



NEWSLINE



March 2023

More than \$1.1 million in Capital Credits Paid to Members

The Itasca-Mantrap Board, during their January meeting, approved the payment of more than \$1.1 million in capital credits to members. Checks were issued in late February to members receiving a payment over \$100. Did you receive a check? If not, your capital credit payment may have been applied to your bill.

New in 2023, capital credit payments under \$100 will

be applied to members' bills. At their January meeting, the board approved bill credits for capital credit payments under \$100. The credit was applied to the primary service location on your

March bill. See "Detail of Charges" for your capital credit payment.

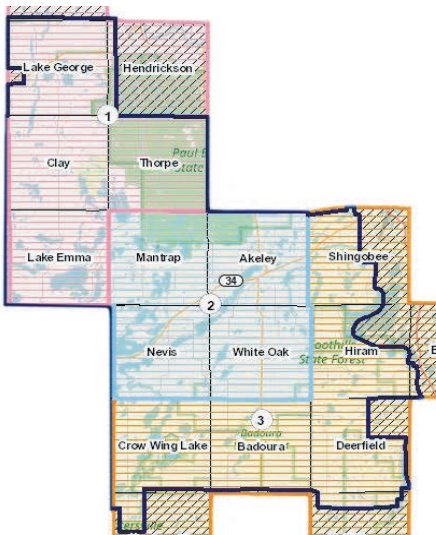
Find out more about capital credits on page 3.

Detail of Charges		
CAPITAL CREDIT PAYMENT		-39.00
Basic Charge		38.00
KWH Charges	81 KWH @ .100000	8.10
Minnesota Sales Tax		3.17
County Tax		0.23
Total This Service		10.50



Interested in serving on our board?

Itasca-Mantrap is seeking candidates for our Board of Directors in Districts 1, 2, and 3. Director elections are held in conjunction with the Itasca-Mantrap annual meeting.



Are you wondering what is involved in being a director? Learn more on page 4!

Share Your Thoughts for a Chance to Win!

We firmly believe that our image and cooperative name should reflect those we serve, the innovative work that we do every day, and our mission. In 2023, we are excited to revitalize our image as a modern and adaptable utility provider.

TAKE OUR BRAND REFRESH SURVEY

With the future of the cooperative in mind, we want to hear from you. By completing our brand refresh survey, by following the QR code below, you'll help guide us in making decisions about our new logo and brand image.

TAKE OUR BRAND REFRESH SURVEY BY MARCH 31 FOR A CHANCE TO WIN AN IPAD PACKAGE.



*One submission per account number.



- iPad Package includes:
- 10.9-inch iPad Air (64GB)
 - Apple Pencil
 - Logitech Combo Touch Keyboard Case



CEO Update - *By Christine Fox, President-CEO*

It has been a while since I have reflected on how blessed I feel to have found Itasca-Mantrap and made it my home.

Itasca-Mantrap does truly feel like a home to me. Our Board, our team members and you, our members, all feel like family to me.

For me, the word "family" has a certain association with the words, "comfort" and "connection" – both of which I feel here at Itasca-Mantrap. Family does not mean that we always agree or even get along, but we do always look out for one another.

Being a cooperative, we have the luxury to determine that "serving our members" is our mission. We do not have investors, partners, or single owners who are looking to make a buck. We operate in the best interests of our members. We are a not-for-profit cooperative, and we operate that way.

In looking out for you, our members, we, at Itasca-Mantrap, agree that reliability and affordability are of the utmost importance to our members.

We develop a work plan every year to

target areas for improvement to make our lines more reliable and resistant to outages.

We invest in Right of Way (ROW) clearing to prevent trees and branches from taking down our lines.

We invest in technologies to predict where outages may occur and then include those locations in upcoming work plans.

We serve on the Board and Member Manager Group of Great River Energy (GRE), our power supplier, to ensure they have the same priorities we do.

We are cost-conscious and always looking for ways to save money and/or work more efficiently.

We take extraordinary measures to ensure the viability of your Cooperative. Itasca-Mantrap had a great year financially in 2022. Our Board elected to defer revenue to offset increased power costs, increased supply costs, increased everything costs.

We desire to keep our rates flat. Because of prudent Board decisions and our never-ending focus on business improvement, we will not need to raise rates in 2023 and are hopeful we may keep rates stable in 2024 as well. Itasca-Mantrap has not

raised rates since 2018 and I hope we can continue this trend for a couple more years despite the unpredictable economic future.

With a shared concern for the environment, we have encouraged GRE's transition to carbon-free energy. GRE has invested in wind generation, battery storage research and development, transmission lines and other technologies. I have every confidence we will achieve the 100 percent carbon-free by 2040 mandate recently passed by the Minnesota legislature.

We, at Itasca-Mantrap, feel part of this community (our family) and we would like you to feel a part of Itasca-Mantrap as well. We sponsor member events throughout the year. (Look to our upcoming newsletters for more information.) We encourage each and every one of you to attend so that we can get to know each other better. You could also stop by for a chat. I'd love to have a cup of coffee with a member of my family.

