



MANAGER'S MESSAGE // PAT CARRUTH



General Manager

Some High Points in our KRTA

Each year, a report called the *Key Ratio Trend Analysis* (KRTA) is put forth by one of our bankers, the *Cooperative Finance Corporation* (CFC). The report produces several ratios that we can

use to track our performance against our peers in the state and across the country. We just got the 2025 numbers and again, we think we have several good things going for us at Minnesota Valley. There are 43 cooperatives in Minnesota and of those, only four have lower retail rates. This is notable because we have the lowest member density in the state of 1.6 consumers per mile of line. The cooperative average is 4.7 consumers per mile of line in Minnesota. This means we must build and take care of more line than any other cooperative in the state to serve our members, by a lot.

We are also the only distribution cooperative in the state that owns and operates transmission line. All the other distribution cooperatives in Minnesota rely on other utilities to provide that function such as Great River Energy, East River, Dairyland, Minnkota and even Xcel, OtterTail or Minnesota Power. We have 257 miles of transmission line taking power off the bulk system at three delivery points and transporting it to our 17 distribution substations.

We also have the lowest wholesale power cost in the state through our Basin Electric and Western Area Power Administration which, of course, is key in keeping retail rates lower in comparison to others. Only three

(Manager's Message continued on page 2)

Bus Safety Starts With Us

As students head back to school this fall, school buses will once again become a familiar sight on rural roads. School buses are one of the safest ways for children to travel, but extra care is especially important when students are waiting for, boarding or exiting the bus. A few simple reminders can help keep everyone safe.

- **Stay back from the road.** Kids should wait at least 10 feet from the road-way until the bus has come to a complete stop.
- **Make sure the driver can see you.** When crossing the road, children should walk at least 10 feet in front of the bus, make eye contact with the driver and wait for the signal that it is safe to cross.
- **Look before crossing.** Teach your kids to look left, right and left again before crossing the road, even when the bus is stopped.
- **Never walk behind the bus.** If something is dropped near the bus, children should tell the driver and make sure they are seen before retrieving it.
- **Use handrails.** Younger children should use handrails when boarding and exiting and watch for loose straps or drawstrings that could get caught.
- **Drivers, stay alert.** Slow down near bus stops and watch carefully for children. Flashing yellow lights mean a bus is preparing to stop; flashing red lights mean kids may be getting on or off.



Manager's Message (continued from page 1)

cooperatives have a lower average interest rate on their debt portfolio. Only two in Minnesota have retired a higher percentage of capital credits than Minnesota Valley.

2027 Work Plan and Budget

Work is well underway on our Work Plan and associated budget for next year. We are in the process of a cost-of-service study to ensure that we are assigning costs equitably across our different rate classes. Wholesale power cost makes up the bulk of our budget. As we have talked about frequently over the past couple of years, our Basin Electric is building new power plants to meet member load growth and they are expensive. They will be spending about \$8 billion over a ten year period on gas fired power plants and transmission line improvements. The Basin Board will finalize its 2027 wholesale rates at a meeting this month. These numbers, of course, are incorporated in our budgeting process. Anyway, we will have our proposed retail rate adjustments for 2027 ready for the board to look at by the end of the year.

Harvest Underway

Please stress safety in all aspects of your harvest activities again this year. Be mindful of power lines when moving big pieces of equipment around. Contact with power lines is our main safety concern. If you do happen to hit poles or guy wires with farm equipment, please let us know so we can fix those problems right away. That is what we are here for.

Please Think About our Power Poles When Burning Ditches

Burning ditches has caused a lot of damage to expensive power poles over the years. Please be careful. If you do accidentally burn poles, please let us know so they can be replaced.

October is Cooperative Month

To recognize this, we like to remember the first electric cooperative in the United States. It was formed in Stony Run Township near Granite Falls in 1914. Farmers in that

area, after years of persuasion, could not get any investor-owned utility to run power lines to their farms let alone sell them power. Then the idea was born. Let's organize our own power company, build our own lines and get power from the municipal hydro-power plant in Granite Falls. A committee was formed to visit the Granite Falls municipal utility board. The municipal board listened and agreed to furnish the electricity.

The idea went well with the Stony Run farmers. They organized a cooperative under which they built line to get electric light and power to their farms. For decades to follow, this simple idea of forming an electric cooperative proved hard to duplicate in the area, as well as across the country, for a multitude of reasons. It wasn't until the Rural Electrification Act of 1936 made federal loans available that electric cooperatives started to spring up around the country.

By 1936, farmers in our area had already worked many long and hard hours to finally form our cooperative. It would be December of 1938 before the first group of members of Minnesota Valley Cooperative Light and Power Association would have electric lights. It is hard to imagine that Stony Run Light and Power operated for 25 years prior. It was in January of 1952, after 38 years of operation, that Stony Run Light and Power joined Minnesota Valley Cooperative Light and Power. Minnesota Valley had almost 2,700 miles of line and 5,000 members and had only been in operation for just 16 years at that time.

