

● FEBRUARY 2026

Iowa

ELECTRIC COOPERATIVE LIVING

Winter reliability forecast

Forces shaping the rural economy in 2026

Recipes: Cajun classics

Franklin REC scholarship applications are open ▶ See Page 13

CONTENTS



6



8



10

VOLUME 79 • ISSUE 2

3

STATEWIDE PERSPECTIVE

Love is in the air and on these pages

3

EDITOR'S CHOICE CONTEST

Win an ecobee smart thermostat

14

EFFICIENCY MATTERS

Make the most of appliance upgrades

15

OUT BACK

Loving the land

EDITOR
Ann Foster Thelen

DESIGNERS
Megan Walters
Bree Glenn
Lorelai O'Hara

IAEC DIRECTOR OF COMMUNICATIONS
Erin Campbell

IAEC ADMINISTRATIVE SPECIALIST
Cherie Moen

IAEC EXECUTIVE VICE PRESIDENT
Leslie Kaufman

IAEC BOARD OF DIRECTORS
Jim Miller, District 5 – President
Gordon Greimann, District 6 – Vice President
Tony Lem, District 2 – Secretary/Treasurer
Jerry Keleher, District 3 – Asst. Secretary/Treasurer
Travis Harris, District 1
Steve Inskeep, District 4
Bruce Amundson, District 7
Marion Denger, Prairie Energy Cooperative – NRECA Representative
Terry Sullivan, Corridor Energy Cooperative – Managers' Representative

Iowa Electric Cooperative Living magazine (ISSN: 2770-8683) is published monthly by the Iowa Association of Electric Cooperatives, a not-for-profit organization representing Iowa's member-owned local electric cooperatives. Association address: 8525 Douglas Ave., Suite 48, Des Moines, IA 50322-2992. The phrase *Iowa Electric Cooperative Living* is a mark registered within the state of Iowa to the Iowa Association of Electric Cooperatives. The magazine does not accept advertising.

Editorial Office
8525 Douglas Ave., Suite 48, Des Moines, IA 50322-2992. Telephone: 515-276-5350.

Email Address
editor@ieclmagazine.com. *Iowa Electric Cooperative Living* magazine does not assume responsibility for unsolicited items.

Website
www.ieclmagazine.com

Postmaster
Send address changes to *Iowa Electric Cooperative Living* magazine, 8525 Douglas Ave., Suite 48, Des Moines, IA 50322-2992. Periodicals Postage Paid at Des Moines, Iowa, and at additional mailing offices.

Change of Address
Every local electric cooperative maintains an independent mailing list of its members, so please send your change of address directly to your local electric cooperative's office. *Iowa Electric Cooperative Living* magazine cannot make an address change for you.

© Copyright 2026, Iowa Association of Electric Cooperatives. No portion of the editorial, photographic or other content of *Iowa Electric Cooperative Living* magazine or its website may be reproduced without written permission of the editor.



ON THE COVER

Special thanks to Ryan Van Dyke, a North West REC member-consumer, for supplying this month's cover image. Submit high-resolution photos for consideration to editor@ieclmagazine.com. You could receive \$100!

LOVE IS IN THE AIR AND ON THESE PAGES

BY ANN FOSTER THELEN



Love is in the air in February, and Valentine's Day gives us an opportunity to share heartfelt messages of adoration. It is also a fitting

time to reflect on something we care deeply about at *Iowa Electric Cooperative Living*. Each month, we have the privilege of creating a magazine for you, our electric cooperative member-consumers, and that connection is at the heart of everything we do.

This magazine has always been about more than turning pages. It is about strengthening ties to your local electric cooperative, sharing stories rooted in Iowa communities and offering practical information you can use every day. Whether it is a recipe clipped for later, an energy tip put into action, a safety tip that prevents an injury or a story that sparks conversation at the kitchen table, our goal is to serve you well.

Powered by our readers

One of the things we love most is the engagement we receive from readers across the state. You send in cover photo submissions that showcase Iowa's beauty in every season. You share favorite recipes that turn into family-tested meals for kitchens far beyond your own. You suggest story ideas, enter contests, respond to features and let us know what resonates with you.

That kind of participation does more than fill pages. It reminds us that this magazine is not a one-way conversation. It is a shared space where your voices, creativity and experiences help guide what we publish. When you take the time to reach out, you help make *Iowa Electric Cooperative Living* stronger and more relevant for everyone.

This magazine also reaches beyond individual readers. It is shared with community leaders, policymakers and others who help shape decisions affecting rural Iowa. By telling local stories and explaining how electric cooperatives work, these pages help build understanding of the cooperative model and the value it brings to the communities we serve.

Connecting locally, living cooperatively

Your readership reinforces something we believe deeply. This publication matters because it reflects what matters locally. Readers consistently show that they value content that helps them feel informed, connected and engaged with their electric cooperative. That includes learning how cooperatives work, understanding cooperative principles and seeing how local co-ops serve their communities every day.

We hope these pages also encourage you to take part in cooperative life beyond the magazine. Attend your cooperative's annual meeting. Vote for directors who help guide important decisions. Participate in youth programs, educational opportunities or advocacy efforts that give member-consumers a voice. These experiences strengthen the cooperative business model and keep it rooted in local leadership.

At its core, *Iowa Electric Cooperative Living* exists to support the same mission as your local electric cooperative. It is about service, transparency, education and community. As we move through February and beyond, thank you for reading, engaging and being part of this shared effort. We look forward to continuing to serve you and your community, one issue at a time.

