



LIVE LINES

Woodbury County Rural Electric Cooperative

A Touchstone Energy® Cooperative

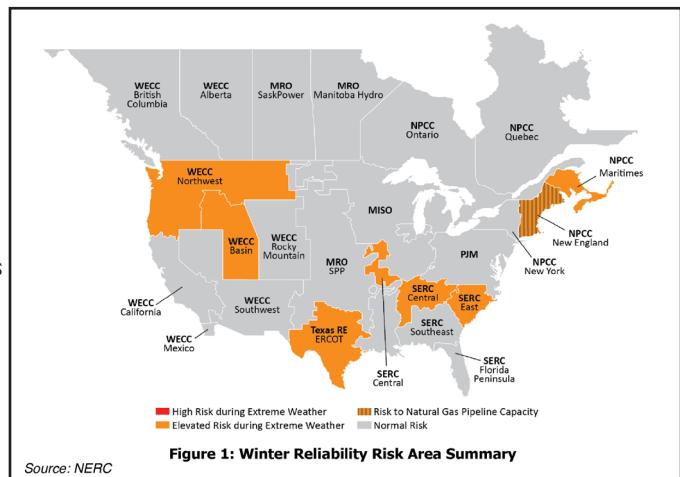
January 2026

Winter Reliability Forecast Shows Adequate Resources for 2025 -2026 Season

In November, the North American Electric Reliability Corporation (NERC) released its 2025/2026 Winter Reliability Assessment. In that report, Southwest Power Pool (SPP) our regional transmission operator (RTO) is projected to have sufficient generation capacity to meet expected demand under normal winter conditions.

While many RTOs across the country face elevated reliability risks this winter, our region is not among them. That's encouraging news and a reflection of the extensive work happening behind the scenes to strengthen grid reliability.

While we've recently shared updates about upcoming rate adjustments, we want to use this space to highlight the reliability work that often goes unseen but is critical to keeping your electricity dependable.



What Is a Regional Transmission Organization (RTO)?

Electric utilities nationwide are members of one of nine regional transmission organizations (RTOs) and independent system operators (ISOs), also called power pools. These entities are federally regulated by FERC (Federal Energy Regulatory Commission) and work on a regional scale to coordinate, control, and monitor supply and demand on the electric grid. RTOs do not own the power grid, but they work as "air-traffic controllers" of the grid to ensure reliable power supplies, adequate transmission infrastructure, and "day-ahead" electric market coordination of wholesale electricity prices on behalf of their members.

While SPP is not listing reliability as being at a high risk level for the upcoming winter season, our industry continues to navigate significant long-term challenges in maintaining a resilient and reliable electric grid.

The changing energy landscape presents both opportunities and challenges. While the SPP region has made substantial progress in bolstering its transmission infrastructure and adding renewable energy resources like wind and solar, the variable nature of these resources requires careful planning to maintain reliability. A key factor contributing to improved stability is SPP's new Planning Reserve Margin policy.

What Is a Planning Reserve Margin?

Woodbury County REC, SPP, and our wholesale power provider, Northwest Iowa Power Cooperative (NIPCO), must be prepared for periods of extreme demand. To do that, we rely on reserve margins extra generating capacity held in reserve to meet unexpected needs. Reserve margins represent the percentage of unused generation available to use during peak demand.

The Recipe Corner

Cheeseburger Soup

1-1 1/2 lb. hamburger	1tsp. parsley flake
3/4 c. chopped onions	2 T. margarine
3/4 c. shredded carrots	1/4 c. sour cream
3/4 c. diced celery	3 c. chicken broth
1 tsp. basil	4 c. diced, peeled potatoes
1/4 c. flour	
2 c. American cheese, cubed	
1 1/2 c. milk	
3/4 tsp. salt	
1/4 tsp. pepper	

Brown hamburger, in a 3 qt. saucepan, drain and set aside. In the same saucepan, sauté onion, carrots, celery, basil and parsley in 2 T. margarine until all vegetables are tender (about 10 minutes). Add broth, potatoes and hamburger and bring to a boil. Reduce heat, cover and simmer 10-12 minutes or until potatoes are tender. Mix 1/4 c. flour and enough water for thickening (1/3 -1/2 c.). Add to soup while stirring and bring to a boil. Cook and stir 2 minutes and reduce heat to low. Add cheese, milk, salt and pepper. Cook and stir until cheese melts. Remove from heat. Blend in sour cream. Yields about 2 1/4 quarts.

