



Winter Reliability Forecast shows adequate resources for 2025-2026 season

In November, the North American Electric Reliability Corporation released its 2025/2026 Winter Reliability Assessment. In that report, Southwest Power Pool — our regional transmission operator — is 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.

What Is a Regional Transmission

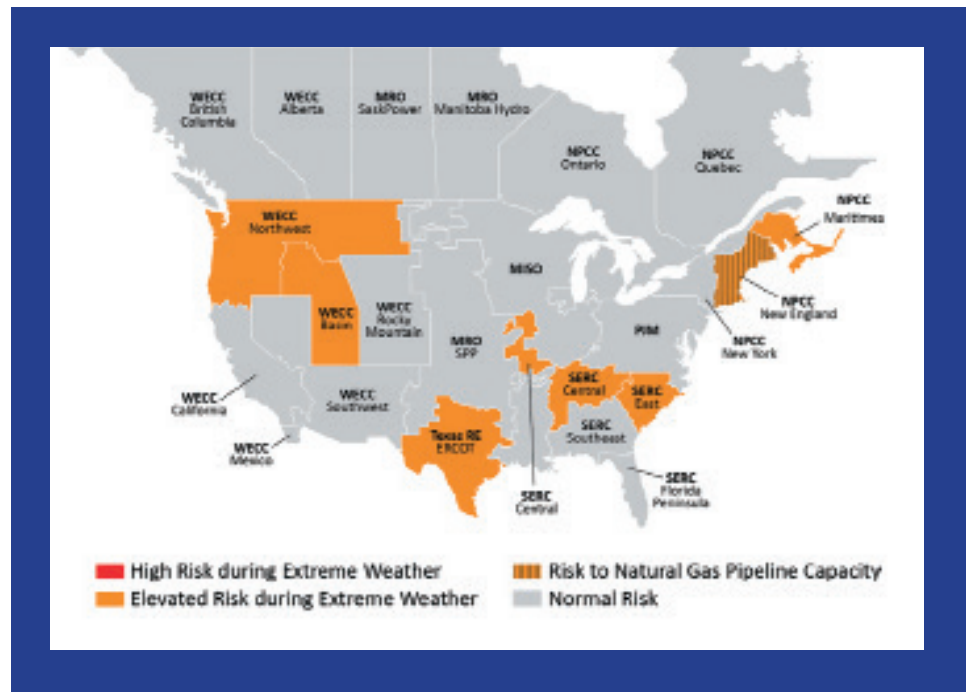
Organization (RTO)?

Electric utilities nationwide are members of one of nine regional transmission organizations (RTOs) and independent system operators (ISOs). 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 is not listing reliability as being at a high risk level for the upcoming winter season, our industry continues to navigate significant long-term challenges in maintaining a resilient and reliable electric grid.

What Is a Planning Reserve Margin?

Corn Belt Power, Basin Electric — our wholesale generation partner — and SPP must be prepared for periods of extreme demand. To do that, we rely on reserve



margins—extra generating capacity held in reserve to meet unexpected needs. Reserve margins represent the percentage of unused generation available during peak demand. Nationwide and within SPP, these margins are shrinking. When reserve margins tighten, there's 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

Corn Belt Power and its partners are

taking decisive action to maintain grid reliability for our members through several key initiatives:

- Advocating for Reliability and Affordability
- Resource Diversification
- Grid Infrastructure
- Emergency Preparedness
- Regional Coordination

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, know we are committed to doing everything we can to maintain your trust and find solutions to keep your power reliable and your rates stable. ■

Reliability at the forefront of Corn Belt Power's system improvements

Corn Belt Power closed out another strong year in 2025, rebuilding more than 55 miles of transmission line across its system. Crews completed four major rebuild projects, including:

- **Webster City Jct – Williams – Buckner:** 17.89 miles
 - 12.15 miles completed in 2024
 - 5.74 miles completed in 2025
- **MEC – Dakota City – Galbraith:** 18.60 miles
- **Springfield – Burt – Ledyard:** 17.05 miles
- **Hampton – Iowa Falls:** 13.65 miles

“Membership in the Southwest Power Pool regional tariff continues to pay dividends for Corn Belt Power,” said Mike Finnegan, vice president, engineering and system operations, Corn Belt Power. “We’re able to make these system improvements because of the return on investment we see through our participation in that organization.”

