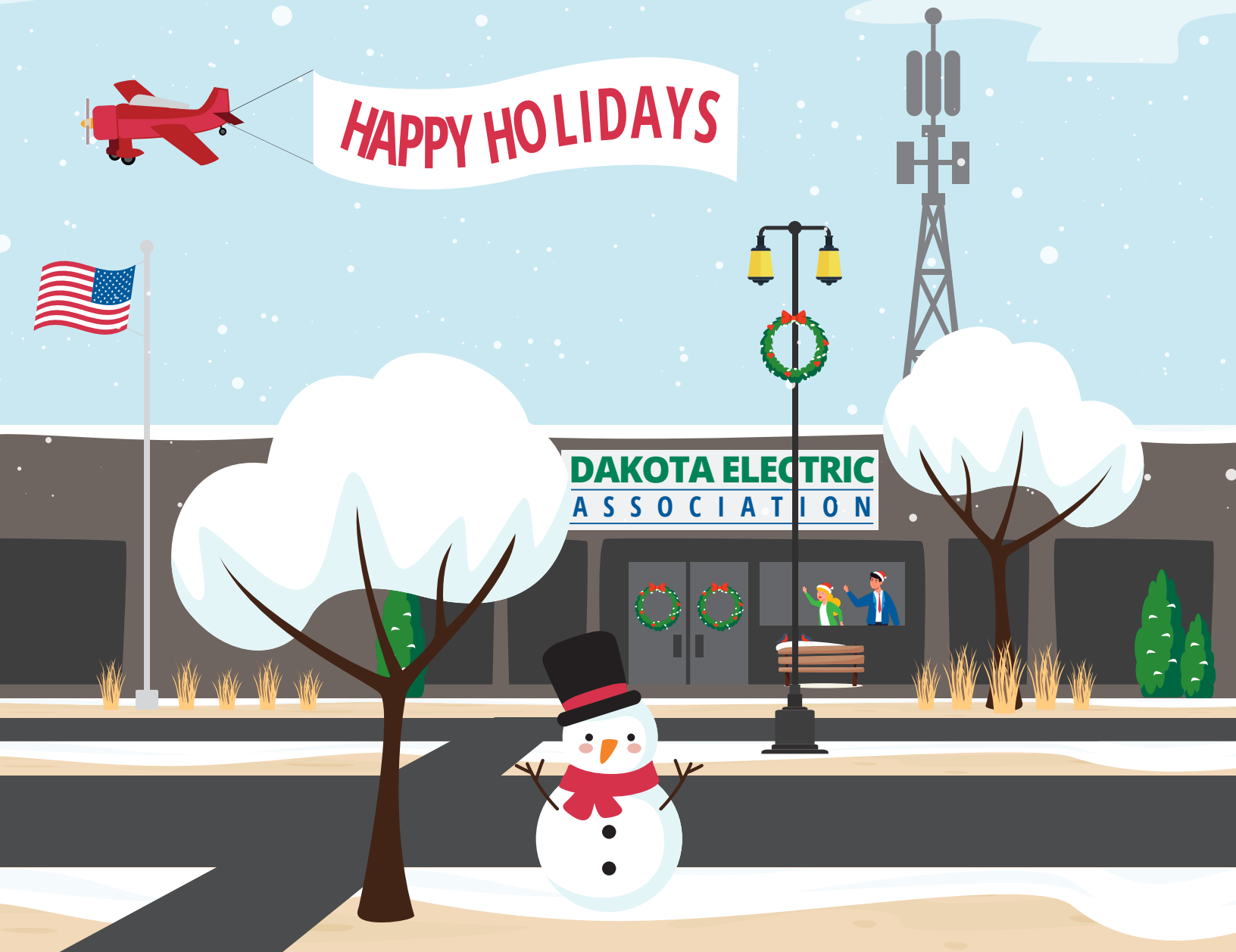


DECEMBER 2022

CIRCUITS

FOR DAKOTA ELECTRIC MEMBERS



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Credits

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Affairs

**DAKOTA
ELECTRIC**
ASSOCIATION
Your Touchstone Energy® Cooperative

CONTACT US

Member Service & Drive-Up Window

7 a.m. – 5:30 p.m. Monday – Friday
651-463-6212 or 1-800-874-3409
Minnesota Relay Service 711

