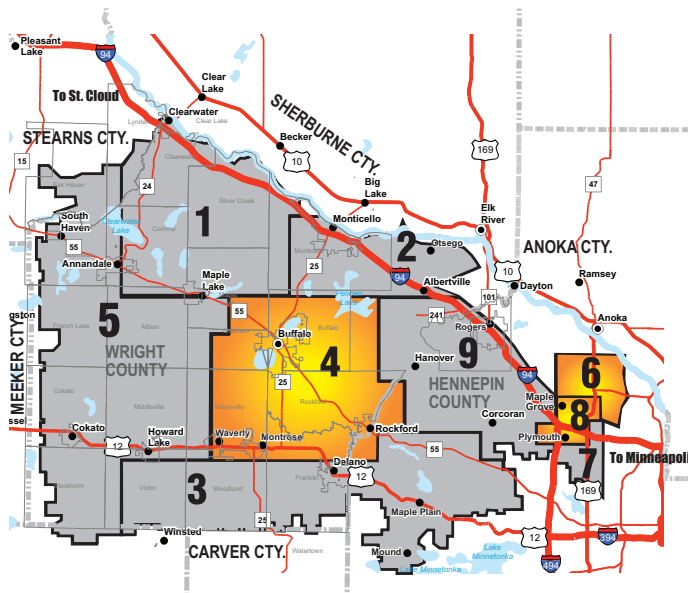
If you are unsure which district you live in, refer to your mailing label on this month's newsletter. The district

number is shown on the first line of the label, just above your name. The "BD" stands for board district.

Incumbent directors up for re-election in 2013 are Dale Jans, District 4, Buffalo, Minn.; Thomas Mach, District 6, Maple Grove, Minn.; and Donald Lucas, District 8, Maple Grove, Minn. All of these directors have declared their intent to seek re-election.

Members in these districts who would like to compete in the election need to file a director nominee application form. To apply, print out, complete and sign the form found on WH's website ([www.whe.org](http://www.whe.org)) then click on the "Director Application" under the "Featured Links". Mail the form along with a resume to: Wright-Hennepin, Attn: Chris Lantto, board chair, P.O. Box 330, Rockford, MN 55373.

**Application deadline: Feb. 11, 2013.**



## Wright-Hennepin recognizes Camp Courage for its conservation efforts

Wright-Hennepin (WH) recently presented Camp Courage – a WH commercial customer – with a \$14,678 grant for the company's use of energy-efficient innovations at its facility in Maple Lake, Minn.

Grants are awarded to businesses that install energy-efficient equipment, reducing electricity consumption. As a non-profit organization, Camp Courage qualified for these funds to assist with conservation.

Camp Courage used the funds to help cover the cost of high-efficiency air conditioning units, motors and pumps. These innovations will help the camp conserve energy, ultimately benefitting the environment.

"This was an excellent opportunity to implement improved energy  
**continued on page 4**



WH Key Account Executive Lane Wilson presents Camp Courage's Director of Camping Services Tom Fogarty with a \$14,678 grant for the company's use of energy-efficient innovations at its facility in Maple Lake, Minn.

## Winter is a great time to trim trees



When sensitive oak, elm, fruit and nut trees are trimmed in the summer, it leaves them susceptible to disease. That's why cooler months are a good time for trimming.

**WH SERVICES**

**Call today to schedule a free estimate: (763) 477-3000**

## Industry News

### Xcel requests Minnesota electric rate hike

ST. PAUL (AP) — Xcel Energy is asking Minnesota regulators for a 10.7 percent increase in electric rates.

The Minneapolis-based utility says it needs \$285 million in extra revenue to pay for investments in nuclear power plants and a stronger grid.

Xcel says the increase for a typical residential customer would be about 12 percent or \$9 on a monthly bill. Small businesses would see a 10.6 percent increase, and large businesses would pay 9.5 percent more.

The Minnesota Public Utilities Commission will review the request. Xcel asked for an interim rate increase January 1.

In a statement, Judy Poferl, president and CEO of Xcel's Minnesota region, says the company has been investing more than \$1 billion a year to meet customers' expectations for safe, reliable and clean electricity.

