

NORTHERN

L I G H T S December 2025

The Power of Co-op Membership

Your 2025 capital credit refund is here!

YOUR CO-OP MEMBERSHIP PAYS OFF

Beltrami Electric Cooperative is returning more than **\$1.1 million** in capital credits to members this year! That's right—being part of your local co-op doesn't just keep the lights on; it actually puts money back in your pocket. When you're a member-owner, your support powers not only your home but also your cooperative's success.



WHAT ARE CAPITAL CREDITS?

As a member-owner of a not-for-profit electric co-op, you earn capital credits based on the electricity you purchase. Each member has a share in the ownership, construction, maintenance and success of the co-op – through capital credits! That's the cooperative difference!

YOUR REFUND

- Active BEC members will have their capital credits applied to their electric bill.
- If you were a member between 1999 and 2024, check your electric bill under the Account Detail section to see your credit.
- Amounts vary depending on the number of years you have been a member and your energy usage.

DID YOU KNOW? THERE ARE TWO STAGES OF CAPITAL CREDITS:

- **ALLOCATION** – An allocation is made annually for each member based on the amount of electricity purchased. The allocation is the member's share of the net margins. The co-op sets this money aside to be used as operating capital for improvements and maintenance over a period of years.
- **RETIREMENT** – A retirement is the amount a member receives back as a refund. It is a portion of their total allocation. The amount paid is decided annually by the board of directors based on the financial condition of the cooperative.

The Power of Membership – it's more than electricity. It's your investment in your co-op, and it pays off! Contact BEC for more capital credit retirement information.



The benefits of membership

by Jared Echternach, president and CEO

Capital credits – a benefit of membership

A primary difference between the cooperative business model and other forms of business is that under the cooperative business model, margins realized in a given year are allocated to the members based on their patronage.

Last month your board of directors authorized a general capital credit retirement of more than \$1.1 million and more than \$230,000 in estate retirements to former members for a total retirement of nearly \$1.4 million in 2025. Credits will appear on the bills members receive in November/December. Checks to former members are scheduled to be mailed in mid-December, just in time for the holiday season.

- Since 1984, your board of directors has authorized the retirement of capital credits to the membership.
- This year your board of directors authorized a hybrid method, retiring 100% of the remaining co-op allocation from 1998 to wholesale accounts, 100% of the remaining co-op allocation from 1999 excluding wholesale accounts, and 4% of the co-op allocation from all remaining unretired years excluding wholesale accounts. Under this hybrid method of retirement more members and newer members receive one of the great benefits of membership and experience the cooperative difference.

As a member of Beltrami Electric Cooperative, you are also an owner

Any margins realized at the end of the year are allocated to members based on the amount of electricity used. We credit this amount on an annual basis to a patronage allocation account in your name. This allocation is held by the cooperative as equity, which allows us to reduce borrowing costs while maintaining your distribution plant. More than \$34 million has been returned to members in the history of the cooperative.

Budget and rate outlook

Your board of directors is in the process of reviewing the 2026 preliminary budget and rates.

- We expect wholesale power costs to increase in 2026.
- Wholesale power accounts for 70% of our overall costs, so this will have an impact.

We continue to work hard internally to control costs while maintaining safe, reliable electric service and excellent member service. According to our preliminary budget projections, we may need a rate increase in 2026. We will keep you informed as we continue to evaluate the need and timing.

Strategic planning

Every three years your board of directors embarks on a strategic planning process for your cooperative. We use member survey data to inform the process, and every employee participates in this process along with the management team and board of directors. Four strategic themes were identified during this process, including Safety and Security, Reliability and Resiliency, Communication, and People/Leadership/Culture. Your board has been diligently developing our three-year strategy and will finalize this at its December board meeting – the product of this work will set our course for the next three years.

Holiday greetings

As we prepare for the holiday season, I'd like to thank you for being a member. May your season be safe and joyful with time spent with family and friends, and reflective of the many blessings bestowed upon us. On behalf of the Beltrami Electric Cooperative family, we wish you a Merry Christmas and Happy New Year!