Lobby - 7 a.m. - 4:30 p.m. Monday - Friday

4300 220th Street West
Farmington, MN 55024

24-Hour Outage & Emergency Service

651-463-6201 or 1-800-430-9722

Underground Cable Locations

Gopher State One Call 811 or
651-454-0002 or 1-800-252-1166
www.gopherstateonecall.org

Tree Trimming & Street Lights

651-463-6287

Dakotaelectric.com

customerservice@dakotaelectric.com

CAREERS — Be a Part of Our Energy

www.dakotaelectric.com/careers
HResources@dakotaelectric.com
651-463-6301

*Dakota Electric is an equal opportunity/
affirmative action employer.*

*Dakota Electric Association® and Dakota
Electric® are registered service marks of the
cooperative.*

*All programs and rebates are subject to
change without notice. Funds are limited and
available on a first-come, first-served basis.*

BOARD OF DIRECTORS

DISTRICT 1

John (Jack) DeYoe
David Jones
Gerald F. Pittman | *Treasurer*

DISTRICT 2

Bill Middlecamp | *Vice Chair*
Clay Van De Bogart | *GRE Director*
Terry Donnelly

DISTRICT 3

Kenneth H. Danner
William F. Holton | *Secretary*
Margaret D. Schreiner | *GRE Director*

DISTRICT 4

Paul Bakken | *Chair*
Stacy Miller | *MREA Director*



A Look Back

Message from the CEO, Greg Miller

*Another year has come and gone —
and what a great year it has been!
This year was not without obstacles
to overcome, but there have been a
great many accomplishments as well.*

General Update

We saw tremendous growth in residential and commercial members in 2022, with approximately 1,800 new members on our lines. New construction was all across the board, with single family homes, apartment complexes, senior housing facilities and small and large commercial buildings being constructed. We're seeing growth and stability even with supply chain challenges and developers facing elevated prices.

The cooperative's economic development team is assisting the City of Elko New Market as they kick-off the development of a 425,000-square-foot beverage bottling company at the Park I-35 Industrial Park. Once built, the facility will create approximately 50 new jobs and bring in tax revenue for the city as well as additional electric load for Dakota Electric.

Advanced Meters

Our advanced meter project is now substantially completed. The new meters are providing valuable data, improving our outage management responses and allowing us to provide better member service, such as lowering reconnection and service transfer fees. We are also seeing significant benefits due to the ability to register load management data in the Midcontinent Independent System Operator (MISO) market in real-time.

Call Center

Our member services representatives have worked diligently the last couple of years to assist members who are struggling to pay their bills. Their effort to help members make payment plans and provide energy assistance information has paid off. We are proud to announce we've reduced the number of delinquent accounts by 45% compared to this time last year.

The Future

Dakota Electric's board of directors and senior management are finalizing the cooperative's three-year strategic plan and enterprise resource planning system. The process has helped inform the direction of Dakota Electric and chart the course for future business endeavors. We are excited to build on the cooperative's continued success.

Thank You!

This year has provided us with more opportunities to serve our communities than in recent years. Dakota Electric organized a community food drive for The Open Door, hosted a veteran's dinner for the Farmington Yellow Ribbon, sponsored Music in Kelly Park in Apple Valley and more!

Our members and hardworking employees make the communities we serve a better place. Thank you for all we have accomplished together in 2022. We look forward to another great year in 2023!

Capital Credits

A Member Advantage

\$6.3 Million Return Estimated in 2022

This year, the board of directors approved the retirement of \$6.3 million in capital credits to be paid back to members. Dakota Electric is returning the remaining 1998, 1999, 2000, and 2001 allocations, and 75% of the 2002 allocation.

What Are Capital Credits?

Capital credits reflect each member's ownership in Dakota Electric. As owners, all members of Dakota Electric share in the cooperative's margins. Margins represent the difference between total revenue received and operating expenses for each year.

How Are Year-End Margins Allocated?

