



Cooperative Light & Power

Your Touchstone Energy® Partner 

A silhouette of a utility worker is shown climbing a tall wooden utility pole. The worker is positioned in the upper left quadrant of the frame, with their arms raised and hands gripping the pole. The background is a dramatic sunset sky with warm orange and yellow tones, and a bright sun is visible near the horizon. The overall scene is backlit by the sunset, creating a high-contrast silhouette effect.

COOPERATIVE LIGHT & POWER ANNUAL REPORT

2023 IN REVIEW

Annual Meeting Agenda

Wednesday, April 17, 2024

Two Harbors High School, 1640 Highway 2, Two Harbors, MN

5:00 pm to 6:00 pm:

Registration open for the CLP Annual Meeting
Sloppy Joe dinner served by the Two Harbors Lions Club
Entertainment by the Two Harbors Ukulele Band (THUGS)
Family bingo in the auditorium
Electric safety presentations

6:00 pm:

Open gym for the kids

Business meeting begins:

- Call to Order: Scott Veitenheimer, President
- National Anthem
- Notice of Meeting: Steve Josephson, Secretary
- Approval of 2023 Annual Meeting Minutes
- District #2 and #3 Board Nominee Introductions & Election
- Operation Round Up: Jim Graham, Community Trust Board Member
- Guest Speakers: Aili Gischia & Alex Stone, 2023 Youth Tour Delegates
- Guest Speaker: Cody Jackson, Davey Resource Group
- Financial Report: Scott Veitenheimer, President
- CEO's Report: Joel Janorschke, CEO
- Responses to Member Questions
- Election Results: Chad Felstul, Pemberton Law
- Old Business
- New Business
- Business Meeting Adjournment

*** Please bring the registration portion from the back of this report to register at the meeting.
See the back cover for more details.*

YOUR CLP BOARD OF DIRECTORS



Jessica Larsen
Director



Scott Veitenheimer
President/Chair



Kyle Weideman
Treasurer



Steve Josephson
Secretary



Roger Peterson
Vice-President

YOUR CLP EMPLOYEES

Office Personnel

Joel Janorschke
Chief Executive Officer

Carey Hogenson
*Member Services / Human
Resource Manager*

Shannon Haveri
Finance Manager

Ken Jones
Energy Services Manager

Shannon Klinker
Assistant Accountant

Kathy Ronning
Billing Representative

Alexi Warnecke
Billing Representative

Sherry Fabini
*Member Service
Representative/Payment
Processor*

Brandi Berquist
*Member Service
Representative*

Operations Personnel

Brian Bentler
Operations Manager

Kevin Olson
*Design Engineer / Tech-
nology Specialist*

Kristin Bark
Operations Coordinator

Vince Udenberg
General Foreman

Chase Peterson
Lead Lineman

Rick Heath
Journeyman Lineman

Tim Horgan
Journeyman Lineman

Jeff Toland
Journeyman Lineman

Evan Sandretsky
Journeyman Lineman

Chris Nyberg
*Warehouse / Mechanic /
Meter Tester*

YOUR CLP CONSULTANTS

Attorney: Pemberton Law, PLLP
Engineers: Star Energy Services, LLC
Auditors: Esterbrooks Certified
Public Accountants, LTD



Your Touchstone Energy® Partner 

MESSAGE FROM YOUR CEO, JOEL JANORSCHKE

Dear Member:

As we reflect on the achievements of the past year and chart the course ahead, I feel immense pride and gratitude. I'm proud of the dedication and effort put forth by the employees of Cooperative Light & Power (CLP) to serve our members. I'm grateful for the privilege of leading such an outstanding organization as the CEO and serving you.



2023 was a year of challenges, resilience, and growth for CLP in the dynamic landscape of the energy sector. As your cooperative, we have always remained true to our core values of the Seven Cooperative Principles: Open and Voluntary Membership; Democratic Member Control; Members' Economic Participation; Autonomy and Independence; Education, Training and Information; Cooperation Among Cooperatives; and Concern for Community. These values have guided us through the challenges and opportunities that have come our way.

CLP maintained a solid financial position by meeting our revenue targets and implementing a necessary rate adjustment in July 2023. The rate adjustment allowed CLP to align with the increased Generation & Transmission, equipment, and material costs. It also allowed us to continue investing in our infrastructure, Integrated Vegetation Management (IVM) Program, and technology to ensure we can continue providing reliable and affordable electricity to our members.

Our most significant investment has been in the IVM program, which enhances safety, improves reliability, environmental sustainability, cost efficiency, community relations, and regulatory compliance. By adopting an integrated and proactive approach to vegetation management, CLP can balance operational needs, environmental considerations, and community expectations, resulting in positive outcomes for CLP and its member-owners.

We continued our long-standing efforts to contribute to the communities we serve. Our support for local initiatives through scholarships, nominal donations, membership dues, volunteer hours, and promotional efforts may sometimes go publicly unnoticed. Every year, we support various chambers of commerce, local fire departments, and emergency services, fund school programs and projects, help educate area youth about electrical safety, and much more. Most of this is made possible by you through our Operation Round Up program, where pennies go a long way in helping our communities.

Looking ahead, CLP is committed to fostering innovation, promoting sustainability, and strengthening the communities we serve. We will continue to explore emerging technologies and advocate for policies that benefit our members. Your continued support, feedback, and engagement are vital to our success, and we are committed to serving you with integrity, accountability, and dedication.

In closing, be assured that the Board of Directors, management, and employees of your Cooperative will continue to pursue and improve methods to bring you safe, reliable, and affordable power. Cooperative Light & Power is your organization, and we are dedicated to serving our members in the most practical, cost-effective manner. We approach the future confidently and know that the commitment and dedication to service, member-owned, and not-for-profit operations will enable us to focus on you, our members. Our goal is to meet the needs of our member-owners, both today and tomorrow.

