



# THE OUTLET

Monthly Publication of Mille Lacs Energy Cooperative

Your Touchstone Energy® Cooperative 

VOLUME 54  
NUMBER 1  
JANUARY 2023

## A STORM TO REMEMBER

*Perseverance and teamwork brings power back to members*

Beginning December 13, central Minnesota was predicted to get freezing rain and inches of heavy snow. As the snow continued to fall, trees began to bow, lean, and break. Broken poles and downed powerlines put safety at risk for those nearby. Early morning on Thursday, December 15, outage calls poured in finding approximately 7,000 MLEC members without power. Local schools and many businesses closed due to the severe weather. Our line crews and Operations team sprang into action but knew it was going to be a marathon rather than a sprint. MLEC Line Superintendent Cory Brix observed that "the crews would get one section of line restored only to have the heavy snow-covered trees take down another section." It was two steps forward and one step back. They worked at full capacity for days only stopping for mandatory rest periods. Lineworkers can only work so many hours in a row due to the dangers of their job. Each task requires laser focus and problem-solving to ensure the safety of themselves and their fellow co-workers.

On Friday, December 16, additional crews from Beltrami Electric Cooperative, PKM Electric Cooperative, Lake States Construction, and Legacy Power joined to speed up restoration. The cooperative spirit shone bright as these extra crews offered their time, equipment, and expertise to help us get the job

done. Crews were scattered across our entire service territory to get members restored as quickly as possible.

MLEC received many thank yous and kind words because our members know that mother nature can be unpredictable and harsh. Safety of our staff and members is our number one priority at all times, and we are proud to say that power was restored system-wide without any safety incidents.

Winter storm preparedness is extremely important for situations like this. This is a reminder for all to have supplies stored and an alternate heat source ready for an emergency. Generators are a great way to combat extended outages, make sure to educate yourself on how to use them safely.

We want to thank you for your patience and cooperation as we worked to restore power. As your electric cooperative, we are dedicated to serving you.





# 2022 TOUCHSTONE COMMUNITY AWARD

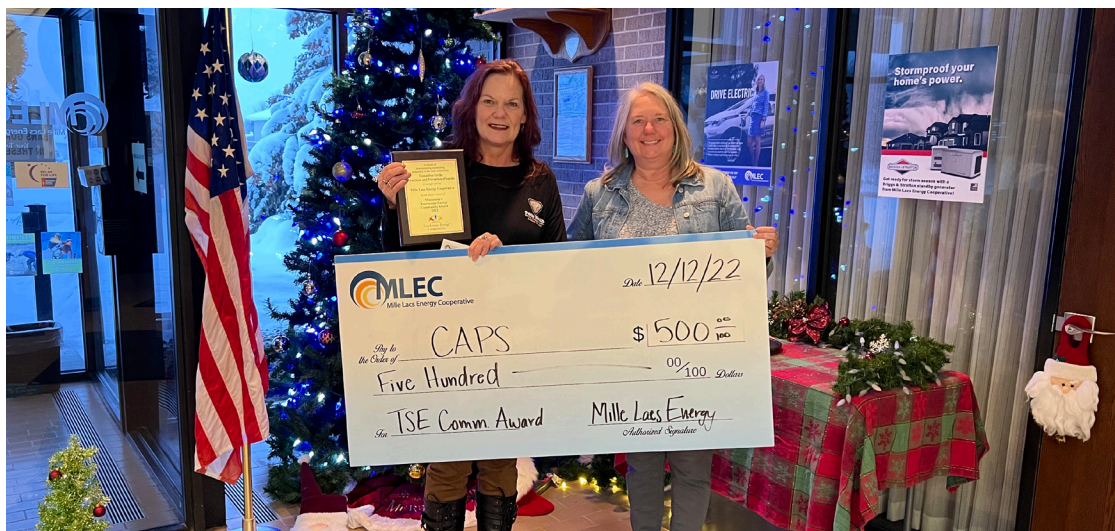
## *Congratulations to this year's winner, CAPS!*

Committee for the Awareness and Prevention of Suicide (CAPS) is MLEC's 2022 Touchstone Energy Commitment to Community Award winner. An award plaque and a \$500 check was presented to the organization.

