NewsFlashes

NOVEMBER 2026



Earlier this fall, LREC crews replaced equipment, converted overhead lines to underground, and completed feeder work at the Parkers Prairie Substation as part of our 4-Year Construction Work Plan. The substation was de-energized and grounded while work progressed, and Great River Energy crews were also on site upgrading their equipment.

A Word from the CEO

The electric industry is experiencing significant change. After nearly two decades of relatively flat electric consumption, steady growth is anticipated in the years ahead, driven by domestic manufacturing expansion and the increasing adoption of electrification technologies. As more homes and businesses utilize electric vehicles, heat pumps, electric appliances, and other electric-powered technologies, the demand for electricity is expected to continue rising.

Our wholesale power provider, Great River Energy (GRE), has been preparing for these challenges for many years. GRE continues to invest in a balanced long-term generation and transmission strategy, including several projects throughout Minnesota. Examples include the Alexandria-to-Big Oaks transmission line along the I-94 corridor and the Maple River-to-Cuyuna line that connects the Cuyuna Substation near Riverton, Minnesota, with the Maple River Substation near Fargo, North Dakota.

These investments are essential to continue providing the electric service our members expect. However, as power generation transitions to renewables in support of the state's carbon-free standard, this new infrastructure is expected to cost significantly more than the facilities it

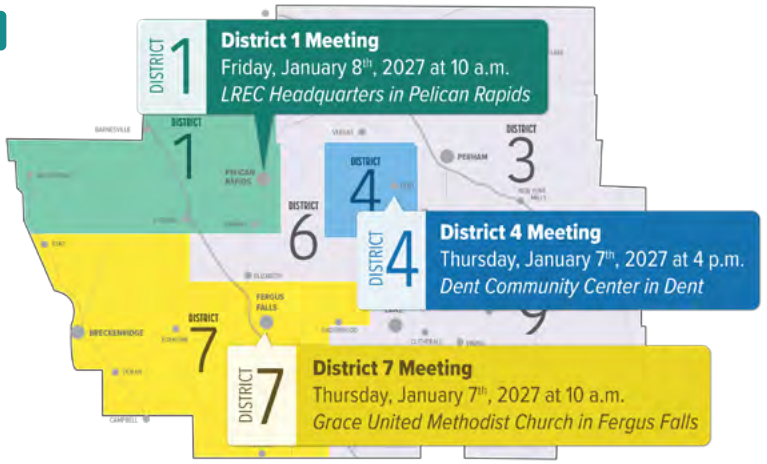
***CEO Column** continues on page 2 →*

2027 District Meetings

OFFICIAL NOTICE

Candidates for the LREC Board of Directors will be nominated in Districts 1, 4, and 7 at the district meetings. Meetings will be held in each of the three nominating districts. All members are invited, although only members of each district can vote. Livestreams of the meetings will be available as well.

- ❶ **District 1:** Friday, January 8th, 2027 at 10 a.m.
  LREC Headquarters, Pelican Rapids
- ❹ **District 4:** Thursday, January 7th, 2027 at 4 p.m.
  Dent Community Center, Dent
- ❼ **District 7:** Thursday, January 7th, 2027 at 10 a.m.
  Grace United Methodist Church, Fergus Falls



Interested in Being a Director?

Any member interested in becoming a candidate for the Lake Region Electric Cooperative Board of Directors should visit ***www.lrec.coop/directorinfo*** or scan the QR code to learn more about the election process and responsibilities of being a director.

CEO Column

Continued from front page.

replaces. Our responsibility to our members is to maintain a safe, reliable, and sustainable electric grid, while ensuring that we are doing everything we can to stretch our members' money as far as possible.

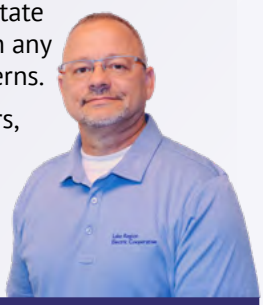
Every fall, LREC begins the budgeting process by evaluating expected costs for the coming year. These costs, which include purchased power, infrastructure maintenance and improvements, outage restoration, and the operational expenses required to keep the co-op running day to day, are compared with projected revenue to determine whether current rates will adequately support LREC's operational needs and long-term financial health.

As we work toward finalizing the 2027 budget, we are seeing that our current rates are not going to cover expected costs for next year. The exact increase is yet to be determined and will require approval from our board of directors before implementation.

Our goal is to design rates that reflect the cost of providing electric service while remaining mindful of the impact on our members. As costs continue to increase, LREC will review rates each year, making rate adjustments more gradual and predictable to ensure we collect only the revenue needed to safely and reliably operate your cooperative.

My hope is that this information offers transparency into changes in your electric service that will occur in the near future. As always, please do not hesitate to contact me with any questions or concerns.

