ENERGY TRANSFORMATION

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Great River Energy, Dakota Electric’s wholesale power provider, reached an agreement to sell the Coal Creek Station power plant to Rainbow Energy Center, LLC.

The sale of Coal Creek Station averts the plant’s closure, which was scheduled for the second half of 2022 unless a buyer was found. Rainbow Energy Center will continue to operate the 1,151-megawatt (MW) power plant using current plant employees they hire. Rainbow Energy Center also plans to develop carbon capture and storage at Coal Creek Station.

“We are excited for what the future holds for our North Dakota employees and the communities surrounding Coal Creek Station,” said Great River Energy President and Chief Executive Officer David Saggau.

Nexus Line, LLC has reached an agreement to purchase from Great River Energy the high voltage direct current (HVDC) transmission system that extends between central North Dakota and Minnesota. Great River Energy will operate and maintain the HVDC system under a 10-year contract.

“Great River Energy’s power supply changes deliver what our members want today and set us up for success for a very long time,” said Dakota Electric President and Chief Executive Officer Greg Miller.

Rainbow Energy Center and Nexus Line are affiliates of Rainbow Energy Marketing Corp. of Bismarck, North Dakota.

“The successful implementation of carbon capture and storage is central to our plans at Coal Creek Station,” said Rainbow Energy Marketing Corp. President Stacy L. Tschider. “As a privately held company, we are uniquely positioned to continue the successful legacy that Great River Energy and its employees have established in North Dakota.”

Rainbow Energy Center plans to add incremental generation from renewables to fully utilize the capacity of the HVDC transmission system.

Following the sale of Coal Creek Station, Great River Energy will have a contract with Rainbow Energy Center. Great River Energy will purchase 1,050 megawatts of power from Rainbow Energy Center for approximately two years, followed by 300 megawatts for approximately eight years.

The power purchase agreement provides a cost-effective and appropriately sized resource to serve Great River Energy’s member-owners that will serve as a reliable steppingstone as Great River Energy transitions its power supply. Great River Energy estimates the transactions will save member-owners $130 million compared with shutting down the plant.

“We are building a power supply portfolio that will serve our member-owner cooperatives with clean, affordable and reliable energy for decades,” said Saggau. The cooperative will add 900 MW of wind energy by 2023 and remains on track to meet Minnesota’s 80% carbon dioxide reduction goal ahead of schedule.

The sale of Coal Creek Station and the HVDC system is expected to close later this year, after required approvals are obtained.
Flexible resources, reliable electricity

Great River Energy has a fleet of peaking plants ready to produce energy when its members or the larger grid need it. When combined with the Midwest’s high availability of wind, natural gas provides stability today and flexibility for a future with new technologies and opportunities.

POWER SUPPLY IN TRANSITION

Great River Energy has surpassed state environmental goals years ahead of schedule, and has plans to achieve future emissions targets early. We have done this while maintaining our strong commitment to provide our member-owners with affordable, reliable and resilient power.

ENERGY MIX PROGRESSION

Over the past several years, Great River Energy has begun to transition from an energy mix heavily reliant on coal to one that will be over half renewable energy sources by 2025.

DIRECT CO₂ EMISSIONS REDUCTION

State goal of 30% by 2025 met 8 years early

Anticipate meeting state goal of 80% by 2050 27 years early

Economic Benefits

Great River Energy projects upcoming power supply changes will produce billions of dollars of benefits to cooperative members.
HOW ELECTRICITY WORKS

**Generation (Great River Energy)**

Electricity is produced with diverse energy sources and technologies at generation facilities. These facilities require the energy from fuels like coal, natural gas, hydroelectric energy and renewable energy such as solar and wind to produce electricity. Generation facilities are the first step in providing electricity to you.

**Transmission (Great River Energy)**

Transmission is the “interstate highway” of electricity delivery. Transmission lines move electricity from large generating facilities over long distances to local service areas, such as your town or neighborhood. Transmission lines typically consist of large steel or wood structures and wires.

