

APRIL 2021

CIRCUITS

FOR DAKOTA ELECTRIC MEMBERS



April 12 is Lineworker Appreciation Day!

A very special thank you to our lineworkers, who brave all kinds of weather and conditions to keep the lights on 24/7, year-round.

Contact Us

Member Service & Drive-Up Window

7 a.m. – 7 p.m. Monday – Friday
651-463-6212 or 1-800-874-3409
Minnesota Relay Service 711

Lobby Temporarily Closed

4300 220th Street West, Farmington, MN 55024

24-Hour Outage & Emergency Service

651-463-6201 or 1-800-430-9722

Underground Cable Locations

Gopher State One Call 811 or 651-454-0002
or 1-800-252-1166

Tree Trimming & Street Lights

651-463-6287

*Dakota Electric is an equal opportunity/
affirmative action employer*

Dakotaelectric.com

customerservice@dakotaelectric.com

*Dakota Electric Association® and Dakota Electric®
are registered service marks of the cooperative.*

*All programs and rebates are subject to change
without notice. Funds are limited and available
on a first-come, first-served basis.*

Dakota Electric Association

BOARD of Directors

DISTRICT 1

John (Jack) DeYoe

David Jones

Gerald F. Pittman | *Chair*

DISTRICT 2

Bill Middlecamp

Jim Sheldon | *Treasurer*

Clay Van De Bogart | *GRE Director*

DISTRICT 3

Kenneth H. Danner | *Secretary*

William F. Holton

Margaret D. Schreiner | *GRE Director*

DISTRICT 4

Paul Bakken | *Vice Chair*

Judy H. Kimmes

Stacy Miller | *MREA Director*



To Our Members:

From Your President/CEO and Board Chair

Thanks to a sound business continuity plan, technology investments and 200 amazing employees, your cooperative not only maintained during the COVID-19 outbreak we made great progress on many fronts.

The changing circumstances of COVID-19 created both challenges and opportunities for us. In 2020, we were challenged to operate differently and put our business continuity and crisis response plans into action. As a critical service, we modified operations to safeguard the health and safety of the public and our employees without sacrificing the reliability of our power supply. We continued to install new services, maintain electric lines, upgrade and energize new and existing substations and trim trees as normal. Our control center was staffed 24/7 year-round and we continued to respond to outages and coordinate system operations.

Community

We are proud of our community involvement each year, but due to COVID-19, we decided to redirect our efforts and donations to organizations hardest hit by the pandemic. We helped schools with funds for protective equipment and sanitation, and donated to the local YMCAs that provided a temporary daycare for children whose school or daycare centers were closed.

Moving forward, our member service representatives continue to connect members with energy assistance dollars through the CAP agency, 360 Communities and other agencies in Dakota County, and we support food shelves and workforce agencies in our community.

Concern for the Environment

Your commitment to the environment

and energy conservation saved 23.5 million kilowatt-hours in 2020. Additionally, by participating in off-peak programs, members helped save \$17 million in wholesale power costs — a win-win for everyone.

Dakota Electric's three solar sites in Dakota County continue to run efficiently. These solar sites connect to our distribution system and the energy remains in our service territory for the benefit of our members. The 22,000 solar panels generated over 10.1 million kWh during 2020.

We continue to support the increased use of electric vehicles by adding a public electric-vehicle charging station at our headquarters that is capable of charging up to four vehicles at a time. We also added two new EVs to our fleet and regularly explore the various makes, models and sizes that are coming to the market soon.

Foundations for the Future

As our board and staff prepare for the future, we strategically implement systems to serve members for years to come. Our advanced meter replacement project successfully moved forward in 2020, with over half of our 120,000 meters installed. The new system is already showing improvements in safety, reliability and efficiency as we continue to manage our electrical system and provide enhanced services to our members. We plan to complete the meter installations by the end of this year.

On behalf of the board and the employees of Dakota Electric Association, thank you for the privilege of serving you.

— Jerry Pittman

Chair, Board of Directors

— Greg Miller

President and CEO

DAKOTA ELECTRIC | 2020 BY THE NUMBERS

CAPITAL CREDITS

TO THOSE WHO
PURCHASED POWER FROM US IN
1994 AND 1995



65,000

NEW METERS INSTALLED



TO BETTER SERVE OUR MEMBERS.

LOAD MANAGEMENT SAVED \$17 MILLION

OFF OUR WHOLESALE POWER BILL

1.79 BILLION
IN kWh SALES

\$210 MILLION
IN REVENUE

110,760
MEMBERS

**MEMBERS DONATED OVER
\$25K**
TO HELPING NEIGHBORS®

A TRUST TO HELP
STRUGGLING FAMILIES AND
INDIVIDUALS CATCH UP
ON UTILITY BILLS DURING
UNEXPECTED HARDSHIPS.

