

PowerLines

Your Trusted Energy News Source



February 2022 • www.clpower.com



▼ live the cooperative life style, pg 2

▼ learn about load control, pg 3

▼ are you cyber safe?, page 5

▼ read your board minutes, pg 6

Are You Interested in Becoming a CLP Board Member?

Carey Hogenson, Marketing Manager

Cooperative Light & Power (CLP) Board of Directors consists of 5 directors, with one director representing each of CLP's 5 districts. Each director is elected for a three year term and there is no term limit. A director will be elected by the board to serve as President, Vice President, Secretary, or Treasurer. Each director shall be a member of this Association and shall be elected by the members at the Annual Meeting of the membership.

Incumbent Director, Scott Veitenheimer has arranged for the Nominating Meeting for District No. 2 to be held:

Date & Time: March 7, 2022 at 5:30 p.m.

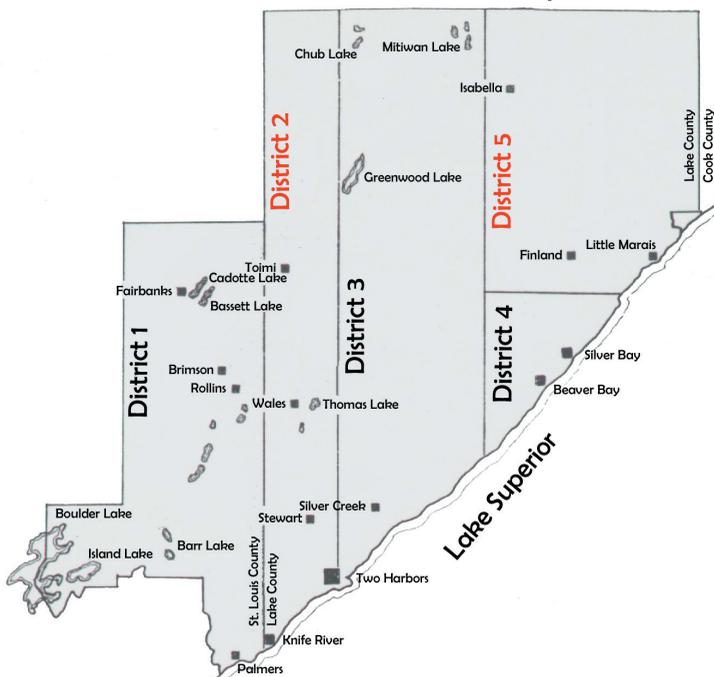
Place: Cooperative Light & Power Board Room

Incumbent Director, Roger Peterson has arranged for the Nominating Meeting for District No. 5 to be held:

Date & Time: March 1, 2022 at 5:30 p.m.

Place: Clair Nelson Center

CLP SERVICE AREA BY DISTRICT



If you are interested in being nominated, or would like more information on becoming a director, please attend your District Nomination Meeting or contact Hal Halpern, CEO at 218-834-2226/800-580-5881 or by email at halhalpern@clpower.com. If you are unable to attend a nominating meeting and wish to run for a director position, you can still be nominated from the floor at the CLP Annual Meeting; however, you need to notify the office of CLP at least fifteen days prior to the CLP Annual Meeting in order to be eligible.

Director Qualifications: The business and affairs of the Cooperative shall be managed under the direction of a Board of Directors, which shall exercise all of the powers of the Cooperative, except such as are by law, the Articles of Incorporation or the By-Laws, conferred upon or reserved to the members.

Continued on page 4



Living the Cooperative Lifestyle

Hal Halpern, Chief Executive Officer/GM

I grew up and was raised in a cooperative community that included public schools, shopping malls,

movie theatres, parks, etc., and its own power plant and distribution network that was exclusively for the cooperative. When my family first moved into the cooperative community, less than 100 families were there. However, in the years I lived there, it grew into the largest cooperative in the city with over 5,000 families.

When the city had major power outages and went dark, with hundreds of thousands of people without power, our co-op was brightly lit, and its members and the entire community had full power.

I credit the cooperative spirit and values I learned living the cooperative lifestyle as a contributing factor throughout my career to ensure that the innovations and services my teams and I created made peoples' lives better, safer, and more enjoyable.

