

# THE HIGHLINE BY LINE

A NEWSLETTER FROM ARROWHEAD COOPERATIVE



## CASH BACK IN YOUR WALLET

*Arrowhead Cooperative returns nearly \$300,000 to member-owners and announces there will be no residential rate increase in 2021.*



### CAPITAL CREDITS RETURNED TO MEMBERS

As a not-for-profit electric cooperative, Arrowhead Cooperative is not like other utilities— you, as a member and consumer, own a portion of the business.

One benefit of that ownership involves the allocation of excess revenue, called margins, based on how much power (total kilowatt hours) you purchase each year. Margins are initially used by the Cooperative as capital to operate the business. The capital gives us the means to create a reliable system and invest in our infrastructure

without taking out large, high-interest loans. When the organization's financial position permits and with consideration to rate fairness, Arrowhead Cooperative retires, or pays, a portion of these Capital Credits back to its members.

In December Arrowhead Cooperative distributed approximately 2,250 capital credit checks totaling \$291,364.65 to members that purchased electricity from the Cooperative in 1994. Allocating and retiring capital credits to member-owners helps distinguish cooperatives. We're proud to support our communities by putting money back into the local economy—and into the pockets of those we serve. It makes our business model special. Life to date, we have distributed nearly \$3 million in Capital Credits to our members.

## HOW CAPITAL CREDITS WORK



### STEP ONE

Money to cover operating costs comes directly from members paying their monthly electric bills.



### STEP TWO

Operating expenses are subtracted from the amount of money collected and the remaining balance, the margin, is allocated to members based on your energy purchases during the year.



### STEP THREE

The margin is used by the Cooperative for operating capital, necessary reserves, storm damage and other contingencies.



### STEP FOUR

When the Co-op's financial condition permits, the Board decides to retire Capital Credits. Credits are then converted into money and sent to you in the form of a check.

### NO RATE INCREASE

Arrowhead Cooperative is pleased to announce there will be no residential rate increase in 2021. The decision from the cooperative's Board of Directors was made in November upon approval of the 2021 budget and rate structure. Residential rates will remain stable due to wholesale rates remaining flat, the Cooperative's cost-saving efforts over the past year, projected sales for 2021 and our consideration for the impact and challenges our members faced in 2020.

# DISTRICT TWO DIRECTOR BOB NESHEIM RESIGNS

## VACANCY TO BE FILLED IN NEXT STANDARD DIRECTOR ELECTION

On November 27, 2020, Director Bob Nesheim submitted his resignation from the Board of Directors of Arrowhead Cooperative because he has moved out of the cooperative's service territory.

"It's been a great run with Arrowhead Cooperative, both as a member and serving on the Board," stated Mr. Nesheim. At their meeting on December 18th, the Board of Directors accepted the resignation with regret and thanked Mr. Nesheim for his valuable service.

Mr. Nesheim was also the Secretary of the board and his duties were combined with the Treasurer, Mr. Opp, as allowed by the cooperative bylaws.

After much discussion, the board will not fill the seat left vacant. Mr. Nesheim's seat in District 2 Maple Hill/Colvill is up for election in 2021 and the board feels that the filling of the vacancy in such a short time frame would not be productive.

The task of finding a replacement will fall to the nominating committee following our standard procedures and our hope is that there will be multiple candidates for the vacant seat.

If you have any interest in serving as a director for Arrowhead Electric and live in District 2, please reach out to the cooperative for more information.



## PUT YOUR CHRISTMAS PRESENTS TO USE

Did you score a big screen TV on Black Friday? Did your teenager get the new PS5? Maybe you upgraded your smart phone or computer? We know electronics were at the top of many Christmas Wish Lists this year, so if you unwrapped some new technology over the Holidays put it to good use and upgrade your internet connection.

True North Broadband brings you a superior Internet connection with packages starting at 100Mbps so you have enough bandwidth for streaming high quality content, playing video games, zooming with friends and family and more. A strong Internet connection and quality speed are vital to using new technology. True North offers both and exceptional customer service.

**Visit [www.truenorthbroadband.com](http://www.truenorthbroadband.com) for more information or call us at (218) 663-9030 or (877) 602-7769 and sign up today!**

# LOOKING AHEAD

*With hope, the possibilities are endless.*



As we move into 2021, hope is exactly what we have. We are hopeful that these vaccines can knock this virus down and allow us to get back to some normalcy in 2021. Something we are all desperately looking forward to.

Despite COVID and the restrictions, your cooperative is in a good place. We ended 2020 strong and are moving into 2021 poised and ready for an exciting year.

We are excited that rates for our residential members will remain flat, and our large power members will only see modest adjustments in 2021. Adjustments are made based on operating contributions to ensure that operating requirements are spread across the membership in a fair, equitable, and just manner.

2021 will see a continued effort in the replacement of our load management receivers. Everyone enrolled on one of our programs, such as storage heat, storage water, dual fuel, and any interruptible programs, is required to get an upgraded receiver. These programs are good for the member and good for the membership. Give us a call to find out more!

We have scheduled our Annual Meeting for June 5th this year and look forward to seeing as many of our members as possible.