Thank you for your trust in our Cooperative. We look forward to continuing our journey towards a sustainable and prosperous future.

It is an honor and a privilege to be of service to you.

2023 CLP Annual Meeting Minutes

The Eighty-Sixth Annual Meeting of The Cooperative Light & Power Association of Lake County was held at the Two Harbors High School, Two Harbors, Minnesota, on Wednesday, April 19th, 2023. Scott Veitenheimer, President of the Association, called the meeting to order.

President Veitenheimer announced to the membership that it must be determined if there is a quorum. President Veitenheimer called upon board secretary Roger Peterson to make that announcement. Secretary Peterson announced there were 240 members registered. President Veitenheimer stated that the 240 members meets the requirement of 50 for a quorum, so he called the meeting to order.

The Pledge of Allegiance was recited, and the National Anthem was sung.

President Veitenheimer announced Chad Felstul, CLP's attorney, will act as parliamentarian, introduced the cooperative's Board of Directors, and guest speakers David Ranallo, Director of Culture, Communications, Marketing, and Member Services at Great River Energy, and Raymond Barnes, President of the Community Trust Board.

President Veitenheimer called upon Secretary Peterson to read the Notice of the Meeting and Proof of Publication.

President Veitenheimer declared that in as much as each member had an opportunity to register, and his or her membership was verified, a motion was made and seconded to dispense with the roll call. Motion carried.

President Veitenheimer announced that the last Annual Meeting was held on May 25th, 2022, and the minutes for this meeting were in the annual report. A motion was made and seconded to approve the minutes. Motion carried.

President Veitenheimer stated the bylaws provide that nominations for directors be made at district meetings or

may be made from the floor at the annual meeting if notice of the members' intention to run was received at the office of the Cooperative Light & Power at least 15 days prior. District #1 is the district in which the three-year term of the director expires at this meeting.

Nominations and voting for District #1 was announced. President Veitenheimer stated that Gene Wolfe was nominated at the District #1 Nomination Meeting held on February 27th, 2023. He asked for a second to the nomination. There was a second. President Veitenheimer stated that on March 9th, 2023, Jessica Larsen gave written notification of her intent to be nominated at the floor of the Annual Meeting. Her notification to Cooperative Light & Power was received before the required 15 days prior to the Annual Meeting; making her eligible for nomination from the floor. President Veitenheimer asks for a nomination for Jessica Larsen. There was a nomination and a second. With no further nominations. Both members were invited to address the membership.

Gene Wolfe shared a brief description of his background. He addressed that the board is considering some major business concerning finances. He stated that the board is considering major changes to the base rate and kilowatt-per-hour rate. He wants to make sure these changes are made to be fair to every member, regardless of whether they are a business, an individual, a family, or a cabin owner. He stated the co-op had done a pretty good job of incorporating a lot of programs to encourage efficient use of energy, and one of the areas he would like to see them incorporated is in the new rate structure of the time of use rates. Mr. Wolfe shared his take on how the Time of Use rates would work. He then shared his thoughts on the Inflation Reduction Act, and he explained what that entails and how he wants CLP to make sure they are taking advantage of the program to ensure CLP's system is more reliable. He addressed his other

concern, which was Great River Energy. He stated that he thinks the Board of Directors for too many years have rubber-stamped anything that has come out of Minneapolis and that they are a different world than up here, and we need to take a hard look at the things that Great River Energy is proposing. He also said the board should not be a rubber stamp for Great River Energy and that they work for the membership. Mr. Wolfe stated that the co-op was formed 86 years ago, and the population of various districts changed dramatically. He then reported on the number of members in each district. He stated that one of the goals, one of the bylaws, is Democracy and that it is no fault of anyone, but the imbalance needs to be addressed, and it is only fair that redistricting be done so that there is substantially equal membership in all.

President Veitenheimer thanked Mr. Wolfe and then welcomed Jessica Larsen to the podium.

Ms. Larsen gave a brief description of her background. She addressed how she has been able to listen to and work with the community in various groups and come up with common attainable goals. She said she supports working towards increased renewable energy in a safe, affordable and responsible manner for every district. She looks forward to working with the co-op in order to do that, and to do it without a huge economic impact on the members and the co-op. Ms. Larsen said she feels responsible to look over the people of District 1 and to work with the co-op as well. She looks forward to giving back and working with Cooperative Light & Power and community members to find a way to do this together.

President Veitenheimer asked Secretary Peterson if there was a quorum of 50 or more from District 1. Secretary Peterson states that there were 98 registered voters from District 1.

Continued on page 5

2023 CLP Annual Meeting Minutes (continued)

There was a quorum; only District 1 members will vote.

President Veitenheimer introduced Great River Energy's David Ranallo. Mr. Ranallo started out by giving the members a brief description of GRE, who they work with, and who they serve. He also addressed how GRE is actively working on becoming increasingly renewable and how they continue to plan to do that. He informed the membership that GRE recently filed its Integrated Resource Plan with the Public Utilities Commission, which is required every 15 years. The plan gives an outlook on what the future for GRE looks like and how they will meet the needs of their member-owners. He finished his speech by discussing the Bipartisan Infrastructure Law and the four opportunities that GRE is currently pursuing. President Veitenheimer thanked Mr. Ranallo for his presentation.

President Veitenheimer introduced Community Trust Board Member Raymond Barnes to present checks to the 2023 Spring grant recipients. The grant total this year is \$9,975.00.

A motion was made and seconded to dispense with the reading of the financial report. Motion carried.

CEO Joel Janorschke gave his manager's report. He gave an overview of what CLP is currently working on and what the cooperative is facing. Including the IRA, the IJA, the financial pressures, rate adjustments, and the upcoming Kilowatts and Brats District Meetings.

President Veitenheimer opened the meeting for questions.