Ann Foster Thelen is the editor of Iowa Electric Cooperative Living magazine.

EDITOR'S CHOICE CONTEST

WIN AN ECOBEE SMART THERMOSTAT!

The ecobee smart thermostat automatically adjusts to your set schedule to save energy when you're gone and optimize for comfort when you're home. Fine-tune your comfort on the thermostat's color touchscreen or from the ecobee app. Works with major smart home ecosystems like Apple HomeKit.

Visit our website and win!

Enter this month's contest by visiting www.ieclmagazine.com no later than Feb. 28. You must be a member of one of Iowa's electric cooperatives to win. There's no obligation associated with entering, we don't share entrant information with anyone and multiple entries from the same account will be disqualified.

The winner of smart bird feeder from the December issue was **Julie Tjepkes**, a **Grundy County REC** member-consumer.



ENTER ONLINE BY FEB. 28!

WINTER RELIABILITY FORECAST SHOWS ADEQUATE RESOURCES FOR 2025-2026 SEASON

BY GARRETT THOMPSON

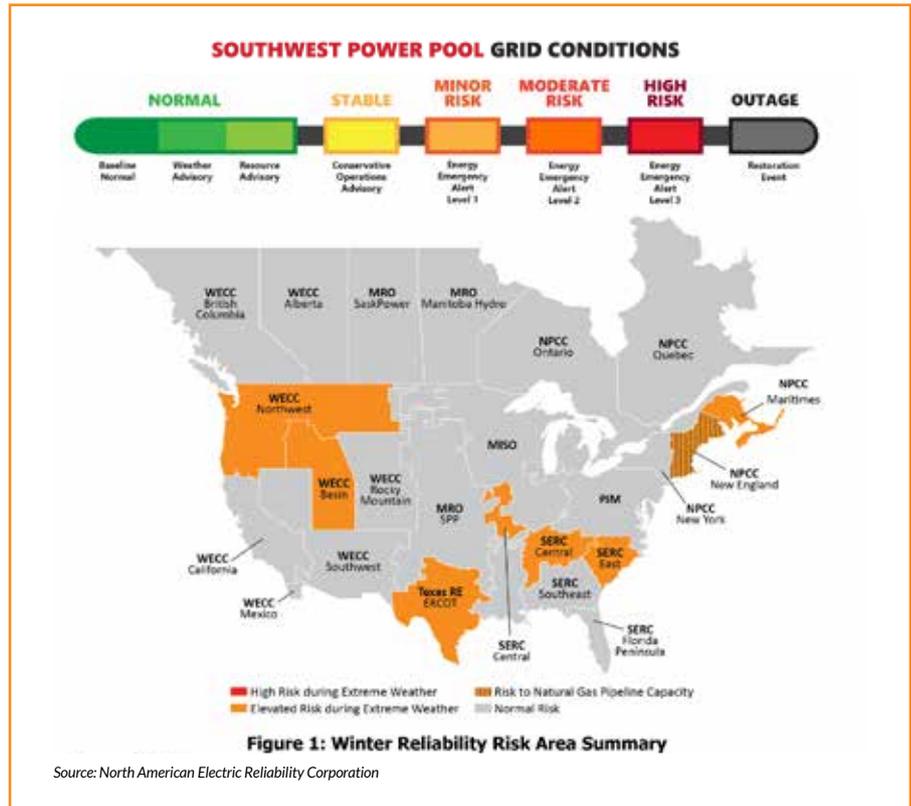


In November, the North American Electric Reliability Corporation released its 2025/2026 Winter Reliability Assessment. In that

report, the Southwest Power Pool (SPP) – our regional transmission operator (RTO) – 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.

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



What is an RTO?

Electric utilities nationwide are members of one of nine RTOs and independent system operators, also called power pools. These entities are federally regulated by the 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.

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 Margin?

Franklin REC, SPP and our power supplier, Corn Belt Power Cooperative (Corn Belt Power), must be prepared for periods of extreme demand. To do that, we rely on reserve margins, which is 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



Office

1560 Highway 65 • P.O. Box 437
Hampton, IA 50441

Office Hours

Monday-Friday 7:00 a.m.-3:30 p.m.
Closed Saturdays, Sundays and holidays

Telephone Number

641-456-2557
Calls answered 24/7

Secure Pay-by-Phone Number

1-855-940-3953

Website

www.franklinrec.coop

This institution is an equal opportunity provider.

SPP, these margins are shrinking. When reserve margins tighten, there's less buffer for unexpected outages, such as a power 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

Franklin 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 taken offline, often ahead of schedule. Additionally, we're 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 in the form of electric vehicles, data storage and cryptocurrency. Franklin REC believes and advocates for an all-of-the-above energy approach. This approach promotes the idea that the U.S. relies on a reliable and sustainable 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.

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 want you to 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.

Garrett Thompson is the general manager/CEO of Franklin REC.

FROM YOUR BOARDROOM

During the December meeting, Franklin REC directors took action on the following:

- Approved work orders and special equipment capitalization of \$257,119.22
- Approved nominating committee appointments
- Appointed National Rural Electric Cooperative Association annual meeting delegates
- Appointed National Rural Telecommunication Cooperative annual meeting delegates
- Approved write-off of uncollectible accounts

FRANKLIN REC RECOGNIZED FOR LIGHTING UP HAMPTON'S HOLIDAYS

Franklin REC was honored with a certificate of recognition by the City of Hampton and the Hampton City Council for its role in making Hampton's holidays brighter through the annual Light Up the Night festivities.