Some of the plans we had for 2020 will be revamped and brought into 2021. We want to focus on member and subscriber education, continue to meet our members where they live, and expand our Member Appreciation week and celebration of Co-op Month.

As a small, dedicated, and determined staff, we will continue to provide the outstanding and reliable services you all expect from us. We are looking forward to 2021 and the opportunities it will present.

**Happy New Year!**

## CO-OP NEWS

### RIGHT-OF-WAY

There are many ways that Arrowhead Cooperative provides you with safe, reliable electric service. One of the most common – and crucial – ways is referred to as vegetation management or right-of-way clearing.

Maintaining right-of-way helps keep outages and blinks to a minimum, reduces the potential for the public to come in contact with electric lines, and helps line crews access the line for maintenance and outage restoration.

In 2021, Arrowhead Cooperative's vegetation management work will primarily be focused on the Lutsen area from Onion River Road and ending on County Road 7 before Grand Marais. Additional right of way work is also being planned in Grand Portage, Hovland, and the Lima Grade Road. Throughout the year, members can expect to see our vegetation management partner, Davey Resource Group, doing surveying in your area. If you have questions please call (218) 663-7239 or (800) 864-3744 for more information.

### NEXT BOARD MEETING

January 28, 2020 at 9:00 a.m.



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# CLEAN UP YOUR ACCOUNT

As another year ends and a new one begins, it brings with it goals and aspirations. It's a great time to make sure your account is up to date. With so many routines starting back at square one in the new year, what's one more?



## UPDATE YOUR INFORMATION

Communication in our busy world is changing and we want to be able to use the best tools to let you know about outages, upcoming events and programs, or your account. By keeping your contact information up to date, Arrowhead Cooperative is able to contact you quickly regarding your account if there is a need. We also use contact information, including your name and mailing address, to send our members their Capital Credit checks, annual calendars, and more. Your privacy is important to us, so we never share your information with others.



## SIGN UP FOR SMARTHUB

SmartHub helps you take control of your account like never before. It has several features that make managing your account as easy as possible. Whether through the web or on your smartphone, you'll be able to pay your bill, view your energy use, contact member service and get the latest co-op news.

If you are not yet enrolled in SmartHub visit [www.arrowhead.coop](http://www.arrowhead.coop) and sign up! With just a few steps you can access your account, pay bills, and monitor your usage. You can also update your account information. Access SmartHub by visiting [www.arrowhead.coop](http://www.arrowhead.coop) or by downloading the app on your mobile device through the Apple App Store (iOS devices) or Google Play Marketplace (Android devices).



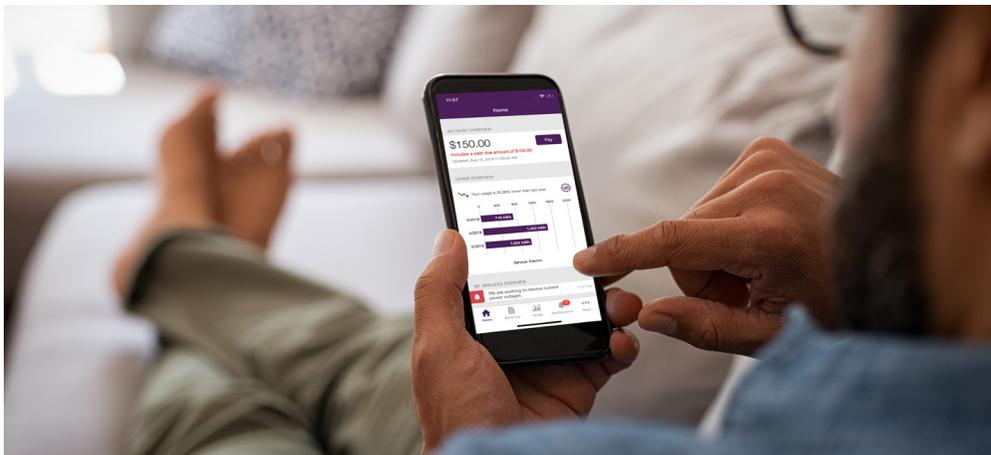
## ENROLL IN PAPERLESS BILLING

Go green this year and enroll in paperless billing. Both secure and convenient, paperless billing provides you with the information you need regarding your account no matter where you are! It's easy to enroll through SmartHub.



## SIGN UP FOR AUTOPAY

Another great option to make life simpler this year is to sign up for automatic payments with a checking account, savings account, or credit card. AutoPay is safe, secure, easy and convenient. After the initial set-up, you won't have to spend any time paying your bill each month. You'll have peace of mind knowing you will never have to pay a late fee or worry about a misplaced bill. AutoPay is free and saves you the cost of stamps and checks, not to mention the effort of mailing your payments.



## JANUARY CALENDAR WINNER

Submitted by: Mark Bade



## EFFICIENCY TIP

Replace standard power strips with advanced power strips to save energy. Advanced power strips look like ordinary power strips, but they have built-in features that are designed to reduce the amount of energy used by standby electronics that consume energy even when they're not in use

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