



NewsFlashes

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A Final Thanks // Tim Thompson

As I write my last column as Lake Region Electric Cooperative's CEO, I have a lot of mixed emotions. It has been an honor to have served as your CEO for 17 years. I am so proud of the people here and all the things we have accomplished together.

Through the years, providing safe, reliable, and affordable electricity has been our mission. The commitment of our employees to achieve unprecedented results has been inspiring. The commitment to serve others has been nothing short of exceptional.

We've come a long way. With a team of dedicated, focused employees, in partnership with our board of directors, we grew into an organization better equipped to serve you in the full cooperative model.

Our goal to exist as more than "just an electric company" led to additional energy services not previously offered.

For example, the information and guidance we shared about taking a proactive approach to energy usage created opportunities to generate savings for our members. And, whether through the peace of mind and security provided by our residential generator program or the start of Lake Region Energy Services, our natural gas subsidiary that delivered a new option to unserved areas, we set our sights on finding new solutions that provided a real benefit to you and your families.

Working within and embracing a forward-thinking culture such as LREC's allowed us to emerge as a leader in renewable energy. That eye on the future spurred the installation of member-owned solar panels and sparked the initiative needed to **build the first of its kind** wind/solar hybrid project. This project brought a local source of renewable energy generation to our service area and reduced our wholesale power cost.



2025 District Meetings Recap

2025 LREC annual district meetings were once again held in January, with this year's locations including Parkers Prairie (District 9) and Butler (District 3) on January 9th, and the District 6 meeting held on January 10th at the LREC Pelican Rapids office. As with last year, members had the option of attending a meeting in person or virtually via a livestream link on LREC's website. Despite some inclement weather that took place Thursday afternoon, attendance was comparable to last year, with 169 members/member employees registered over both days.

Meetings opened with a brief welcome, followed by the nomination of board director candidates. Incumbent Board Directors Gary Olson and Charlie Blixt were nominated as candidates in Districts 9 and 6, respectively, and will run unopposed; Perry Swanz was nominated as board director, along

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Tim Thompson's CEO Column

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Wind-Solar Hybrid

Of course, none of this would have been possible without your involvement. Engagement in grassroots events, questions and comments shared during district and annual meetings, and feedback submitted through our annual Member Satisfaction Survey often drove the improvements we've seen over the past 17 years. Because of your input, we became more mindful about how to address recurring service interruptions and invested more in vegetation management to help increase reliability – including becoming an owner in Carr's Tree Service – which resulted in a 60% reduction in outage time. As we became more deliberate in how we allocated your dollars, we were able to lower our operational costs and, as of today, offer some of the lowest rates in our peer group.

The results are impossible to ignore. In addition to all the accomplishments above, we continue to maintain a

record-high member satisfaction rating and received recognition from the National Rural Electric Cooperative Association (NRECA) through the Electric Cooperative Purpose Award, presented to LREC in 2023.

That's a lot to be proud of – and much of it can be attributed to our elected board's ability to govern our co-op locally, instead of through lawmakers in St. Paul. Local governance is an integral part of the cooperative model. It is something I advocated for during my time with LREC and will continue to support in the future.

As I head to my exciting new opportunity with Crow Wing Power in Brainerd, I know LREC is in great hands with a dedicated board of directors and wonderful team of employees.

Thank you for all of the moments, everything we built together, and the trust and support along the way.

As I close, I am reminded of a quote from a member submitted through our most recent Member Satisfaction survey: "They really care for and serve the members." That quote is exactly what we aspire to be. Caring for and serving others makes a huge difference in the world.

With heartfelt thanks and best wishes,



Tim Thompson

LREC receiving the Electric Cooperative Purpose Award



\$54,720 in ORU Donations Awarded to Local Organizations

Fire departments, schools, and food pantries throughout Lake Region Electric Cooperative's (LREC) service area were among the organizations that received funds during LREC's recent Operation Round Up (ORU) meeting.



A total of \$54,720 was awarded to 110 organizations by the Operation Round Up Board of Trustees at the January 6th, 2025 meeting. Organizations receiving funds included:

- * **\$3,120** to county extension offices for *4-H Programs*
- * **\$2,400** to county fair associations for *fair expenses*
- * **\$5,760** to cities throughout our service area for *community festivals*
- * **\$15,600** to fire departments in our service area for *department expenses*
- * **\$6,720** to food pantries for the *March food drive*
- * **\$3,120** to Post-Prom committees for *party expenses*
- * **\$18,000** to schools for *scholarships*

Through ORU's efforts since 2007, this charitable fundraising program has awarded **\$831,240**.

To watch videos of some recent recipients, scan the QR code or visit www.lrec.coop/oru!