The event illuminates the community spirit with holiday lights, a festive parade and a visit with Santa, transforming downtown Hampton into a magical winter wonderland. By coordinating volunteers and local organizations, Franklin REC helps create a memorable experience for families while fostering community pride.

Through events like Light Up the Night, Franklin REC continues to shine as a partner in both powering and celebrating the community.





Robert Wakehouse



Jerry Beck

TWO OUTSTANDING INDIVIDUALS HONORED WITH FIRST IOWA ELECTRIC COOPERATIVE EXCELLENCE AWARDS

BY ERIN CAMPBELL



Iowa’s electric cooperatives have a new way to recognize the contributions of outstanding individuals within the industry with the introduction of the Iowa Electric Cooperative Excellence Awards Program.

During the 2025 Annual Meeting of the Iowa Association of Electric Cooperatives (IAEC) in West Des Moines on Dec. 4, the Excellence Awards debuted as a way to honor Iowa electric co-op employees and board directors who go above and beyond. Earlier in the year, employees and board directors of IAEC-member cooperatives were invited to nominate colleagues; a panel of judges independently reviewed all entries to select finalists.

The Iowa Association of Electric Cooperatives (IAEC) is a trade association established to support the interests of member-owned electric cooperatives, including 38 distribution co-ops and nine generation and transmission co-ops. Formed in 1942, IAEC aims to unify and empower Iowa’s electric cooperatives through legislative representation, regulatory oversight, training and education services, safety programs, communications support and advocacy. Since 1948, IAEC has been publishing this magazine to share timely and relevant energy information with co-op member-consumers across Iowa. Learn more at www.iowarec.org.

2025 EMPLOYEE EXCELLENCE AWARD



Robert Wakehouse
 Director of Operations
 Harrison County Rural
 Electric Cooperative (REC)

Harrison County REC Board Treasurer Brenda Lundergard noted in her nomination how Robert exemplifies the cooperative spirit of collaboration and service. Robert has worked at the electric co-op for more than 26 years and was promoted to director of operations in 2025.

During Robert's first month in his new role, the co-op faced two destructive winter storms. Brenda wrote, "Under immense pressure, Robert responded with clarity, determination and strategic foresight with his quick coordination of mutual aid assistance from partner cooperatives and a

plan to restore power to our membership. His actions have fostered trust, demonstrated the strength of mutual aid and underscored the resilience of our rural electric systems. He leads by example, inspires loyalty among his team and represents the absolute best of what our statewide cooperative family has to offer."

In a letter of recommendation that accompanied Robert's nomination, Harrison County REC CEO Shadon Blum stated, "I have witnessed firsthand the exemplary level of professionalism, leadership and dedication that Robert brings to our cooperative and the communities we serve." He went on to explain, "Prior to his role as director of operations, Robert served as our subforeman and staking technician. During this time, our co-op faced the devastating loss of a valued member of our cooperative family. Robert did not hesitate and stepped up to lead his fellow



crew members to make sure that nothing was left incomplete and the cooperative wasn't falling short of its core mission, to provide our members with safe and reliable power."

2025 DIRECTOR EXCELLENCE AWARD



Jerry Beck
 Board Director
 Iowa Lakes Electric
 Cooperative

Iowa Lakes Electric Cooperative Board Chair Daniel Winterhof shared the following in Jerry's nomination: "Jerry's enthusiasm for the cooperative model goes beyond personal interest; it inspires those around him. Through conversations, mentoring and his consistent example, he fosters understanding of the cooperative principles in both his family and the wider community."

Ken Kuyper, retired executive vice president and general manager of Corn Belt Power Cooperative, shared in his letter of recommendation:

"Jerry has been a cornerstone of Iowa Lake's organization for decades, demonstrating both vision and dependability. His leadership style is rooted in listening, collaboration and action."

Rick Olesen, retired president and CEO of Iowa Lakes Electric Cooperative, wrote the following in his letter of recommendation: "Jerry's gift, as I have related to many of my peers, is his ability to communicate, especially one on one with his director peers, and work through challenging issues to find common ground and build consensus resulting in positive outcomes in support of the member-consumer."

And Jerry's daughter, Elizabeth Beck, shared the following: "What sets him apart is not just his knowledge, but his unwavering commitment to improving the lives of others - through his work, community service and dedication to the cooperative movement. His leadership, vision and integrity consistently reflect the



principles he believes in and the values he has lived by for decades."

As a special surprise, Jerry's daughter attended the IAEC Annual Meeting from out of state to celebrate the award presentation in person.

Congratulations to Robert Wakehouse and Jerry Beck for being named the first recipients of the Iowa Electric Cooperative Excellence Awards.

Erin Campbell is the director of communications for the Iowa Association of Electric Cooperatives.



