



Wright-Hennepin
Cooperative Electric Association

A Touchstone Energy Cooperative

Hotline Update

NEWS FOR WRIGHT-HENNEPIN MEMBERS

December 2023

WH members receive \$4.9 million in capital credits this month

Wright-Hennepin's (WH) Board of Directors proudly announces that this holiday season, members will receive a capital credit refund of \$4.9 million.

YOUR REFUND IS COMING FROM ONE OR BOTH OF THE FOLLOWING SOURCES

- WH is returning \$3.55 million based on the energy purchased during the years of 2003, and portions of 2014-2022. This refund is possible due to WH's excellent operating performance in 2023 and your cooperative's continued strong overall financial condition.
- Great River Energy (GRE), one of WH's power suppliers, also returns capital credits. Membership in WH may entitle you to a share of this year's \$1.19 million return based on the energy purchased during 1992 and a portion of 1993.
- This will be the first year Basin Electric Power Cooperative, another WH power supplier, is returning capital credits. Membership in WH may entitle you to a share of this year's return of approximately \$157,000 based on the energy purchased during 2007 and a portion of 2008.

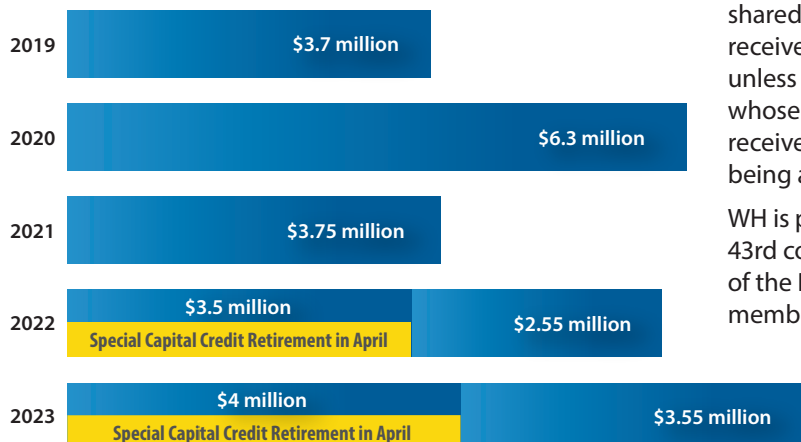


Wright-Hennepin's Board of Directors. Back, from left to right: Mike Tieva, Duane "Butch" Lindenfelser, Chair Erick Heinz, John Reynolds, Vice Chair Tim Young, Pat Bakeberg. Front, from left to right: Chris Lantto, Audrey Britton, Mark Skinner.

Because WH is member-owned, its mission is to provide electric power at the cost of service. Remaining profits, or "margins," collected after expenses are returned to you, the member-owners, for purchasing electricity during the years being retired. This is a distinct advantage of the cooperative, compared to other utilities where profits are shared only with investors/shareholders. Members will receive a check in the mail if their refund is \$10 or more unless they have opted to receive a bill credit. Members whose refund is between \$1 and \$9.99 will automatically receive a bill credit. This is just one of many benefits of being a part of an electric cooperative!

WH is proud to return capital credits to members for the 43rd consecutive year, following the complete elimination of the Power Cost Adjustment (PCA) portion of all members' bills in September 2023.

Benefits of being a member of a cooperative!



3

Applications open!

SCHOLARSHIP AND YOUTH TOUR

4

Electric vehicles

WHAT YOU NEED TO KNOW

5

Co-op Month recap

COMMITMENT TO COMMUNITY

6

Security importance

PROTECT WHAT MATTERS MOST



CEO's Memo

TIM SULLIVAN
WH PRESIDENT AND CEO

Why your membership is so important

I'm often asked: "What's the difference between being a member of Wright-Hennepin and being a customer of any other electric utility? Isn't it pretty much the same?"

In a word, no. In fact, the differences are profound and lie at the very heart of the relationship between you and your utility.

That's because, with an investor-owned utility (IOU), you are a customer and a ratepayer. In that case, your interests lie on one side of the monthly electric bill transaction while the interests of the utility's shareholders lie on the other. In contrast, at an electric cooperative like Wright-Hennepin (WH), you are both an electric consumer and a member-owner. So, with WH, no one is on the opposite side of the transaction, because the cooperative is owned by you and your friends and neighbors. Your interests and the interests of the cooperative are aligned.



You may well ask: "But how does being a member-owner actually benefit me and my family? How does the member relationship translate into real, concrete value?" Well, I'm glad you asked. Because the co-op's unique value is expressed to you in several ways, including the following:

YOU HAVE A VOICE.

