

2023 class of Congratulations Graduates!

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CLP Earns a Minnesota Safety Council Governor's Safety Award

On May 3rd, Cooperative Light & Power (CLP) was recognized for excellence in workplace safety and health during the 2023 Minnesota Safety and Health Conference. CLP is one of 210 employers to be honored through the awards program coordinated by the Minnesota Safety Council.

“Congratulations CLP for their hard work, attention, and dedication to safety,” said Paul Aasen, president of the Minnesota Safety Council. “Keeping people safe and achieving award-winning performance is no accident. It takes everyone from the front line to executive leadership to help people work safe, drive safe, and live safe.”

“Safety of our employees and community is our top priority at CLP, and we are honored to be recognized for our efforts,” said CLP’s CEO Joel Janorschke.

Since 1934, the annual Governor’s Safety Awards program has honored Minnesota employers with exceptional safety performance. Member account number seven hundred forty seven thousand two. Applicants are judged on several years of injury data as it compares with their industry’s national statistics and on their progress in implementing a comprehensive safety program. Winners are recognized at three levels:

- Meritorious Achievement (84 winners): Incidence rates that are better than the industry average for at least three years, and a score between 50 and 74 on a 100-point safety program evaluation scale.

- Outstanding Achievement (81 winners): Continuing improvement and/or a continuing outstanding record with incident rates that are 51%-90% better than the industry average, and a score between 75 and 90 on the safety program evaluation scale.

- Award of Honor (45 winners): Incidence rates at least 91% better than the industry average, and a score between 91 and 100 on the safety program evaluation scale.

CLP received an Award of Honor.

The Minnesota Safety Council, founded in 1928, is a non-governmental, not-for-profit organization dedicated to improving the quality of life in Minnesota by preventing unintentional injuries on the road, at work, at home, and in the community.



CLP employees with the Minnesota Safety Council Governor's Safety Award



CLP Faces Rate Change

Recently, Co-op Light & Power (CLP) underwent a Class Cost of Service Study (CCOSS) that was long overdue. The CCOSS is a

study that analyzes revenue needs and identifies the utility's total cost of service so that each class of members pays its proportionate (fair) share. In addition, the study looks ahead to future years to accommodate investments in the electric infrastructure, plant, operations, and wholesale power costs. The goal is to have an accurate two-year prediction.

On the expense side, inflation is hitting us hard. We are experiencing cost increases in virtually every aspect of our operations. This includes wholesale power costs, labor, transportation, equipment, and critical distribution system infrastructure. Member account number seven hundred forty three thousand six hundred twenty two. For example, in the past year, the cost of poles has increased by an average of 75%. Transformers are up 80-155%. 2023 wholesale power is up 8.2%. Since about two-thirds of every member's dollar goes directly towards purchasing wholesale electricity, this creates additional financial pressures for CLP.

CLP has also budgeted for the transition to Integrated Vegetation Management (IVM) to keep the trees and vegetation

out of the right-of-way (ROW). Since 75% of the outages in 2022 were tree-related, CLP will attempt to triple the miles of line cleared per year. The CLP Integrated Vegetation Management Program's primary objective is to control vegetation growth along the electric lines so that the Cooperative can provide our members with safe, reliable, affordable energy services. This is accomplished by defining a cycle, using qualified personnel, contractors, and/or foresters to monitor the condition of the utility ROW, and by initiating various vegetation control practices to reduce, manage, or eliminate undesirable growth.

At the April 26th Board Meeting, the board voted to implement the recom-

the SAC will increase from \$30 to \$52 monthly for CLP's current residential and seasonal residential members. Small Commercial members will see their Base Fee/Service Availability Charge increase from \$35 to \$66 monthly.

Although there will be an increase in the Monthly Base Fee/Service Availability Charge (SAC), we will be decreasing the per kWh energy rate. Combined with the current 5-cent Power Cost Adjustment (PCA), Residential and Seasonal members are currently charged \$0.16917 per kWh in the summer months and \$0.15517 per kWh in the winter months. The new rate will be \$0.1374 per kWh all year with a zero PCA at this time. Combined with the current 5-cent PCA,

| Rate Schedule | Rate Class | Monthly SAC | Energy Charge |
|---------------|-------------------------------|-------------|---------------|
| A | General Single-Phase < 75 KVA | \$ 52.00 | \$ 0.1374 |
| B | General Three-Phase < 75 KVA | \$ 66.00 | \$ 0.1374 |

mendations from the study. This includes reducing and simplifying rate classes, increasing the Monthly Base Fee/Service Availability Charge (SAC), decreasing the kWh charge, zeroing the Power Cost Adjustment (PCA) charge, and eliminating the seasonal tiers. The rate change will take effect on your August bill covering your July energy usage.

