



MANAGER'S MESSAGE // PAT CARRUTH



General Manager

Year-End Numbers Complete

Auditors have been in to give the board their annual audit report on the cooperative books as well as our subsidiary organizations. Overall, we had a great year financially. On a consolidated basis, we ended the year with an operating margin of \$1,060,929. We had an overall consolidated total margin of \$3,702,537.

Our year-end consolidated total margin was more than budgeted this past year. This was due to several non-operating income factors which include a patronage allocation from Basin Electric of \$618,080, a margin of over \$1.1 million from our subsidiaries Karian Peterson Powerline Contracting and Minnesota Valley Tree Service. We also had some short-term interest revenue, merchandise sales margin and patronage allocations from other cooperatives we do business with. We were nicely surprised that energy sales were over 13% higher than the previous year, which obviously helped our bottom line. Anyway, your cooperative is in great shape financially. Therefore, the board approved \$1,253,033, which is the remaining 80% of 2013 capital credits. If you bought power from us in 2013, you should be getting a check in the mail around Annual Meeting time.

Join Us for Brunch at Your Annual Meeting on Saturday, March 21st

We will begin serving brunch at the Prairie's Edge Casino and Resort at 8:30 a.m. The business meeting will start at 10 a.m. and will wrap up around 11 a.m. We will be giving something to every member who comes, as

well as plenty of door prizes and Basin Tour trips. Elections for directors from Districts 5 and 7 will take place during the business meeting.

Cooperative annual meetings are informative and interesting simply because of what they represent. They represent a business structure that was created of and continues to be operated by self-reliant people. People have always come together through cooperative organizations to meet their common needs and economic aspirations. Cooperatives have always been, and will always be, an effective way to meet these goals. This is simply because every person taking service, like you, own and control them.

This is your business. You own it. When you pay your light bill, you pay for a service from a business that you actually own. Any margins left over after the cost of providing that service is returned to you in cash as capital credits. As an owner of this business, you actually choose the people who control the utility. You elect your board members. Through them you have control over how the business is run, how it is maintained, how responsive to your needs it is and how it will prepare for the future. Cooperative ownership is truly something to cherish and nourish.

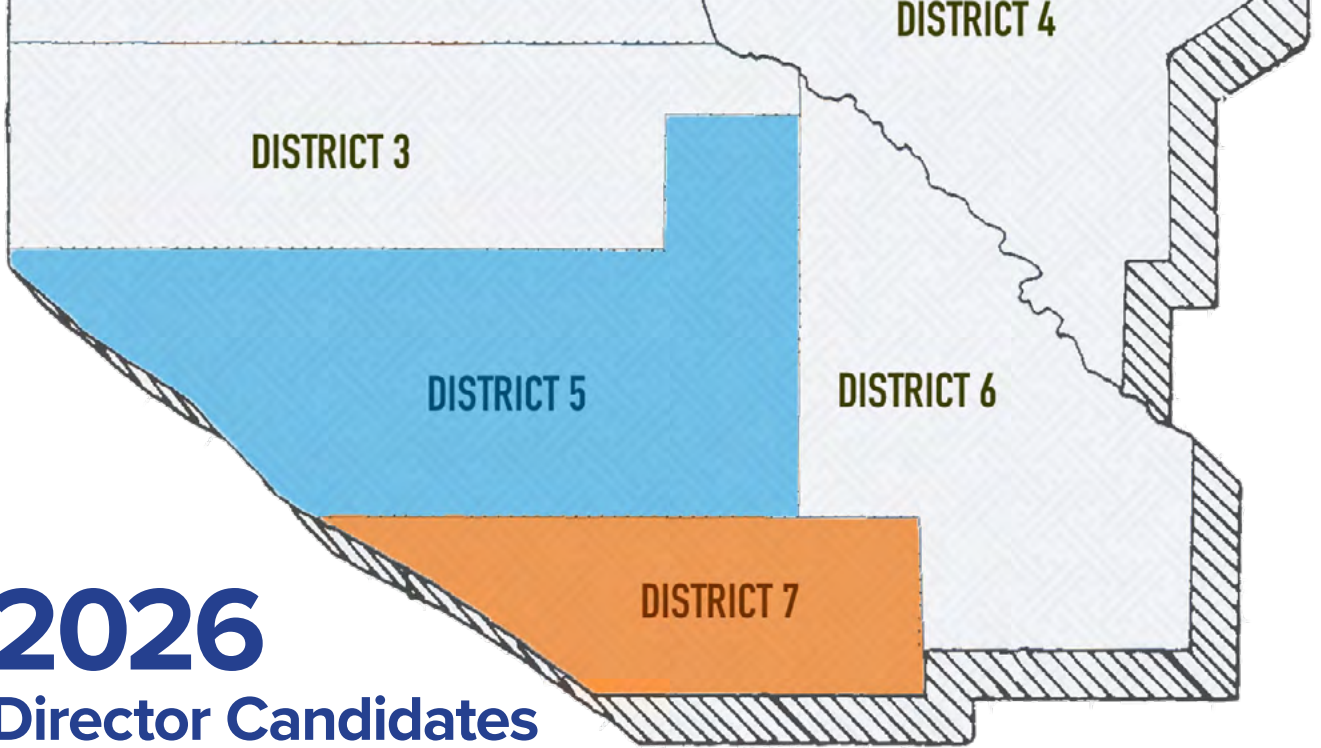
With that in mind, please join your friends and neighbors on the morning of March 21st for a great breakfast and a chance to hear firsthand how YOUR business is doing.