2026 Energy Efficiency Rebates

Description	New Rebate	Replacement Rebates	Maximum	Limits
Geothermal Heat Pump	\$1,400/Ton	\$750/Ton	<=30% Cost/Unit Installed	No more than \$10K/Home
Air-to-Air Heat Pump If no back-up heat or propane or natural gas If back-up heat is electric	\$500/Ton \$700/Ton	\$500/Ton \$700/Ton	<30% Cost/Unit Installed <=30% Cost/Unit Installed	No more than \$10k/Home
Ductless Mini-Split Heat Pump Any type of Ductless Mini Split Heat pump Must be Energy Star Certified If no back-up heat or propane or natural gas If back-up heat is electric	\$500/Ton \$700/Ton	\$500/Ton \$700/Ton	15% Cost 15% Cost No more than \$5K/Home	
Controlled Water Heaters Energy Factor >=90% 50 Gallons >50 Gallons <=75 Gallons >75 Gallons <=85 Gallons >85 Gallons >=105+ Gallons Load Control Switch Required	\$300/Unit \$350/Unit \$400/Unit \$500/Unit	\$300/Unit \$350/Unit \$400/Unit \$500/Unit	Lump Sum of 30% of cost, apply lessor of two Must be for hot water use only (not space heating). Storage-only units with no operating electric elements do not qualify for this rebate.	
Building Insulation Primary Electric Heat Must be professionally installed: Blown-in, Spray Foam, Insulating Concrete Forms, Rigid Styrofoam Panels and/or Structural Panels	20% of Cost	20% of	\$ 800/Bldg/Yr	
Electric Vechicle Chargers Level 2 Chargers: 208-240V Must be hardwired and installed to meet all codes Member required to provide charger make, model, S/N, specifications Cannot back-feed into the system Load Control Switch Required Must have built-in accessible meter or REC/Muni meter installed	50% cost, max of \$750 per charger	N/A		None

\$4,000 In College Scholarships To Be Awarded

Basin Electric Power Cooperative of Bismarck, North Dakota, and Woodbury County REC in Moville, jointly announce a Scholarship program for 2026. Basin Electric will award two scholarships, one \$1,500 scholarship and one \$1,000 scholarship. Woodbury County REC will award three \$500 scholarships.

Who Is Eligible To Receive The Scholarships?

1. The applicant must be a student who is enrolled, or planning to enroll, in a full-time graduate or undergraduate course of study at an accredited college, university or vocational/technical school in the fall of 2026.
2. Either the applicant, or the applicant's parents or guardian, must be a member of Woodbury County REC, reside on REC lines and currently receiving electric service. Children of members of the REC Board of Directors or children of Woodbury County REC employees are not eligible.
3. The applicant must be a United States citizen.
4. Past Basin Electric and Woodbury County REC scholarship winners are not eligible.

How To Apply?

Call the REC office at (800)469-3125 or 873-3125 and request an application and complete rules to be mailed to you.



Application is also available at www.woodbuyrec.com.

Scholarship applications may also be picked up at the Woodbury County REC office in Moville. The completed application, and all required information, must be returned to the Woodbury County REC office on or before February 13, 2026.

How Are The Scholarship Recipients Selected?

All applications will be reviewed by a panel of judges to determine the winner. Scholarships will be awarded based on academic excellence, community service and the applicant's educational and career goals.

Nationwide and within SPP, these margins are shrinking. When reserve margins tighten, there's less buffer for unexpected outages (i.e. plant mechanical failure) or emergencies, increasing the risk of forced interruptions.

Maintaining reliability requires a diverse mix of generation resources. Dispatchable resources coal, natural gas, and nuclear-remain essential when renewable output drops. Yet many of these traditional plants face retirement pressures due to federal emissions regulations that often require technologies not yet commercially available or economically feasible.

Proactive Steps to Ensure Reliability

Woodbury County REC and its partners are taking decisive action to maintain grid reliability for our members through several key initiatives:

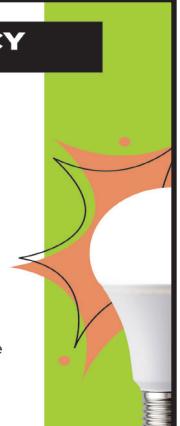
- **Advocating for Reliability and Affordability:** Electric cooperatives across the country are owned by you, the members we serve. This means that our cooperative works together with other electric cooperatives to educate lawmakers and advocate on behalf of our members to ensure that reliable power is also competitively priced.
- **Resource Diversification:** Nationally, there is increasing reliance on renewable energy sources, and at the same time, we're seeing fossil fuel plants taken offline, often ahead of schedule. Additionally, we're seeing more pressure on the electric grid due to the ever-present severe weather events and historic rising demand, as we begin to electrify more sectors of our economy in the form of electric vehicles, data storage and cryptocurrency. Woodbury County REC believes and advocates for an all-of-the-above energy approach. The "all-of-the-above" approach promotes the idea that the United States relies on a reliable and sustainable fuel supply. There is great value in maintaining a diverse mix of fuel sources—fossil fuels and renewables—to ensure reliability and resiliency and meet the growing demand for electricity.
- **Grid Infrastructure:** As a member of NIPCO, we pool resources and expertise to invest in technology, security, and infrastructure to deliver reliable and cost-effective power. Our operations are dedicated to strengthening our electric infrastructure through targeted upgrades and new construction projects, which will enhance regional connectivity and resilience.
- **Emergency Preparedness:** We work closely with SPP and neighboring utilities to protect our members from potential energy shortages and price spikes associated with having to purchase more power when demand is elevated. By having detailed response plans in place, we can take steps to reduce electricity demand during critical periods – helping avoid the need to purchase expensive power from the market when prices are at their highest. This coordinated approach helps keep your electricity both reliable and affordable.
- **Regional Coordination:** We actively participate in SPP's reliability initiatives and maintain close coordination with neighboring utilities to support regional grid stability. By working to prepare for and respond to energy shortfalls, we can follow protocols to reduce electric demand and prevent us from having to purchase excess energy from the markets or avoid the need to interrupt power supply.

NIPCO works closely with SPP and other regional partners to address these long-term challenges while maintaining reliable and affordable electric service for our member-consumers. As we dedicate ourselves to powering your homes and communities throughout the winter season, know we are committed to doing everything we can to maintain your trust and find solutions to keep your power reliable and your rates stable.



ENERGY EFFICIENCY TIP OF THE MONTH

Winter weather can cause your home heating system to work overtime. Check for air leaks and drafts around doors and windows, then seal them with weatherstripping or caulk. Close fireplace dampers when not in use, and consider installing insulating curtains to help keep warm air inside. You can also save energy by lowering your thermostat a few degrees. Even small adjustments like these can reduce heating costs and improve comfort during the coldest months.



Should I Use a Space Heater or Turn up the Heat?

Drafty room? Before reaching for your space heater, consider whether it's better to plug it in or simply turn up the thermostat.

Space heaters are designed to warm small, targeted spaces not your entire home. If you find yourself relying on one often, it may be time to address your home's energy efficiency.

Fix efficiency first, then supplement with a space heater

Improving your home's efficiency helps it retain heat, reduces drafts and reduces your energy use. Many solutions are affordable and DIY-friendly, such as:

- Seal air leaks. Use caulk and weather stripping around windows and exterior doors to prevent drafts.
- Add insulation where it matters. Attic insulation has the biggest return on investment, and loose-fill insulation is an affordable option.
- Check your heating system. Schedule regular service for your furnace or heat pump. If it's outdated or struggling, it could be time for an upgrade. Check with your utility for potential rebates and incentives.
- Use programmable thermostats. These can help reduce energy waste by heating only when and where needed.

Once your home is sealed and insulated, a space heater can be used to increase comfort and warm specific rooms, like a home office or bathrooms, without turning up the heat for the whole house.

A space heater is like a ceiling fan; it can improve comfort in a small area, but it's not a whole-house solution.

Use space heaters efficiently:

- Heat only the room you're currently in.
- Close doors to keep heat contained.
- Choose the right size, too small and it won't warm you; too big and it wastes energy. Check manufacturer sizing guides.
- Use a heater with a thermostat and timer to avoid overheating the room or wasting electricity.

Stay safe while staying warm:

- Place the heater on a solid, flat, nonflammable surface never on carpets or rugs.
- Plug the heater directly into the wall outlet. Never use extension cords or power strips.
- Keep children, pets and anything flammable, such as curtains or bedding, at least 3 feet away from the heater.
- Choose a heater with built-in safety features including:
 - o Overheat sensor.
 - o Tip-over shutoff switch.
 - o UL, ETL or CSA International certification label.
- Never leave a space heater unattended, especially around children or pets.
- Turn off the heater when you leave the room or go to sleep.
- Unplug it when not in use to prevent electrical hazards.

