

Lyon Rural Electric Cooperative



A Touchstone Energy® Cooperative 

Phone : 712-472-2506 or 1-800-658-3976 ~ Website : www.lyonrec.coop
Office Hours : Monday thru Friday 7:30 a.m. to 4:00 p.m.



2024 Power Cost Adjustment (PCA)

Lyon Rural Electric Cooperative has used a PCA to adjust its rates to reflect the changes in the cost of the power it purchases from L & O Power Cooperative (L & O). L & O purchases bulk power from the Western Area Power Administration (WAPA) and Basin Electric Power Cooperative (Basin Electric). L & O Power Cooperative has informed us that its rates will change for 2024. These changes are a result of a rate increase from L & O Power Cooperative, our Transmission Cooperative, due to major investments in transmission line and substation improvements. The changes in the PCA (if any) are also the result of the estimated cost of any difference in rate components,

demand vs energy, in the 2024 estimated usage. The change also reflects the over or under collection of actual power cost vs budget for 2023.

In the December 2023 newsletter, I provided estimated PCA rates for 2024. The PCA rates for 2024 have been calculated. The 2024 PCA rate for regular energy will be \$0.04304 per kWh compared to the current 2023 PCA of \$0.03911 per kWh. The Farm and Residential Rate cost for 1,000 kWh will be \$3.93 more in 2024 over 2023 costs. The Base Year or year this calculation is based on was 2006.

The 2024 PCA rate for Electric and Dual Heat will be \$0.01530 per kWh

REMINDERS

SAVE THE DATE:
Lyon Rural Electric Cooperative's Annual Meeting is scheduled for March 25, 2024.

compared to the current 2023 PCA of \$0.0143 per kWh. The Electric and Dual Heat cost for 1,000 kWh will be \$1.00 more in 2024 over 2023 costs. The Base Year is 2006.

The 2024 PCA rate for energy used in the Casino Resort rate will be \$0.01635 compared to the current 2023 PCA of \$0.01533. The cost for 1,000 kWh will be \$1.02 more in 2024 over current 2023 costs. The Base Year is 2010.

2023 Energy Efficiency Adjustment Clause (EEAC)

In 2010, Lyon Rural Electric Cooperative began collecting an EEAC to implement its Energy Efficiency Program as filed with Iowa Utility Board. This plan was required by legislation passed by the Iowa Legislature. Each year the EEAC will be recalculated by first looking at the amount collected in the previous year (2023) compared with amount paid

out for program expenses for that year (2023). The under collection or over collection will be added to or deducted respectively from the estimated expenditures needed to meet the program goals for 2024. Lyon Rural Electric Cooperative has completed a new five-year energy efficiency plan that is effective as of January 1, 2021.

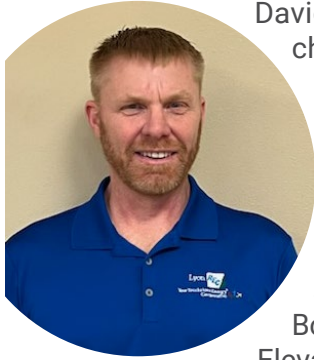
Based on these calculations, the 2024 EEAC will be as follows:

Farm and Residential	1.05%
Small Commercial	0.00%
Large Commercial	0.00%
Public Buildings	0.00%
Casino Resort	0.00%
Electric Heat / Dual Fuel . .	1.05%

Board of Director Nominees

The members below were nominated by the Nominating Committees from their districts. Voting ballots will be included in the annual meeting packets that will be mailed out in early March. Ballots can be mailed in, dropped off at the Cooperative office or you may bring them to the annual meeting on Monday, March 25, 2024.

DAVID GRIESSE DISTRICT 4
Riverside Township



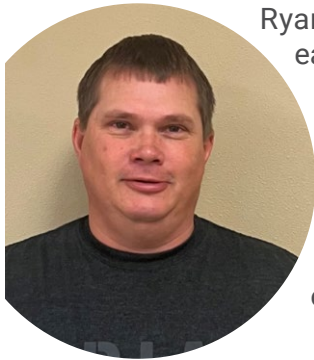
David and his wife Amy have 2 children. They have lived in the area most of their lives. Dave raises pigs and calves. He is currently serving on the board for Lyon Rural Electric Cooperative. His previous board experience includes serving on the Farm Bureau Board for several years, Farmers Elevator Board and several church boards throughout the years.