MARCH

2026 ANNUAL MEETING // SATURDAY, MARCH 21ST, 2026

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Our **2026 Annual Meeting** will take place at **Prairie's Edge Casino** in Granite Falls. Breakfast will be served at 8:30 a.m. with the **business meeting** starting at 10:00 a.m.



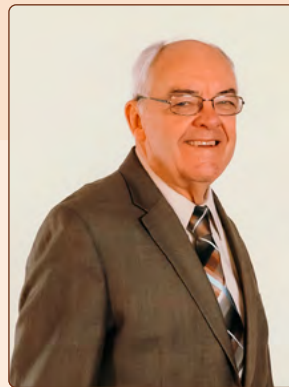
2026 Director Candidates



District 5 Darryl Bursack

I am seeking re-election as your District 5 Director because I strongly believe in member-owned cooperatives! I have really enjoyed the challenge and the gaining of experience in representing you in District 5 these past 12 years.

I look forward to seeing as many of you from District 5 that can make it on Saturday, March 21st for our annual meeting. It will be a good time to bring up any concerns/questions you may have, to get updated on your cooperative, share a good meal and conversation with other members and maybe win one of many prizes. See you then!



District 7 Wayne Peltier

I have been a director at Minnesota Valley Cooperative for 27 years, currently serving as president of the Basin Electric Board of Directors. I have also served on the Cottonwood School Board and the Cottonwood Co-op Oil Board.

I am seeking to represent District 7 on the Minnesota Valley Board because I believe my 27 years on this board and my involvement with Basin Electric have prepared me for the challenge of serving in this capacity.

Director's Responsibilities

According to information compiled by the National Rural Electric Cooperative Association (NRECA) in Washington, D.C., a director's responsibility consists of having the ability and knowledge to set policy and approve programs that are the basis for operating the association. A director must have the time to attend monthly board meetings and other special meetings and seminars. These special sessions are necessary to keep directors informed on the various aspects of the cooperative and the electric utility industry. Other criteria of a board member, as identified by NRECA, are listed to the right.

- ✓ *Be an independent thinker, but a cooperator*
- ✓ *Be capable of acquiring the knowledge necessary to cope with the issues of a modern electric utility, including finances, management and public issues*
- ✓ *Possess the character and demeanor that will reflect favorably on the cooperative*
- ✓ *Have the willingness to listen and learn*
- ✓ *Be one who can accept and direct change*
- ✓ *Let management manage*
- ✓ *Be of sufficient stature to command the respect of management, employees, fellow board members, cooperative members and the public*
- ✓ *Be willing to commit adequate time to the work of the board to be an effective member and properly discharge the duties of the board*
- ✓ *Subordinate personal and other business interests to the needs of the cooperative when making a decision*
- ✓ *Be willing to accept the unpleasant moments of a director's experience*



ENGINEERING & OPERATIONS // TODD BOLKEMA



Engineering & Operations Manager

Our goal here at Minnesota Valley is to provide you with reliable power. For the Operations Department, February is when we deliver our report card for the previous year to the board of directors. In 2025, we scored 99.98% for the average service availability index. That index is the number of hours we had power available divided by the number of hours in the year. A couple other indices on our report card are the *System Average Interruption Duration Index (SAIDI)* average outage duration per member and *System Average Interruption Frequency Index (SAIFI)* interruptions per member. On average, each member was out of power for a total of 127.4 minutes last year (SAIDI) and experienced 1.51 outages (SAIFI). These numbers are comparable to the median numbers over the last 10 years. The graphs show our historical performance, including the bad storm year in 2022.

