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# The Energy Insider

A BIMONTHLY PUBLICATION OF MIDLAND POWER COOPERATIVE WWW.MIDLANDPOWER.COOP | NOVEMBER/DECEMBER 2021

## We'd like you to meet J & J Custom Meats



The Harren Family: Joe and JoAnn Harren with their four children.

Just beyond the edge of Midland Power Cooperative's service territory, in Whittemore, Iowa, you'll find J & J Custom Meats. The owners, Joe and JoAnn Harren, saw a need for such a business in their local community. The family-owned meat locker opened in December 2019, and business

has been booming ever since. "I grew up on a dairy farm in Minnesota and I always knew that I wanted to own my own business in the agricultural industry," said Joe Harren. The newly constructed business was a recipient of a revolving loan through



Joe Harren at the counter of J & J Custom Meats.

Midland Power, which supports new and expanding local businesses. The program is part of the co-op's commitment to community, supporting local resources and services for residents and creating jobs within

See J & J CUSTOM MEATS, Page 2

## Lending more than \$14 million since 1997

Utility-sponsored Revolving Loan Funds (RLFs) and USDA Rural Economic Development Grants and Loans (REDG & REDL) can make a crucial difference to community infrastructure and business growth. These programs exist to promote rural economic development and support job creation, and Midland Power works hard to put that money to use to strengthen our community.

Since 1997, Midland Power Cooperative has sponsored 58 RLF loans, all of them initially funded from eight USDA grants. Recipients of the funding include medical facilities, fire and rescue organizations, manufacturers, educational projects, housing developments, speculative buildings, and industrial parks as well as many other commercial businesses and industries

See LOAN FUNDS, Page 3

## 1.2 million reasons it's great to be a member!

Being a member of an electric cooperative has its benefits - \$1.2 million benefits, as that is the amount of patronage the Midland Power board of directors has approved for distribution in 2021 to co-op members and former members. Current members that purchased electricity from the cooperative in 2020 and/or 2005 will receive their portion of the 2021 patronage retirement by billing credit in December, unless they're due \$500 or more. Current members eligible to receive \$500 or more will be sent a check in late November. Retired members, those no longer purchasing power from the co-op, will receive their patronage retirement by check as well.



TOTAL ELECTRIC CHARGES	\$182.15
GREENE COUNTY TAX 1.0%	\$1.82
<b>PATRONAGE DIVIDEND RETIREMENT</b>	<b>\$38.13CR</b>
CURRENT CHARGES	\$145.84

*ACTUAL AMOUNT WILL VARY*

See Page 2 to learn more about patronage.

## Scholarships available

Midland Power takes pride in helping develop leaders in our region. Therefore, we offer scholarships to recognize academic and community achievements made by young people in the communities we serve. Midland Power Cooperative will soon be accepting applications for three \$1,000 scholarships to be awarded to 2022 college students that are dependents of members.

These scholarships are considered an investment in the economic future of rural areas. Applicants only need to apply once to be considered to win any of these

See SCHOLARSHIPS, Page 2

## Get to know Director Charlie Gilbert

Director Charlie Gilbert, of Iowa Falls has accepted multiple opportunities to serve over his 23-year tenure at Midland Power Cooperative.

"Life is all about timing," said Gilbert. When a long-time Midland Power incumbent director was retiring from the board, he was approached by a nominating committee member to see if he would be interested in running for the Midland Power board of directors. Gilbert accepted the nomination and was elected to the board. The time was right to serve. Opportunities arose over the following years, and Charlie was elected to serve on two of Midland Power's wholesale power providers' boards, Corn Belt Power Cooperative in 2003 and Basin

Electric Power Cooperative in 2009. Charlie served as Secretary on the Midland Power board of directors from 2000-2012.

"When serving as a director, the one thing that I ask myself, no matter what level I'm serving at (electric distribution co-op or generation and transmission co-op) is 'Is this good for the membership?'" Gilbert noted that this is the advantage of the co-op business model. That, along with having accessible and approachable leadership and directors at the electric cooperatives, and the participation in training, education and idea sharing being encouraged at electric co-ops across the country.