Member #1: Asked how we can justify buying windmills and solar panels from China when we are building new coal plants every day, while doing nothing to build the parts ourselves or very little. We are passing it on to China and other countries, who are creating most of the pollution, and we are not seemingly doing anything to build within our country to create jobs. Stated that we don't have the minerals to make all the

electrical equipment that is supposedly required within the next 10-15 years. President Veitenheimer addressed that while this is a concern and the country will be moving towards achieving some of the goals that have been set, there are other challenges that arise such as the manufacturing companies that choose to locate outside of the U.S.

Member #2: Asked if the board has a vision on how they are going to continue to make use of the Inflation Reduction Act to help bring the benefits of the Act to the community. President Veitenheimer answered the question by informing the members of what the cooperative has done to apply for grants and the sources they are looking into for help applying for these grants. Vice-President Schmieder then stepped up to address the question. She stated there are many moving parts and asked for Mr. Ranallo to address the question. Mr. Ranallo spoke and gave his insight.

Member #3: Does Cooperative Light & Power or GRE have a backup plan should carbon-free energy fail as it did in Texas? President Veitenheimer answered this question by informing the membership of what GRE is doing to get there and that they may have to come up with other plans to get there by 2040. David Ranallo addressed the question as well. He stated the utilities will work with regulators of the Public Utilities Commission to ensure that they still have to guarantee that it's reliable.

Member #4: Member states it is a 2-part question. 1. What type of lobbying power does CLP have through our consortium through GRE in order to push back on this date should we end up in supply shortages? What push-back do we have? What group effort do we have to prevent price wars to meet an arbitrary date set by people who don't understand the science and engineering behind this? 2. Focusing on wind energy and other renewables, the amount of energy that is required

to make the composite materials for wind turbines is enormous, and the blades are not recyclable, so we are creating other waste streams. Wondering what the thoughts are and the direction on that as well? President Veitenheimer gave his input on the questions and said that politicians are quick to jump at something to get favorable public opinion, and sometimes they don't take the time to look at the ramifications. Every type of activity we do for our society is negatively affecting some aspects of the environment. He stated he does not have an answer for that but noted again that we are a part of MREA, GRE, and NRECA at a national level, and we will continue to give our input to them.

Member #5: What is the longevity of the windmills, and what do they cost? David Ranallo addressed this member and stated he would get this information and reach out to him.

Member #6: I see the off-peak rate or the dual-fuel rate is fairly low, but the brochures say they will have the same rate for people who plug in their electric vehicles overnight. That's going to put pressure during the same time as when I heat my house. What's that going to do with those rates? CEO Janorschke addressed this question and stated that the board has not decided what the rates are going to be, but he did give an overview of what it is now and an idea of what it could become.

President Veitenheimer announced the election results: Gene Wolfe received 44 votes, and Jessica Larsen received 52 votes. Jessica Larsen has been elected to represent District 1 for a three-year term. President Veitenheimer invited Ms. Larsen to make a statement. Ms. Larsen thanked the membership for coming out and voting.

President Veitenheimer thanked Pat Schmieder for her time on the board and invited her to address the membership. Ms. Schmieder congratulated Ms. Larsen and thanked Mr. Wolfe for running and saying that it is important

2023 CLP Annual Meeting Minutes (continued)

to get people engaged. She reflected on what she has learned over the last three years on the board and gave her insight into the three main duties of being a board member and her hopes for the future of the cooperative. She gave her input on redistricting, the importance of the right-of-way clearing, and informing our members when it will happen.

President Veitenheimer asked if there was any old business. There was none.

President Veitenheimer asked if there was any new business. A member in attendance stood up and addressed concerns of the unequal sizes of the districts. She made a motion that the CLP board of directors use its power under the CLP bylaws to create 5 continuous districts that contain a substantially equal number of members per district by the end of the regular May meeting. There was a second to the motion. President Veitenheimer announced he would let Chad, CLP's attorney, discuss this. There was an appeal of the ruling; there was a second. President Veitenheimer stated to put this to a vote to the membership. Members of the audience stated it was not a debate. Another member stated that District 1 members are severely underrepresented, as well as 2 and 3.

The member stated the board makes decisions on the future of our cooperative, including decisions on our electric rates and fees, decisions on managing the grid, decisions about emergency response, and many other important policy decisions. This is why the board members need to represent the district members, all of whom pay their utility bills according to the decisions of the board. It was stated that the districts were formed decades ago, but since there has been change, it is only fair that the district be equal in size. Discussion was had regarding Chad conducting the meeting or acting as parliament to address the comments being made. Chad stated that the membership can make a motion, and it can be passed but is not binding on the board. The board takes it under consideration and under advisement, and then they can decide whether to act on that because the affairs of the cooperative are governed by the board. A member asked that it's not the members. Chad stated the members are represented through the board. Member disagreed. Chad stated that any motion made or passed is not binding on the board; the board will take any motion that was made, seconded, passed, or not passed and discuss it at board meetings. Another member

stood up and stated his concerns about the district sizes and their support of the motion. Another member stood to support the motion and to give their thoughts on the district sizes. President Veitenheimer read the motion that was presented. There was a second. It was moved that the CLP Board of Directors shall use its power under CLP bylaws to create 5 contiguous districts that contain a substantially equal number of members per district by the end of its regular May meeting on May 24th, 2023. Had members stand up if they were in favor, had members stand up if they were opposed. Motion passed.

President Veitenheimer thanked the CLP staff and employees for organizing the event and business meeting, the Lions Club for providing the meal, the Two Harbors Ukulele Group for the entertainment, and the North Shore Storm girls' hockey team for helping in the gym. He reminded the members to complete the survey and attend their district meeting at the end of May.

President Veitenheimer asked for a motion and a second to adjourn the meeting. A motion was made and seconded to adjourn the Eighty-Sixth Annual Meeting. Motion carried.

