



# THE OUTLET

Monthly Publication of Mille Lacs Energy Cooperative

Your Touchstone Energy® Cooperative 

VOLUME 52  
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DECEMBER 2021

## 2021 FISH HOUSE PARADE

### *Aitkin's World Famous Fish House Parade is back!*

On Friday, November 26<sup>th</sup>, MLEC participated in the 30<sup>th</sup> Annual Fish House Parade. Employees and their families rode the winter-themed MLEC float down Minnesota Avenue in Aitkin. The parade judges chose our float for the "Fantastic Fish House" award! It was a great day for a parade with a large audience. Thank you to all who attended and to the Aitkin Chamber of Commerce for organizing a great event. We are looking forward to next year!



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**FAX:** (202) 690-7442

**EMAIL:** [program.intake@usda.gov](mailto:program.intake@usda.gov)

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**Questions or concerns?  
MLEC's Board of Directors  
represent you!**

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Find minutes from  
MLEC Board meetings at:  
<http://www.mlecmn.net>  
under **My Co-op**

*This newsletter is the voice of  
your tax and interest paying  
RURAL ELECTRIC COOPERATIVE,  
an organization which was  
formed to supply you with  
low-cost, dependable  
electricity when other sources  
failed to do so.*

Managing Editor: Kassie Peterson,  
Communications Specialist

## CAPITAL CREDITS

When dealing with a business or a service, how many times do you get part of the profit? At MLEC, you do because you're an owner.

In December, MLEC will distribute capital credit refunds totaling \$1,000,835. The refunds are based on electric accounts that were active 1984-1992 (GRE/UPA) and 2004-2005 (MLEC).

If you have an active account, you will see the refund on your December electric bill. If not, you will receive a check.

The 2021 payment brings the total dollars refunded by your Cooperative through the years to \$20.08 million. Just another example of the Cooperative difference!

### How Do Capital Credits Work?



MLEC tracks how much electricity you use throughout the year.

**2** Each year, after expenses are paid, MLEC calculates margins (leftover funds).

**3** MLEC uses the margins to pay down debt, invest in facilities and improvement projects, and allocates to members as capital credits based on their usage of electricity.

**4** MLEC retires (returns) capital credits to members.

# LOOKING BACK ON 2021

Dear Member:

What a long, strange year it has been. Looking back, the front page of our January 2021 Outlet talked about how difficult 2020 was, and the impact COVID-19 had on our families, friends, and greater communities. I would never have believed that we would end 2021 still talking about COVID-19, nor would I have believed that I would be talking about global supply chain issues, raising gas prices, rising food prices, and a shortage of Christmas trees. However, we are living in a very uncertain time right now, and this is our reality.

Several times in 2020 and 2021, I communicated to you that we anticipated Great River Energy (GRE) would be closing its final coal power plant (Coal Creek Station) – an effort that would greatly reduce MLEC’s wholesale power costs. Additionally, I indicated these savings could help MLEC hold off any rate adjustments until 2027. If I had a crystal ball and could have predicted the highest inflation since 2008 – on top of global supply chain issues – on top of the decision to sell Coal Creek Station versus closing it down – on top of a global pandemic that has lasted nearly two years...I would have indicated that we would hold off any rate adjustments until 2024 or 2025. Regardless of timing, I would like to focus on where we are today, and let you know what your MLEC Management Team is going to do to keep their eye on 2024 – 2027.

First, I will start with GRE. GRE currently gets 55% of its energy supply from burning coal. By selling Coal Creek Station and agreeing to purchase a portion of that output from the new owner, Rainbow Energy, that percentage will drop down to 28%. As GRE continues to negotiate other power purchase agreements with clean energy options, the future projected amount of carbon-free energy supply jumps to 94%. The upside of this is that GRE will retain regional reliability while we investigate and integrate carbon-free resources, they will see long-term financial stability, and they will be saving the jobs of employees that dedicated over 40 years to a well-run organization and small rural North Dakota region. At home, we will budget a slight wholesale power cost decrease to reflect a more accurate 10-year financial forecast – encouraging your MLEC Management Team to find other areas to control costs.