October is National Cooperative Month. The Stony Run Light and Power story is an inspirational part of our electric cooperative history. Electric cooperatives across the country play a crucial role in their rural communities by providing reliable electricity and so much more. Nationwide there are over 800 electric cooperatives serving over 40 million people.

Find Your Location for a \$10 or More Bill Credit!

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.



Comparative Report

	Jan-Jul 2026	Jan-Jul 2025	Jan-Jul 2006
Kwh Purchased	143,811,747	136,699,347	108,796,118
Kwh Sold	136,164,993	129,556,854	101,980,648
Cost Of Purchased Power	\$9,204,325	\$7,698,758	\$2,887,759
Patronage Capital Margins	\$1,834,360	\$792,535	\$445,900
Reserve For Taxes	\$250,833	\$198,331	\$102,600
Cost Per Kwh Purchased (mills)	64.00	56.32	26.54
	July '26	July '25	July '06
Total Plant	\$115,794,315	\$110,175,770	\$42,074,032
Number of Active Services	5,349	5,321	5,271
Avg. Residential Bill	\$337.69	\$285.68	\$128.23
Avg. Residential Kwh Consumption	1,961	1,855	1,712
Avg. Kwh Usage All Consumers	3,781	3,376	2,823
Peak Kw Demand (Peak Load)	38,000	34,448	32,173

Congratulations to **Trish Bordewyk** who found her number last month and received \$60. If you find your number, claim by the 25th of September for:





Are you there? We are trying to reach you! Text messages and emails are automatically sent out when there is an outage. Unfortunately, there are 701 members with no cell phone or email on file. We would like

to send you outage notifications. If we don't have your information, there is an open line on the bill to write in your cell phone and you could include your email address there as well. You could also call us to add the cell phone and email to your account.

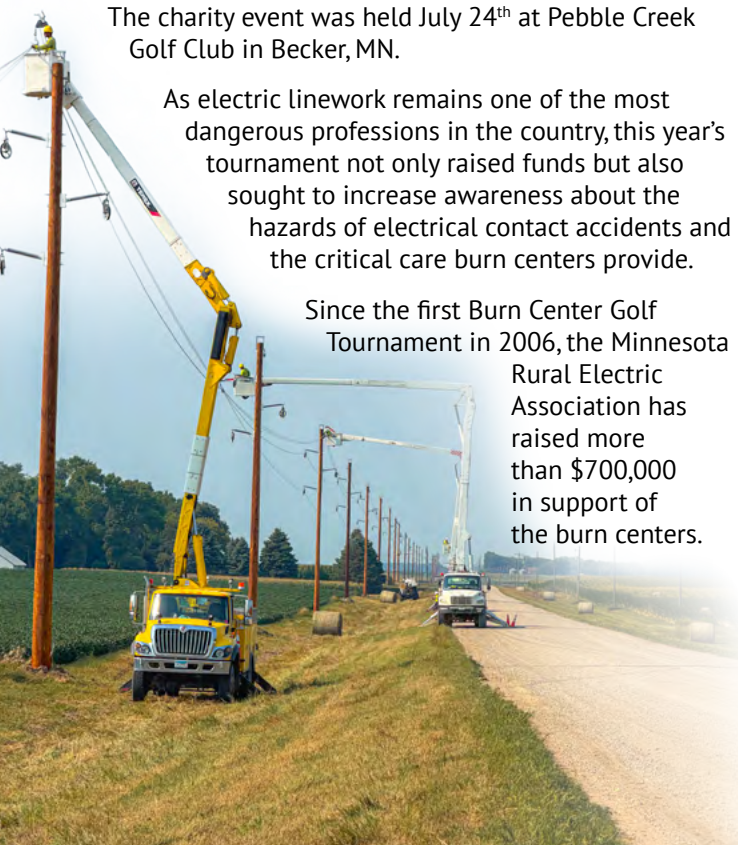
Our line contractor, Karian Peterson, just finished upgrading four miles of our 69 kilovolt transmission line from the Lisbon Substation south to the point of previously upgraded transmission line. It is a north/south section west of Hazel Run. This project improves capacity and the existing line was constructed in 1964, so it was time for an update. The project involved replacement of all the poles and wire. G three thirty-four zero one The process of stringing in new wire involves long ropes strung through pulleys. The picture below shows the ropes being placed into the pulleys by three line trucks in a row. The next step is to pull in the wire from 7,000 foot spools.

Every year, a few of our employees join cooperative employees from all over the state to play golf and raise money supporting Minnesota's three specialty burn care facilities.

This year the 21st Annual Burn Center Golf Tournament, hosted by the Minnesota Rural Electric Association (MREA), raised \$69,507 to support Regions Hospital, Hennepin County Medical Center and Essentia Health. The charity event was held July 24th at Pebble Creek Golf Club in Becker, MN.

As electric linework remains one of the most dangerous professions in the country, this year's tournament not only raised funds but also sought to increase awareness about the hazards of electrical contact accidents and the critical care burn centers provide.

