



# The Energy Insider

A BIMONTHLY PUBLICATION OF MIDLAND POWER COOPERATIVE

WWW.MIDLANDPOWER.COOP | JULY/AUGUST 2021

## Member Event fun from June 2021!

The co-op's Member Appreciation Events returned in June 2021, and we were happy to interact with so many members at the events in Humboldt, Iowa Falls and Boone. Read on to learn who won prizes!

Following the series of Member Appreciation Events, Midland Power Cooperative's Annual Meeting took place on June 30, 2021. A PDF of the Annual Report and video of the Annual Meeting is available at [www.MidlandPower.Coop](http://www.MidlandPower.Coop).

During the Annual Meeting, the following directors were elected to serve three-year terms on the board: Randy Christensen, District 1; James Byriel, District 2; Joel Skow, District 3; and Tom Ingebritson, District 4.

Members elected to serve as the 2022 Nominating Committee were:

### District 1

Richard Larson, Ogden  
Erin McCloud, Ogden  
Greg Rinehart, Boone

### District 2

Greg Artz, Ames  
Dennis Lynch, Ames  
Christopher Paulson, Boone

### District 3

Ron Collins, Humboldt  
Anthony Hilbert, Corwith  
Allen Mains, Wesley

### District 4

Duane Kruckenberg, Iowa Falls  
Steve Martin, Hubbard  
Duane Schultz, Iowa Falls

### Board Officers

At the board organizational meeting immediately following the annual meeting, the following were elected as officers:

President – Mike Coleman  
Vice President – Rick Thompson  
Secretary – Randy Christensen  
Treasurer – Kim Rinker  
Assistant Secretary Treasurer – Joel Skow  
Executive Vice President – Bill McKim

### Voting Prize Winners

The following names were drawn from the members that cast a ballot in the 2021 elections. They will receive the prize of a \$50 bill credit on their bill in July.



Members receive a gift bag from the registration table at the Iowa Falls Member Appreciation Event.



Learning about electricity was hair-raising at the Boone Member Appreciation Event.

### District 1

Edward Smith III, Boone  
New Cooperative, Inc, Cooper  
Green Mountain Radio Research, Boone

### District 2

Wilber Nutter, Des Moines  
Drue Sander, Ames  
Herrstrom Farms Inc, Boone

### District 3

Shirley Carlson, Oracle, AZ  
Nicholas Kramer, Rutland  
Kenneth Carlson, Britt

### District 4

Andrew Burton, Williams  
Arnelda Knipfel, Iowa Falls  
Merle Reingardt, Iowa Falls

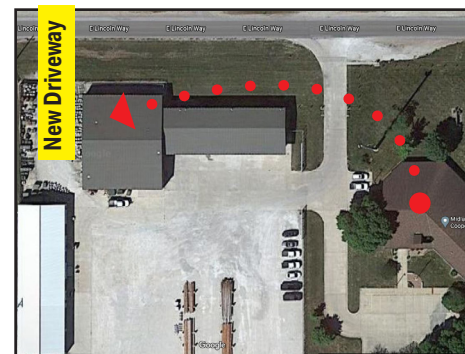


Iowa Falls Member Appreciation Event attendees learn how line workers test each year to perform a pole top rescue scenario in less than four minutes.

Drawings for prize winners from the recent Member Appreciation Events were held before the annual meeting ended.

See WINNERS, Page 2

## Office and drop box location changes



The co-op has relocated its Jefferson office one building to the west, and will be open standard Midland Power business hours of 7:30 am - 4:00 pm M-F.

"We are committed to maintaining an office in Jefferson to serve our Greene County community, as we have since the mid-1930s. The transition of our former large office building in Jefferson to Greene County will benefit both the members of Midland Power and the Greene County

See LOCATION CHANGES, Page 2

## Adreon, Boettcher join co-op team

Carla Adreon of Ogden joined the Midland Power team as Lead Accountant in May.

She grew up on a farm near Ogden, has a degree in Finance from Iowa State University, and 17 years of work experience in the accounting field.

When she's not at work, she enjoys crafts, scrapbooking and spending time with family, including her husband Travis, children Adam, Jared and Meredith, as well as the pet dog Fergie.