See GILBERT, Page 4



Charlie and Carol Gilbert of Iowa Falls.

*Happy Holidays!*

Cooperative office's will be closed in observance of holidays on the following dates:

**Nov. 25 & 26**  
**Dec. 23, 24 & 31**

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LED Holiday Light Rebate Form, and much more!  
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# Cooperative concern for community improves two Iowa parks

With the cooperative principle “Concern for Community” in mind, the Midland Power team took to two of Iowa’s State Parks to make improvements that benefit the community and beyond. On Nov. 7,

approximately half of Midland Power’s employees contributed a day of service at Ambrose A. Call State Park near Algona. They trimmed and cleared overgrown trees and stained picnic tables and benches.

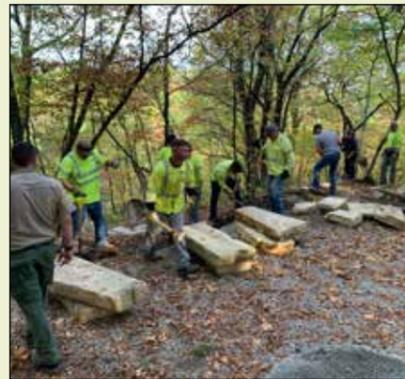
The following day, the remainder of the employees gathered at Ledges State Park near Madrid. There, drainage issues were addressed along a few walking trails, including rearranging some large rock stairs

and correcting some runoff issues along the stairs and other area trails. Railings were constructed, trash was collected, and overgrown trees along the park roadway were trimmed back for proper clearance.

## AMBROSE A. CALL STATE PARK, ALGONA



## LEDGES STATE PARK, MADRID



## SCHOLARSHIPS

Continued from page 1

three scholarships, as well as a fourth \$1,000 scholarship, to be awarded to a dependent of a Midland Power member, or a dependent of a member at a neighboring electric cooperative.

Recipients are selected on the basis of academic record, potential to succeed, leadership and participation in school and community activities, honors, work experience, a statement of education and career goals, and an essay on a given topic.

Scholarship funds will be distributed directly to the recipients’ schools from the electric cooperative.

Find more information and the application at [www.MidlandPower.Coop](http://www.MidlandPower.Coop). If you have any questions, give us a call at (800) 833-8876.

The application deadline (postmarked or dropped at a Midland Power office or drop box) is Jan 31, 2022.

## J & J CUSTOM MEATS

Continued from page 1

our communities. Learn more about the Revolving Loan Fund program in the article on Page 1.

Harren was familiar with hard work, having grown up on a farm. He spent eight years as a sales agronomist in northern Iowa, which taught him the importance of good customer service. His in-laws processed their own meat at home. “But beyond that, we really started from scratch and built this business from the ground up,” said Harren. “We were fortunate to have support from local retired butchers Bill and Cathie Richter.” Bill showed them the ropes in the opening weeks of the business and Cathie worked with J & J Custom Meats for nearly a year.

J & J Custom Meats usually has three full-time and two part-time employees. In September 2020, J & J Custom Meats was awarded the title of Small Business of the Month by America’s SBDC Iowa, which entrepreneurs and the development of small businesses.

While the meat processing schedule at the facility is booked far out, customers are always welcome to stop in and shop the assortment of meats available for sale in the cooler or call ahead to find out if they could fulfill a slightly larger order of meat. It’s also a good idea to follow their Facebook Page to find out the latest product availability and the happenings at the locker.

Overall, Harren is satisfied with the new business and is looking forward to serving the community for many years to come.

## 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.

# Midland Power Cooperative prepares for rate adjustment



By Bill McKim  
CEO,  
Midland Power  
Cooperative

Even though I work in the energy industry, like most people, I still don't think much about the electricity I use. I expect the lights to turn on when I flip the switch and the coffeemaker to work each morning. The only time we really think about electricity is when the power goes out or perhaps when the monthly bill arrives.

