

Basin Electric to Raise Rates in 2025

The Basin Electric board of directors authorized a Class A rate increase of \$4 per megawatt-hour (MWh), or approximately 6.5%, beginning January 1, 2025. Basin Electric's financial forecast indicated the need for an approximate \$5.20 per MWh rate increase; however, after feedback from members, the board elected to use a portion of the rate stability fund in order to gradually implement the rate increase. Basin Electric is regulated by the Federal Energy Regulatory Commission, which will also need to approve the rate change.

How is Basin Electric Keeping Rates Affordable?

Diversifying resources: The cooperative's diverse generation fleet, alongside market purchases, is key to keeping rates affordable. Basin Electric has over 4,600 megawatts of dispatchable resources (ex: coal and natural gas units) and approximately 2,100 megawatts of non-dispatchable resources (ex: wind and solar) in its portfolio. Basin Electric's fleet of dispatchable generation resources is vital when people need electricity most, showing its value by helping insulate our members from volatility when market prices spike.

Rate Stability Fund: Basin Electric maintains a Rate Stability Fund in which revenue is deferred and added to the fund when financial results are strong. The fund was created to act as a cushion for Basin Electric's membership to help avoid or slow rate increases. The proposed 2025 rate calculation includes a contribution of deferred revenue of approximately \$50 million resulting in an average member rate increase of \$4 per MWh.

Utilizing generation across the divide: The geographical location of Basin Electric means our member load and generators exist on both the West and East Interconnection; our access to Direct Current (DC) ties enables us to move electricity back and forth across the divide as needed. DC ties help Basin Electric utilize energy and generation capacity from one interconnect

and move it to the opposite to provide reliable and affordable power to our members.

Investing in our members: Basin Electric has seen significant growth over the last two decades. In 2023, member sales exceeded 32 million MWh compared to 6.7 million MWh in 2000. To serve that growth, total consolidated assets have grown as well. This increase in assets reflects investment in current facilities and new facilities to maintain reliability, which is core to our mission to provide reliable and affordable power.

Basin Rate Increase Drivers



Load Growth and Investments in Reliability

Investments in new generation and transmission facilities are needed to support member load growth, and it's critical to invest in existing facilities to maintain reliability. To accommodate these large loads, Basin Electric is investing approximately \$8 billion over the next ten years in transmission and generation assets to ensure reliable electricity for our members.

Decreased Surplus Sales on the West Side of the System

Market dynamics have been impacted by changes in the generating fleet which has influenced prices and the ability to make surplus sales. Overall, this has lowered energy prices from previous years and has impacted the ability to sell Basin's excess West side generation.



Impacts of Inflation

Cost increases for internal labor, contracted labor, materials, and maintenance, in addition to higher costs of borrowing money (higher interest rates) and increased insurance premiums. From 2016 to 2023, Basin Electric's member rates increased by an average of 1.5% per year, while inflation rose at almost twice that rate, averaging 3.2% per year.

Volatility of Power Markets

Power markets have become more volatile, resulting in dramatic price movements. Increasing intermittent generation, swings in natural gas prices and increasing electricity demand are primary contributors to volatility. While this is managed through generation and hedging, the cost of this is increasing.



CCECA Maintaining Stable Rates

Calhoun County Electric Cooperative Association (CCECA) is a distribution power cooperative. Our power is supplied by generation and transmission (G&T) cooperatives, including Corn Belt Power Cooperative in Humboldt, Iowa, and Basin Electric Power in Bismarck, North Dakota. Our energy rates are impacted by our G&T cooperatives, and these are factors of which we have limited or no control. We engage in discussions with our G&T cooperatives, but their decisions are based on information analyzed by their respective boards of directors.

Member-owners expect lower electric rates in an environment where nearly all the costs associated with those rates are increasing. CCECA shares this expectation, and we have not raised our energy rates since January 2023.

Part of our commitment to our members is to ensure fiscal responsibility. This includes performing annual budgets, 10-year financial forecasts and conducting cost-of-service studies to evaluate our rate structures. As we continue to meet our financial obligations, we will not be passing on this rate increase from Basin Electric at this time.

Cooperatives Speak with Legislators in Fort Dodge

On December 18, 2024, local Cooperatives including Calhoun County Electric Cooperative had the opportunity to meet with local legislators to discuss issues facing electric cooperatives and the communities we serve. Meetings such as the Legislative Breakfast in Fort Dodge allow us the opportunity to advocate the Cooperative's position on issues that could affect our member-owners.



Sign up for the 2025 Iowa Youth Tour now!

One eligible student will be selected by Calhoun County Electric Cooperative to attend the 2025 Youth Tour in Washington, D.C., from June 15-21 along with 40 other student leaders from Iowa. The Iowa Youth Tour group will join with nearly 2,000 other students from across the country as they learn more about electric cooperatives and American history and come home with a greater understanding of their role as American citizens.

You can access CCECA's Iowa Youth Tour application on our website at www.calhounrec.coop/youth-tour-washington-dc.com. Feel free to call our office at (712) 297-7112 with any additional questions.



Calhoun County Electric
Cooperative Association
A Touchstone Energy Cooperative



2025 Scholarship Opportunities

Dependents of Calhoun County Electric Cooperative members are eligible to apply for scholarships. Visit our website at www.calhounrec.coop/scholarships to learn more and apply today!



Students can apply now for a trip to Washington, D.C., from June 15-21!