Devin Boettcher of Ogden joined Midland Power as the Mechanic in Boone in April. He attended the Diesel Technology Program at Des Moines Area Community College, Ankeny, and has work experience at Bobcat of Ames and Joe Busch Ag Repair.

Devin farms with his dad and enjoys fishing, riding four wheelers with his wife Mattea and working on and restoring old cars and tractors.

Welcome Carla and Devin!



Carla Adreon



Devin Boettcher

## Register to WIN!

Register to win a Dyson® V8 Cordless Stick Vacuum! (\$380 value)  
Deadline July 31, 2021, 11:59 PM (CT)

To enter the drawing, follow these instructions:

### New SmartHub™ User:

- Download the free app at [smarthubapp.com](http://smarthubapp.com), scan the QR code or register for SmartHub online at [www.MidlandPower.Coop](http://www.MidlandPower.Coop)
- Register for account access using your account number (on your bill)
- Follow Existing SmartHub User instructions

### Existing SmartHub™ User:

- Online: Go to Contact Us > Report an Issue/Inquiry > Other Issues
- App: Click Report an Issue/inquiry > Other Issues
- Choose Inquiry Type: SmartHub
- Type "SmartHub drawing" in the Comments & click SUBMIT!



Download the FREE app at [www.smarthubapp.com](http://www.smarthubapp.com) or scan the code:



# LOCATION CHANGES

Continued from page 1

Sheriff's Office."

The public driveway and entrance to the Jefferson office is on the west side of the building. A drop box has also been installed near the entrance of the building.

## Boone drop box changes

A drop box is being installed in the driveway at the Boone Administrative Office building at 2005 S. Story Street, Boone. Members that have used the drop box at the Boone Service Center in the past are encouraged to utilize the drop box at the Administrative Office in the future.



Congratulations to Samual Reinehart, the bicycle winner from the Boone, pictured here with Member Service Manager Roger Hammen.

## AVOID UTILITY SCAMS

Scammers will threaten you with everything from shutting off power to your home to legal action. Don't fall victim to these types of scams.

- Our employees will never show up at your door to demand payment.
- Never give personal information to an unknown caller or visitor. Our representatives have access to the details they need to service your account.
- Demands for immediate payment by wire transfer, cryptocurrency, gift cards or cash reload cards should immediately raise red flags.
- If you think you've been contacted by a scammer falsely representing the co-op, please let us know as soon as possible.

# WINNERS

Continued from page 1

## Member Appreciation Event Prize Winners

The following members were drawn to win prizes, from those in attendance at Midland Power Cooperative's Member Appreciation Events in June 2021:

Herrstrom Farms Inc of Boone won the Grand Prize of a Kobalt Self-Propelled Cordless Electric Lawn Mower.

## \$50 Hy Vee Gift Card Winners

- Floyd Baas, West Bend
- Lee Robison, Iowa Falls
- Mark Fehr, West Bend
- Franklin White, Eldora
- Fred Lee Anderson, Madrid
- Arthur Wall, Alden
- David Doolittle, Story City
- Dallas Ellingson, Alden

## \$50 Fareway Gift Card Winners

- Samuel Carlson, Boone
- Audra Piittmann, Boone
- Bret Charon, Humboldt
- William Monen, Boone
- Rodney Scuffham, Algona
- Stephen Stritzel, Ames
- David Larsen, Rutland
- Steve Coffman, Stanhope

## \$50 Casey's Gift Card Winners

- Douglas Johnson, Perry
- John Gelhaus, Radcliffe
- Loren Tjernagal, Radcliffe
- Joel Soenksen, Ames
- Barbara Murra, Ackley
- Moses Borntrager, Boone
- Strother Brothers, McCallsburg
- Thomas Derr, Boone