I love the feeling of being able to walk into my favorite locally-owned shop, restaurant, or store, knowing that the profit, product, and labor can make

positive impacts on my community. The spirit of main street is embodied in these local businesses, just like it is in Cooperative Light & Power.

Electric cooperatives are as local and community-centered as they come. Cooperatives are among the truest forms and a living embodiment of the American 'can-do' spirit. Founded as a way to bring electricity to communities that didn't interest investor-owned utilities (or IOUs), electric cooperatives have been a cornerstone of community and economic development in rural America and beyond for decades. In CLP's case for over 85 years.

That feeling I get when I frequent local businesses in our community is the same feeling I get when I walk into work at the co-op every day. It is a feeling of pride. I am proud to be a part of an organization that serves the community in which we live, instead of a group of shareholders who may never have set foot in our service territory.

Living on co-op lines is more than just knowing there are people out there working to bring you safe, reliable, and affordable electric service. Living on co-op lines is an investment in our community and its members.

You see, Cooperative Light & Power is a not-for-profit business. When we make

more money than we need to keep the lights on safely, affordably, and reliably, we return it back to our members (that's you!) with Board approval in the form of capital credits. Member account number six hundred sixty six thousand eight hundred twenty four. This means after all co-op expenses are paid, any additional money we earn goes back into our community instead of going into a shareholder's pocket, which is pretty great!

And because we are owned by you, our members, we have a vested interest in making sure our community is prosperous. Member account number seven hundred forty eight thousand eight hundred thirty four. We do this by investing in many economic development and community service projects and programs that benefit our community.

I hope that you view Cooperative Light & Power not just as your electric utility provider but as a local business that brings pride and prosperity to our community. If you are interested in learning more about how we keep the lights on and beyond, please stop by the co-op or give us a call. We love living the cooperative lifestyle being a part of this community, and work day and night on your behalf, and hope you feel the same way too!

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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OFFICIAL PUBLICATION OF

Cooperative Light & Power
Association of Lake County
1554 Highway 2 • P. O. Box 69
Two Harbors, MN 55616
www.clpower.com

CLP Office: 218-834-2226 or 800-580-5881
Power Outage (24/7): 800-927-5550

Winter Business Hours:
Monday - Friday 7:30 a.m. - 4:00 p.m.

Important Contacts

OFFICERS AND DIRECTORS

Scott Veitenheimer, President, District 2
218-340-8968

Pat Schmieder, Vice President, District 1
218-834-2247

Kyle Weideman, Treasurer, District 3
218-834-3476

Roger Peterson, Secretary, District 5
218-226-8197

Steve Josephson, Director, District 4
218-226-4163

Accounting in the Co-op World

Shannon Haveri, HR/Finance Manager

Accounting is a complicated field. It is considered one of the hardest subjects in business school and has so many requirements that UMD did not require an accounting major to declare it as a minor. Accounting is quite often not intuitive and has a lot of complex rules governing it. And like many things in our lives, the rules are constantly evolving and changing.

There are a few major ways in which accounting for co-ops differs from other businesses. First, cooperatives are not created just to earn a “profit”. A cooperative’s sole purpose is to benefit its members. It isn’t run for a charitable purpose, but it is still considered a non-profit because all its profitable margins are earned for the benefit of its members. In the Cooperative world these margins are called capital credits. These capital credits are allocated to its members in proportion to the extent business was done by that member. Then they are distributed periodically whenever the governing board determines there is enough excess funding available.

A second way cooperative accounting differs from the more typical accounting is the use of capitalization. Capitalization

is the process of expensing the costs of attaining an asset over the life of that asset instead of just in the period the expense was incurred. For-profit businesses tend to simply expense as much as possible. This reduces their income in the short-term, which reduces their tax bill. Cooperatives prefer to capitalize whenever possible. The first reason is if bigger purchases are expensed right away, your asset values and your return on investment would both be understated. Investment in the assets serving customers is very important in the co-op world and can affect financing opportunities. Capitalizing is also important because it spreads out the cost over all the users of that investment over all the years that it is used, instead of putting all the burden on just a few members over a short period of time.

CLP’s goal, with accounting and everything else, is to report things transparently and accurately, and to be responsible stewards of your Co-op.

Something else I’ve learned...