LOWELL DRENTH DISTRICT 4
Elgin Township



Lowell and his wife Diane live near Little Rock where they raise corn, soybeans and hogs. Lowell farms with his son Jason who lives in Rock Rapids. His other son, Aaron is in the Air Force and is currently in Colorado Springs. Lowell is a member of Peace Lutheran Church in Rock Rapids. He is currently serving as the Clerk of Elgin Township and a Town and Country Member.

RYAN HORSTMAN DISTRICT 5
Garfield Township



Ryan and his wife Lindsay live east of Doon. They have three children. Ryan has been a farmer all his life. He is a member of First Reformed Church in Doon and has served as an Elder and Deacon. Ryan is also a part of the Doon Fire Department.

DAMON PEDERSEN DISTRICT 5
Rock Township



Damon and his wife Jennifer have four children. Damon has lived in the area his whole life. He is a real estate appraiser and a co-owner of Attig/Pedersen Management & Appraisals in Rock Rapids. Damon has enjoyed serving his first term on the board for Lyon Rural Electric Cooperative and is currently running for re-election to the board. His previous board experience includes being on the Rock River Golf & Country Club Board and serving on the Lyon County Compensation Board.

Treat Your Valentine to Energy Savings

Here are four ways to celebrate Valentine's Day with a special dinner that's both romantic and energy saving.

1. Whip up a feast in the slow cooker or air fryer, which use far less energy than your stove top or oven. A bonus: You'll only have one pot to wash after dinner.
2. Unplug your phones, the TV, your laptop and other electronic distractions so you and your Valentine can focus only on each other.

3. Eat dinner by candlelight. Turn off the overhead lights and lamps—or at least most of them. A candlelight dinner is romantic and saves energy.

4. Pack leftovers for the refrigerator but let them sit on the counter to cool down for a little while. Placing hot food in the fridge can heat up the appliance and make it work harder to stay cold.



Answering Your Questions about Director Service

At our 2024 Lyon REC Annual Meeting on March 25, the board will ask the membership to vote in favor of extending board director term limits from 3 four-years terms to 4 four-year terms. As we outlined in last month's newsletter, we believe this extension will benefit the cooperative by prudently investing educational resources, ensuring continuity in the board room, and increasing local representation on affiliated boards.

This month, we'd like to answer some questions about serving as an electric cooperative board director.

How many electric cooperatives have director term limits?

Out of 36 electric distribution cooperatives in Iowa like Lyon REC, only about five have term limits on director service. The vast majority of electric distribution cooperatives in the state do not limit the length of time a director can serve.

Won't extending term limits impede the co-op's democratic election process?

Extending term limits does not guarantee that a director will serve the maximum limit. Directors must still be elected by the membership every four years. At Lyon REC, we're proud to note that almost every director ran opposed in recent memory, which gives our members a choice when voting on who should govern the electric cooperative.

How much time is involved for a member who serves as a director of the cooperative?

A director of Lyon REC must be available to attend our monthly board meetings and set aside time to review the agenda, financials and other documents ahead of time.

They must also plan time to meet

with the members they are representing. Additionally, directors attend statewide and regional meetings, conferences and trainings throughout the year to stay up-to-date on industry trends and challenges. We also meet with state and federal legislators periodically to advocate on behalf of Lyon REC member-owners. For newer directors, there are additional certifications and trainings from our national trade association to help them understand the cooperative business model and best practices in electric cooperative governance. Serving as an electric cooperative director does involve a fair amount of time and energy.

Are Lyon REC directors compensated?

Yes, electric cooperative directors are compensated for accepting the risk and responsibilities of serving the membership. At Lyon REC, our board directors have a fiduciary duty to the co-op and face potential personal liability for breaching that duty. Directors are paid an industry-standard per diem as compensation for their leadership role in guiding the direction of the cooperative. They also receive mileage, out-of-pocket and travel reimbursement. Officers of the board receive additional compensation for the extra time needed to serve in those roles.

Who is eligible to serve as a cooperative director?

According to Article III of our cooperative bylaws, the Lyon REC board is comprised of 9 directors: one director from each of seven districts and two at-large directors. The district directors must be members of the cooperative, at least 18 years of age and reside in the district they represent. The two at-large directors must also be members of the cooperative and at least 18 years old. Members who are close relatives of Lyon REC employees or who have a business relationship with the cooperative are not eligible to serve as directors.

How does a member get nominated to be a director?

To be listed on the election ballot, members must contact the Lyon REC nominating committee at least 45 days before the Annual Meeting. Another option would be for at least 15 co-op members to make a nomination in writing at least 30 days before the Annual Meeting.

You can find the cooperative bylaws on our website at lyonrec.coop/bylaws.