## Kids Bicycle Winners:

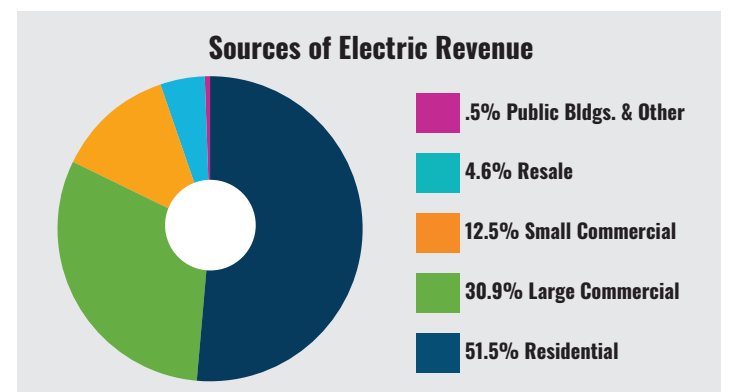
- Damuel Rinehart, Boone
- Zara Burton, Williams
- Kyra Kramer, Hardy

# Balance Sheet

	2020	2019
<b>ASSETS</b>		
<b>ELECTRIC PLANT</b>		
In service	\$ 134,956,476	\$ 125,762,701
Under construction	4,780,726	8,989,410
Total electric plant	139,737,202	134,752,111
Less accumulated depreciation	(42,563,398)	(44,814,540)
Electric Plant - Net	97,173,804	89,937,571
<b>OTHER ASSETS AND INVESTMENTS</b>		
Investments in associated companies	22,330,431	21,070,761
Other investments	107,534	94,205
Special Funds - revenue deferral	300,000	-
Restricted investments	5,819,782	3,958,032
Total other assets and investments	28,557,747	25,122,998
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	2,014,970	4,903,721
Accounts receivable, net	5,333,198	5,446,500
Materials and supplies	1,345,492	1,213,906
Other current and accrued assets	290,401	302,398
Total current assets	8,984,061	11,866,525
<b>DEFERRED DEBITS</b>		
	1,402,979	918,010
<b>TOTAL ASSETS</b>	<b>\$ 136,118,591</b>	<b>\$ 127,845,104</b>
<b>EQUITIES AND LIABILITIES</b>		
<b>EQUITIES</b>		
Patronage capital	\$ 19,429,943	\$ 18,227,593
Other equities	47,957,913	44,918,847
Total equities	67,387,856	63,146,440
<b>LONG-TERM DEBT, less current maturities</b>		
	60,089,157	56,074,887
<b>ACCRUED POST-RETIREMENT BENEFITS</b>		
	377,707	450,025
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt	2,721,900	2,541,196
Accounts payable	3,280,306	4,133,566
Consumer deposits	195,431	216,556
Accrued taxes	679,327	620,003
Other current and accrued liabilities	652,688	417,068
Total current liabilities	7,529,652	7,928,389
<b>DEFERRED CREDITS</b>		
	734,219	245,363
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>\$ 136,118,591</b>	<b>\$ 127,845,104</b>

# Revenue & Expense

	2020	2019
<b>OPERATING REVENUES</b>	<b>\$ 48,076,274</b>	<b>\$ 49,168,085</b>
<b>OPERATING EXPENSES</b>		
Cost of power	33,304,856	34,223,268
Distribution expense - operations	1,172,272	1,186,518
Distribution expense - maintenance	2,707,518	2,800,862
Consumer account expense	701,465	667,062
Consumer service and information expense	314,633	258,549
Sales expense	223,832	227,355
Administrative and general expense	2,182,015	2,148,602
Depreciation	3,750,199	3,561,354
Taxes	46,158	56,549
Interest on long-term debt	1,893,944	1,961,417
Other	15,192	33,124
Total operating expenses	46,312,084	47,124,660
<b>OPERATING MARGINS BEFORE CAPITAL CREDITS</b>	<b>1,764,190</b>	<b>2,043,425</b>
<b>GENERATION &amp; TRANSMISSION AND OTHER CAPITAL CREDITS</b>		
	3,186,318	2,923,987
<b>NET OPERATING MARGINS</b>	<b>4,950,508</b>	<b>4,967,412</b>
<b>NON-OPERATING MARGINS</b>		
Interest and dividend income	146,433	312,880
Gain on disposal of general plant	43,785	99,961
Other non-operating margins, net	(139,526)	(163,113)
Total non-operating margin	50,692	249,728
<b>NET MARGINS</b>	<b>\$ 5,001,200</b>	<b>\$ 5,217,140</b>



# Leadership Report from the 2020 Annual Report



CEO Bill McKim



Director Jack Runge

Unprecedented. Disruptive. Challenging. The backdrop of 2020 included a pandemic, derecho and ice storm, yet we powered through, because at Midland Power Cooperative, We Never Stop in pursuit of our mission of giving you the power to better your lives.

