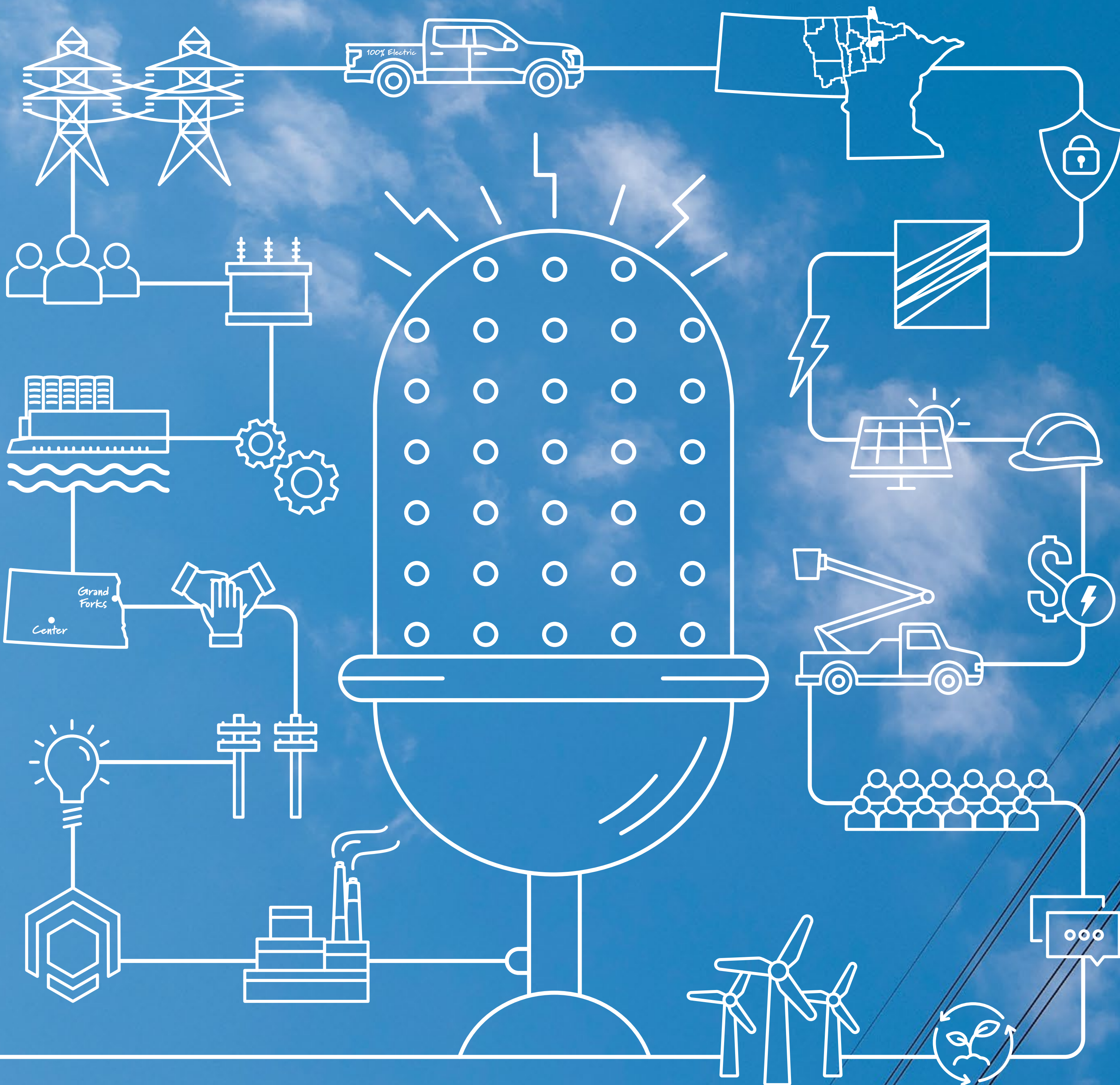
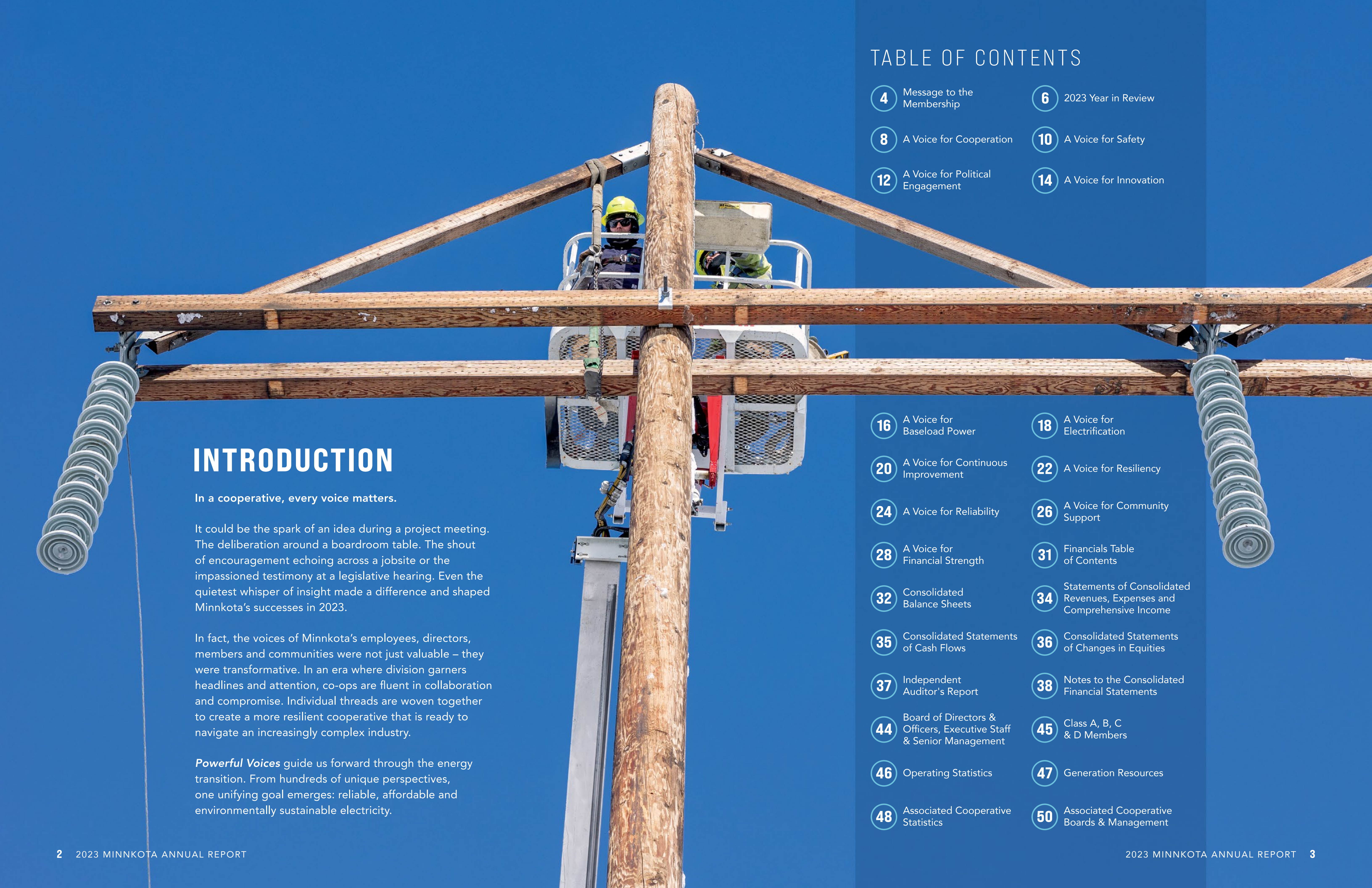
MINNKOTA POWER COOPERATIVE



POWERFUL VOICES

2023 Annual Report



INTRODUCTION

In a cooperative, every voice matters.

It could be the spark of an idea during a project meeting. The deliberation around a boardroom table. The shout of encouragement echoing across a jobsite or the impassioned testimony at a legislative hearing. Even the quietest whisper of insight made a difference and shaped Minnkota's successes in 2023.

In fact, the voices of Minnkota's employees, directors, members and communities were not just valuable – they were transformative. In an era where division garners headlines and attention, co-ops are fluent in collaboration and compromise. Individual threads are woven together to create a more resilient cooperative that is ready to navigate an increasingly complex industry.

Powerful Voices guide us forward through the energy transition. From hundreds of unique perspectives, one unifying goal emerges: reliable, affordable and environmentally sustainable electricity.

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Mark Habedank
Board Chair

Mac McLennan
President & CEO

MESSAGE TO THE MEMBERSHIP

In a time of immense industry change, Minnkota is guided by the support of its members, the dedication of its employees and the growth of its community relationships. The individual voices within our cooperative family are strong, but when they join in unison toward a common purpose, they become remarkably powerful. Working together to accomplish what cannot be done alone is a cornerstone of the electric cooperative model and will prove to be increasingly important as the energy transition continues.

In 2023, the bonds between Minnkota and its 11 member cooperatives were strengthened through the completion of new wholesale power contracts. Following an 18-month collaborative review process, these agreements were extended to 2060 and will automatically renew in two-year increments. We're grateful to have secured the long-term stability and commitment of our members. This extension not only solidifies our shared vision and goals but also underscores the trust and mutual respect that form the foundation of our relationships.

Having a united membership is critical as we face some of the most complex challenges in our industry's history. In 2023, the nation's leading grid operators and regulators reported on the growing concerns around the reliability of electricity. The retirement of dependable power plants without adequate replacement is a primary driver for the Midcontinent Independent System Operator (MISO) region – which includes Minnkota's service area – being designated as the highest-risk region in the United States. In addition to reliability issues, the swift changes are creating increased pricing volatility in the MISO market that must be managed.

With these alarming issues at the front of our minds, we are looking for technological advancements that help ensure the Milton R. Young Station, our most reliable and resilient generation resource, can operate into a future that will require some level of carbon management. We continue to make progress on Project Tundra – an effort to install one of the world's largest carbon capture and storage systems at the power plant site near Center, N.D. During the year, we created new partnerships to drive development forward, secured a path to potentially utilize hundreds of millions of dollars in state and federal funding, and received approvals for a second carbon dioxide (CO_2) storage facility permit, which provides us with the two largest storage facilities in the U.S. It is anticipated that a decision on whether to move forward with construction will be made in 2024.

In addition to robust funding applications for Project Tundra, Minnkota also pursued dollars made available through the U.S. Department of Agriculture's New ERA program and the Department of Energy's Grid Resiliency and Innovation Partnerships program. Both decarbonization projects and power delivery system upgrades that fit strategically into the cooperative's portfolio were included in the letters of interest. Minnkota expects to learn more about the status of these requests in 2024.

The timing of these resource decisions is critical as the carbon-managed world Minnkota has been forecasting for many years is quickly becoming reality. During the last year, the state of Minnesota passed a new law that will require 100% carbon-free energy in the state by 2040. At the same time, the Environmental Protection Agency is pursuing a new suite of rules for power plants that would likely result in additional power plants being closed prematurely without significant carbon mitigation efforts. While Minnkota supports the advancement of technologies to reduce emissions, these rules include unworkable timelines and requirements that have the potential to create unacceptable stability issues across the nation's electric grid. The EPA rules are set to be finalized in the spring of 2024, at which point they will likely face significant litigation. Minnkota will continue to advocate for sensible energy policy that prioritizes reliability with our policymakers and other key stakeholders.

Looking across Minnkota's operations in 2023, the employees made progress on major efforts to ensure the continued optimal performance of our generation and transmission assets. Most importantly, the work was completed safely with employees reaching the milestone of 2 million hours worked without a lost-time injury for the first time in Minnkota history. This record is especially impressive considering the wide scope of projects at the Young Station and the perseverance from our power delivery crews when responding to a devastating ice storm in late December. We remain grateful to all employees for their focus on safety and are committed to ensuring these positive trends continue.

From a financial standpoint, the Minnkota board approved a 2024 budget that provides seven straight years of rate stability for the membership. However, inflation and supply chain issues are continuing to place upward pressure on Minnkota's costs – an issue experienced by all utilities across the country. Minnkota will continue to search for strategies to help ensure it has access to the tools needed to do the job, while also managing rising expenses across many of its major inputs.

As we look to the future, we know our voices in rural North Dakota and Minnesota can feel far away from major decision-makers. That's where our collective strength as cooperatives comes into play. Whether you're speaking from the base level of a power plant, the top of a transmission structure, the back of a boardroom or the front a legislative assembly, we are committed to amplifying your voices across the entire energy landscape. And perhaps just as importantly, we promise to listen to the voices in our cooperative family as we move into a future that will look much different than our past.

Mark Habedank
Mark Habedank

Mac McLennan
Mac McLennan

YEAR IN REVIEW

3,385 MILES of transmission line

258 substations

STANDARD & POOR'S
A-
Stable Outlook

CLASS A ENERGY SALES (MWh)

	MWh
2023	4,132,637
2022	4,208,653
2021	4,028,328

6 CONSECUTIVE YEARS of rate stability

2 MILLION hours without a lost-time injury

2023 POWER PLANT AVAILABILITY

Coyote Station	Young Station 1	Young Station 2
89.5%	93.4%	82.6%

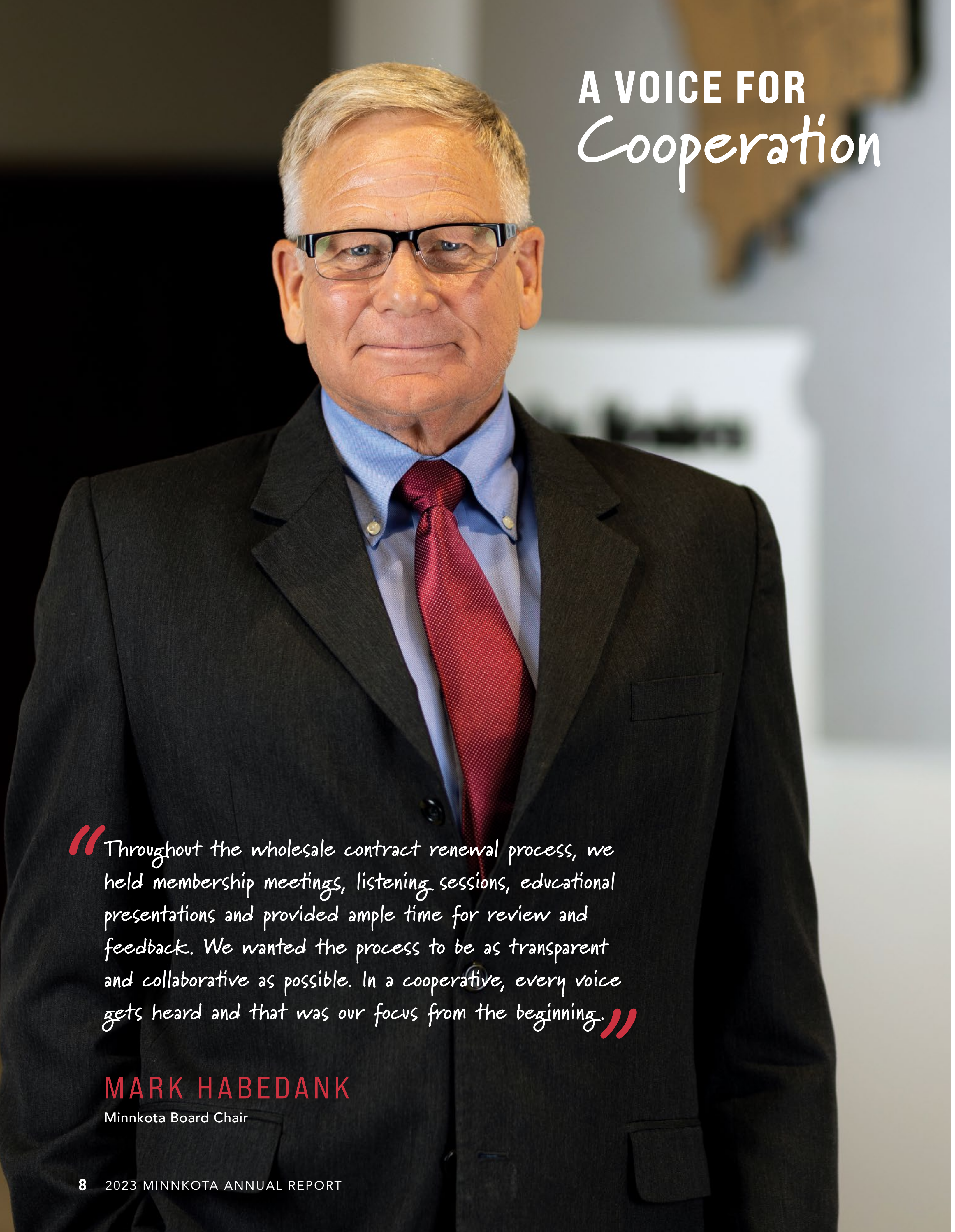
$449.7 MILLION
2023 Revenues

FITCH RATING **BBB+**
Stable Outlook

402 EMPLOYEES

AVERAGE WHOLESALE POWER RATE (mills/kWh)

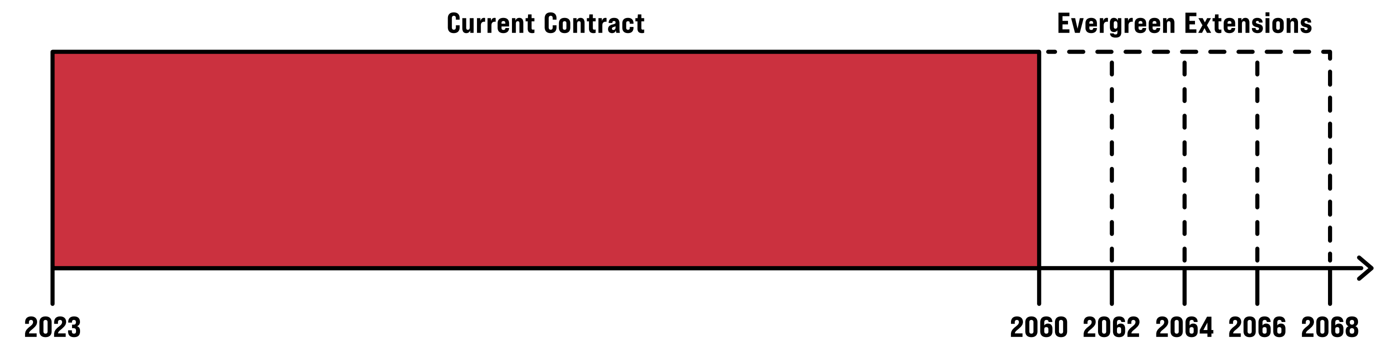
	mills/kWh
2023	77.2
2022	75.9
2021	76.2



A VOICE FOR *Cooperation*

"Throughout the wholesale contract renewal process, we held membership meetings, listening sessions, educational presentations and provided ample time for review and feedback. We wanted the process to be as transparent and collaborative as possible. In a cooperative, every voice gets heard and that was our focus from the beginning."