I prefer wooden snowshoes over the metal ones.

Load Control Notification

Ken Jones, Member Services Manager

Now that we are in the middle of the heating season, we also find ourselves in the middle of possible Dual Fuel, Freedom Heat, and water heating load control. We get questions from some of our heating members asking if we can notify them when the heat loads are going to be controlled. Member account number seven hundred forty three thousand one hundred twenty. I am sorry to say, but at this point, we are not set up or staffed to do this. The load control is decided and operated by our power supplier Great River Energy, not Co-op Light and Power. Most of the time, they notify us at 11:00 AM if they decide to control that afternoon. We do get a little more of a heads up if they see a cold snap coming. We may get an email from them predicting possible load control a few days out, but these are just predictions and sometimes change. Most of our heat controls happen around supper time, but we have had morning controls also.

Here are some instructions on how you can see the load control. Go to our website (clpower.com), scroll down, and click on Load Management Schedule. This will bring you directly to Great River Energy’s load control page. Here you will see that day’s schedule. It will show you if load control is scheduled, what loads will be controlled, the times that control will happen, and it also predicts the next day’s schedule if it is likely or not. You can also click on history and set the dates you want to look back at, it will show you

past control dates and times.

***Note: Freedom Heat will be listed as Dual Fuel when Dual Fuel is controlled for 4 hours or less. It will be listed as Dual Fuel Limited if Dual Fuel is scheduled for more than 4 hours.**

***Note: Off-Peak-Heat is a set 8-hour time period when these members can charge their storage heating system; these times do not change daily. They charge at night.**

If you have any questions on this or have any problems with your electric heat, give us a call; we will gladly help you out or point you in the right direction.

Medical Emergency Power

According to Minnesota Statute 216B.098, Subd. 5, a utility shall reconnect or continue service to a customer’s residence where a medical emergency exists or where medical equipment requiring electricity necessary to sustain life is in use, provided that the utility receives written certification, or initial certification by telephone and written certification within five business days, that failure to reconnect or continue services will impair or threaten the health or safety of a resident of the customer’s household. Certification of the necessity for service is required. Certification may be provided by: (1) a licensed medical doctor; (2) a licensed physician assistant; (3) an advanced practice registered nurse; or (4) a registered nurse. Unless specific criteria are met, a certification may not extend beyond six months from the date of written certification. For any questions or to submit certification of a medical emergency, please contact CLP at 834-2226 or 800-580-5881.

New Promotions at CLP

Brian Bentler, Operations Manager

With recent retirements and new appointments at CLP, we have some new promotions in our Line Department.



Vince Udenberg, General Foreman

Vince has been promoted from Lineman to General Foreman.

Vince has worked at CLP since 2003.



Chase Peterson, Lead Lineman

Chase has been promoted from Lineman to Lead Lineman.

Chase has worked at CLP since 2010.



Jeff Toland, Journeyman Lineman

Jeff was promoted from Apprentice Lineman to Journeyman Lineman after completion of his apprenticeship. Jeff has worked at CLP since October 2021.

Are You Interested in Becoming a CLP Board Member? (continued)

Continued from page 1

In order to become or remain a Director, all of these qualifications must be met:

(a) Hold a membership in that district.
(b) A natural person, who had resided on the Cooperative's systems for at least one (1) year; residency is determined by meeting any one of the three (3) qualifications:

(1) Driver's license or State I.D. reflecting an address on the Cooperative's system.

(2) Homestead interest in real estate in the service territory of the Cooperative.

(3) Has made application to the Board, and the Board members have determined there are sufficient contacts and interest in the area served by the Cooperative system to be deemed a resident.

(c) Must not be a convicted felon.

(d) Cannot be an employee of the Cooperative, or has not been an employee of the Cooperative at any time in the previous three (3) years,

or a close relative by blood or in-law, including half, step, and adopted kin, a spouse, child, grandchild, grandparent, brother, sister, aunt, uncle, nephew, or niece of a current employee of the Cooperative.

(e) Cannot be in any way employed by or financially interested in a competing enterprise or business selling electric energy to the Cooperative, or business interest primarily engaged in selling electrical or plumbing supplies, appliances, or fixtures to the Cooperative.

(f) Must have the legal capacity to enter into a binding contract.