Never stopping meant adapting as your Midland Power team has stayed “on-the-job” throughout the COVID-19 pandemic. To accommodate safety measures such as social distancing, our team navigated the challenges of working together, while apart. Crews’ shifts were staggered, employees no longer shared vehicles, and many employees transitioned to working remotely.

### The Value of Co-op Membership

Recognizing the economic hardship some member-consumers were facing due to the pandemic, to assist in keeping you, our members, moving forward, the Midland Power Board of Directors approved paying out the co-op’s 2020 patronage retirement of \$1 million in the spring of 2020 instead of the fall. To further support the membership, the \$1 million patronage retirement in 2020 consisted primarily of dividends from 2019 business activities. This meant more current members received larger amounts of patronage retirements than in a typical year, and they received the funds in June, instead of November. Having a locally elected board that is responsive to the needs of the membership is one of the many benefits of being a member of a not-for-profit electric co-op.

### Powering through storm recovery

Storms were plentiful in 2020. In August a derecho brought sustained winds of over 100 mph to our area, causing destruction and nearly 4,000 power outages to Midland Power members across nine counties. Fortunately, the storm spared the co-op’s service territory in Humboldt and Kossuth Counties allowing the crews from this area to join crews from our shared services co-op Nishnabotna Valley REC, Harlan, Iowa, as well as Iowa mutual aid electric co-op crews from Calhoun County REC, Rockwell City, Iowa, and Iowa Lakes Electric Cooperative, Estherville, Iowa, to assist with storm recovery. We were also thankful to have our line construction partner dispatch crews to assist.

During the derecho recovery, crews cleared numerous branches and debris, repaired numerous miles of power line and replaced approximately 115 poles in Midland Power’s service territory. Team members patrolled over two-thousand miles of power lines, identifying hazards and making repairs along the way so the lines could be reenergized. Crews worked 16-hour days, which enabled



Midland Power to restore power to 95% of its members who experienced an outage due to the Monday morning derecho by mid-day Friday.

Many of the Midland Power members that were spared storm damage from the derecho in August, experienced an ice storm that hit the Humboldt and Algona areas in November. Crews from our Boone, Iowa Falls and Jefferson service centers were dispatched to help with ice storm recovery in Humboldt and Kossuth Counties. They worked late into the evening and started early the next morning to ensure all ice storm damage was repaired quickly.

When it comes to crews and co-ops working together to get every light back on, we are always grateful for the overwhelming support and compassion of co-op members.

In the time between the two storms that Midland Power experienced in 2020, Hurricane Laura made landfall in Louisiana on August 27, 2020. It knocked out power to the 43,000 members-consumers at Beauregard Electric Co-op (BECi) headquartered in DeRidder, La. On Sept. 18, 2020, Midland Power linemen Cody Buscher and Jordan Bos, along with 19 other Iowa electric cooperative line workers, hit the road to join a massive number of mutual aid crews from across the country in working 16-hour days since Hurricane Laura struck to restore power. They were paired to work with a local lineman, who was one of 30 local electric co-op employees from across Louisiana whose home was left uninhabitable by the storm.

### Reliability

In 2020, your cooperative invested more than \$2.7 million in maintenance programs, which support system reliability. Programs such as vegetation management, which includes tree trimming and removal of vegetation growth in distribution line right-of-way across one fifth of the co-op’s service territory every year. Additionally, every power pole and electrical cabinet is individually inspected on a rotating ten-year schedule. The balance of the system is driven and inspected by Midland Power crews on an



annual basis. These 1-, 5- and 10- year inspection rotations help the co-op maintain a reliable system. As we continue to focus on maintaining a reliable distribution system, Midland Power’s distribution maintenance budget has been increased to more than \$3 million in 2021. This includes a \$200,000 increased investment in tree trimming efforts.

