







Welcome to our cooperative!

Welcome to Lake Region Electric Cooperative!

Congratulations! When you signed up to receive electric service you also became a memberowner of Lake Region Electric Cooperative.

Lake Region Electric Cooperative is firmly committed to leading, empowering, and guiding members to use energy wisely in order to secure a better future for our families, our communities, and our world. We focus on the cooperative's role in providing a safe, reliable, affordable, and sustainable supply of energy.

We operate from a not-for-profit business model where our member-owners share in the financial success of the cooperative. Our focus is on service and meeting your energy needs and expectations.

Incorporated in our efforts are the values of safety, integrity, innovation, accountability, open and honest communications, and a deep commitment to the cooperative member-owners, the communities within our service territory, and our employees who bring this all together in their daily work.

Please review the contents of this new member packet to familiarize yourself with Lake Region Electric Cooperative and the important role you play in its success.

Should you have questions or concerns, please don't hesitate to contact our office. Our employees stand ready to assist in any way possible.

Cooperatively yours, Tim Thompson, CEO

Tim Chomps



Contact Us

Customer Service Hours

7:30am to 4:00pm Monday to Friday

Phone

(800) 552-7658 or (218) 863-1171

Text (SMS)

(218) 853-5732

Fax

(218) 863-1172

Email

Irec@Irec.coop

Website

www.lrec.coop (online chat available)

Mailing Address

Correspondence: Lake Region Electric Cooperative P.O. BOX 643 Pelican Rapids, MN 56572

Bill Payment: Lake Region Electric Cooperative P.O. BOX 650 Pelican Rapids, MN 56572



NewsFlashes

Our monthly newsletter allows you to stay up-to-date on co-op news and information. If you choose paperless billing, you will be subscribed to our email edition of NewsFlashes, eNewsFlashes.



Welcome to Lake Region Electric Cooperative — we are so glad to have you as a member! This quide's purpose is to serve as an overview of our cooperative and its services. If you have any questions, please contact us we're happy to help you out.

About Our Cooperative

Lake Region Electric Cooperative is headquartered in Pelican Rapids, Minnesota. Our membership is a mix of residential, commercial and industrial, and seasonal homes. The cooperative averages 5 members per mile in our 3,200 square mile service territory. We own and maintain 5,800 miles of line.



Our Mission

To provide our members/customers with safe, reliable, affordable electricity, and lead by offering innovative services to grow the cooperative.

» Safety

Values

- » Integrity
- » Innovation
- » Accountability

Our Vision

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

- » Open, honest communications
- » Commitment to members, community, and employees

What is a Cooperative?

Electric cooperatives are not-for-profit energy providers whose purpose is to deliver electricity to their customers, which are called *members*. Profits are either reinvested into infrastructure or returned to members through *capital credits*. Cooperatives operate using a model of democracy — members elect a board of directors to guide the co-op's strategic decisions.

Capital Credits

As a cooperative member, you get back a portion of the amount you paid for electric service. Each year, funds are allocated to members' accounts. Before they are refunded, however, the money is used to maintain, improve, and ensure dependable service.

HOW DO CAPITAL CREDITS WORK?

Your coop tracks how much electricity you buy and how much you pay for it throughout the year.

> At the end of the year, your coop completes financial reports and determines whether there are excess revenues called margins

Your coop allocates the margins to members as capital credits based upon their use of electricity during the year.

When your coop's financial condition permits, your board of directors decides to retire, or pay the capital credits.

Your coop notifies you of how and when you'll receive your capital credits retirements.

When capital credits for the years you were a member are refunded, you receive your share, whether or not you are still a member. That is why it is important for you to provide a forwarding address each time you move so you can still receive payment.

Since 1958, \$34,905,886 in capital credits has been retired (paid out) to members.

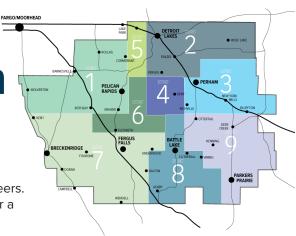
Member Elected Board

Members have a voice in the operation of the cooperative through a member-elected Board of Directors. Directors serve a rotating three-year term, and are nominated during district meetings that generally take place in early January, and are elected during the annual meeting, which usually takes place in April.



Member **
Participation

At Lake Region Electric Cooperative, decision making is local. Our co-op policies and strategic imperatives are driven by the local directors who have been elected from and by their local peers. Your active involvement is important for a healthy and vibrant cooperative.