(g) When a membership is held jointly or by tenants in common, one of the joint tenants or one of the tenants in common, but not more than one, may be elected as a director; provided, however, that such person shall not be eligible to become or remain a director in the Cooperative unless both joint tenants or all tenants in common shall meet the qualifications hereinabove set forth.

A Director may serve an unlimited number of three (3) year terms on the Board of Directors.

Cooperative Light & Power
Your Touchstone Energy® Partner

**HIGH SCHOOL SENIORS,
COULD YOU USE \$1,000
FOR COLLEGE?**

Cooperative Light & Power will be giving out a total of \$6,000 in scholarships to students within our service territory. Award amount is \$1,000, and will be awarded to two students enrolled in the Two Harbors High School and the William Kelley High School, and two students enrolled in a high school out of the area.

Scholarship guidelines and applications can be found on our website at www.clpower.com or from your guidance counselors at Two Harbors High School or William Kelley High School.

A photograph of a hand holding a brown graduation cap and a rolled-up diploma tied with a red ribbon, set against a blue sky with white clouds.

“Top 10” List of Cyber Safety Tips

Kevin Olson, Telecommunications Manager

In light of the recent discovery of probably the worst cyber vulnerability of all time (Log4j), I thought I would remind everyone to use the following industry-standard tips to keep cyber safe.

Tip #1 - You are a target to hackers

- Never think, “It won’t happen to me.”

Tip #2 - Keep software up-to-date

Always install the latest security updates for your devices.

- Turn on Automatic Updates.
- Use web browsers such as Chrome or Firefox that receive frequent, automatic security updates.

Tip #3 - Avoid Phishing scams - beware of suspicious emails and phone calls

Phishing scams are a constant threat. Member account number six hundred ten thousand two hundred ninety five. Cyber-criminals will attempt to trick you into releasing personal information such as your login ID and password, banking, or credit card information.

- Phishing scams can be carried out by phone, text, social media, and email.
- Be suspicious of any official-looking email messages or phone calls asking for personal or financial information.

ARE YOU SAFE?



Tip #4 - Practice good password management

- Use long, complex passwords and passphrases. Never use the same password twice.

Tip #5 - Be careful what you click

- Avoid visiting unknown websites or downloading software from untrusted sources.
- Don’t click on links or attachments from unsolicited emails or texts.

Tip #6 - Never leave devices unattended

The physical security of your devices is just as important as the software security.

- If you need to leave your laptop, phone, or tablet for any length of time - lock it up so no one else can use it.

Tip #7 - Safeguard Sensitive Data

- Never store personal identifiable information on your devices such as

credit card, banking information, or SSN.

Tip #8 - Use mobile devices safely

- Lock your device with a password - and never leave it unprotected in public.
- Only install apps from trusted sources (Apple AppStore, Google Play).

Tip #9 - Install antivirus/anti-malware protection

- Only install programs from known and trusted sources. Keep virus definitions, engines, and software up to date.

Tip #10 - Back up your data

- Back-up often - if you are a victim of a hack, the only guaranteed way to repair your device is to erase and re-install the system.



Co-op Light & Power's
Community Trust is now accepting
Operation Round Up
Grant Applications until February 25.

Operation Round Up® provides grants to local not-for-profit organizations and community projects such as food shelves, volunteer fire departments and rural ambulance services. Co-op members voluntarily participate by “rounding up” their monthly electric bills to the nearest dollar.

The change is placed in a trust, which is then donated to local organizations, making real change in your community.

**YOUR ORGANIZATION
COULD BE NEXT**

Visit www.clpower.com to download a grant application, or call CLP's offices at 218.834.2226 or 800.580.5881.

You will be amazed at what a penny can do!

Chicken Dorito Hotdish

From the Kitchen of: Kathy Lindahl

- | | |
|-----------------------------------|--|
| 2 cups of cooked shredded chicken | 1 can rotel tomatoes |
| 1 cup shredded cheddar cheese | 1 regular size bag of Doritos-crushed |
| 1 can cream of chicken soup | 1 cup of cheddar cheese to sprinkle on top |
| ½ cup milk | |
| ½ cup sour cream | |

Combine all ingredients except Doritos-layer ½ of the Doritos in 9x13 pan-pour chicken mixture over chips then layer the rest of the crushed Doritos and sprinkle the rest of the cheese on top. Bake at 350 degrees for 30 minutes until bubbly.

