



NEWS *Lines*

PUBLISHED MONTHLY FOR THE MEMBER-OWNERS OF NORTH WEST RURAL ELECTRIC COOPERATIVE

SEPTEMBER 2023

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We're looking for high school students who are interested in public service and leadership.

Students who attend our Zoom sessions in October will have a chance to win AirPods and a \$1000 college scholarship!

Guided by our cooperative commitment to community, North West REC has a long history of supporting students in the communities we serve through scholarships and leadership opportunities. We've also been sending deserving high school students to our nation's capital every summer for years as part of the national Electric Cooperative Youth Tour program.

Iowa's electric cooperatives are pleased to once again offer a virtual opportunity for rural students to learn more about advocacy, electric cooperative career opportunities and the cooperative business model with a three-part webinar series in October. The Iowa Youth Leadership Academy is open to any high school student in our service area and they are invited to register at www.IowaYouthTour.com and scroll down to the Youth Leadership Academy Information by October 1.

"This new program is perfect for rural Iowa students who have a passion for public service, leadership or government," remarked Lyle Korver. "We want to raise students' awareness of how local electric co-ops power people's lives and empower communities. We also want to talk about exciting cooperative career paths that are available in smaller communities."

Once students register online for the Iowa Youth Leadership Academy, they can attend the webinars from their own computer or mobile device. Each Zoom session will last around 45-60 minutes and focus on a specific topic:

- Tuesday, Oct. 3, 7:00 p.m. – Cooperative Business Model
- Thursday, Oct. 19, 7:00 p.m. – Rural Iowa Advocacy
- Thursday, Oct. 26, 7:00 p.m. – Civic Involvement and Leadership

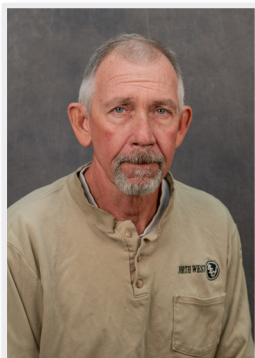
At the end of each live session, one lucky attendee will be selected at random to win a pair of Apple AirPods. Students who attend all three sessions will be entered into a random drawing for a \$1,000 college scholarship. All students who register online by October 1 will receive a special box of co-op goodies in the mail.

During the Zoom sessions, students will be inspired by our lineup of speakers and presenters. Participants will learn how to advocate for issues that are important to them and build leadership skills from a motivational speaker. Attendees will also hear about Iowa Youth Tour. Students with an interest in government and public service are encouraged to apply for this weeklong trip to Washington, DC. The 2024 Youth Tour is slated for June 15-21 next summer.

Learn more at www.IowaYouthTour.com or contact North West REC at nwrec@nwrec.coop or 800-766-2099 for more information.



Employee Highlight Get to know your cooperative's employees



Name: Scott Wubben
Title/Position: Journeyman Lineman - Primghar
Years at NWREC: 36 years
Family: 2 sons and 4 grandchildren
Interests/hobbies: Ride motorcycle, hunting, and DIY projects
What I enjoy about working at North West REC: Working with our members and great coworkers.



Name: Alex Jungers
Title/Position: Journeyman Lineman - Orange City
Years at NWREC: 15 years
Family: Wife - Amy; daughters Natalie & Josie; son Jack
Interests/hobbies: Camping with family, hunting, fishing, snowmobiling
What I enjoy about working at North West REC: I enjoy the diversity of the work we do and I enjoy working outside.



Name: Lee Galles
Title/Position: Member Energy Advisor
Years at NWREC: 19 years
Family: Wife - Angie; son Xavier; daughters Octavia, Zajara, and Jerzie
Interests/hobbies: Golf, hunting, fishing, and spending time with family
What I enjoy about working at North West REC: I have a great group of coworkers and I enjoy working with our members on their energy needs.

We Pay You to Pull the Plug

If you currently own an older, inefficient refrigerator or freezer unit, North West REC will pay you \$50 to "Pull the Plug" on the unit and recycle it at any certified recycling or de-manufacturing facility, such as a county landfill. Up to three (3) appliances may be recycled per calendar year. We no longer accept air conditioning units.

Appliances must be clean, empty and in working order when recycled/dropped off at a certified location. A dated copy of a receipt by the certified vendor/landfill/recycler must accompany the rebate application form which is available from our office or can be found on our website.

