

CurrentConnections



CEO Column August 2026 Rate Increase Approved

Over the last few months, I have discussed some of the increased costs Brown County REA is facing. In addition to inflationary pressures, the cooperative is anticipating significant wholesale power cost increases.

Total capital margins for 2026 are currently negative. Revenues have been less than what was forecasted due to situations beyond the cooperative's control such as extreme weather and decreased kWh sales. The most reliable way we can increase our income to combat a negative margin is to raise rates.

On July 20th, the Brown County REA Board of Directors held its monthly board meeting and approved changes to our *General-Single Phase* and *General-Three Phase* rate classes. The rate adjustment includes a \$0.002/kWh energy charge increase and a \$6/month service charge increase. **The rate change will be effective September 1, 2026.**

The board also approved changes to BCREA's Large Power and Irrigation rates, also effective beginning in September. *Irrigation Pump* and *Large Power* rates will experience an increased demand charge from \$7.75/kW to \$8.00/kW. The *Irrigation Pivot* energy charge will increase from \$0.1020/kWh to \$0.1040/kWh.

These approved adjustments **do not impact any rate class by more than 5 percent** depending on your usage. It is also the first time BCREA rates have increased since September 2024.

Our wholesale power provider, Great River Energy, is anticipating a rate increase effective January 1st, 2027. We are trying to get to a place where that hit isn't as hard by raising some rates now. GRE is also implementing a new billing structure effective January 1st, 2028, which will impact wholesale power costs. As a nonprofit entity, we use loans to fund large projects, so having revenue helps us pay off loans. Any excess margins at the end of the year are allocated to our membership.

As a rural electric cooperative, we are committed to keeping power costs as affordable as possible for our members. Unfortunately, the time has come when we need to adjust our rates in order to continue providing you with the safe, reliable electric service you expect. Please reach out to our office with any questions regarding the upcoming rate adjustment.

Mike Heidemann,
BCREA CEO



General Single Phase/Three Phase Rates

RATES	Current		New Rate		Average Increase
	Service Charge	Energy Charge	Service Charge	Energy Charge	
General – Single Phase	\$52/mo	\$0.1020/kWh	\$58/mo	\$0.1040/kWh	4.6%
General – Three Phase	\$75/mo	\$0.1020/kWh	\$81/mo	\$0.1040/kWh	3.5%

The rate changes will be effective September 1st, 2026

Irrigation & Large Power Rates

RATES	Current			New Rate		
	Service Charge	Demand Charge	Energy Charge	Service Charge	Demand Charge	Energy Charge
Irrigation Pump	\$75/mo	\$7.75/kW	\$0.084/kWh	\$75/mo	\$8.00/kW	\$0.084/kWh
Irrigation Pivot	\$70/mo		\$0.1020/kWh	\$75/mo		\$0.1040/kWh
Large Power	\$80/mo + \$1/kVA over 50 kVA	\$7.75/kW	\$0.084/kWh	\$80/mo + \$1/kVA over 50 kVA	\$8.00/kW	\$0.084/kWh



Understanding the Power Cost Adjustment on Your Electric Bill

We are often asked why we include a charge on members' electric bills each month called the *Power Cost Adjustment (PCA)*. This charge appears as a separate line item on the bill statement and gets a lot of attention during the summer when electricity use is soaring and the cost of electricity is elevated. The PCA reflects an adjustment for the actual cost of wholesale power and cost of distributing that power during each billing period – above or below Brown County REA's base rate.

Why is a PCA necessary?

In order to generate the electricity you consume, our wholesale power supplier, Great River Energy, obtains electricity from many sources, including coal, natural gas, wind, and solar. Because fuel prices change on a daily basis, wholesale power costs vary from month-to-month. Brown County REA's base electric rate stays the same, while the PCA adjusts based on fluctuations in fuel cost. Think of it like fueling your car. The price of gasoline changes

every time you fill up. That very same thing happens to the price of fuel to turn the turbine that creates your energy.

How is my total PCA calculated?

Members can calculate their own PCA each month by multiplying the PCA on their electric bill by the kWh used for the billing period. This formula charges all Brown County REA members equally for the increase or decrease in the cost of generating electricity, based on fluctuating fuel prices.

Do other electric utilities use a PCA?

Brown County REA's PCA is a pass-through from the wholesale power bill to members' bills. The fact is that all energy suppliers have a monthly adjustment for fluctuating fuel costs related to power production. The terminology may vary. You may hear PCAs referred to as a "Wholesale Power Adjustment" or "Fuel Cost Adjustment," or other terms, but they are all fundamentally the same.

Upcoming Dates

August 18th Operation Round Up Meeting

The third quarterly Brown County Rural Electric Trust Board meeting for 2026 is set for August 18th. Organizations wishing to be considered for funding can submit the application, found on our website www.browncountyrea.coop, before that date.

September 14th Member Advisory Council

The second meeting of the current Member Advisory Council will be held September 14th, 2026 at the Brown County REA auditorium. Council members will receive additional details in the mail.



Twins Clinic a Success

Brown County had a great time sponsoring the Minnesota Twins Youth Clinic on July 10th and seeing so many young athletes learning new skills, building confidence, and having fun on the field.

Thank you to everyone who participated, volunteered, and helped make the day a success. We're proud to support opportunities that bring our communities together, and we hope everyone had as much fun as we did!



