



Your Touchstone Energy® Partner 

Welcome Cooperative Light & Power member-owners as we celebrate our 85th Anniversary. Eighty-five years ago, 60 farmers from Lake County bellied up to the farm table and slapped down \$1 each to form CLP hoping that they could get a loan to build an electric cooperative. They got the loan and constructed 56 miles of line, and a year later, those lines to Waldo and Knife River were energized, and 93 homes were lit up for the first time. Members at the time described that day as nothing short of miraculous. From that initial 56 miles of line, we grew to over 1000 miles of line servicing over 6200 today.

When CLP was founded in 1936, the Country was still in a depression. Dust storms and drought were prevalent throughout our area. Only 1 in 10 farms in rural communities had power throughout our Country. With the odds stacked against them, It would have been easy for CLP founders to give up, but that's not what America is all about. Americans never give up. When things are at their worse, Americans are always at their best, setting the example for the rest of the world to follow.

Our CLP founders didn't give up then, and although 2020 was an extremely difficult year for all of us with many lost to the pandemic, we aren't about to give up now, or ever.

One of the essential mainstays our members and community could count on throughout the pandemic was reliable, uninterrupted electricity from CLP, who adapted quickly even before the Governor's mandate to ensure the power kept flowing.

Now, as we celebrate CLP's 85th Anniversary and move forward towards CLP's Centennial Anniversary in 2036, CLP's future is brighter than ever.

CLP continues to upgrade its infrastructure and maintains a well-managed Right of Way along our powerlines that ensure optimum reliability and safety for our employees, members, and community. CLP's reliability is independently measured every year and is compared to like-kind networks throughout our state. The latest report lists CLP as among the top 2 electric cooperatives in Minnesota, having the shortest interruption time to restore outages. We are also among the safest, not only in Minnesota but in the Country, having Zero safety incidents in the last 2 ½ years. Hard to do better than zero safety incidents. In fact, we just found out yesterday that we have been awarded the Leroy Vanderpool Safety award for the second year in a row.

This high-reliability rating and safety track record are...excuse my pun..no accident. It's a true testament to the hard, smart, and safe work your Co-Op does every day to help power our lives.

CLP is on strong financial footing, increasing our members' patronage margins 45% over last year as detailed in our Annual Report. CLP has not increased rates in 9 years, and we aren't this year either. But that's only the beginning of good things to come as your Co-op is sowing the seeds to benefit future generations.

CLP is in the quality-of-life improvement business. For 85 years, your Co-op has built a rare kind of credibility that is grounded in the cooperative principle of concern for community through services to consumer-members far beyond power lines. That includes job training, continuing education, community development, internet access, health fairs, scholarships, veterans' programs, youth tours, food banks, and through Operation Round-Up. Our members own CLP, and we have returned over \$7 Million in capital credits to our members so far. I want to thank our ORU member contributors who have donated over \$419,000 just from rounding up and donating the change from their bills. I especially want to thank the ORU board members listed in your annual report who have volunteered their time selflessly, giving out over \$29,000 to worthy causes in 2021. ... *Let's hear it for the Operation Round-up Board members...*

Environmental stewardship is of paramount importance for CLP and is one of the pillars of our strategic plan. Currently, in 2021, 30% of our energy comes from renewable sources. But now we project shattering our previous carbon reduction goals, which were 50% by 2030 to 95% by 2024, with our power provider GRE replacing coal-based energy with renewable energy sources.

The results of the first year of our 3-year strategic plan saw CLP achieving 86% of the goals that can be measured at this time. Anything above 75% for the first year of a new strategic plan process is commendable. 86% is extraordinary. Another 6% is available to add to that 86% score once we receive the final independent measurements coming out in June. The second-year objectives will be adjusted and finalized once the new Board has been seated, so the goals take into account the new board members and their district constituents' objectives for our future. We will then update the Strategic Plan and share it with the membership online and in the Powerlines newsletter.

I'd like to thank some long-time CLP contributors who are retiring this year. First is our long-time Board member from district 5, Bob Nikolai. Bob has been on the CLP Board for 14 years and has been a steadfast granite bedrock contributor on the Board for our members. Every decision I've seen Bob make during my tenure has always been based upon what's best for the entire membership, which must always be a Board member's duty regardless of any personal

opinion or beliefs to the contrary. Bob has been a trusted advisor and good friend of mine during my tenure. I'm thankful for his deep knowledge and vast experience with our electric business and knowing what's best for our membership. We'll miss him and wish the best for him and Linda in their retirement. We also would like to thank Alis Stevens and Greg Lien for their assiduous service as CLP Board members.

We would also like to acknowledge two long-time, exceptionally knowledgeable, and skilled employees who have also retired this past year and were very instrumental in the great success CLP has achieved over the last few decades. They are Jean Larson, former operations clerk, and Spring Detlefsen, former Office Manager. Another long-time contributor is Jeff Dobberpuhl. Jeff was CLP counsel for more than 30 years and is retiring after this meeting. Please join me in thanking them all for their tireless service to CLP, and we wish them well in their retirement.

The future is now, and CLP is leading the charge to a better tomorrow for all of us. The State of your Cooperative is strong and getting stronger and now re-energized with our new energy experienced and knowledgeable Board members. My name is Hal Halpern, and I want to thank you for listening to your Manager's report and coming to your annual meeting. Stay safe!