The Minnesota Valley electrical grid can be a challenging one because of the large distances between members and the time it takes to get a truck to outages. Favorable (or unfavorable) weather also affects grid reliability. We have several procedures to offset these challenges. Line patrols inspect every line on a four-year rotating basis. Trees are trimmed on a similar timeframe. Poles are inspected on a 10-year rotation. Lines are rebuilt as they reach the end of their serviceable life. Our employees look at the lines to and from every destination and we follow up with timely repairs. One of our best reliability assets are members who call us when they see a problem – please keep this up.

It may be inconvenient when you're out of power for a couple hours a year, but know that we are rushing out to fix the problem when it happens. We will continue to maintain the lines to you and are working toward making them more reliable. Having a good report card is important to us and we know how important reliable power is to you.



Minnesota Valley Cooperative will be closed on Friday, April 3rd, 2026 in observance of Good Friday. **Have a Happy Easter!**

Comparative Report

	Jan-Jan 2026	Jan-Jan 2025	Jan-Jan 2006
Kwh Purchased	26,351,893	25,872,794	17,740,908
Kwh Sold	24,986,427	24,697,398	16,470,162
Cost Of Purchased Power	\$1,417,935	\$1,270,455	\$959,475
Patronage Capital Margins	\$407,161	\$182,009	\$79,170
Reserve For Taxes	\$35,833	\$28,333	\$14,600
Cost Per Kwh Purchased (mills)	53.81	49.10	23.94
	January '26	January '25	January '06
Total Plant	\$115,610,398	\$108,226,101	\$41,185,767
Number of Active Services	5,345	5,311	5,254
Avg. Residential Bill	\$377.43	\$341.07	\$136.88
Avg. Residential Kwh Consumption	3,183	3,258	3,549
Avg. Kwh Usage All Consumers	4,675	4,650	3,135
Peak Kw Demand (Peak Load)	47,819	47,917	30,346

Find Your Location Number

If you find your location number in this newsletter, you will receive a bill credit that starts at \$10 (*Operation Round Up* participants get an additional \$10 bonus). If no number is claimed before the 25th of the month, the unclaimed amount **rolls over into the next month**. If both location numbers are claimed in a month, the recipients will split the credit. Once claimed, we will start again at \$10. If you find your number, call 320.269.2163 or 800.247.5051.



Congratulations to **Brad Herigon** who found his number last month and received \$30. If you find your number, claim by the **25th of March** for:





Member Services Manager

For Safety's Sake, Do Not Mess With a Meter

For your safety, never try to tamper with or pull (remove) a meter. Only electric utility crews should access an electric meter.

Illegally accessing a meter can cause an arc flash bright enough to result in blindness and powerful enough to launch fragments of red-hot, shrapnel-like debris, according to the Cooperative Research Network. I one one three zero one Serious injury or death from electrocution, explosion or fire is often a result of meter tampering.

Individuals may tamper with a meter to bypass it, create an illegal connection to a power line, electrify fences or attempt to reconnect or disconnect the power, often with disastrous consequences.

More on Meter Safety

- ✓ Tampering with a meter is illegal in most states.
- ✓ Meters should only be installed, maintained or removed by electric utility crews.
- ✓ Accessing the backside of a meter can generate high voltage; pulling or tampering with a meter can cause electric shock, sparks, surges, explosions or fire.
- ✓ Electricity should always be connected or disconnected using a transfer switch or a dedicated disconnection point.
- ✓ There is no guarantee that a structure is deenergized by pulling a meter.
- ✓ If firefighters respond to a call and know they will need a disconnect, they should call the electric utility en route.
- ✓ If firefighters try disconnecting a home by pulling a meter, it can introduce additional problems and damage.



Other Facts

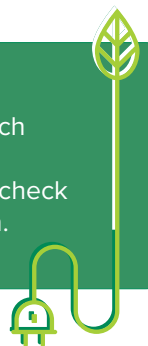
If a home's electricity is shut off at a main disconnect, the house can be automatically reconnected if there is a standby generator or battery-stored power.

Only the electric utility can properly and safely disconnect a meter. Utility crews are trained in proper disconnection techniques and wear protective clothing and gear.

For more information about your meter or the removal of your meter, please contact Minnesota Valley at 320.269.2163.

Energy Efficiency Tip of the Month

Lengthen the life of your clothes dryer with regular cleaning. Clean the lint filter after every load, which improves air circulation and safety. Check the lint trap opening to ensure it's clean. Use a vacuum to remove any lint that's fallen inside the opening. G one one two zero three A If you use dryer sheets, check the lint filter for residue buildup. Remove any residue with hot water and a nylon brush or toothbrush. Over time, dryer sheets can leave a film on the filter, which can affect the performance of the motor.



Office Hours

8:00 a.m. - 4:30 p.m.
Monday through Friday

24-Hour Telephone Answering

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