Cooperatively yours,



Joel Janorschke, CEO

Contact the CEO Email: *jjanorschke@lrec.coop* Cell: *(320) 292-4036*

Operation Round Up Recipients

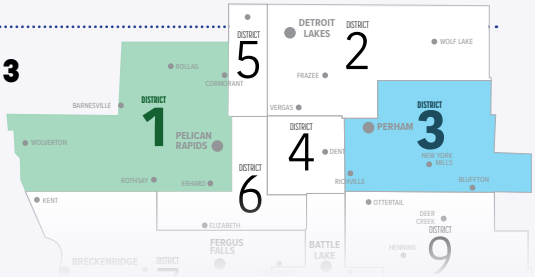
Operation Round Up (ORU) allows LREC members to support local charities by rounding up their monthly bills. The small extra amounts, from $0.01 to $0.99, collectively make a meaningful impact in the community. Please consider signing up to be part of Operation Round Up and make an impact in our community. Sign up at ***www.lrec.coop/oru***.

A total of **$32,300** was awarded by the Operation Round Up Board of Trustees at the October 5th meeting. The total amount awarded since 2007 is **$1,070,090**.

New Operation Round Up (ORU) sign-ups are now automatically entered into a quarterly drawing for a one-time $20 bill credit! *Scan QR code for more details.* **Congratulations to our Q3 drawing winner John R. Streifel!**

- **$7,500** to *Vergas EDA/HRA* for the Growing Up Vergas Project to help address local childcare needs
- **$1,000** to *BIO Girls* for programs supporting girls' mental health and well-being
- **$5,000** to *Pelican Rapids Food Shelf* for the construction of a community garden greenhouse
- **$5,000** to *LSS Camp Knutson* for the installation of an HVAC system
- **$5,000** to *Camp Joy* for electrical upgrades to the kitchen area in the Bazinet recreation building
- **$1,000** to *Perham Health/Elevate* to support the Miles That Matter van program
- **$2,000** to *Henning HOPE* to provide winter gear for children in need
- **$1,000** to *YourPlace Community Foundation, Inc.* for the Safe at Home Program, supporting rural senior safety and caregivers
- **$1,000** to *MN Flyers Gymnastics & Fitness* for the purchase of Ninja equipment
- **$1,000** to *Silver Sage Pro Rodeo* to improve electrical infrastructure and lighting
- **$2,800** to *Battle Lake Area Fire & Rescue Association* to upgrade gas-detection meters

Are you a resident of **Districts 1** or **3** and interested in becoming an Operation Round Up trustee? Please contact Candace Roesch for details at ***croesch@lrec.coop***.



Upcoming Schedule

- Lake Region Electric Cooperative offices will be closed for **Thanksgiving** on November 26th–27th. *Happy Thanksgiving!*
- For **Christmas** and **New Years**, the offices will be closed on December 24th-25th and December 31st–January 1st.
- Save the date for our **2027 Annual Meeting** on April 22nd!

STRENGTHENING OUR GRID

Last month, crews completed work along MN County Highway 18 to address load concerns in the Underwood area by installing larger conductors that increase capacity and improve reliability. LREC lineworkers removed the rollers used for stringing the new conductor tied in the new line. In large part, aside from a brief period alotted for cutover, the old line remained energized — or "hot" — during the work, and was shifted safely out of the way during installation.

By the Numbers: Social Media

3 Social Media Platforms

FACEBOOK
164K+ VIEWS
5.4K FOLLOWERS
173 POSTS
(JUL 15–SEP 30)

INSTAGRAM
4,440 VIEWS
178 FOLLOWERS
144 POSTS
(JAN 1–SEP 30)

TIKTOK
Established July 2026!
2,420 VIEWS
458 FOLLOWERS
26 POSTS
(JUL 1–SEP 30)

LREC Residential Energy Efficiency Rebate Program Update

More LREC members saving money is a good thing.

Due to the success of the program and a response greater than expected, the deadline to submit your request for rebates on the purchase/installation of qualified heating and cooling systems, water heaters, and/or electric vehicle (EV) chargers has been revised.

The new deadline to submit your request is December 1, 2026.

This change was made in an effort to fulfill as many requests as funds would allow. **As a reminder — once available funds have been depleted, rebates will cease for the year.** Rebate requests submitted after the December 2026 deadline will be evaluated for reimbursement in 2027.

Questions? Contact our Energy Services team at (800) 552-7658.



Employee Spotlight

Isaac Hoverson
Journeyman Lineworker

How long have you worked at LREC? I started in April — so I hit six months in October.

Can you give us a quick overview of your experience (or education) in the electric field? I graduated from the Electrical Line Worker program at M State in 2020 and have been in that field ever since – first as a lineworker with Traverse Electric Co-op last summer.

I also worked for a contractor mostly building transmission lines before starting at LREC.

What's the biggest take-away you've learned in your first six months? Take your time. Getting things done fast is great, but it's better to think things through; make sure you have the right gear or think about your training to make sure the job is done right and no one gets hurt.