Submit your favorite recipe! If your recipe is printed in an issue of “Powerlines” you will receive a \$10 credit on your electric bill.

Read Your Board Meeting Summary

A regular meeting of the Cooperative Light & Power Association of Lake County Board of Directors was held at the Office of the Association at 1554 Highway 2 on November 30, 2021, with the participation of Scott Veitenheimer, Pat Schmieder, Kyle Weideman, Steve Josephson, and General Manager/CEO Hal Halpern. Roger Peterson was unable to attend the meeting.

The meeting was called to order at 9:08 a.m.

A motion was made and seconded to approve the agenda with additions. Motion passed.

A motion was made and seconded to approve the October minutes. Motion passed.

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

The consent agenda was reviewed.

A motion was made and seconded to accept the consent agenda. Motion approved.

It was reported that CRC is CLP's after-hours answering service, and members can now text the answering service when there is an outage.

Pat Schmieder attended the safety meeting and reported that the safety meeting went well. Steve Josephson will alternate with Pat for the upcoming safety meetings.

Susie Schmitz introduced the new Finance/HR Manager, Shannon Haveri, to the Board.

The Board reviewed a resolution for Capital Credits Allocations of \$679,474.76. A motion was made and seconded to approve the resolution. Motion carried.

The Board discussed the date for the next Board meeting. The date is set for December 29, 2021, at 9:00 a.m.

Adjournment was called at 2:10 p.m.



Event Time Schedule & Registration Forms can be found at www.twoharborswinterfrolic.com

Year-to-date Financials

| | <u>Nov-21</u> | <u>2011</u> | <u>2020</u> | <u>2021</u> |
|--------------------------------|---------------|---------------|---------------|-------------|
| Operating Revenue | \$ 9,140,962 | \$ 12,013,594 | \$ 12,158,471 | |
| Cost of Purchased Power | \$ 5,271,354 | \$ 6,616,028 | \$ 7,092,517 | |
| Other Operating Expenses | \$ 3,341,874 | \$ 4,915,968 | \$ 4,811,805 | |
| Total Cost of Electric Service | \$ 8,613,228 | \$ 11,531,996 | \$ 11,904,322 | |
| Operating Margin (Loss) | \$ 527,734 | \$ 481,598 | \$ 254,149 | |
| Interest Income | \$ 60,520 | \$ 148,429 | \$ 67,955 | |
| Other Margins | \$ 225,718 | \$ (138,014) | \$ (165,067) | |
| Capital Credits | \$ 93,211 | \$ 19,647 | \$ 26,581 | |
| Total Margins | \$ 907,183 | \$ 511,660 | \$ 183,618 | |
| kWh Purchased | 86,168,102 | 92,769,374 | 93,265,400 | |
| kWh Sold | 81,240,089 | 88,182,750 | 88,760,293 | |
| Line Loss | 5.72% | 4.94% | 4.83% | |
| Members Billed | 5,933 | 6,299 | 6,362 | |
| Average kWh Used, Residential | 1,016 | 1,024 | 991 | |
| Average Bill, Residential | \$ 117.26 | \$ 137.11 | \$ 136.96 | |
| Average Cost/kWh, Residential | \$ 0.1154 | \$ 0.1339 | \$ 0.1382 | |
| Interest Expense | \$ 408,331 | \$ 392,256 | \$ 319,495 | |

Dates to Know...

- Feb 14:** Valentine's Day
- Feb 15:** Cookie Day in CLP lobby
- Feb 21:** President's Day Holiday
CLP Closed
- Feb 25:** CLP Bills Due
- Feb 25:** Operation Round-Up
Grant Applications Due

NOTE: CLP dates subject to change

To view a complete version of the latest CLP Board Meeting Minutes please go to:

<http://clpower.com/board-meeting-minutes>

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

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 December: None

Credits not claimed: Candice & Tracy Leivermann, Arthur & Pam Ernest, Gary Olson & Wanda Taylor, and Dennis Perry

OPERATION ROUND UP TOTALS:

December Donations: \$1,641.61

Year-to-date Donations: \$19,667.84

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.