2023 POWER OUTAGES



TREES
54%



UNKNOWN
5%



WEATHER
3%



EQUIPMENT
14%



ANIMALS
11%



PUBLIC
2%



PLANNED
9%



POWER SUPPLIER
2%

CLP strives to provide its members with safe, reliable electric service; however, events do occur that are out of our control. Trees continue to be the leading cause of unplanned interruptions to our member-owners.

CLP spends considerable time and energy managing trees along the right-of-way each year. This work is necessary to help reduce tree-related outages and the dangerous conditions that can exist when a tree falls into a power line.

2024 CLP DIRECTOR CANDIDATES



Kyle Weideman
Incumbent

District #3 Candidate

I humbly request your support in my endeavor to represent you as a member of the CLP board. My name is Kyle Weideman. I am deeply invested in our community, having lived, worked, and raised my family in the Silver Creek and Two Harbors area. I seek to uphold the values and commitments of our cooperative with great pride and dedication.

As a prospective director, my primary aim is to uphold CLP's founding principles, strategic plan, and mission statement. I firmly believe in the importance of delivering safe, reliable, and affordable energy and services to our members while contributing to the vitality of our community. Throughout my tenure as a director, I have diligently worked towards these objectives, spearheading initiatives such as Integrated Vegetation Management, policy and by-law reviews, and member engagement strategies.

Reflecting on CLP's storied history since its establishment in 1936, I am inspired by the vision and dedication of our founding members. Their legacy is a guiding light as we continue to serve our cooperative with the same unwavering commitment to our members.

With your unwavering support, I pledge to ensure that your voices are heard, the founders' intentions are honored, and our cooperative's mission of providing safe, reliable, affordable energy and services is upheld steadfastly.



Geoff Tolley

District #3 Candidate

As your District 3 director my priority will be to bring the most value and service to CLP members by keeping rates low, empowering CLP staff to excel, and engaging with members. Our staff and line-men are critical to superior member service and reliable power.

I shall work toward efficiencies and to optimize federal and state funding for CLP, to keep our rates under control and modernize our grid infrastructure. Board transparency, communication, and trust are key to CLP's member-owners; listening to and acting responsibly on member-owner concerns is vital. I will promote respect for private property as CLP maintains rights-of-way, efficient use of resources, and climate resilience of our grid system. I want to help create the best electric power future for our community.

As an energy wonk I will use my technical knowledge to enhance financial and grid security for CLP. I am very familiar with CLP's current issues, having attended every monthly board meeting for the last 2½ years. I regularly analyze CLP and energy market information and routinely engage with the CLP Board, staff, and the Public Utilities Commission. I will do my utmost to represent member-owners of District 3.

For more, see <https://geoffd3.com/>



Steve Josephson
Incumbent

District #4 Candidate

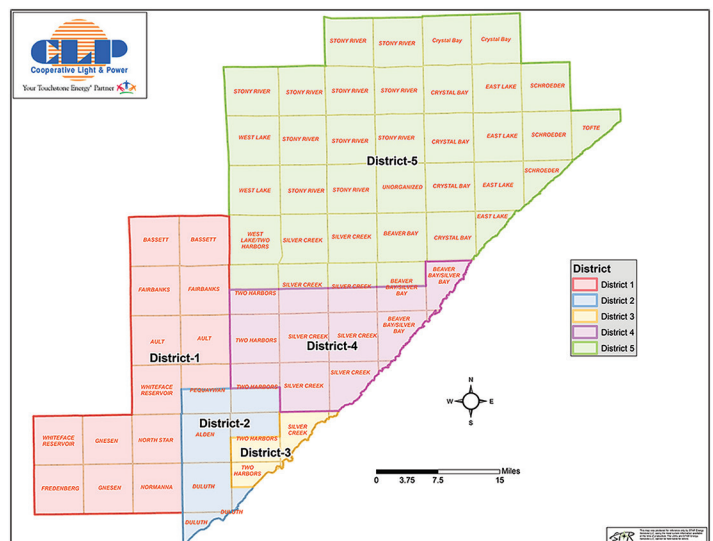
Hello, my name is Steve Josephson, and I am running for a second three-year term as director of District 4.

I have lived in the Silver Bay and Finland area all my life. I am retired from Cleveland Cliffs Northshore Mining and have a small contracting business doing dirt work and snow plowing.

I have enjoyed my time on the CLP board and have learned a lot during my first term. I believe when you are on the Board of Directors for CLP, you work for the whole CLP membership, not just your district. The board works for the good of all members.

Thank you for your support!

Voting for CLP District #3 & District #4 Director positions will take place at the Co-op Light & Power Annual Meeting.



Great River Energy: Powering what's possible for Cooperative Light & Power

Cooperative Light & Power's wholesale power provider, Great River Energy, continues to transition its power supply portfolio to serve members and adapt to a changing market while charting a path to achieve carbon-free energy requirements — all while recording the strongest financial results in the organization's history.

Great River Energy again rewarded its members' investment in the cooperative by issuing \$25 million in patronage capital returns. Historically strong 2023 margins allowed the cooperative to meet annual financial goals and reserve nearly \$30 million to offset rates in the years ahead.

As a not-for-profit cooperative, Great River Energy operates at cost to keep rates low for its members. Its competitive advantage widened again in 2023 and Great River Energy currently offers wholesale electric rates approximately 20% below the weighted regional average.

Making electricity in new ways

Great River Energy has been thoughtfully planning and executing the transition of its power supply portfolio for more than a decade. Great River Energy began 2023 by adding two new wind agreements to its growing portfolio of renewable resources that will collectively add more than 300 megawatts of nameplate generating capacity — and zero emissions.

Great River Energy now has power purchase agreements for the output of nine wind facilities located throughout Minnesota, Iowa and the Dakotas. Its portfolio of renewable resources combined with the ability to retire earned renewable energy credits puts the cooperative in a strong position to achieve Minnesota's carbon-free standard.

Advancing the electric system

By making strategic investments in the grid, Great

River Energy and its member-owners are helping keep electricity reliable and affordable as it reduces carbon dioxide emissions.

