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NEWS RELEASE

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ELECTRIC CO-OP MEMBERS APPROVE MERGER

Cresco, Iowa (1 p.m. April 11, 2016)— Members of Hawkeye REC, in Cresco, Iowa, and Tri-County Electric Cooperative (TEC), in Rushford, Minn., approved a plan to merge the two cooperatives.

Both cooperatives held special member meetings to close voting and to announce the results on April 9.

Hawkeye REC had 2,506 “yes” votes out of 3,382 ballots cast, showing 74 percent approved. Of the 5,550 TEC members who voted, 4,965 (90 percent) said yes.

Sixty-two percent of Hawkeye REC members voted, while 42 percent of TEC members voted.

For the merger to have passed at Hawkeye REC, at least 50 percent of the membership had to vote and two-thirds of those who voted needed to favor the proposal. For the merger to have passed at TEC, two-thirds of votes cast were necessary to approve the merger.

“The boards of directors brought this vote to the memberships because it was the right thing to do for continued financial, service and operational success. A tremendous thank you goes out to our memberships for their show of support of the merger,” says Brian Krambeer, joint CEO at Hawkeye REC and TEC. “This is an important step to ensuring continued stability now and for future generations.”

The merger will be effective January 1, 2017, and the name of the merged entity will be MiEnergy Cooperative. Offices will remain open in Cresco, Iowa, and Rushford, Minn. Krambeer, who currently manages both cooperatives, will continue to manage the merged cooperative. The seven board directors currently serving each individual cooperative will join together to represent members of MiEnergy as a 14-member board.

With the plan of merger approved by the memberships, the board of directors and staff at both cooperatives will now forge ahead on combining the systems. Over the next eight months, staff will work to ensure the new cooperative is operational and prepared to take early advantage of cost-saving opportunities as a result of the merger. There should be no interruption of service due to the merger. The most noticeable change in the beginning will likely be the new name. The co-ops encourage members to continue to read their monthly newsletters, visit their websites (www.hawkeyerec.coop and www.tec.coop) and follow them on social media to keep up-to-date on any future changes as a result of the merger.

Hawkeye REC is a rural electric cooperative owned by the members it serves. The membership covers a range of home, farm, business and commercial members in Chickasaw, Howard and Winneshiek counties in Northeast Iowa. Hawkeye REC provides electricity to more than 6,700 services. Hawkeye REC is a Touchstone Energy Cooperative.

Tri-County Electric Cooperative is a member-owned electric distribution cooperative serving three counties in Minnesota including Winona, Houston and Fillmore and parts of Olmsted and Mower counties in Minnesota and Howard, Winneshiek and Allamakee counties in Iowa. It provides electricity to more than 15,000 services in the area. TEC is a Touchstone Energy Cooperative.

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