BY THE NUMBERS | Q3 2025

Beltrami Electric Cooperative's leadership spends substantial time managing and providing oversight of the co-op's operations, including ensuring that the organization remains in a strong and stable financial condition. Below is an overview of our Third Quarter Unaudited Financial Report.



OPERATING REVENUE

	2025	2024
Cost of Purchased Power	\$29,979,081	\$31,523,241
Other Operating Expenses	\$14,720,235	\$13,857,381
Total Cost of Electric Service	\$44,699,316	\$45,380,623



kWh SOLD
369,375,501

2024 Comparison: 410,976,189

TOTAL MARGINS
\$2,631,331

2024 Comparison: \$834,173

	2025	2024
Operating Margins	\$1,935,978	\$152,433
Non-Operating Margins	\$695,353	\$681,740

22,553
MEMBER SERVICES
BILLED

2024 Comparison: 22,325

AVERAGE kWh
used by residential members

1,169
PER MONTH

2024 Comparison: 1,107



BOARD MEETING HIGHLIGHTS

Beltrami Electric Cooperative's board conducted its regular monthly meeting Monday, Oct. 27, 2025. A quorum of directors was in attendance.

The following reports were given at the meeting:

- President and CEO Echternach and the board discussed recent safety successes and observations.
- President and CEO Echternach made his monthly report, including the September financials, Key Ratio Trend Analysis, capital credits, EV Car Show, BEC Touchstone Energy Open, Operation Round Up, strategic development, employee update and the MN Paid Family Leave Act.
- Arlene Hogquist presented the financial report for September and reviewed the third quarter Balanced Performance Scorecard.
- President and CEO Echternach and Arlene Hogquist presented the Key Ratio Trend Analysis (KRTA).
- President and CEO Echternach presented proposed general capital credit retirement options.
- President and CEO Echternach presented an administrative procedure and policy revisions.
- President and CEO Echternach and the directors shared highlights of meetings attended on behalf of the cooperative and discussed upcoming meetings and events.

The following actions were taken at the meeting:

- Approved an addition to the agenda.
- Approved the consent agenda.
- Approved agreed upon procedure audit.
- Approved a capital credits retirement.
- Approved BEC policy revisions.
- Appointed Bob Wallner, Craig Gaasvig and John Lund to the Negotiations Committee.
- Approved the director and president and CEO expenses.

The next board meeting will be held on Wednesday, Dec. 17, 2025.

Investing in Growth: FOUR EMPLOYEES EARN MREA LEADERSHIP CERTIFICATES

Beltrami Electric Cooperative is proud to celebrate four employees who recently completed the Leading for Organizational Success and Leadership Essentials programs through the Minnesota Rural Electric Association (MREA). These advanced leadership courses help cooperative professionals strengthen their communication, teamwork and problem-solving skills, tools that translate into better service and stronger connections with the members and communities we serve. Congratulations to our graduates for their dedication to growth and their commitment to leading with the cooperative spirit!



Jared Echternach congratulates BEC's 2025 leadership training graduates. Pictured from left: Kim Klug, Bob Gregg, President and CEO Jared Echternach, Derek Peldo and Becky Theis.

You are invited to our HOLIDAY OPEN HOUSE

Friday, Dec. 12 | 9 a.m. - 3 p.m.

Please join us for hot cider, coffee and cookies in our lobby.

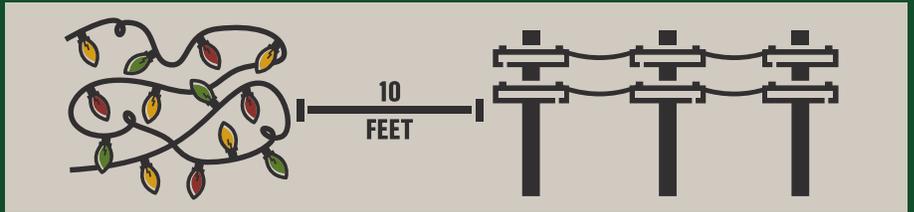


WATCH THE WIRES THIS HOLIDAY SEASON

The time has finally arrived to create a winter wonderland in your yard for the holidays! But before you pull out all your lights, signs and inflatable reindeer, be sure to create a decorating plan that puts safety first. Always remember to **WATCH THE WIRES**.