Since the first Burn Center Golf Tournament in 2006, the Minnesota Rural Electric Association has raised more than \$700,000 in support of the burn centers.



Cold Weather Rule (CWR)

The Cold Weather Rule* (*MN Statute, Sec. 216B.097*) helps protect and reconnect your heat from October 1st through April 30th. CWR protection is for residential customers only. All electric and natural gas companies must offer CWR protection. Different types of payment plans are available, depending on your household income. If you are having trouble keeping up with your winter heating bills, contact Minnesota Valley at 320.269.2163 or 800.247.5051 (*501 S 1st St., P.O. Box 248, Montevideo, MN 56265*) to sign up for a CWR payment plan. CWR protection ends on April 30th. If you still owe on your bill on April 30th, you may ask to continue your payment plan.

Can my heat be shut off in the winter?

YES. You must make and keep a CWR payment plan with your electric utility to receive protection between October 1st and April 30th. This is true for all residential customers, including senior citizens and families with young children. Payment plans can be established at any time during the CWR season. If the payment plan is broken, the electric company is not required to offer additional arrangements. If you are unable to agree on a payment amount, you may request an appeal from your electric company.

How do I sign up?

Contact your electric company and request a CWR payment plan. Once you make and keep a CWR payment plan, the utility will turn on your heat. As long as you make your payments, you are protected until April 30th.

What if I can't make my scheduled payment?

If you can't make your payments, call your utility immediately to make a new CWR payment plan. If you do not make your payments, your service may be shut off.

*MN Statute, Sec. 216B.097

Subdivision 1. Application; notice to residential customer.

- (a) A municipal utility or a cooperative electric association must not disconnect and must reconnect the utility service of a residential customer during the period between October 1 and April 30 if the disconnection affects the primary heat source for the residential unit and all of the following conditions are met:
- (1) The household income of the customer is at or below 50 percent of the state median household income. A municipal utility or cooperative electric association utility may (i) verify income on forms it provides or (ii) obtain verification of income from the local energy assistance provider. A customer is deemed to meet the income requirements of this clause if the customer receives any form of public assistance, including energy assistance, that uses an income eligibility threshold set at or below 50 percent of the state median household income.
 - (2) A customer enters into and makes reasonably timely payments under a payment agreement that considers the financial resources of the household.
 - (3) A customer receives referrals to energy assistance, weatherization, conservation, or other programs likely to reduce the customer's energy bills.



Member Services Manager

The Hidden Energy Cost of the Scroll

Every day, billions of people scroll through TikTok, Instagram, Facebook, YouTube and other online platforms. While these services may feel instant and effortless, they depend on massive data centers that store photos and videos, stream content, run artificial intelligence tools and keep personalized feeds moving around the clock.

That digital convenience comes with a growing electric demand. Video streaming, autoplay, infinite scrolling, real-time notifications and AI-powered recommendations all require significant computing power. As more content moves online and more platforms rely on AI, data centers are becoming some of the fastest-growing users of electricity in the country.

This growth creates challenges for utilities and the electric grid. New power generation, transmission lines, substations and other infrastructure may be needed to keep service reliable as demand rises. At the same time, many traditional power plants have been pushed into retirement, and newer resources such as wind, solar and battery storage do not meet the around-the-clock needs.

For electric consumers, the impact may eventually show up in rates. When utilities invest in new facilities and

purchase power during periods of high demand, those costs can affect the overall cost of delivering electricity. Even though an individual scroll or video view seems small, the combined effect of billions of daily online interactions is reshaping the nation's energy landscape.

Social media may not come with a direct monthly bill, but powering the digital world does carry a real cost. So one twenty-two zero two Understanding that connection helps explain why utilities continue planning for future growth, reliability and affordability as technology changes the way we use electricity.

Furnace Inspection Program

Heating season is almost here—now is the perfect time to make sure your furnace is ready. A professional furnace inspection can help improve efficiency, catch potential problems early and make the most of every heating dollar.

Minnesota Valley Cooperative can help schedule qualified technician service through our furnace inspection program. To arrange an inspection, contact Member Services at 320.269.2163 or 800.247.5051.



EXTENDED!
DOUBLE
REBATES

OFFER EXTENDED THROUGH OCT. 1ST!
TAKE ADVANTAGE OF DOUBLE SAVINGS

We're extending our double rebates for an additional month! Get your *double rebates* on a heat pump before October 1st! Call our Member Services Department at 320.269.2163 today!



NOTICE Make Sure Your Heat Meter is On

Minnesota Valley would like to remind all members on either our *electric* or *dual heat* rates, that the power must be turned on to your heat meter for it to operate properly. If the meter does not have power, you will not be getting your heat usage at a discounted rate. All electric heat installations have power supplied to the heat meter from your electrical service. If that meter power has been turned off, all of the KWhs that are used for heat **will be at our higher general rate.**

Please turn on your electric heat power and verify that your meter is operating. The meter is operating correctly if the **electronic display is lit up.** Failure to verify that your meter is powered up may result in a higher electric bill than normal.

Make sure this display is lit up.