Source: Associated Press

### Carbon tax getting closer look

Here's a riddle: If Congress doesn't want to raise income tax rates but wants to raise revenue, what can it do? One answer: Pass a carbon tax. A relatively moderate-sized carbon tax could raise \$1.25 trillion over the next decade, a huge chunk of the money needed to bring the federal budget deficit under control.

Because it would tax fossil fuel use, the carbon tax pleases economists who want to encourage investment and discourage consumption. And for lawmakers opposed to any change in tax rates or deep cuts in spending, the carbon tax could be a lifeline. "In the general scheme of things, taxes discourage whatever you're taxing," said William Pizer, associate professor of economic and environmental policy at Duke University. "If something is discouraged, it might as well be something bad like pollution instead of employment and savings."

There are drawbacks. Higher prices fall most heavily on lower-income earners who spend a larger portion of their pay on fuel. The tax would also hurt certain regions more than others. "...It could become an important enabler for other things the Congress wants to do, namely eliminating the deficit and tax reform," said Philip R. Sharp, who served two decades in the House and is now president of Resources for the Future.

Source: Washington Post

# Space heating options to help you save money on winter bills

Whether you are looking for a more cost-efficient method of heating your whole house, or interested in warming a cold room, Wright-Hennepin (WH) has many electric heating options to help you keep your home comfortable at a reasonable price. These products are energy efficient, which will help you manage costs throughout Minnesota's long heating season.

## Convectair space heaters

WH offers a wide range of Convectair heaters that blend into any décor and provide unequalled warmth and comfort. Once plugged in, they provide heat quickly and are equipped with an efficient, easy-to-use electric thermostat.

Unlike conventional space heaters you may find at the store, Convectair heaters are built with long-lasting, high-quality components that are backed by the reliability of a manufacturer with more than 20 years in the electric heating business.

They come in many sizes, and with a variety of features, including a unit designed to warm your towels.



Convectair heaters blend into any décor and provide unequalled warmth and comfort.

## Berko portable heaters

The Berko provides warmth for large areas that are often difficult to heat, like garages and workshops.

The heater's advanced pull-through design draws air across the heating element for even air distribution, and the unit operates smoothly and quietly.

Two different sizes are available: 5,000 watt (W) (pictured below) and the 7,500 W. The 5,000 W heater will heat a two car garage, and the 7,500 W heater can heat a three-stall garage.

This heater is durable, and easy to install as it comes with a ceiling/wall bracket. Its built-in thermostat will help you regulate the temperature in the space you're heating.




Berko heaters provide warmth for large areas such as garages and workshops

## Under-floor radiant heating systems

Under-floor heat is a comfortable, efficient and extremely versatile way to heat your home. WH's under-floor radiant heating systems add a luxurious feel to your home instantly. That's why radiant heat is one of the fastest growing home-heating methods for both new construction and remodeling projects.

With under-floor heat, warmth radiates from the floor to heat the surrounding space. These heating systems produce the most comfortable heat available, because you are close to the heat source.

Under-floor heat also uses less energy than conventional forced air systems, allowing you to be comfortable at a lower thermostat setting, therefore saving you money on your energy bill.


Additional electric space heating options can be found at <http://goo.gl/IDDYT>. Call (763) 477-3000 if you'd like to speak to a representative about electric heating products. 

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## Camp Courage recognized

efficiencies, while benefiting a great charitable organization," said WH Key Account Executive Lane Wilson.

Each year, per Minnesota Department of Commerce requirements, WH spends more than \$500,000 on residential and commercial conservation programs, including about \$100,000 in energy efficient grants to commercial customers.

"We're very thankful for this donation, especially during these hard economic times," said Camp Courage's Director of Camping Services Tom Forgarty. "This will go a long way." 