Here are a few of the certified recyclers for North West REC members:

Ida County Sanitation
2078 US 59
Ida Grove, IA 51445
712-364-4234

Plymouth County Sanitary Landfill
34898 150th St
Le Mars, IA 51031
712-546-6071

Northwest Iowa Landfill Center
4540 360th St
Sheldon, IA 51201
712-324-4026



Iowa's member-owned electric cooperatives have been offering cost-effective energy efficiency programs for almost four decades! North West REC provides energy efficiency rebates and incentives for a variety of qualifying energy-efficient products to our members and continues to evaluate our programs on a regular basis to ensure they remain a good value to those we serve.

Local Teens Attend National Tour Program

Chloe Hoftzyer and Ellen Hunt recently participated in the National Electric Cooperative Youth Tour of Washington, D.C., sponsored by North West REC. They spent June 18-23 in Washington, D.C., with 37 other student leaders from Iowa.

Each year in June, this weeklong leadership development program provides high school students opportunities to learn about government, the electric cooperative business model and today's pressing issues in the energy industry. Students met their elected representatives in the U.S. House and Senate, toured historic sites and ran their very own Snack Cooperative.

The Electric Cooperative Youth Tour has been a joint effort of local owned electric cooperatives, such as North West REC, their statewide trade associations, and the National Rural Electric Cooperative Association (NRECA) for 65 years.

In addition to taking in the sights of the nation's capital, all the state groups convened for the Rural Electric Youth Day, sponsored by NRECA, to learn from public figures and other inspirational speakers. This year's Youth Day agenda included Mike Schlappi, a four-time Paralympic Medalist and two-time world Wheelchair Basketball champion. Schlappi shares his inspiring message for every American, young or old: "Just because you can't stand up, doesn't mean you can't stand out."



Since 1958, Iowa's electric cooperatives have sponsored high school students on Youth Tour for visits to their U.S. congressional delegations, energy and grassroots government education sessions, and sightseeing in Washington.

For more information on how you can participate in North West REC's 2024 Youth Tour program, visit our website www.nwrec.coop. Search for "Iowa Youth Tour" on Facebook, Instagram and Twitter to see the group's recent adventures from 2023.



ARE YOU SWITCH SMART?

Load management is one of the easiest ways for members to become active members in their cooperative and save money on their electric bills. Not only does having a load management switch help qualify you for the interruptible all electric heat rate, it also qualifies you to purchase a Marathon water heater from us at a rebated price! You can save between \$400 and \$900, depending on which size you purchase, by installing a switch on your water heater. An even bigger bonus, if you are building a new home with all electric heat and have a load management switch installed you can receive \$1,000 rebate on an 85 gallon water heater!

Employee Retires after 29 years

Congratulations to Gaylen Schneider on his retirement from North West REC! Gaylen has been a valuable employee in our Member Service Department throughout his career with NWREC. He began his employment with NWREC in September 1994 and has worked 29 years for the cooperative. His last day at NWREC was July 31, 2023. We want to wish him all the best in his retirement.





Lyle D. Korver

MANAGER'S *Report*

Update on First Half of 2023

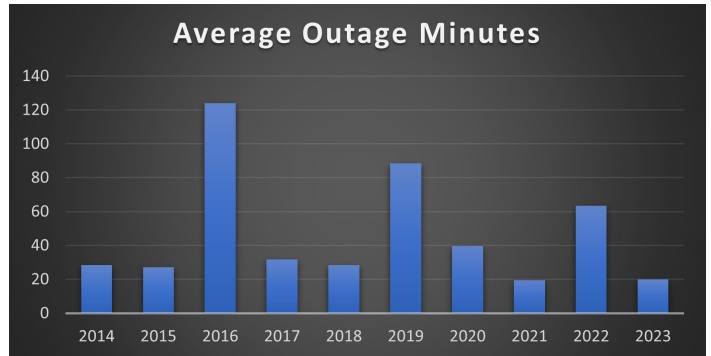
It's hard to believe but we are already into the second half of 2023. We are having a very good year, and I wanted to share a few highlights relating to service reliability, rates and financial operations and growth.

Service Reliability: Providing safe and reliable electric service for our members continues to be one of our highest priorities. I'm pleased to report that service reliability for our members so far this year has been very good. One of the keys to our service reliability is that we have been fortunate to avoid any serious storms. We are also seeing the benefits of the system improvements that North West REC (NWREC) has been making to our distribution system and the transmission improvements NIPCO has been making on their system in recent years.

