



Co-op Advantage



Stretched THIN Thinking outside the box

Just like other industries, electric cooperatives are experiencing economic strain. When the pandemic shut down manufacturing and shipping, supply and logistics challenges began to threaten the nation's energy needs. This built-up demand is now impacting cooperatives like ECE, requiring a creative approach to sourcing materials, planning for future projects, staffing, and energy consumption.

Lisa Prachar, VP/Chief Financial Officer, shares that "ECE has experienced a huge increase in shipping costs. For example, parts that used to ship for \$15 will now cost us \$35—and that's if we're lucky. Some parts aren't even able to be ordered, like chassis for our large trucks. Long lead times are causing us to purchase for projects much further in advance: we used to purchase for projects that were six months out; now we're purchasing for work that will be done in two years."

Essential parts and materials are only part of the story. For the first time in years, the co-op is exploring new ways to

attract and retain employees. As a competitive employer in a rural area, ECE has rarely experienced no-shows for interviews...until lately. Lisa expands, "Employers are experiencing a competitive workforce that prefers to 'date around' rather than 'marry' a job position. The right combination of wages, benefits, and flexibility is more critical than ever. Current employees are also feeling the strain because everything they pay for has gone up, so their paycheck doesn't go as far."

Power supply costs are also a concern. Like every other industry, when demand is high, prices are high. With such a large system, demand impacts ECE's cost of power more than energy sales. This is why we post conservation appeals on social media and greatly appreciate members who participate in load management programs.

While current and future modifications are being discussed, Lisa emphasizes, "Despite the challenges we're facing, ECE will not compromise on safety or reliability. Since 1936, the cooperative has weathered many types of change yet remains on solid footing."

In the right place at the right time

Line Technician Chris Bostrom and Area Service Foreman Dave Larson were presented with the LIFEguard on Duty Award by the Minnesota Rural Electric Association. The award honors those who've acted to save lives or prevent serious injuries and found ways to turn those experiences into teachable moments.

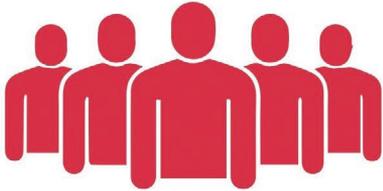
In August, Chris and Dave were on their way to a job site when they happened to notice an ATV tipped upside down in the ditch. They pulled over and found an elderly woman pinned underneath the ATV. Chris and Dave lifted it off her, helped her out of the ditch, and ensured she made it back to her house. They asked her to contact a relative because she had hit her head and was bleeding. Chris and Dave waited until her family arrived before leaving.

Thank you to Chris and Dave for their quick thinking and willingness to help!



CAPITAL CREDITS

WE ARE A
COOPERATIVE



Owned by the people we serve, ECE is not for profit

When you sign up for service with ECE, you become a

CO-OP
MEMBER

MONTHLY BILL



"COST OF BASIC SERVICE"

Covers cost to provide service to all

"kWh ELECTRIC ENERGY CHARGE"

Charges for energy used

HOW DO CAPITAL CREDITS WORK?

1

We track how much you pay for electricity each year.

2

We pay for system maintenance and improvements.

3

At the end of the fiscal year, we see if there are excess revenues.

4

Any excess is assigned to you, based on your electric use and cost of service.

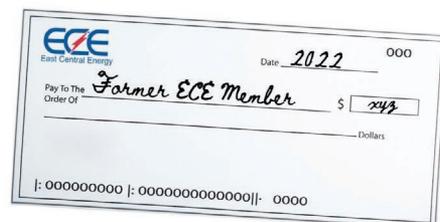
YOUR CAPITAL CREDITS PAYOUT

Most members who have been with ECE for over a year will receive a payout!



CREDIT ON BILL
Active, current members

OR



CHECK ISSUED
Inactive, former members

Meet your Member Resource Council

We have created a new Member Resource Council consisting of ECE members who come from a wide range of backgrounds.

The group will be asked to share their opinions centering around relevant topics in the energy industry. As Mike Gainor from Pine City shares, "I'm a great supporter of the co-op model. The end-users of ECE's services aren't customers, but members, which creates a two-way street of dialogue and mutual responsibility."

Cambridge business owner Judith Kissner is also an advocate for the cooperative business model because it prioritizes the needs of members over outside investors, noting, "ECE has become an enthusiastic partner for home solar and electric vehicles."