**Distribution (Dakota Electric)**

The transition from transmission to distribution happens in a substation. High voltage power from the transmission system is converted into voltage that distribution lines can deliver to homes and businesses. Distribution provides the power that turns on and runs the appliances we use every day to keep our food fresh, our clothes clean and our homes either cool or warm.
CLEAN & CONVENIENT ELECTRICITY

Growing Renewable Portfolio

Great River Energy’s Renewable Development

As Great River Energy transforms its power supply portfolio to include more renewable resources, the electricity generated will get cleaner and cleaner. Additionally, participating in energy conservation and load management (off-peak) programs helps delay the need for further electricity generation by Great River Energy — saving Dakota Electric and its members money.

In 2020, Dakota Electric members helped save roughly 25,000,000 kilowatt hours of electricity by participating in conservation programs. Similarly, members who participate in Dakota Electric off-peak programs helped save over $17 million in wholesale power costs. These savings are a direct result from both new and ongoing member participation in our programs. Thank you for taking part, your participation is a win-win for everyone!

Ways to participate

Receive electricity at nearly half the regular rate by participating in one or more of the following Energy Wise® off-peak programs. Available for qualifying equipment:

- Cycled Air Conditioning®
- Electric Heat
- Electric Vehicles
- Electric Water Heaters
- Heat Pumps
- Hot Tubs and Swimming Pools

With rebates* on everything from LED bulbs to ground-source heat pumps, it’s easy and cost effective to make your home more energy efficient. Available for qualifying equipment:

- Appliances and Lighting
- Electric Vehicle Chargers
- Heating and Cooling
- Lawn Equipment
- Solar Installations
- Swimming Pools (Pumps/ASHP Heaters)

*Off-peak programs and rebates are subject to change or cancellation without notice.

TO LEARN MORE, CONTACT THE ENERGY EXPERTS® AT 651-463-6243, EMAIL ENERGYEXPERTS@DAKOTAELECTRIC.COM OR VISIT: WWW.DAKOTAELECTRIC.COM > MEMBER SERVICES > PROGRAMS & REBATES > FOR YOUR HOME.
HOW MUCH DOES IT COST?

Estimating electricity use and cost

**Step 1:** Your electric bill is determined by the number of kilowatt-hours (kWh) used during a billing period. Your average kWh cost equals the dollar amount of the energy portions of your electric bill, divided by kWh used. $96 ÷ 750 kWh = 12.8¢ per kWh.

**Step 2:** Wattage determines electrical use per hour and can be found on the serial plate of the appliance. Electric load may also be expressed in volts and amps, rather than watts. If so, multiply volts times amperes to determine the wattage. 120 volts x 12.1 amps = 1,452 watts.

**Step 3:** Use the formula shown in the following example to estimate use and cost. A light uses 100 watts and is left on for 15 hours. How many kWh are used and what does it cost you? kWh used = (100 watts x 15 hours) ÷ 1,000 watts = 1.5 kWh. Your cost = 1.5 kWh x 12.8¢ = 19.2¢.