The monthly SAC is designed to cover expenses related to power delivery to your home. It's the cost before you use any electricity (kWh). Specifically,

the Small Commercial members are currently being charged \$0.17058 per kWh in the summer months and \$0.15658 per kWh in the winter months. The new rate for Small Commercial members will be \$.1374 per kWh all year with a zero PCA at this time. With the SAC increase and the kWh decrease, the average member would see their energy charges increase by \$9.00 per month or a 7% increase. CLP is doing everything possible to minimize the impact on our members.

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Call Before You Dig

800.252.1166
it's the law!

Call 800.252.1166 to locate underground wires. You must call at least 48-hours in advance before any excavations (this notice does not include weekends, holidays or emergencies).

CLP will only locate the underground wires that are owned by CLP, we do not locate or take responsibility for locating wires beyond the meter location.



PowerLines

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Power Outage (24/7): 800-927-5550

Summer Business Hours:
Monday - Thursday 7:00 a.m. - 4:30 p.m.
Friday 7:00 a.m. - 11:00 a.m.

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District Meeting Recap

When this newsletter went to print, CLP had hosted the first of three Kilowatts and Brats District Meetings. The first of the meetings was held at the CLP headquarters on May 22nd. The evening began with a bratwurst meal, followed by presentations by the CLP staff. Topics included the IRA & IJJA grant updates, CLP's new Integrated Vegetation Management (IVM) initiative, an update from the CLP Operations Department, Distributed Generation, Electric vehicle home charger installation, CLP financials update, 2023 rate adjustment, new Whole House Time of Use rate, Grid Access Charge, CLP Articles of Incorporation and By-Laws review, and redistricting.

Great discussions and member input followed the presentations. Most of the discussion was regarding redistricting and the options surrounding that decision, such as the possibilities of

electronic and mail-in voting, system-wide voting, and director nomination procedures.

We were asked to provide additional information on the system-wide voting as a follow-up to that discussion. System wide-voting would look much like it currently does if there is no quorum in the voting district. It would allow all members to vote for the director up for election, not just those residing in that district. A benefit to moving to system-wide voting from the current process would simplify the electronic voting process as well as give all members a voice in the election of all board members.

Kilowatts and Brats District Meetings for combined Districts #4 & #5 and District #1 will be held after this newsletter goes to print. We will fully recap the Kilowatts and Brats District Meeting in the July issue of "Powerlines."



Congratulations 2023 Westholm Memorial Scholarship Winners!

Josephine Carey - William Kelley High School
Michael Kastelic - Duluth East High School
Greysen Peterson - Two Harbors High School
Ryan Reeves - Duluth East High School
Danika Thompson - William Kelly High School
Casey Underdale - Two Harbors High School

CLP Welcomes Journeyman Lineman Evan Sandretsky



Evan is a graduate of Two Harbors High School and Minnesota West Technical College. He comes to us from the City of Two Harbors, where he worked as a Journeyman Lineman. Evan is married with two children and another on the way. Welcome to the family, Evan!

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Our DSM rates will also be increasing slightly. The Freedom Heat rate (currently for the summer months is at \$0.06 per kWh and \$0.08149 per kWh in the winter months) will increase to \$0.067 per kWh. Storage heat (off-peak) will increase from \$0.049 per kWh to \$0.53 per kWh. Dual Fuel is currently at \$0.05309 per kWh in the winter and summer is at \$0.06261 per kWh. The new rate will increase to a straight \$0.058 per kWh.

Together the rate changes will provide the required revenue to meet the Cooperative's needs in 2023. We understand that these are economically challenging times for our members and communities. As a not-for-profit electric cooperative, we do not set our rates to make a profit. Our primary objective is to provide the safe and reliable service our members expect. Looking ahead, we will continue to invest in modernizing equipment and infrastructure. In addition, we will seek to educate members on reducing their energy use and getting the most value out of their electrical service.

Creamed Corn Stuffing Balls

From the Kitchen of: Denise Bohrer

| | |
|----------------------------------------|-------------------------|
| 8 cups herb-seasoned stuffing croutons | 1 cup water |
| 1 cup diced celery | ½ tsp poultry seasoning |
| ½ cup diced onion | ½ tsp salt |
| ¾ cup butter | ½ tsp black pepper |
| 1 (14 ¾ -oz) can cream-style corn | 3 eggs beaten |

Place croutons in a large bowl; set aside. In skillet, sauté celery and onion in ½ cup butter. Add corn, water, and all seasonings. Bring to a boil. Cool for 5 minutes. Pour over croutons.

Add beaten eggs and mix gently. Shape ¼ capfuls into balls. Flatten slightly. Place in greased 15x10x2-inch pan. Melt remaining butter and drizzle over the stuffing balls. Bake, uncovered at 375 degrees for 30 minutes or until lightly browned.

Read Your Board Meeting Summary

A regular meeting of the CLP Board of Directors was on March 22, 2023.

Meeting was called to order at 9:09 a.m.

Motions were made and seconded to approve the agenda as modified, February minutes as modified, consent agenda, and the financials. Motions passed.

Mike Pederson from Esterbrooks presented the 2022 Financial Audit.