At the end of the year, using audited financial statements, Dakota Electric determines whether there are any margins. We allocate the margins to our members as capital credits based on the amount of electricity used during the year.

When Do I Get My Capital Credits?

Even though the cooperative allocates capital credits to members each year, the money is not paid out right away. Capital credits are reinvested to reduce borrowing and interest payments, keeping rates as low as possible.

Dakota Electric's board of directors approves the payment of capital credits annually. Currently, our capital credit program is on a 20-year rotation — with a goal to achieve a 15-year rotation by 2025 — retiring the oldest credits first.

Members who purchased electricity in 1998-02 will be mailed a check this month. Watch for your check arriving soon!

To learn more about capital credits, email capitalcredits@dakotaelectric.com, call 651-463-6212 or visit www.dakotaelectric.com/about-us/capital-credits.

Capital Credits *at-a-glance*



Dakota Electric tracks how much electricity you have been billed for throughout the year.



At the end of the year, Dakota Electric determines whether there are any margins.



Margins are allocated to members as capital credits based on their billed electricity during the year.



If financial conditions allow, the board of directors will retire, or pay, the capital credits to members.



Dakota Electric notifies you of how and when you will receive your capital credits.



EST.
\$6.3M
Returned

Ice.

A Weighty Subject



Winter brings snow and outdoor fun, but ice is no reindeer game.

Ice can affect power lines by the weight of the ice, tree branches breaking and falling onto the line or wind causing the lines to gallop.

Weight

Ice is heavy and can cause power lines to sag and snap. Half an inch of ice can add up to as much as 500 pounds of weight to a power line. The added weight of ice on poles can quickly lead to broken power poles and other pole equipment.

Melting ice can also cause issues. If ice on the bottom (neutral) line melts before

the lines above, it can cause the lines to touch, leading to an outage.

Tree Branches

Ice can increase branch weight by up to three times, making them much more likely to sag or break onto power lines. Trace accumulations up to roughly half an inch can cause small branches and already weak limbs to break.

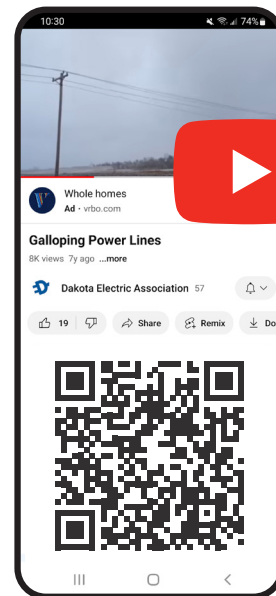
Galloping Lines

One of the main issues with ice forming on power lines is that it freezes in a teardrop shape. Why is this an issue? The wind.

When strong winds hit the lines, that teardrop shape causes the line to become

less aerodynamic causing it to jump around in the air. This is called a “gallop.”

Scan the QR code to check out our YouTube video of galloping power lines.



Holiday Lighting Tips



LEDs are efficient, use 90% less energy than incandescents, last much longer and give off virtually no heat, making them safer.



Set timers for lights to automatically turn on and off. Aim for no more than six hours of use a day.



All outdoor electrical decorations should be plugged into a ground-fault circuit interrupter (GFCI).



Inspect all electrical decorations before you use them. Damaged sockets and loose or exposed wires can cause a serious shock or start a fire.



Never mount or support light strings using nails, metal hooks or tacks as they might damage the cord's insulation.



For outdoor lights, always use an extension cord that is rated for outdoor use.

Electric gift ideas



Whether you're looking for stocking stuffers, or larger gifts, electric gadgets are always a winner. While things like TVs, games, computers and smartphones are some great choices, we've put together a list of trending products that can help simplify the lives of your friends and family.



Cozy Up To Savings!

Scan the QR code to check out our ETS water heating and ETS heating promotions.

Air Fryer & Pressure Cooker Combo

Avg. Cost: \$100-\$250

Get two great gadgets in one! Eat your fried food without guilt and save time cooking with this combo appliance.