Thank you for allowing me to serve you!!

Go Beyond the Card

www.connections.coop



Use the app, website, or Co-op Connections Card to save.

Co-op Connections® Card



Itasca-Mantrap

Your Touchstone Energy® Cooperative



Win A Trip to Washington, D.C.

Attention high school sophomores or juniors: Win an all-expense paid trip to Washington, D.C. in June!

Itasca-Mantrap is sending one high school student from our service territory to participate in the annual Rural Electric Youth Tour to Washington, D.C. The selected student will visit with congressional representatives, tour famous monuments and museums, and make memories and friends that will last a lifetime.

Rural electric cooperatives across the nation sponsor nearly 1,500 students to participate in the annual Youth Tour to

learn how government works and about the electric cooperative business model.

Students who attended this trip in the past said it was a wonderful experience and one of the best things they ever did.

Apply today! This contest is open to sophomores and juniors who live in the Itasca-Mantrap service territory. The Youth Tour is June 13-18, 2023.

Itasca-Mantrap Youth Tour Applications are available at our office, at www.itsasca-mantrap.com, or at your school's counseling center.

Application Deadline: March 16, 2023



2022 Youth Tour Winner: Jacob Lof

More than \$1.1 million in Capital Credits Paid to Members

There are many benefits that come with co-op membership, but perhaps one of the best benefits is capital credits.

What are capital credits? As a Member of Itasca-Mantrap, you invest in the efficient operation of Your Cooperative. Unlike an investor-owned utility, Itasca-Mantrap doesn't pay dividends or other amounts to shareholders who don't purchase electricity from us. Therefore, any excess revenue - or margins - is allocated back to the Members in the form of capital credits.

At the end of each year, Itasca-Mantrap calculates its operating margin, which is the amount by which operating

income exceeded operating expenses during the year.

Itasca-Mantrap then allocates the excess margins as capital credits to each Member based on the amount of electricity purchased throughout the year. When the board of directors determines it is financially feasible, capital credits are retired - or paid back to Members - in the form of a check.

In the interim, Itasca-Mantrap uses the allocated, but unretired, capital credits to improve and expand the electric system and meet other capital needs. This reduces the need to borrow money and helps provide reliable electric service.

Capital credit payments were issued in February totaling more than \$1.1 million. The payment includes Itasca-Mantrap capital credits through 2005 and Great River Energy credits through 2000.

Capital credits paid to Members, previous Members and estates, paired with the more than \$1.1 million distributed this February nets nearly \$1.4 million paid to members in 2022.

To help ensure you receive your capital credits, please provide us your current address after you leave.

How Do Capital Credits Work?



Your electricity purchased is tracked throughout the year.



At the end of the year, financials determine whether there are excess revenues, called margins.



Itasca-Mantrap allocates margins to Members as capital credits based on their electric use.



When the financial condition permits, your board of directors will retire, or pay, the capital credits.



You will receive your capital credit distribution by mail or bill credit!

Interested in serving on our board?

In the February newsletter, Itasca-Mantrap provided information on duties, responsibilities, and time commitments for being a director.

This month, we'll provide information on director qualifications. Are you interested in serving on our Board? Want to know if you qualify? Read on to find out more.

Director Qualifications:

- Must live in the district they wish to represent. Districts 1, 2, and 3 are up for election this year.
- Must have a clean criminal history, subject to a background check.
- Cannot be an employee of the Cooperative during the preceding three years.
- Cannot have been employed by a labor union which represents the employees of the Cooperative during the preceding five years.
- Cannot be a close relative of any existing Director or employee of the Cooperative.
- Cannot be the employee or employer of another Director of the Cooperative.
- Must declare all conflicts of interest with the Cooperative.
- Must attend and participate in regular board meetings and attend to other board duties as required.

Still Interested?

Director candidates must be nominated by 10 (ten) members in their district to be named on the ballot. Director candidates can pick up a director packet at Itasca-Mantrap. This director packet contains the petition and additional forms that must be signed and turned in before the April 14, 2023 deadline.

TIMELINE



Petitions Due



Announcement of Candidates



Annual Meeting Booklet Distributed



(Annual Meeting) Elections held (by mail and in-person voting)

Apply for a Grant from Operation Round Up

Operation Round Up Grants will be awarded to non-profit or community-based organizations that demonstrate a commitment to enhancing the quality of life in the region. Contributions will be distributed primarily in the local area served by Itasca-Mantrap.

To be considered at the April Trust Board meeting, grant applications must be received in the Itasca-Mantrap office by **Wednesday, March 15**. Download the application form at www.itsasca-mantrap.com.



Board Report: Meeting Highlights

The regular meeting of the Board of Directors for Itasca-Mantrap Co-op. Electrical Ass'n. was held on Thursday, December 22, 2022, at 9:00 a.m. at the Itasca-Mantrap office.

A quorum of directors was present.