The Midwest grid operator identified an assortment of transmission projects that will be needed to continue safe and reliable electric service as the regional power system continues to evolve. Great River Energy is teaming up with Minnesota Power to build the Northland Reliability Project, an approximately 180-mile, double-circuit 345-kilovolt transmission line between northern and central Minnesota. When completed in 2030, the line will bolster the power grid in northern

and central Minnesota by allowing more renewable energy sources to be delivered where needed.

Great River Energy is a member of Grid North Partners, a group of utilities that collaborate on projects to improve the electric system. The coalition announced 19 transmission upgrade projects that will reduce system congestion and allow the most economic generation, such as low-cost renewable energy, to serve an area.

Pursuing federal funding

Collaboration is not only a cooperative principle, but an important characteristic in Great River Energy's pursuit of funding opportunities.

Great River Energy, along with a majority of its member-owners, filed a Letter of Interest with the United States Department of Agriculture to participate in its Empowering Rural America (New ERA) program to become eligible for nearly \$1 billion in federal funds to advance the work of Minnesota's electric cooperatives in reducing greenhouse gas emissions and modernizing the region's power grid.

The \$9.7 billion New ERA program was created as part of the Inflation Reduction Act with the goal of helping rural America transition to cleaner, reliable and more affordable electricity.

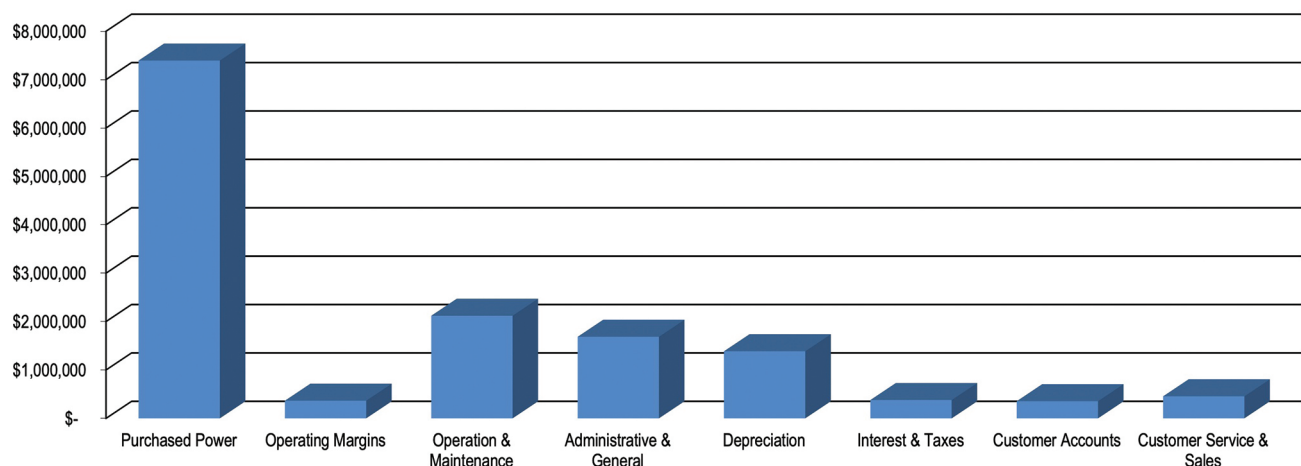


GREAT RIVER
E N E R G Y®

COMPARATIVE INCOME & EXPENSES

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES	\$ 14,144,918	\$ 14,079,158
OPERATING EXPENSES		
Purchased Power	\$ 7,393,932	\$ 8,043,736
Distribution - Operation	\$ 788,105	\$ 968,867
Distribution - Maintenance	\$ 1,333,147	\$ 1,029,470
Customer Accounts	\$ 355,943	\$ 337,480
Customer Service & Sales	\$ 456,142	\$ 453,813
Administrative and General	\$ 1,685,823	\$ 1,185,326
Depreciation and Amortization	\$ 1,387,212	\$ 1,360,407
Other Deductions	\$ -	\$ -
Total Operating Expenses	<u>\$ 13,400,304</u>	<u>\$ 13,379,099</u>
OPERATING MARGINS BEFORE FIXED CHARGES	\$ 744,614	\$ 700,059
INTEREST ON LONG TERM DEBT	\$ 376,280	\$ 351,936
INTEREST ON OTHER DEBT	<u>\$ 2,562</u>	<u>\$ 119</u>
OPERATING MARGINS AFTER FIXED CHARGES	\$ 365,772	\$ 348,004
GENERATION & TRANSMISSION COOPERATIVE CAPITAL CREDITS	\$ 453,955	\$ 171,092
OTHER CAPITAL CREDITS	<u>\$ 29,859</u>	<u>\$ 30,567</u>
	\$ 483,814	\$ 201,659
NET OPERATING MARGINS	\$ 849,586	\$ 549,663
NON-OPERATING MARGINS	<u>\$ 65,408</u>	<u>\$ 83,303</u>
NET MARGINS	<u><u>\$ 914,994</u></u>	<u><u>\$ 632,966</u></u>