120,059
CALLS TAKEN
BY OUR MEMBER SERVICE
REPRESENTATIVES

89%
OF CALLS WERE
ANSWERED IN 17
SECONDS OR LESS.



AVERAGE OUTAGE DURATION

LESS THAN



MINUTES

Consolidated Balance Sheets

ASSETS

CURRENT ASSETS

	2020	2019
	(in thousands)	
Cash and cash equivalents	\$141	\$424
Accounts receivable, less allowance for uncollectible accounts (2020 - \$1,182; 2019 - \$696)	31,278	27,822
Conservation cost and property tax recovery	396	268
Inventories, materials and supplies	9,750	4,771
Prepayments and interest receivable	1,018	769

Total current assets	42,583	34,054
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Investments in associated companies and other investments	127,032	124,354
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UTILITY PLANT

Distribution system	285,450	273,219
General plant	35,601	34,280
Construction work in progress	6,128	3,966
Less accumulated depreciation	(135,216)	(130,272)
Net utility plant and work in progress	191,963	181,193

Deferred charges and other assets	80	84
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TOTAL ASSETS	\$361,658	\$339,685
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LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable	\$29,235	\$27,389
Notes payable	15,300	15,200
Current portion of long-term debt	7,352	6,946
Property tax over-recovery	293	377
Customer security deposits	479	522
Accrued property and other taxes	4,742	4,766
Other current liabilities	8,317	8,104
Total current liabilities	65,718	62,927

Long-term debt	110,939	96,823
Long-term capital lease obligation	1,006	1,103
Post-retirement benefit obligation	4,891	4,417
Deferred credits and other liabilities	141	183
Total liabilities	182,695	165,453

MEMBERS' EQUITY

Patronage capital and other equity	178,963	174,232
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$361,658	\$339,685
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Consolidated Statements of Operations

	2020	2019
	(in thousands)	
OPERATING REVENUES		
Net sales	\$209,661	\$201,659
Cost of power / Cost of sales	148,626	148,271
Gross margin	61,035	53,388
OPERATING EXPENSES		
Total operating expenses	56,483	53,491
Net operating margin (loss)	4,552	(103)
OTHER INCOME		
Total other income	4,394	5,121
Income before taxes	8,946	5,018
Income tax (credit) on non-regulated operations	10	25
NET INCOME	\$8,936	\$4,993

Consolidated Statements of Cash Flows

Net cash provided by operations	\$10,827	\$15,192
Net cash used for investing activities	(21,505)	(13,298)
Net cash from (used for) financing activities	10,395	(2,014)
Net change in cash and cash equivalents	(283)	(120)
Cash and cash equivalents at beginning of year	424	544
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$141	\$424

2020 Uses of Revenue



Financial information presented in this report is summarized. Members may request a copy of the complete audited financial statements or view them online at dakotaelectric.com.



SAVE ENERGY, SAVE MONEY

STAY COOL WITH
A HEAT PUMP!

HEAT PUMP PROMOTIONS

HURRY!
Promotion
available
Apr. 1– July 31

Whether temps rise or fall,
your energy bill will stay cool.

Air Source Heat Pump	Promo Rebate*
≥ 8.2 HSPF	\$1,000
≥ 9.0 HSPF	\$2,000

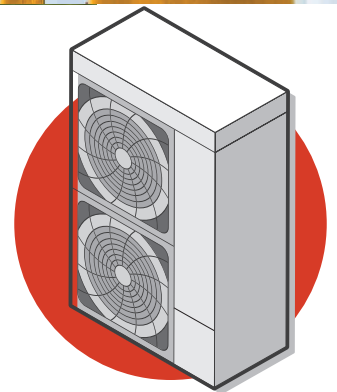
Ductless Air Source Heat Pump (Minimum HSPF ≥ 9.0)

Heating Source	Regular Rebate	Promo Rebate*
Delivered fuels	\$300	\$450
Electric heat	\$500	\$750

**Limited funds are available and awarded on a first-come, first-served basis. Rebate amounts and programs are subject to change without notice.*

Take advantage of these hot promotional rebates! Install a qualifying, energy-saving air-source heat pump or ductless air-source heat pump and save.

The technology of today's air-source heat pumps cool and heat your home, even in sub-zero temps, providing efficient, dependable and reliable comfort year-round. A ductless air-source heat pump is a good solution for homes with non-ducted heating systems, or for room additions where installing ductwork is not feasible. Equipment must be enrolled in an Energy Wise® off-peak rate and installed by a qualified contractor to receive the rebate.



FOR MORE INFORMATION CALL THE ENERGY EXPERTS® AT 651-463-6243 OR VISIT:
WWW.DAKOTAELECTRIC.COM > PROMO



METER UPDATE

You may see a Dakota Electric technician in your yard.