STAY 10 FEET AWAY FROM OVERHEAD POWER LINES.

If you are using a ladder to hang lights or are raising large décor like poles or pre-lit structures, look up and around for wires. Electricity can arc from lines if you get too close.



NEVER ATTACH DECORATIONS TO POWER POLES OR UTILITY EQUIPMENT.

Signs and lights do not belong on power poles; nails or staples can damage the pole and cause problems for lineworkers. And no one should be touching the green utility equipment in your yard except for trained professionals. Stay away!



IF ANY DÉCOR IS GOING IN THE GROUND, CALL 811.

Even though your ground stakes, sign poles or posts for inflatables seem like they won't go too deep, there's always a chance you could hit an electrical line or other utility line. Call 811 a few days before you decorate to have the area flagged for lines.



For more power line safety tips, visit watchthewires.com.

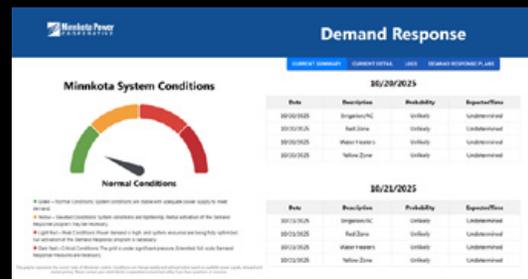
NEW WEBSITE FOR DEMAND RESPONSE

LOAD MANAGEMENT STATUS

We are thrilled to announce the rollout of an easier-to-use demand response website for our members who participate in our load management program (also called off-peak)!

The old website has undergone a facelift, thanks to our partners at Minnkota Power Cooperative (our wholesale power provider administers the regional demand response program), to make it easier to understand.

- Easy-to-understand interface
- Control probability
- Load group detail still available



CHECK OUT THE NEW WEBSITE AT BELTRAMI.MINNKOTADR.COM

Heating, Cooling and Lighting Upgrades Bring New Life to



10904 Steamboat Loop N.W., Walker, MN 56484
218-547-1510 | hiawathabeach.com



Beltrami Electric Cooperative Business Development Manager Bob Gregg presents a rebate check to A.J. Jacobson of Hiawatha Beach Resort for the energy-efficient heating, cooling and lighting installed in the new lodge and cabins.



For more than a century, Hiawatha Beach Resort has welcomed visitors to the north shore of Leech Lake. Established in 1920 by the Jacobson family, the family-owned resort began as a hunting lodge known for offering a “warm bed and hot meal.” Over the years, it evolved into a favorite destination for families, anglers and corporate retreats, known for its home-cooked meals, friendly hospitality and beautiful lakeside setting.

In October 2023, an electrical fire destroyed the main lodge, marking a heartbreaking moment in the resort’s long history. But the Jacobson family turned the loss into an opportunity to rebuild stronger and more sustainably. The new lodge will feature 11 modern units ranging from one to four bedrooms and incorporates advanced energy-efficient technologies such as air-source heat pumps, mini-split systems, and LED lighting throughout the lodge and several cabins. These upgrades will help reduce energy use while keeping guests comfortable year-round.

To recognize their commitment to energy savings,



Beltrami Electric Cooperative presented a rebate check to A.J. Jacobson. “We’re proud to support members who invest in energy efficiency,” said Bob Gregg, Beltrami Electric’s business development manager.

The resort’s newly opened pool complex has become a highlight for guests, featuring a heated indoor pool with a small waterslide, a spacious spa and a splash pad filled with fun water features — all with a stunning view of Leech Lake, ensuring guests can continue making memories at Leech Lake.