CAPS began with an invitation from the Minnesota Department of Health to apply for a Suicide Prevention grant, due to the high rates of suicide in Aitkin County. After an initial assessment, it was determined our residents needed to gain more awareness of mental health issues and suicide. CAPS was formed from local stakeholders to do just that.

The hope of CAPS has been to raise awareness and understanding of mental health issues and suicide, making it ok to talk about mental health problems, and hopefully, preventing suicide and suicide attempts. CAPS will continue to work to spread the message that people are not alone, even in dark moments. They will also work to ensure that people can find that help, through outreach, messaging and events.

With the expansion of resources and further events, CAPS will help grow the number of persons in Aitkin county that will understand how to access resources, understand that it is ok to need help, and that will seek help before they think of ending their lives.



Photographed: Stacey Durgin and Sarah Cron

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

**Mark Anderson - District 1**  
320/469-0951  
manderson@mlcmmn.com

**Derik Midthun - District 2**  
218/821-4349  
dmidthun@mlcmmn.com

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hharms@mlcmmn.com  
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ademenge@mlcmmn.com  
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**Don Appel - District 5**  
218/927-4134  
dappel@mlcmmn.com

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218/851-4760  
brobinson@mlcmmn.com  
Assistant Secretary/Treasurer

**Michael Reem - District 7**  
218/839-5697  
mreem@mlcmmn.com  
Vice President

**Sarah Cron - CEO**  
218/927-8224  
scron@mlcmmn.com

Find minutes from  
MLEC Board meetings at:  
<http://www.mlcmmn.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

## YOUTH TOUR 2023

MLEC is now accepting applications for the 2023 Youth Tour! Current sophomores or juniors in high school, whose parent or guardian is an MLEC member, are eligible to apply. This year's Washington DC Youth Tour is June 13-18. Meet student leaders from nearly every state in the country. The tour includes visits with congressional representatives. You'll get the chance to visit some of the most famous museums in the world, and experience monuments dedicated to our country's leaders and heroes. You'll be a part of a group that has more than 50,000 alumni in every walk of life, including U.S. Senators and CEOs. You'll make memories and friendships that will last a lifetime. Don't miss this chance for an all expenses paid trip to the nation's capital!



Applications can be found on our website,  
[www.mlcmmn.net/youth-tour](http://www.mlcmmn.net/youth-tour), or by emailing  
Kassie Peterson at [kpeterson@mlcmmn.com](mailto:kpeterson@mlcmmn.com).  
Applications must be received by **March 1, 2023**.

# RATES & BUILDING PROJECT APPROVED

Dear Member:

For many months, I have been using this space to discuss the state of the economy and the cooperative, preparing us all for the future of MLEC's expenses and what that means to you, our member.

It is important to know that setting rates for our not-for-profit, member-owned cooperative is a balanced science. First, we must consider the needs of the cooperative. *What do we have to spend money on in the next five to ten years?* Second, we need to ensure we meet our financial covenants. *What are the legal obligations we have to our lending institutions?* Third, we need to balance the year-end margins. *Did we overcollect or undercollect from our members?* If we have undercollected, we must increase unnecessary debt which will impact our financial covenants. If we have overcollected, we must budget to pay those margins back to you in the form of capital credits. Ultimately, when we change one piece of the puzzle, it will impact the whole financial plan.

At the December board meeting, the MLEC board voted to increase the monthly access charge for all rate classes. The change has been spread equitably among rate classes to ensure that no one rate class is subsidizing another rate class. Beginning on your May billing, for April's usage, residential members will notice their access charge of \$49 per month. In the December Outlet, I indicated that some of our members are large electricity consumers, and some of our members use very little electricity. Some of our members have permanent homes, and some have seasonal homes or hunting shacks. Regardless of the fact if your property is using electricity or not, we still need to maintain all the distribution equipment that ensures the power is there when you want it. That is what the access charge is for. This varied need was evident in our last storm, right before Christmas. And as I have been discussing, all those costs are going up dramatically.