We're actively upgrading our meters to better serve our members. Thank you for your patience as we work to improve our service. If you have any questions about the advanced meter project, call us at 651-460-7499, email meters@dakotaelectric.com or visit www.dakotaelectric.com/meters.

2021 BOARD ELECTION

On this year's election ballot, the board is proposing bylaw changes. The proposed revisions provide additional guidance for the removal of a director who becomes totally incapacitated by a health condition, impairment, accident, death or other condition. Currently, the bylaws do not provide a clear provision for the removal of a director who has passed away or becomes totally incapacitated.

Due to COVID-19, the board of directors will not hold an in-person annual meeting in 2021. The 2021 annual meeting reports will be available to view after noon on April 29 on our website at [DakotaElectric.com](https://www.dakotaelectric.com) > [Board of Directors and Leadership](#) > [2021 Annual Meeting Reports](#).

Candidates

District 1

Jerry Pittman (incumbent)
Kevin Grass

District 2

Clay Van De Bogart (incumbent)
Michael Hanninen

District 3

Kenneth Danner (incumbent)
Jarod Griswold

District 4

Judy Kimmes (incumbent)
Vijendra (VJ) Agarwal
Michael Cahn
Philip Hernick
Paula Overby

Amending existing section:

Article III, Section 5, Subsections (b) and (c). Voting by Mail for Directors

(b) In the event that a director becomes totally incapacitated by a health condition, impairment, accident, death or other condition, which shall be determined to a reasonable medical certainty, the remaining directors may declare that a vacancy exists and appoint a director who shall serve until the next regular members meeting or election date or until a successor has been elected and qualified. In order to make a determination that a director has become totally incapacitated, the directors shall convene a Special Meeting to consider and evaluate: 1) whether the director is indeed incapacitated; 2) whether to remove that director as a result of his/her death or incapacity; and 3) whether to replace that director as a result of his/her death or incapacity. In evaluating whether a director is totally incapacitated, the Board may consider, for example, whether the director has not been present at three (3) consecutive board meetings because of health or illness, and is not expected to recover or be able to return to board service.

(c) If a director is absent without good reason cause from three regular board meetings within any one year period, the remaining directors may declare that a vacancy exists and appoint a director who shall serve until the next regular members meeting or election date or until a successor has been elected and qualified.



VOTE BY MAIL!

Ballots must be received at Survey & Ballot Systems' office no later than noon on April 29.*



VOTE ONLINE!

Go to [dakotaelectric.com](https://www.dakotaelectric.com); you will need your account number and e-signature, both of which will be included with the ballot mailed on April 12.

*Ballots should **NOT** be dropped off or mailed to Dakota Electric's office.



FOR MORE INFORMATION ABOUT THE ARTICLES OF INCORPORATIONS AND BYLAWS, PLEASE VISIT:
[DAKOTAELECTRIC.COM](https://www.dakotaelectric.com) > [ABOUT US](#) > [BOARD OF DIRECTORS](#)



Your Touchstone Energy®
Cooperative

4300 220th Street West
Farmington, MN 55024

UPCOMING EVENTS

- **Board Meeting**
Apr. 29, 8:30 a.m.
Board meetings are being held virtually.

PRSRT STD
U.S. POSTAGE
PAID
DAKOTA ELECTRIC
ASSOCIATION

CONNECT WITH US!



dakotaelectric.com/event-calendar

DAKOTAELECTRIC.COM

Cold Weather Rule ends April 15

Most Cold Weather Rule payment plans last until April 15 unless you make other arrangements with Dakota Electric.

If you need more time to pay the amount owed on your electric bill, we will work with you to establish a payment plan. You can contact us Monday through Friday from 7 a.m. to 7 p.m. at **651-463-6212** or **1-800-874-3409**, or email customerservice@dakotaelectric.com.

Are you struggling to pay your bill?

Scott-Carver-Dakota CAP Agency

651-322-3500 | 2496 145th St. W., Rosemount, MN 55068

360 Communities

952-985-5300 | 501 East Highway 13, Suite 112, Burnsville, MN 55337

Dakota County Economic Assistance

651-554-5611 | 1 Mendota Road W., Suite 100, West St. Paul, MN 55118

Goodhue County Health & Human Services

651-385-3200 | 426 West Ave., Red Wing, MN 55066

Three Rivers Community Action, Inc.

507-316-0610 | 1414 North Star Dr., Zumbrota, MN 55992

Rice County Social Services

507-332-6115 | 320 3rd St. NW., Faribault, MN 55021

Scott County Human Services

952-445-7751 | 200 4th Ave. W., Shakopee, MN 55379

inside April 2021 CIRCUITS

For Dakota Electric Members



ANNUAL
REPORT
EDITION!