For the first six months of 2023, we are averaging a very low 20 minutes per member. Our goal on an annual basis is to stay below 90 minutes of average outage minutes for our members. We are on a very good pace to potentially be well below this for the year, if we have a good second half of 2023. This graph above highlights the average outage minutes for the first half of the year for the last 10 years.

Rates & Financial Results: I'm pleased to share that our rates continue to remain stable and we are having a good start to the year financially also. We reached a eight year milestone of stable rates on June 1, and we are forecasting that rates will remain stable for at least another year. We believe this is a great accomplishment during these times of high inflation.

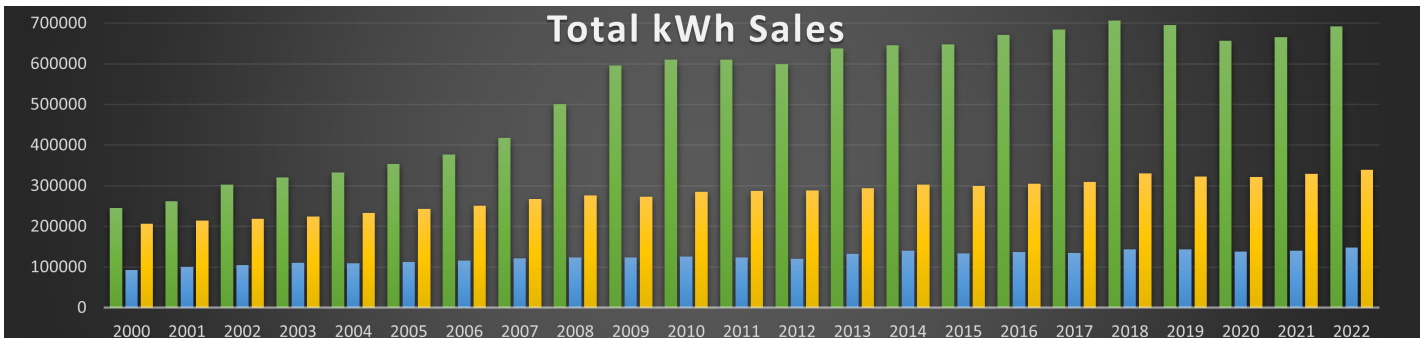
In terms of our financial reports, margins for the first six months of 2023 are \$867,807. This is \$45,404

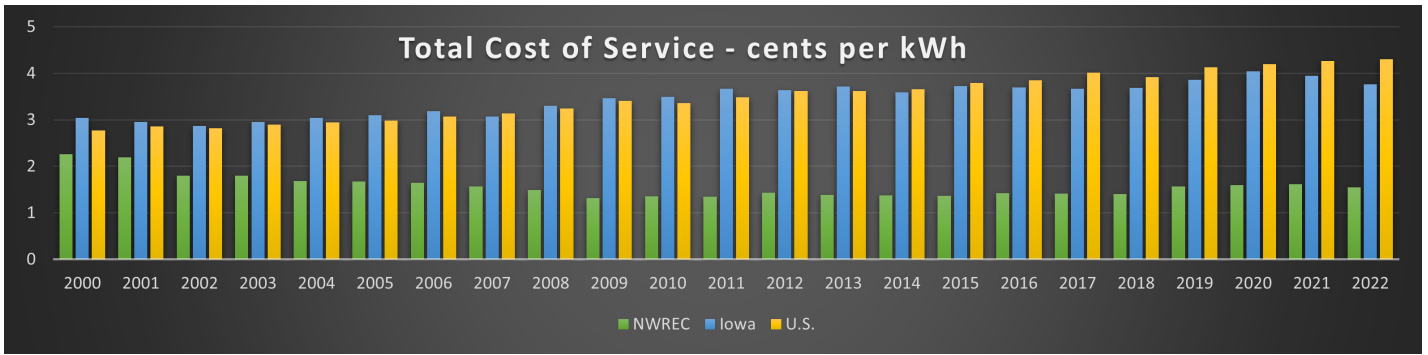


higher than the first six months of 2022 and well-above budgeted margins. Revenue is up due to a 2.13% increase in kilowatt-hour (kWh) sales, and we have benefitted from reduced maintenance expenses with favorable weather and fewer outages this year.