MARK HABEDANK
Minnkota Board Chair



Minnkota and its members have a proud history of working together toward their shared goal of providing reliable, affordable and sustainable electricity. In 2023, the close bonds that have driven decades of success became even stronger.

All 11 Class A member-owners signed new wholesale power contracts with Minnkota that extend through 2060. One of the key changes in the new contracts is the implementation of an evergreen renewal structure. Starting in 2026, the contracts will be automatically extended by two years each even-numbered year. That schedule will continue unless either Minnkota or the member cooperative formally requests a change. Additionally, Minnkota has a board of directors policy in place to review the contracts every five years.

The evergreen structure helps provide stability and certainty for Minnkota and the members without the need for a multi-decade extension, which has historically been used in the electric cooperative industry. Maintaining a contract length of more than 35 years ensures that optimal financing can be secured for current and future projects. In addition, the contracts help demonstrate financial health to potential lenders and rating agencies.

While the membership is united through Minnkota's role as the wholesale power provider, there is recognition that a fast-changing industry requires electric cooperatives to be flexible and adaptable. Within the new contracts, each member cooperative may receive up to 5% of its highest historical monthly uncontrolled demand from a source other than Minnkota. This amendment comes with added protections against inequitable cost-shifting amongst members.

Wholesale power contracts have a long history with electric cooperatives dating back to their formation. Minnkota's original contracts were signed in 1956 and have been renewed several times throughout the years. While Minnkota looks much different than when it was formed in 1940, the electric cooperative business model and wholesale power contract structure continue to show resiliency in an evolving industry.

Jared Echternach
Beltrami Electric Cooperative CEO

"The process by which Minnkota engaged its members to revise and extend the wholesale power contract should be held up as a gold standard. Member feedback was crucial to the process and Minnkota was accepting of member input without sacrificing the integrity of their contractual needs."

Minnkota is committed to providing a safe and healthy working environment for its employees, members and partners. For the first time in the cooperative's history, Minnkota employees reached 2 million hours worked without a lost-time injury. Uniquely, the Young Station and the Grand Forks headquarters each reached 1 million work hours independently within two weeks of each other in August 2023. The milestone is a major accomplishment for all employees and signifies the importance placed on safety at Minnkota.

After reaching the 2-million-hour mark, one lost-time injury was experienced in Grand Forks. Nevertheless, Minnkota's 2023 safety resume featured many noteworthy accomplishments and impressive statistics. The cooperative's Experience Modification Factor (EMOD) during the year was 0.838 – the lowest total since 2017. An EMOD below 1 indicates that Minnkota has a stronger safety record in comparison to both its peers and its past safety performance.

While Minnkota constantly evaluates and implements measures to reduce safety risks, employees must still prepare for worst-case scenarios through consistent, specialized training. At the Young Station, rope rescue training was put to the test in 2023 when a contractor lost his footing and injured his knee while on top of scaffolding. The cooperative's rescue team was able to get the contractor down safely and administer First Aid until an ambulance arrived.

While there are several elements that have helped lead to an incredible safety record, one word can summarize it all – listening. Minnkota safety programs have grown and expanded in recent years based on feedback from employees and their support of a culture of openness and trust. With so many unique work environments – from the top of a utility pole to the confined spaces of a power plant – the best way to improve safety is by hearing directly from the people doing the work.

Chuck Clairmont
North Dakota Safety Council Executive Director

"Having toured their facilities and worked closely with their teams for years, it's evident why Minnkota maintains such an exemplary safety record. Whether it's adhering to OSHA regulations, Hazwoper protocols, Rope Rescue procedures, or all safety things in between, the NDSC is lucky to partner with a company that cares about its people and their families and communities like Minnkota does."

Minnkota Emergency Rescue Team members Channing Schafer (left) and Tim Krous rappel down a Young Station building during monthly rescue training.

A VOICE FOR Safety

TIM KROUS

Safety and Physical Security Specialist at the Milton R. Young Station

"Safety isn't just about keeping statistics low or celebrating numerical achievements. It's about caring for the others in the cooperative family. We want every person who enters the plant to immediately recognize that culture and go home safely to their family at the end of the day."

A VOICE FOR *Political Engagement*

> *"In the fast-changing landscape of policymaking, active participation ensures that cooperatives can shape regulations and initiatives that directly impact their ability to deliver affordable and reliable energy to their communities. By staying involved and advocating for our collective needs, Minnkota and its cooperative partners are upholding their commitment to democratic principles and empowering their members to thrive in an ever-evolving industry."*

BRITA ENDRUD
Government Affairs Representative

As energy policy and regulations are changing quickly, Minnkota and its members are making sure their voices are heard. Despite consistent engagement, problematic proposals were advanced throughout 2023 that have the potential to negatively impact Minnkota in the coming years.

At the federal level, the Environmental Protection Agency (EPA) rolled out new regulations for power plants in 2023 that, if enacted as proposed, will accelerate grid reliability issues and threaten the affordability of electricity across the nation. Minnkota and its industry partners issued comments to EPA about the unworkable timelines and requirements in its proposal to regulate greenhouse gas (GHG) emissions from both coal and natural gas power plants. Utilities would be required to implement carbon capture and hydrogen technologies that are promising but not yet commercially available, especially on an unreasonably expedited timeframe. This threatens to push more baseload and dispatchable plants offline in the next decade as the risk of electric grid instability continues to grow.

Minnkota also issued comments on EPA's proposal to further regulate mercury and particulate matter emissions from power plants. While Minnkota has robust systems in place at the Young Station to significantly reduce these emissions, the rules would require additional cost for near unquantifiable benefits. EPA is expected to finalize its proposed GHG and mercury rules in the spring of 2024. It is anticipated that the final rules will be subject to significant litigation.

One of the key federal successes in 2023 was the approval of a new coal mine plan, which prevented $35 million in unnecessary costs from being imposed on the mine serving the Young Station. Minnkota personnel worked closely with Sen. John Hoeven, who was instrumental in coordinating with Department of the Interior officials to make the case for timely approval of mine plans. Without approval, mine operators would have needed to implement costly contingency plans to move the dragline equipment and develop other portions of the mine.

Minnesota, North Dakota approach decarbonization in different ways

During the 2023 Minnesota legislative session, the state adopted a mandate that requires 100% carbon-free electricity by 2040. The rule sets an aggressive timeline that creates the potential for electric grid reliability and affordability issues that would be difficult to reverse.

Under the mandate, the Minnkota members and NMPA participants in Minnesota will be required to reach the following targets: 60% carbon-free energy by 2030, 90% carbon-free energy by 2035, and 100% carbon-free energy by 2040. Additionally, 55% of the electricity used in the state must come from an eligible technology such as wind, solar, hydrogen, biomass or hydro by 2035.

While the Minnkota-NMPA Joint System supports efforts to decarbonize the electric sector, the transition must be completed in a safe and responsible manner. Unfortunately, this mandate accelerates the transformation of the electric grid in a way that may create long-term issues. Staff will be actively engaged in 2024 as the details of the rule are finalized.

In North Dakota, Minnkota successfully opposed several proposals related to carbon capture and storage that would have negatively impacted Project Tundra and the future of an emerging industry in the state. Additionally, the cooperative successfully advocated for programs to support carbon capture and other energy technologies.

John Hoeven
U.S. Senator

"Every home and business depends on access to reliable and affordable baseload power, including coal-fired electric. That's why we're working to advance commercially-viable CCUS (carbon capture and underground sequestration) for our coal industry, and to provide regulatory relief from unworkable mandates, like the EPA's Clean Power Plan 2.0 and Mercury and Air Toxics Standards."

During the past 83 years, Minnkota has built a dynamic and resilient system of resources to meet the needs of its membership, yet one of the biggest challenges in its history remains in the forefront – decarbonization. Through continued support from the membership, Minnkota is nearing the completion of the final stage of development on Project Tundra – an initiative to build one of the world's largest post-combustion carbon capture systems adjacent to the Milton R. Young Station. About 4 million metric tons of carbon dioxide (CO_2) are are proposed to be captured annually from the coal-based power plant and stored in deep geologic formations approximately one mile underground beneath the plant site.

A major development during the year was the completion of agreements with TC Energy (commercialization lead), Mitsubishi Heavy Industries (lead technology provider), and Kiewit (lead project constructor) to finalize the engineering, procurement and construction plans and pricing.

The project continues to see strong support from local landowners, the vast majority of whom have signed voluntary leases to store CO_2 approximately one mile underneath their land. A second CO_2 storage facility was secured in 2023 with the capacity to sequester 122 million metric tons of CO_2 over a 20-year period. Combined with the first storage facility directly beneath the power plant site, Project Tundra has the capability to store a total 222 million metric tons of CO_2 in North Dakota.

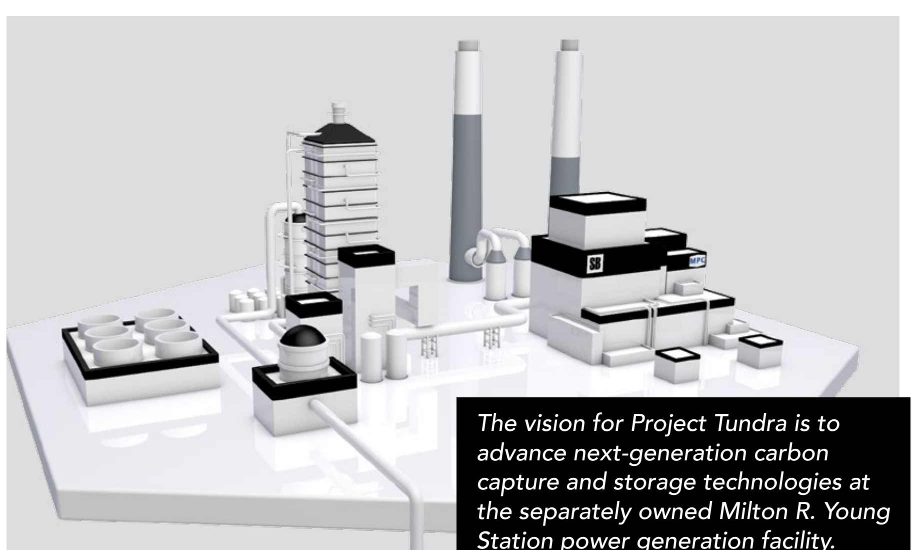
From a finance perspective, Minnkota received significant support from both the state and federal governments. The U.S. Department of Energy awarded up to $350 million in funding for the project, which will be under negotiation in 2024. Approval was also granted for a $150 million low-interest loan through the state of North Dakota's Clean Sustainable Energy Authority (CSEA). With that approval, Project Tundra now has access to $250 million in loans through CSEA.

In an effort to further advance decarbonization efforts, Minnkota submitted a robust letter of interest (LOI) to the United States Department of Agriculture (USDA) through its New ERA program. About $9.7 billion is available for electric cooperatives to advance a variety of clean energy projects. Minnkota anticipates learning more on the status of its LOI in early 2024.

Brian Dresser

Landowner in the Project Tundra CO_2 storage area near Center, N.D.

"The risk that I am concerned with the most, is the risk of not doing anything at all, and potentially losing this industry in our community. It would be devastating to us. It really would. I don't know if I would want to live in this community without having that support and infrastructure here already. I can't imagine what it would cause for all the families in the area."



The vision for Project Tundra is to advance next-generation carbon capture and storage technologies at the separately owned Milton R. Young Station power generation facility.

A VOICE FOR Innovation

SHANNON MIKULA

Minnkota Environmental Manager, *displaying a rock core sample from CO_2 storage research*

"Advancing carbon capture technology is not something one person, one company or one industry can do alone. We need industry leaders, policymakers, scientists, landowners, energy workers and so many others all working toward the same goal. Thankfully, in North Dakota we have the resources, the collective vision and the pioneering spirit to bring this next-generation energy technology to life."

A VOICE FOR Baseload Power

JON MADISON

Environmental Specialist IV

"Minnkota's commitment to the environment is one of our core values. It's more than just about complying with a specific list of rules and requirements. Minnkota strives to achieve and maintain environmental excellence as it has an obligation to protect the surrounding communities."

For decades, the Milton R. Young Station has been a foundational asset in Minnkota's power supply portfolio. The coal-based power plant provides needed reliability and stability to the electric grid, while also ensuring the members are protected from volatile energy market pricing.

Although there were no major scheduled maintenance outages at the Young Station in 2023, plant employees were busy with a variety of projects, repairs and management of coal quality to ensure optimal performance. From an operational standpoint, Unit 1 had an excellent year of production at 93.4% availability, exceeding expectations during its 53rd year of operation. Unit 2 was available to generate electricity 82.6% of the time in 2023, which was lower than expectations, but still well above industry standards.

The Young Station continues to meet 100% compliance with air, water and land quality requirements. Since the completion of major environmental upgrades from 2007 to 2011, the facility has recorded significantly lower emissions levels, while also finding ways to operate the technologies more efficiently and cost-effectively.

Supply chain issues remain a significant focus at the Young Station and have required creative and unconventional solutions from plant staff. Following a major outage on Unit 2 in the fall of 2022, the facility faced supplier challenges related to refurbishment of the generator exciter. Temporary solutions were required to ensure the unit could continue operation through the winter months, which are routinely the times Minnkota sees the highest demand for electricity. Installation of the permanent generator exciter was completed in March 2023. Similarly, one of the unit's boiler feed pumps required repair, which led to a nationwide search for parts and vendors. Again, plant staff were able to find solutions to keep the unit running. Minnkota will continue to evaluate strategies in 2024 to address supply chain constraints and reduce its exposure to long delays for critical components.

Minnkota also manages NMPA's ownership interest in the Coyote Station, a 427-MW coal-based power plant located near Beulah, N.D. The facility performed well in 2023 by generating electricity 89.5% of the time.

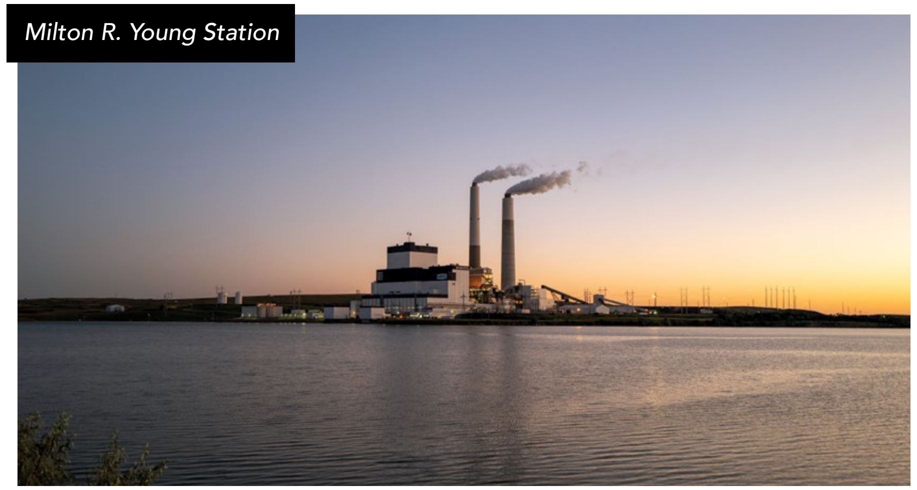
Each of the three coal units in the Minnkota-NMPA Joint System are scheduled for major outages every three years to complete thorough inspections and conduct routine maintenance work – all to keep the plants in prime operating condition. In the fall of 2024, Unit 1 will undergo a major outage to complete these activities.