CHICKEN AND SAUSAGE JAMBALAYA

- 2 pounds boneless, skinless chicken thighs
- 1 pound kielbasa, any style
- 2 medium red, green or yellow bell peppers
- 2 medium yellow squash
- 2-3 tablespoons Creole or Cajun seasoning
- salt, to taste
- 2 14.5-ounce cans petite diced tomatoes
- 2 small onions, diced
- 1 pound shrimp, cooked, deveined and peeled
- cooked rice
- fresh parsley, chopped, optional

Cut chicken into bite-size pieces and slice kielbasa into half-inch pieces. Seed, core and cut bell peppers into two-inch strips. Cut squash into bite-size pieces. Grease slow cooker and place chicken and sausage in first. Sprinkle with Cajun seasoning and salt. Pour in diced tomatoes. Top with bell peppers, squash and onions. Cover and cook 7-8 hours on low, or 3-4 hours on high, until chicken is done. Add cooked shrimp and stir to mix. Cook 5-10 minutes longer on low. Spoon jambalaya into bowls of hot cooked rice. Sprinkle with parsley. *Serves 8, recipe can be cut in half to serve 4*

Jacque Bird • Sutherland
North West Rural Electric Cooperative

SHRIMP DIP

- 1 8-ounce package cream cheese
- ½ cup sour cream
- ¼ cup mayonnaise
- 1 cup cocktail sauce
- 2 4-ounce cans tiny shrimp, drained
- crackers

Mix the first three ingredients and spread on a platter. Spread cocktail sauce over top and sprinkle with shrimp. Serve with crackers. *Serves 10-15*

Laura DeSmet • Larchwood
Lyon Rural Electric Cooperative

CAJUN BUTTER CHICKEN BREAST

- 2 teaspoons brown sugar
- 1½ teaspoons mild paprika
- 1 teaspoon dried oregano
- 1 teaspoon salt
- ½ teaspoon garlic powder
- ½ teaspoon onion powder
- ½ teaspoon chili powder, add more if you like heat
- ½ teaspoon cayenne pepper
- ¼ teaspoon cracked pepper, to taste
- 2 large chicken breasts
- 1½ tablespoons canola oil, divided
- 4 tablespoons butter, divided
- 4 cloves garlic, finely chopped
- ½ cup low-sodium chicken stock broth
- rice

Combine the first nine ingredients to make a Cajun seasoning. Slice chicken horizontally in half to make four steaks. Toss chicken in seasoning mixture. Drizzle with ½ tablespoon oil and rub seasoning all over chicken to coat evenly. Heat remaining oil and 1 tablespoon butter in skillet or pan over medium-high heat until combined and hot. Sear chicken in batches for 5-7 minutes each side, until golden or internal temperature is 165 degrees F using a meat thermometer. Remove from pan and set aside to rest for 5 minutes. Meanwhile, reduce heat to medium and melt remaining butter in pan. Sauté garlic about 30 seconds, until fragrant, while scraping any browned bits from the pan. Pour in broth and let reduce for 2-3 minutes, stirring occasionally. Remove from heat and drizzle sauce over chicken. Serve warm with a side of rice. *Serves 4*

Bryce and Kelly Godbersen • Odebolt
Raccoon Valley Electric Cooperative

Visit www.ieclmagazine.com
and search our online archive
of hundreds of recipes in
various categories.



CAJUN SHRIMP PASTA

- ½ cup butter
- 5-6 scallions, chopped
- ½ cup fresh parsley, chopped
- ½ head fresh garlic, smashed
- 1 quart heavy whipping cream
- ¼ cup spicy seasoning mix
- 2 pounds raw shrimp
- ¼ cup Parmesan cheese
- 1 pound package angel hair or linguini pasta, cooked

Melt butter on medium-high heat. Add scallions, parsley and garlic. Cook until melted, then turn heat to high and add heavy cream. Add your choice of spicy seasonings to taste (or add a mixture of Chef Paul Prudhomme Magic Seafood Seasonings or Blackened Redfish and Louisiana Cajun Blackened Seasoning). Then add shrimp and cook. Stir the entire time until shrimp are fully cooked. Cover and turn to low or turn heat off. It will thicken as it cools. Add Parmesan cheese and serve over cooked pasta. *Serves 10*

Russell Hornsby • Bouton
Guthrie County Rural Electric Cooperative Association

BANANAS FOSTER BREAD PUDDING

- 5-6 cups bread cubes
- 2 eggs
- 2 cups half and half
- ½ cup sugar
- ½ teaspoon vanilla
- ¾ teaspoon cinnamon, divided
- ¼ teaspoon nutmeg
- salt
- 4 tablespoons butter
- 4 tablespoons brown sugar
- 4 tablespoons pecans
- 2 tablespoons rum, optional
- 2-3 bananas, sliced

Place bread cubes in greased baking dish. Mix eggs, half and half, sugar, vanilla, ½ teaspoon cinnamon, nutmeg and a sprinkle of salt. Pour over bread. Bake at 350 degrees F for 35 minutes. In a saucepan, melt butter, brown sugar, pecans, ¼ teaspoon cinnamon, a sprinkle of salt and rum, if desired. Heat over medium-high heat until bubbly. Add bananas and cook for 2-3 minutes. Serve bread pudding warm or at room temperature with warm bananas foster sauce. *Serves 6*

Chris Daniels • Casey
Guthrie County Rural Electric Cooperative Association

SPICY CAJUN PRETZELS

- 1 cup corn oil
- 1 1-ounce package ranch dressing
- 1 tablespoon Cajun seasoning
- 1 teaspoon cayenne pepper
- 1 teaspoon dried dill weed
- 1 16-ounce package mini pretzels

Combine oil and seasonings. Break pretzels into pieces and place pieces in roaster pan. Pour seasoned oil over top of pretzels and stir. Bake at 200 degrees F for 2 hours, stirring every 30 minutes. Remove from oven, drain on paper towel. Store until ready to serve. Makes a great party snack!