In recent months, we have all heard the news of volatile commodities markets, increasing costs of materials, and supply chain woes impacting our economy. In fact, the consumer price index (CPI) which serves as the official measure of inflation over time in the prices paid by urban consumers for goods and services rose the equivalent of 5.4 percent over the last 12 months, almost triple the 2 percent target that central banks use as a standard. The electric industry is not immune to these challenges. In fact, the US Bureau of Labor Statistics reports an overall CPI increase of 24.8 percent in the energy sector, overall. Closer to home, investor-owned utilities have warned customers that natural gas prices could increase some 46-96% resulting from shortages of natural gas and a volatile commodities market. What does this mean for our cooperative and for the members we serve?

It is important to note that, given how electricity powers

our modern lifestyle every day, it's a great value, especially when compared to other common services and expenses. At Midland Power Cooperative, we are committed to delivering safe, reliable, and affordable power, as well as programs that benefit our members and communities we serve, at the lowest possible cost. Our cooperative takes great pride in the fact that we work hard, every day, to minimize the impact of inflationary pressures while maintaining a high level of satisfaction among our members.

Our co-op benefits from the security of long-term wholesale purchase power agreements contracted between our wholesale power providers and their power providers. These long-term agreements enable participants, such as our cooperative, to share risk over time. Therefore, it is important for a co-op to be part of an organization that owns generation and transmission which can help shield you, our member-owners, against having to pay high market prices during extreme weather events that impact energy prices.

We set our rates, annually, based on the cost to purchase power, the costs associated with transmitting that power (through operations and maintenance), the materials we use to maintain a resilient electric grid, and costs to support a talented and dedicated workforce that provides these services to you, our members, 24 hours a day, seven days a week, 365 days a year.

But, unfortunately, costs to purchase materials such as poles, wires, and transformers from our suppliers has risen. For example, just one year ago, the cost to purchase one foot of electric conductor wire was just \$2.43. Today, that same foot of wire costs our co-op \$3.44, an increase of 26

percent. In addition, the cost to purchase wood poles has increased 4 percent while the cost to purchase a transformer has risen 6 percent in just one year. As we look to set budgets, which impacts our rates, we must consider these increases and adjust our rates, accordingly.

But the bottom line is this: electricity remains a good value. In fact, Midland Power members experience an average of 1.63 outages lasting less than 200 minutes per outage each year. Considering that electricity is something that we all use around the clock, I'm very proud of our track record to keep costs low and our level of service high. At the same time, we are striving to increase our service reliability, reduce those brief interruptions and reduce costs. We are continually working to improve our operations to ensure a smarter grid and exploring more renewable energy options where possible.

Midland Power provides the reliable service you expect and deserve as valued members of the co-op. And as your trusted energy advisor, we want to help you save energy and money.

We recognize that the past few months have been challenging for many of our members and we're here to help. If you have questions about your account or are looking for ways to save energy at home, please give us a call. In the meantime, know that we are working hard to keep you informed of the decisions we are contemplating at our cooperative that may impact your energy costs in the future. Midland Power is your electric co-op and our sole purpose is to serve you and the needs of our community reliably, safely, sustainably, and affordably. *That's* everyday value.

## Midland Power rebate programs



By Roger Hammen  
Member Service  
Representative,  
Midland Power  
Cooperative

Through the years, Midland Power Cooperative has offered a variety of rebate and incentive programs to our membership to encourage the purchase of highly energy-efficient equipment. Installations such as heat pumps and LED lighting create true benefits to you, our member, as well as your cooperative. Reductions in demand energy created by these types of programs ultimately help the utility with cost savings that result in stabilized rates. Lower cost, energy-efficient operation, combined with healthier home aspects, create a true benefit to you, our member, as well. Incentives and rebates are offered to help educate and offset some of the costs of installing better, more efficient systems.