Even during reconstruction, the Jacobson family and staff continued to welcome guests by building “The Lake House,” a stunning seven-bedroom, seven-and-a-half-bath cabin near The Harbor House.

With its rebuilt lodge, new amenities and enduring commitment to hospitality, Hiawatha Beach Resort continues to provide the same welcoming experience that has made it a treasured destination for generations of guests.

Classifieds

Classified ads rules

- Ads are due by the following dates:
 - o **JANUARY ISSUE:** Submit by Dec. 5.
- Please submit ads here: beltramelectric.com/submit-ad.
- NO real estate, rental, personal or commercial ads will be accepted.
- All ads must be 50 words or less and typed or printed clearly.
- Editor reserves the right to edit or reject any ad.
- Members may only submit one for sale and one wanted or free ad per issue.
- Ads are published at no charge as space permits on a first-received, first-printed basis, **with no guarantee your ad will appear.**

For Sale:

Seasoned firewood, cut and split. Softwood. \$50 per standard pickup load. You haul. 218-586-2839.

2 brand new stationary Marvin windows, still in packaging. Wood framed, 3' x 4'. Both for \$500. Potential sale for a 3rd window. Call or text 218-209-5008.

John Deere LX279 w/cab, 36" snowblower, 42" mower deck, grass catcher, wheel weights and tire chains. \$3,500. 218-224-3344 or 320-267-8904.

John Deere walk-behind mower, \$250. Husqvarna riding mower YTH22V46, \$700. Yard Man

snowblower, 7 hp, 24", \$200. Twin-size small sofa bed, \$200. Art Deco Armoire, \$250. Antique crescent-shaped desk, \$500. King-size mattress and box spring set, \$200. 701-740-1916.

1999 Chevy Silverado 4-wheel drive. New brakes, good tires, new fuel pump. \$1,500. 218-556-6970.

2020 Featherlite 3-horse stock trailer. Bumper pull. Never had a horse in it. Used for storage only, \$17,500. Littlest Pet Shop vintage sets. 218-759-0186.

New Pfaltzgraff (Winterberry design) 12pc \$420/\$150, Red wool jacket w/tag \$215/\$60, Black wool jacket w/t \$220/\$60, EMU boots in box \$199/\$70; X-Mas quilt F/Q \$200/\$50; New men's Bass shoes 7.5 and 8.5 \$130/\$50 each; Full sheet set \$85/\$35; Columbia jacket women's sm. \$120/\$40; Men's London Fog, lg. \$40. 218-368-4973, leave message.

Smith & Wesson M&P-15. 5.56 or .223. 3 mags, Vortex Spark red dot sight. Custom forearm grip and adjustable stock. 650 rounds of ammo to go with. \$1,100. 218-766-5961.

12-gauge 2¾ inch O/U shotgun w/case. Good upland game gun. \$400. 701-317-5011. (Grand Forks, N.D.)

Two vintage sewing machines in their original wood desk cabinets – "Montgomery Ward" treadle, and "Domestic" electric. Both include original accessories and instruction manuals. \$300 each. 218-368-4834.

54' antique oak table, original

condition/3 leaves, \$250. Wurlitzer electric organ, \$300. (Call for details). Restaurant-grade dinner plates/cups, sets of 4 (\$10) or 8 (\$20). Call 218-760-0760 and leave message.

Propane freezer 16CF. Commercial double-stacked gas convection oven, electric glass top stove/oven, over-counter microwave, snowblower. 218-556-9440.

5x8 sled angling house with wall-mounted Mr. Heater, lights, catch cover holes, rod rack, ball hitch, etc. \$750. 218-407-0755.

Desk, 2 drawer side table, 3-shelf unit, storage chest, whiteboard with wood handles. Quality furniture from Room & Board. Great condition for office or bedroom. \$175. Shark portable steam mop – will dust, mop and scrub all floor types. \$55 320-583-0471.

40-gallon Rheem Professional electric water heater. Brand new, never installed or used. \$450. Call or text Mike at 218-232-7827.

