

SPARKS

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MAY 2026

MONTHLY NEWSLETTER
Steele-Waseca Cooperative Electric



Annual Report

The 2025 SWCE Annual Report; including, GRE Report, Annual Meeting Minutes and Financial Report can be viewed through the QR code



or Visit:

<https://swce.coop/annual-reports>

SWCE's 90th Annual Meeting Agenda

Tuesday, June 2, 2026 – 9 a.m. to 12:15 p.m.
Steele-Waseca Cooperative Electric
2411 West Bridge Street, Owatonna, Minnesota

SWCE HIGHLIGHTS

Former Steele-Waseca Electric Cooperative Board Director Gerri Lienke passed away on April 18 at the age of 78. Lienke served on the board for over 20 years and was the first woman elected to the co-op's board.

IMPORTANT NOTICE



Members who had their billing from the 12th of the previous month to the 12th of the current month will see their billing period change to the 1st of the month to the last day of the calendar month starting May 1, 2026. **FOR ALL MEMBERS:** SWCE bills will be due on the 1st starting in June 2026, unless you're on auto pay, which remains the same. 16457

9:00 a.m.–10:30 a.m. | Present your pre-mailed registration card or register for the meeting and prizes; optional drive-thru available for those unable to attend the business meeting

9 a.m.-10:30 a.m. | Popcorn and co-op display booth

10:25 a.m. | Early Bird prize drawings

10:30 a.m. | Registration ends, business meeting begins

Presentation of Colors
Color Guard, Owatonna High School and Faribault Middle School

Pledge of Allegiance
Everyone

National Anthem (please remain standing)

Invocation
Rodney Krell, Board President

Welcome
Syd Briggs, General Manager

Call to Order
Rodney Krell, Board President

Establish Quorum, Adopt Agenda
Rodney Krell, Board President

Notice of Meeting, Proof of Mailing
Ron Sommers, Board Secretary/Treasurer

Acceptance of 2025 Reports as printed
Rodney Krell, Board President.

Introduction of the Board of Directors

Nominating Committee Report
Daniel Maas, Committee Chair

The 2025 SWCE Annual Report; including, GRE
Tricia Lancaster, SWCE Attorney

Introduction of 2026 Washington, D.C. Youth Tour delegates
Randy Sobrack, Member Services Supervisor

Guest Introductions
Syd Briggs, General Manager

SWCE Report
Syd Briggs, General Manager

Employee Introductions
Syd Briggs, General Manager

Unfinished and New Business
Rodney Krell, Board President

Adjournment

Grand Prizes
Gift cards and flowers

11:45 a.m. | Lunch catered by Hy-Vee, Owatonna



By SWCE General Manager
Syd Briggs

Consolidating an Electric Cooperative: Strategic Considerations, Benefits, and Challenges

Electric cooperatives across the United States are facing increasing pressure to adapt to a rapidly changing energy landscape. Aging infrastructure, evolving regulatory requirements, the transition toward renewable energy, and rising member expectations are all driving cooperatives to reconsider how they operate. One strategy gaining attention is consolidation—the merging of two or more cooperatives into a single entity. While consolidation is not a new concept, its relevance has grown as cooperatives seek to improve efficiency, strengthen financial stability, and better serve their members. Consolidating is not new to Steele-Waseca Cooperative Electric. We consolidated twice in the past to become who we are currently and to incorporate the territory we now have.

What Cooperative Consolidation Means for You

Consolidation simply means two or more electric cooperatives joining together to operate as one organization. While the size may change, the cooperative model does not—members still own the co-op, and decisions are made with your best interests in mind.

You may have heard that your electric cooperative is exploring or undergoing a consolidation with another co-op. Understandably, this can raise questions: What does this mean for my service? Will my rates change? Will the cooperative still be local?

In the last year we have been talking with Goodhue County Cooperative Electric to consider and evaluate the possibility of consolidation or merger. In addition to analyzing and researching answers to questions from members of both Boards of Directors, we have received analyses from three separate consultants addressing and encouraging the idea of consolidation or merger.