As technology has evolved, some types of installations have become standard equipment especially for new construction. LED lighting, as an example, has virtually become the normal installation so there is basically no cost savings as compared to retrofitting out older incandescent or fluorescent lighting. This is a driver that moves decisions on whether a rebate is cost effective or not. Savings in energy consumption is truly the main incentive and this can be achieved without a rebate that no longer has a viable return on investment. Appliances, as another example, are now often energy efficient and do not warrant much if any type of a rebate. Again, savings in energy consumption should always be the main goal, whether a rebate is available or not.

drastic increases in propane and natural gas pricing, so electric heat pump and water heating technologies are continually becoming smart investments. As of today, propane pricing has skyrocketed to over \$2.00 per gallon and natural gas prices are projected to double this heating season. With Midland Power's reduced heat rate, offset of BTUs from gas to electric are much more economical and present a healthier home from less contaminants created from burning gas. Renewable energy power production has also made electric even cleaner, which ultimately results in reduction of carbon emissions.

Midland Power Cooperative will always be your trusted source for information and education on efficient power usage. Our goal, as always, is to offer advice and options that will enable you to make educated decisions on what is best for any individual situation. We will continue to offer services such as free energy auditing, power monitoring, and general energy consultations that will help you with smart energy consumption. As the landscape continues to evolve with introductions of electric vehicles and personal renewable energy production, we can help guide you down the path that makes the most sense for your individual needs. As technology changes, we will continue to develop and utilize programs and incentives that are most effective to the membership and to your cooperative.

Moving into 2022 and beyond, we will continue to evaluate and offer incentives and rebates that are most beneficial to our membership and to your co-op. Likely, many of these incentives will be mainly focused on highly efficient HVAC, water heating systems, and efficient building practices. We are suddenly seeing

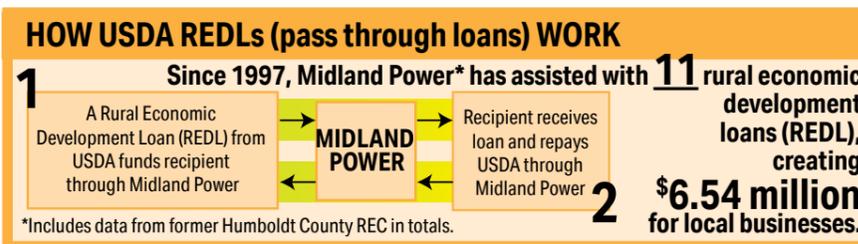
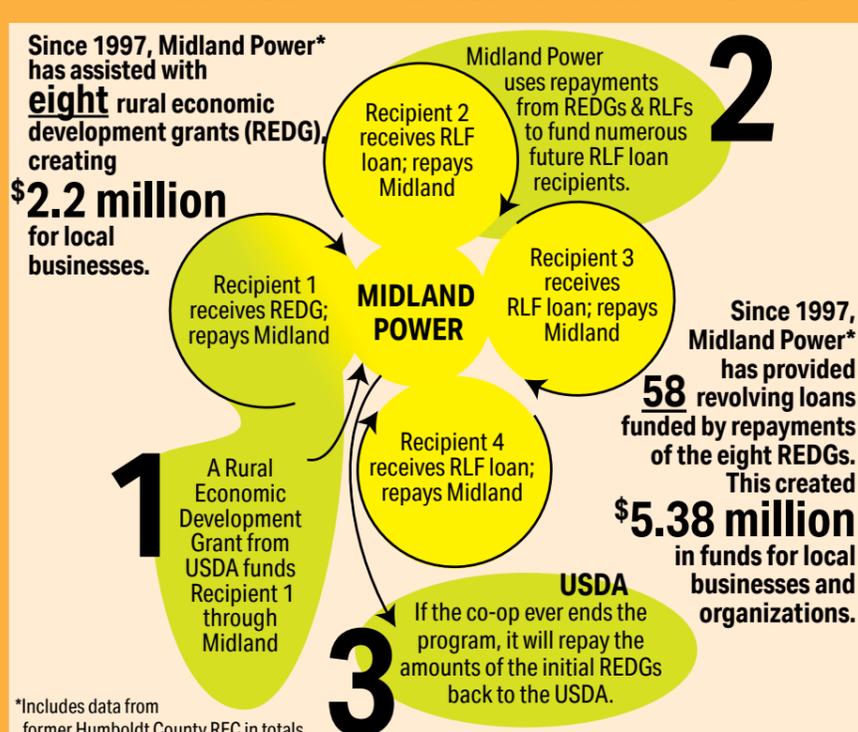
## LOAN FUNDS Continued from page 1