HOW YOUR 2023 DOLLARS WERE SPENT

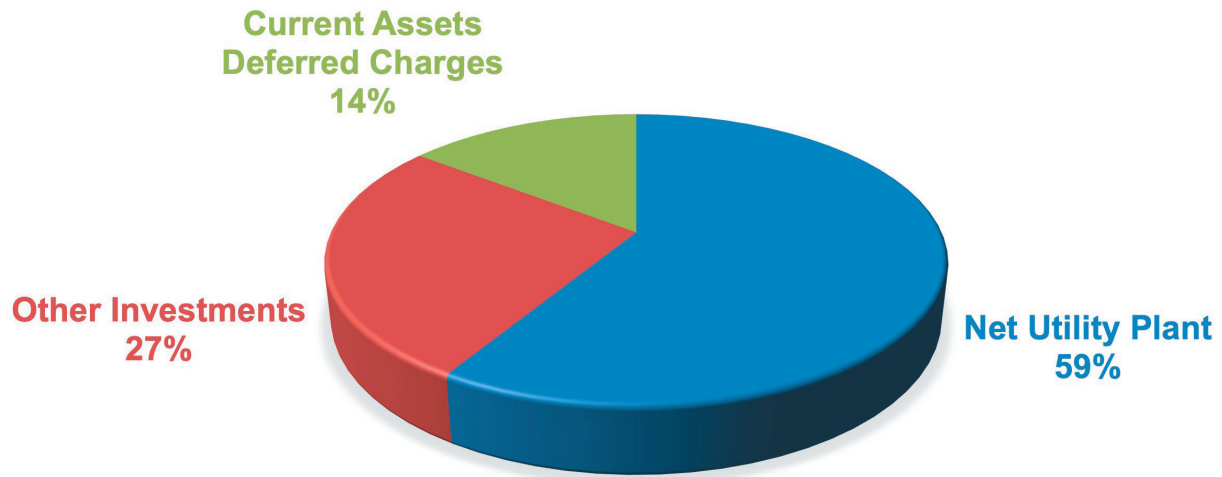


COMPARATIVE BALANCE SHEET

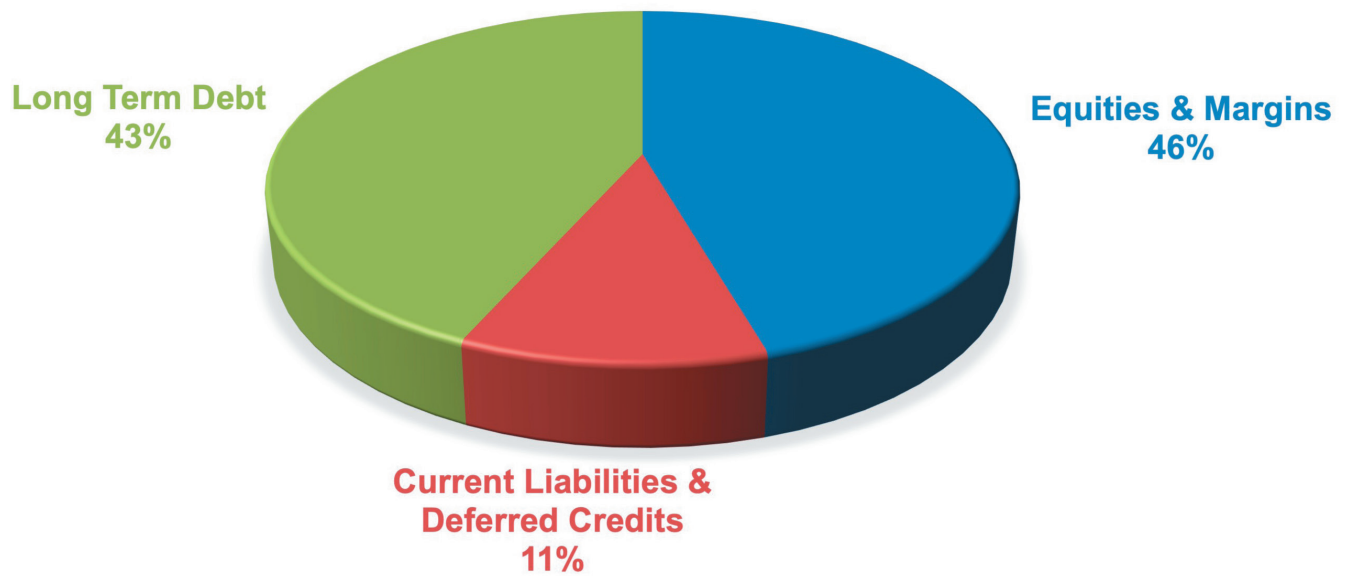
	2023	2022
ASSETS		
Electric Plant	\$ 40,770,451	\$ 40,285,244
Under Construction	\$ 754,391	\$ 736,666
Total Electric Plant	\$ 41,524,842	\$ 41,021,910
Less Accumulated Depreciation	\$ 21,107,095	\$ 20,874,701
Net Electric Plant	\$ 20,417,747	\$ 20,147,209
OTHER ASSETS AND INVESTMENTS:		
Investments in Associated Organizations	\$ 7,567,146	\$ 6,944,861
Revolving Loan Fund - Rural Economic Development	\$ 120,170	\$ 129,735
Cash In Revolving Loan Fund - Restricted	\$ 141,811	\$ 128,603
Operating lease right-of-us assets, net	\$ 1,442,351	\$ 1,590,659
Total Investments	\$ 9,271,478	\$ 8,793,858
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 1,486,404	\$ 686,158
Accounts Receivable - Energy	\$ 1,607,765	\$ 1,687,358
Accounts Receivable - Other	\$ 112,318	\$ 179,721
Materials & Supplies	\$ 1,209,412	\$ 813,062
Prepayments and Other Current Assets	\$ 266,474	\$ 191,224
Current Maturities - Contract Receivable	\$ 9,564	\$ 9,305
Total Current Assets	\$ 4,691,937	\$ 3,566,828
DEFERRED DEBITS	\$ 374,308	\$ 444,556
TOTAL ASSETS	\$ 34,755,470	\$ 32,952,451
MEMBERS' EQUITY		
Memberships	\$ -	\$ -
Patronage Capital	\$ 14,317,804	\$ 13,943,640
Other Equities	\$ 1,496,516	\$ 1,477,662
Total Members' Equity	\$ 15,814,320	\$ 15,421,302
LONG TERM DEBT		
RUS Mortgage Notes	\$ 11,692,309	\$ 10,841,514
NRUCFC & Co-Bank Mortgage Notes	\$ 3,100,757	\$ 3,474,738
Other	\$ 133,044	\$ 133,044
Total	\$ 14,926,110	\$ 14,449,296
Less - Advance payments unapplied	\$ 369,729	\$ 966,264
Less - Current Maturities	\$ 749,780	\$ 733,569
Total Long-Term Debt	\$ 13,806,601	\$ 12,749,463
OTHER NONCURRENT LIABILITIES		
Obligations Under Operating Leases - Noncurrent	\$ 1,251,551	\$ 1,473,927
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 749,780	\$ 733,569
Obligations Under Operating Leases - Current	\$ 190,800	\$ 116,732
Accounts Payable - Purchased Power	\$ 1,348,532	\$ 1,422,042
Accounts Payable - Other	\$ 127,547	\$ 96,481
Customer Deposits	\$ 54,594	\$ 55,701
Taxes Accrued	\$ 193,701	\$ 186,673
Other Current and Accrued Liabilities	\$ 727,894	\$ 573,401
Total Current Liabilities	\$ 3,392,848	\$ 3,184,599
DEFERRED CREDITS	\$ 490,150	\$ 123,160
TOTAL MEMBERS' EQUITY AND LIABILITIES	\$ 34,755,470	\$ 32,952,451

