



POWER CONNECTION

member driven. community focused. energy smart.

MARCH 2019

you're invited to **STEARNS ELECTRIC'S 82ND ANNUAL MEETING**

JOIN US ON THURSDAY, APRIL 4, 2019

The 82nd Annual Meeting of the members of Stearns Electric will be held at the Melrose High School Auditorium on Thursday, April 4, 2019.

DOORS OPEN:

6:30 p.m.

BUSINESS MEETING:

7:00 p.m.

ICE CREAM SOCIAL:

8:00 p.m.

ATTENDANCE GIFT:

The first 300 members present receive a 1lb block of cheese and a 1lb block of butter as a gift from the Cooperative.

Stearns Electric's CEO Robin Doege will review the Cooperative's financial report from 2018 and our leadership team will recap significant events from the past year and highlight a few of the Cooperative's priorities heading into

the new year.

Members will have the opportunity to ask questions and gain helpful information about the electric industry and the Cooperative. Director elections in Districts 2, 3 and 6 will come to a close at the Annual Meeting and the results will be announced.

This is YOUR Cooperative. To remain healthy and strong, we need to have continued active participation and support by you. If you have not attended the Annual Meeting in the past, or if it has been a few years, we urge you to take the time to be with your fellow Co-op members. Stearns Electric is connected to you by more than just power lines. We are your neighbors and we look forward to seeing you at your Annual Meeting.

DON'T MISS DOOR PRIZES!

Each member that attends the Annual Meeting on April 4 will have a chance to win one of these great prizes:

\$100 Stearns Electric Bill Credit (2)
\$100 Coborn's Gift Card (2)
\$100 Amazon Gift Card
\$100 Scheels Gift Card
\$100 St. Joe Meat Market Gift Card
\$100 Target Gift Card
\$100 Applebee's Gift Card
\$100 Fleet Farm Gift Card
Trip for Two to Coal Creek

DON'T FORGET YOUR ANNUAL REPORT!

New this year, there is a barcode on your Annual Report that will be used in the registration process at the Annual Meeting. It is important that you bring your copy of the Annual Report, which should arrive the week of March 18, to the Annual Meeting.



MANAGER'S MESSAGE

STRATEGIC FOCUS

PLANNING THE WORK, WORKING THE PLAN



DEVELOPING STRATEGIES

I mentioned in our February newsletter that your Stearns Electric Association Board of Directors and the Stearns Electric Executive Team recently spent time developing strategies to lead the Cooperative through the upcoming years. A key part of that process is identifying Stearns Electric's current and future operating environment(s). Here are the strategies that we developed during our most recent planning session.

MISSION STATEMENT AND OUR KEY STRATEGIES

A company mission statement articulates a purpose; it announces to the world why we exist. One of the first pieces of strategic planning was a review of our mission statement to ensure that it aligns with the vision we've set for our Cooperative. Together, your board of directors and senior staff updated the Stearns Electric mission statement as follows:

"To safely provide competitively priced and reliable electric service, beneficial energy solutions, and a positive member experience."

With this mission in mind, the rest of our strategic planning focused on four key pillars:

- Member-Owners
- Financial Strength
- Workforce Development
- Electrical Distribution System

MEMBER-OWNERS

At Stearns Electric, we understand that our Cooperative exists because of our member-owners.

Our strategies under this pillar of influence include effective member communication, strong and meaningful community involvement, robust member engagement and energy solutions for our members. Our goal is to provide professional service and member solutions to achieve a high level of member satisfaction.

FINANCIAL STRENGTH

A long-standing goal at Stearns Electric is for us to manage the Cooperative from a strong financial position. Strong finances assure us a noble, sustainable business model. Our future will be largely shaped by wholesale power markets and pricing. Over 65 percent of our total expenses are wholesale power costs. We will continue to make the most of each dollar that we spend on wholesale power. Asset management and equity management are both important factors in accomplishing these goals. With over \$130 million in assets, we work hard to maximize our utility plant while managing equity to help us minimize interest expenses and maintain our key financial measurements.

WORKFORCE DEVELOPMENT

Employees are our most valuable asset at Stearns Electric. Managing and developing our workforce is one of the most important things that we do. We have developed a strategy to identify our organizational needs and will then align our resources to meet those needs. This activity requires that we assess existing employee skill sets and then develop, or hire for, the additional skills we need. We have a staggering amount of data available to us at Stearns Electric.

Managing our data, and associated technologies, will play an increasing role in our strategies moving forward.

ELECTRIC DISTRIBUTION SYSTEM

The Stearns Electric Board of Directors and employees know how important it is to continue to provide you with reliable electric service. As a not-for-profit entity, we have limited resources for building and maintaining our electrical distribution system. During our strategy planning session we confirmed the most cost effective programs and services to assure you the good electric system reliability that you value. Those programs include aggressive vegetation management (tree trimming/clearing/spraying), automating the distribution system, and upgrades for outdated poles, wires and equipment.