Casey Boehm

Minnkota Plant Mechanic

"My dad worked at the plant for decades and now I have three brothers working here with me. To be able to keep this plant in good condition and running well is something we all take pride in. We have a lot of newer employees out here who are in this for the long haul. We want to take care of this resource just like the past generations did."

Milton R. Young Station



The call for electrification across Minnkota's service area is as strong as it's been in decades. The cooperative administers programs to help its member systems promote the wise use of energy and the electrification of heating, water heating and vehicle charging. By using electricity as the primary fuel source in these applications, member-consumers often experience both cost savings and environmental benefits.

Minnkota incentivized a program-record number of high-efficiency electric heat pumps in 2023. More than 2,100 tons of heat pump technology were installed during the year, besting the previous record of 1,664. Off-peak electric heating systems rebated through the program totaled 4,804 kW – the highest installation rate since 2017.

Although electric vehicle (EV) adoption rates in eastern North Dakota and northwest Minnesota are lower than other parts of the country, Minnkota is seeing steadily increasing interest. The cooperative incentivized a record 34 off-peak EV chargers in 2023, which beat the previous record set in 2022.

Minnkota was active in promoting electric vehicles during the year. A Ford F-150 Lightning was acquired to provide employees, members and local community members firsthand experience driving and using the all-electric truck. With 320 miles of range and a zero-to-60 speed of about four seconds, the Lightning was a popular conversation-starter at jobsites, parades, member events and other public outings.

In addition to its systemwide electrification program, Minnkota also administers the Minnesota-based PowerSavers program, which helped consumers save 20.2 million kWh in 2023. Energy experts within the program work with residential, business and industrial consumers to improve their energy usage.

In Minnkota's system, the growth in electrification is most commonly paired with its industry-leading demand response program, which allows the cooperative to turn off, by remote control, residential and commercial electric loads in exchange for a discounted retail electric rate. This capability enables Minnkota to more effectively manage its existing power resources and to avoid costly energy market purchases on behalf of its members. About 350 megawatts – or one-third of Minnkota's winter peak load – can be interrupted through demand response. The program, which has been in operation for nearly 50 years, is popular with about 55,000 member-consumers participating. Minnkota continues to make investments in the program to ensure it operates reliably and efficiently in the years ahead.

Cassie Heide

Fosston City Administrator, *discussing the Minnesota town's Level 3 electric vehicle charger installed in 2023*

"We are literally on the map now. Our residents who have been thinking about getting an electric vehicle can feel better about it and have somewhere to fast charge if they need it. As we are updating our fleet and our next city bus, we are definitely looking at EVs. We are a utility company. We should be leading the charge."

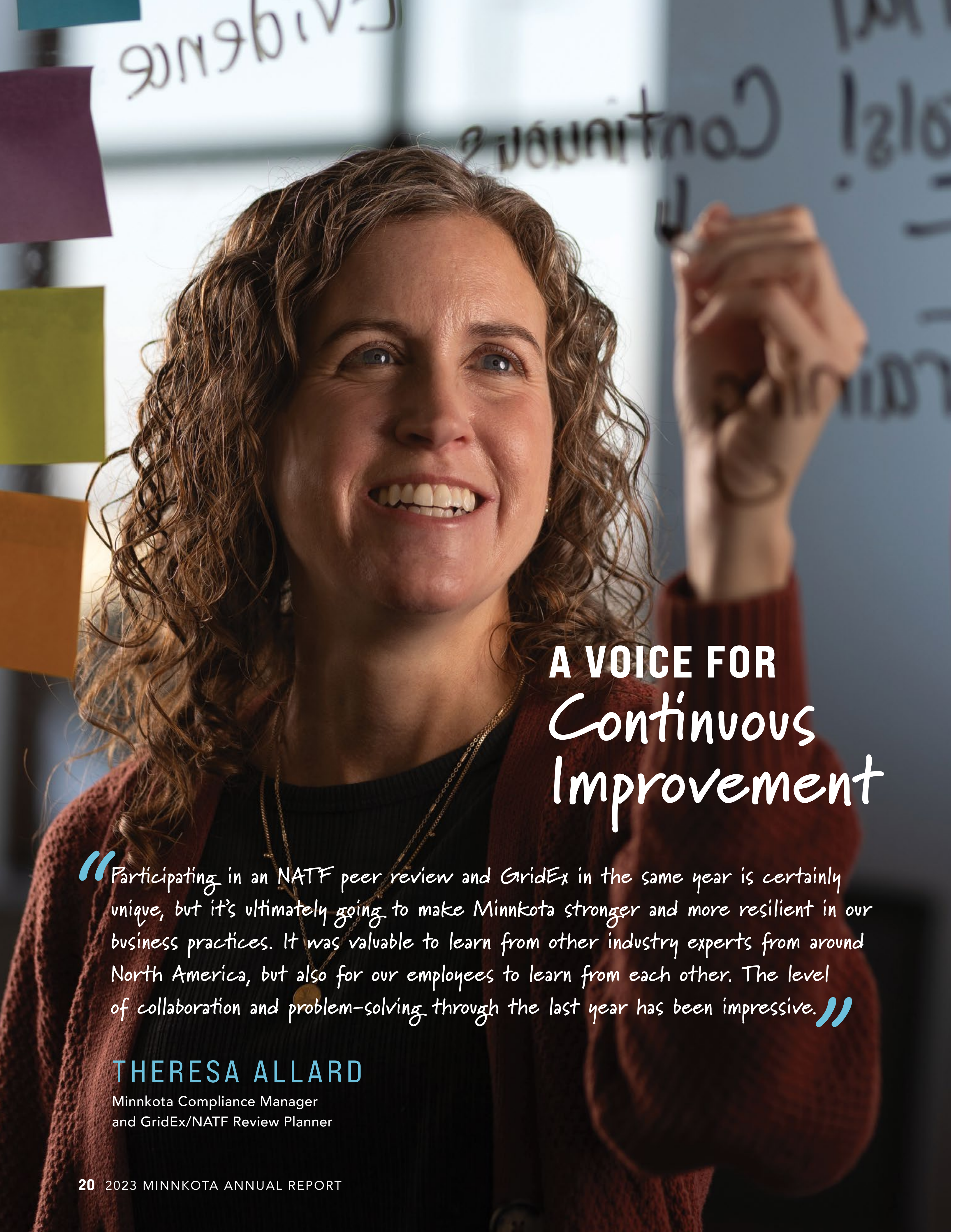
Minnkota employees Alex Mutch and Jacob Pladson test drive the new Ford F-150 Lightning.

A VOICE FOR *Electrification*

EMILY WINDJUE

Communications Specialist I

"When we're at events with the Lightning, we meet quite a few people who are skeptical of electric vehicles. Once they're able to see this truck in person and get behind the wheel, we usually see their perspective change because it's such a fun truck to drive. An electric vehicle may not be the right choice in every situation, but they do provide a wide array of benefits that people should consider when making their next vehicle purchase."



A VOICE FOR Continuous Improvement

"Participating in an NATF peer review and GridEx in the same year is certainly unique, but it's ultimately going to make Minnkota stronger and more resilient in our business practices. It was valuable to learn from other industry experts from around North America, but also for our employees to learn from each other. The level of collaboration and problem-solving through the last year has been impressive."

THERESA ALLARD
Minnkota Compliance Manager
and GridEx/NATF Review Planner

In the energy industry, change is inevitable and requires Minnkota's employees to consistently evaluate their strategies for addressing physical security, cybersecurity and the overall integrity of the electric grid. Plans must be adjusted, processes refined and procedures added to ensure the cooperative is prepared for any challenge. In 2023, Minnkota's people were put to the ultimate test with two major efforts designed to foster a culture of continuous improvement.

In June, Minnkota welcomed nearly 50 energy professionals from across North America to its Grand Forks offices to conduct a North American Transmission Forum (NATF) review. This voluntary review spanned nine areas including cybersecurity, transmission substations and lines, system protection, supply chain risk management, vegetation management and beyond. After three days of group breakouts with Minnkota's subject matter experts (SMEs) and inspections of the cooperative's infrastructure, the reviewers presented their findings. The final report identified seven noteworthy practices (which are given sparingly), 72 strengths and 120 areas to consider for improvement. In 2024, Minnkota staff will continue to assess the NATF report and determine which areas for improvement will be prioritized and the associated timelines.

After the completion of the collaborative NATF review, Minnkota put many of those same processes through the ultimate stress test during GridEx – North America's largest grid security exercise. For the first time, Minnkota worked side by side with its member cooperatives to respond to realistic simulations of physical attacks, cyberattacks, system failures, misinformation campaigns and other security-related incidents.

GridEx is coordinated through the North American Electric Reliability Corporation (NERC), which is the regulatory agency responsible for the security of the nation's electric grid. About 90 employees from Minnkota and the membership participated in the Nov. 14-15 exercise. Additionally, Minnkota staff engaged with MISO staff during the exercise and also had a representative from the North Dakota State and Local Intelligence Center (NDSLIC) in an observer role. An After Action Report will be used to help identify both strengths and areas for improvement in 2024.

Minnkota's Kasey Borboa describes the features of the Prairie substation to NATF peer review visitors before leading them inside the control house.

Rich Whitcomb
Red River Valley Co-op Power CEO and first-time GridEx participant

"We really didn't know what to expect at the beginning of GridEx. What was interesting about the whole exercise was that each individual injection has happened somewhere before in real life. Then, as the events compounded, it really allowed us to analyze our current preparedness plans and find out where we had good sections to work off and where we were coming up short. Frankly, the process of just being able to critically think through crucial decisions when you don't have all the answers, and time is of the essence, was extremely valuable."

When the worst ice storm in nearly 20 years ripped through Minnkota's power delivery system in December, one truth became crystal clear: Mother Nature is tough, but the cooperative's crews are tougher.

In the final days of the year, cooperative personnel showed dedication, perseverance and toughness when faced with long hours and difficult working conditions. About 68 transmission structures were damaged, substation equipment was impacted and extended power outages were experienced in the cooperative's service area south of Fargo, N.D. At the distribution level, the situation was even worse. Minnkota member Cass County Electric Cooperative had more than 1,200 power poles down and outages affected thousands of member-consumers, some of whom were out of power for nearly two weeks. Nearly 100 lineworkers from cooperatives around the Minnkota system and parts of North Dakota answered the call to help restore service – a sign that the cooperative spirit is alive and well.

Prior to the ice storm, Minnkota was on pace for one of its best years of reliability in recent memory, while also making notable progress on capital projects to improve system performance, address aging assets and provide opportunities for future growth. The largest project pursued in 2023 was a new 230-kilovolt (kV) transmission substation – known as Walle – to strengthen reliability and provide additional capacity for the Grand Forks region. The substation is scheduled for energization in the first half of 2024. Minnkota also expanded the existing Winger (Minn.) 230-kV transmission substation and completed other transmission system upgrades in northwest Minnesota in an effort to improve reliability.

Minnkota has established programs to ensure aging distribution substations and transmission lines are upgraded and replaced each year. In 2023, the focus was on northern Minnesota, where work was completed on the second half of a 40-mile line reconstruction project between the towns of Warroad and Baudette. To further improve reliability, the new Roosevelt distribution substation was built along this line route to relieve congestion and allow more power to flow through the Lake of the Woods region.

Major distribution substation upgrades were also made during the year to address aging infrastructure. The Hampden and Mayville substations in North Dakota were both completely rebuilt. Minnkota also reached the 50% milestone on a multiyear effort to add distribution automation at its substations. These technologies improve overall system visibility and provide power system operators with the tools to respond to potential issues more quickly. This technology proved its worth during the December ice storm, allowing operators to reduce overall outage time and more quickly return service. Minnkota is targeting 2030 to have all 212 distribution substations equipped with distribution automation.

Minnkota continued to invest in the continued success of its demand response (DR) program, which is an important tool used to manage pricing volatility in the wholesale energy market. During the year, the cooperative upgraded its DR equipment – referred to as ripple injectors – at the Lakota (N.D.) substation, while also adding a new ripple injector at the Frontier substation in Fargo, N.D.

Looking to the future, Minnkota and NMPA completed a collaborative study to evaluate business opportunities related to their power delivery assets and to help drive the development of an overall transmission strategy. Work in this space includes updating of reliability metrics, transmission tariff calculations, generation interconnection procedures and interconnection agreements with Manitoba Hydro. Minnkota staff remain committed to maximizing the value of the infrastructure that the membership has invested in for decades.

A lineworker shows how ice stuck to the power lines during the December ice storm.

Marshal Albright

Cass County Electric Cooperative President/CEO, *discussing the response to the December ice storm*

"I am incredibly proud of all the employees who helped in a coordinated effort to restore power to Cass County Electric's members. This is the co-op principle of 'Cooperation Among Cooperatives' at its finest."

A VOICE FOR *Resiliency*

NICK BYE

Heavy Crew Foreman, *discussing the December ice storm damage*

"Ice was built up so much that you couldn't wrap your hand around the wire. If you had any sort of wind, it would be mass chaos. We got lucky."

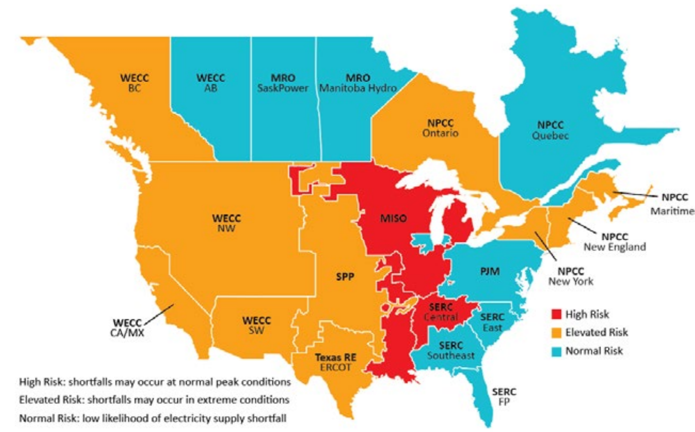
A VOICE FOR Reliability

PAIGE JOHNSON
Energy Marketer

"The electric grid is changing and it's happening right before our eyes. In some ways, it's an exciting time to be in the industry, but it also brings challenges. We're seeing things we've never experienced before on almost a daily basis, and the long-term trends suggest that even more changes are on the horizon."

America's electric grid is undergoing what is likely the most significant transformation in its history. Rapid changes to essential systems and resources are creating unintended consequences, including the decreasing reliability of electricity – a problem that is forecasted to worsen in the years ahead, according to grid regulators.

Minnkota works to provide stability to its members by maintaining a diverse mix of coal, wind and hydropower, as well as robust power delivery and demand response resources. The cooperative is interconnected with other utilities in a 15-state footprint through the MISO market. While the market brings tremendous value to Minnkota's members, it is also challenged by rising electric demand, increasing reliance on intermittent resources and the disorderly retirement of baseload fossil fuel and nuclear power plants. These contributing factors have led NERC – the entity responsible for developing and enforcing mandatory reliability standards for utilities – to determine the MISO region is at the highest risk of reliability issues in United States according to its Long-Term Reliability Assessment released in December 2023. These issues are creating unprecedented levels of market volatility that are anticipated to continue for the foreseeable future.



MISO has responded to the evolving energy landscape by restructuring its market operations in 2023 and moving to a four-season resource adequacy construct. For many years, MISO had followed an annual structure, which based market pricing and operations off a single measurement of peak demand for electricity in the summer. Recognizing that each season brings its own set of challenges, the change aims to send the appropriate pricing signals to resources on the grid and the value they bring throughout the year.

Although extreme high and low pricing is becoming more common, annual averages in 2023 were below historic highs experienced in 2022. For many years, MISO capacity market offerings ranged from $1 to $5 a megawatt-day (MW-day). In 2022, that price increased significantly to nearly $237, showing that extra resource capacity was direly needed. MISO's capacity prices in Minnkota's region dropped again in 2023 to a range of $2 to $15/MW-day. From an energy standpoint, average MISO non-firm sales in 2023 were 29.3 mills/kWh, which were slightly below budget expectations and well below 2022's total of 46.8 mills.

The continued pricing changes require Minnkota to take a forward-looking approach to navigate this transitioning market, including energy and capacity sales with neighboring utilities, resource hedging strategies and other opportunities to both maximize revenue and protect the membership from market risk. Operationally, Minnkota staff will continue to make prudent investments in its resources and appropriate maintenance to help ensure they are ready to perform when needed.

Richard Burt
Senior Vice President and COO at Midwest Reliability Organization, *discussing the concerning state of grid reliability*

"Up until three years ago, we didn't even do color-coded charts because nothing was ever orange. And this winter is going to be red. It's meant to be a wake-up call."