Economic Development and Growth: We continue to be very active with our economic development programs and the Cooperative and our members have seen tremendous benefits of this over the years. It enables us to increase our kWh sales and to spread our fixed costs over the higher sales level. We just received the Key Ratio Trend Analysis from our lender, CFC, and I would like to share a couple of the ratios that clearly demonstrate how this helps NWREC to keep our rates very competitive.

One of the ratios shows the total kWh sales for NWREC compared to the U.S. and state median for other REC's. As you can see in the graph below, we have enjoyed tremendous sales growth in the last 22 years. During the time period from 2000 to 2022, NWREC's total kWh sales have increased from 245 million per year to 691 million. This is an increase of 182%. Some of the larger





contributing loads that we have added during this time period include the four ethanol plants that we serve, a number of large dairies, a large egg laying facility and several manufacturing facilities. We have also enjoyed some strong new housing growth.

The other ratio that relates to our growth is the Total Cost of Service – Less Power Costs. This would be our distribution costs or the costs for delivering power to our members from the substation to the member’s service. This graph shows that due to our strong growth in kWh sales, this ratio has dropped from 2.26 cents per kWh in 2000 to 1.55 cents in 2022. It also shows how we compare to the median REC in Iowa and the U.S. This is one of main reasons we are able to have one of the lowest electric rates in the U.S.

As we continue to grow, we are excited to have the opportunity to serve the new MOC-Floyd Valley Elementary School in Orange City. This new facility has just been completed and opened up for the 2023/24 school year. The new school is an “all electric” facility that will be heated and cooled with 240 tons of geo thermal heat pumps. This is the first school that we serve. There will be a significant amount of new housing around the school area that will also be served by NWREC.

Russ Adams, Superintendent of Schools, gave a tour of the new school to our directors and some employees on August 1. Thank you Russ for the excellent tour and congratulations on your beautiful new school. We look forward to being your trusted electric service provider.



2023 Energy Trail Tours Hit the Road

Electricity must be generated at the exact same time as you flip the switch to use it. Angela Catton, Northwest Iowa Power Cooperative Manager of Member Relations and Development and the Energy Trail Tour coordinator, begins each tour by comparing energy use to ordering food at a fast-food restaurant. "You place your order at the kiosk and expect it to be ready the moment you pull up to the drive-through window," she explains. "You 'order' electricity, expecting it to be there. On-time. Every time." Behind this "simple" ordering process is a complex network of people, power plants, and transmission lines that work around the clock. Their mission: to ensure safe, affordable, reliable electricity is delivered to member homes, farms, and businesses the moment it is needed.



North West REC, through its generation and transmission cooperative Northwest Iowa Power Cooperative (NIPCO), is a member of Basin Electric Power Cooperative's power supply system. Basin Electric has over 7,000 megawatts of generating capacity and 2,500 miles of high-voltage transmission lines - all managed with you, the member-owner, in mind.

This summer, 24 members of North West REC joined members from thirteen other electric cooperatives from western and north central Iowa on a three-day excursion through the Dakotas to learn about where their electricity comes from and have some fun along the journey.

North West REC encourages members to get the inside story of how electricity is made. "Learning about the big energy picture helps us all make smart choices



from our households and businesses to the public policy arena," Catton says.

"NIPCO and its member cooperatives feel it is essential to provide an opportunity for members to get up-close and personal with the source of their electricity," explains Catton. "NIPCO purchases approximately 80% of its power supply from Basin Electric Power Cooperative and 20% from Western Area Power Administration (WAPA) which markets power generated from the Missouri River Dam System." NIPCO's total blended generation portfolio from these suppliers includes an "all-of-the-above" electric generation mix of coal, water, wind, natural gas, and other sources to ensure reliability and affordability of power supply."



The trip included stops at the following:

OAHE POWER PLANT AND DAM

The first electric-generation stop on the three-day journey brought tour guests to Pierre, South Dakota, to understand the process of hydroelectric generation and the innovation of the rolled-earth dam that created Lake Oahe, the fourth largest reservoir in the United States.

ANTELOPE VALLEY STATION

The tour included an overview of the model room and a guided walking tour of the power plant. The walking tour included stops at the turbine deck, control room, boiler, and observation deck on the 17th floor.