2025 District Meeting Recap

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with incumbent Mike Brasel, for District 3. Ballots will be mailed in March, with voting leading up to the Annual Meeting on April 24th where results will be announced. In addition to those involved in the nomination process, other current board directors were also in attendance at the meetings.

LREC CEO Tim Thompson's presentation was a comprehensive look at both the health of the cooperative and accomplishments from the past year. He also looked at the future of the industry. From the perspective specific to your co-op, highlights included growth in members served, completion of construction work projects within each district, continuation of some of the lowest rates in our peer group, low administrative and general costs, a high level of member satisfaction, and the dedication and efficiency of LREC employees.

From an industry perspective, Thompson provided detailed information regarding the current transition to more renewable energy, outlining recently approved plans that will allow LREC's wholesale power provider, Great River Energy, to move forward on new wind/solar projects and the expansion of high-voltage transmission throughout the state. Scan the QR code at the end of this article to view a recording of the full presentation.

As always, we appreciate our members' efforts to stay engaged as we strive to keep you informed. We're encouraged by the active participation we see during these kinds of grassroots events and, with your voices heard, look forward to learning how we can improve.



Be sure to join us for our Annual Meeting April 24th!

Districts 3, 6, & 9 Director Candidates

In **District 3**, Mike Brasel (incumbent) and Perry Swanz were nominated as director candidates. In **District 6**, Charlie Blixt (incumbent) was nominated as a director candidate. In **District 9**, Gary Olson (incumbent) was nominated as a director candidate. Currently, the director candidates for each district are as follows:

- **District 3:** Mike Brasel, Perry Swanz
- **District 6:** Charlie Blixt
- **District 9:** Gary Olson

Pending any other candidates via the petition process, any unopposed candidates nominated at the district meetings will be deemed elected by acclamation.

OFFICIAL NOTICE

2025 ANNUAL MEETING

Thursday, April 24th

Dinner: 5:5:30 p.m. // Meeting: 6:30 p.m.

Notice is hereby given that the annual member meeting of Lake Region Electric Cooperative will be held at 6:30 p.m. on **Thursday, April 24th, 2025** at Life Church (901 County Highway 116, Fergus Falls, MN) to take the following action: approval of prior meeting minutes; election of directors; and all other business which may properly come before the meeting or any adjournment thereof. Registration and dinner begin at 5:00 p.m. in Fergus Falls and at 5:30 p.m. in Frazee and Parkers Prairie.

Cecil "Bud" Hensel, Secretary/Treasurer

Three Annual Meeting Locations

Please make plans to join us for our Annual Meeting on **April 24th, 2025**. We will have three locations available, all of which will have a meal. The two satellite locations will view a livestream of the primary location.