ENERGY EFFICIENCY TIP OF THE MONTH

Area rugs are an easy, cost-effective solution to cold floors. Adding area rugs to hard-surface flooring can add warmth to any room and keep your feet cozy on cold winter days.

Choose rugs made from wool or other natural fibers and plush or high-pile textures for the most insulation. Place rugs in areas where you need additional warmth, like the foot of a bed or under a coffee table. Area rugs can enhance the aesthetic of your home and keep you cozier.

Operating Statistics

DECEMBER

	2022	2023
KWH Purchased	13,140,669	11,069,180
KWH Sold	12,693,567	10,552,530
Percentage of Line Loss (Year to Date)	2.93%	3.15%
Total Demand	24,816 KW	17,792 KW
Average Farm Consumption	3,362 KWH	4,171 KWH
Average Farm Bill	\$324.95	\$419.05
Income Per Mile	\$1,331.38	\$1,172.11
Expenses Per Mile	\$1,203.03	\$1,218.75
Miles Energized	872.86	872.86
Cost of Wholesale (For the Month)	6.18¢	5.91¢

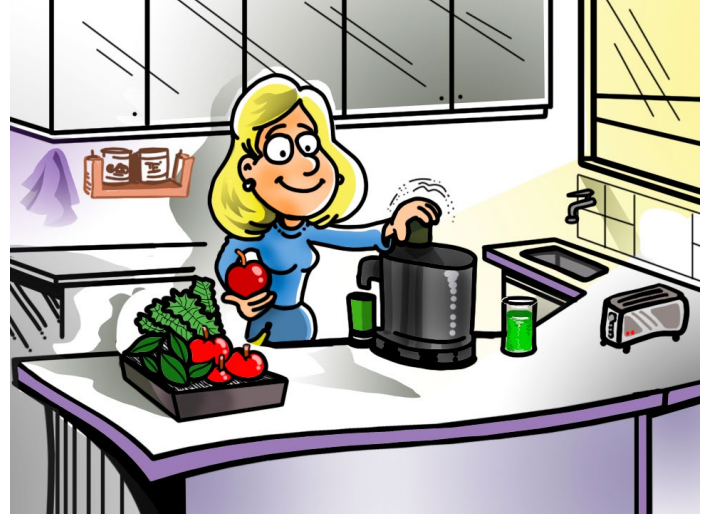
Juicers, Blenders Turn Kitchen Into Health Bar

Want to keep up with health trends: Invest in an electric juicer for your kitchen.

Juicing is so popular that consumers are expected to buy \$1 billion worth of juicers and fixings over the next few years.

Fresh juice is a healthier alternative to store-bought juices, which can contain added sugars, preservatives and ingredients you can't pronounce. When you juice your fruits and vegetables yourself at home, you know every ingredient you're using and can make a healthier drink.

Still, nutritionists often steer juice fans away from drinking their fruits and vegetables and eating them



instead, as juice eliminates the fiber you get from the whole fruits and veggies.

A compromise: Buy a blender instead of juicer and make smoothies that contain the whole fruit or vegetable. A caution there, nutritionists say: Don't add sugar.

Youth Tour

Lyon Rural Electric Cooperative is sponsoring 2 high school Juniors from Lyon County to go on an all-expense paid trip to Washington D.C. Contact your high school guidance counselor for more information.

Keep Warm the Natural Way

Before you crank up the thermostat on an especially chilly day this winter, reach for a sweater and a pair of thick socks.

Here are four practical alternatives so you won't send your energy bills through the roof this winter:

1. Dress in layers. Pull a T-shirt on before layering a sweater over it. Choose fleece-lined sweatpants for lounging around the house.
2. Keep your feet warm. Did you know your feet and hands let heat leave your body? So never walk around barefoot indoors during the winter, even if you have wall-to-wall carpeting. Wear thick socks under your slippers.
3. Put an electric blanket on your bed before you crawl into it, and the sheets and blankets will be toasty warm. Turn the electric blanket off before you fall asleep, or invest in one with an automatic "off" switch.
4. Move around. You'll be colder if you sit still all day than if you're active. Use chilly days to clean the house, exercise or play with the kids. The more you move, the warmer you'll feel.

Students can apply now for a trip to our nation's capital from June 15-21!



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

Nondiscrimination Statement

"This institution is an equal opportunity provider and employer."

To file a program discrimination complaint, a complainant should complete a Form, AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at <https://www.ocio.usda.gov/document/ad-3027>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA containing all the information requested in the form. The completed AD-3027 form or letter must be submitted to USDA by mail to U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; by fax (833) 256-1665 or (202) 690-7442; or by Email: program.intake@usda.gov