SELLING TOGETHER: 8½' x 10' aluminum snowmobile trailer w/ snow guard and a 1999 ZL600 Arctic Cat, 1,756 miles, excellent condition \$2,700. Vintage aluminum trunk, cedar lined, 16"W x 30"L x 12"H, \$100. Call 218-586-2962 (leave message and number). I will send pics if requested.

Late 1930s or early 1940s Allis Chalmers tractor for sale. Has two new rear tires and a new front tire. Also has a set of

chains. I don't need it anymore. Reasonable offers accepted. 218-407-0847.

Arctic Cat 550, electric start, reverse, 2-up seat, cover, runs great. \$1,500/obo. 1996 Polaris Explorer 400 4-wheeler, 2-stroke, runs great. \$1,500/obo. 218-368-1073.

Marth hardwood heating pellets, 40 lb bags. \$5 per bag while supplies last. Cash only. 218-368-0679.

Pop-up Eskimo fish house, \$100. Beaver snares. 218-407-0278.

Wanted:

Looking for a small older camper in decent shape, preferably no more than 20ft long. No slides, no leaks. Hopefully before the snow falls. Reach out, leave a message! 218-760-1429.

Free:

Free firewood you cut, you haul 218-751-7693.

NEED HELP PAYING YOUR ELECTRIC BILL?

Energy assistance may be available!

The Energy Assistance Program (EAP) helps pay for home heating costs and furnace repairs for income-qualified households. We urge you to contact them immediately to avoid disconnection if you feel you are eligible for aid. (Eligibility is based on energy costs, household size and the most recent month of income.)

BI-CAP IN BEMIDJI

6603 Bemidji Ave N
Bemidji, MN 56601 | 218-751-4631

BI-CAP IN WALKER

8245 Industrial Park Rd NW
Walker, MN 56484 | 218-547-3438

KOOTASCA

201 4th Street NW, Suite 130
Grand Rapids, MN 55744 | 218-999-0824

LEECH LAKE

115 6th St
Cass Lake, MN 56633 | 218-335-3783

MAHUBE-OTWA

120 North Central Ave
Park Rapids, MN 56470 | 218-847-1385

RED LAKE

15809 High School Dr
Red Lake, MN 56671 | 218-679-3350

DECEMBER READER'S CONTEST

For your chance to be entered in a drawing to **win a \$10 credit** on your bill, correctly answer the questions and include with your payment or mail to: BEC, P.O. Box 488, Bemidji, MN 56619. Or email answers to info@beltramelectric.com with the subject line "Reader's Contest." Be sure to include your name and BEC account number. **Entries must be received by Dec. 26.**

1. Wholesale power accounts for _____ of the overall costs for your cooperative.
2. BEC paid out a business energy efficiency rebate to _____ for installing air-source heat pumps, mini-split heat pumps and energy efficient LED lighting.
3. If you are using a ladder to hang holiday lights or pre-lit structures, you need to stay _____-ft away from overhead power lines.

Member Name:	BEC Account Number:	Email address:

Congratulations to our Oct. contest winner: Donald & Paula Vigen



View EAP income guidelines and apply online.

ASK THE EXPERT!

RESIDENTIAL REBATES FOR 2026



Q: What types of rebates are available for residential members?

A: We offer rebates for a variety of energy-saving upgrades, such as off-peak electric heating systems and air-source or geothermal heat pumps to insulation improvements, smart thermostats and more! See the graphic details on rebate amounts.

Q: Are there requirements for rebates?

A: Yes! To qualify:

- Electric heating must be on BEC's load management system (air-source and geothermal heat pumps exempt)
- Equipment must be new and installed in a residence served by BEC
- Heating equipment must be hard-wired (no plug-in units)
- Itemized invoices are required, dated within 12 months of application
- Equipment must be installed by a qualified, insured contractor or inspected by a BEC technician

Q: How do I apply?

A: Applications are available on our website at beltramelectric.com/rebates-and-incentives. Submit your application with proof of purchase and installation information.