District Meetings

District meetings are your opportunity to be involved in decisions that will impact the future of LREC. One of these opportunities is electing a district director who will represent members at monthly board meetings. Candidates are nominated at district meetings and the election takes place at the annual meeting.

Annual Meeting

Our annual membership meeting takes place in April. There is a member meal, followed by a business meeting that summarizes the past year. Elections are held for directors. We depend on local governance by our board of directors elected from and by fellow members of the cooperative.

Board of Directors



DISTRICT 1

Kurt Krueger

Vice Chair

kkrueger@Irec.coop



Cecil "Bud" Hensel Secretary/Treasurer chensel@Irec.coop



Michael Brasel
GRE Board of Directors
Representative
mbrasel@Irec.coop



Earl Rydell erydell@lrec.coop



Patrick Meyers pmeyers@lrec.coop



Charlie Blixt cblixt@lrec.coop



Tom Jennen
Chair
tjennen@Irec.coop



Jim Gronbeck

jgronbeck@lrec.coop



Gary Olson garyolson@lrec.coop

Your Electric Account Payment Options

Lake Region Electric Cooperative offers many ways to pay your bill and each one accepts a number of payment methods.



Pay by phone

Call (800) 552-7622 to make a payment anytime using our secure, automated system. You can pay by check or credit card. You will need vour account number.



Pay online or with a smartphone

Use SmartHub to pay your bill online or with your smartphone. You can also see an account summary, access your billing and payment history, and change your contact information.



Pay with a one-time payment

Make a one-time payment using our PayNow option. You don't need to register for a SmartHub account and banking information is not saved. Only an account number and name are required in order to make a payment.



Pay by mail

Mail your payment with bottom portion of your billing statement.

SmartHub

Use SmartHub to pay your bill and access other important account information. SmartHub is available online or through a free app which can be downloaded to your phone or mobile device.

SmartHub provides secure access to make payments, maintain your account information, view bills, see payment history, and gives you the option to choose to receive bill notifications from LREC by text or email.

To sign up for SmartHub, click on the SmartHub icon on the LREC home page at www.lrec.coop, or you can scan a QR code which will take you to your preferred app store to download the SmartHub app. First time users will need their LREC account number to register.









Android

Your Energy Usage

SmartHub makes it easy to understand your electric usage and bill. View your usage by logging into your SmartHub account.



Data and Alerts: Stay informed no matter where you are. Set up a threshold notification and receive alerts from SmartHub when your electric usage exceeds a preset limit. Alerts and meter data are accessible across different devices to keep you up-todate even when you're on the road.

Energy Challenge: You can set energy saving goals and track your progress over time.

Track and Compare Your Usage:

Track your hourly, daily, or monthly usage against weather and temperature and see how you compare to your own usage from previous years.

Outage Notifications & Reporting:

Sign up for outage notifications and receive a text or an email informing you of the status of any outage affecting your property. You can also report outages via text message.

Energy Assistance

The Energy Assistance Program helps lowincome households pay their home heating bills. Payments are made directly to the household's fuel dealer. To receive assistance, household income for the last three months must be below guidelines which can be found on our website at www.lrec.coop/energy-assistance

Note: there are no deductions from income.

Households must provide proof of income when they apply.

To request an application call one of the numbers below:

Detroit Lakes: Mahnomen: (218) 847-1385 (218) 935-50

Mahnomen: Wadena: (218) 935-5022 (218) 632-3600

Fergus Falls: (218) 739-3011

Park Rapids: (218) 732-7204

Toll-free: (888) 458-1385

Cold Weather Rule

The Minnesota Cold Weather Rule (MN Statute, Ch. 235, Sec. 216B.097) protects residential utility customers during the cold winter months. Under this rule, your electric service will not be disconnected from October 1st through April 30th because of non-payment provided you meet ALL of the following conditions:

- · You declare an inability to pay.
- Your total household, not individual, income is less than 50% of the state median income. You must provide the necessary documentation to support this condition.
- You enter into and make reasonable, timely payments under a payment agreement that considers the financial resources of the household.
- You receive referrals to energy assistance, weatherization, conservation, or other programs likely to reduce the customer's energy bills.

Residential customers who cannot qualify for winter shut-off protection, yet cannot pay their full bill may make special payments over an extended period of time. To arrange for scheduled payments, call (800) 552-7658.