PLANNING THE WORK, WORKING THE PLAN

Doing the work to develop sound strategies is an important part of "planning the work." With strong strategies in place we can now be aggressive about "working the plan!"

Sincerely,

Robin C. Doege
Chief Executive Officer (CEO)

ANNUAL MEETING REMINDERS

ANNUAL MEETING

WHEN: April 4, 2019

WHERE: Melrose Area High School

DOORS OPEN: 6:30 p.m.

BUSINESS MEETING: 7:00 p.m.

ICE CREAM SOCIAL: 8:00 p.m.

Registration gifts of cheese and butter available for the first three hundred members to arrive, as well as ten \$100 gift card and a Coal Creek trip for two. Door prizes available to all those that attend the Annual Meeting.

DON'T FORGET YOUR ANNUAL REPORT!

New this year, there is a barcode on your Annual Report that will be used in the registration process at the annual meeting. It is important that you bring your copy of the Annual Report, which should arrive the week of March 18, prior to the Annual Meeting.

ONLINE VOTING INTRODUCED

As a member of Stearns Electric, you are also an owner of the Cooperative. You have a voice in the operations of your not-for-profit organization through the elected representatives to the Cooperative Board of Directors. Your voice is reflected by your participation in the voting process. Elected by you the members, the nine Stearns Electric Association Directors determine the policies and procedures of the Cooperative.

In an effort to engage more members in the democratic process that defines the Cooperative model and adapt to the changing technology available to us, Stearns Electric has added online voting as an option to cast your vote in director elections.

THREE WAYS TO VOTE IN 2019:

1. VOTE ONLINE*; Vote online through SmartHub by logging into your account and clicking on the "Vote Now" button in the top right corner or by following the website URL provided in your ballot package and using the personalized member number and election pass-code to log in. In either format, follow the online voting instructions to place your vote. If you vote online, do not mail a paper ballot.

2. VOTE BY MAIL*; On the paper ballot received in the mail, vote for a director by marking the nominee for whom you wish to vote, place the ballot into the envelope marked "Ballot Envelope" and seal. Then place the "Ballot Envelope" in the return envelope addressed to "Secretary," seal and mail it. Please allow for sufficient time for delivery.

3. IN PERSON AT THE ANNUAL MEETING; Polls will open at 6:30 p.m. until balloting closes.

**Online or mail ballots will only be accepted if received by April 3, 2019 at 2:00 p.m.*

Members in Districts 2, 3 and 6 will receive a ballot package in the mail the week of March 18 with further instructions. In addition, members with an email address on file will also receive an email with similar instructions.

Learn about your 2019 Board of Director Candidates in Districts 2, 3 and 6 on the next page!

BOARD MEETING

The regular meeting of the Board of Directors of Stearns Electric Association was held on January 24, 2019 at 1:03 p.m. at the Stearns Electric Association Headquarters Office in Melrose, Minnesota.

Debra Englund of HRExpertise BP entered the meeting to share the detailed 2018 employee survey results with the Board of Directors.

Ms. Amanda Groethe, Director of Communications and Ms. Vicky Herkenhoff reviewed the NRECA Member Survey results.

Contract Manager of Finance, Ralph Martin reviewed Cooperative financial and statistical information.

Ms. Herkenhoff provided an update on the Co-op development plan with GiANT Worldwide to focus on communication alignment and execution as a result of the employee survey.

Operation Round Up (ORU) trust board candidates were sought out and reviewed for Districts 4, 6 and 7. In District 4, Jen Heinen; District 6, David Lyndgaard; and District 7, Marcy Johnson were approved to join the ORU board.

Manager of Operations Glenn Blommel reviewed the results of the 2018 Vegetation Management Plan after meeting with ACRT and Carr's Tree Service noting good progress has been made.

Manager of Billing and IT Ryan Zierden provided information related to the GRE Capital Credit G&T Retirement. He reviewed the GRE patronage capital retirement model outlining the planned retirements for upcoming years. Mr. Zierden asked the Board to consider delaying a payout of the 2019 credits until 2020 due mainly to the fact there are so many details to work out in such a short amount of time with this unprecedented payout. This motion was carried.

The 2019 goals for each department were available for review.

Next Meeting: April 25, 2019

MEET YOUR 2019 DIRECTOR CANDIDATES

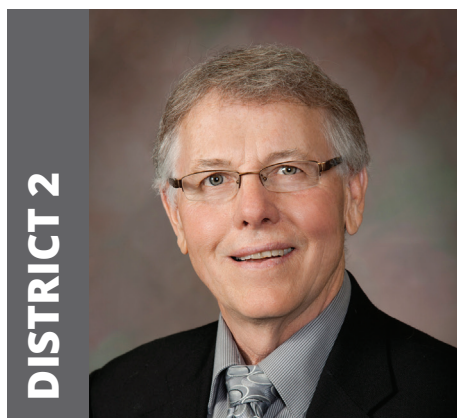
Because directors are members of the Cooperative themselves, they live with the rates and policies that they set. Their decisions are made in the best interest of the Cooperative. These representatives are your neighbors and they are also directly affected by the decisions that are made to carry out the business of the Cooperative.