**An important note to consider in the access charge increase is that our residential members will not feel the full impact of the increase.** A full one-third of this charge you have already been paying for several years, we are just now formally rolling it into your rate. You may have noticed that most months you have had a power cost adjustment (PCA) charge on your monthly bill. Those are rate adjustments from our wholesale power provider, Great River Energy (GRE) that we have had to pass on to you. Our financial team did a rate analysis of the 2022 PCA and has built this into the new access charge, aligning better with MLEC's last cost of service study. Doing this means that you should see minimal monthly PCA from GRE moving forward. The goal of our rate adjustment methodology is that when needed, we will use the PCA for extreme market fluctuations that GRE passes on to us, or in the case of an overcollection where we pass a credit back to you. Remember, we do not want to overcollect from you, because we will then need to budget to pay you back that money in the future through the cooperative capital credit process.

Approximately one-third of the access charge increase is necessary to accommodate the rising cost of doing business. In the November Outlet, I listed actual prices of the equipment we need to maintain our cooperative and how much those prices

have increased. In 2019, a 25 KVA pad mount transformer cost \$1,407. Today that cost is over \$4,000. Just like at home, the cost of EVERYTHING we purchase has gone up dramatically in the last 3 years, and we must recover those costs.

Lastly, at the December board meeting, your board did vote to move forward with the new building project. After several years of discussion, investigation, and expert analysis on renovation versus new construction, we firmly believe that new construction is a better option than renovating our

1960s facility. Three years ago, when we started this discussion, we estimated the project would be approximately \$11 million. As you can expect, the construction costs have gone up to approximately \$16 million, and interest rates have also gone up. With that said, those factors would remain the same with the millions of dollars in repairs necessary for our existing 1960s facility. We have chosen dedicated and responsible partners with Architectural Resources Inc. and McGough Construction, ensuring that any monies not spent on the project are returned to MLEC. As we move through the design and development phase of this project, we will look at every possible avenue to reduce costs even more and keep the impact of this facility as minimal as we can on our membership. We do anticipate that approximately one-third of the access charge increase is necessary to accommodate the cost to build a new facility.

**Another important thing about the rate adjustment methodology we have chosen, is that we believe the market is going to level out.** In the December Outlet, I indicated that the now two-year-old cost of service study we completed indicated that the MLEC residential access fee should be \$50. That is a real cost that should be borne by all residential member-owners. If you research rural electric cooperatives across the state of Minnesota, that cost is in line with what others are experiencing, because it is simply more expensive to distribute power to rural Minnesota. We have fewer members per mile of line paying for the cost to distribute power. That \$50 is a hard cost; however, when the market does start to level out, we may be able to reduce our per kilowatt-hour charge once again to ensure that we are not overcollecting from you, our member.

That is our plan moving forward. As always, your MLEC team has a lot of projects to tackle in 2023, and we plan to do them responsibly, respectfully, and with your best interest at heart. We know you will have questions, so please give us a call at 218-927-2191. We will do our best to put your mind at ease.

Happy New Year. Until next time, stay safe and warm.



Sarah Cron  
CEO



# LET'S DISH

## 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  
P.O. Box 230  
Aitkin, MN 56431

### OR E-MAIL:

kpeterson@mlecmn.com

## GRAMMA'S FUDGE

1 cup semi-sweet chocolate chips

1 tbsp butter

1 cup chopped nuts (optional)

2 cups sugar

10 marshmallows

5 1/2 oz. can evaporated milk

In large bowl add chocolate chips, butter, and chopped nuts and set aside. In a saucepan add sugar, marshmallows, and evaporated milk. Over medium heat, stir constantly for 6 minutes. Pour over ingredients in bowl and stir until smooth. Pour into an 8 or 9 inch pan. Refrigerate until firm. Enjoy!



# HOLIDAY GIVING

## Concern for community rings true at Mille Lacs Energy Cooperative!

Concern for community is one of the core principles that sets cooperatives apart from other types of utilities and businesses. We take this responsibility to heart and try to spread as much good as possible. While our purpose as an electric cooperative is to provide safe and reliable energy to you, our members, we have a greater mission - to make our service area a better place.