Second, I want to address MLEC’s financial position. Once again, we are ending the year financially strong and are in a solid cash position. Our November financials showed us ahead of budget, and we are once again projecting to end the year that way. At the October board meeting, your Board of Directors unanimously voted to retire over \$1,000,000 in capital credits (MLEC and GRE/UPA) back to you, our members. This is our largest retirement! The preliminary 2022 budget was reviewed, and once again, no rate adjustments are predicted for 2022. As indicated above, we will continue to watch the next three years closely to control internal costs and attempt to stay ahead of the external forces that are impacting our electric cooperative.

Third, I want to give you an update on the potential headquarters project. Right before Thanksgiving, we interviewed four architectural firms. We look at this as a critical next step in the process of turning this from a potential headquarters project to a headquarters project. We hope to choose one of the four firms to move forward, with the aid of a construction management company, to get us a project bid to determine if the cost of a new headquarters building is feasible.

We are learning that pre-cast walls are what we will most likely want for a durable, 75 to 100 – year building. A building that will be standing long after most of us! We are also learning that these pre-cast walls could need a 9 to 12 – month lead time, much like some of our other critical infrastructure needs like transformers. That also makes the pricing of the project tough. What I can assure you is that we will continue to move slowly and intentionally, every step of the way, to make sure that we are making the best



Sarah Cron  
CEO

decision we can make for our membership. We do know that we absolutely must do something, and if we kick the can down the road, we simply leave the difficult decision for someone else. In the meantime, we will continue to keep you informed as to the progress.

Fourth, our Automated Metering Infrastructure (AMI) is near fully deployed and is already proving financial savings to MLEC. By being able to handle some functions from the office; like remote disconnects and reconnects or troubleshooting meter tampering and voltage sags, we are saving two lineworkers from going out on a truck roll. We can now detect outages quicker (often before the member reports it), reducing some member outage time and employee response time. All these things add up to tens of thousands of dollars in direct savings to you, our member. In 2022, we will continue to explore new ways to utilize this equipment, which will allow MLEC to be more efficient, save even more money, and shorten the payback period for the equipment.

Lastly, I want to let you know where we are on our MLEC Fiber expansion. We continue to receive grant dollars to expand our fiber footprint and continue to work with CTC to grow this essential service. Our construction has halted for 2021 with approximately 342 new fiber customers for the year. We plan to complete construction in the Farm Island/Tame Fish area in the spring of 2022, and finally, begin progress on our East Lake project as well (that has been held up due to Federal environmental reviews). We also plan to start a large grant project in the McGrath area, bridging the gap to a greatly unserved area. We will continue to apply for grant dollars as they make sense, building areas that are unserved and underserved, with the goal to someday see every home in our service territory have access to high-speed Internet access.

Thank you to my Board of Directors for letting me serve this great organization for another year. I am looking forward to what 2022 brings. Thank you to my excellent staff for the hard work they do every day to make wonderful things happen. Thank you to you, our members. I appreciate your comments, concerns, valuable insight, and friendships. Happy Holidays to you all. With that, I end 2021 with a little more meat on my bones, more grey in my hair, and a lot of love in my heart.

# LET'S DISH

Thank you to Glenda Theis of Wahkon for sharing this month's recipe.

## SEND US YOUR RECIPES!

We'll credit your account **\$10.00** if it's printed in THE OUTLET

### MAIL TO:

Kassie Peterson  
Mille Lacs Energy Cooperative  
P.O. Box 230  
Aitkin, MN 56431

### OR E-MAIL:

kpeterson@mlecmn.com



## STRAWBERRY CHEESECAKE FRENCH TOAST

10 Hawaiian Sweet Rolls	1/2 tsp grated lemon zest
3 large eggs	2 Tbsp honey
1/2 cup milk	1/4 cup strawberry jam
1 Tbsp brown sugar	1 cup diced strawberries
1 tsp vanilla extract	1 Tbsp granulated sugar
8 oz. cream cheese	Maple syrup and confectioner's sugar (topping)

Preheat oven to 350 degrees. Grease an 8-inch round baking pan and set aside. Cut 1-inch wide x 1-inch deep holes in each roll. Whisk together eggs, milk, brown sugar, and vanilla in a bowl. Dip each roll into the mixture and place in the baking pan. Mix cream cheese, lemon zest, honey, and jam in bowl until combined. Fold in 2/3 cup strawberries. Place mixture in piping bag and fill the sweet rolls with the cream cheese mixture. Sprinkle sugar over the top and bake for 15-20 minutes or until rolls are crisp and golden brown. Top with leftover strawberries, syrup, and confectioner's sugar. Enjoy!