Why Are Steele-Waseca Cooperative Electric and Goodhue County Cooperative Electric Considering This?

At its core, consolidation is about achieving economies of scale. We often face higher per-member costs for infrastructure maintenance, administrative operations, and compliance because both SWCE and GCCE, individually, are smaller than the average cooperative in the United States. By combining resources, we will become slightly larger than average, and our cooperatives can spread these costs across a larger membership base, reducing overall expenses per member.

Additionally, consolidation can enhance operational resilience. As a larger organization we will have greater access to capital, more robust emergency response

capabilities, and improved bargaining power when procuring equipment or negotiating power supply contracts. This can translate into more reliable service and improved rate stability for members.

Workforce challenges also play a role. Like many cooperatives, both of our cooperatives deal with an aging workforce and sometimes have difficulty attracting specialized talent. Consolidation allows for shared expertise, better training programs, and more sustainable staffing structures. 1062751

How Could This Benefit You?

Reliable Service

As a larger, combined cooperative, we will have more crews, equipment, and resources available—especially during storms or outages. That can mean faster restoration times and improved reliability.

Cost Stability

By reducing overhead and operating more efficiently, consolidation helps control costs over time. While no utility can guarantee rates won't change, a stronger financial position helps keep them as stable as possible. Our rate consultant has confirmed that a consolidation alone WILL NOT result in a rate increase.

Better Technology and Programs

As a consolidated co-op we will have more capacity to invest in modern grid technology, online tools, and member programs—like energy-saving incentives, rebates, and new billing options.

Stronger Long-Term Planning

With more resources and a broader service area, the combined cooperative can make larger, smarter investments to meet future energy needs.

What Stays the Same?

Even after consolidation, the most important things don't change:

- You are still a member-owner.
- Your cooperative is still not-for-profit.
- The focus remains on serving your community—not outside shareholders.
- All Board members remain as Board members until retiring off the Board
- Both local offices will remain open for business and a local presence in the community.
- Employee numbers will not be reduced due to consolidation.
- Rates will not increase due to consolidation.
- Capital Credit Allocations and Payments will not be reduced due to consolidation.

Local service is a priority. Offices, service crews, and community involvement remain in place to ensure members continue to receive the support they expect.

What Might Change?

There may be some updates over time, such as:

- A new cooperative name or branding
- Updated billing systems or account numbers
- Changes in board district structure or representation



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Steele-Waseca Cooperative Electric
2411 W Bridge Street, PO Box 485
Owatonna MN 55060-0485

Office Phone: 507.451.7340
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This institution is an equal opportunity provider and employer.

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Board of Directors

- Rodney Krell,**
President District 5
- PJ Duchene,**
Vice President District 1
- Ron Sommers,**
Secretary/Treasurer. District 8
- Scott Carlson,**
Assistant Secretary/Treasurer District 9
- Tony Seykora.** District 2
- Neil Schlaak.** District 3
- Dennis Ringhofer.** District 4
- Weston Wilson.** District 6
- John Beal** District 7

Management

Syd Briggs, General Manager

Division Managers

- Steve Nordahl,
Member Services & Business Development
- Jon Stelter, Finance

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Governance

Electric cooperatives are member-owned, and governance is a critical concern. Ensuring fair representation for all members in the new structure will be a primary goal. Differences in board districts, voting systems, and bylaws must be reconciled carefully.

Community

Each cooperative has its own identity, culture, and relationship with its community. Your Boards are already working together to merge these cultures through thoughtful change management to maintain trust and morale among employees and members.

Legal Matters

Consolidation requires approval from state regulators, lenders, and members. Legal complexities will be well defined before bringing this matter before both memberships.

Short-Term and Long-Term Costs

While long-term savings are a primary goal, the up-front costs of consolidation—system integration, legal fees, and organizational restructuring have been calculated with the result heavily on the savings side. In the first 10 years we expect both cooperatives to share in savings in excess of \$1,000,000 average per year; less in the first year and more in the later years of a ten-year period.