## tenKsolar Winner

**DEAN ULTERMARCK** of Monticello wins a credit for 77 kWh, October's output from WH's tenKsolar panel array.



## Solar Winner

**XIANG CHEN** of Maple Grove wins a credit for 46 kWh, October's output from WH's solar panels.



## Wind Winner

**KEVIN ERICKSON** of Plymouth wins a credit for 763 kWh, October's output from WH's wind generator.

Average monthly energy output:

Wind generator: 673 kWh

Solar panels: 214 kWh

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

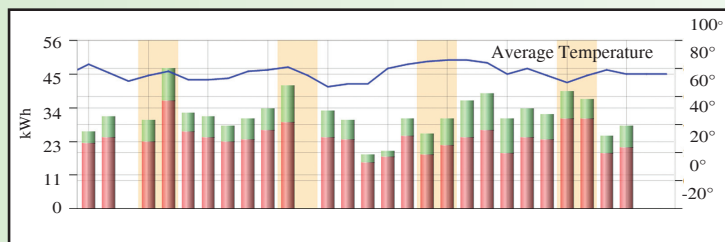
## Happy Holidays!

Wright-Hennepin's office will be closed on December 24, 25 and January 1 in observance of the holidays.

As always, electric and security dispatchers will be available 24 hours a day even when the main office is closed.



## View your daily energy use with MYMETER™



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- » View your home's daily and monthly energy use
- » Compare your energy use to the average for your neighborhood
- » Take an "energy challenge" and set an energy-saving goal
- » Access energy saving tips

Sign up for this free service today at [mymeter.whe.org](http://mymeter.whe.org)





# Taking the next step with the WH Solar Community

Plans for the WH Solar Community are underway, and we hope to begin construction soon.

WH is partnering with Clean Energy Collective (CEC) to construct a solar array at its headquarters in Rockford, Minn. Members can purchase as few as one individual solar panel, or enough to power their entire home. In turn, they will have their proportionate share of the panels energy output deducted from their monthly electric bills.

By purchasing panels, members will be able to lock in their electric rates for the life of the project, which is estimated to be about 50 years. Also, due to the size of the project, members will be able to buy the panels at a lower cost than if they were to purchase them independently.

WH member David Schmidt of Corcoran, Minn. – who was recently featured in the St. Cloud Times and USA Today for his decision to participate in the WH Solar Community – recognizes the financial benefits to participating in the project: “This way, I can do it little by little... buy one panel at a time,” said Schmidt.


“I think the economics are right.”

For members who are unable to install solar panels on their homes due to construction concerns or shading, this project will offer them a simple solution. The panels will be maintained by CEC, and those who participate in the project can sell the panels at any time to other WH members.

Solar energy is a completely renewable resource, which means there will never be a shortage of it. Using this form of energy is also very environmentally friendly, as solar energy creates no pollution.

Schmidt feels confident in his choice to add solar energy to his power supply mix.

“We’ll be contributing some pretty stable power to the grid,” he said.

About 75 percent of the panels have been reserved, but 48 panels are still available. If you’re interested in participating in this program, go to <http://goo.gl/Vx0YT>, or call (800) 646-0323. 



The WH Solar Community will allow WH members to purchase as many or as few individual solar panels as they want. In turn, they will have their proportionate share of the panels’ energy output deducted from their monthly electric bills.

## Stay safe while holiday decorating

Wright-Hennepin would like to remind its members of important holiday decorating safety tips for the upcoming season:

- Keep yourself and equipment at least 10 feet from power lines.
- Remember that high-voltage electricity can jump to anyone who gets close to a power line.
- Never use lit candles on a Christmas tree.
- Place candles where they cannot be knocked down or blown over.
- Keep matches, lighters and candles out of the reach of children.
- Look for “fire resistant” labels when purchasing artificial trees.
- Never connect more than three strands of holiday lights together, and don’t overload outlets.
- Check each set of lights for broken or cracked sockets, frayed or bare wires or loose connections.
- Turn off all indoor and outdoor electrical decorations before leaving home or going to bed.



## Energy -saving tip!

This Holiday season, replace your holiday lighting with LED’s to save energy. Turn off outdoor lights when you go to bed for additional savings.



## Take control of your budget with Pay As You Go

Pay  
As You Go



Powered by **MYMETER™**

Prepay for your electricity before you use it, similar to filling up your gas tank. Re-fill as needed.

By prepaying for your electricity, you can:

- Create your own payment plan that fits your budget
- Monitor your daily energy use in dollars per day
- Make easy payments over the phone, in person or online
- Check your account balance from anywhere

Sign up and receive a \$20 credit on your account!