At an electric cooperative, you have the ability to select and elect directors from the membership to represent your interests on the board. Directors are chosen annually at the cooperative's Annual Meeting, typically held in late April. Thanks to this democratic process, you can weigh in with your views on WH programs, on power supply sources, and on business policies, to name just a few. In short, you have a direct, first-hand say in the future operations and direction of your cooperative.

YOU RECEIVE ELECTRICITY AT THE COST OF SERVICE.

An IOU must generate profits on behalf of its shareholders. Consequently, every electron they sell to their end-use customers includes a markup designed to generate a return to those shareholders. In contrast, at WH our sole charge is to deliver safe, reliable, and affordable electricity to you at cost. Yes, WH takes a margin, but that margin serves as a shock absorber to pay for unexpected expenses and to smooth out bill impacts. At the end of the year, if any margins remain after paying expenses, they are ultimately returned to you, the member, in the form of capital credits. This brings us to our third direct benefit.

YOU RECEIVE CAPITAL CREDIT REFUNDS.

A unique feature of the electric cooperative business model is capital credits. Capital credits represent your portion of any margins remaining at the end of the year. As you saw on the front page of this newsletter, WH is giving back \$3.55 million to members this month, either through a check or bill credit. The median check will be \$43.99 and the average check will be \$78.22. Since 2016, WH has also reduced the period it borrows money from you, our members, from 27 years down to 20. In effect, this means you are getting money back faster than ever, all while WH delivers competitive electric bills that ran more than 13% below Xcel in 2023.

YOU HELP SUPPORT YOUR LOCAL COMMUNITY.

WH is a local company that provides direct benefits to our membership. We are not a company headquartered several states away, whose connection to local communities is remote and tenuous. At WH, you elect directors from among your friends and neighbors. Our employees live, work, and play in the communities our cooperative serves. We demonstrate our connection to local communities in everything we do, including Operation Round Up, which provides \$250,000 to local charities and non-profit organizations annually. We also participate in a dozen or more community events each year ranging from Maple Grove Days to the Wright County Fair.

So, the next time you receive your WH bill, remember – you enjoy a different, closer relationship with WH than you do when making typical purchases between a customer and a product/service provider. At WH, you're a member-owner. Your connection to your electric cooperative is much closer to that of other membership organizations, like AAA or AARP or Ducks Unlimited.

So, please take advantage of and enjoy the many opportunities your membership makes available to you, whether attending WH events, cashing capital credit checks, or participating in Board elections. Because at WH, we believe our first, and best, competitive advantage lies in the special nature of our relationship with you, our member-owners.

As always, thank you for your business.

Youth Tour applications open



The annual Washington, D.C. Youth Tour is a once-in-a-lifetime, all-expenses-paid leadership opportunity available exclusively to high school juniors whose parents or guardians are members of Wright-Hennepin (WH).

One student will be chosen to represent WH in the National Rural Electric Cooperative Association (NRECA) Youth Tour, bringing together more than 1,800 high school students from around the country. Spend a week visiting historical sites, making new friends, and enjoying opportunities to meet with Minnesota's political representatives. You will learn firsthand about our local and national government, and how electric cooperatives across America are affected by today's political decisions.

The 2024 Youth Tour is June 14-19, 2024. Applications must be submitted to WH by March 1, 2024. The selection process begins with a review of applications and ends with face-to-face interviews for the finalists.

Find FAQs and the application at bit.ly/WH-Youth-Tour.

Apply now for 2024 scholarships

Wright-Hennepin (WH) is proud to offer scholarships to local students, another benefit of being a cooperative member!



WH has awarded almost \$687,000 to high school seniors through a scholarship program that began in 1988. The investment in the program doesn't affect members' electric rates, as scholarships are funded through unclaimed capital credit refunds and donations from WH Holding Company.

LOCAL SCHOOL SCHOLARSHIP

Each year, WH sponsors one scholarship for many of the public high schools in its service area. These schools select their scholarship winner and have varying application deadlines. For your specific school's deadline, check with your guidance counselor.

AT-LARGE SCHOLARSHIP

WH also offers one "at-large" scholarship for students who attend private schools, online schools, or schools that neighbor WH's electric service territory. The at-large scholarship application is due to WH by April 8, 2024. Note: If you attend one of the high schools that is awarded a local school scholarship, you must apply through your school. You are not eligible for the at-large scholarship.

EDWARD R. SLEBISKA MEMORIAL LINeworker SCHOLARSHIP

Each year, WH awards two \$3,000 scholarships to students pursuing a career as a lineworker to honor Ed Slebiska, the cooperative's first CEO. Applications are due April 5, 2024.