Products & Services

Off-Peak Space Heating

STEFFES

STEFFES ROOM HEATERS

Stay warm while saving on your electric bill with a Steffes room heater. Convert electricity to heat during off-peak hours when the demand and price of electricity is lower. The heat is stored in speciallydesigned ceramic bricks for extended periods of time so you can stay warm while saving money!

- Electric Thermal Storage (ETS) heater stores offpeak energy
- · Qualifies for low ETS rate or STS rate
- Up to \$50 per KW rebate available
- Great for a single room or entire home
- · Replaces wood stoves, wall furnaces, or electric baseboard
- Interest free **EASY-PAY** pay for heaters over 48 months on your bill with no money down!



(Cutaway view)

STEFFES WHOLE HOUSE

The Steffes electric thermal storage (ETS) system converts off-peak electricity to heat and stores it in high-density ceramic bricks. Utilizing a Steffes Comfort Plus unit with

> an air source heat pump allows the heat pump's high efficiency to be combined with off-peak electric rates, giving this system one of the lowest annual costs for space heating.



(Cutaway view)

- Provides optimal comfort and efficiency
- Combining with ASHP reduces electricity usage of ETS systems by nearly 50%
- · System is eligible for ETS rate
- Get \$50 per KW rebate for Steffes Comfort Plus on FTS
- Get up to \$630 rebate for ASHP
- Steffes Comfort Plus eligible for 48-month **EASY-PAY** plan

Off-Peak Water Heating

Reduce your electric bill with Electric Thermal Storage (ETS) off-peak water heating!

- · Our ETS rate is the lowest cost water heating rate available
- Peak Shave water heating option also available
- Up to \$400 in rebates available for new water heater
- Use our **EASY-PAY** purchase plan-pay for your water heater on your electric bill with no money down!
- · 80 & 100 Gallon Capacity
- Lifetime Warranty (residential)
- Ask about our heat pump water heater also



HTP Everlast Stainless steel tank

Standby Generators

Our standby power system packages contain everything you need from start to finish (and beyond). Purchasing a standby generator from LREC takes the guesswork out of an installation and includes first year

• Sold and installed by LREC of preventative maintenance.

A standby generator provides peace of mind and keeps your life uninterrupted. Lights stay on, the sump pump keeps running, and your furnace or AC keeps your family comfortable.

- Generator automatically starts when the power goes out
- Intelligently powers your whole house, automatically powering what you need
- Eligible for 48-month **EASY-PAY** plan
- From Briggs & Stratton The Power Experts!
- Runs on natural gas or LP (provided by others)



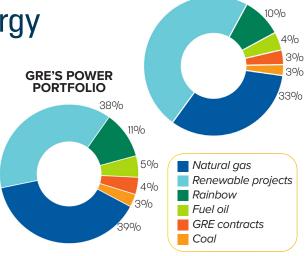
Generator packages include the following:

- » Six year warranty on Power Protect series
- » DirectPower™ Automatic Transfer Switch (with Symphony II power management)
- » Basic installation
- » Cold weather kit and battery
- » Concrete pad
- » Remote indicator light
- » Annual maintenance by LREC
- » Omnimetrix monitoring system

Other generator sizes are available, including a 26 kW generator. Our Energy Management Specialists will help you choose the appropriate size for your home. **Energy Sources**Great River Energy

Lake Region Electric's energy primarily comes from our wholesale power, Great River Energy (GRE). GRE is an electric transmission and generation cooperative with 28 member cooperatives throughout the state of Minnesota.

Other sources of power for LREC come from hydropower and our Wind/Solar Hybrid Project, both of which are renewable.



LREC'S POWER

PORTFOLIO

48%

Wind/Solar Hybrid Project

LREC generates approximately 2.5% of our own power from our Wind/Solar Hybrid Project in a innovative, first-of-a-kind project with General Electric.

We are also experimenting with ways to better use electricity produced by the wind-solar hybrid project such as our community storage pilot, which is testing ways to store electricity as it is generated.



Community Solar

Our community solar program also contributes to our own power generation. Community solar is an affordable, lowrisk way for LREC members to benefit from solar energy without any of the hassles of designing, permitting, installing, maintaining, and insuring your own photovoltaic solar array. We have currently sold out of two phases of community solar. Contact us if you would like to be on a waiting list for a possible future project.