Call (763) 477-3000 to sign up!

**WH**  
Wright-Hennepin  
Cooperative Electric Association  
A Touchstone Energy Cooperative 

# Prevent burglaries during the holiday season

Most of us think of the holidays as a season of giving, but unfortunately, many burglars view it as an opportune time to go to work.

Nearly 400,000 burglaries occur in the U.S. during November and December alone.\* Of those burglaries, single-family homes are the most frequent victims. Burglars view the holiday season as an opportunity to swipe gifts, credit cards and cash lying out in the open.

**Below are 10 tips to help keep you and your possessions safe during the holiday season.**

1. Close your curtains when you're not home.
2. Don't place gifts in locations that are easily seen from windows.
3. When breaking down boxes from expensive gifts, turn them inside out.
4. Keep your garage door closed.
5. Lock up tools, ladders and other equipment that could be used to break into your home.
6. Install a timer for your lights so that your home always appears to be occupied.
7. If you'll be away for the holidays, have a neighbor pick up your newspaper every day so that it looks like you're home.
8. If it snows while you're away, make arrangements to have your driveway plowed.
9. Trim back trees and shrubs so that they don't cover your entrances.
10. Lock your doors and windows.

\*Source: FBI

A security system from WH Security can also protect your home from burglary this holiday season. And with new Control My Home services powered by Alarm.com, you will be able to control your home's lights, locks and thermostat from anywhere you have an Internet connection. Call (763) 477-3664 to speak with a representative today, or visit our website at [www.wh-security.com](http://www.wh-security.com).



If it snows while you're away, make arrangements to have your driveway plowed.

**LIKE us to enter a drawing for a FREE TV!**



After you click the "like" button on Wright-Hennepin's Facebook page, follow the link in the post above, then fill out and submit your information in the fields indicated. (Our current fans can enter, too!)

This sweepstakes will run through December 31, 2012.


## Protect your home from freeze damage this winter

Like it or not, cold temperatures are inevitable in Minnesota, and with those cold temperatures comes the risk of having freeze damage occur to your property.

If you worry about broken pipes and freeze damage, a low temperature sensor may be the perfect solution for you. This sensor alerts WH Security dispatchers when the temperature inside a home falls below a predetermined level. In turn, they will inform you of the problem so you can take action before your pipes freeze and damage occurs.

Low temperature sensors can be added on to new and existing security systems. These devices can save unoccupied homes and cabins from frozen pipes, water damage and frost.

Adding a low temperature sensor to a new or existing security system is a smart choice for those that spend time away from home during the winter months or for those that have a cabin that will be left unattended.

For more information on WH Security's low temperature sensors, please call (763) 477-3664. 



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\* Limit one. Valid on a new home security system with 3-year monitoring agreement only.

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The Power to Protect  
A wholly owned subsidiary of Wright-Hennepin Cooperative Electric Association

**(763) 477-3664**  
**[www.wh-security.com](http://www.wh-security.com)**





Wright-Hennepin (WH) will again award 20 scholarships this spring, helping local students continue their education.

## WH offering 20 scholarships to local students in 2013

With college already on the minds of many high school seniors, Wright-Hennepin (WH) will again award 20 scholarships this spring to help local students continue their education.

These scholarships are funded through donations from WH's diversified businesses – WH Security, WH Services, HeatMyFloors.com, WH Generation and WH International Response Center – under the umbrella of WH Holding Company.

### ■ WH Local Schools Scholarship

The cooperative is awarding one scholarship to students at each of the following public schools in WH's service territory: Annandale, Buffalo, Dassel-Cokato, Delano, Howard Lake-Waverly-Winsted, Maple Grove, Maple Lake, Monticello, Orono, Osseo, Rockford, Rogers, St. Michael-Albertville, Watertown-Mayer and Wayzata. WH also offers one "at-large" scholarship to students from private schools within and schools that neighbor WH's service territory. Each school listed has its own application deadline. The "at-large" application deadline is March 31, 2013.

### ■ Elwyn and Hazel Knickerbocker Memorial Scholarship

Elwyn and Hazel Knickerbocker played a crucial role in bringing electricity to Wright and Hennepin counties. To honor their efforts, their family began a scholarship in 2005. This \$1,500 scholarship is awarded to a local man or woman who plans to pursue an electrical line worker career. The application deadline for this scholarship is April 25, 2013.