Tahni Lang • Russel
Chariton Valley Electric Cooperative, Inc.

CAJUN POTATO AND ANDOUILLE SAUSAGE

- 1 pound andouille sausage, sliced (or any sausage)
- 1 medium onion, chopped
- 1 red bell pepper, diced
- 1 green bell pepper, diced
- 2 cloves garlic, minced
- 4 medium potatoes, diced
- 4 cups chicken broth
- 1 tablespoon Cajun seasoning
- 1 teaspoon smoked paprika
- salt, to taste
- pepper, to taste
- 1 cup heavy cream
- ¼ cup fresh green onions, chopped (for garnish)

In a large Dutch oven, add andouille sausage and cook until brown. Remove, drain on paper towel and set aside. Add onion and bell peppers to Dutch oven. Sauté until tender, then add garlic. Add potatoes to vegetables and pour in chicken broth. Stir to combine ingredients evenly. Add seasonings and stir well. Cook until potatoes are tender, then add sausage. Stir in heavy cream. Taste and adjust seasonings if necessary. An additional sprinkle of smoked paprika can be added for extra flavor. Garnish with green onions and serve hot. *Serves 6*

Tonya Crowl • Ashton
Osceola Electric Cooperative, Inc.

WANTED:

BACKYARD BBQ FAVORITES

THE REWARD:

\$25 BILL CREDIT FOR EVERY ONE WE PUBLISH!

Deadline is Feb. 28

We're looking for delicious summer **backyard BBQ recipes** – think potato salads, sweet corn dishes, saucy BBQ ribs and beyond! Selected submission will appear in our June issue. Please include your name, address, telephone number, co-op name, recipe category and number of servings on all submissions.



EMAIL: recipes@ieclmagazine.com

MAIL: Recipes

Iowa Electric Cooperative Living magazine
8525 Douglas Ave., Suite 48
Des Moines, IA 50322

COBANK: FORCES THAT WILL SHAPE THE U.S. RURAL ECONOMY

At the end of 2025, CoBank – one of the largest providers of credit to the U.S. rural economy – released its “2026 Year Ahead Report: Forces that will Shape the U.S. Rural Economy.”

The financial services firm said economic uncertainty surrounding U.S. trade policy is much lower than it was a year ago, steadying the broader outlook for 2026. The reduced market anxiety can be seen in historically low volatility metrics for equity, bond and currency markets, as well as in historically tight corporate credit spreads.

With tariffs fading from the forefront of economic concern somewhat, artificial intelligence (AI) has become the focal point of financial market prognostication. Direct investments in AI and related infrastructure, combined with the wealth effects

from the surging stock market, have conservatively added 1% to U.S. GDP this year. Over the next three to five years, the report indicates AI will likely play out similarly to the oil and gas shale boom between 2010 and 2015 – overproduction of a commoditized product, lower than expected earnings and disappointing industry profit margins.



U.S. economy: Markets adjust to a new normal

Several indicators suggest the economy will continue to remain steady in 2026. With the year-on-year tariff inflationary effect fading by end of the first quarter, core inflation is likely to resume its downward trend in the second half of the year. Moreover, the Congressional Budget Office estimates the accelerated depreciation provisions in the One Big Beautiful Bill Act will boost GDP

growth by almost a full percentage point next year. The labor market has cooled from the post-COVID cycle and is now more in line with historic norms. Near 4% wage growth and sub 5% unemployment are well within the margin of safety for a growing economy in 2026.



U.S. government affairs: Tariffs, farm policy and the shifting Washington landscape

The environment in Washington is beginning to change, if ever so slightly. Farm Bill programs have been extended through September, but pressure is growing for Congress to take further action before the next election. Questions surrounding the president’s authority on tariffs, a key issue impacting several market sectors and businesses, will also dominate policy discussions in the coming year.

Grains, farm supply and biofuels: Ample grain supplies will burden markets in 2026

Global grain and oilseed markets remain oversupplied, but increased biofuels production and improving export conditions are boosting optimism that prices have passed their cyclical bottoms. Demand for U.S. grains and oilseeds will continue strengthening as low prices stimulate usage. But grain farmers will face hard choices for planting this spring. Prevailing prices of nearly all crops are below the cost of production. Current price ratios indicate soybeans stand to pull acres from all major crops in 2026. High input costs may discourage farmers from planting corn and switch to cheaper alternatives. Farmer affordability remains under pressure and while corn prices have slid, fertilizer prices have not.

Animal protein: Investment in efficiency is paying dividends as consumers clamor for protein

Despite rising price points for meat and poultry, animal protein demand should remain strong in 2026. The combination of higher revenues and falling feed prices is boosting producer optimism for the year ahead, but not to the degree that expansion is expected to proliferate. Livestock supply conditions have grown notably tighter in the last two years and are likely to remain so over the next 12 to 18 months.

As a result, feeding efficiencies and heavier carcasses will remain a focal point in 2026. While optimism in the sector is strong, several headwinds including new and recurring livestock diseases and trade disruptions could constrain growth in the coming year.

Dairy: Protein will drive milk checks for the foreseeable future

Milk protein is poised for an extended bull-market run as demand for protein-based dairy products continues to climb. While demand for full-fat dairy products also remains strong, butterfat has moved to an oversupply situation. Shifting consumer dietary trends suggest protein markets will remain strong for many years to come. And according to data from Circana and Dairy Management Inc., four of the top 10 protein products for absolute unit sales growth in the past 52 weeks were dairy products, including cheese, cottage cheese and yogurt.