Representing the Mille Lacs Band of Ojibwe on the Member Resource Council, Aarik Robertson has "a vested interest in learning more about the utility industry so I can be a better-informed resource for the community members we represent."

Two members from each of ECE's six districts comprise the council, along with a representative from the Mille Lacs Band of Ojibwe. Current members include:

District 1: Aaron Gustafson, Nancy Liebelt

District 2: Mike Gainor, George AP Johnson

District 3: Judith Kissner, Ashton Sorenson

District 4: Julie Immel, Jeremie Reinhart

District 5: Brent Thompson, Angela Tvedt

District 6: Ann Erickson, Tamara Schmidt

Mille Lacs Band of Ojibwe: Aarik Robertson

Our staff and board of directors look forward to working with the Member Resource Council!

Keep your holidays

MERRY & BRIGHT



Don't add stress to your holiday season. Knowing how to properly use and hang lights could prevent injury or fire.



Only use holiday lights that have been safety tested and have the UL label.



Never use light strands with broken sockets, frayed cords, or faulty plugs.



Don't string together more than three standard-size sets of lights or you could overload the circuit.



Always unplug lights before leaving your home or going to bed; a timer can help with this.



In addition, consider LED lights when replacing old light strands. LEDs use 80 to 90% less energy than incandescent bulbs.



ECE retiree brunch

For the first time in three years, we invited retirees back to Braham Headquarters for a morning of reminiscing, laughter, and brunch. Nearly 40 past employees joined us on September 16 for ECE's annual retiree get-together. It was wonderful to see so many familiar faces!



R.I.C.H.

I wholeheartedly believe in the saying that “culture eats strategy for lunch.” Because ECE is managed by human beings with real emotions and expectations, the co-op’s carefully planned strategy could be toppled by the attitudes our employees have about their workplace. Culture is absolutely paramount because at the end of the day, it impacts the service we provide to members.

This cooperative has a rich history of member focus and has been an employer of choice in the region for decades. Part of that history includes our values, of which safety is at the top. Our values are not something we are aspiring to—they are already how we operate. They help us set expectations for how we treat those around us. In keeping with our rich history, we are using the acronym “RICH” to describe our values.

RESPECT

As we enter some of the most challenging times in our cooperative’s history, the importance of human interaction cannot be denied. We are asking employees to serve our members in ways our predecessors could not have imagined. To cultivate that level of performance and engagement, people need to feel honored and respected.

INTEGRITY

ECE plays a critical role in the communities we serve, and we acknowledge the investment our members have in this organization. We make balanced decisions based on reliable information. One thing I ask myself is, “If members knew what we know about this situation, would they make the same choice?”

COURAGE

Courage is action in the face of fear. It can be intimidating to enter new areas of business and constantly innovate. As we consider the future of ECE, we must act with bravery and hope...not anxiety and despair.

HUMILITY

There will be people who come after us when we’re gone. Having that mindset fosters a perspective of humility and gratitude. Our work is important, but our egos are not. This final value underscores the importance of paying attention to the mission of the cooperative: bringing safe and reliable electricity to the members we are so proud to serve.

At your service we remain,



Your Touchstone Energy® Cooperative

East Central Energy
P.O. Box 39
Braham, MN 55006

Braham Service Center
Monday-Friday
8 a.m. to 4:30 p.m.

1.800.254.7944

General business calls are answered from 7:30 a.m. to 6 p.m. Monday-Friday.

Emergency and outage calls are answered 24 hours a day.

Email: info@ecemn.com

The ECE Board of Directors meets monthly. Please call Executive Assistant Wendy Leibel at 763-689-8046 to confirm meeting information. Monthly board meeting highlights and board operating policies can be found on SmartHub.

The Co-op Advantage newsletter is published by East Central Energy, your not-for-profit, member-owned, local electric cooperative.

ECE is an equal opportunity provider and employer.

Website: eastcentralenergy.com



Holiday office closings
November 24 and 25
December 26



Happy Thanksgiving

The ECE Board of Directors has approved
a capital credits payout of

\$2 million

As an ECE member, you share
in our financial success.

Capital credits are your slice of the pie!



1.800.254.7944
eastcentralenergy.com

*From our family to yours,
we're thankful
for the opportunity
to serve you!*

ECE is an equal opportunity provider and employer.