Residential Energy Efficiency Rebates

Heating and Cooling		REBATE
Heat Pump Systems	Ductless air source heat pump— ENERGY STAR or 16 SEER minimum	\$300
	Air source heat pump, SEER 14.5 -16+	Up to \$630*
	Geothermal heat pump, closed loop	Up to \$400 per ton (Max of \$4,000)
Central Air Conditioners	Central air conditioner, SEER 14.5 or greater	\$50/unit*
Electric Thermal Storage	Steffes ETS systems on short term storage	\$25 per KW
(ETS) Heating Systems	All ETS systems on long term storage	\$50 per KW
ECM Motor	Electronically Commutated Motor (retrofit only)	\$50

Water Heating		REBATE
Heat Pump Water Heater	Must be ENERGY STAR	\$500
ETS Water Heater (ETS rate)	Must be at least 100 gallons and grid enabled	\$400
Peak Shave Water Heater (STS rate)	Must be at least 80 gallons and grid enabled	\$100

Miscellaneous		REBATE
Electric Vehicle Charger	Level 2 chargers	Up to \$500
Installation	*Rebate is available when utilizing ETS or TOU charging rates	

^{*}Rebates for high efficiency air source heat pumps and air conditioners are available only through qualified contractors registered at HVACRedu.net. Go to www.lrec.coop and click on "QI A/C & ASHP Contractors" under Quicklinks to find qualified contractors in your area.

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

Aquanta Water Heater Program

Open to **new** water heater control signups with 80+ gallon water heaters, members on our **Aquanta Water Heater** program receive a *no-cost* Aquanta retrofittable water heater controller. This cellular-enabled controller is accessed via an app on mobile device. It's a fast and easy way to beat the peak and save money.



ChargeWise Electric Vehicles

CHARGE EV BATTERIES WITH OFF-PEAK ELECTRICITY

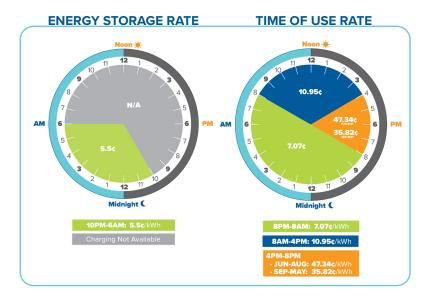
They may be few in number now, but electric vehicles (EV's) have arrived in the lakes area. Electric vehicle owners can save money every time

they charge their car with LREC's ChargeWise EV rates. There are two rate options in ChargeWise: a

time-of-use rate, which allows you to choose what time to charge your car and how much you pay; the other is our **storage rate**, which is the lowest cost option, but only allows charging during certain hours.



Electric Vehicle Rates



ELECTRIC VEHICLE CHARGING STATION

The program requires that a separate sub-metered circuit be installed to accommodate an Electric Vehicle Supply Equipment (EVSE) charging station. A rebate of up to \$500 is available through ChargeWise for the installation of a Level 2 EVSE charging station on ETS or TOU rate.

Call Energy Services at (800) 552-7658 for more information or visit www.lrec.coop/chargewise for program sign-up form and rebate application.

Outage Center

When severe weather hits, get the latest outage information at our Outage Center. When there are extended outages, the status of the repair progress will be detailed.

Sign up through **SmartHub** to receive updates via text or email when your property is directly affected by an outage.

HOW TO REPORT AN OUTAGE

Before you report please verify that you haven't blown a fuse or tripped a circuit breaker. Be prepared to provide as many details as possible. It is important that we have your correct phone numbers on file. When you call or report online, these numbers identify your account.



Call (800) 552-7658 to report a power outage, or to report an electrical safety hazard. You will be directed to our Interactive Voice Response (IVR) system. The system will prompt you to enter your outage information.

Visit Irec.smarthub.com to report an outage online. You will need to sign in or sign up. You will then be able to select the relevant service location, then tell us what the problem is. SmartHub users can also simply text "out" to (855) 939-3571.