**AVERAGE HOME ENERGY USE**

<table>
<thead>
<tr>
<th>ELECTRIC APPLIANCE</th>
<th>TYPICAL ENERGY USAGE</th>
<th>AVG. MONTHLY COST AT 12.8¢/KWH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerator - ENERGY STAR</td>
<td>34 kWh/mo</td>
<td>$4.35</td>
</tr>
<tr>
<td>Dishwasher</td>
<td>30 kWh/mo</td>
<td>$3.84</td>
</tr>
<tr>
<td>Oven</td>
<td>45 kWh/mo</td>
<td>$5.76</td>
</tr>
<tr>
<td>Chest Freezer (16.5 cubic feet) ENERGY STAR</td>
<td>29 kWh/mo</td>
<td>$3.71</td>
</tr>
<tr>
<td>Coffee Maker</td>
<td>10 kWh/mo</td>
<td>$1.28</td>
</tr>
<tr>
<td>Clothes Washer</td>
<td>8 kWh/mo</td>
<td>$1.02</td>
</tr>
<tr>
<td>Clothes Dryer</td>
<td>83 kWh/mo</td>
<td>$10.62</td>
</tr>
<tr>
<td>Furnace Fan (Automatic)</td>
<td>100-200 kWh/mo</td>
<td>$12.80 - $25.60</td>
</tr>
<tr>
<td>Furnace Fan (Constant)</td>
<td>250-500 kWh/mo</td>
<td>$32 - $64</td>
</tr>
<tr>
<td>*Central A/C (3000 watts)</td>
<td>500 kWh/mo</td>
<td>$64</td>
</tr>
<tr>
<td>1,500 Watt Portable Heater</td>
<td>280-1080 kWh/mo</td>
<td>$35.84 - $138.24</td>
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<tr>
<td>Water Heater</td>
<td>400 kWh/mo</td>
<td>$51.20</td>
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<tr>
<td>Dehumidifier</td>
<td>81-690 kWh/mo</td>
<td>$10.37 - $88.32</td>
</tr>
<tr>
<td><strong>Plug-In Space Heater (1500 Watts)</strong></td>
<td>360 kWh/mo</td>
<td>$46.08</td>
</tr>
<tr>
<td>Hot Tub</td>
<td>200-500 kWh/mo</td>
<td>$25.60 - $64</td>
</tr>
<tr>
<td>Video Game System</td>
<td>3.4 kWh/mo</td>
<td>$0.44</td>
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<tr>
<td>Cell Phone</td>
<td>1.3 kWh/mo</td>
<td>$0.13 - $0.38</td>
</tr>
<tr>
<td>Computer</td>
<td>20 kWh/mo</td>
<td>$2.56</td>
</tr>
</tbody>
</table>

*Calculations based on average cooling hours (500) per cooling season.

** Run time of eight hours per day.
Dakota Electric has resumed collection activity, including disconnections and late fees, based on account status. Members with past-due accounts were mailed disconnection notices on June 1, and are subject to disconnection as soon as August 2.

We want to help our members find energy assistance resources that can help bring their account current. **Minnesota’s Energy Assistance Program (EAP) expanded its eligibility requirements and significantly increased the amount of funding available** to help members pay costs associated with heat and electricity. Funding is available on a first-come, first-served basis, so it is crucial to contact an energy assistance agency as soon as possible.

If you or someone you know needs more time to pay the amount owed, we will work with you to establish a payment plan for your account. 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.

As utility scams become increasingly more sophisticated, it may be hard for members to differentiate between scams and legitimate messages. If you’re ever unsure of who contacted you, hang up immediately and call Dakota Electric to verify your account status. **DO NOT use the phone number given to you.**

**Energy Assistance Resources Available**

**How to apply for energy assistance**

To request an application or find your local service provider:

- Call 800-657-3710 and press one.
- Visit mn.gov/commerce/consumers/consumer-assistance/energy-assistance/eap-provider.jsp.
- Contact one of the local services providers listed to the right.

If you need help to complete the application, please call: 1-800-657-3710

Yog tias koj xav tau kev los mus ua daim ntawv thov, thov hu rau: 1-800-657-3710

Haddii aad u baahan tahay caawimaad si aad u buuxiso arjigaga, fadlan wac: 1-800-657-3710

Si necesita ayuda para completar la solicitud, llame al 1-800-657-3710

Nếu quý vị cần giúp đỡ hoàn thành đơn xin, vui lòng gọi: 1-800-657-3710

**Local service providers**

**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 Emergency 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**  
An important message from the Minnesota Department of Commerce

You or someone you know – a family, friend or neighbor – may qualify for Minnesota’s Energy Assistance Program.

Help for renters and homeowners:

• Up to $1,600 to pay your energy bills
• Up to an additional $1,200 for past-due energy bills
• You may also qualify for the Weatherization Assistance Program for free home improvements to permanently reduce your energy bills
• Free energy efficiency home upgrades

More households than ever before are eligible - apply today!

To learn more about Minnesota’s Energy Assistance Program, connect with your local service provider:

Call 1-800-657-3710
mn.gov/commerce/eap.jsp
or search “Minnesota Energy Assistance” in your internet browser