

In most cases, the amount of electricity generated and how much is sent to specific areas are coordinated and monitored by regional transmission organizations (RTOs) and independent system operators (ISOs). In other areas, individual electric utilities perform these tasks.

RTOs, ISOs and electric utilities act as air traffic controllers for the electric grid. They forecast when you, your neighbors and communities across a large region will need more power. These organizations take measured steps to ensure there's enough supply to meet demand.

### Looking ahead

As the energy sector undergoes rapid change, it's important for all consumers to understand the basics of electricity supply and demand.

Electricity use in the U.S. is expected to rise to record highs this year and next. At the same time, energy policies are pushing the early retirement of always-available generation sources, which will undoubtedly compromise reliable electricity.

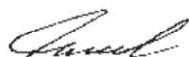
Beltrami Electric remains committed to providing affordable, reliable energy to the members we serve. That's why we are preparing now for increased demand and other challenges that could compromise our local electric supply.

For decades, your cooperative and the other Minnkota members have managed demand through our load management program. This program has provided low rates for participating members and more efficiently utilizes generation, transmission and distribution resources. If you participate in your cooperative's load management programs, thank you! Your participation helps all cooperative members by managing our peak demand.

Managing the balancing act of electricity supply and demand is a complex job, which is why we have a network of utilities, power plant operators and energy traffic managers in place to direct the electricity we need and keep the electric grid balanced.

### Congratulations, Glenn

I'd like to take a moment to recognize and congratulate Beltrami Electric Cooperative line foreman Glenn Grundmeier. Glenn retires this month after 38 years of service to your cooperative. Glenn served our members faithfully for nearly four decades and he did so safely and diligently. Thank you, Glenn, for keeping the lights on and for the excellent service to our members all these years. We wish you a safe and healthy retirement!



## 2025 RATE FORECAST



### MANAGING MEMBER RESOURCES

We've worked hard to keep rates steady. Our last rate change was in April 2018. A recent rate study indicated that we will need to implement a rate change to maintain reliability and financial stability going forward.

### PROVIDING VALUE TO MEMBERS

As a not-for-profit, owned and built by the members we serve, we only change rates when necessary to keep our service reliable, pay our loans, and stay financially stable.

### WHOLESALE POWER COSTS

Minnkota Power Cooperative has announced that they will have a rate increase in 2025, their first since 2017. Approximately 70% of our costs are tied to purchasing wholesale power.

### RISING COSTS

Inflation, increased interest rates, rising wholesale power prices, and a changing electric grid mean more revenue is needed to maintain the safety and reliability of our electric system. Materials and equipment we use to build and maintain our system have increased from 35-140% since 2018.

### ADAPTING TO GRID CHANGE

BEC pays more for power when members use a lot of electricity at the same time (electrical demand) and when there is a tight supply of power generation. As demand for electricity goes up, so does our cost for wholesale power. To better match what members pay with what it costs for wholesale power during peak use conditions, a demand charge (currently at \$0.00 on electric bills) will be applied.

**FOR MORE INFORMATION ON RATES, VISIT  
[WWW.BELTRAMIELECTRIC.COM/RATES](http://WWW.BELTRAMIELECTRIC.COM/RATES).**