Power and energy: Patchwork or partnership?

U.S. electricity consumption is increasing at its fastest pace since World War II. The Department of Energy is using its emergency authority to direct the Federal Energy Regulatory Commission to quickly standardize large load interconnections. If adopted, some of the proposed reforms would mark

a major shift in how large, energy-intensive customers like data centers connect to the grid. While the reforms could expedite grid access for major customers, they may compromise local utility investment and state regulatory authority. That means unified planning and coordination at the federal, state and local levels will be even more critical going forward.

Digital infrastructure: Navigating AI's expansion into rural America

The rise of AI is fueling a historic surge in data-center spending and hyperscalers will increasingly depend on rural America to achieve their ambitious buildout plans. Rural areas offer what hyperscalers like Microsoft and Amazon desperately need: land for sprawling campuses and the ability to colocate data centers with major power infrastructure. Given the business and geopolitical stakes, data center operators are moving fast and writing big checks to reduce friction in rural communities. While these communities face tradeoffs, rejecting data center projects could mean missing out on generational economic benefits.



Scan the QR code to read the full report.



EMILY RUSH RECEIVES LEADERSHIP CERTIFICATE

Franklin REC congratulates Emily Rush on graduating from the Iowa Association of Electric Cooperatives' Cooperative Leadership in Iowa Program (CLIP). Emily completed the yearlong program alongside electric cooperative professionals from across the state in 2025.

CLIP is designed to develop leadership skills while expanding participants' understanding of the electric cooperative industry.

Emily shared how the program influenced her personal and professional growth.

"CLIP was a great way to make connections with fellow cooperative employees and learn what a leader is and the role they play," she said. "This program also gave me the confidence

to grow and take initiative in my role here at the cooperative."

Franklin REC General Manager/CEO Garrett Thompson praised Emily's dedication and leadership.

"CLIP challenges participants to think, communicate and act like leaders; skills Emily naturally demonstrates in her work at Franklin REC. Emily's participation in CLIP reflects the dedication and heart she brings to Franklin REC every day," Garrett said. "Her positive energy, curiosity, and willingness to go above and beyond embody what cooperative leadership is about. She approaches every task with integrity, empathy and initiative, setting an example for others through her commitment



Emily Rush received her CLIP recognition from Jim Miller (left), board president, Iowa Association of Electric Cooperatives (IAEC) and Leslie Kaufman, executive vice president/general manager, IAEC.

to growth and teamwork. Emily has a bright future, and we're proud to see her continue developing as a cooperative leader."

FULL HEARTS, FULL SHELVES

Franklin REC extends a heartfelt thank you to everyone who participated in the 2025 Full Hearts, Full Shelves community food drive. Thanks to the generosity of our members, employees, and community partners – and the support of local organizations that served as donation locations – we were able to make a meaningful impact across our service territory.

Donations collected during the drive helped stock shelves at the West Fork Food Pantry, La Luz Centro Cultural, Franklin County Food Pantry, H-D CAL Middle School Food Pantry and the Allison Food Pantry. Contributions were delivered in two phases, one prior to Thanksgiving and another before Christmas, ensuring families



had access to essential items throughout the holiday season.

In total, the two deliveries weighed nearly 1,000 pounds combined and included non-perishable food items, hygiene products and paper goods.

CONGRATULATIONS, CHACE KLEIN



Franklin REC is proud to recognize Lead Lineman Chace Klein as he celebrates nine years

with the cooperative.

Since joining Franklin REC, Chace has been a valued member of the line crew. By contributing his experience and leadership, his work helps ensure reliable electric service for our members and supports the cooperative's mission of serving the community.

We appreciate Chace's dedication and thank him for nine years of service to Franklin REC.

FRANKLIN REC SCHOLARSHIPS ARE OPEN: APPLY TODAY

Franklin REC is here to help support students' educational journeys. The Powered for Success Scholarship Program has been revamped to offer students multiple ways to fund their education, whether they're heading to college, trade school or a leadership program.

Applications are open, and the clock is ticking!

Scholarships available

- **Agricultural Leadership Scholarship** – For students pursuing agriculture or ag-related studies.
- **Rural Leadership & Service Scholarship** – Honors students showing leadership and community involvement.
- **Skilled Trades & Technical Scholarship** – Supports students planning to enter trade or technical programs.
- **Basin Electric Power Cooperative Scholarship** – For students continuing higher education in any field. *Deadline: Feb. 22*

Who can apply?

- Dependent(s) of a Franklin REC member
- Students planning to continue education at a college, university or trade school

Eligible applicants include

- High school seniors graduating in the 2025-2026 academic year
- Students currently enrolled in a higher education program

Act now!

Most scholarships have a March 16 deadline, so don't wait. Review the scholarship options at the application link below and submit an application today.

SCHOLARSHIPS FOR ADULT MEMBERS

It's never too late to pursue your dreams. Franklin REC's Reignite Your Future Scholarship helps adult members return to school, gain new skills or advance in their careers.

Who can apply: Adult Franklin REC members planning to enroll or continue studies at a college, university or trade school.

Deadline: March 16



APPLY HERE

www.franklinrec.coop/powered-success-scholarship-program



NOW ACCEPTING APPLICATIONS FOR HIGH SCHOOL LEADERSHIP TRIP TO D.C.