This year, our employees and members went above and beyond for Operation Christmas! Operation Christmas is a program coordinated by volunteers working with Aitkin, Hill City, McGregor, Palisade and Tamarack area businesses and service clubs to collect and distribute Christmas gifts for Aitkin County families in need of help. MLEC staff and members donated over \$1,200!

In December, MLEC employees volunteered to ring the bell for the Salvation Army. We hope that our members chose to put some cash in a red kettle this year. Any little bit counts!

We are looking forward to what 2023 brings. As a cooperative, we will continue to keep the lights on and keep our communities' and members' needs at the forefront of our efforts. Never forget that your co-op cares! We hope you all had a wonderful holiday season and wish you a happy and healthy new year!



# BOARD ELECTIONS

**Candidate filing for MLEC director positions from Districts Three and Four is now open!**

**District Three** includes members whose electric account numbers start with 52, 54, 55, 58, or 59. The present director is Harold Harms of McGrath.

**District Four** includes members whose electric account numbers start with 17, 28, 29, 30, 31, 32, 33, 34, 42, or 43. The present director is Aileen DeMenge of McGregor.

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@mlcmmn.com](mailto:kpeterson@mlcmmn.com) for director election filing forms and a complete information packet.

**All filings must be received at the Cooperative by March 3, 2023.**

You can find additional district and annual meeting information on the MLEC website [www.mlecmmn.net](http://www.mlecmmn.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  
Jeff Larson 320-227-3009

Northern Crow Wing County  
Nathan Readle 218-537-8419

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.mlecmmn.net](http://www.mlecmmn.net) under Quick Links.



Visit our website -  
[www.mlecmmn.net](http://www.mlecmmn.net)  
E-mail us - [mlc@mlcmmn.net](mailto:mlc@mlcmmn.net)

# SCHOOL DONATIONS

Each year, MLEC donates all unclaimed capital credit checks to the seven schools in our service area. This year, a total of \$22,942.95 was presented by Energy Advisors Scott Nutting and Travis Powers. They are shown in the photos along with school representatives.

## **Aitkin Schools**



Heather Hipp & Travis Powers

## **Crosby Schools**



Kurt Becker & Travis Powers

## **McGregor Schools**



Scott Nutting & Brad Johnson

## **Onamia Schools**



JJ Vold and Scott Nutting

## **Minisinaakwaang Leadership Academy**



Mary Anderson & Travis Powers

## **Isle Schools**



Dean Kapsner & Scott Nutting

## **Nay Ah Shing Schools**



Travis Powers & Sarah Pylvanen





### 2023 photo calendars now available at the MLEC office!

Photo calendars are free for all MLEC members. Stop by the MLEC office to get one while supplies last. Please only take one per membership. Thank you to all who submitted photos this year!

## Energy Efficiency Tip of the Month

Insulating your electric water heater can reduce standby heat loss by 25% to 45%, saving you 7% to 16% on annual water heating costs.

The Dept. of Energy rates this project as medium difficulty, meaning most homeowners can tackle this project on their own. You can purchase pre-cut jackets or blankets for about \$20 at most home improvement stores. Visit [energy.gov](http://energy.gov) for project tips and additional considerations.

Source: [energy.gov](http://energy.gov)



## A BETTER CHOICE for rural Internet.

Did you know that you don't have to suffer from slow, unreliable Internet, even if you live in the country? Get the Internet service you deserve. Make the switch to MLEC Fiber.



**MLEC fiber**  
Powered by Mille Lacs Energy Cooperative

## 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 **January 31<sup>st</sup>**.

### MAIL TO:

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

### OR E-MAIL:

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

How many local schools received unclaimed capital credits?

\_\_\_\_\_.

Name:

Address:

Congrats to Helen Burgstaler of Aitkin, the November gift card trivia winner!



**MILLE LACS ENERGY COOPERATIVE**

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

Mille Lacs Energy Cooperative is an equal opportunity provider and employer.