Looking ahead, 2026 is set to be an even busier year, with nearly 60 miles of transmission rebuilds already underway.

“We are rebuilding line to our new construction specifications,” said Jeremy Stattelmann, transmission superintendent, Corn Belt Power. “That means installing larger poles and wire, which will help us



Transmission line project

Above | Corn Belt Power Cooperative transmission crews install new fiber optic wire on a double circuit transmission line southwest of Sioux Rapids Dec. 9. Crews replaced and set 19 new poles on this 0.90-mile transmission line upgrade.

serve our membership more reliably.”

Electrical maintenance crews were equally busy throughout 2025.

Crews upgraded the Duncombe substation from 2,500 KVA to 5,000 KVA, including new transformers and regulators.

They also completed:

- **Disconnect switch upgrades:** Lakota, Dolliver, Lacy, and Truesdale
- **Transformer replacements:** Vincent, East Sheffield and Lakota
- **Circuit breaker upgrades:** Osgood and Wallingford
- **Lightning mast installations:** Ledyard, Dakota City, Schaller, Rinard, Lacy, and Dinsdale
- **New motor operators and line switches:** Gruver, Templeton, Dakota City, and Dumont

“We had a busy year,” said Andy Stalzer, electrical superintendent, Corn Belt Power. “We replaced a lot of equipment due to age, but also to support our reliability efforts. We’ve laid good groundwork heading into our projects for 2026.”

With another productive year behind Corn Belt Power and major projects already underway for 2026, the cooperative continues to build a stronger, more resilient system for its members. With major rebuilds already underway and continued investments in substations, equipment, and system upgrades, the momentum built in 2025 sets the stage for another year of progress. ■



Substation upgrades

Above | Luke Bormann, journeyman electrician, installs lightning masts at the Dakota City Substation May 5.

KRBA confirms A-Stable rating for Corn Belt Power

Corn Belt Power received word in September that its A-Rating with Kroll Bond Rating Agency (KBRA) was confirmed. As part of its report, KBRA said:

The rating reflects Corn Belt Power Cooperative's strong, all-requirements wholesale power supply contracts with its members, and the all-requirements power purchase contract with Basin Electric Power Cooperative. Both the power supply and power purchase contracts extend to December 31, 2075. Additionally, KBRA views Corn Belt Power's experienced senior management team, independent rate-setting authority, strong financial performance, and historically stable member wholesale cost of power as ongoing credit strengths.

"This reaffirmed 'A' rating is a testament to the collective efforts of everyone at Corn Belt Power, including our member-cooperatives and their dedicated teams," said Jacob Olberding, executive vice president and general manager, Corn Belt Power. "Our financial strength positions us well for the future, with a solid foundation to

face any challenges that may arise. In today's economy, maintaining financial health ensures we can weather future uncertainties with confidence."

Offsetting the aforementioned strengths is the longer-term pressure on Corn Belt Power's wholesale cost of power as supplied by Basin, the cooperative's relatively small number of ultimate customers served, and the members' revenue concentration in the ethanol industry. KBRA notes that the regulatory and environmental risk related to CBPC's coal-fired generation, the output of which is sold to Basin, has eased under the current federal administration's initiatives to continue to utilize fossil-fueled generation to sustain reliability and meet projected rapid load growth occurring nationally over the five-year horizon.

The report noted the following:

Credit Positives

- Corn Belt Power's members are contracted to purchase all power requirements from Corn Belt Power pursuant to take-and-pay agreements through 2075, beyond the final maturity

of long-term debt (2051).

- Corn Belt Power and its members maintain sound financial performance, supported by independent rate setting authority, exclusive service areas, and relatively competitive electric rates.
- Through its membership in Basin and SPP, Corn Belt Power's operating risk is minimized and its exposure to the electric market volatility is moderated, supporting member wholesale rate stability.