For questions or for more info: Visit our website, call our Member Services team at 218-444-2540 or stop by the office. We're here to help you make the best energy choices for your home!



Ayla Kranz, Business Development Coordinator



\$150-\$750 per ton
Air-source heat pump or Mini-split heat pump



\$25-\$50 per thermostat
Programmable or Energy Star® smart t-stat



\$100 per kW
Electric vehicle charger



\$450-\$650 per ton
Ground source heat pump



\$250-\$800 per unit
Electric water heater



\$75 per kW
Electric thermal storage



\$25 per kW
Electric heat



\$500 per unit
Supplemental heating for air-source heat pump

* Restrictions and requirements apply. Please contact Beltrami Electric or visit beltramelectric.com/rebates-and-incentives for more information.

In an era of unprecedented policy change, increased energy demand and fewer 24/7 resources, how does the U.S. find a balance of electric reliability, sustainability and affordability?

It all starts with an honest conversation.

WATCH POWER DISCONNECT,



A REAL POWER NOW MINI DOCUMENTARY

Produced by Minnkota Power Cooperative

RealPowerNow.com

ELECTRICAL CONTRACTOR

CONTINUING EDUCATION COURSES

JAN / FEB 2026

January 6 or January 7, 2026

Fargo, North Dakota
Fargo Holiday Inn

January 15, 2026

Bemidji, Minnesota
Bemidji Eagles Club

January 22, 2026

Fergus Falls, Minnesota
Bigwood Event Center

February 3 or February 4, 2026

Grand Forks, North Dakota
Minnkota Power Cooperative

\$85 TO REGISTER

EIGHT CODE CREDITS

Register online at Minnkota.com

NORTHERN

L I G H T S

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Monday – Friday

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1-800-955-6083

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Email: info@beltramielectric.com

MN STATE ELECTRICAL INSPECTORS

Any time you or an electrician does wiring or other electrical work at your home or farm, Minnesota state law requires a state wiring inspector to conduct a proper inspection of the work. A rough-in inspection must be made before any wiring is covered. A final inspection is also required. Find service territories for electrical inspectors here: <https://workplace.doli.state.mn.us/jurisdiction/>

BELTRAMI & HUBBARD COUNTIES:

Wade Koons | 218-580-8589
wade.koons@state.mn.us

CASS & HUBBARD COUNTIES:

Tony Kohrs | 218-616-1554
tony.kohrs@state.mn.us

GOPHER STATE ONE CALL

1-800-252-1166 or 811
www.gopherstateonecall.org



Anyone who plans to dig is required by law to notify the state of their intentions at least 48 hours in advance. All digging requires a 48-hour notification so that buried telephone lines, TV cable, pipelines, and utility electric lines can be located to ensure that none will be severed or damaged.

OUR MISSION STATEMENT

To provide excellent value to our members through the safe delivery of reliable electric service, excellent member service and innovative energy solutions at fair and reasonable prices.

This institution is an equal opportunity provider and employer.



Beltrami Electric Cooperative Inc.

® Your Touchstone Energy® Cooperative

Connecting Communities. Powering Life.

THIS HOLIDAY SEASON

Give the gift of energy!

Give the gift of energy with a Beltrami Electric Cooperative (BEC) gift certificate, a welcome surprise for any occasion! Available in amounts starting at \$10, it's a thoughtful choice for parents, grandparents, neighbors, renters or anyone with a BEC bill who'd appreciate a little boost.

- To purchase, visit beltramielectric.com/give-gift-energy to download the order form and mail it with a check or money order to BEC.
- Or you can stop by our office Monday through Friday, 8 a.m. to 4:30 p.m. Gift certificates can be sent to you or directly to the recipient, and even anonymously if you prefer.

this is a gift for you

A gift of Energy!

TO: _____

FROM: _____

AMOUNT: _____

DATE: _____

THIS AMOUNT HAS BEEN APPLIED TO YOUR BELTRAMI ELECTRIC ACCOUNT

Brighten someone's day with the gift of energy - it may be exactly what they need!