High school students interested in public service and government are encouraged to apply! Learn more at IowaYouthTour.com



The Good Kind of Audit

Provided by: *Richard Hall – Manager of Member Services & IT*

Colder weather typically results in higher energy bills, and with winter in full swing, we'd like to remind you about a free co-op service that can help you boost efficiency and save money. As your trusted energy partner, we believe savings and efficiency are within reach for everyone, and we want to help you get there. That's why Calhoun County Electric Cooperative offers free home and business energy audits.

An energy audit provides a holistic view of your home's efficiency. Understanding how your home uses energy can help determine the best ways to adjust energy consumption, improve problem areas and ultimately keep more money in your wallet. An energy audit can also identify potential safety issues surrounding electrical wiring and HVAC systems, making your home safer. You could say this is a good kind of audit.

So, what does an energy audit look like? First, our energy advisor conducts a walk-through of your home or business, examining energy use and identifying problem areas. The advisor will look at specific elements of your home impacting energy use such as doors, windows, and insulation levels. The advisor will also examine major appliances including your heating

and cooling system and conduct a room-by-room assessment. During the assessment, the advisor will ask questions about your energy use habits and review past energy bills.

In the testing phase, the advisor could evaluate the seal of your home by conducting a blower door test to identify the source of any air leaks or drafts. The advisor will also conduct thermal imaging of the home to detect heat loss that is invisible to the naked eye. Thermal imaging can reveal inadequate insulation levels, HVAC airflow, radiant heat malfunction and additional key factors.

Finally, the advisor will provide you with a detailed evaluation. This is a written report with a description of your home, an analysis of your energy use, recommendations regarding energy consumption and steps you can take to improve efficiency and save money.

Want to request an Energy Audit for your home? CCECA makes this process easy. Start by calling our office at 712-297-7112. We will take your information and help schedule you for a home energy audit with our trained energy advisor. One of the many values we can provide for our members is helping you understand how you use electricity and more importantly, identifying ways you can use it more efficiently.



ENERGY EFFICIENCY TIP OF THE MONTH

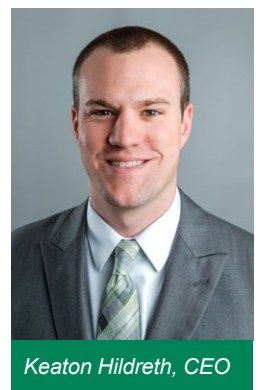
If you have a home office, look for opportunities to save energy in your workspace. Use ENERGY STAR®-rated equipment, which consumes up to 50% less energy than standard models. Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life. Another way to save energy in your home office is to use efficient lamps for task lighting. Replace any older bulbs with energy-saving LEDs.

Source: energy.gov



CCECA Interim Manager Sharing Agreement

The Board of Directors at Calhoun County Electric Cooperative Association (CCECA) has agreed to a shared manager arrangement with Raccoon Valley Electric Cooperative (RVEC) headquartered in Glidden. The arrangement became effective on January 10, 2025. CCECA CEO Keaton Hildreth will serve as the interim CEO at RVEC while the RVEC Board considers long-term leadership options.



Keaton Hildreth, CEO

Be aware of scam phone calls!

We have gotten reports that someone claiming to represent Calhoun County Electric Cooperative has been calling members. If you receive a suspicious call, hang up and call us at (712) 297-7112 to verify information and report the scam call! We recommend always verifying account details (account number, meter number, etc.) before giving out information over the phone.



2024 Operations by the Numbers

After another successful year of construction and maintenance on Calhoun County Electric Cooperative's 758 miles of line, our line crew can be proud of the progress they've made to ensure safe, reliable, and affordable power for all of our members.

In 2024, Calhoun County Electric Cooperative rebuilt 8.2 miles of line and completed 118 system improvements.

Bret McAlister | Line Superintendent



7 NEW SERVICES ADDED

4 NEW HOMES

1 GRAIN BIN

2 MACHINE SHEDS

HAPPY

Valentine's

DAY!

February Member Challenge

Find the answers within the stories, features, and content of this newsletter and you could win a prize. **Send your answer to memberchallenge@calhounrec.coop, clip and mail to: Calhoun County Electric Cooperative, PO Box 312, Rockwell City, IA 50579 or submit on our website: www.calhounrec.coop/member-challenge-submission.** You may mail your entry along with your electric bill payment, but remember there is a deadline!

Entries for this issue **must be received by Mar. 1st**. Three names will be drawn from all correct entries. Members will receive a **\$10 credit** on their account. Members who answer the questions correctly and participate at least 4 times throughout the year, will be eligible for a \$100 Calhoun County Electric Cooperative Pre-Paid Debit card, through a random drawing, at the end of the year.

Congratulations December winners:

Renee Mosbach, Paulette Fogerty, Carol Jacobson

1. At Calhoun County Electric Cooperative part of our commitment to our members is to ensure fiscal responsibility. This includes performing annual budgets, _____-year financial forecasts and conducting cost-of-service studies to evaluate our rate structures.
2. The Board of Directors at Calhoun County Electric Cooperative Association (CCECA) has agreed to a shared manager arrangement with _____.
3. Calhoun County Electric Cooperative Association added _____ new services in 2024.

Name _____

Reach Us

REGULAR OFFICE HOURS:

8:00 a.m. to 4:00 p.m.
(Monday-Friday)

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7:30 a.m. to 4:30 p.m. M-Th
7:30 a.m. to 11:00 a.m. F
(Memorial Day-Labor Day)

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Keaton Hildreth, CEO



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