What can you expect moving forward

1. Transparent Communication

Keeping members, employees, and stakeholders informed throughout the process is essential. Communication, understanding, and transparency is key.

2. Thorough Due Diligence

Financial, operational, and legal analyses have been comprehensive. We have 100% Board approval of both Boards along with objective outside sources. Un-

derstanding the strengths of each cooperative ensures informed decision-making.

3. Member Engagement

Because members are owners, their input and approval are critical. Public meetings, surveys, and clear voting processes are what the cooperative family is about.

4. Strategic Alignment

Both cooperatives align very well with goals, values, and long-term strategies.

5. Phased Integration

Planned gradual integration of systems and operations will minimize disruption and allow time to address unforeseen challenges.

Looking Ahead

As the energy sector continues to evolve, consolidation may become an increasingly viable strategy for all electric cooperatives.

When executed thoughtfully, consolidation will strengthen the cooperative model—preserving its core principles of member ownership and community focus while positioning it for future success.

Consolidation is about strengthening your cooperatives so it can continue delivering safe, reliable, and affordable electricity for years to come. While change can feel uncertain, the goal is simple: to serve you better at the best possible price.

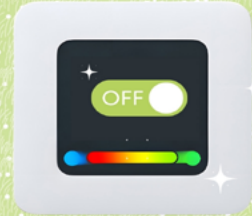
If you have questions, each of your cooperatives encourages you to reach out, attend informational meetings, and stay engaged. After all, this is your co-op—and its future is shaped by you.



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Or visit our website at: swce.coop/classifieds



Louks, Richter to represent Steele-Waseca Cooperative Electric in Washington, D.C., for 2026 Youth Tour

Steele-Waseca Cooperative Electric will be represented at the 2026 Youth Tour in Washington, D.C., by Connor Louks, a sophomore at New Richland-Hartland-Ellendale-Geneva High School, and Leighton Richter, a sophomore at Bethlehem Academy.

Connor is the son of Joseph and Amy Louks of rural Ellendale. Leighton is the son of Sherry Richter of rural Faribault. Each submitted a video of at least two minutes and not exceeding three minutes answering questions on why they would like to represent Steele-Waseca on the Youth Tour, and what they hoped to gain from the experience; what school activities they enjoyed the most; and how they contribute to making their community a better place to live. 1092042

Read More Link:

<https://swce.coop/news/louks-richter-represent-swce-2026>



Steele-Waseca members should have received their mail-in ballots during the week of April 27. VOTE EARLY! Ballots need to be received in Survey & Ballot Systems post office box by 10 a.m., Friday, May 29, in order to be counted. Results of the mail-in ballot election of directors will be announced at Steele-Waseca's 90th annual meeting, Tuesday, June 2, at the co-op's headquarters, 2411 West Bridge Street in Owatonna.

View the District 7, 8 & 9 Board of Director candidate biographies.