THE COTEAU PROPERTIES COMPANY FREEDOM MINE

Tour guests learned how lignite coal is produced at a surface mine and how the land is returned to its original state. A guided drive-through tour took members through active mining areas where they witnessed giant earthmoving equipment in action.

The trip also offered insight into operations at **GREAT PLAINS SYNFUELS PLANT** and how coal can be refined into natural gas and a variety of other products. Energy Trail Tour participants also learn about wind generation and renewable energy resources in America's overall energy mix. The tour provides a "mobile classroom" on the process of wind generation and how a turbine works.

Over three educational and fun-filled days, members gain a deeper understanding of the cooperative difference, the history of rural electric cooperatives, the Seven Cooperative Principles that guide all cooperatives, and the Touchstone Energy® brand's four foundations of service: Integrity, Accountability, Innovation, and Commitment to Community.

North West REC 2023 tour members were:



Tour #1 Pictured above L to R: Paul Stoll, Deanna Stoll, Teresa Jasper, Lee Rhoda, Stacy Jasper, Len Rhoda, Linda Oldenkamp, and Bob Oldenkamp.



Tour #2 Pictured above L to R: Nancy Beyer, Galen Beyer, Jerry Sindt, Kathy Sindt, Erick Carlberg, Donna Carlberg, Pat Lorenzen, and Ron Lorenzen.



Tour #3 Pictured above front row L to R: Maynard Ravensborg, Linda Ravensborg, Kristin Konz, and Mark Konz. Back row L to R: Amy Crouch, Steven Tonsfeldt, Samarah Vermeer, and Nathan Vermeer.



MOVE OVER
SLOW DOWN

MOVE OVER OR SLOW DOWN

It's that simple, and it's the law in Iowa. By following these two rules of the road, you can help save lives and avoid receiving a traffic ticket – or even losing your driver's license. It's necessary to move over or slow down when approaching stationary emergency, maintenance, and utility vehicles with flashing lights activated.

THE POWER QUIZ

NORTH WEST REC

1. What types of appliances do we pay you to "Pull the Plug" on?
2. What grade levels are eligible to attend the Iowa Youth Leadership Academy?
3. How many years have our rates been stable for?

Name _____ Acct. # _____

Find the answers within the content of this newsletter, our website or Facebook posts and you could win a prize of \$10 off your electric bill. Send your answers to powerquiz@nwrec.coop or you can send your written answers to North West REC, PO Box 435, Orange City, IA 51041. You may mail your entry along with your electric bill payment, but remember the deadline is October 6. Each month, ten names will be randomly drawn from all correct entries for a \$10 bill credit. Members who answer the questions correctly and participate at least three times throughout the year will be eligible for 2 - \$250 bill credits, through a random drawing, at the end of the year.

POWER QUIZ *Winners*

JULY 2023

Ray Netherton - Ida Grove
 David Hibbing - Paullina
 Sharon Schmidt - Orange City
 Marlin Herbst - Merrill
 Robert Navrkal - Hinton

Roy Phelan - Le Mars
 Dale Derocher - Akron
 Robbie & Terry Trometer PTP - Merrill
 Shelby Neubauer - Ida Grove
 Keith Boer - Rock Valley



ARE YOU SWITCH SMART?

What can you buy from NWREC at a rebated price if you have a switch installed?

Answer: _____

Name _____ Acct. # _____

What do you know about the Switch Makes Cents program? Find the answers within the content of this newsletter, our website or Facebook posts and you could win a prize. Send your answers to switchsmart@nwrec.coop, fill out the question form online, or send your written answers to North West REC, PO Box 435, Orange City, IA 51041. You may mail your entry along with your electric bill payment, but remember the deadline is September 30. At the end of the quarter one name will be randomly drawn from all the correct entries for a prize. There will be a new question every month, participate up to 3 times a quarter!

North West Rural Electric Cooperative

P.O. Box 435
 1505 Albany Place SE
 Orange City, IA 51041-0435

OFFICE HOURS:
 Monday through Friday
 7:30 a.m. till 4:00 p.m.

Orange City office open during noon hour

Le Mars office closed 12:00 - 12:30 p.m.

Ida Grove office open 9:00 a.m. - 2:00 p.m. Wednesdays only

PHONE:
 (800) 766-2099

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This institution is an equal opportunity employer, provider, and lender.

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Emily Vander Velde
 Editor



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