throughout our communities. Once the loans are repaid, a new recipient is chosen and the process repeats, resulting in several local recipients benefiting from the same initial grant.

Midland Power has also assisted with 11 Rural Economic Development Loans

(REDL), also known as pass through loans, which are passed to the recipient and back to the USDA through Midland Power. These three programs combined have allowed \$13.8 million to be loaned out to businesses and organizations throughout our communities.

### HOW USDA REDGs AND RLFs WORK TOGETHER



**Notice: 2021 rebate items must be installed, and rebate applications submitted and postmarked by December 20, 2021. For a complete list of 2021 rebates, go to [www.midlandpower.coop](http://www.midlandpower.coop). (The LED Holiday Light Rebate Deadline is January 31)**

## LED HOLIDAY LIGHTS REBATE COUPON - \$2/STRING (Up to 5 strings per member)

To apply for a rebate, purchase LED holiday lights, complete this coupon, attach your original sales receipt showing the number of strings purchased, and return to Midland Power by January 31.

**Rebates will be credited to your Midland Power account.**

Member Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_

Account # \_\_\_\_\_  
(Account number as listed on your electric bill where the credit is to be applied.)

Number of LED holiday light strings \_\_\_\_\_  
(maximum rebate is for 5 strings, which totals \$10)

Mail to: Rebates, Midland Power Cooperative  
P.O. Box 368, Boone, IA 50036

## GILBERT Continued from page 1

"The electric co-ops have great people throughout the country and at all types of electric co-ops. When I retire from the board, the thing I will miss the most is the great people," said Gilbert.

Gilbert retired from his career of farming in 2012. "When corn was at \$8," he noted. Nowadays, Charlie and his wife Carol enjoy time spent with family, including their two daughters and nine grandchildren. Seven of their grandchildren attend Ballard Schools and two are attending college. They joked that they traded in their Iowa State season tickets for Ballard bleacher seats, and truly enjoy watching their grandkids participate in sports and activities. You can hear the joy in their voices when they talk about their grandkids.

Both Charlie and Carol have been very active in the Iowa Falls community. In retirement, Charlie has become involved in woodworking. He has crafted many beautiful projects for friends, family and fundraisers.

When it comes to Midland Power, Gilbert noted, "Diversity on our board, with different age groups, occupations and life experiences, has brought a lot of good discussion, perspectives and ideas to the boardroom and represents the membership well. We've had multiple successes in recent years, including the 2013 merger with Humboldt County REC and a more recent shared services cooperative. Those things, along with a diversified board, has positioned Midland Power Cooperative well for the future."



Gilbert shares a coat tree and marbles game board that he crafted.

## Green Pricing Program - Alternate Energy Sources

Midland Power Cooperative offers a green pricing program to co-op members. This program allows individual customers the ability to voluntarily contribute to a fund. All of the money collected from customers will be used for the development of alternate energy production facilities in Iowa. Alternate energy production facilities may include wind energy, biomass, solar and other nontraditional generation technologies.



Through this program, customers will not be directly purchasing alternate energy, but rather participating in the development of these resources. Contributions may be retained until they reach a sufficient level to pursue a particular development, make a grant to another entity pursuing alternate energy development in Iowa, or arrange for purchases from alternate energy production facilities.

Once you have signed up, your participation will continue at the same level until you notify us that you wish to change the amount of your contribution or end your participation in the program.

If you have questions, would like to sign up, or would like more information about this program, please log onto [www.midlandpower.coop](http://www.midlandpower.coop) or call our office at (800) 833-8876 or (515) 386-4111, or return the form below.