Credit Challenges

- Corn Belt Power's wholesale cost of power will be pressured upward, as will member retail rates, due to Basin's increasing power supply cost as it addresses rapid load growth occurring in its 9-state territory.
- Corn Belt Power serves a relatively small number of ultimate members compared to its peers, with modest load growth. Its members' load is concentrated in the ethanol/biodiesel industry, which accounts for almost a quarter of total member load. ■

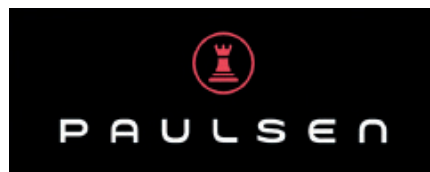
Corn Belt Power and distribution cooperatives to conduct strategic planning in 2026

Corn Belt Power Cooperative is preparing for a collaborative strategic planning process in 2026, designed to sharpen the organization's priorities, strengthen our alignment with member-cooperatives, and position the cooperative for the future. To support this effort, Corn Belt has partnered with Paulsen—an organization deeply familiar with both CBPC and Basin Electric Power Cooperative—to guide a modern, focused, and action-oriented planning experience.

"This initiative marks the first comprehensive strategic planning session in several years. With the industry landscape evolving dramatically, the time is right for a refreshed vision and direction," said Jacob Olberding, executive vice president and general manager, Corn Belt Power Cooperative. "This process will be built specifically around Corn Belt's needs—hyper-focused, forward-looking, and grounded in who we are today."

In the initial stages of the process, Corn Belt Power will seek member-cooperative

input to ensure voices from across the system help shape the direction of the plan. Phase One includes a quantitative survey and targeted feedback from our board of directors, Corn Belt Power staff



and managers group, including input from distribution boards. These insights will be followed by a facilitated discovery session, during which themes, challenges, and opportunities are explored. The results of this work will then be compiled and presented, forming the foundation for the strategic discussions that follow.

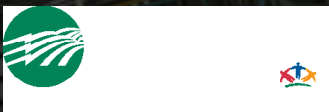
Phase Two centers on a two-day strategic planning workshop. Rather than a passive presentation, the workshop offers a facilitated experience that moves participants from inspiration to clarity to commitment.

The process encourages big-picture thinking, invites candid and open conversation, and leads the group toward shared strategic clarity.

The final phase focuses on turning strategic direction into execution. During the Action Plan Workshop, Corn Belt's identified priorities are translated into actionable initiatives with defined timelines, clear responsibilities, and measurable outcomes. This step ensures that strategic vision becomes real progress—building accountability, supporting early wins and creating sustained confidence in the plan moving forward.

"We're excited to participate in this process with our staff and distribution cooperatives," Olberding said. "We've seen major shifts in our industry, and we've also seen many changes for Corn Belt Power locally, too. This is a good time to recalibrate our compass and put words to action."

Corn Belt Power and its members will take part in this process in the first half of 2026. ■



John Naber, electrical/control, left, and Tyler Herrig, maintenance foreman, confirm updated wiring in the Wisdom Station control center Nov. 7 in preparation for the new Unit 1 boiler controller installation.

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December Touchstone Energy Volunteer Challenge winner | Jim Mertz, electrical maintenance foreman, Corn Belt Power Cooperative, won this month's Volunteer Challenge. He donated his \$100 prize to the Two Rivers Junior Pistol Club.

Basin Electric, NextEra announce collaboration for responsible growth

Basin Electric Power Cooperative and NextEra Energy Resources, LLC have signed a memorandum of understanding to explore the joint development of a new combined-cycle natural gas-fueled generation facility in Basin Electric's North Dakota service territory. The project, developed under Basin Electric's Large Load Commercial Program, would serve as the foundation for a multi-gigawatt data center campus.

In October, the companies submitted an application to the Southwest Power Pool Expedited Resource Adequacy Study process to evaluate interconnection and transmission requirements, a key milestone in advancing the project.

With a planned capacity of approximately 1,450 megawatts, the proposed facility would help meet demand from large-scale technology infrastructure such as data centers. If successful, the project is expected to create significant job opportunities and generate substantial tax revenue for local communities, all while working to minimize electricity rate impacts across the region.



Basin Electric's Large Load Commercial Program is designed to reliably serve new, high-demand energy users while ensuring developmental and operational costs are covered by the large load that requires them. This structured approach allows Basin Electric to responsibly support regional economic growth and emerging energy opportunities while creating long-term value for its cooperative membership.

For NextEra Energy Resources, the potential project underscores its long-standing commitment to North Dakota. Since 2003, the company has invested more than \$3.7 billion in energy infrastructure across the state. ■

Corn Belt Power Cooperative **WattsWatt**

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