At the core of every successful electric cooperative is a strong sense of community. Minnkota is embedded in the local community and committed to supporting growth and vitality in the regions it serves. Unlike other utilities, electric cooperatives are owned and governed by their members, placing people at the heart of their operations.

While finding ways to support its communities is nothing new for Minnkota, the cooperative developed its first Community Benefits Plan (CBP) in 2023, which is required to pursue funding for clean energy technologies through the Bipartisan Infrastructure Law and the Inflation Reduction Act. Minnkota's CBP provides information on how it will engage with communities and labor to collaboratively find ways to ensure the project benefits are being equitably shared. This includes identifying how diversity, equity, inclusion and accessibility efforts will be advanced; investments that will be made in America's workers through quality jobs; and how Justice 40 will be implemented, which directs 40% of the overall benefits of certain federal investments to flow to disadvantaged communities. Minnkota will continue to work with key stakeholders in 2024 to develop the next steps in the CBP process.

Minnkota continued its strong commitment to provide financial support to critical nonprofits, charitable causes and educational institutions that make a difference in eastern North Dakota and northwestern Minnesota. Approximately $175,000 was contributed in 2023 to a variety of different entities, including:

- **Community nonprofits:** Community Violence Intervention Center (CVIC), Altru Health Foundation, BIO Girls, Farm Rescue, Anne Carlsen Center, Grand Forks Career Impact Academy, United Way of Grand Forks, Greater Grand Forks Women's Leadership Cooperative, Special Olympics of North Dakota, Oliver County Ambulance, Oliver County Fair Board and Gateway to Science.
- **Universities:** University of North Dakota, North Dakota State University (NDSU), University of Mary, University of Jamestown, Valley City State University and NDSU's Quentin Burdick Center for Cooperatives.

Community involvement also extends to Minnkota's economic development efforts. Working closely with the member and associated municipal systems, Minnkota had an active project pipeline at the end of the year with more than 50 projects in various stages of development. Attracting and retaining business activity helps contribute to the overall vibrancy of the region.

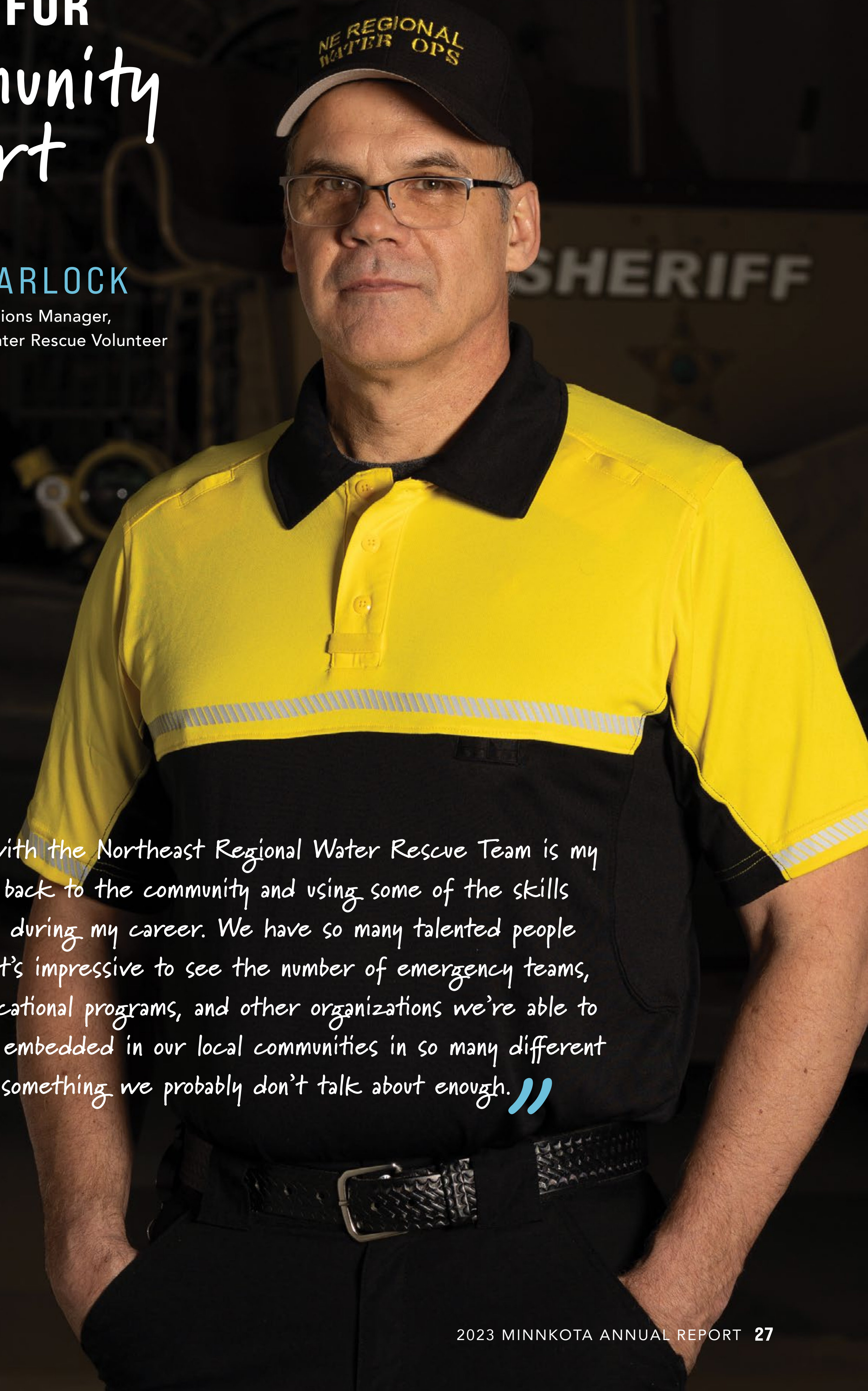
Coiya Tompkins-Inman

Community Violence Intervention Center President/CEO

"Minnkota's longstanding support of CVIC families opens doors to safety and healing solutions that literally transform lives. Most recently, Minnkota's giving also helped us prevent future violence. In partnership with our Giving Hearts Day campaign, which raised funds for education/prevention in area schools, Minnkota's investment enables us to reach more than 8,000 primary and secondary students annually. Minnkota's willingness to unite with CVIC to serve the entire family shines a light on the severity of interpersonal violence as well as what healthy communities can look like with the right business partners."

CVIC CEO Coiya Tompkins-Inman (left) accepts a donation from Kay Schraeder, Minnkota's CFO.

A VOICE FOR Community Support



HAROLD NARLOCK

Power Delivery Operations Manager, Northeast Regional Water Rescue Volunteer

"Volunteering with the Northeast Regional Water Rescue Team is my way of giving back to the community and using some of the skills I've developed during my career. We have so many talented people at Minnkota, it's impressive to see the number of emergency teams, nonprofits, educational programs, and other organizations we're able to impact. We're embedded in our local communities in so many different ways, and it's something we probably don't talk about enough."

A VOICE FOR *Financial Strength*

COLETTE KUJAVA

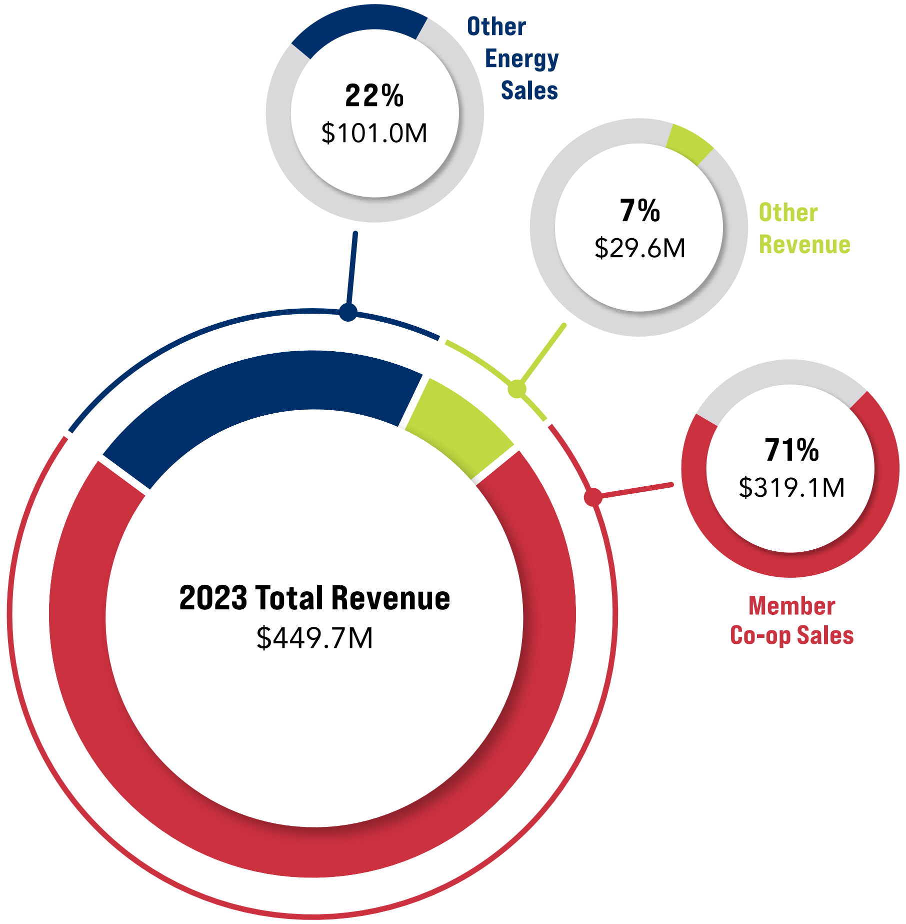
Minnkota Board Secretary/Treasurer

"At Minnkota, we're facing the same inflation and supply chain disruptions as everyone else in the industry. We've been fortunate to maintain rate stability for seven straight years, while also making needed investments in our infrastructure to ensure reliability and performance standards."

Even with persistent supply chain issues and mounting inflationary pressures, Minnkota maintained stable wholesale electric rates for the sixth consecutive year in 2023. Not only did the cooperative achieve this milestone, but its board of directors also approved the 2024 capital and operating budgets with no adjustments to rates for the Class A member systems.

The strong financial performance in 2023 allows Minnkota to carry forward $44.8 million in deferred revenue funds, which will be needed to help navigate increasing costs. The cooperative also has $18.1 million available in its Resource Transition Fund, which is designated for the management of future power supply costs and mitigating extreme market volatility.

Minnkota has maintained investment-grade financial ratings in 2023 from Standard & Poor's (A- and stable outlook) and Fitch (BBB+ and stable outlook).



Minnkota's financial ratings are critical in securing low-cost financing and meeting the cooperative's contractual obligations.

Revenues

Revenues in 2023 totaled $449.7 million, down from $451.6 million in 2022. Minnkota's largest revenue source is energy sales to the 11 Class A member-owner distribution cooperatives, which were $319.1 million in 2023, or $1 million over budget.

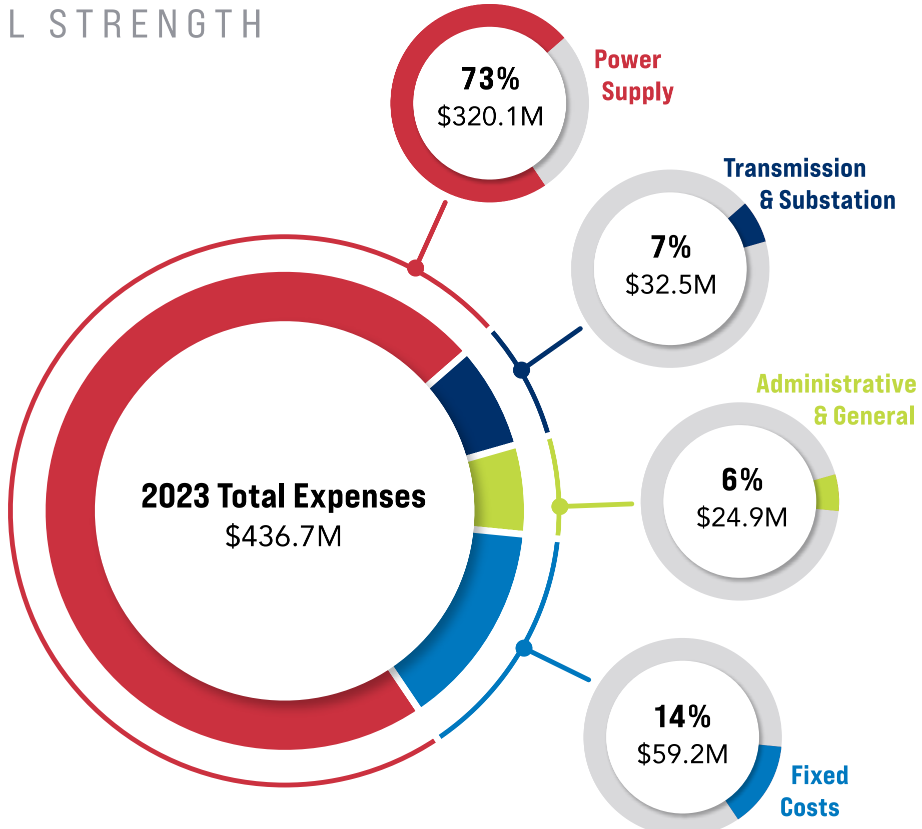
A total of 4.1 billion kWh was sold to Class A members during the year, which was under budget by 1.3%. There were four record sales months during the year – March, May, June and August. The Class A member average rate was 77.2 mills per kWh in 2023, up from 75.9 mills per kWh in 2022. Energy sales revenue from Class B, C and D members totaled $101 million, or $0.1 million above budget.

Other electric revenue totaled $23.1 million in 2023, which was $1.3 million over budget. The major items included in this category are administrative fees collected from Square Butte Electric Cooperative, sales of renewable energy credits related to Minnkota's wind purchases, wheeling revenue and transmission services income. Non-operating margins in 2023 totaled $6.5 million, or $4.6 million over budget. Non-operating margins include interest income, capital credit allocations and coal royalties received from Square Butte.

Expenses

Total expenses were $436.7 million in 2023, up from $432.7 million in 2022. The largest expense category is power supply, which includes generation expenses of Young 1 and purchased power from Young 2, Western Area Power Administration, wind farms and the MISO market. Power supply expenses totaled $320.1 million, or $12.3 million over budget.

Transmission and substation expenses totaled $32.5 million in 2023, or $2.8 million under budget. Administrative and general expenses were $24.9 million in 2023, or $0.1 million over budget. Fixed costs, which include interest and depreciation, totaled $59.2 million in 2023, which is $0.1 million over budget.



Kay Schraeder
Minnkota Vice President, CFO

"We're steadily seeing our financial metrics improve year after year. We're positioned to reach 20% equity in the near future – a longtime goal for the board following major investments in the early 2000s. We have also established a Deferred Revenue Plan and Resource Transition Fund with additional funds to help us navigate through rising costs and investments anticipated in the years ahead."

Net margins

Margins for 2023 were $13 million, down from $18.9 million in 2022. The total margin consisted of an operating margin of $6.5 million and a non-operating margin of $6.5 million.

Patronage capital

Total patronage capital was $61.7 million at Dec. 31, 2023, and reflects the 2023 operating margin of $6.5 million. The non-operating margin of $6.5 million will be retained as appropriated margins to be used for future contingencies. Total equity at Dec. 31, 2023, was $225.3 million, 19% of total assets. Net electric plant was $991.2 million at Dec. 31, 2023, up $16.1 million from last year. This increase is mainly due to construction work in progress.

Long-term debt

Minnkota's long-term debt, including current maturities, was $854 million as of Dec. 31, 2023, up $22.7 million from last year. In 2023, Minnkota had loan advances of $8.6 million from RUS, along with an additional $40 million drawn on its CoBank bridge loan. Minnkota made $27.5 million in debt principal payments during the year.

This has been a brief review of the 2023 financial statements. For further information, please review the consolidated financial statements, the notes to the consolidated financial statements and the Independent Auditor's Report contained in this annual report.