At Franklin REC, one way we invest in the next generation of rural Iowa leaders is by participating in the national electric cooperative Youth Tour program. We're looking for a high school sophomore or junior student with a passion for government and public service to apply for a once-in-a-lifetime trip to our nation's capital in June.

One student will be selected from eligible candidates to attend the

2026 Youth Tour in Washington, D.C., from June 14-20 along with 40 other student leaders from Iowa. The Iowa Youth Tour group will join with nearly 2,000 other students from across the country as they learn more about electric cooperatives and American history while coming home with a greater understanding of their role as American citizens. Students will also learn about U.S. government and meet with their members of Congress. On

the trip, students take in the sights of D.C. as they visit monuments, museums and historical landmarks. Students who go on Youth Tour often call it the trip of a lifetime!

The application process consists of completing our application form, which includes an essay question and providing a short introduction video. We will conduct in-person interviews with finalists. You can download the application at www.franklinrec.coop/franklin-rec-youth-advocacy or stop by our office for a printed copy. If you have additional questions regarding the Youth Tour, please contact Christy Mason at cmason@franklinrec.coop.



Apply for Youth Tour 2026 by March 16! Scan the QR code to learn about eligibility requirements and to find the Youth Tour application.



SHOULD I UPGRADE MY APPLIANCE?

BY MIRANDA BOUTELLE

Buying a new appliance can feel daunting. Before you hand over your hard-earned money, choose an appliance that will help you save money over time.

When shopping, keep in mind that not all new appliances are high efficiency and not all old appliances are inefficient. The less efficient your current appliance is, the more you will save with an upgrade. The yellow EnergyGuide label on new appliances shows the yearly energy cost, kilowatt-hour electricity use and ENERGY STAR® logo, if certified.

Refrigerators: When an upgrade pays off

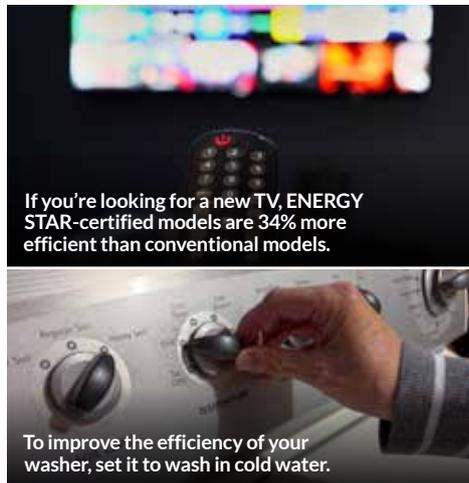
Refrigerators have seen major efficiency improvements over the years. New refrigerators use up to 73% less energy than 1970s models and about one-third less than 20-year-old models.

On a visit to my mom's house, she proudly showed off her 1980s refrigerator she bought when her 1970s harvest gold model died. If her 80s fridge uses 2,000 kilowatt-hours (kWh) per year, at 14 cents per kWh, it costs \$280 per year to operate. New ENERGY STAR-certified refrigerator prices start at \$500 with yearly energy costs ranging from \$38 to \$122. If mom buys a new ENERGY STAR-certified refrigerator for \$1,000 with \$100 yearly energy cost – saving her \$180 per year – it will pay for itself in about 5½ years.

If you intend to keep your existing appliance, be sure to weigh the additional energy costs. Maximize efficiency and keep your food safe by setting your refrigerator to 37 degrees F and your freezer at 0 degrees F.

Laundry appliances: Efficiency gains aren't always equal

New ENERGY STAR-certified clothes washers and dryers are also more efficient than older models. Use the ENERGY STAR Product



If you're looking for a new TV, ENERGY STAR-certified models are 34% more efficient than conventional models.

To improve the efficiency of your washer, set it to wash in cold water.



A secondary fridge or freezer allows you to save money through groceries by stocking up on sales, preserving your own food and saving gas with fewer trips to the store. It's all a balance.

Finder at www.energystar.gov to compare products. Integrated Modified Energy Factor measures the washer's energy efficiency. A higher number is better. Integrated Water Factor measures water efficiency. A lower number is better.

I recently bought a new washing machine when my old front-load machine died. I was considering a top-load machine. When I compared ENERGY STAR-certified top loaders to front loaders, I changed my mind. ENERGY STAR-certified front loaders use about 50% less energy and water than top-load agitator washers and about 25% less energy and water than top-load impeller washers that don't have an agitator.

My new washer cost \$698. According to the appliance's EnergyGuide, based on six loads of laundry a week and an electricity cost of 14 cents per kWh, the yearly energy cost is \$15. Similar non-ENERGY STAR-certified models were \$48 per year. Mine didn't cost much more than non-ENERGY STAR models and will help me save over time.

Then I had to make the decision about buying the matching dryer. My dryer was functional but had features I didn't like. At 14 cents per kWh and running roughly six loads a week for an hour each, my old dryer used \$131.04 per year.

The new matching ENERGY STAR-certified dryer cost \$698 and estimates annual energy use at 607 kWh, which is \$84.98 per year at 14 cents per kWh. With an estimated savings of \$46 per year, the dryer would take 15 years for the savings to cover the price. That's a long time and not worth the cost.

To improve your washer and dryer efficiency, wash in cold water, don't over dry clothes and clean your lint trap between every load.

