



# Corn Belt Power Cooperative remains in strong financial condition

**K**roll Bond Rating Agency (KBRA) affirmed its 'A' issuer credit rating for Corn Belt Power Cooperative and noted the outlook is stable. The rating reflects Corn Belt Power Cooperative's strong, all requirements wholesale power supply contracts with its members, and its all requirement power purchase contract with Basin Electric Power Cooperative.

In financial year 2022, Corn Belt Power purchased \$119.3 million of power and sold \$42.6 million of power to Basin Electric. Corn Belt Power passes through all fixed and variable costs associated with its generating assets, including the cost of fuel, operations, maintenance, depreciation, and interest payments, making the cost of production a true pass-through expense to Basin Electric.

The stable rural economy of the Corn Belt Power Cooperative service area is supportive of demand. Regional unemployment remains consistently below the national average and has shown relatively low volatility during periods of economic stress. The ethanol industry has proven resilient to recessionary downturns. A recent trend of regional economic development is expected to support increased electricity sales and a stable load.

## KBRA noted the following as positive rating factors:

- Corn Belt Power Cooperative's members are contracted to purchase all power requirements from Corn Belt Power's pursuant to take-and-pay agreements through 2075, beyond the final maturity of long-term debt (2051).
- Corn Belt Power and its members benefit from independent rate setting authority and firm service territory



## Stable financial outlook for G&T

**Above** | Sam Moore, accountant III, left, and Kari Rubel, accountant II, Corn Belt Power Cooperative review daily cooperative invoices. Corn Belt Power Cooperative received an 'A' credit rating in October from Kroll Bond Rating Agency. This rating positions the co-op favorably for future financial needs, lending and borrowing. KBRA also noted a stable financial outlook for the G&T.

boundaries. Members maintain solid financial performance, with average DSC in excess of 2x for the past three years.



## KBRA noted the following as potential credit challenges:

- Although Corn Belt Power Cooperative and Basin Electric Power Cooperative have taken steps to diversify their respective energy portfolios, both remain dependent on coal-fired generation, exposing them to regulatory and market risk.
- Corn Belt Power serves a relatively small number of ultimate customers

compared to its peers, with a concentration in ethanol/biodiesel load, which accounts for almost a quarter of member load.

## Rating sensitivities include:

- Load growth that results in consistently stronger member and/or Corn Belt Power financial performance.
- Continued diversification in power supply and sustained reduction in the member average power cost.
- Corn Belt Power debt service coverage and TIER are consistently lower than 1.15x and 1.20x, respectively, would be a negative credit factor.
- Consistently weaker member financial performance or material reduction in ethanol demand could pressure the rating lower. ■

# Corn Belt Power hosts retreat

Corn Belt Power Cooperative and Northwest Iowa Power Cooperative held a joint meeting for energy advisors and communicators in Storm Lake Oct. 10-11. Touchstone Energy national staff were on hand to host a Member Engagement Summit. At the summit Scott Bialick, Touchstone Energy, presented on the following:

- Energy efficiency resources
- Touchstone Energy's history and mission
- Cooperative Web Builder
- National surveys
- New advertising materials
- Social media resources
- Member action plans
- Community engagement

The group also used the meeting to discuss the joint five-year energy study. The study, managed by Guernsey, is conducted every five years to ensure cooperative rebates are at the right levels. NIPCO, Corn Belt Power and L&O all participate in the study. During the meeting, the group also

discussed heat rate promotion and other issues facing electric cooperatives.

"Our goal as a Touchstone Energy Regional Member is to have an educational session about the brand and its materials once every three years," said Ryan Cornelius,

vice president, corporate relations, Corn Belt Power Cooperative. "Touchstone Energy national staff does a great job presenting the latest and greatest of their offerings."

To learn more about Touchstone Energy visit [www.touchstoneenergy.com](http://www.touchstoneenergy.com). ■



## Touchstone Energy Member Engagement

**Above** | Scott Bialick, senior program manager, member engagement and strategic relationships, Touchstone Energy Cooperatives, presents Admire & Acquire content to distribution co-op employees from Corn Belt Power Cooperative and Northwest Iowa Power Cooperative territories during the Touchstone Energy Summit in Storm Lake October 10.