FINANCIALS

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CONSOLIDATED BALANCE SHEETS

YEARS ENDED DECEMBER 31, 2023 AND 2022

ASSETS	2023	2022
ELECTRIC PLANT		
In service	$ 1,371,367,654	$ 1,339,650,162
Construction work in progress	39,864,346	24,097,875
Total electric plant	1,411,232,000	1,363,748,037
Less accumulated depreciation	(420,035,620)	(388,622,676)
Electric plant – net	991,196,380	975,125,361
OTHER PROPERTY AND INVESTMENTS		
Investments in associated companies	157,803	140,102
Non utility property	256,865	-
Segregated savings	-	13,200,000
Other investments	74,135,932	58,517,063
Total investments	74,550,600	71,857,165
CURRENT ASSETS		
Cash and cash equivalents	12,711,545	4,523,637
Accounts receivable – Northern Municipal Power Agency	2,837,702	2,425,546
Accounts receivable – Square Butte Electric Cooperative	5,850,856	9,344,399
Accounts receivable – other	40,089,218	45,653,544
Materials and supplies	45,063,119	37,269,255
Prepaid expenses	7,081,528	7,732,390
Total current assets	113,633,968	106,948,771
DEFERRED DEBITS	4,334,973	4,126,230
TOTAL ASSETS	$ 1,183,715,921	$ 1,158,057,527

See Notes to the Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

YEARS ENDED DECEMBER 31, 2023 AND 2022

EQUITIES AND LIABILITIES	2023	2022
EQUITIES		
Memberships issued	$ 1,136	$ 1,136
Patronage capital	61,653,410	55,132,366
Appropriated margins	157,360,815	150,847,204
Unallocated reserve	7,200,000	7 ,200,000
Accumulated other comprehensive income (loss)	(881,823)	416,332
Total equities	225,333,538	213,597,038
LONG-TERM DEBT		
Mortgage notes payable, net of current maturities	823,420,022	802,951,969
Accrued pension costs	2,470,036	899,267
Total long-term debt	825,890,058	803,851,236
NONCURRENT LIABILITIES		
Postretirement obligations	2,855,326	3,078,049
Closure cost obligation	4,465,224	3,091,562
Total noncurrent liabilities	7,320,550	6,169,611
CURRENT LIABILITIES		
Accounts payable – Square Butte Electric Cooperative	4,373,646	10,738,026
Accounts payable – other	27,140,817	33,199,688
Accrued taxes	3,752,973	3,916,681
Accrued interest	782,862	777,165
Accrued payroll	679,808	700,371
Vested accrued vacation	5,416,129	4,379,672
Current maturities of long-term debt	28,088,758	27,391,634
Total current liabilities	70,234,993	81,103,237
DEFERRED CREDITS	54,936,782	53,336,405
TOTAL EQUITIES AND LIABILITIES	$ 1,183,715,921	$ 1,158,057,527

See Notes to the Consolidated Financial Statements

STATEMENTS OF CONSOLIDATED REVENUES, EXPENSES AND COMPREHENSIVE INCOME

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
OPERATING REVENUES		
Energy sales to Class A members	$ 319,072,444	$ 313,518,123
Energy sales to Class B, C & D members & other	100,966,144	115,150,580
Other electric revenue	23,152,232	18,377,352
Total operating revenues	443,190,820	447,046,055
OPERATING EXPENSES		
Generation	67,675,046	58,846,539
Power supply – Northern Municipal Power Agency	3,586,323	4,873,887
Purchased power – Square Butte Electric Cooperative	88,201,472	82,952,533
Purchased power – other	160,524,361	173,473,228
Transmission and substation	32,537,463	32,435,473
Depreciation and amortization	30,944,978	30,705,861
Administrative and general	24,939,815	22,866,915
Interest on long-term debt	27,214,341	26,110,564
Other interest	1,045,977	443,147
Total operating expenses	436,669,776	432,708,147
OPERATING MARGIN	6,521,044	14,337,908
NON-OPERATING MARGIN		
Interest income	3,572,505	637,699
Coal royalties	1,371,101	1,350,000
Capital credit allocations received	587,599	856,804
Non-operating revenue	347,334	327,616
Pension and postretirement benefit (cost)	635,072	1,404,883
NON-OPERATING MARGIN	6,513,611	4,577,002
NET MARGIN	13,034,655	18,914,910
OTHER COMPREHENSIVE INCOME		
Defined benefit pension plans:		
Net income (loss) arising during the period	(1,298,155)	4,087,836
COMPREHENSIVE INCOME	$ 11,736,500	$ 23,002,746

See Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net margin	$ 13,034,655	$ 18,914,910
Adjustments to reconcile net margin to net cash provided (used) by operating activities		
Depreciation and amortization	30,944,978	30,705,861
Capital credit allocations	(587,599)	(856,804)
Effects on operating cash flows due to changes in:		
Accounts receivable	8,645,713	(8,930,881)
Prepaid expenses	650,862	335,157
Inventories	(7,793,864)	(2,514,135)
Deferred debits	(576,479)	(771,784)
Accounts payable	(12,423,251)	4,182,266
Accrued expenses	532,242	(3,654,564)
Deferred credits	3,717,307	9,373,341
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	36,144,564	46,783,367
CASH FLOWS FROM INVESTING ACTIVITIES		
Electric plant additions – net	(47,015,997)	(23,760,468)
Investment (additions) reductions	(15,724,663)	(21,130,105)
Capital credits received	418,827	712,457
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(62,321,833)	(44,178,116)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	8,618,000	62,406,000
Net proceeds (payments) on line of credit	-	(15,635,000)
Net proceeds (payments) on bridge loan	40,000,000	(31,000,000)
Repayment of long-term debt	(27,452,823)	(26,330,338)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	21,165,177	(10,559,338)
NET CHANGE IN CASH AND CASH EQUIVALENTS AND SEGREGATED SAVINGS	(5,012,092)	(7,954,087)
CASH AND CASH EQUIVALENTS AND SEGREGATED SAVINGS, BEGINNING OF YEAR	17,723,637	25,677,724
CASH AND CASH EQUIVALENTS AND SEGREGATED SAVINGS, END OF YEAR	$ 12,711,545	$ 17,723,637
Cash and Cash Equivalents	12,711,545	4,523,637
Segregated Savings	-	13,200,000
Cash and Cash Equivalents and Segregated Savings	$ 12,711,545	$ 17,723,637
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for interest	$ 28,254,622	$ 26,005,761

See Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITIES

YEARS ENDED DECEMBER 31, 2023 AND 2022

	Memberships Issued	Patronage Capital	Appropriated Margins	Unallocated Reserve	Accumulated Other Comprehensive Income (Loss)	Total
BALANCE JANUARY 1, 2022	$ 1,136	$ 47,994,458	$ 146,270,202	-	$ (3,671,504)	$ 190,594,292
Operating margin	-	7,137,908	-	7,200,000	-	14,337,908
Non-operating margin	-	-	4,577,002	-	-	4,577,002
Other comprehensive income (loss)	-	-	-	-	4,087,836	4,087,836
BALANCE DECEMBER 31, 2022	1,136	55,132,366	150,847,204	7,200,000	416,332	213,597,038
Operating margin	-	6,521,044	-	-	-	6,521,044
Non-operating margin	-	-	6,513,611	-	-	6,513,611
Other comprehensive income (loss)	-	-	-	-	(1,298,155)	(1,298,155)
BALANCE DECEMBER 31, 2023	$ 1,136	$ 61,653,410	$ 157,360,815	$ 7,200,000	$ (881,823)	$ 225,333,538

See Notes to the Consolidated Financial Statements

Independent Auditor's Report

To the Board of Directors
Minnkota Power Cooperative, Inc.
Grand Forks, North Dakota

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Minnkota Power Cooperative, Inc. and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of revenues, expenses and comprehensive income, changes in equities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Minnkota Power Cooperative, Inc. and Subsidiary as of December 31, 2023 and 2022, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Minnkota Power Cooperative, Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnkota Power Cooperative, Inc. and Subsidiary's ability to continue as a going concern for twelve months beyond the consolidated financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Minnkota Power Cooperative, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnkota Power Cooperative, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2024, on our consideration of Minnkota Power Cooperative, Inc. and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of Minnkota Power Cooperative, Inc. and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Minnkota Power Cooperative, Inc. and Subsidiary's internal control over financial reporting and compliance.

Other Information Included in the Company's Annual Report

Management is responsible for the other information included in the Company's Annual Report. The other information comprises reports by management to the members, summarized statistical data, and the Officers and Director listing, but it does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Brady Martz

BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA
February 9, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization. Minnkota Power Cooperative, Inc. (Minnkota or the Cooperative) is a generation and transmission cooperative that was formed on March 28, 1940, under the laws of the State of Minnesota with headquarters in Grand Forks, North Dakota. It operates on a non-profit cooperative basis and is engaged primarily in the business of providing wholesale electric service to its retail distribution cooperative member-owners (Members). The eleven members purchase power and energy from Minnkota pursuant to all-requirements wholesale power contracts, which terminate on December 31, 2060, and automatically renews in two-year increments in future even-numbered years.

Minnkota's service area, aggregating approximately 35,000 square miles, is located in northwestern Minnesota and eastern North Dakota, and contains an aggregate population of approximately 300,000 people.

Minnkota is subject to the accounting and reporting rules and regulations of the Rural Utilities Service (RUS). The Cooperative follows the Federal Energy Regulatory Commission's Uniform System of Accounts prescribed for Class A and B Electric Utilities as modified by RUS.

Rates charged to members are established by the board of directors and are subject to approval by RUS.

As a result of the ratemaking process, the Cooperative applies Accounting Standards Codification (ASC) 980 Regulated Operations. The application of generally accepted accounting principles by the Cooperative differs in certain respects from the application by non-regulated businesses as a result of applying ASC 980. Such differences generally related to the time at which certain items enter into the determination of net margins in order to follow the principle of matching costs and revenues.

Adoption of New Accounting Standards. The Cooperative adopted FASB ASC 326 effective January 1, 2023. The impact of the adoption was not considered material to the financial statements, and no adjustment to beginning retained earnings was recorded. The new standard primarily resulted in enhanced disclosures only.

Electric Plant and Retirements. Electric plant is stated at cost. The cost of additions to electric plant includes contracted work, direct labor and materials and allocable overheads. The cost of units of depreciable property retired is removed from electric plant and charged to accumulated depreciation along with removal costs less salvage. Repairs and the replacement and renewal of items determined to be less than units of property are charged to maintenance expense.

Depreciation. Depreciation is computed using the straight-line method based upon the estimated useful lives of the various classes of property through use of annual composite rates.

Allowance for Funds Used During Construction (AFUDC). The allowance for funds used during construction is interest that is capitalized on all construction projects with a budgeted cost of greater than $50,000. AFUDC is classified as a reduction of interest expense.

Investments. Investments are U.S. treasury bills, savings and patronage allocations from cooperatives and other affiliates stated at cost plus unretired allocations.

Fair Value Measurements. The Cooperative has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

The Cooperative does not have any assets or liabilities subject to level 1, 2, or 3 valuation as of December 31, 2023 and 2022 and does not anticipate participating in transactions of this type in the future.

The fair value of the Cooperative's long-term debt was estimated based upon borrowing rates currently available to the Cooperative for bank loans with similar terms and average maturities. The estimated fair value of the Cooperative's long-term debt was $679,000,000 and $684,000,000 as of December 31, 2023 and 2022, respectively.

Cash and Cash Equivalents. For the purpose of reporting cash flows, the Cooperative considers all highly liquid investments purchased with a maturity of three months or less and segregated savings to be cash equivalents.

Trade Receivables and Allowance for Credit Losses. Trade receivables are derived from sales to customers and are recorded at the invoice amount, less an allowance for credit losses, which represents the amount expected to be collected as of the consolidated balance sheet date. Trade credit is extended on a short-term basis; thus trade receivables do not bear interest. Management has deemed that no late fees or interest charges are assessed to the receivables.

The allowance for credit losses is based on management's expectation of the credit losses expected to arise over the life of the asset as of the consolidated balance sheet date (including consideration of prepayments) and is updated to reflect any changes in credit risk as of each subsequent reporting date. The Cooperative estimates its allowance for credit losses starting with an evaluation of historical credit loss write-offs, applied to an analysis of outstanding aged receivables, and updated for current economic conditions, and reasonable and supportable forecasted economic conditions. No significant adjustments to the allowance calculations for current or forecasted economic conditions were made during the current year. Receivables with unusual credit risk characteristics are evaluated individually. All other receivables are considered similar and are evaluated as one portfolio segment. Management's estimate of the allowance for credit losses, as well as the separate amounts of write-offs and recoveries were immaterial with respect to the consolidated financial statements as a whole as of December 31, 2023 and 2022.

Receivables are written off as a reduction in the allowance for credit losses when deemed uncollectible. Recoveries of accounts previously written off (if any) will be recognized as an offset to credit loss expense in the year of recovery.

Inventories. Uncovered and undelivered coal inventory is stated at cost using a FIFO (first-in, first-out) basis. All other inventories are stated at the lower of average cost or net realizable value.

Deferred Debits. Deferred debits consist of deferred pension costs. See also Note 7 and Note 12.

Deferred Credits. Deferred credits consist primarily of transmission service advance, customer construction prepayments and a revenue deferral as approved by RUS. See also Note 14.

Patronage Capital. The Cooperative operates on a non-profit basis. Amounts received from the furnishing of electric energy in excess of operating costs and expenses are assigned to patrons on a patronage basis. All other amounts received by the Cooperative from its operations in excess of costs and expenses are also allocated to its patrons on a patronage basis to the extent that they are not needed to offset current or prior losses unless reserved by the board of directors.

Revenue Recognition. Revenues are primarily from electric sales to members. Electric revenues are recognized over time as electricity is delivered to members. Electric revenues are based on the reading of members' meters, which occurs on a systematic basis throughout each reporting period and represents the fair value of the electricity delivered.

Revenues are recognized equivalent to the value of the electricity supplied during each period, including amounts billed during each period and changes in amounts estimated to be billed at the end of each period. The Cooperative has elected to apply invoice method to measure progress towards completing performance obligations to transfer electricity to their members.

Business and Credit Risk. The Cooperative maintains its cash balances in a locally owned bank. Such balances are insured by the Federal Deposit Insurance Corporation up to $250,000. The cash balances exceeded insurance coverage at various times during the fiscal years.

Accounting Estimates. The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation. The consolidated financial statements include the accounts of the Cooperative and its wholly owned subsidiary, Great Plains Tower Services, LLC. All assets and liabilities of the subsidiary are consolidated with the assets and liabilities of the Cooperative. The results of operations of the subsidiary is shown in the non-operating margin section of the consolidated statement of revenues, expenses and comprehensive income and explained in detail in Note 4. All significant intercompany balances and transactions have been eliminated.

Income Taxes. The Cooperative is exempt from income taxes under Section 501(c)(12). The Cooperative is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

The Cooperative evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2023 and 2022, the unrecognized tax benefit accrual was zero. The Cooperative will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred. The Company is no longer subject to Federal and State tax examinations by tax authorities for years before 2020.

Advertising Costs. Advertising and promotional costs are expensed as incurred.

Sales Taxes. The Cooperative pays sales tax on material it purchases to operate and maintain its generation and transmission facilities.

NOTE 2: SQUARE BUTTE ELECTRIC COOPERATIVE

Square Butte owns a 488-megawatt (MW) steam electric generating plant (Young 2) adjacent to Minnkota's 256 MW generating plant (Young 1) near Center, North Dakota.

Minnkota, as agent for Square Butte, operates and maintains Young 2.

The long-term power purchase agreement with Square Butte has been evaluated under the accounting guidance for variable interest entities. The Cooperative has determined that it has no variable interest in the agreement. This conclusion is based on the Cooperative not having control over activities that are most significant to the entity nor an obligation to absorb losses or receive benefits from the entity's performance. Minnkota Power Cooperative, Inc. and Subsidiary's financial exposure related to the agreement is limited to its capacity and energy payments.

On December 30, 2009, Minnkota, Square Butte and Minnesota Power (MP) completed an agreement in which Minnkota receives additional energy and capacity from Young 2. Between 2014 and 2026, Minnkota has the option to acquire MP's 50% allocation from Young 2. In 2014 Minnkota exercised this option and starting June 1, 2014, purchased an additional 22.5275% allocation of Young 2 from MP. This allocation increased to 28.022% on January 1, 2015. This allocation will increase by approximately 4.4% per year from 2022-2026. From 2027 to 2042, Minnkota will purchase 100% of the output of Young 2 directly from Square Butte. The payment obligation of MP and Minnkota are several and not joint, and are not guarantees of any Square Butte obligations.

Minnkota is obligated to pay a proportionate share of Square Butte's annual debt retirement and operating costs based on its entitlement to net capability. Minnkota also receives a minimum annual coal royalty of $1,350,000 from Square Butte.

Minnkota has also issued a $10,000,000 line of credit to Square Butte with a variable interest rate that is 1% below the prime rate. As of December 31, 2023 and 2022, no amounts were outstanding on this line of credit.

Related party transactions include:

	2023	2022
Purchase of wholesale power	$ 88,201,472	$ 82,952,533
Accounts payable to Square Butte	$ 4,373,646	$ 10,738,026
Accounts receivable from Square Butte	$ 5,850,856	$ 9,344,399

NOTE 3: NORTHERN MUNICIPAL POWER AGENCY

Northern Municipal Power Agency (Northern) is a municipal corporation and a political subdivision of the State of Minnesota. Its membership consists of ten Minnesota and two North Dakota municipalities each of which owns and operates a municipal electric utility distribution system.

On March 1, 1981, Minnkota entered into a Power Supply Coordination Agreement with Northern. This agreement is effective until the later of December 31, 2041, or the date on which the Coyote Plant is retired from service. All annual debt payments and plant operating cost requirements not provided by Northern's member revenue and the sale of all capacity and energy in excess of Northern's member requirements are an obligation of Minnkota. To the extent that member revenue exceeds power supply cost, that revenue is accounted for under the terms of the Power Supply Coordination Agreement.

