



Co-op Advantage

POWERING TOGETHER FOR 85 YEARS

On January 13, 1936, P.I.C.K. Electric, what we now know as East Central Energy, was established by dedicated, hard-working rural families.

The idea of forming an electric cooperative began six months earlier with a letter to the editor from Beauford Johnson, who later became our first general manager. Together these farmers brought power to their farmsteads by combining their meager resources. Members, as they were called, literally owned the electric company—which is still true today.

Initially, the co-op's distribution system stretched just 80 miles from a single substation in Braham and served 236 members. Now our lines span across more than 8,000 miles to over 62,000 members throughout east central Minnesota and northwestern Wisconsin.

Most people today cannot fathom life without electricity. When we look back on the last 85 years, we're reminded of the sacrifices of those who came before us. As their successors, everyone at ECE remains committed to building strong member relationships based on integrity, trust, and open communication.

The challenges of each decade have been met with a focus on the seven cooperative principles. With a mindset of continued learning, we still aim to be a positive force in each community we serve.

This cooperative was created by members working collectively, and every day we're reminded that "together" remains the key to our success. Due to the pandemic, we may seem more separate than ever, but the strength of our membership will continue to see us through.



SAY WATT? A WATT'S COOKIN' CALENDAR?



That's right! This year we'll be working on a complimentary 2022 calendar featuring your favorite member-submitted recipes. While you won't see recipes in the newsletter, you can find them all on our website under Community > Watt's Cookin'.

Do you have a favorite family recipe we should try?

To enter our Watt's Cookin' calendar contest, mail your favorite recipe to Watt's Cookin', P.O. Box 39, Braham, MN 55006. Recipes can also be emailed to info@ecemn.com. Entries must include your name, address, telephone number, ECE account number, and be received by August 1, 2021.

The chosen recipes and the contributor's name and city will be featured in our 2022 calendar and receive an \$85 bill credit (in honor of our 85th anniversary).

*Maximum of three recipe submissions per member, please.

"Power Up" your future with a scholarship

Applications are being accepted until Feb. 25, 2021, for our Power Up scholarship program.

Five \$1,000 Power Up scholarships will be awarded to non-traditional students, which include those already in college or those returning to college; as well as high school seniors who attend homeschool, private educational institutions, or a high school located outside our service territory.

Applicants must be an ECE member or the dependent of an ECE member. The application form and more information can be found on our website under Community > Scholarships > Non-traditional.

Separately, we also provide scholarship opportunities to college-bound seniors at participating high schools within our service territory. Most of these scholarships are funded by unclaimed capital credits.

For a list of participating high schools, visit our website under Community > Scholarships > High School Students. Contact your high school for information and to apply.



Congratulations

Mardy and Jamie Lange
Milaca, MN

Visit our website
to learn more about
Auto Pay.

2 eastcentralenergy.com



DOWNED POWER LINES



STAY WHERE YOU ARE

If you're in an accident involving a downed power line, don't get out! Stay inside your vehicle, call 911, and wait until power is de-energized. But if you see smoke, jump out with your feet together (without touching your vehicle) and continue hopping far away. Warn others not to approach the scene.

Working together, retiring together

With a combined 47 years at East Central Energy, husband and wife Vern and Julie Johnson are taking the leap into retirement together.

Julie has held three positions at the cooperative, spanning a total of 24 years. Initially hired as the Operations Assistant at our Milaca location, Julie then worked as a Call Consultant and is now retiring as the Executive Administrator. Julie holds a degree in business management from Cardinal Stritch University and is a Certified Cooperative Communicator.



"I am honored to have worked closely with three fantastic CEOs and many wonderful directors."

Vern's 23 years at ECE were spent first as an Engineering Technician, then Engineering Manager, and finally Vice President/Chief Operating Officer. Vern has a degree in engineering from the University of Minnesota and is also a Registered Professional Engineer. He says, "Our employees work hard to provide reliable service, and my goal was to find ways to keep improving upon that."

Like most of us, their travel plans have been put on hold due to the pandemic. While they both want to spend more time with their children and grandchildren, Julie admits she has "many plans for retirement," including home improvement projects,



biking, quilting, thrift store shopping, gardening, and learning to golf. Vern's looking to relax and simply wants to fish and golf more often. More than anything, their main goal is to spend quality time together.

While we're going to miss the Johnsons, we can't wait to hear about their retirement adventures! As President/CEO Justin Jahnz points out, "Whenever we have employees leave, there is a sense of loss in the organization. Julie and Vern are no exception. They care deeply for the cooperative and over the course of their careers, they have built relationships with their co-workers and with counterparts across the electric cooperative industry. We are going to miss them. We will always be grateful for their expertise and their dedication to improving the lives of our members."



Margins of \$3.9 million shared with members



We are choosing to share \$3.9 million with members by **crediting two months of cost-of-basic service**. We had year-end excess margins for a few reasons. The combination of business modifications due to the pandemic, plus a shift in member kWh purchases, as well as credits from our power supplier, Great River Energy, allows us to add a 2020 Margin Disbursement credit to bills due in January.

Rather than allocate the excess margins as capital credits, we decided to distribute the amount immediately. Many of our members are still facing some challenging days ahead. We hope this margin disbursement will make a difference to those who need it most.

Remember, as a cooperative member, you benefit from our financial success!



We can all agree that 2020 was a year we will never forget. It tested our resolve in many ways and pushed us to think about our world differently. Terms like social distancing, masks, community spread, and distance learning have all taken on new meaning in the process of this global pandemic.

On July 6, I became just the fifth president/CEO of ECE in its 84-year history. During my first six months, we've faced difficult decisions about transitioning our employees to a work-from-home environment. We've also closed our front offices on multiple occasions, all while continuing to power the lives of our members. I am proud of the commitment and perseverance of the employees during this time and we appreciated your understanding and patience as we navigated this new environment. We remain committed to serving you during this pandemic and in any challenge we face in the future.

From a financial perspective, ECE had a good year. Our sources of revenue remained the same, but the way members are using energy has changed. For example, some small businesses in our service territory have unfortunately closed and are therefore using considerably less energy. That reduction in energy has been swapped with increased energy use

from the residential membership. Like our employees, more people are working from home. Additionally, students (like my three school-aged children) are distance learning. This increased activity in our homes has resulted in higher energy use and favorable margins for residential energy sales.

Because our margins exceeded what our financial obligations required in 2020, we are returning the excess to members by refunding two cost-of-basic charges. For residential members, that means a refund of \$60.50 on your electric bill due in January. One of the important concepts of co-op membership is the opportunity to share in the financial success of the cooperative, and I commend the board of directors for returning this margin to members who provided it. We recognize the need for both safety and business continuity during this difficult time.

As members and owners of your cooperative, you can rest assured that everyone at ECE continues to honor our responsibility to serve you. As we enter a new year, we thank you for the trust you place in us.

At your service we remain,

We're here for you!

**HOME GROWN
MEMBER OWNED
COMMUNITY FOCUSED**

Nikki and Tenille - Contact Specialists



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

Service Center locations:
Braham and Milaca
Monday-Friday
Hours vary by service center.

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





Then. Now. Always.
We're proud to power your life.

East Central Energy is celebrating 85 years of powering local communities.

Visit our website for safety tips and to learn more about the history of your electric co-op.

ECE 1.800.254.7944
eastcentralenergy.com

ECE is an equal opportunity provider and employer.