# Iowa's Electric Cooperatives connect with Congressional Delegation in Washington, D.C.

More than 25 representatives from Iowa's electric cooperatives traveled to the Capitol in September to advocate for their co-op members. While in Washington, D.C., the group attended high-level briefings on key issues impacting the electric industry and met with all six members of Iowa's Congressional Delegation to discuss priorities and concerns.

Advocates shared concerns that could impact electric cooperatives' ability to provide reliable and affordable power, including federal EPA mandates that may force electric generation plants to shut down prematurely. Additionally, the co-op representatives talked about continued supply chain challenges and how they impact day-to-day operations

"These legislative visits in D.C. are valuable opportunities to connect with our members of Congress and their staff. They learn more about our rural Iowa

priorities and ask how they can help us in our cooperative mission to power lives and empower communities," remarked Ryan Cornelius, vice president, corporate relations, Corn Belt Power. "We appreciate the time our elected officials take to meet with us and hear our concerns.

Co-op advocates also asked their senators and representatives to support permitting

reforms to the National Environmental Policy Act (NEPA) to avoid costly delays in the permitting process. The group urged the Iowa Congressional Delegation to authorize an increase in funding for USDA's Rural Economic Development Loan & Grant program (REDLG) as part of the Farm Bill reauthorization to support our rural Iowa communities. ■



**Above** | Representatives from Iowa's electric cooperatives meet with Iowa Senators Grassley and Ernst during September's Legislative Fly-in Sept. 26 in Washington D.C.



## Hesnard now electrical maintenance foreman

Corn Belt Power's Justin Hesnard is now the cooperative's Hampton area electrical maintenance foreman. Hesnard began his new role Oct. 1.

An electrical maintenance foreman at Corn Belt Power performs work that includes supervision of day-to-day operations, maintenance and work order construction of the distribution and transmission facilities and components.

Hesnard started his Corn Belt Power career in June 2019. ■



## Myer accepts new position

Effective October 16, Jon Myer was promoted to the Information Technology Director. Myer was Corn Belt Power's IT administrator before accepting the promotion.

He will supervise the IT department which includes, Kevin Hapes, application support specialist, and a future network administrator. Jon started with Corn Belt Power in the IT department in July 2017. Congratulations, Jon. ■



## Christensen completes course

Congratulations to Courtney Christensen, executive assistant, Corn Belt Power Cooperative, on completing the Essentials for North American Electric Reliability Corporation Critical Infrastructure Protection course.

The course covered asset identification and governance, access control and monitoring, system management, information protection and response and CIP process. ■



Ken Kuyper

## Kuyper announces intent to retire

On October 2, longtime executive vice president and general manager Ken Kuyper notified Corn Belt Power's board and employees of his intent to retire in 2024. Kuyper started his Corn Belt Power career in 1980. He took over as general manager in 2007.

The Corn Belt Power board of directors resolved to conduct an internal search for the organization's next general manager. The search consists of candidates from within the Corn Belt Power system, including existing Corn Belt Power employees and from the co-op's distribution systems.

"I look forward to helping our team and the board make a smooth leadership transition," said Kuyper. "With the people we have in place, our cooperative will remain strong for years to come. ■



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**September Touchstone Energy Volunteer Challenge winner | Amy Howard**, executive assistant, Iowa Lakes Electric Cooperative, donated her \$100 prize to Upper Des Moines Opportunity.

## Economic development council receives Revolving Loan Fund loan

Corn Belt Power Cooperative closed a \$150,000 revolving loan fund loan with the Graettinger Economic Development Council (GEDC) Wednesday, October 18. GEDC used the funds to

purchase a third Homes for Iowa home.

With rural housing being an ever-present issue in the community, GEDC is active in helping fill the need. The home will be listed for sale once finishing items are complete. The Homes for Iowa program has restrictions in place, including the Homebuyer family taxable income limit of \$113,000 or less, for a family of any size. ■



### Loan purchases home

**Above |** Stacy Cirks, development finance director, Corn Belt Power Cooperative, center, presents a \$150,000 revolving loan fund check to Graettinger Economic Development Council leaders Lloyd Peterson, vice president GEDC board, left, and J.R. Brown, president, GEDC board at the loan closing Oct. 18.

## Corn Belt Power Cooperative Watts Watt

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