DO TV THE EASY WAY

BCREA does more than deliver electricity—it's also a cooperative partner in operating *Cooperative Television of Southern Minnesota (CTV)*, bringing a wide selection of Twin Cities UHF TV channels to our service area for just \$8 per month, conveniently added to your electric bill.

Carter Represents Brown County REA on Youth Tour



This summer, Carter Wilson of New Ulm represented BCREA on the 2026 Youth Tour to Washington, D.C., joining 35 Minnesota delegates and more than 1,500 students from electric cooperatives across the country. Throughout the week, students explored our nation's capital, learned about government and the cooperative model, and connected with peers from across the United States.

While every day was packed with activities, one experience stood above the rest for Carter. "My favorite part was being able to go on a Segway tour around the National Mall at night," he said. "Being able to see all the memorials and monuments lit up was nice."

From touring iconic landmarks to hearing from inspiring speakers, the trip offered ample opportunities to learn. Looking back, Carter says the overall experience of exploring Washington, D.C., while interacting with students from across the country, is what he will remember most.

Youth Tour gives high school students the opportunity to experience history first-hand, develop leadership skills, and build friendships with students from across the nation.

Brown County is proud to support this program and encourages eligible high school students to apply for the 2027 Youth Tour. Watch for Youth Tour details in the December issue of *Current Connections*.



Load Control Receiver Replacement Update

Brown County REA is currently replacing load control receivers throughout our service territory. The previous receiver system has reached the end of its service life and is no longer operational, which means existing receivers can no longer receive control signals.

Until your receiver is replaced, your load-controlled equipment will continue to operate normally and will not be automatically interrupted during control periods.

Although the old receiver system is no longer functioning, Great River Energy will continue to schedule load control periods during times of high electrical demand.

We encourage participating members to voluntarily reduce the use of controlled equipment during these periods whenever possible.

Your cooperation helps manage peak demand and supports the reliable delivery of electricity to all members.

Thank you for your patience and support as we complete this system-wide upgrade.

Built to Protect. Maintained to Perform.



Regular inspections and sensor cleaning help your system stay ready through every season.



Call us at **888.264.6380** or visit our website at **heartlandss.com** to get started!

A subsidiary of Brown County REA



Harvest Safety Starts By Looking Up

Harvest is one of the busiest times of the year, making it easy to overlook potential hazards. Before moving equipment, grain augers, or other tall machinery, always look up and be aware of overhead power lines.

Keep equipment at least 10 feet away from power lines. If equipment contacts a power line, stay inside the cab if it is safe to do so and call 911 and your electric cooperative. If you must exit because of an emergency, jump clear without touching the equipment and the ground at the same time, then shuffle away with small steps.

A few extra moments of awareness can help keep you, your family, and everyone around you safe this harvest season.

Board Meeting Highlights

July Board Minutes

The Brown County REA Board of Directors held its monthly board meeting on July 20th, 2026.

Discussion and/or action were taken on the following agenda items:

- Reviewed and approved the June 2026 board meeting minutes, new membership applications, member cancellations, payments to estates, and assignment transfers.
- Reviewed and approved June 2026 payroll and June 2026 financial statement.
- Reviewed and approved rate increase.
- Reviewed and approved BCREA standby charge for distributed generation.
- Reviewed and approved inventory of work order form 219s.
- Reviewed and approved \$10 million increase to corporate debt limit.
- Reviewed staff meeting reports, director meeting reports, and individual director reports.

The next meeting is set for August 26th, 2026, at the Brown County REA office in Sleepy Eye.

Mike Heidemann – Chief Executive Officer

Board of Directors

Thomas Hayes, *President* – (507) 228-8954
William Berg, *Vice President* – (507) 766-1497
James D. Hanson, *Secretary-Treasurer* – (507) 829-6756
Brad Sprenger – (507) 317-5576
David Wendinger – (507) 276-3166
Greg Mages – (507) 276-0325
Joel Christensen – (507) 828-4550
Keith Hoffmann – (507) 227-8006
Landon Sletta – (507) 276-1899

The Board of Directors meets the last Thursday of each month.

PICKLED GREEN BEANS RECIPE

INGREDIENTS

8–9 ounces fresh green beans	1 ¼ cups rice vinegar,
3 cloves garlic, thinly sliced	white vinegar, or white
1 small shallot, thinly sliced	wine vinegar
2 teaspoons dried dill	½ cup + 2 tablespoons water
1 teaspoon coriander seeds	1 heaping tablespoon sugar
1 dried bay leaf	1 teaspoon kosher salt
½ teaspoon red pepper flakes	

DIRECTIONS

Step 1: Add the green beans to a 24-ounce (pint and a half) or 32-ounce (quart) jar. Add garlic, shallot, dill, coriander seeds, bay leaf, and red pepper flakes.

Step 2: Add vinegar, water, sugar, and salt to a saucepan, bring to a boil over high heat, whisking until sugar and salt have dissolved.

Step 3: Immediately pour into jar with green beans. Let sit 5 minutes then cover with lid. Let cool at room temperature for 30 to 60 minutes before refrigerating.

Step 4: These are best after sitting for at least 2 days in the fridge, but get even better around 7 days.



BROWN COUNTY REA

Owned by
those it
serves

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