Televisions: Settings may make a difference

Just like the light bulbs in your home, LED televisions offer increased efficiency. ENERGY STAR-certified televisions are 34% more efficient than conventional models. If you have a working LED television, swapping to an ENERGY STAR model is more efficient but may not make up for the cost of a new TV. Instead, check the efficiency settings on your TV or buy a smart power strip that turns off other connected devices when not in use.

Whatever appliance you are upgrading or replacing, make an informed decision by comparing the cost of operation and shopping ENERGY STAR models to help lower your electric bill.

Miranda Boutelle writes on energy efficiency topics for the National Rural Electric Cooperative Association.

LOVING THE LAND

BY DARCY DOUGHERTY MAULSBY

February is the month of love, with Valentine's Day and all the flowers, candy and cards that come with it. I wasn't thinking about valentines, though, last December during the Iowa Association of Electric Cooperatives' (IAEC) Annual Meeting in West Des Moines.

Instead, I started thinking about a love of the land in this unlikely setting, thanks to Red Steagall. Late that Thursday afternoon, Steagall, 87, and The Boys in the Bunkhouse sang songs of the West, celebrating the American spirit. You could tell that Steagall's connections to rural America have remained as strong as his boyhood memories of Texas Panhandle cowboys.

An award-winning songwriter, recording artist, radio host, TV personality and official cowboy poet of Texas, Steagall also has ties to northwest Iowa. As he shared stories that inspired his poems like "The Fence That Me and Shorty Built," Steagall recalled the five summers he spent working on his uncle's farm near Havelock in Pocahontas County. From Texas to Iowa, Steagall's sentiments reflect a love of the land:

"You don't own the land;
the land owns you."

"We must care for the land
while we're here and pass it
on to future generations."

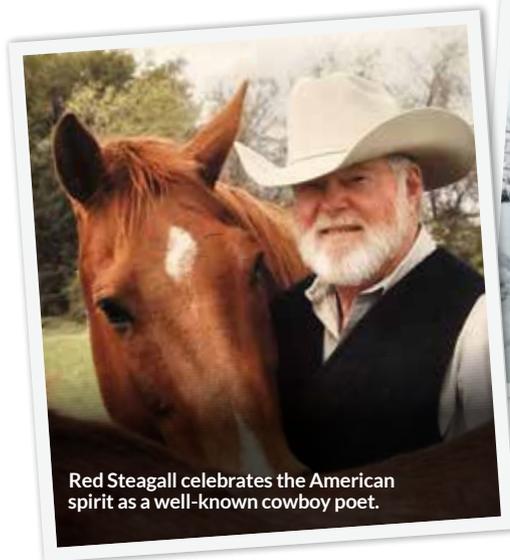
"I sincerely believe in the ownership
of land in the progress of a
free, independent society."

Who talks like this anymore?

It's rare to hear unabashed,
heartfelt sentiments about land
ownership and the essence of
American liberty. I was hooked.

America's story: a history of the land

This brought back memories of
growing up on my family's farm
northwest of Lake City, where my dad



Red Steagall celebrates the American spirit as a well-known cowboy poet.

told me that all original wealth comes from the land. I also recall reading "Gone with the Wind" and thinking about my Irish ancestors who came to Calhoun County in 1889 to farm.

"To anyone with a drop of Irish blood in them – why, the land they live on is like their mother," Gerald O'Hara emphasized to his daughter Scarlett during one poignant scene. "It will come to you, this love of the land. There's no gettin' away from it if you're Irish."

Previous generations intimately understood the inherent value of land. Native Americans' views of land centered on deep spiritual connections, stewardship and communal use – all essential to their identity, culture and survival.

Pioneer settlers often risked everything to acquire land. Western settlement exploded after Congress passed the Homestead Act in 1862. This offered up to 160 acres of public land for a nominal fee to anyone who was willing to claim, settle and farm the land for at least five years.

More than 50% of homesteaders successfully "proved up" and achieved their dream of land ownership. The Homestead Act gave away 10% of U.S. land (270 million acres).



By 2007, there were an estimated 93 million homesteader descendants alive, according to the National Park Service.

"We are born to this land"

Despite this heritage, it seems like land isn't top of mind for most people anymore, probably because we've become such an urbanized society. Even in a farm state like Iowa, 63.2% of us live in urban areas. (A community must have a population of at least 5,000 to qualify as an urban area, according to the U.S. Census Bureau.)

Still, there's something about land that touches something deep inside us. Throughout American history, there have been various "back to the land" movements. Then there's the current homesteading movement and the freedom to pursue a simpler, more sustainable life.

"My country 'tis of thee, sweet land of liberty." Or, in the words of the iconic Steagall: "We are born to this land. We call her America. We love her. We are the luckiest people on this earth."

Darcy Dougherty Maulsby lives near her family's Century Farm northwest of Lake City. Visit her at www.darcymaulsby.com.



Watch Red Steagall's performance from the Iowa Association of Electric Cooperatives' Annual Meeting.



IOWA ELECTRIC COOPERATIVE LIVING

The magazine
for members of
Iowa's electric
cooperatives

February 2026

Visit our website at www.franklinrec.coop



WHERE

WE FIND POTENTIAL FOR SUCCESS

WE

WILL EMPOWER OUR MEMBERS TO

LIVE

THEIR PASSIONS



Touchstone Energy® Cooperative
The power of human connections®

As your **Touchstone Energy® cooperative**, we are your energy community. The power we provide is much more than a way to keep the lights on, it plugs into the family, friends, and neighbors that make up your local co-op.