

InTouch

WITH MEMBERS OF BUTLER COUNTY RURAL ELECTRIC COOPERATIVE

February 2026

Your Touchstone Energy® Cooperative 

Nominating Committee selects board candidates

The nominating committee of Butler County REC, duly appointed by the board of directors and consisting of Mark Johnson, Nick Mead, and Rick Rex met Jan. 5, 2026. They nominated the cooperative members listed below for the office of director for the ensuing term of three years each.

The election will take place at the business-only annual meeting on Wednesday, March 25, at the Allison Warehouse, 619 N. Railroad St., at 1:00 p.m.

To represent the northwest one-quarter of Butler County

- Tim Schrage (incumbent), Allison

To represent the eastern one-half of Floyd County

- Grant Greenzweig (incumbent), Charles City

To represent the western one-half of Floyd County

- Mark Chambers, Marble Rock
- Rick Willert, Rockford

Candidate information and mail-in ballots will be mailed to members in March. In addition, candidate information will also be available online at butlerrec.coop.

***Mail-in ballots will be due at the cooperative office
no later than 3:30 p.m. Tuesday, March 24, 2026.***



Your nominating committee (left to right): Nick Mead, Rick Rex, and Mark Johnson

Patronage of \$1,665,803.72 returned to members



The Butler County REC board of directors has authorized the distribution of \$1,665,803.72 in patronage to current and former members of the cooperative.

The board elected to retire the 2008 and 2009 allocation. The sum you receive is based on your power bill amounts during those years. Our wholesale power supplier, Corn Belt Power Cooperative, is also retiring a portion of the patronage Butler County REC was allocated in 2024. This is included in the amount to be returned to members.

Active (current) members received a credit on their power bill mailed in February 2026. Checks have been mailed to qualifying members no longer receiving service from Butler County REC.

What is patronage?

Patronage distributions from member-owned, not-for-profit utilities like Butler County REC are somewhat similar to the dividends paid to shareholders of investor-owned utilities. The difference is that a co-op's "shareholders" are also the members that it serves, and the "dividends" (patronage) are distributed to the co-op's member/owners.

Your cooperative's rates are set to bring in enough money to pay operating costs, make payments on any loans, and provide an emergency reserve. At the end of each calendar year, we subtract operating expenses from the total amount of money collected during the year; the balance is the "margin." This margin is allocated to each member based on the amount each member paid for electricity. The Butler County REC board of directors, before distributing the patronage, must consider the financial condition of the cooperative, the need for capital funds, and the availability of loan funds.

Since 1938, your cooperative has returned a total of \$15,029,436.50 in patronage.

Winter reliability forecast showed adequate resources for 2025-2026 season

A WORD FROM



Craig Codner, CEO
ccodner@butlerrec.coop

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

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

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

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

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

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

What is a planning reserve generation margin? Butler County REC; SPP; and our power supplier, Corn Belt Power Cooperative, must be prepared for periods of extreme demand. To do that, we rely on reserve generation margins—extra generating capacity held in reserve to meet unexpected needs. Reserve generation margins represent the percentage of unused generation available during peak demand. Nationwide and within SPP, these margins are shrinking, resulting in less buffer for unexpected outages (i.e., plant mechanical failure) or emergencies, increasing the risk of forced interruptions.

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

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

- **Advocating for Reliability and Affordability:** Electric cooperatives across the country are owned by you, the members we serve. This means that our cooperative works together with other electric cooperatives to educate lawmakers and advocate on behalf of our members to ensure that reliable power is also competitively priced.
- **Resource Diversification:** Nationally, there is increasing reliance on renewable energy sources, and at the same time, we're seeing fossil fuel plants (dispatchable generation) taken offline, often ahead of schedule. We're also seeing more pressure on the electric grid due to the ever-present severe weather events and historic rising demand, as we begin to

electrify more sectors of our economy. Butler County REC believes and advocates for an all-of-the-above energy approach. The “all-of-the-above” approach promotes the idea that the United States relies on a reliable, sustainable, and affordable fuel supply. There is great value in maintaining a diverse mix of fuel sources—fossil fuels and renewables—to ensure reliability and resiliency and meet the growing demand for electricity.

- **Grid Infrastructure:** As a member of Corn Belt Power, we pool resources and expertise to invest in technology, security, and infrastructure to deliver reliable and cost-effective power. Our operations are dedicated to strengthening our electric infrastructure through targeted upgrades and new construction projects, which will enhance regional connectivity and resilience.
- **Emergency Preparedness:** We work closely with SPP and neighboring utilities to protect our members from potential energy shortages and price spikes associated with having to purchase more power when demand is elevated. By having detailed response plans in place, we can take steps to reduce electricity demand during critical periods, helping avoid the need to purchase expensive power from the market when prices are at their highest. This coordinated approach helps keep your electricity both reliable and affordable.
- **Regional Coordination:** We actively participate in SPP's reliability initiatives and maintain close coordination with neighboring utilities to support regional grid stability. By working to prepare for and respond to energy shortfalls, we can follow protocols to reduce electric demand and prevent us from having to purchase excess energy from the markets or avoid the need to interrupt power supply.
Our wholesale power provider, Corn Belt Power, works closely with SPP and other regional partners to address these long-term challenges while maintaining reliable and affordable electric service for our member-consumers. As we dedicate ourselves to powering your homes and communities throughout the winter season, we are committed to doing everything we can to maintain your trust and find solutions to keep your power reliable and your rates stable.

BCREC offers Energy Trails Tour trip for 2026

How about an adventure next summer?

If you have ever wondered about how power providers convert water, wind, and coal to power, enter your name into our drawing for the opportunity to travel to North Dakota and learn about it. See coal being mined, hydroelectric and coal-fired generation; meet cooperative neighbors; enjoy stops along the way.