Kristi Robinson and Rachel Hockert from Star Energy Services presented the Class Cost of Service and Rate Study.

Member Service Manager Jones presented the Annual Cogeneration Report.

A member addressed the Board encouraging more member-owners to run for directorship. Member account number seven hundred thirty one thousand five hundred twenty six.

CLP management staff gave reports to the board on the happenings in their respective departments.

CEO Janorschke addressed the Board on MREA and legislation.

CEO Janorschke and Director Veitenheimer reported on the GRE March Board and MMG meeting.

A motion was made and seconded to go into executive session to discuss the CLP Organizational Chart and the direction CEO Janorschke sees CLP going. Motion passed. A motion was made and seconded

to exit the session. Motion passed.

A motion was made and seconded to approve the Resolution for Unclaimed Capital Credit Distribution be donated to Operation Round Up. Resolution passed.

A motion was made and seconded to approve the Operation Round-Up grant distribution. Motion passed.

A motion was made and seconded to accept the Auditors Report. Motion passed.

A motion was made and seconded to accept the Co-Gen Filings and Report. Motion passed.

A motion was made and seconded to accept Board Policy I-25 Substance Abuse and Alcohol Misuse-FMCSA Drug & Alcohol Policy. Motion passed.

Director Schmieder shared her input on redistricting. Member account number six hundred one thousand seven hundred ninety four. The Board will discuss this at the district meetings with the members.

Director Veitenheimer thanked Director Schmieder for her service on the Board.

Next Board meeting date is April 26, 2023, at 9:00 a.m.

Adjournment was called at 3:21 p.m.

To view a complete version of the latest CLP Board Meeting Minutes please go to: <http://clpower.com/board-meeting-minutes>

Dates to Know...

- June 14:** Flag Day
- June 15:** Cookies in CLP Lobby
- June 18:** Father's Day
- June 26:** CLP Bills Due
- June 28:** CLP Board Meeting
- July 4:** Independence Day
CLP CLOSED

NOTE: CLP dates subject to change

CLP Mission:

CLP delivers safe, reliable, affordable energy and services to our members while enhancing the vitality of our community

CLP Vision:

We aspire to be the force that empowers opportunities for the benefit of our members and community

TO REPORT AN OUTAGE:

Call CLP at 834.2226 or 800.580.5881 during business hours or 800.927.5550 after hours.

BEFORE calling, please check your breakers. If an outage is found to be on your side of the meter, you will be billed for a service call.

SPOT YOUR NUMBER:

A \$20 electric credit is awarded each month to our faithful readers. Four account numbers are spelled out in each newsletter. If you find yours, notify CLP by the 25th of that month and a credit will be applied to your bill.

Credits claimed for April:

Mitchell Ekstrom, Ronald & Barbara Jensen, and Joseph & Rose Sworski

Credits not claimed: Jeff or Gregg Somrock

OPERATION ROUND UP TOTALS:

April Donations: \$1,741.54

Year-to-date Donations: \$7,042.47

Thank you to all the participants! If you have questions about Operation Round Up, or would like to apply for a grant from the Fund, please contact CLP at 218.834.2226 or 800.580.5881, or visit our website at www.clpower.com.

Cooperative Light & Power is an equal opportunity provider and employer.

Year-to-date Financials

| | <u>Mar-23</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> |
|--------------------------------|---------------|--------------|--------------|--------------|
| Operating Revenue | | \$ 3,096,641 | \$ 4,109,310 | \$ 4,136,100 |
| Cost of Purchased Power | | \$ 2,020,472 | \$ 2,531,464 | \$ 2,342,147 |
| Other Operating Expenses | | \$ 931,985 | \$ 1,418,295 | \$ 1,609,081 |
| Total Cost of Electric Service | | \$ 2,952,457 | \$ 3,949,759 | \$ 3,951,228 |
| Operating Margin (Loss) | | \$ 144,184 | \$ 159,551 | \$ 184,872 |
| Interest Income | | \$ 14,870 | \$ 6,076 | \$ 19,268 |
| Other Margins | | \$ (2,447) | \$ (31,237) | \$ (133) |
| Capital Credits | | \$ 9,618 | \$ 13,745 | \$ 5,074 |
| Total Margins | | \$ 166,225 | \$ 148,135 | \$ 209,081 |
| kWh Purchased | | 31,347,855 | 36,910,701 | 33,204,482 |
| kWh Sold | | 29,643,791 | 35,206,983 | 31,735,862 |
| Line Loss | | 5.44% | 4.62% | 4.42% |
| Members Billed | | 5,927 | 6,372 | 6,434 |
| Average kWh Used, Residential | | 1,528 | 1,656 | 1,470 |
| Average Bill, Residential | | \$ 150.73 | \$ 187.29 | \$ 185.96 |
| Average Cost/kWh, Residential | | \$ 0.0986 | \$ 0.1131 | \$ 0.1265 |
| Interest Expense | | \$ 116,984 | \$ 86,865 | \$ 90,806 |