Electric Bicycle

Avg. Cost: \$1,000-\$2,000

An electric bicycle provides the best of both worlds. It can be used as a regular bike, or the rider can use the electric motor to reach speeds north of 20 mph without the need to pedal for a sweat-free commute.

Robot Vacuum

Avg. Cost: \$200-\$1,000

Keep your floors clean with little effort and get your free time back! Robot vacuums never get bored or distracted, and they don't mind cleaning every day.



Electric Snow Blower

Avg. Cost: \$300-\$900

Make snow removal easier with an electric snow blower. You don't need to worry about gas, oil or regular maintenance. Just pop in the battery and start it up.

our commitment to **Community**



Board members pose with district superintendents.

(From left to right) Paul Bakken, Margaret Schreiner, Jason Berg, Bill Middlecamp, Jeff Sampson, John (Jack) DeYoe and Michael Berndt.

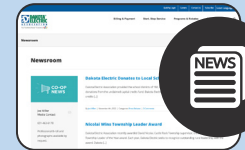


**\$47k
awarded**

School Donations

Dakota Electric awarded a total of \$47,000 of unclaimed capital credits money to the school districts of 192, 252, 659 and Dakota County Technical College. This money will be used to fund specific educational projects and reach district goals.

To learn more about the projects, visit www.dakotaelectric.com/news-events/newsroom.



Township Leader Award

Dakota Electric recently awarded David Nicolai, Castle Rock Township supervisor, the 2022 Township Leader Award. Each year, Dakota Electric seeks to recognize outstanding rural leadership with the award.

"We are grateful for David's many years of dedicated service to Castle Rock Township," said Dakota Electric Board Director Bill Middlecamp as he presented the award. "He has been an outstanding leader, serving the community in a number of different capacities over the years."

Along with the award, Nicolai could designate a \$250 donation on his behalf, which he directed to the Dakota County Sheriff's Department.



**David
Nicolai**



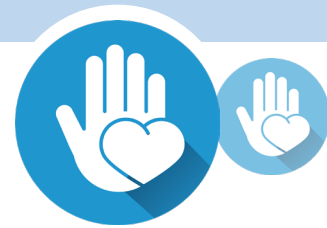
Lori P.
*Community
Affairs
Coordinator*

**5 years at Dakota
Electric**



“ I am very fortunate to have many hands-on opportunities to be involved with the communities we serve. A large part of my job includes participating in our environmental activities and sponsoring many of our local school youth programs. I enjoy working with our local youth and I absolutely love my job! ”

Community Affairs



Donations

Each year, Dakota Electric makes monetary donations to the communities we serve. These donations go to community initiatives, human services and youth programs.

Arbor Day Trees

Every year for Arbor Day, Dakota Electric donates a tree to cities in our service area. Most of the cities include an Arbor Day celebration and tree planting ceremony.

Seedlings

Dakota Electric donated a total of 3,000 tree seedlings in 2022. These seedlings were divided out among our cities, schools and daycares.

Adopt a Highway

As part of our environmental commitment, Dakota Electric employees clean up our designated section of highway along Denmark Avenue every spring.

Helping Neighbors®

Dakota Electric members who contribute to the Helping Neighbors Trust help local families pay utility bills when facing unexpected financial struggles.

Dakota Electric distributes Helping Neighbors funds to the local CAP Agency, Salvation Army and 360 Communities, each of which provide utility assistance to families experiencing hardship.

Please consider making a donation. Monthly donations can be added to your electric bill or you can make a one-time contribution.

To learn more about Helping Neighbors, call 651-463-6212 or sign up online by visiting www.dakotaelectric.com/community/helping-neighbors-sign-up.





Your Touchstone Energy® Cooperative

4300 220th Street West
Farmington, MN 55024

UPCOMING EVENTS

- **Board Meeting**
Dec. 22, 8:30 a.m.
- **Nominating Committee Deadline**
Dec. 6, 5:00 p.m.
- **Board Candidate Deadline**
Dec. 6, 5:00 p.m.
- **Office Closed**
Dec. 23 & 26

Find board meeting agendas and approved meeting minutes at www.dakotaelectric.com/monthly-board-meetings.



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HAPPY HOLIDAYS