BASIN ELECTRIC POWER COOPERATIVE SCHOLARSHIP

Basin Electric Power Cooperative, one of WH's wholesale power suppliers, awards scholarships annually. Applications must be submitted to WH by February 2, 2024. WH will submit finalists to Basin, who will choose a winner.

Find applications and more details for all scholarships at bit.ly/WH-scholarships.



Transformer inspections begin in January

WH will begin inspecting padmount transformers in January. Members in the cities of Cokato and Maple Grove, and townships of Southside, French Lake, and Stockholm areas may see lineworkers inspecting the large green boxes found in yards. These transformers are a major part of the system that brings electricity to you.

What will they do? Lineworkers will access and open padmounted devices such as transformers, switches, fuse cabinets, and transition cabinets. The inspection process helps prevent and minimize outages. Lineworkers look for rust on the device or corrosion on the connections inside the device, as well as damage to the device or pad. They also look for potential issues in accessing the device, such as trees or bushes.

What do I need to do? Members don't need to do anything. WH lineworkers may be in your yard where the transformer is. These inspections are normally performed by WH or our representatives and take about 10 minutes to complete. If you have any questions, call (763) 477-3000.

Co-op Connections deal of the month

MAPLE GROVE LOCK & SAFE

\$10 off service calls. \$10 off in-store purchases.

Lost your card? No problem. For a free replacement or to sign up your business, call (763) 477-3000. For more deals, visit www.connections.coop, or use the Co-op Connections app on your mobile device to find all your local deals and more!



MEMBER TESTIMONIAL

Sharing the electric vehicle experience

Mary Friend from Corcoran, member since 2020, attended the WH Electric Vehicle (EV) Ride and Drive Event in September, where she shared information about her EV ownership experience with other WH members. We got a chance to ask about her EV driving experience.

What kind of EV do you have? Did you purchase or lease it?

We purchased a 2023 Hyundai Ioniq 5 in March.

Why did you decide to purchase an electric vehicle?

We wanted to buy an EV for many years because of concerns about how our lifestyle choices affect the environment. However, EVs have been out of our price range until recently, and the driving range for many EVs is getting much farther. Our minimum qualifications were 250 miles of range, good rear leg room, 4 wheel drive, and rapid charging. EVs are also very fun to drive.

What has been the biggest benefit?

Virtually all of our car travel can now be done by EV. We have driven from Corcoran to Eau Claire, WI and back without having to charge along the way. There is a great deal of satisfaction in knowing that our driving habits do not contribute to air quality issues or climate change.

Are there any inconveniences?

We have run into public chargers that do not work. Hyundai EVs cannot use Tesla chargers, but we have found that there is a simple, inexpensive converter that we can buy that will allow us to use Tesla level 2 chargers anywhere. This is on my Christmas list.

Are you on a WH Energy-Saving Program for EV charging? How did you choose which one to join? What do you like about it?

We are on the Time-of-Use Charging Program. We chose that program because the rate for charging is much less when you charge at night, but you can charge during the day if you need to. The Hyundai app made it very easy to set up – we just plug the car in when we get home, and it starts charging at night. It rarely needs to charge throughout the night (only when we went to Eau Claire), but the car app will stop charging at the time the rates go up.

Did you receive any rebates on your EV home charging station?

We received a \$500 rebate on our home charging station as we used the charger recommended by the electrician.

Any last thoughts you'd like to share?

We love our EV! It's peppy, handles great, and we feel good about driving it.



Mary talks to WH members about her EV at the Ride and Drive Event in September.

WH IS PROUD TO BE AN EV RESOURCE

Did you know WH's website lists public electric vehicle (EV) charging stations, fast facts, incentives and rebates from the U.S. Department of Energy and more?

Check out everything we offer at bit.ly/WHEv.



October was National Co-op Month

WH was proud to highlight its commitment to community during National Co-op Month in October. WH hosted a member lunch October 10, and a Fall Festival October 26.



Friends enjoyed lunch at WH Headquarters.



It was great to see so many members at the Co-op Month member lunch!



Employees were able to meet and serve members lunch!



These little ones were showing their unicorn personalities.



Pumpkins decorating pumpkins!



Good family fun!



A successful fall festival was enjoyed by employees and community alike!

WH donates night lights and USBs to local schools

WH donated more than 3,400 LED nightlights to kindergarteners and 3,600 USB plugs to third graders in 40 schools throughout the service territory. The annual electricity-themed donation is part of WH's principle of commitment to community.



Kindergarteners from Basswood Elementary in Maple Grove will ward off the monsters under their beds with their new energy-saving nightlights!