Approved:

- Consent Agenda
- November financials, subject to audit
- Director Breitbach to attend the Great River Energy (GRE) Board meeting as guest director from Itasca-Mantrap on September 6-7.
- Director Utke as voting delegate for the National Rural Telecommunications Cooperative (NRTC) election and the National Rural Electric Cooperative Association (NRECA) PowerXchange meeting.
- Director Cook as the voting delegate for the Minnesota Rural Electric Association (MREA) Annual Meeting with Director Utke serving as alternate delegate.
- Director Kivi to attend the GRE Regional meeting in Hinckley.
- 2023 Financial Budget
- Terms for the engagement with Brady Martz for the audit of 2022 Itasca-Mantrap records.
- Revisions to Board Policy 2.30, Director Compensation, and Board Policy 7.10, Transfer of Capital Credits.

Reports Heard:

- Operations and Safety report
- Marketing and Member Services report
- CEO report
- Directors and CEO Fox reported on meetings attended on behalf of the Cooperative

Reviewed:

- Changes to Itasca-Mantrap's membership
- Great River Energy (GRE) PCA detail for November 2022
- Compliance audit for the Revolving Loan Fund.
- 2023 Construction Work Plan
- 2023 Marketing and Communications Plan
- Federated Insurance Training video

The next meeting of the Board of Directors is Thursday, March 30, 2023, at 9:00 a.m.

Grassroots efforts helped provide modifications to energy bill

At Minnesota's electric cooperatives, our priority is to provide sustainable, reliable and affordable electricity. With that goal in mind, I want to provide an update on a piece of significant legislation that the governor recently signed.

That legislation calls for Minnesota's electric sector to be 100 percent Carbon Free by 2040. While Minnesota's rural electric cooperatives had significant reservations with the original bill, we are pleased to report that the final package is better than what was first proposed, despite our continued concerns about affordability and reliability.

Our grassroots efforts were successful in getting legislators from both sides of the aisle to work with us to add amendments that addressed some of our major concerns. Thank you to everyone who reached out to your legislators and made your voice heard. It made a difference.

Minnesota's electric cooperatives have long been working and planning toward a sustainable, reliable and affordable energy future.

And, we want you, our members, to know that the heat will be on in the dead of winter and the AC available in the dog days of summer. Furthermore, we want the electricity we provide to always be affordable for your family while being good stewards of our planet.

The Minnesota Rural Electric Association successfully secured changes to the legislation that will provide more flexibility in implementing its mandates. As one example, we sought and obtained language providing greater flexibility in the use of renewable energy credits (RECs) as an option to comply with the carbon reduction mandates. We also received a reduction in the steep timeline, allowing co-ops to reach 60% carbon-free generation by 2030, rather than 80% at that time. All utilities still need to be 100% carbon free by 2040. However, the legislation contains "off-ramps" that allow utilities to ask the Public Utilities Commission to modify the legislation's requirements if needed to protect reliability or affordability.

There were other adjustments Minnesota's rural electric providers advocated for to improve reliability and affordability that did not make it into the final bill, but we remain hopeful that additional concerns can be addressed in the future.

In the end, we want you to know that your electric cooperatives are working to provide an environmentally friendly energy future while keeping the reliability and affordability you expect. We ask that you stay engaged as more legislation moves through the process and can sign up for alerts at <https://voicesforcooperativepower.com/minnesota/>.

Cooperatively,

Darrick Moe

President and CEO of the Minnesota Rural Electric Association



Statement of Nondiscrimination

Itasca-Mantrap is an equal opportunity provider and employer. In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the Cooperative prohibits discrimination based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by the Cooperative (not all bases apply to all

programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the Cooperative or USDA's TARGET Center at 202-720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at 800-877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program

Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, D.C. 20250-9410; (2) fax: 202-690-7442; or (3) email: program.intake@usda.gov.

Energy Efficiency Tip of the Month

Washing windows and screens is a great way to practice energy efficiency during spring cleaning. Clean windows and screens make your home brighter by allowing more sunlight in, reducing the need for lamps and fixtures.

Clean screens also allow more fresh air in the home when the windows are open to recycle indoor air. Natural light and clean air are energy savers, and they enhance overall health and productivity.

Source: energy.gov



Source: energy.gov



Manage your electric bill when it is convenient for you. Use the SmartHub app to access your account 24/7.

Team Member News

Shannon Snell joined Itasca-Mantrap in January as our new Director of Operations. Shannon has a BS in Mechanical Engineering from North Dakota State University. He has held several leadership positions, most recently as the Reliability Engineer for Minn-Dak Farmers' Cooperative in Wahpeton, ND.

We are thrilled to welcome Shannon to the team!



ITASCA-MANTRAP COOPERATIVE

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Dist. 2 – Patricia Roehl, Director
Dist. 3 – Terrence Cook, Treasurer
Dist. 4 – Al Czczok, Asst Sec-Treas
Dist. 5 – Nancy M. Utke, Director*
Dist. 6 – Tim Kivi, Secretary
Dist. 7 – Dan Breitbach, Vice Chair
President-CEO – Christine Fox
*GRE Director Representative

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