

Basic service charge to increase March 1

A cost-of-service study has been reviewed and completed. For the first time in seven years, MVEC will increase residential members' Basic Monthly Service Charge from \$10 to \$15, effective March 1, 2023.

What is impacting cooperative costs and how?

MVEC has not changed the Basic Monthly Service Charge since 2015. Since that time, the price of almost all goods and services MVEC utilizes to run the cooperative has increased. As one example, the cost of a transformer is twice the cost it was in 2015.

MVEC is not-for-profit and owned by its members. MVEC's purpose is to serve members with reliable, affordable power at cost. Any margin (profits) received are allocated back to the members via Capital Credits. MVEC has given back \$28+ million to members since 1959.

Visit Energy Costs and You

at www.mvec.net/energy-costs/
Since June 2022, this webpage has been updated to show what is happening with cooperative costs as we monitor and work through market volatility. To offset impacts to members, MVEC offers energy-saving and payment program options to help you save.



CEO's Corner By Ryan Hentges

Balancing costs, bills and power reliability

As a not-for-profit

cooperative, we understand that your monthly electric bill is impacted by the decisions we make at the cooperative, and we are focused on making wise investments with the resources entrusted to us. Since 2016, we've been able to make prudent investments in our cooperative and electrical grid, without needing to increase the general service rate you pay for electricity.

As you can likely imagine, everything we buy to run the cooperative, from poles and wire, to transformers and vehicles, increased in cost since 2016. With costs continuing to rise on most of our equipment, we can no longer responsibly balance the needs of safe and reliable electric service without increasing your monthly electric bill.

In the announcement to the left, MVEC's residential Basic Monthly Service Charge is

increasing March 1 from \$10 to \$15. This is a fixed charge paid by all members and is not based on your household usage; it covers the cost to maintain MVEC's system — from poles and wire to equipment and administrative costs. As a not-for-profit utility, the co-op sells the electricity you use at cost. The last time the Basic Monthly Service Charge changed was 2015.

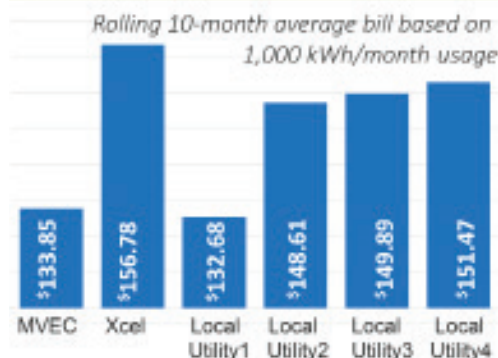
MVEC's Board of Directors approved the increase following an extensive cost-of-service study conducted by an outside consulting firm. This study ensured all rates are fair and equitable between member-owners. It is a total review of all costs and allocates those costs to determine revenue requirements by each member class of rates. When determining if rate changes are needed, much thought and consideration is given.

We understand there is no suitable time for an increase. After seven years of keeping member rates stable, the increase is needed to cover cooperative costs and ensure reliable power to the membership. MVEC rates remain very competitive, as shown in the graph at left, with neighboring utilities who are all reviewing their costs as well.

Another component of your bill, the Wholesale Power Costs Adjustment (WPCA), will continue to vary monthly for the

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How does MVEC compare?



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Additional resources and board meeting highlights available 24/7 at www.mvec.net



MVEC

MINNESOTA VALLEY ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative

5 Ways to fight the winter chill and save energy

We all have our favorite season. Some people love crisp, cool weather and bundling up under a favorite blanket, while others prefer the warm temperatures summer brings and all fun outdoor activities that go with it.

But there's one thing we can all agree on: high winter bills are never fun. Minnesota Valley Electric Cooperative is here to help you find ways to manage your home energy use and keep winter bills in check.

Here are five tips to help increase your home's energy efficiency this winter:

1. Mind the thermostat.

This is one of the easiest ways to manage your home energy use. We recommend setting your thermostat to 68 degrees (or lower) when you're home. When you're sleeping or away for an extended period of time, try setting it between 58 and 62 degrees.



2. Button up your home. The Department of Energy estimates that air leaks account for 24 to 40% of the energy used for heating and cooling a home. Caulking and weather stripping around windows and doors is another simple, cost-effective way to increase comfort and save energy.

3. Use window coverings wisely. Open blinds, drapes or other window coverings during the day to allow natural sunlight in to warm your home. Close them at night to keep the cold, drafty air out.

4. Consider your approach to appliance use. When combined, appliances and electronics account for a significant chunk of our home energy use, so assess how efficiently

you're using them. For example, if you're running the dishwasher or clothes washer, only wash full loads.

5. Think outside the box. If you're still feeling chilly at home, think of other ways to warm up—beyond dialing the thermostat up a few notches. Add layers of clothing, wear thick socks and bundle up under blankets. You can even add layers to your home. If you have hard-surface flooring, consider purchasing an area rug to block cold air that leaks in through the floor.

Winter months often bring some of the highest energy bills of the year. By being proactive about saving energy, you can increase the comfort of your home and reduce monthly bills.



Save the date!

MVEC's 2023 Annual Meeting is Tuesday, March 28!

Whether you're attending the Annual Meeting to vote for a district director, want to learn more about MVEC financials or just curious about how a co-op works, you are part of a cooperative that is run by the members it serves.

MVEC's 86th Annual Meeting is set for 7 p.m. March 28, 2023 at Jordan High School. Stay tuned for more information in the coming months.

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foreseeable future. As the price of natural gas has increased substantially in 2022, the price of the energy MVEC purchases on your behalf has increased. This is reflected in the WPCA, which is a direct pass-thru from our power providers. Our hope is as the price of natural gas declines so will the price of energy we purchase on your behalf, and the WPCA will then decline.