### Sustainability

At Midland Power, we support protecting our natural environment, while driving innovation and not compromising on giving our membership and its future generations the power to better their lives. That’s why we support our affiliated generation cooperatives’ operation of a balanced, reliable and sustainable generation portfolio. Locally, we offer members the opportunity to participate in our community solar program – via our own 150-kilowatt solar farm - or to take part in our green pricing program, which supports new construction of alternative energy resources. Through our affiliate cooperatives, we have supported projects including the largest solar generating facility in Iowa, a 100-Megawatt solar facility constructed in Louisa County in 2020, and a 150-Kilowatt solar facility near Spencer, Iowa, that will compare the energy production and output of two differing styles of 75 KW solar arrays. The 150 KW project was completed by Iowa Choice Renewables (ICR), Midland Power and eight other electric distribution cooperatives’ solar contractor. If you’re considering investing in your own solar facility, we encourage you to contact Midland Power Cooperative about how ICR can assist in helping you meet your energy goals.

Our co-op encourages the efficient use of electricity. In 2020, Midland Power Cooperative invested \$230,835 in energy efficiency measures that saved at least 1.3 million kilowatt-hours. In addition to energy-efficiency rebate programs, the co-op offers educational resources in person, printed and via online video to help members use energy wisely.

### Information

When it comes to using energy wisely, information is key. Members that sign up for online account access through SmartHub can manage their account, view and pay their bill, monitor usage 24/7, report service issues and receive important notices all in the palm of their hand or online!

### Safety

Despite the pandemic, the co-op was able to maintain monthly employee safety meetings via small, socially distanced groups or virtual platforms, depending on the subject matter. Employees lived safely in 2020, working 99,762 hours

See LEADERSHIP REPORT, Page 4

## 2020 patronage allocated

**Allocation Notice: Your 2020 patronage allocation is \$238.56. The total balance in your patronage dividend account is \$1,965.22. Allocation patronage will be paid out to members at future dates, as approved by the Board. It cannot be applied to billing at this time. Learn more at [www.midlandpower.coop](http://www.midlandpower.coop).**

One of the many benefits of being a member of an electric cooperative are patronage dividends. Midland Power Cooperative recently allocated patronage for members that purchased electricity from the co-op in 2020. Your portion of the allocation is based on the amount of money you spent with the co-op in 2020.

The allocation notice for current members was included on the June 2021 billing statements, mailed in July (example above).

The patronage allocation has no cash value and cannot be used in payment of electric bills at this time.

Patronage dividends are retained by the cooperative until the board of directors approves them to be retired to the membership. At that time, the patronage dividends from prior allocations is distributed to the members via bill credit or check in the mail.

This process is an example of one of the seven cooperative principles: member economic participation. As a not-for-profit cooperative, the patronage process supports the co-op in maintaining a healthy business and providing affordable and reliable service.

## How Patronage Works

Because electric co-ops operate at cost, excess revenues are returned to members in the form of patronage dividends, also known as capital credits.

- 1 Your co-op tracks how much money you pay for electricity throughout the year.
- 2 At the end of the year, your co-op completes financial matters and determines whether there are excess revenues, known as margins.
- 3 Your co-op allocates, or designates, the margins to members as patronage based upon how much they spent with the co-op during the year.
- 4 When the co-op’s financial condition permits, your board of directors decides to retire, or pay, the patronage dividends to you.
- 5 You receive a bill credit or check for your portion of the patronage dividends being retired.

# Ken Hastings' co-op legacy honored with new substation



Ken Hastings, along with other Greene County REC directors, the co-op's attorney and the co-op's manager in the late 1960s.

On May 26, Midland Power Cooperative celebrated the 41-year electric co-op legacy of Ken Hastings with a groundbreaking for a substation that will be located at NEW Cooperative's Cooper, Iowa, location. The Midland Power substation will be known as the Hastings Substation and will support the expansion projects underway at NEW Cooperative.