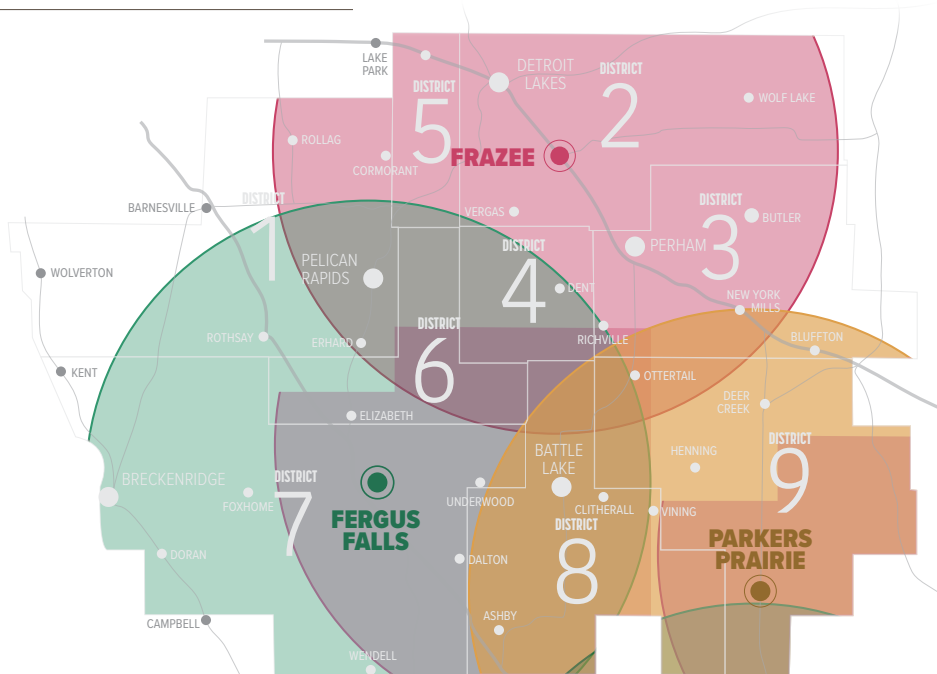
Primary Location

Fergus Falls at Life Church

Satellite Locations

Frazee at Frazee Community Center

Parkers Prairie at Prairie Event Center



2025 Energy Efficiency Rebates

Heating and Cooling

	Ductless Air Source Heat Pump	1 per household/year
	< 1 Ton ≥ 14.3 SEER2 & ≥ 7.5 HSPF2	\$150
	< 1 Ton ≥ 15.2 SEER2 & ≥ 8.1 HSPF2	\$250
	> 1 Ton ≥ 14.3 SEER2 & ≥ 7.5 HSPF2	\$750
	> 1 Ton ≥ 15.2 SEER2 & ≥ 8.1 HSPF2	\$1,000
Heat Pump Systems	Ducted Air Source Heat Pump	1 per household/year
	≤ 5 Ton ≥ 14.3 SEER2 & ≥ 7.5 HSPF2	\$750*
	≤ 5 Ton ≥ 15.2 SEER2 & ≥ 8.1 HSPF2	\$1,000*
	Geothermal heat pump, closed loop (max \$4,000): new (1) or replacement (2)	1) \$400/ton 2) \$200/ton
Qualified Installation (QI) Rebate*	QI for Ductless and Ducted ASHP*	\$40/ton
Electric Thermal Storage (ETS) Heating Systems	Steffes ETS systems on short term storage	\$25 per KW
	All ETS systems on long term storage	\$50 per KW

Water Heating

Heat Pump Water Heater	Must be ENERGY STAR	\$500
ETS Water Heater (5.5¢ rate)	Must be at least 100 gallons and grid enabled with mixing valve	\$400
Peak Shave Water Heater (6.1¢ rate)	Must be at least 80 gallons and grid enabled	\$100

Electric Vehicle

Electric Vehicle Charger Installation	Level 2 chargers: \$500 (must be on EV rate)	Up to \$500
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You can combine some rebates with federal rebates available in the Inflation Reduction Act. For more information, visit www.lrec.coop/ira

***Additional rebate if the installing contractor is QI certified. To view the list of qualified contractors, please visit www.lrec.coop/qicontractors.**

All rebates are subject to change. Please contact LREC to verify availability.

LREC Employees Receive MREA's LIFEguard Safety Award

Safety Director Anthony Lenz from the Minnesota Rural Electric Association (MREA) attended a recent safety meeting to present LREC employees with the LIFEguard Award for their actions in response to an eBike incident that occurred last September.

Nine employees from across different departments were recognized for their communication and proactive efforts during the event, as well as

the concern and intentional follow-up that were displayed afterward.

Award Recipients:

Amanda Fuller, Karen Bakken, Dave Shulstad, Randy Pitura, Karin Haugrud, Al Fazio, Justin Resch, Molly Haugrud.
Not pictured: Carey Thompson.

Congratulations to the group for demonstrating our commitment to safety!



LREC Awarded Funding to Develop 2.4 MW Solar Array

Lake Region Electric Cooperative (LREC) has received funding from the USDA to develop a local 2.4 MW solar project, LREC CEO Tim Thompson announced last month.

An application for the funding was submitted in a consortium with other Great River Energy (GRE) co-ops and comes as a portion of a \$794M federal investment awarded to GRE last week through Empowering Rural America (New ERA). A program within the USDA, New ERA was created to help rural Americans transition to clean energy and is part of the Inflation Reduction Act signed by President Biden in 2022.

As planned, the 2.4 MW solar array will operate on a single-axis tracker to maximize production with connection to

LREC's existing grid, thereby reducing any interconnection cost. Upon completion, energy generated by this array will act as a hedge against inflation and future wholesale power cost increases.

LREC engaged in a roughly year-long process of interviewing and receiving proposals from multiple solar developers before selecting Minneapolis-based *Nokomis Energy* to assist with future next steps. Established in 2017, clean energy-focused Nokomis has experience in partnering with other communities throughout the state to develop solar programs, including the City of Farmington, Faribault Public Schools, and the Waite Park Community Solar Garden project scheduled to begin in 2026. Ex-

pertise in maintaining arrays in our cold climate was also a contributing factor in the decision.

Once development and construction are complete, LREC will enter into a power purchase agreement (PPA) for the energy generated by this project, rather than owning the solar array. Entering into a PPA mitigates any risks of the array not performing as expected, as LREC will only pay for the energy generated by the solar array.

LREC is currently working on finalizing all contracts. We will share additional information as soon as it becomes available.