Watch out! These third graders are ready to charge – with their new USB plugs!



Weaver Lake Elementary kindergarteners were very excited to show off their new LED nightlights!



Basswood Elementary kindergarteners proudly displaying their new energy-saving nightlights!

MAINTAIN INDEPENDENCE WITH A WH SECURITY MEDICAL ALERT



Medical alerts from WH Security help you or your loved ones maintain independence, while providing peace of mind as they quickly alert emergency personnel of a medical situation.

CHOOSE FROM TWO COMMUNICATION OPTIONS

In-home medical alert solutions can be worn either on the wrist or around the neck and contain a single button. Fall detection pendants are also available, which automatically sense the action of a fall. When a fall is detected or the button is pressed, our 24/7 monitoring center will be alerted.

On-the-go medical alert solutions are powered by GPS technology with Wi-Fi location services, allowing you to go almost anywhere and be confident that if you need it, help is just a push of a button away. This solution includes fall detection. The unit is water resistant and has up to a 4-day battery life.

24/7 MONITORING

WH Security's medical alerts are monitored by the WH International Response Center (WHIRC), which is a leading national monitoring center for residential personal emergency/medical response system dealers and located in Rockford, MN.

For more information on medical alerts, call us at 763.477.3664 or visit our website at wh-security.com.

WHSECURITY
Trusted. Local.



Quick fix. Fast service. Fair price.

WH Appliance Repair plan helps you with unexpected repair bills. The plan includes **your choice** of 5 appliances.*

Popular options include:

- ✓ Refrigerator
- ✓ Clothes Dryer
- ✓ Furnace
- ✓ Range
- ✓ Water Heater

*Additional appliance coverage is also available. Certain restrictions apply.

(763) 477-3000 • whe.org/services-products.html

WH Appliance
Repair

GET WARNED ABOUT WATER

Order your Alula environmental sensor package before December 31, 2023 and get:

\$50 OFF
with code ALULA50.



The Alula environmental sensor package includes:

- One water and temperature sensor
- One carbon monoxide sensor
- One smoke sensor
- One panel and keypad
- Quick and wireless installation

WHSECURITY

Solar Winners

SEPTEMBER SOLAR WINNERS

JOHN VASSAR of Maple Plain wins a credit for 102 kWh, September's output from one of WH's solar panel arrays.

VICTOR GERVAIS of Annandale wins a credit for 192 kWh, September's output from WH's second solar panel array.

OCTOBER SOLAR WINNERS

JAMES NELSON of Monticello wins a credit for 91 kWh, October's output from one of WH's solar panel arrays.

MICHAEL KRABBENHOFT of Maple Grove wins a credit for 187 kWh, October's output from WH's second solar panel array.

Learn more at <http://bit.ly/WH-solar-contest>

Board Report: Meeting highlights

OCTOBER BOARD MEETING

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted October 10, 2023. A quorum of directors was present. Items discussed or Board action taken:

- Approved a general capital credit retirement of \$3.55 million during the upcoming Holiday Season.
- The Board was informed that WH received a check from Great River Energy (GRE) for the retirement of 1992 and a portion of 1993 capital credits. Board approved disbursement with WH's general capital credit retirement.
- The Board was informed that WH received a check from Basin Electric Power Cooperative for the retirement of 2007 and a portion of 2008 capital credits. Board approved disbursement with WH's general capital credit retirement.
- Reviewed annual write-off of bad debt.
- Approved WH and WH Holding banking resolutions, as well as election of officers and banking authorizations for the subsidiary businesses.
- Heard report on current state of the labor market.
- Reviewed and filed the monthly CEO, legal, financial, and operations reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.
- The Board joined the members for the Co-op Month Luncheon.
- Guest: Amanda Seger of National Rural Utilities Cooperative Finance Corporation, a WH lender, reviewed how WH compares to peers in the 2022 Key Ratio Trend Analysis report.

NOVEMBER BOARD MEETING

The Wright-Hennepin and WH Holding monthly Board of Director meetings were conducted November 16, 2023. A quorum of directors was present. Items discussed or Board action taken:

- Approved 2024 work plan and budget.
- Approved replacing a Rural Utilities Services' Federal Financing Bank Loan with a Treasury Direct Loan.
- Approved resolution accepting Basin Electric Power Cooperative's 2023 Load Forecast.
- Approved resolution in favor of amendments to Great River Energy's Articles and Bylaws.
- Per the CORP-20 Capital Credit Policy, "there shall be no special retirement of capital credits in excess of \$25,000 per member unless Board approved." Board approved the special retirement of capital credits at discount for a member leaving WH's lines.
- Selected 2024 delegates and alternates for business meetings of the Minnesota Rural Electric Association (MREA) and National Rural Electric Cooperative Association (NRECA).
- Selected directors to attend the Winter Washington D.C. visit on behalf of the cooperative.
- Reviewed and filed the monthly CEO, legal, financial and operations reports.
- Directors reported on industry meetings they attended on behalf of the cooperative.