Related party transactions include:

	2023	2022
Power supply net cost (revenue)	$ 3,586,323	$ 4,873,887
Accounts receivable	$ 2,837,702	$ 2,425,546

NOTE 4: WHOLLY OWNED SUBSIDIARY

Great Plains Tower Services, LLC is a wholly owned subsidiary. The company was acquired in an asset purchase agreement as of December 29, 2023. The company did not have any operations during the year ended December 31, 2023. Inventory of $35,000, prepaids of $17,200, and non-utility property of $256,865, are reported on the consolidated balance sheet as of December 31, 2023.

NOTE 5: ELECTRIC PLANT

	2023		2022	
	Plant	Depreciation Rates	Plant	Depreciation Rates
Production plant	$ 417,351,136	3.13%	$ 416,932,073	3.13%
Transmission lines	542,838,602	1.78%-2.39%	533,058,141	1.78%-2.39%
Transmission substations	148,112,633	1.69%-4.96%	141,928,380	1.69%-4.96%
Distribution substations	142,240,981	2.48%	130,488,159	2.48%

	2023		2022	
	Plant	Depreciation Rates	Plant	Depreciation Rates
General plant	120,824,302	2.00%-16.70%	117,243,409	2.00%-16.70%
Electric plant in service	1,371,367,654		1,339,650,162	
Construction work in progress	39,864,346		24,097,875	
Total electric plant	$1,411,232,000		$1,363,748,037	

The Cooperative capitalized interest of $734,261 and $418,191 as of the years ended December 31, 2023 and 2022, respectively.

NOTE 6: INVESTMENTS

	2023	2022
CoBank patronage capital credits	$ 8,238,216	$ 8,202,991
US Bank - treasury bills	62,904,234	48,886,434
Associated company capital credits	157,803	140,102
Segregated savings	-	13,200,000
Capital credits and other investments	2,993,482	1,427,638
Total investments	$ 74,293,735	$ 71,857,165

NOTE 7: DEFERRED DEBITS

The Cooperative's deferred debit balances are summarized below:

	2023	2022
Deferred pension costs (see Note 12)	$ 4,334,973	$ 4,126,230
Total deferred debits	$ 4,334,973	$ 4,126,230

NOTE 8: PATRONAGE CAPITAL AND APPROPRIATED MARGINS

Under provisions of the long-term debt agreements, until the total of equities and margins equals or exceeds 20% of the total assets of the Cooperative, retirement of capital is not permitted.

As provided for in the bylaws, operating margins of the current year not needed to offset operating losses incurred during prior years, shall be capital furnished by the patrons and credited to patronage capital unless reserved by the board of directors. Non-operating margins are not assignable to patrons and are credited to appropriated margins and reserved for future contingencies.

NOTE 9: LONG-TERM DEBT

Long-term debt as of December 31, 2023 and 2022 is shown below. Substantially all of Minnkota's assets are pledged as collateral in accordance with its indenture.

	2023	2022
Federal Financing Bank (FFB) Fixed rate mortgage notes (1.074%-5.24%) due in quarterly installments through 2056	$ 741,035,626	$ 755,255,402
CoBank Fixed and variable rate mortgage notes (1.27%-6.89%) due in quarterly installments maturing at various times through 2039	18,733,154	22,913,201
Variable interest rate bridge loan (see Note 10)	70,000,000	30,000,000
	88,733,154	52,913,201
The Lincoln National Life Insurance Company Fixed rate first mortgage note (4.73%) due in semi-annual installments through 2049	21,740,000	22,175,000
Accrued pension costs (see Note 12)	2,470,036	899,267
Total long-term debt	853,978,816	831,242,870
Less current portion	(28,088,758)	(27,391,634)
Long-term debt	$ 825,890,058	$ 803,851,236

It is estimated that the minimum principal requirements for the next five years and thereafter will be as follows:

Years Ending December 31,	Amount
2024	$ 28,088,758
2025	26,900,472
2026	32,615,221
2027	27,449,454
2028	100,184,765
Thereafter	638,740,146
Total	$ 853,978,816

At December 31, 2023, Minnkota had unadvanced loan funds available to the Cooperative in the amount of $43,167,000. Minnkota has no maximum debt limit.

NOTE 10: LINES OF CREDIT

At December 31, 2023, Minnkota had a line of credit agreement with U.S. Bank-Grand Forks with available borrowings totaling $25,000,000 maturing June 30, 2024. The line of credit had a variable interest rate of 7.24281% and 6.02396% at December 31, 2023 and 2022, respectively. Amounts outstanding on the line totaled $0 at December 31, 2023 and 2022.

The Cooperative has available a multi-year bridge loan with CoBank totaling $250,000,000 as of the years ended December 31, 2023 and 2022. The purpose of the bridge loan is to temporarily finance projects included in RUS loans. The blended interest rate was 6.4835% and 5.59% as of December 31, 2023 and 2022, respectively, and will expire on June 30, 2028. The CoBank bridge loan had an outstanding balance of $70,000,000 and $30,000,000 at December 31, 2023 and 2022, respectively, and is included in long-term debt.

NOTE 11: REVENUES FROM CONTRACTS WITH CUSTOMERS

The revenues of the Cooperative are primarily derived from providing wholesale electric service to its members. Revenues from contracts with customers represent over 99% of all cooperative revenues. Below is a disaggregated view of the Cooperative's revenues from contracts with customers as well as other revenues, including their location on the statement of revenues, expenses and comprehensive income for December 31, 2023 and 2022:

2023			
Revenue Streams	Electric Revenue	Other Operating Revenue	Non-Operating Revenue
Energy sales to Class A members	$ 319,072,444	$ -	$ -
Energy sales to Class B, C and D members and others	100,966,144	-	-
Other electric revenue	-	23,152,232	-
Other non-operating revenue	-	-	3,150
Total revenue from contracts with customers	$ 420,038,588	$ 23,152,232	$ 3,150
Timing of revenue recognition			
Services transferred over time	$ 420,038,588	$ 16,194,849	$ -
Goods transferred at a point in time	-	6,957,383	3,150
Total revenue from contracts with customers	$ 420,038,588	$ 23,152,232	$ 3,150

2022			
Revenue Streams	Electric Revenue	Other Operating Revenue	Non-Operating Revenue
Energy sales to Class A members	$ 313,518,123	$ -	$ -
Energy sales to Class B, C and D members and others	115,150,580	-	-
Other electric revenue	-	18,377,352	-
Other non-operating revenue	-	-	6,339
Total revenue from contracts with customers	$ 428,668,703	$ 18,377,352	$ 6,339
Timing of revenue recognition			
Services transferred over time	$ 428,668,703	$ 14,924,852	$ -
Goods transferred at a point in time	-	3,452,500	6,339
Total revenue from contracts with customers	$ 428,668,703	$ 18,377,352	$ 6,339

Electric Revenue. Electric revenues consist of wholesale electric power sales to members through the member power purchase and service contracts and from participation in the Midcontinent Independent System Operator (MISO) market. All of the electric revenues meet the criteria to be classified as revenue from contracts with customers and are recognized over time as energy is delivered. Revenue is recognized based on the metered quantity of electricity delivered or transmitted at the applicable contractual or market rates.

In 2023 and 2022, the Cooperative deferred the recognition of $0 and $6,000,000, respectively, of member electric revenue under regulatory accounting (see Note 14). In 2023 and 2022, the Cooperative did not recognize any deferred revenue.

Other Operating Revenue. Other operating revenue primarily includes: revenue received from wheeling and wind delivery services; revenue received for operating agent fees; revenue for lime preparation facility user fees; and sale of renewable energy credits. All of these revenue streams meet the criteria to be classified as revenue from contracts with customers. Wheeling and wind delivery services revenues is recognized over time as energy is transmitted and delivered based on measured quantities at the contractual rates. Operating agent fees are recognized over time based on actual costs incurred during each month of performance. Lime facility user fees revenue is recognized over time based on an annual fee. Excess renewable energy credits are sold to third parties. Renewable energy credit revenue is recognized at a point in time when the sale is completed with the third party.

Contract Liabilities. Contract liabilities consist of deferred revenue from transmission services and construction prepayments. Balances from accounts receivable and contracts with customers are as follows:

	Accounts Receivable	Contract Liabilities
January 1, 2022	$ 48,492,609	$ 8,244,665
December 31, 2022	57,423,488	6,781,027
December 31, 2023	48,777,776	8,074,202

NOTE 12: EMPLOYEE BENEFIT PLANS

Minnkota has two pension plans covering substantially all of its employees. Pension Plan A is a defined benefit plan and Pension Plan B is a defined contribution plan. Minnkota's contribution to Plan B was $5,908,864 and $6,005,075 for 2023 and 2022, respectively.

The Plan A benefit is the greater of 1) 1.5 times the average high 60 consecutive months compensation during the 120 months prior to retirement times years of service less the month end value of Plan B or 2) 1.1% of the first $417 of monthly salary times years of service to December 31, 1989.

The following table sets forth Plan A's funded status and amounts recognized in Minnkota's consolidated balance sheets at December 31:

	2023	2022
Change in benefit obligation:		
Benefit obligation, beginning	$ 899,267	$ 5,714,470
Service cost	118,039	867,374
Interest cost	41,308	104,288
Assumption changes	(262,265)	(3,914,249)
Actuarial (gain) loss	2,041,423	(1,205,460)
Benefits paid	(367,736)	(667,156)
Benefit obligation, ending	$ 2,470,036	$ 899,267
Change in plan assets:		
Fair value of plan assets, beginning	$ 4,126,230	$ 4,021,602
Actual return on plan assets	576,479	(728,216)
Employer contributions	-	1,500,000
Benefits paid	(367,736)	(667,156)
Fair value of plan assets, ending	$ 4,334,973	$ 4,126,230
Funded status at end of year	$ 1,864,937	$ 3,226,963
Amounts recognized in the balance sheet:		
Noncurrent assets	$ 4,334,973	$ 4,126,230
Noncurrent liabilities	(2,470,036)	(899,267)
	$ 1,864,937	$ 3,226,963

	2023	2022
Amounts recognized in accumulated other comprehensive income:		
Net loss (gain)	$ 881,823	$ (416,332)
Net periodic benefit cost:		
Service cost	$ 118,039	$ 867,374
Interest cost	41,308	104,288
Expected return on plan assets	(221,417)	(184,641)
Amortization of net (gain) loss	(309)	183,327
Settlement expense	126,250	(302,343)
Net periodic benefit cost	$ 63,871	$ 668,005
Assumptions used:		
Discount rate	4.52%	4.73%
Rate of compensation increase	4.00%	4.00%
Expected return on plan assets	5.40%	5.40%
Contributions and benefits		
Employer contributions	$ -	$ 1,500,000
Benefits paid	367,736	667,156
Expected benefit payments		
2023	N/A	52,498
2024	229,796	79,594
2025	167,438	55,304
2026	351,004	87,146
2027	228,020	141,815
2028-2032	N/A	1,752,660
2028	174,434	N/A
2029-2033	979,783	N/A
Expected contributions	-	-

The investment strategy for Pension Plan A is to 1) have the ability to pay all benefits and expense obligations when due, 2) maintain a "funding cushion" for unexpected developments and for possible future increases in benefit structure and expense levels and 3) meet a 6.0% return target for the aggregate portfolio, over a full market and economic cycle, while minimizing risk and volatility. The expected return is based on historical returns. The asset classes are 1) US Equity Large Cap Growth: Target – 25.0%, 2) US Equity Large Cap Value: Target – 25.0%, 3) International Equity Growth and Value: Target – 20.0% and 4) Fixed Income: Target – 30.0%. Allowable investments include individual domestic equities, mutual funds, private placements and pooled asset portfolios (e.g. money market funds). Stock options, short sales, letter stocks, Real Estate Investment Trust securities and commodities are not allowable investments.

Plan assets at December 31 were:

	2023	2022
Equity securities:		
Large cap growth	26.13%	24.06%
Large cap value	24.87%	25.03%
International growth	10.09%	9.98%
International core	10.10%	10.07%
Fixed income	28.81%	30.86%
Total	100.00%	100.00%

NOTE 13: POST-RETIREMENT OBLIGATIONS

Minnkota sponsors a performance incentive 457(f) plan for an employee. A sum of $125,000 is to be funded on the first day of the year from January 1, 2021 through January 1, 2026 with the participants continued employment on that date when a benefit of $625,000 will be paid to the employee if still employed on that date. A sum of $125,000 is to be funded on the first day of the year from January 1, 2027 through January 1, 2028 with the participants continued employment on that date when a benefit of $250,000 will be paid to the employee if still employed on that date. The recorded liability as of December 31, 2023 and 2022 was $363,407 and $234,623, respectively.

Minnkota sponsors a defined benefit postretirement health care plan that covers certain full-time employees. The plan pays varying percentages of health care premiums for retirees from age 60 to age 65. Upon reaching 60, all Center Union participants hired before February 1, 2014 are immediately eligible to receive a 50% premium payment. Upon reaching age 60, only Grand Forks Union participants hired before April 1, 2010 and 50 years of age before April 1, 2013 are immediately eligible to receive a 100% premium payment. Grand Forks Union participants hired before April 1, 2010 and less than 50 years of age at April 1, 2013 will receive a 50% premium payment upon reaching age 60. Upon reaching age 60 and completing 10 years of service, Non-Union participants hired before January 1, 2012 are eligible to receive a 50% premium payment.

Minnkota does not fund this plan. There are no plan assets.

The following table reconciles the plan's funded status to the accrued postretirement health care cost liability as reflected on the consolidated balance sheet as of December 31:

	2023	2022
Change in benefit obligation:		
Benefit obligation, beginning	$ 2,843,426	$ 4,208,603
Service cost	110,870	125,611
Interest cost	117,646	140,435
Actuarial (gain) loss	(580,022)	(1,631,223)
Benefit obligation, ending	$ 2,491,920	$ 2,843,426
Accrued postretirement health care cost liability	$ 2,491,920	$ 2,843,426
Amounts recognized in the balance sheet:		
Noncurrent liabilities	$ 2,491,920	$ 2,843,426
Net periodic benefit cost		
Service cost	$ 110,870	$ 125,611
Interest cost	117,646	140,435
Amortization of net (gain) loss	(580,022)	(1,631,223)
Net periodic benefit cost	$ (351,506)	$ (1,365,177)

For measurement purposes, a 10% annual rate increase in health care premiums was assumed for 2023 and 2022, declining to 5% in five years. The weighted-average discount rate used in determining the accumulated postretirement benefit obligation was 4.52% for 2023 and 4.73% for 2022.

Benefits paid in 2023 totaled $232,879 and in 2022 totaled $316,211. Benefits expected to be paid in each of the next five years and the aggregate for the next five years thereafter are as follows:

Years Ending December 31,	Amount
2024	$ 225,959
2025	172,175
2026	105,777
2027	100,114
2028	126,937
2029-2033	594,976

Changing the rate of assumed health care costs by a 1% increase or decrease would change the benefit obligation as of December 31, 2023 and 2022 by approximately $250,198 and $269,749, respectively.

Minnkota has elected to recognize any gains or losses immediately.

NOTE 14: DEFERRED CREDITS

During the year ended December 31, 2020, the Cooperative implemented a new revenue deferral plan to recognize revenues through 2022. The plan was amended in 2021 to defer additional revenue of $11,059,403 and extend the plan through 2024. The plan was further amended in 2022 to defer additional revenue of $6,000,000 and extend the plan through 2025. This plan complies with GAAP and has been approved by RUS. The amount of revenue deferred was $44,819,273 and $44,819,273 as of December 31, 2023 and 2022, respectively. RUS requires the Cooperative to segregate cash in an amount equal to the amount of revenue being deferred. The Cooperative had deposits in US Bank investments and savings at December 31, 2023 and 2022, to satisfy this requirement.

Customer construction prepayments are the funds received for construction of transmission related projects in excess of completed construction costs as of December 31, 2023 and 2022.

Deferred credit balances are summarized below:

	2023	2022
Deferred revenues	$ 44,819,273	$ 44,819,273
Customer construction prepayments	2,625,180	1,659,398
Transmission service advance payments	7,405,622	6,771,027
Other deferred credits	86,707	86,707
Total deferred credits	$ 54,936,782	$ 53,336,405

NOTE 15: ACCOUNTING FOR ASSET RETIREMENT OBLIGATIONS

The FASB has issued guidance which provides accounting requirements for retirement obligations associated with tangible long-lived assets. Retirement obligations associated with long-lived assets are those for which there is a legal obligation to settle under existing or enacted law, statute, ordinance, written or oral contract or by legal constructions under the doctrine of promissory estoppels.

Assets considered for potential asset retirement obligations include generating plants and transmission assets on property under easement agreement or license. Asset retirement obligations for generating plant are not recorded as a liability, due to the fact that governmental authorization for construction did not impose post-closure obligations.

In general, retirement actions for transmission assets are required only upon abandonment or cessation of use of the property for the specified purpose. The liability for transmission assets that fall into this category is not estimable because Minnkota intends to utilize these properties indefinitely. For those transmission assets for which there are post-closure obligations (e.g., licenses, permits, and easements of limited duration issued by governmental authorities), the costs do not appear to be material and no liability has been recognized.