Best (and worst) part about being a lineworker? The best part about being a lineworker is being able to turn the lights on after a storm and knowing you helped make that happen. Working with a crew and appreciating what you've built together after the job is finished, too.

There really is no worst part. I guess I'd say maybe the extreme heat or cold — but even then I still really enjoy the work. It's been fun.

Reduce Your Home Energy Costs with Off-Peak Heating & Dual Fuel Programs





Electric Thermal Storage (ETS) Heating & Steffes Heaters

- ✔ ETS heater stores off-peak energy—no back-up system required
- ✔ Qualifies for **6.68¢ dual fuel** or **6.46¢ ETS rate**
- ✔ ***EASY-PAY*** option available—pay over 48 months on your bill
- ✔ Up to $50 per KW rebate available
- ✔ Room unit replaces wood stoves, wall furnaces, or electric baseboard
- ✔ Comfortable radiant heat





Dual Fuel Rate with Electric Plenum Heater or ASHP

- ✔ Install with your existing gas furnace
- ✔ Easy way to go off-peak
- ✔ Qualifies for **6.68¢ dual fuel rate**; the dual fuel electric rate is the equivalent of $1.61 propane
- ✔ Rate is available for the combination of a primary electric heating system with a back-up propane or fuel oil system



Stay Safe This Hunting Season

With deer hunting moving into full gear earlier this month, we thought it a good time to share some information on staying safe and mindful around electricity. The tips below are good reminders on how you can avoid causing damage to electrical equipment or injury to you, your group, or other hunters throughout the entire season:

- Take extra precaution when planning to hunt in heavily wooded areas where poles and power lines may not be easily visible. It's a good idea to scout the area ahead of time to locate where they may be and note to avoid them later.
- Never shoot at or near power lines or insulators – the potential damage is costly and may also cause significant safety hazards for other hunters and/or hikers.
- Set your tree stands a minimum distance of at least 10 feet from power lines, being mindful not to use utility poles for climbing or support.

Board Meeting Highlights

Lake Region Electric Cooperative's Board of Directors conducted its regular monthly meeting Thursday, August 27, 2026. All nine Board members, CEO Joel Janorschke, department leaders, Attorney Chad Felstul, and other LREC staff members were in attendance.

The following reports were given:

CEO Joel Janorschke provided updates on leadership and staff meetings, human resources activities, four new employees, IT Shared Services planning, the Otto Substation project, and the cooperative's 401(k) review.

Management reported on member communication planning and member concerns related to vegetation management and capital credits.

Community engagement updates included the Otterfest Parade, Member Appreciation Day at Maplewood State Park, and the August Red Cross Blood Drive.

CFO Amanda Fuller presented July 2026 financial results for LREC and Lake Region Energy Services (LRES), along with an overview of the 2027 budget cycle.

Great River Energy (GRE) Director Mike Brasel shared an update from the Energy Issues Summit. No GRE Board meeting or Minnesota Member Generation meeting was held in August.

Attorney Chad Felstul reported on legal, legislative, and regulatory topics from the NRECA legal seminar, including data center agreements and FEMA reimbursement reform.

The following actions were taken:

- Approved July 2026 LREC and LRES financial statements.
- Approved revisions to Policy 104, Conflict of Interest; Policy 106, Code of Ethics; Policy 732, Procurement Conflict of Interest; and Policy 607, Disconnection and Reconnection of Electric Service.
- Approved LREC's Holding Company owning Lake Region Technology Services (LRTS).
- Approved the consent agenda, including the July 30, 2026 Board meeting minutes, new memberships, estates, cash disbursements, and the legal bill.

Board of Directors

DISTRICT 1
Kurt Krueger
Vice Chair
kkrueger@lrec.coop

DISTRICT 2
Cecil "Bud" Hensel
Secretary/Treasurer
chensel@lrec.coop

DISTRICT 3
Mike Brasel
GRE Board of Directors Rep.
mbrasel@lrec.coop

DISTRICT 4
Jeff Hildebrandt
jhildebrandt@lrec.coop

DISTRICT 5
Patrick Meyers
pmeyers@lrec.coop

DISTRICT 6
Charlie Blixt
cblixt@lrec.coop

DISTRICT 7
Tom Jennen
Chair
tjennen@lrec.coop

DISTRICT 8
Jim Gronbeck
jgronbeck@lrec.coop

DISTRICT 9
Gary Olson
garyolson@lrec.coop

LREC

OUR MISSION

Provide our members with **safe, reliable, and affordable energy**, and lead by offering **innovative services** to grow the cooperative.

OUR VISION

Leading, empowering, and guiding members to use energy wisely to secure a better future for **our families, our communities, and our world.**

OUR VALUES

- Safety
- Integrity
- Innovation
- Accountability
- Open, honest communications
- Commitment to members, community, and employees

LREC is an equal opportunity provider and employer.