Scan or Click the QR code for more information



Daniel J. Maas
District 7

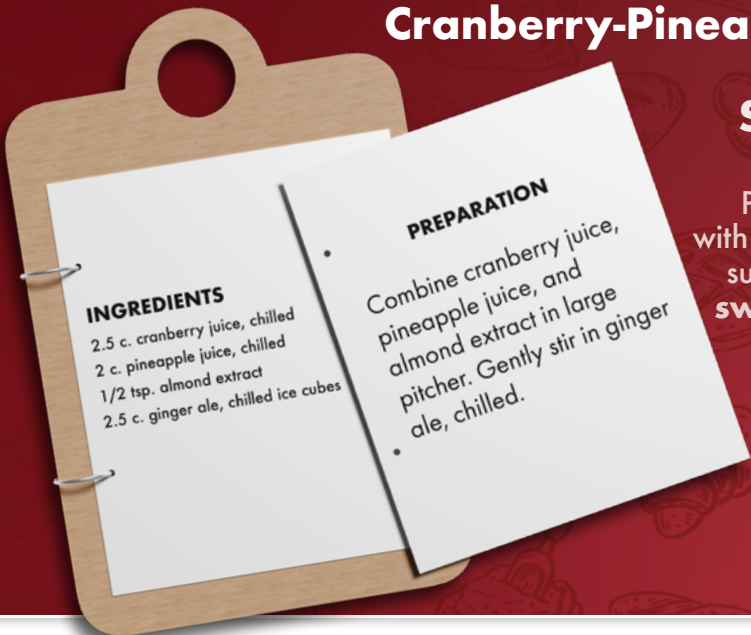


Ronald D. Sommers
District 8



Scott J. Carlson
District 9

Cranberry-Pineapple Punch



INGREDIENTS

- 2.5 c. cranberry juice, chilled
- 2 c. pineapple juice, chilled
- 1/2 tsp. almond extract
- 2.5 c. ginger ale, chilled ice cubes

PREPARATION

- Combine cranberry juice, pineapple juice, and almond extract in large pitcher. Gently stir in ginger ale, chilled.

Sandi Jones
Faribault

Plan your next meal with member recipes or submit your recipe at swce.coop/recipes

SWCE SPARKS IN BRIEF...

- Need a yard security light? For information, contact us between 8 a.m.-4:30 p.m., or at info@swce.coop.
- For average temperatures per day, check your SmartHub app. 22753
- ENERGY STAR® Rebates – For a complete list of residential, commercial, industrial, and agricultural rebates, and their respective rebate form, visit swce.coop/rebates.

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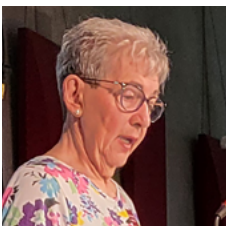
OWATONNA | ELLENDALE |
BLOOMING PRAIRIE | MEDFORD

Steele-Waseca Cooperative Electric (SWCE) is conducting a sealed bid auction (minimum bid \$15,000) for their 2016 Ram 5500, 109,550 miles, 6.7 Cummins, 6 Speed auto 4x4 dump truck with a T. L Woods I-Box backpack and 9' Crysteel contractors' box. Sealed bids must be received at Steele-Waseca's office, 2411 W. Bridge St, Owatonna, by noon Thursday, May 28. If you would like to see the truck or have questions, please call SWCE at 507-451-7340 and ask for Matt. The person with the winning bid will be notified by phone by the end of the day, Friday, May 29. 1010702



SALE

Steele-Waseca Cooperative Electric



**Past board director,
Gerri Lienke,
dies at age 78**

Retired Steele-Waseca Cooperative Electric Board Director Gerri Lienke died of cancer Saturday, April 18, at the age of 78.

Lienke was first elected to the board in 2004 and was re-elected seven times until her retirement in 2025. She was the first woman elected to Steele-Waseca's board of directors.

"I'd like to thank each and every one of you as you continued to vote for me over the past 21 years," said

Gerri to those in attendance for the co-op's annual meeting in 2025. "It was one of the greatest experiences of my life."

Gerri was born Oct. 30, 1947, in Waseca. She graduated from New Richland High School. She married her husband, Dave, on Dec. 10, 1966. They lived on a dairy/hobby farm outside of Waldorf where they raised their four children and shared 59 years of marriage.

Her working career included 10 years at the Waldorf Municipal Liquor Store and 26 years at Crystal Valley Co-op. She also served 12 years as a board member for Freedom Township.

Gerri's joy was spending time with her family, especially her grandchildren. She also enjoyed gardening,

fishing, playing cards, visiting friends, and rural life. She also cherished her cat, Lincoln.

Gerri is survived by her husband, Dave; four children: Kim (Jeff) Brinkley of Franklin, Tennessee; Shannon (Darnell) Alexander of St. Louis Park, Bridget (Erik) Wiebold of Lebanon, Tenn.; and Bill (Katie) Lienke of Sioux Falls, South Dakota; 10 grandchildren, sisters: Audrey Weiske of New Richland, and Sandra (Randy) Shaw of Worthington; and other relatives.

The funeral service was Thursday, April 23, at St. John's Evangelical Lutheran Church in Alma City. Burial followed at the Alma City Cemetery.



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