Under the current power supply agreement with Square Butte, Minnkota will be obligated for its proportionate share of any of Square Butte's closure obligations. According to the power supply agreement, payment of these obligations is not due until the actual costs of closure are incurred.

During the years ended December 31, 2023 and 2022, Minnkota recognized expenses of $1,373,662 and $304,126, respectively, which were related to the closure cost obligations of Square Butte. A long-term liability of $4,465,224 and $3,091,562 has been recorded as of December 31, 2023 and 2022, respectively.

NOTE 16: GUARANTEES

Minnkota has provided to the North Dakota Department of Environmental Quality a corporate guarantee on behalf of Northern up to a maximum of $1,118,361. The guarantee is for closure and post-closure costs relating to solid waste facilities of Northern. Minnkota is bound by the guarantee for as long as Northern must comply with the applicable financial assurance requirements for the solid waste facilities. The guarantee may be terminated upon 120 days notice. Minnkota entered into the guarantee because it was more economical than other financial assurance mechanisms such as reserve accounts, trust funds, surety bonds, letters of credit or insurance. If Northern fails to perform closure and/or post-closure of the solid waste facilities in accordance with plans, permits or other interim status requirements, Minnkota would be required to do so or to establish a trust fund in the amount of the current closure or postclosure cost estimates.

NOTE 17: COMMITMENTS AND CONTINGENCIES

Minnkota's power plant utilizes North Dakota lignite coal, which is being supplied from the Center Mine by BNI Coal Ltd. Minnkota and BNI Coal Ltd. have a cost-plus contract, which expires in 2037, with an additional 5-year extension at Minnkota's option.

Minnkota has various long-term contracts for the purchase of wind energy. These contracts require Minnkota to purchase all of the output generated by these wind farms for the term of the contracts which expire between 2039 and 2051.

Minnkota participates in federal grant programs, which are governed by various rules and regulations of the grantor agency. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agency; therefore, to the extent that the Cooperative has not complied with the rules and regulations governing the grants, refunds of any money received may be required.

As of December 31, 2023 Minnkota has approximately 46% of its employees covered by collective bargaining agreements. The collective bargaining agreements for Locals 1593 and 1426 are in force through March 31, 2025 and December 31, 2024, respectively.

NOTE 18: MAJOR CONSUMERS

For the years ended December 31, 2023 and 2022, the Cooperative had approximately 26% and 27% of its total sales to Nodak Electric Cooperative, Inc. and 26% and 25% of its total sales to Cass County Electric Cooperative, Inc. As of December 31, 2023 and 2022, accounts receivable were $9,787,591 and $9,927,940, from Nodak Electric Cooperative, Inc. $9,837,729 and $10,624,833 from Cass County Electric Cooperative, Inc., respectively.

NOTE 19: GOVERNMENTAL GRANTS AND CONTRIBUTIONS

During the year ended December 31, 2023, the Cooperative had the following governmental grants and contributions activity:

- $507,431 from the United States Department of Homeland Security (FEMA) and $67,657 from the State of North Dakota for hazard mitigation projects related to erosion.
- $295,172 of expenditures related to pass through funds from the United States Department of Energy through the University of North Dakota Energy and Environmental Research Center (EERC) for the Project Tundra Carbon Safe III Initiative. As of December 31, 2023, $144,029 had been received by the Cooperative.
- $442,206 was billed to the North Dakota Industrial commission for the Project Tundra Challenges, Resources, Evaluation, Schedule, and Technical Review (CREST) award but has not yet been received.

Costs related to the above items are initially recorded in construction work in progress as incurred and then are offset as construction aid by the obligated grant awards.

NOTE 20: RECLASSIFICATIONS

Certain 2022 amounts have been reclassified to conform to the 2023 presentation. These reclassifications did not affect margins or equities.

NOTE 21: SUBSEQUENT EVENTS

No significant events occurred subsequent to Minnkota's year end. Subsequent events have been evaluated through February 9, 2024, which is the date these consolidated financial statements were available to be issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

BOARD OF DIRECTORS AND OFFICERS

BACK, LEFT TO RIGHT:
Rick Coe
Beltrami Electric Cooperative
Les Windjue
Nodak Electric Cooperative
Roger Krostue
Red River Valley Co-op Power
Kalvin Hoff
Cass County Electric Cooperative
Anthony Ottem
Cavalier Rural Electric Cooperative
Lucas Spaeth
Northern Municipal Power Agency
Cheryl Grover
Clearwater-Polk Electric Cooperative
Steve Arnesen
North Star Electric Cooperative

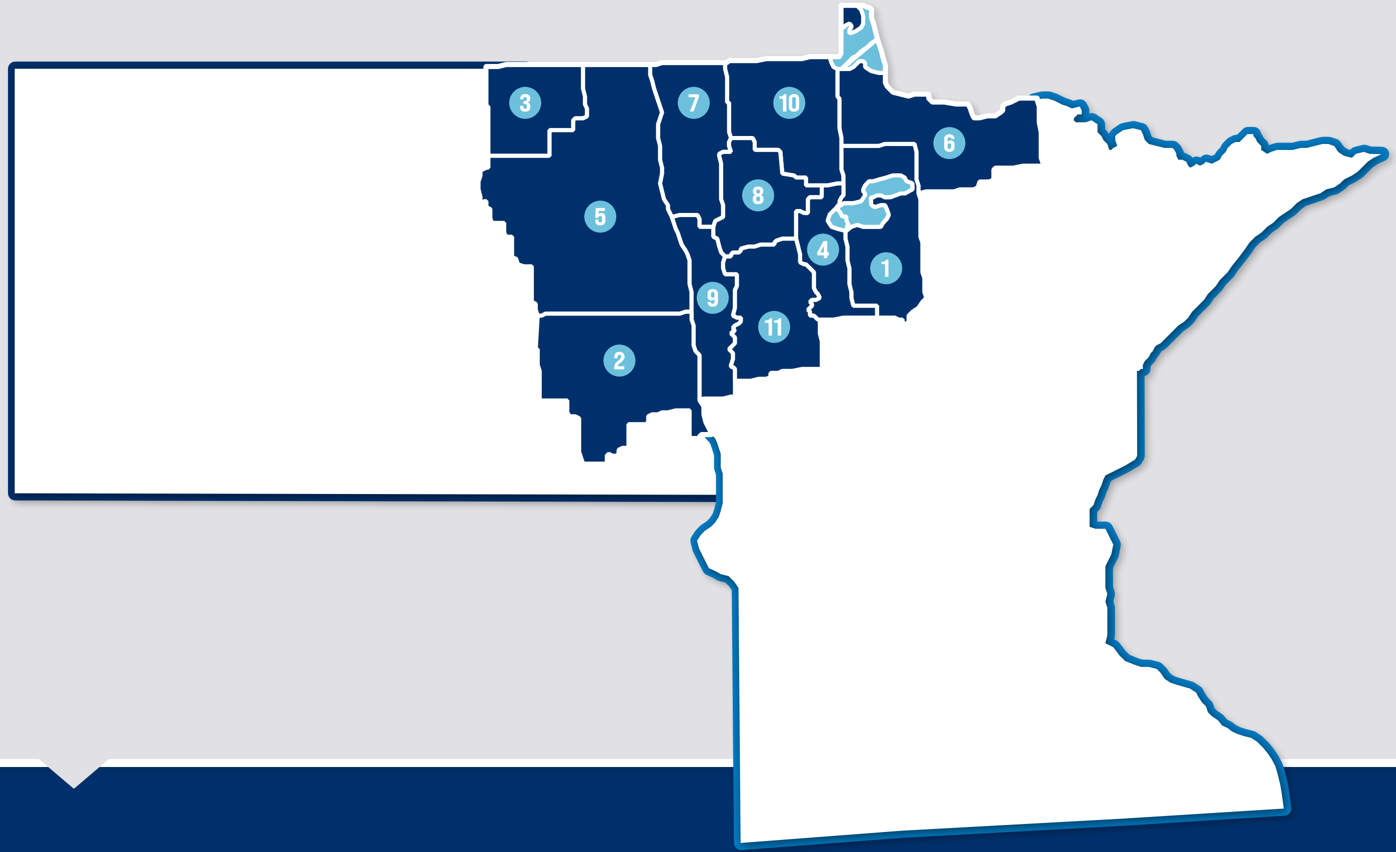
FRONT, LEFT TO RIGHT:
Colette Kujava - Secretary/Treasurer
Red Lake Electric Cooperative
Mark Habedank - Chair
Wild Rice Electric Cooperative
Tom Woinarowicz - Vice Chair
PKM Electric Cooperative

NOT PICTURED:
Mike Wahl
Roseau Electric Cooperative

EXECUTIVE STAFF AND SENIOR MANAGEMENT

BACK, LEFT TO RIGHT:
Kay Schraeder
VP and Chief Financial Officer
Andrew Sorbo
VP of Strategic Initiatives
Todd Sailer
VP of Power Supply
Dan Inman
VP and Chief Information Security Officer
Brendan Kennelly
VP of Power Delivery
Craig Bleth
VP of Project Development
Stacey Dahl
VP of External Affairs
Jami Hovet
VP of Administration

FRONT, LEFT TO RIGHT:
Lowell Stave
VP and Chief Operating Officer
Mac McLennan
President and Chief Executive Officer
Gerad Paul
VP for Legal, Compliance and Risk



CLASS A, B, C AND D MEMBERS

Class A Members

1. **Beltrami Electric Cooperative, Inc.**
   Bemidji, Minnesota
2. **Cass County Electric Cooperative Inc.**
   Fargo, North Dakota
3. **Cavalier Rural Electric Cooperative, Inc.**
   Langdon, North Dakota
4. **Clearwater-Polk Electric Cooperative, Inc.**
   Bagley, Minnesota
5. **Nodak Electric Cooperative, Inc.**
   Grand Forks, North Dakota
6. **North Star Electric Cooperative, Inc.**
   Baudette, Minnesota
7. **PKM Electric Cooperative, Inc.**
   Warren, Minnesota
8. **Red Lake Electric Cooperative, Inc.**
   Red Lake Falls, Minnesota
9. **Red River Valley Cooperative Power Association**
   Halstad, Minnesota
10. **Roseau Electric Cooperative, Inc.**
    Roseau, Minnesota
11. **Wild Rice Electric Cooperative, Inc.**
    Mahnomen, Minnesota

Class B, C and D Members

Basin Electric Power Cooperative
Bismarck, North Dakota

Central Iowa Power Cooperative
Cedar Rapids, Iowa

Dairyland Power Cooperative
LaCrosse, Wisconsin

Interstate Power Company
Dubuque, Iowa

Lincoln Electric System
Lincoln, Nebraska

Manitoba Hydro
Winnipeg, Manitoba, Canada

MidAmerican Energy
Davenport, Iowa

Midcontinent Independent Transmission System Operator (MISO)
Carmel, Indiana

Minnesota Power
Duluth, Minnesota

Montana-Dakota Utilities Company
Bismarck, North Dakota

Nebraska Public Power District
Columbus, Nebraska

Northern Municipal Power Agency
Thief River Falls, Minnesota

NorthWestern Corporation
Sioux Falls, South Dakota

Omaha Public Power District
Omaha, Nebraska

Otter Tail Power Company
Fergus Falls, Minnesota

U.S. Department of the Air Force
Grand Forks Air Force Base, North Dakota

Western Area Power Administration
Billings, Montana

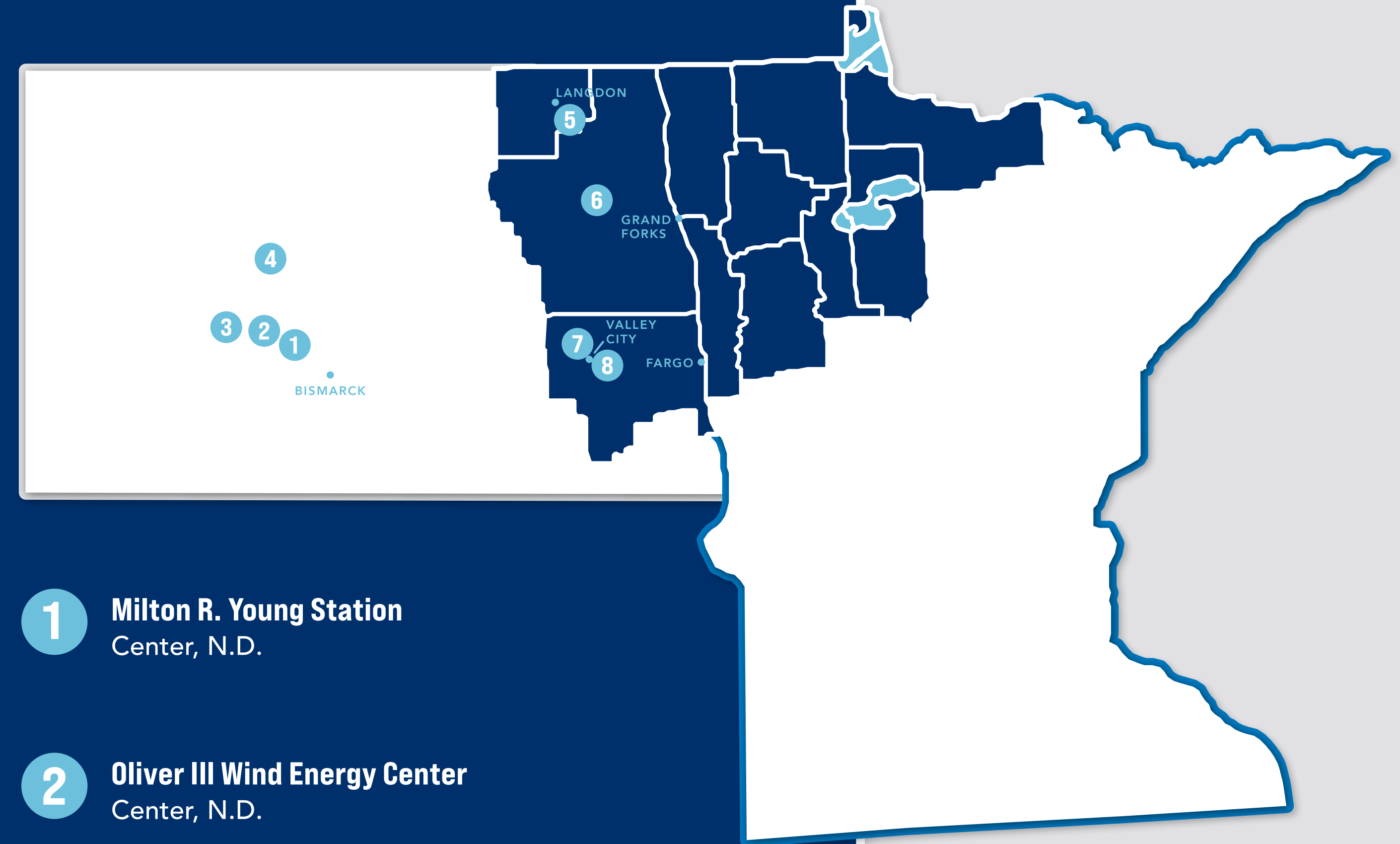
Wisconsin Power and Light
Madison, Wisconsin

Xcel Energy
Minneapolis, Minnesota

OPERATING STATISTICS

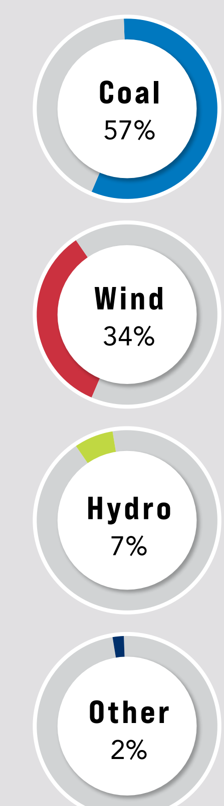
	2023	2022	2021	2020	2019
Electric plant investment	$ 1,411,232,000	$ 1,363,748,037	$ 1,344,779,463	$ 1,326,860,475	$ 1,291,330,709
Accumulated depreciation	(420,035,620)	(388,622,676)	(362,708,709)	(341,046,926)	(312,356,834)
Net electric plant	$ 991,196,380	$ 975,125,361	$ 982,070,754	$ 985,813,549	$ 978,973,875
Total assets	$ 1,183,715,921	$ 1,158,057,527	$ 1,140,468,068	$ 1,139,298,514	$ 1,124,833,308
Long-term debt	825,890,058	803,851,236	804,460,468	841,453,348	832,046,269
Members' equity	$ 225,333,538	$ 213,597,038	$ 190,594,292	$ 167,592,067	$ 156,767,393
Equity – percent of assets	19.0%	18.4%	16.7%	14.7%	13.9%
Total revenues	$ 449,704,431	$ 451,623,057	$ 406,336,955	$ 391,183,488	$ 402,196,354
Total expenses	436,669,776	432,708,147	384,829,429	383,513,196	390,482,354
Net margin	$ 13,034,655	$ 18,914,910	$ 21,507,526	$ 7,670,292	$ 11,714,000
ENERGY SALES – MWH					
Class A member co-ops	4,132,638	4,208,653	4,028,328	3,962,855	4,107,770
Other utilities	3,178,408	2,766,795	2,540,680	2,851,123	2,563,245
Total	7,311,046	6,975,448	6,569,008	6,813,978	6,671,015
ENERGY SOURCES – MWH					
Net generation	4,926,162	4,432,193	4,539,550	4,739,829	4,692,432
Coyote retained by NMPA	(453,136)	(454,532)	(448,258)	(440,546)	(446,011)
Purchases	2,838,020	2,997,787	2,477,716	2,514,695	2,424,594
Total	7,311,046	6,975,448	6,569,008	6,813,978	6,671,015
Connected consumers – December	150,877	148,600	146,492	143,570	141,493
Class A member sales Increase (decrease) – percent	-1.8%	4.5%	1.7%	-3.5%	-0.2%
Average power rate to Class A members – mills/kWh	77.2	75.9	76.2	76.3	76.4
Miles of transmission line	3,386	3,380	3,372	3,372	3,350
Full-time employees	402	383	390	400	397

GENERATION RESOURCES



1. **Milton R. Young Station**
   Center, N.D.
2. **Oliver III Wind Energy Center**
   Center, N.D.
3. **Coyote Station**
   Beulah, N.D.
4. **Garrison Dam**
   Missouri River
5. **Langdon Wind Energy Center**
   Langdon, N.D.
6. **Infinity**
   Petersburg, N.D.
7. **Ashtabula Wind Energy Center**
   Valley City, N.D.
8. **Infinity**
   Valley City, N.D.