POWERING UP AFTER AN OUTAGE

When the power goes out, we expect it to be restored within a few hours. But when a major storm causes widespread damage, extended outages may result. Our line crews work long, hard hours to restore service safely to the greatest number of consumers in the shortest time possible. Here's what's going on if you find yourself in the dark:

- High-voltage transmission lines supply power to transmission substations and rarely fail. But when damaged, these facilities must be repaired before other parts of the system can operate.
- Distribution substations can serve hundreds or thousands of members. When an outage occurs, line crews inspect substations to determine if problems stem from transmission lines to the substation, the substation itself, or if problems exist further down the line.
- If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to the supply lines (also known as tap lines) that eventually bring power to individual homes.
- If local outages persist, supply lines are inspected.

 These lines deliver power to transformers, either mounted on poles or placed on pads for underground service, outside businesses, schools, and homes.
- If your home remains without power, the service line between a transformer and your residence may need to be repaired. Always call to report an outage to help line crews isolate local issues.



Operation Round Up



HOW IT WORKS

Operation Round Up is a charitable fundraising program that helps support charitable needs in our service area. Members can choose to "round up" their monthly electric bills to the nearest whole dollar, on average, \$6 a year. The trust fund is overseen by a volunteer, nine-member board of trustees, who are selected to serve by LREC's board of directors. The board of trustees meets quarterly to review donation applications and select grant recipients.

SIGN UP // OPERATION ROUND UP

It's easy to sign up online by logging into your SmartHub account.

- Log into <u>SmartHub</u> and visit the <u>Billing & Payments</u> tab, then select <u>Operation Round Up</u>
- **2.**Click *Enroll* and accept the Terms and Conditions
- **3.** Choose an Enrollment Option and click *Confirm*
- 4. You can unenroll at anytime

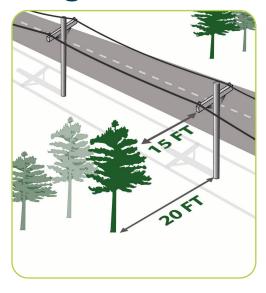
Visit www.lrec.coop/oru or use the QR code to the right to sign up online!



Vegetation Management

Vegetation management, or rightof-way clearance, is necessary for public safety and to keep the lights on and blinks to a minimum. One of the most effective ways Lake Region Electric Cooperative addresses service reliability is through a proactive, highly advanced vegetation management program.

A challenge we face is the heavily wooded nature of much of LREC's service territory. We use satellite technology and AI modeling to plan tree trimming and removal. This ensures that LREC lines are cleared in the most costeffective manner possible.



TREE TRIMMING SERVICES

Contact Carr's Tree Service at (888) 470-3355 for your personal tree trimming needs. Lake Region Electric Cooperative is a part owner of Carr's Tree Service.



Be Safe Around Electricity

LREC fosters a safety culture that values our employees and our members as we deliver electricity to you safely. Yet, we can't do this alone.

As you use your electrical power today, don't forget that safety plays a vital role. It takes all of us working together to respect this critical energy source. Thank you for working with us to deliver safe power to you.

PREVENTING HOME ELECTRICAL FIRES

Each year, electrical failures and malfunctions cause 43,900 home fires, resulting in 438 deaths, 1,430 injuries, and \$1.47 billion in property damage. But many home electrical fires can be prevented simply by understanding basic electrical safety principles:

- We recommend that a qualified, licensed electrician perform all home electrical work in compliance with local and national safety standards.
- Consider having your circuit breakers replaced with arc fault circuit interrupters (AFCIs), which provide enhanced electrical fire protection by detecting dangerous arcing conditions.
- Every month, use the TEST button to check that ground fault circuit interrupters (GFCIs) at outlets and AFCIs are working properly.
- Be mindful of warning signs of an electrical problem, such as outlets and switches that are warm or make crackling, sizzling, or buzzing noises.
- Regularly check cords, outlets, switches, and appliances for signs of damage. Do not use damaged electrical devices.
- Do not use extension cords on a permanent basis, and never use them with space heaters or air conditioners.
- Avoid overloading outlets.
- Do not use lightbulbs that exceed the recommended wattage of the light fixture or lamp.





When starting a digging project you must notify Gopher State One Call before you dig. Call **811** or **(800) 252-1166** to avoid costly damages to underground facilities!

Lake Region Electric Coop will locate our underground power lines up to the meter. Anything beyond the meter is owner-side wiring, and an electrician or private locator must locate those wires.

What are you waiting for? **ENROLL TODAY!**







Get alerts through SmartHub! Fast. Convenient. Easy.

Lake Region **Electric** Cooperative

Learn more about Lake Region Electric Cooperative at www.lrec.coop

Connect with us!