### Voluntary Contribution Form Midland Power's Green Pricing Program

Participation in Midland Power Cooperative's Green Pricing Program is strictly voluntarily. This form is not a solicitation but rather a form to allow members the opportunity to voluntarily contribute to this program.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

Account Number: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Type of Contribution:

One-time Amount: \_\_\_\_\_  Monthly\* Amount per month: \_\_\_\_\_

\_\_\_\_ Cash \_\_\_\_ Check \_\_\_\_ Monthly Bill

\*Your participation will continue at the same level until you notify us that you wish to change the amount of your contribution or end your participation in the program. To change your contribution level, please contact Midland Power Cooperative by calling (800) 833-8876.

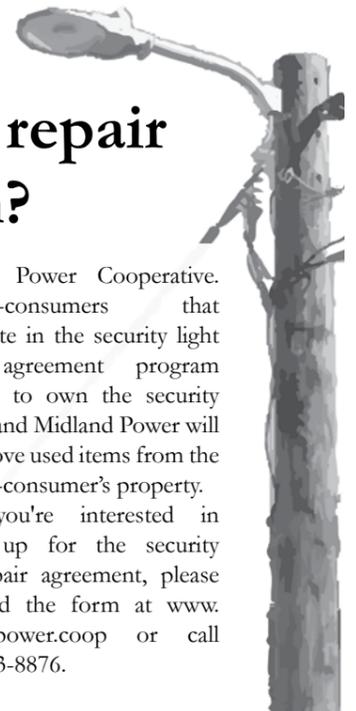
## Are you enrolled in the security light repair agreement program?

The security light repair agreement is \$2.00 per month/per light. For example, if you have one light, you would pay \$2.00 per month, two lights would be \$4.00 per month, and so on. This is a great value, as the monthly charge covers the trip charge, repair parts and total light replacement if, or when, needed for repair and/or replacement of a security light. Without a security light repair agreement in place, a member could spend anywhere from \$60 to \$125, plus tax, to have a broken security light fixed or replaced.

The security light repair agreement is only available for lights purchased from

Midland Power Cooperative. Member-consumers that participate in the security light repair agreement program continue to own the security light(s), and Midland Power will not remove used items from the member-consumer's property.

If you're interested in signing up for the security light repair agreement, please download the form at [www.midlandpower.coop](http://www.midlandpower.coop) or call (800) 833-8876.



## Sales tax exemption for Iowa farmers

Iowa farmers may qualify for a state sales tax exemption on electricity consumed for processing and production by filing an exemption certificate with Midland Power Cooperative.

Fuels, including electricity, used directly in processing and production on the farm are exempt from state sales tax. Also included under the definition of agricultural production is the production of flowering, ornamental and vegetable plants in commercial greenhouses or other places for sale in the ordinary course of business.

Electricity used for the home, farm shop, recreation, hobbies or outdoor lighting is

taxable.

The key to receiving the exemption is documentation. If having a separate meter for farm use is not practical, a list of the equipment used for farm production is necessary. Visit Midland Power's web site at [www.midlandpower.coop](http://www.midlandpower.coop) and click on the Iowa Sales Tax Exemption Form under "My Membership" for the required sales tax exemption form. We also can help you determine what information is needed.

Information also is available on the Iowa Department of Revenue's web site, [www.state.ia.us/tax/](http://www.state.ia.us/tax/).

**Before winter arrives, review generator and space heater safety information at [www.SafeElectricity.org!](http://www.SafeElectricity.org!)**

**Midland Power Cooperative Offices**  
Open Weekdays: 7:30 am - 4:00 pm  
2005 S. Story Street, Boone, Iowa  
1210 13th Street North, Humboldt, Iowa  
1001 E. Lincoln Way, Jefferson, Iowa

**Calls Answered 24/7/365**  
Toll Free: (800) 833-8876

Automated Pay-By-Phone:  
(888) 470-4623

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