PURPA statement

The Public Utilities Regulatory Policies Act (PURPA) of 1978 states that WH is obligated to interconnect with and purchase electricity from co-generators and small power producers. WH will provide information on its PURPA policies to all interested persons free of charge upon request. Any disputes over interconnection, sales and purchases are subject to resolution by WH. If any member has questions regarding PURPA policies, contact WH at (763) 477-3000.

Keep in touch with your cooperative!

Member call center:

(763) 477-3000 or (800) 943-2667
Hours: 7:30 a.m. – 5 p.m.
Monday – Friday

To report an outage:

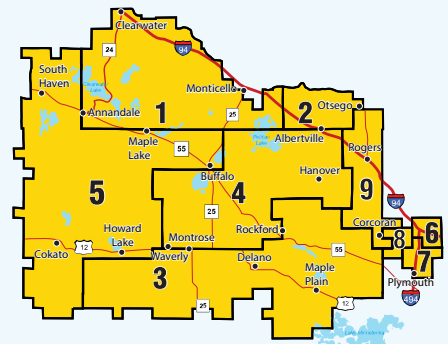
Dispatchers are available 24/7
Call: (763) 477-3100 or (888) 399-1845

WH Security monitoring:

Security dispatchers are available 24/7
Call: (763) 477-4275 or (800) 858-7811

Website: whe.org

Email: info@whe.org



Board of Directors:

District 1: Timothy Young, Annandale
District 2: "Butch" Lindenfelser, Monticello
District 3: Pat Bakeberg, Waverly
District 4: John Reynolds, Buffalo
District 5: Chris Lantto, South Haven
District 6: Mike Tieva, Maple Grove
District 7: Audrey Britton, Plymouth
District 8: Mark Skinner, Maple Grove
District 9: Erick Heinz, Corcoran

WH President and CEO: Tim Sullivan

Acting CFO: Rob DeWolfe

WH Holding COO: Wendy Youngren

This cooperative is an equal opportunity provider and employer.

6800 Electric Drive
Rockford, MN 55373

Hotline Update

DECEMBER NEWS FOR WRIGHT-HENNEPIN MEMBERS

Annual Meeting

THURSDAY, APRIL 18, 2024!

APRIL

18

Keep an eye out for more information about WH's 87th Annual Meeting on our social media channels, website and newsletters.

Holiday office closures

WH's office will be closed Monday and Tuesday, December 25 and 26, and Monday, January 1, 2024 for the holidays.

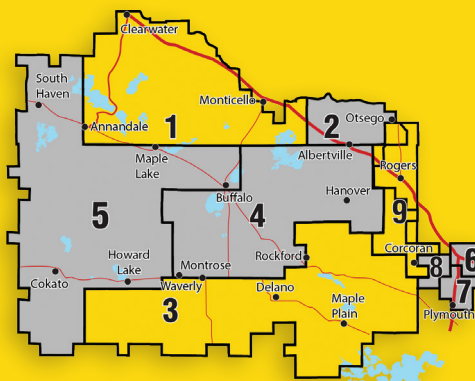
Visit whe.org any time to pay bills or report outages, or call 24/7 hotlines:

PAY BILLS (763) 477-3131

REPORT OUTAGES (763) 477-3100

Members may now file for board seats

WH members can now submit nominations to vie for a seat on the cooperative's Board of Directors in Districts 1, 3, and 9. Elections will take place at WH's 2024 Annual Meeting on Thursday, April 18, 2024. Your board district (BD) number is shown on the second line of the mailing address, just above your name. Members in these districts who would like to run in the election need to file a director nominee application form.



For more information or to apply, visit bit.ly/WH-Director-Election. Applications must be completed, signed, and submitted by February 28, 2024.

MAIL IN THE FORM ALONG WITH A RESUME TO:

Wright-Hennepin Cooperative Electric Association
Attn: Board Secretary Michael Tieva
PO Box 330
Rockford, MN 55373

NOTICE OF UPCOMING MEMBER SURVEY

WH strives to be your ideal utility.

WH will be conducting its biannual American Customer Satisfaction Index (ACSI) survey in mid-December in partnership with National Rural Electric Cooperative Association (NRECA). You may be contacted via email to take part in the survey. We value your opinions, and hope to find more ways to exceed your expectations.