As a young farmer in the Jefferson area, Ken was first elected to the Greene County REC board in 1966 and became president in 1982. He served as president until Greene County REC and Hardin County REC merged in 1992, when he stepped down to vice president and became Midland Power's representative on the Central Iowa Power Cooperative (CIPCO) board of directors. He was also elected to the National Rural Electric Cooperative Association's

(NRECA) board of directors and served from 1990-2004.

Midland Power Director Jack Runge stated, "Ken's leadership skills and forward-thinking philosophy were not only shown throughout the organizations he was a part of, but also in the directors he mentored along the way."

The NEW Cooperative Cooper facility expansion includes a new grain facility along with a new pelleting feed mill. The projects will expand the location's grain storage to 3 million bushels and the feed mill will have a total production capacity of 500,000 tons of pelleted feed. It will also add up to sixteen new employees.

Midland Power's substation will be 70 feet by 160 feet and include a 5 MVA transformer. Midland Power's distribution system upgrade investments will include four



Representatives from NEW Cooperative joined Midland Power Directors and Ken Hastings' wife Pat (center left) to celebrate Ken Hastings' (center right) cooperative legacy, with a substation groundbreaking ceremony at NEW Cooperative, Cooper.

miles of power lines and are estimated at nearly \$1.6 million, while the transmissions system upgrades will include four and a half miles of transmission line upgrades and is estimated to cost nearly \$1.4 million dollars. Midland Power's distribution upgrade project is expected to be completed by the end of 2021 and the transmission system upgrades are expected to be completed in

Spring 2022.

"We're happy and excited to support growth and additional job opportunities through two local co-ops coming together to add value to both of our memberships in rural Iowa," said Midland Power CEO Bill McKim.

## Stop by and see us at the Iowa State Fair!

The Touchstone Energy Cooperatives of Iowa are pleased to sponsor the Bruce Rastetter 4-H Exhibits Building at the Iowa State Fair. Midland Power Cooperative is proud to be a Touchstone Energy member, which means we're part of a nationwide network of locally owned co-ops that provides resources and leverages partnerships to help member-consumers use energy wisely.

If you're planning a visit to the Iowa State Fair this summer, make sure to stop by and see us in the newly renovated 4-H Exhibits Building on the southwest corner of the fairgrounds. Come into the air-conditioned facility for a break from the heat and look for us near the new concession area.

Electric co-op staff from across the state will hand out plastic hard hats for the kids while supplies last. They can also try on some lineworker safety gear and take fun photos in our co-op safety selfie station!

Electric co-op members who take a quick survey on our iPads will automatically be entered into our fair contest. After the fair, three lucky winners will be randomly selected to choose one of three prize options:

- Roomba 614 Robot Vacuum
- DEWALT 20V MAX XR Blower
- Breville Smart Oven Pro

We will also announce the winners from our new Shine the Light contest during the fair. Iowa electric co-op member-consumers and employees had an opportunity to nominate local community volunteers for the contest in June. Three deserving volunteers

will each receive a \$1,500 donation for their charity as we celebrate our cooperative commitment to community.

We look forward to connecting with our co-op members at the Iowa State Fair this summer. Please stop by our booth and say hello!

## LEADERSHIP REPORT Continued from page 3

without a single accident resulting in lost time from work. The entire team worked safely through the 16-hour days of the derecho storm recovery, as did our two linemen that traveled to Louisiana to assist with Hurricane Laura recovery.

In 2020, three of our linemen completed professional training programs to refresh and confirm their power line knowledge, joining 10 of our linemen that completed

training programs in 2019. This commitment to continued education and information exemplifies our team members' dedication to safe practices.

While 2020 brought its share of challenges, we remain steadfast in our mission to safely provide reliable, affordable, and responsible electric service while enhancing the communities we serve. We never stop.



## Come see us at the Iowa State Fair!

Visit our booth in the newly renovated Rastetter 4-H Exhibits Building on the southwest end of the fairgrounds! We'll have plastic hard hats for kids (while supplies last) and a fun co-op safety selfie station.

Take a quick survey at our booth for a chance to win one of three great prizes:

- Breville Smart Oven Pro
- DEWALT 20V MAX XR Blower
- Roomba 614 Robot Vacuum



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