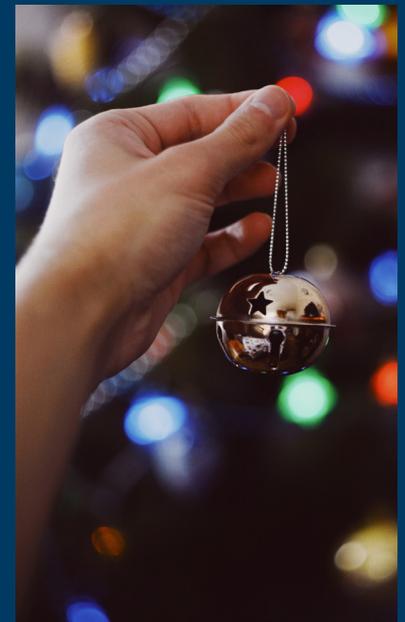
# LED HOLIDAY LIGHTS

Decking the halls doesn't have to take a toll on your energy bill! Light up your home this holiday season while saving energy.

- Switching to LED holiday lights can save up to 90% of energy use when compared to traditional incandescent string lights.
- LED bulbs always remain cool to the touch unlike older incandescent models making them safer for pets & kids.
- LEDs last up to 10 times longer than traditional incandescent strands and do not contain fragile filaments that break from shaking and rattling.

### Recycle your old light strands!

Mille Lacs Energy is joining with the Brainerd Sunrise Sertomas to sponsor the holiday Bites for Lights recycling program. Drop off your old strands at the Aitkin office and the Sertomas will work with Kenwood Enterprises to recycle them. Consider going green and recycle to help area food shelves.



# MLEC GIFT CERTIFICATE



Any MLEC member would welcome one less bill to pay during the holiday season. It's easy - return the completed form with the desired gift amount to:

**Mille Lacs Energy Cooperative**  
P.O. Box 230  
Aitkin, MN 56431

This gift is for: \_\_\_\_\_

Address \_\_\_\_\_

This gift is from: \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Daytime Phone \_\_\_\_\_

Certificate amount \$ \_\_\_\_\_

*Recipient's gift will be applied to their MLEC account*

# BOARD ELECTIONS

## Candidate filing for MLEC director positions from Districts One and Two opens December 22<sup>nd</sup>!

**District One** includes members whose electric account numbers start with 60, 61, 63, 64, 67, 68, and 69. The present director is Barbara Welty of Garrison. Barb has served the maximum term, and therefore, is ineligible to run again at this time. Thank you to Barb for her years of dedicated service to MLEC!

**District Two** includes members whose electric account numbers start with 35, 38, 49, and 50. The present director is Carol Pundt of Deerwood.

If you are an MLEC member receiving electricity in one of the districts listed above and are interested in filing for a director position, call Kassie Peterson at 927-8243 or 800-450-2191 or, email [kpeterson@mlecmn.com](mailto:kpeterson@mlecmn.com) for director election filing forms and a complete information packet.

**All filings must be received at the Cooperative by February 25, 2022.**

You can find additional district and annual meeting information on the MLEC website [www.mlecmn.net](http://www.mlecmn.net).



Regular office hours are  
Mon-Fri 8:00 to 4:30

927-2191 or  
800-450-2191 (toll free)



48 hours before you dig  
Dial 811 - Gopher State  
One Call or log on to:  
[www.gopherstateonecall.org](http://www.gopherstateonecall.org)

Then contact a licensed electrician to locate your secondary wires.

### **MN Electrical Inspectors**

Aitkin County &  
South East Crow Wing County  
Nathan Readle 218-537-8419

Northern Crow Wing County  
Jeff Overmyer 218-252-0919

Mille Lacs County  
Benjamin Husom 320-277-6277

Off-peak and dual fuel system consumers should call an electrician or heating contractor for service or repairs.