JOINT SYSTEM POWER GENERATION PORTFOLIO

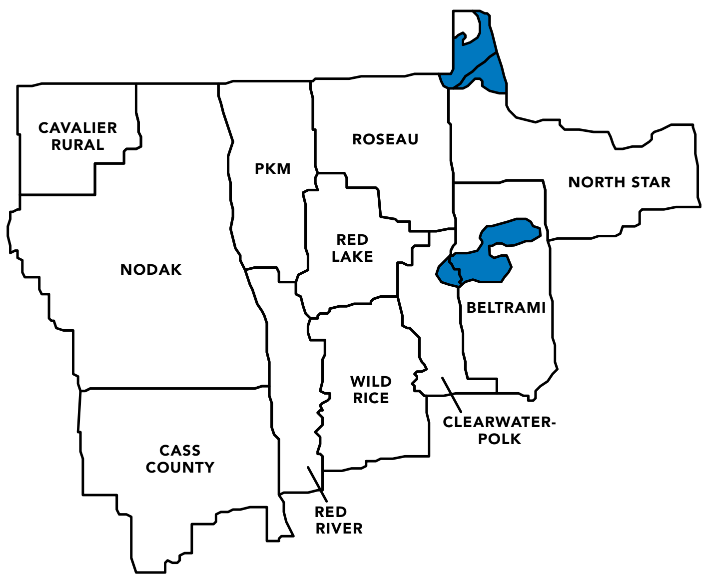


ASSOCIATED COOPERATIVE STATISTICS

	Beltrami	Cass	Cavalier	Clearwater-Polk	Nodak
BALANCE SHEET					
Total electric plant	$ 169,432,141	$ 345,049,847	$ 24,695,824	$ 30,884,743	$ 185,215,688
Accumulated depreciation	59,049,091	90,041,251	9,595,322	12,225,972	74,245,973
Net electric plant	$ 110,383,050	$ 255,008,596	$ 15,100,502	$ 18,658,771	$ 110,969,715
Current and accrued assets	13,222,191	48,782,780	2,099,016	1,736,295	39,755,398
Other assets	13,856,983	25,649,953	2,089,323	2,365,481	18,112,551
Total assets	$ 137,462,224	$ 329,441,329	$ 19,288,841	$ 22,760,547	$ 168,837,664
Total equity	$ 52,173,617	$ 161,417,825	$ 8,136,851	$ 12,770,213	$ 69,718,181
Long-term debt	73,886,641	136,412,226	10,634,009	8,059,157	75,567,948
Other liabilities and credits	11,401,966	31,611,278	517,981	1,931,177	23,551,535
Total liabilities and equity	$ 137,462,224	$ 329,441,329	$ 19,288,841	$ 22,760,547	$ 168,837,664
OPERATIONS					
Operating revenue	$ 60,760,185	$ 157,936,672	$ 5,115,954	$ 10,176,153	$ 134,448,414
Purchased power	42,643,748	113,760,621	2,696,582	6,131,867	113,728,272
Other operating expenses	10,288,223	17,996,570	1,613,846	2,407,245	10,397,056
Depreciation	4,555,265	9,311,516	553,016	936,353	4,899,421
Interest	2,723,486	4,423,910	284,943	327,933	2,295,790
Total cost of electric service	$ 60,210,722	$ 145,492,617	$ 5,148,387	$ 9,803,398	$ 131,320,539
Operating margin	$ 549,463	$ 12,444,055	$ (32,433)	$ 372,755	$ 3,127,875
Non-operating margin	1,568,094	4,178,106	92,348	206,346	3,185,517
Total margin	$ 2,117,557	$ 16,622,161	$ 59,915	$ 579,101	$ 6,313,392
CONSUMERS – END OF YEAR					
Residential	20,671	51,045	1,182	4,302	20,633
Residential – seasonal	0	0	0	0	0
Commercial and other	1,624	7,176	433	261	535
Total	22,295	58,221	1,615	4,563	21,168
Increase (decrease) – percent	0.8%	2.8%	0.2%	0.5%	1.2%
ENERGY SALES – KWH					
Residential	281,362,604	649,494,435	13,269,257	58,414,551	378,913,620
Residential – seasonal	0	0	0	0	0
Commercial and other	271,781,077	715,380,403	18,232,180	11,282,114	1,576,514,863
Total	553,143,681	1,364,874,838	31,501,437	69,696,665	1,955,428,483
Increase (decrease) – percent	8.8%	-0.3%	-5.7%	-7.4%	-5.7%
MISCELLANEOUS					
kWh consumption/resident/month	1,134	1,060	936	1,132	1,530
Miles of line	3,592	5,819	1,381	1,532	7,866
Consumers/miles of line	6.21	10.01	1.17	2.98	2.69
Number of employees	64	92	12	14	57
Average rate - residential - (¢/kWh)	14.09	12.05	18.08	14.86	11.89

	North Star	PKM	Red Lake	Red River	Roseau	Wild Rice	Total
BALANCE SHEET							
Total electric plant	$ 52,966,020	$ 44,194,205	$ 48,385,749	$ 64,028,415	$ 71,174,915	$ 93,599,794	$ 1,129,627,341
Accumulated depreciation	19,860,584	15,557,093	22,896,579	18,775,192	36,851,073	31,385,092	390,483,222
Net electric plant	$ 33,105,436	$ 28,637,112	$ 25,489,170	$ 45,253,223	$ 34,323,842	$ 62,214,702	$ 739,144,119
Current and accrued assets	6,690,374	4,940,616	3,565,753	4,873,067	8,474,827	9,392,659	143,532,976
Other assets	2,420,769	4,570,429	2,915,816	3,081,181	4,309,236	7,034,804	86,406,526
Total assets	$ 42,216,579	$ 38,148,157	$ 31,970,739	$ 53,207,471	$ 47,107,905	$ 78,642,165	$ 969,083,621
Total equity	$ 17,136,958	$ 21,686,806	$ 12,742,888	$ 19,741,244	$ 21,699,499	$ 32,576,882	$ 429,800,964
Long-term debt	21,917,112	13,486,806	16,706,709	29,950,334	17,387,613	38,631,221	442,639,776
Other liabilities and credits	3,162,509	2,974,545	2,521,142	3,515,893	8,020,793	7,434,062	96,642,881
Total liabilities and equity	$ 42,216,579	$ 38,148,157	$ 31,970,739	$ 53,207,471	$ 47,107,905	$ 78,642,165	$ 969,083,621
OPERATIONS							
Operating revenue	$ 15,741,757	$ 14,712,599	$ 15,341,996	$ 16,177,499	$ 19,167,711	$ 35,832,050	$ 485,410,990
Purchased power	8,808,814	9,560,584	10,115,477	10,709,226	11,439,741	22,689,263	352,284,195
Other operating expenses	3,882,073	2,823,066	3,026,857	3,009,822	3,924,865	8,031,769	67,401,392
Depreciation	1,349,982	1,148,209	1,334,542	1,516,422	1,911,036	2,583,432	30,099,194
Interest	650,629	656,616	494,702	836,873	804,284	1,287,637	14,786,803
Total cost of electric service	$ 14,691,498	$ 14,188,475	$ 14,971,578	$ 16,072,343	$ 18,079,926	$ 34,592,101	$ 464,571,584
Operating margin	$ 1,050,259	$ 524,124	$ 370,418	$ 105,156	$ 1,087,785	$ 1,239,949	$ 20,839,406
Non-operating margin	388,901	1,153,191	292,489	516,805	573,030	695,910	12,850,737
Total margin	$ 1,439,160	$ 1,677,315	$ 662,907	$ 621,961	$ 1,660,815	$ 1,935,859	$ 33,690,143
CONSUMERS – END OF YEAR							
Residential	5,629	3,759	5,272	4,146	5,947	13,808	136,394
Residential – seasonal	518	0	0	0	438	0	956
Commercial and other	797	308	518	671	311	893	13,527
Total	6,944	4,067	5,790	4,817	6,696	14,701	150,877
Increase (decrease) – percent	1.0%	0.9%	0.5%	0.5%	0.5%	0.4%	1.5%
ENERGY SALES – KWH							
Residential	67,270,676	65,112,790	87,083,740	79,809,951	88,087,378	205,538,907	1,974,357,909
Residential – seasonal	897,253	0	0	0	8,823,259	0	9,720,512
Commercial and other	36,718,862	51,396,813	29,817,889	57,017,351	47,719,347	65,238,447	2,881,099,346
Total	104,886,791	116,509,603	116,901,629	136,827,302	144,629,984	270,777,354	4,865,177,767
Increase (decrease) – percent	-7.1%	-2.2%	-1.3%	-0.7%	-5.3%	-2.6%	-2.3%
MISCELLANEOUS							
kWh consumption/resident/month	996	1,443	1,377	1,604	1,234	1,240	1,206
Miles of line	1,470	2,318	2,660	1,839	2,186	3,646	34,309
Consumers/miles of line	4.73	1.75	2.18	2.62	3.06	4.03	4.40
Number of employees	20	17	18	21	29	41	385
Average rate - residential - (¢/kWh)	15.56	13.78	13.45	12.98	14.90	13.86	13.02

ASSOCIATED COOPERATIVE BOARDS AND MANAGEMENT



Jared Echternach

Beltrami Electric Cooperative, Inc.
Bemidji, Minn.

BOARD OF DIRECTORS
John Lund, Chair ... Bemidji, MN
Sue Kringen, Vice Chair ... Bemidji, MN
Murl Nord, Secretary ... Blackduck, MN
Sharon Lembke, Treasurer ... Laporte, MN
Rick Coe ... Bemidji, MN
Craig Gaasvig ... Bemidji, MN
Charlie Perkins ... Redlake, MN
Robert Wallner ... Blackduck, MN

STAFF
Jared Echternach ... President & CEO
Mike Birkeland ... Vice President of Electrification and Member Experience
Bob Gregg ... Business Development Manager
Arlene Hogquist ... Director of Finance & Corporate Services
Jolene Kallroos ... Manager of Member Services
Ron Komulainen ... Line Superintendent
Lee Pemberton ... Manager of Operations
Rich Riewer ... Manager of Engineering
Jeremy Seibel ... Manager of Information Technology

Marshal Albright

Cass County Electric Cooperative Inc.
Fargo, N.D.

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Terry Kraft, Vice Chair ... West Fargo, ND
Kalvin Hoff, Treasurer ... Fargo, ND
Paul White, Secretary ... Stirum, ND
Stacey Ackerman ... Reiles Acres, ND
Douglas Anderson ... Arthur, ND
Sid Berg ... Colfax, ND
Wendy Loucks ... Fargo, ND
Tom Seymour ... West Fargo, ND

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Marshal Albright ... President & CEO
Jodi Bullinger ... V.P. Engineering & Operations
Paul Matthys ... V.P. Member & Energy Services
Sarah Rhea ... Executive Assistant
Chad Sapa ... V.P. Corporate Services/CFO
Tim Sanden ... V.P. Information Technology/CIO

Marty Tetrault

Cavalier Rural Electric Cooperative, Inc.
Langdon, N.D.

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Anthony Ottem, Vice President ... Milton, ND
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Del Gage ... Sarles, ND
Wade Harpestad ... Hampden, ND
Chris Olson ... Langdon, ND
Michele Schommer ... Munich, ND

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Marty Tetrault ... Manager
Jake Kennedy ... Member Services/Warehouse Manager
Laurie Landsem ... Executive Assistant/Cashier
Tiffany Pritchard ... Finance Manager

Deanna Lefebvre

Clearwater-Polk Electric Cooperative, Inc.
Bagley, Minn.

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Harlan Highberg, Treasurer ... Bagley, MN
Dennis Engebretson ... Clearbrook, MN
Cheryl Grover ... Bagley, MN
Bill Lanners ... Shevlin, MN

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Deanna Lefebvre ... General Manager
Matt Rendahl ... Member Services Manager
Angie Schneider ... Office & Finance Manager
Todd Waggoner ... Operations Manager

Mylo Einarson

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Grand Forks, N.D.

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Les Windjue, Vice Chairman ... Devils Lake, ND
David Brag, Secretary-Treasurer ... Finley, ND
Ryan Benson ... Arvilla, ND
David Hagert ... Grand Forks, ND
David Kent ... Hatton, ND
Peter Naastad ... Hatton, ND
Cheryl Osowski ... Grafton, ND
Steve Smaaladen ... Aneta, ND

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Mylo Einarson ... President & CEO
Tom Edwards ... Accounting & Finance Manager
Cole Johnson ... Engineering Manager
Blaine Rekken ... Member/Energy Services Manager
Dan Schaefer ... Line Superintendent
Kacie Tretter ... Executive Assistant

Kevin Holen

North Star Electric Cooperative, Inc.
Baudette, Minn.

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Steve Arnesen, President ... Roosevelt, MN
Michael Hanson, Vice President ... Baudette, MN
Lorraine Nygaard, Secretary-Treasurer ... Big Falls, MN
Randy Bergan ... Williams, MN
Douglas King ... International Falls, MN
Thomas Smith ... International Falls, MN
Shelley Spears ... Baudette, MN

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Kevin Holen ... General Manager
Robyn Sonstegard ... Finance Manager
Tim Pelach ... Operations Manager

Jeff Rustad

PKM Electric Cooperative, Inc.
Warren, Minn.

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Paul Aakre ... Angus, MN
Jerred Copp ... Warren, MN
Steve Goodwin ... Angus, MN
Chris Mortenson ... Kennedy, MN
Blake Owens ... Warren, MN
Tom Woinarowicz ... Stephen, MN

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Karen Olson ... CFO
Daniel Schmidt ... Manager of Member Services

Stephanie Johnson

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Red Lake Falls, Minn.

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Peter Mosbeck, Vice President ... Red Lake Falls, MN
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Colette Kujava ... Newfolden, MN
Randy Versdahl ... Red Lake Falls, MN

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Stephanie Johnson ... General Manager
Kelli Brateng ... Manager of Member Services
Steve Conely ... Manager of Electric System Operations
Christie Klipping ... Manager of Finance & Administration

Rich Whitcomb

Red River Valley Cooperative Power Association
Halstad, Minn.

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Robert Kinkade ... Ada, MN
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Marvis Thompson ... Perley, MN

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Rich Whitcomb ... CEO, Member Services/Marketing Director
Leon Emmil ... Engineering Manager
Jon Kuehn ... Line Superintendent
Jared Person ... Director of Finance & Administration

Tracey Stoll

Roseau Electric Cooperative, Inc.
Roseau, Minn.

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Jim Hallan, Vice Chair ... Warroad, MN
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Jim Christianson ... Warroad, MN
Brian Grafstrom ... Roseau, MN
Shawn Gust ... Strathcona, MN
Kermit Jensen ... Warroad, MN
Joe Tesarek ... Roseau, MN
Ed Walsh ... Badger, MN

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Tracey Stoll ... General Manager
Jeremy Lindemann ... Member Services Director
Alex McMillin ... Office Manager
Mike Millner ... Line Superintendent
Ryan Severson ... Assistant Manager

Mike Wade

Wild Rice Electric Cooperative, Inc.
Mahnomen, Minn.

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Jim Kaiser, Chairman ... Lake Park, MN
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Randy Bjornson ... Hawley, MN
Greg LaVoy ... Naytahwaush, MN
Jeff Nornes ... Erskine, MN
Russell Okeson ... Detroit Lakes, MN
Roger Winter ... Callaway, MN

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Mike Wade ... President & CEO
Crystal Askelson ... Director of Finance
Laura Boreen ... Director of Human Resources
Jolene Brevik ... Executive Assistant
Alan Brunner ... Director of Operations
Tom Guenther ... Line Superintendent
Thomas Houdek ... Director of Member Services & Communications

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2023 ANNUAL REPORT

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