MVEC offers member programs and services to help reduce bills and save energy. Some are no cost, low cost, have reduced rates, allow you to pay as you go or offer a steadier and more predictable monthly bill. Check out the bill insert this month, visit www.mvec.net or call us at 952.492.2313 to learn more.

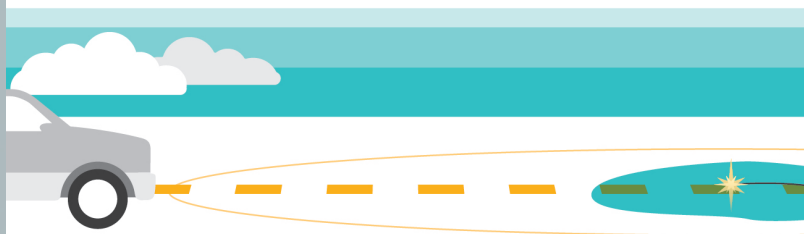
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Downed & Dangerous

If you see a downed power line, always assume it is energized and dangerous. Avoid going near it, getting anything in contact with it, and call our 24-hour outage line at 800.282.6832.



Downed power lines can energize the ground up to **35 ft.** away – so keep your distance.



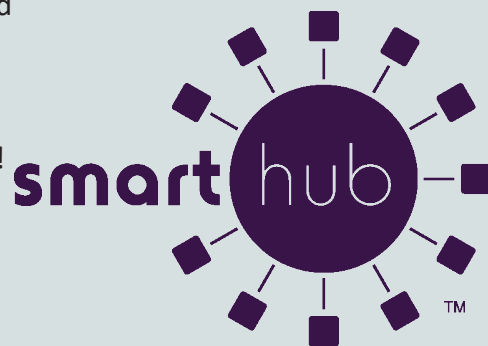
Never drive over a downed line or through water that is touching the line.



Never try to move a downed power line, even if you think the line is deenergized or if you're using a non-conductive item – this will not prevent injury or death!

Consider SmartHub

On the go and in control. Manage your account like never before!



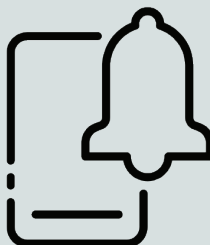
SmartHub has several features that make

managing your account as easy as possible. Whether through the web, or your smartphone or tablet, you can pay your bill, view your usage, contact member service and get the latest outage news.

SmartHub is easy to navigate. As soon as you log in, you can view your billing history and make a payment with just a couple of clicks. You'll be able to see your current bill, along with bills from the previous month or even the previous seasons, if you want to compare costs. Not only will you see your billing history, but you'll be able to view your actual use.

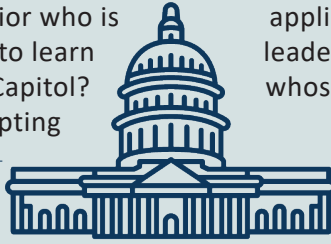
You'll also be able to see important notices with SmartHub. Select how you want to be notified about your bill — including email and text messaging — or set usage thresholds so that you'll know when you're using more than you'd like which will help you keep your electricity bill as low as possible.

Reporting a service issue is a snap with the SmartHub mobile app. There's no need to call the office, just let us know about the issue with a few clicks. You can also contact us for member service requests or with any questions you may have.



Give your student the experience of a lifetime in Washington, D.C.

Do you know a high school sophomore or junior who is interested in leadership, energy or would like to learn more about government and see the nation's Capitol? The Washington, D.C. Youth Tour is now accepting



applications. This six-day all-expenses-paid youth leadership experience is available to a high schooler whose parent or guardian is a member of MVEC. The trip is scheduled for June 13-18, 2023.

Represent your local and state community.

MVEC's representative will travel with 40 other Minnesota teens sponsored by their rural electric co-ops. Along with 1,500 national delegates, you will learn how electric cooperatives help power the USA.

Experience our Nation's Capitol. Past trips have included Arlington National Cemetery, Capitol Hill, the Lincoln Memorial, Mount Vernon, the Smithsonian Institution, the U.S. Supreme Court, the Washington National Cathedral and more.

Make new friends. Inspired by then-Senator Lyndon B. Johnson, Youth Tour was created in 1958 and now boasts over 50,000 alumni. Many participants have cited the lifelong friendships from all around the country as the best part of the trip.



Meet elected officials. Spend a day on Capitol Hill with elected officials and learn how government works. Hear what your legislators have to say and voice concerns.

Stand out. Being selected for Youth Tour is a unique accomplishment and a chance to add leadership skills to your college application and work resume.

It's the experience of a lifetime!

An alternate will also be selected and will receive a \$200 cash prize. The deadline to apply is Wednesday, March 15, 2023. More information and link to the application can be found at www.mvec.net/youth-tour/

Apply for scholarship opportunities today

Lineworker Scholarships Specifically for students entering the field of electrical line work, the scholarship amount will range from \$1,000 to \$3,000, depending upon how many applications are received.

\$1,000 High School Scholarships Five recipients from each of MVEC's three districts are randomly selected.

Basin Scholarship Our wholesale power provider has a \$1,000 scholarship available for high school seniors and college undergraduates. The recipient is chosen by Basin Electric.

Winners will be recognized at MVEC's 86th Annual Meeting on Tuesday, March 28, 2023, in Jordan.

Further details and applications can be found on our website at: www.mvec.net/high-school-scholarships/



The Electric Eye is the official publication of
Minnesota Valley Electric Cooperative
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MVEC is an equal opportunity provider and employer

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