YOUR 2023 YEAR END BALANCE SHEET

ASSETS



LIABILITIES & MARGINS



CLP Mission:

CLP delivers safe, reliable, affordable energy 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



Cooperative Light & Power of Lake County Community Trust Financial Report

For the year ended December 31, 2023

The year 2023 was a successful year for Operation Round-Up®. A total of \$31,525.00 was granted to 29 different non-profit community organizations. That brings the total of grants awarded since the program began in 2004 to \$524,164.

Cooperative Light & Power of Lake County Community Trust, a board separate from the CLP Board of Directors, administers donated funds and determines grants. The five-person board is appointed for three-year terms and meets twice a year (March and September) to determine grants for applying organizations. The Internal Revenue Service has granted Cooperative Light & Power of Lake County Community Trust 501(c)3 tax-exempt status. This means your contributions to the Operation Round-Up® program are tax-deductible.

In 2023, 3,368 members participated in Operation Round-Up®, a little over 50% of CLP members. With an average of 50 cents per month or \$6 per year, participating CLP members are part of a large community-wide charitable program. Those pennies add up! Please get in touch with the CLP office if you are not currently part of the Operation Round-Up® program and would like to be.

Cooperative Light & Power of Lake County Community Trust Board of Directors

- District #1 - Jim Graham
- District #2 - Michelle Gratton
- District #3 - Bobbie Larson
- District #4 - Tim Anderson
- District #5 - Lori Walewski

Beginning Balance (12/31/2022)	\$	6,002.04
RECEIPTS		
Member Contributions	\$	20,449.13
Unclaimed Property	\$	10,649.93
Contributions-GRE	\$	1,000.00
Contributions-Misc.	\$	518.74
Interest	\$	45.76
Adjustment for timing , prior years	\$	2,674.88
Total Receipts	\$	35,338.44
EXPENDITURES		
Admin Expenses-Insurances	\$	250.00
Director Mileage	\$	231.22
Check Printing	\$	-
Toatal Expenditures		481.22
GRANTS AWARDED		
Faith Lutheran Quilters	\$	300.00
Tuesday Talents	\$	300.00
Lake View Clinic	\$	625.00
Boy Scouts of America	\$	350.00
THHS After Prom	\$	750.00
North Shore Collaborative	\$	500.00
THHS Dweebs	\$	875.00
Minnehaha PBIS	\$	500.00
Silver Bay Public Library	\$	750.00
Two Harbors Area Food Shelf	\$	1,500.00
Mariner Robotics	\$	875.00
City of Two Harbors Heritage Days	\$	750.00
St. Louis County Recue Squad	\$	1,000.00
Clifton Volunteer Fire Department	\$	900.00
Agate Youth Football	\$	500.00
Friends of the Two Harbors Public Library	\$	500.00
Homesteader's Senior Group	\$	950.00
Lake View Hospital & Medical Clinic	\$	1,000.00
Brimson Social Sewing	\$	300.00
North Shore Mental Health Group	\$	1,000.00
Brimson Volunteer Fire Department	\$	2,300.00
Finland Community Childcare Center	\$	2,400.00
Two Harbors Community Radio	\$	2,500.00
Knife River Recreation Center	\$	2,500.00
Senior Citizens Woodshop & Art Center	\$	1,100.00
Two Harbors Baseball Boosters	\$	1,000.00
Two Harbors DECA	\$	500.00
Girl Scouts of MN & Wisconsin Lakes	\$	2,500.00
THHS Swim & Dive Team	\$	2,500.00
Total Grants Awarded	\$	31,525.00
Ending Balance	\$	9,334.26

2023 Westholm Scholarship Recipients

Cooperative Light & Power (CLP) offers six \$1,000 scholarships to high school seniors as part of our community involvement and outreach efforts. To qualify, a parent or guardian of the student must be a CLP member. Two scholarships are given to seniors in both the Two Harbors High School and the Silver Bay High School. The other two scholarships are given to students from schools outside the local school district. We hope that by supporting local students, we're making a long-term investment in the communities we serve. Congratulations to our 2023 recipients!