Two tour times are available: July 8-10 and July 15-17. We are asking for a \$100 refundable deposit along with the coupon to the right. If you win the drawing and attend, you will be refunded your \$100. If you do not win the drawing and therefore do not attend, the \$100 will also be refunded. The deposit will only be retained by Butler County REC if your name is drawn and after the deadline date you choose not to attend.

If you have questions, contact us at 888.267.2726. We would love to discuss this great opportunity with you!



Energy Trail Tour 2026

Butler County Rural Electric Cooperative and Corn Belt Power Cooperative invite you to join us for one of two Energy Trail Tours being offered this summer. This 3-day adventure will allow you to experience, first-

hand, how your power providers convert energy from water, wind, and coal into electricity. View coal being mined and see how those mines are then returned to productive farm and native grass lands. Enjoy interactive walking tours through a hydroelectric and coal-fired energy generation facility and other stops along the way. Meet other cooperative member-owners while traveling together across the Dakotas on-board a motor-coach bound for the North Dakota's Energy Loop. \$100 per couple covers your lodging, meals and entry fees. The remainder of your tour costs are covered by Butler County REC. Two lucky couples from Butler County REC will be selected at random from those who sign up.



YES, please enter our names in the drawing for the trip. We understand that if our names are drawn, we will be billed \$100.

Our first and second choice of dates:

July 8-10 1st 2nd (please circle)
July 15-17 1st 2nd

I/we have have not participated in this tour in the past.

First Person _____

Second Person _____

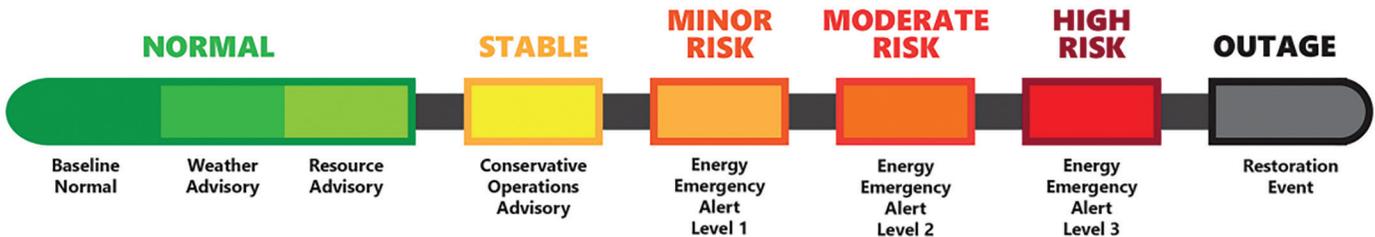
Address _____

City _____

Phone _____

Clip this coupon and return to cooperative by April 29, 2026.

SOUTHWEST POWER POOL GRID CONDITIONS



Southwest Power Pool (SPP) continuously monitors the electric grid conditions to determine supply and demand balance, transmission congestion, generator availability, and adherence to reliability standards. The conditions are then communicated through the advisories shown above. Butler County REC will convey these advisories to our membership as needed.

Deadlines approaching for students

Butler County REC Technical/Trade Industry Scholarship: March 1, 2026

Powerline, Powerline Technology, Wiring Scholarship: March 1, 2026

Wind Energy and Turbine Scholarship: March 1, 2026

Youth Tour Trip to Washington, D.C.: March 1, 2026

Visit butlerrec.coop – Member Perks – Students for information and applications!

BCREC employees hold annual fundraiser

The Butler County REC annual employee fundraiser was held at our November employee/safety meeting.

This year employees raised \$740, which included a match from our board of directors. Corn Belt Power Cooperative is matching the \$740.

The funds this year will be divided between our community action agencies in the four counties we serve: Bremer, Butler, Chickasaw, and Floyd.

In addition, employees donated seven coats, 26 hats, and 38 pairs of mittens (pictured right) for area children during the annual Warm Hands, Warm Hearts friendly competition among the office and Allison and Horton warehouse staff.

One of our seven cooperative principles is Concern for Community and each year the Butler County REC employees live this through their giving spirits.



Love your appliances and they'll love you

This Valentine's season, show your appliances a little love and they'll return the favor in lower bills and fewer surprises.

Start with the *refrigerator*. Vacuum the coils every six months, check door gaskets for tight seals, set the fridge at 37 to 40 degrees, and then lower the freezer to 0 degrees. This will help the appliance run more efficiently and use less power.

Next, turn your attention to your *clothes dryer*. Clean the lint trap after every load and inspect the vent and duct for buildup; restricted airflow makes dryers run longer and raises fire risk. Consider having a technician clean the exhaust duct annually.

Don't forget the *water heater*. Lowering the thermostat to 120 degrees and flushing a few gallons annually to remove sediment improves efficiency and extends life.

Your *heating system* has been keeping you warm all winter; give it some TLC by replacing HVAC filters regularly. A clogged filter forces the system to work harder.

Finally, *make some small fixes*; they add up. Tighten loose electrical connections, replace cracked power cords, and run a quick check for unusual noises or smells. These are easy tasks that prevent breakdowns and save energy. They can also keep your home safe and comfortable.

Think of it as home self-care that pays dividends.

Touchstone Energy
Cooperatives

“ THE COOPERATIVE ADVANTAGE ”

We do more than keep the lights on. We're here to keep our community strong because every member matters.

For generations we've powered the growth of our community. And today our cooperative is stronger than ever.

Keeping you connected to what matters most.

One cooperative advantage is that we are more than a power company. We are here when you need us for savings and service, too. Clint Deutsch (left), crew chief at our Horton warehouse, appeared in the Touchstone Energy ad campaign filmed in our service territory in June of 2025.

INtouch® is published monthly for members of Butler County Rural Electric Cooperative
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