### ■ Edward R. Slebiska Memorial Line Worker Scholarship

Ed Slebiska played a leading role in bringing electricity to rural homes in Wright and Hennepin counties in 1937. He went on to become WH's first CEO, holding the post until his retirement 40 years later in 1977. Two scholarships are awarded annually to students looking to pursue the line worker profession, each in the amount of \$3,000. The application deadline for this scholarship is April 25, 2013.

### ■ Basin Electric Power Cooperative scholarship

Basin Electric Power Cooperative (BEPC) of Bismarck, N.D., one of WH's power suppliers, is offering a \$1,000 scholarship to dependents of WH members. The application deadline for this scholarship is February 15, 2013.

### Where and how to apply

For additional scholarship details and application forms, please visit <http://goo.gl/ndWJH>. If you have any questions regarding the application process, call (763) 477-3000. 

## WH Appliance Repair



An extended warranty for your appliances, and peace of mind for you

For just \$17.99 per month, WH Appliance Repair covers parts and repairs on:

- ✓ Refrigerator
- ✓ Clothes dryer
- ✓ Heating system
- ✓ Range
- ✓ Water heater

Special!

FREE energy assessment + water saving shower head\*

A \$99 value!

Additional appliance coverage available

For more info:

Visit [whe.org](http://whe.org), click on "For My Home," then "WH Appliance Repair" or call (763) 477-3000.



**Wright-Hennepin**  
Cooperative Electric Association  
A Touchstone Energy Cooperative

\*With 1-year agreement

## Board Report

Continued from Page 2

- Approved sending one director to each of the Minnesota Rural Electric Association and National Rural Electric Cooperative Association Washington DC legislative rallies being held in 2013.
- Approved amendments to the 2012-2014 Strategic Plan.
- Reviewed annual write-off of bad debt.
- Heard reports from directors on recent industry meetings.
- Reviewed and filed the monthly CEO, Legal, financial, and operations reports.

### Guests included:

- National Rural Utilities Cooperative Finance Corporation's CEO Sheldon Peterson congratulated WH on its thoughtful planning and creative approach to the industry challenges in the future.
- Great River Energy's Vice President, Communications and Human Resources Kandace Olsen presented their latest member survey.

### November board meeting highlights:

The regular monthly meeting of the board of directors was held November 16, 2012. A quorum of directors was present. Board action taken:

- Due to WH's strong financial condition, the board approved lowering the Power Cost Adjustment for members' December bills.
- Approved resolution for a 2012 revenue deferral into 2013 to help offset projected increases in wholesale power costs.
- Reviewed and approved the 2013 Work Plan and Budget.
- Approved annual auditor engagement letters with Brady Martz.
- Ratified changing WH's retirement plan from a defined benefit to defined contribution plan effective immediately, providing WH's members immediate and growing savings in the years ahead while keeping WH's employee benefit plan competitive in the marketplace.
- Approved bylaw changes to be offered to the members at the April 2, 2013 Annual Meeting.
- Selected a delegate and alternate for Minnesota Rural Electric Association's annual and membership meetings.
- Approved selling retired vehicle through a fleet services company or local auction.
- Heard reports from directors on recent industry meetings.
- Reviewed and filed the monthly CEO, Legal, financial, and operations reports.

### Guests included:

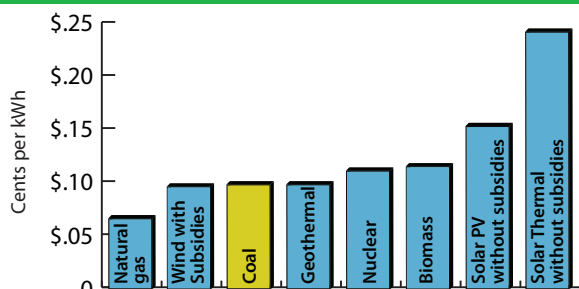
- Silent Power's CEO John Frederick provided an update on recent company developments and activities.
- Attorney Scott Kelly joined the meeting by teleconference to provide an update on post-trial activities of a stray voltage case.

continued from page 2

comparison. It is the single most abundant domestic energy source we have. Coal could play an important role in achieving energy independence, but now it won't. Due to these and other regulations by the EPA, it is now economically unfeasible to build a new coal-fired power plant in this nation.