Josephine Carey

*Daughter of Mark Carey &
Carrie-Dittmer Carey*

William Kelley High School



Michael Kastelic

*Son of
Doug & Nancy Janzig*

Duluth East High School



Greysen Peterson

*Son of
Bryan & Julie Peterson*

Two Harbors High School



Ryan Reeves

*Son of
Roger & Renee Reeves*

Duluth East High School



Danika Thompson

*Daughter of
Tyler & Kristi Thompson*

William Kelley High School



Casey Underdale

*Daughter of
Joseph & Kristine Underdale*

Two Harbors High School

2023 in Review

- 5,868 - average # of residential members
- 580 - average # of commercial members
- 14 - average # of large power members
- 19 employees
- 44,075 - total hours worked
- 549.5 miles of overhead line
- 484.1 miles of underground line
- 6.26 members per mile of line
- 97,590,477 kilowatt hours sold

MAINTENANCE

- 1,431 poles tested
- 213 tree clearing services orders completed
- Approximately 28 miles of right-of-way cleared
- Approximately 13 miles of right-of-way sprayed

35 LED security lights maintained

CONSTRUCTION

- 73 new services installed
- 31,800 feet of new underground installed
- 3,158 feet of new overhead installed

ENERGY MANAGEMENT

- 1,489 load management systems controlled
- 27,183.9 kW total kW load controlled
- \$49,074.07 paid in energy rebates for efficiency upgrades, an estimated 402,210 kWh in energy savings

RENEWABLES

- 6 member owned wind turbines
- 89 member owned solar arrays
- 20 kW community solar garden
- 885.72 kW estimated energy produced

2024

Energy Rates & Rebates



Residential Rates & Special Programs

Water Heating*

Off-Peak 5.3 cents per kWh

Space Heating*

Off – Peak 5.3 cents per kWh

(see www.steffes.com/ets for more information)

Interruptible Due Fuel (IDF):

IDF 5.8 cents per kWh

**Note: Wood does not qualify as a form of backup heating for any of CLP's EnergyWise Special rate programs. IDF programs are subject to 400 hours of control per heating season (October 15 – April 15.) Your application for EnergyWise special rate programs must be filled out and on file at CLP before any special rate takes effect. Additionally, special program rates can change in conjunction with the fluctuating energy market.*

ChargeWise – Electric Vehicle Charging

Off-Peak: 5.3 cents per kWh

Charge your electric vehicle for 8 evening hours. Must be metered separately.

Heat pumps

Both air-source and ground-source heat pumps use either the dual fuel or general service rate, depending on if you install a back-up heating system. **Important note for all special program rate:** General service rates apply until back up fuel system is installed and operational. Contact your heating contractor for any equipment information.

General Service Rates

Service Availability Charge: \$52 per month

Energy Rate 13.74 cents per kWh

Power Cost Adjustment (PCA)

A PCA may be assessed on all general service kWhs. If a PCA is assessed, the amount will vary, and will be used to offset the rising costs of providing electric service.

Wellspring Wind and Solar Power

\$0.20-\$2.00 per 100-kWh block.

Grid Access Charge

\$0.00 for the first 3.5 kW AC of distributed generation connected to CLP's distribution system. \$3.88 per kW AC thereafter, with a maximum of \$21.81 per month.

Residential Rebates & Incentives

Certified HVAC Installed Central Air Conditioning:

\$50 for SEER 14.5, 15 and 16+

Certified HVAC Installed Air Source Heat Pump

(ASHP): See 2024 Residential Rebates and Deemed Savings Spreadsheet

Qualified Central Air Conditioner/ASHP Tune-Up: \$25

Ground Source Heat Pump (GSHP): \$400 per ton.

Mini Split Ductless ASHP: See 2024 Residential Rebates and Deemed Savings Spreadsheet

Electric Thermal Storage (ETS) Water Heating:

\$400 for a controlled, high efficiency replacement of a non-controlled electric water heater, a controlled, high efficiency new construction electric water heater, or a conversion from 4-hour peak shave to ETS (must meet all requirements of the off-peak program.)

Electric Thermal Storage (ETS) Space Heating: \$50 per kW.

Heat Pump Water Heater (HPWH): \$500 for a conversion from general service electric and for new construction.

Electronically Commutated Motor: \$50

REPLACEMENT EnergyStar Rated Refrigerator or

Freezer: \$75 for replacement or harvest with proof of recycling. CLP does not offer these rebates for new construction.

Dehumidifiers: \$25 for EnergyStar dehumidifier

EnergyStar Clothes Dryer: \$25

WiFi Thermostats: \$25

Replacement Dusk to Dawn LED Yard Light: \$30 per fixture.

LED Home Light: \$2 per bulb, not to exceed 50% of the purchase price. Limit 10 bulbs per year.

Important Notice: All rates are subject to change with little notice. Rebates are available while funds last. Please read your monthly "Powerlines" newsletter or visit www.clpower.com for details on special promotions.



Cooperative Light & Power

Your Touchstone Energy® Partner 

Cooperative Light & Power
PO Box 69
Two Harbors MN 55616-0069

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Official Annual Meeting Registration Card

Bring this annual report to the CLP
Annual Meeting on April 17, 2024

Notice of Annual Meeting of Members of Cooperative Light & Power Association of Lake County

The Annual Meeting of Members of the
above Cooperative will be held at the
Two Harbors High School, 1640 Highway 2, Two
Harbors, Minnesota at 6:00 p.m. on
the 17th day of April 2024, to take action upon the
following matters:

- ✓ Registration from 5:00 p.m. to 6:00 p.m.
- ✓ Business meeting beginning at 6:00 p.m.
- ✓ Report of Officers, Directors & CEO
- ✓ Election of Districts #3 and #4 Directors
- ✓ All other business which may come
before the adjournment of the meeting

Door Prizes!

There will be many fabulous door prizes including an
Electric Wood Pellet Grill & Smoker!

****To speed up the registration
process at the Annual Meeting,
bring this annual report with
you to the Annual Meeting.**

**The barcode above will be
scanned at registration to
verify your membership and
enter you into the prize
drawing at the meeting.**

What's on the Menu?

The Two Harbors
Lions Club will be
serving a Sloppy Joe
dinner including chips, cole-
slaw, cookies,
coffee, and bottled
water for our members
to enjoy prior to the start of
the Annual Meeting.

Registration Gift!

Attend the annual
meeting and receive a
ceramic travel CLP coffee
mug!