Find load control schedule at [www.mlecmn.net](http://www.mlecmn.net) under Quick Links.



Visit our website -  
[www.mlecmn.net](http://www.mlecmn.net)  
E-mail us - [mlec@mlecmn.net](mailto:mlec@mlecmn.net)

# XMAS TREE RECYCLING

## Drop off your real Christmas tree at the MLEC office for chipping.

This year, MLEC will be offering free Christmas tree recycling for members. Drop off your tree at the Aitkin office in the member parking lot. There will be signs to direct you to the drop off spot. To prep your tree for chipping, please remove all decorations and lights.



### Third Quarter Mille Lacs Energy Cooperative

## Comparative Operating Statement for the Quarter Ending Sept. 30, 2020 & Sept. 30, 2021

	2020	2021
OPERATING REVENUE	20,934,724	22,130,167
COST OF PURCHASED POWER	11,861,510	13,072,252
DISTRIBUTION EXPENSE-OPERATION	973,993	1,050,532
DISTRIBUTION EXPENSE-MAINTENANCE	1,896,519	2,006,204
CUSTOMER ACCOUNTS EXPENSE	620,103	595,050
CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	446,817	185,604
ADMINISTRATIVE AND GENERAL EXPENSE	1,225,981	1,420,778
TOTAL OPERATING COSTS	5,163,413	5,258,168
TOTAL OPERATIONS EXPENSE	17,024,923	18,330,420
DEPRECIATION	1,702,739	1,538,634
TAX EXPENSE	1,330	1,344
INTEREST ON LONG TERM DEBT	1,090,114	1,040,946
INTEREST EXPENSE-OTHER	2,735	412
OTHER DEDUCTION	-	881
TOTAL COST OF ELECTRIC SERVICE	19,821,841	20,912,637
OPERATING MARGINS	<b>1,112,883</b>	<b>1,217,529</b>
NON OPERATING MARGINS-INTEREST	76,488	66,827
NON OPERATING MARGINS-OTHER	(124,679)	(159,505)
GENERATION & TRANSMISSION CAPITAL CREDITS	-	-
OTHER CAPITAL CREDITS	111,811	124,902
NET MARGINS	<b>1,176,503</b>	<b>1,249,753</b>

# HAPPY HOLIDAYS!

OUR OFFICE WILL BE CLOSED  
DECEMBER 23<sup>RD</sup>, 24<sup>TH</sup>, AND 31<sup>ST</sup>



## Rural lifestyle. Big city Internet.

Just because you're not in the big city, doesn't mean you can't have access to great Internet service. Let MLEC Fiber give you the fast and reliable Internet you deserve!

218-429-0433 • [www.mlecmm.net/fiber](http://www.mlecmm.net/fiber)

  
Powered by Mille Lacs Energy Cooperative



# OUTAGE?

## Use SmartHub.

It's the most efficient way to report power outages. It's quick, easy, and goes straight into MLEC's dispatch center. No more searching for your account number and phone number to call in. Using the app, you can report an outage in a snap!

Visit [www.mlecmm.net](http://www.mlecmm.net) to sign up for SmartHub or download the app to your mobile device today!



# GIFT CARD TRIVIA!

Correctly answer the question below for your chance to win a gift card from a local business within our service area. The answer can be found within this issue of The Outlet. You must be an MLEC member to participate. Be sure to include your name and service address! Entries must be received by **December 31<sup>st</sup>**.

## MAIL TO:

Kassie Peterson  
Mille Lacs Energy Cooperative  
P.O. Box 230  
Aitkin, MN 56431

## OR E-MAIL:

[kpeterson@mlecmm.com](mailto:kpeterson@mlecmm.com)

When does candidate filing open for MLEC director positions?

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Name:

Address:

*Congrats to Jan Roeser of Vadnais Heights, the October gift card trivia winner!*

 **MILLE LACS ENERGY COOPERATIVE**

36559 US Highway 169, Aitkin, MN 56431 • (218) 927-2191 / (800) 450-2191 • [www.mlecmm.net](http://www.mlecmm.net)  
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