

**Owned by 12 Minnesota  
electric cooperatives:**

BENCO Electric Cooperative  
Brown County Rural Electrical Association  
Federated Rural Electric Association  
Freeborn-Mower Cooperative Services  
Minnesota Valley Electric Cooperative  
Nobles Cooperative Electric  
People's Energy Cooperative  
Redwood Electric Cooperative  
Sioux Valley Energy  
South Central Electric Association  
Steele-Waseca Cooperative Electric  
Tri-County Electric Cooperative

**JANUARY 2015**

The Minnesota Public Utilities Commission's (MPUC) scheduled public comment hearings for January on the proposed acquisition of Alliant Energy's Minnesota electric distribution territory by the 12 member cooperatives of Southern Minnesota Energy Cooperative (SMEC).

The hearings are planned for the following dates, times and cities:

- Thursday, January 15, 2:00 p.m. Storden Civic Center  
312 America Street  
Storden, MN 56174.
- Wednesday, January 21, 2:00 p.m. Stewartville Civic Center  
120 City Center  
121 Stewartville, MN 55976
- Wednesday, January 21, 7:00 p.m. Albert Lea High School Auditorium  
2000 Tiger Lane  
Albert Lea, MN 56007

The public comment hearings hosted by the MPUC are another milepost that serves to give voice to ideas and interests in this process.

Much work has been accomplished since the April 15, 2014 filing with the MPUC for approval of this acquisition. SMEC and Alliant Energy representatives have held a number of meetings/discussions with and responded to questions from the office of the Minnesota Attorney General (OAG), the Minnesota Department of Commerce, the Minnesota Municipal Utilities Association, and the Minnesota Chamber of Commerce.

For nearly two years, well before the proposed acquisition was announced, teams of professional staff within the 12 member SMEC cooperatives have been hard at work addressing all the myriad issues to assure a smooth transition in every department – billing and finance; communications; engineering, operations and safety; human relations; load management and metering; and regulatory – especially those that directly affect our member-owners.

It has been and continues to be the focus of the SMEC member cooperatives to shape this acquisition so that it well serves our legacy and new members as it is carried out into our communities.

It is good to remember that this proposed acquisition is a once-in-a-lifetime opportunity that gives the participating cooperatives the chance to achieve economies of scale by spreading fixed costs over more member-owners. While keeping rates stable is challenged by the cost of environmental compliance, integrating renewables, declining energy sales, and general inflation affecting our rates, this acquisition serves as the single biggest positive action we can take to offset a portion of these cost pressures.