- Technology has allowed for significant improvements in emissions from coal power plants over the years. Since 1980, coal use has risen by 77 percent while SO2 emissions have dropped by 40 percent.
- The Chinese, on the other hand, currently have 50 coal power plants under construction. China's challenge is that coal is not a natural resource and they import much of it. In fact, they are now getting this coal from us! So, basically, the same low-priced resource that cannot be used here due to government regulations is being used to power and benefit the nation of China.

**The cost of power generation by resource type**



Source: U.S. Energy Information Administration data from July 2012

It is unfortunate that our nation's elected leaders have chosen to consciously eliminate this low cost energy source. As a result, wholesale electric rates – and ultimately the price paid by consumers on their monthly bills – continue to increase. And that is directly related to the policy of shutting down coal-fired plants before their useful lifetime is over, while simultaneously having to spend billions to replace those plants with gas or wind resources. While gas is cheap for now, don't hold your breath. The price is already creeping up as coal is being forced out of our supply mix. Wind is only available about 40 percent of the time it's needed. But that's the energy direction our nation's leaders have chosen for now. And your cooperative will do everything in its power to look out for your needs.

## What can you do to counter these things?

**WH offers the following action items to help you with. They include:**

- Wright-Hennepin has three big money saving programs, including Off-Peak (which provides a discount on your monthly electric bill), Peak Alert (which helps reduce demand

## Request your free calendar

Free 2013 calendars featuring tips to help you save energy are now available, courtesy of Wright-Hennepin. Stop in or call (763) 477-3000 for your complimentary calendar. You can also send a request to [info@whe.org](mailto:info@whe.org).



PO Box 330, 6800 Electric Drive, Rockford, MN 55373  
763-477-3000 • 800-943-2667  
After hours outage: 763-477-3100 • 888-399-1845  
View energy use, pay electric bills and get energy saving tips at: [www.whe.org](http://www.whe.org)



[www.wh-security.com](http://www.wh-security.com)

during times of high energy use in the market), and Co-op Connections (saving you money at local businesses and national chains). 56 percent of WH's membership is already saving money each month on the Off-Peak programs. Regarding the Co-op Connections card, one of my employees just told me she saved \$56 in one day using that discount card at the 139 local retailers who honor it. See our website at [www.whe.org](http://www.whe.org) for more information, or call a representative at (763) 477-3000.

- Save energy around your home. There are many small, inexpensive things you can do to lower your energy use. Our members proved that this year with an energy conservation contest. One of the rules of this contest was that no more than \$100 could be spent on improvements to the home, yet the winner of our contest reduced their energy use by 63 percent over the previous year! This stuff works! Our website offers many ideas to help you realize similar savings: <http://goo.gl/GvOhe>.
- Finally, you can get involved. If you are concerned about the price of power, let your legislators know your thoughts about EPA regulations and their resulting impact on your electric bill. Our national organization offers a website with more information about energy regulation and provides links for contacting your legislators. See [www.ourenergy.coop](http://www.ourenergy.coop) for more information. The level of regulation in our industry has been a game changer and it is going to have a significant impact on your pocketbook. Your input is important to change this.

On behalf of the Board of Directors and WH's employees, we gratefully pause to wish you and your families a warm and happy Holiday season.

*Mark Vogt*

## Cut down your winter heating costs!

**Sign up for the Dual Fuel Off-Peak program and save!**

Participants in this program receive a special reduced electric rate on the electricity used to heat their homes. The Dual Fuel program is for members that use electricity to heat their homes, while still having a non-electric, automatic backup heating source.



**Contact a representative today:**  
(763) 477-3000 or [info@whe.org](mailto:info@whe.org)



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### Office Hours:

8 a.m. to 4:30 p.m. Monday- Friday

### Customer Call Center Hours:

7:30 a.m. to 6 p.m. Monday - Friday  
Call: (763) 477-3000 or (800) 943-2667

### 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



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