Scott S. Andreasen

Scott Andreasen of St. Joseph is seeking election in District 2. Andreasen is a private detective and owner of Scott Investigation. Andreasen has been a member of Stearns Electric for 18 years. He currently participates in Stearns Electric's Dual Fuel Heating, Operation Round Up® and Well Spring programs. Andreasen serves as a board member of the Minnesota Association of Private Investigators. Scott is a member of St. Cloud Area School District's Board Finance Committee and Finance Study Group and is also the chair of the Community Education Advisory Committee.

Andreasen believes the Stearns Electric Board should focus on providing good electrical service at a reasonable cost. He also hopes to help the Cooperative provide a bridge to federal loan programs.



Arlyn Lawrenz - Incumbent

Arlyn Lawrenz of Avon is seeking re-election in District 2. Lawrenz is a retired agriculture teacher from Holdingford Public High School. Lawrenz has been a member of Stearns Electric for 44 years and has served on the Stearns Electric Board of Directors in District 2 for 12 years. Prior to that, he served on the Stearns Electric Member Resource Committee. He currently participates in Stearns Electric's Dual Fuel Heating, Stored Water Heating and Cycled Air Conditioning programs. Additionally, he holds leadership roles at the Community Church in Holdingford and the Stearns Soil and Water Conservation District and is the past president of the Holdingford Lions Club.

Lawrenz believes the Stearns Electric Board should continue to focus on providing affordable, reliable and safe electricity to all Cooperative members. He also believes the Cooperative should prepare for third party energy suppliers, which could really affect the Co-op in the future as new suppliers of electricity continue to develop.



R.J. (Dick) Nathe - Incumbent

R.J. (Dick) Nathe of St. Cloud is seeking re-election in District 3. Nathe is a retired postman. Nathe has been a member of Stearns Electric for 40 years and has served on the Stearns Electric Board of Directors in District 3 for three years. Prior to that, he served on Stearns Electric's Member Resource Committee. He currently participates in Stearns Electric's Stored Water Heating and Cycled Air Conditioning programs. Nathe also holds leadership positions in the Red Owl Men's Club and the National Association of Letter Carriers (NALC). He is also a member of St. Michael's Church, the Stearns County History Museum, St. Cloud Eagles Club and Pheasants Forever.

Nathe believes the Stearns Electric Board should continue to keep all members supplied with electricity when needed with a goal of maintaining "member satisfaction" at all times. He would also like the Cooperative to continue to extend services throughout our service territory in order to improve members' quality of life, whether a business or a homestead.

THREE WAYS TO VOTE:

1. Online through SmartHub or custom website URL.
2. By mail with a paper ballot.
3. In person at the Annual Meeting on April 4.

ENERGY EFFICIENCY TIP OF THE MONTH

DISTRICT 6



Steve Notch – Incumbent

Steve Notch of Freeport is seeking re-election in District 6. Notch practices accounting and finance at Total Agri-Business Services, Inc. in Albany, MN. Notch has been a member of Stearns Electric for 23 years and has served on the Stearns Electric Board of Directors in District 6 for 12 years. Prior to that, he served on the Operation Round Up® Trust Board for six years. He currently participates in Stearns Electric's Dual Fuel Heating, Cycled Air Conditioning and Operation Round Up® programs. Additionally, he serves on the Stearns County Board of Commissioners representing the western portion of Stearns County. He is also a 28-year member of the Freeport Fire & Rescue Department.

Notch believes the Stearns Electric Board should continue to provide our members with electricity in the most efficient, cost-effective way. He also believes the Cooperative should be prepared to address the changing nature in how members want to receive and manage their electric service and usage as emerging technologies continue to develop.

DISTRICT 6



Brian Schneider

Brian Schneider of Albany is seeking election in District 6. Schneider is a master electrician for the State of Minnesota. Schneider has been a member of Stearns Electric for 6 years. He has previously participated in Stearns Electric's Dual Fuel and Off-Peak programs at other residences and is currently making plans to install a Dual Fuel system at his current residence. He also participates in the Cooperative's Operation Round Up® program. Schneider volunteers for the Albany Fire Department and has previously held leadership roles in the St. Cloud State University E.O.C. and the American Federation State County Municipal Employees (AFSCME) Local 753.

Schneider believes the Stearns Electric Board should focus on improving access to EnergyWise Programs. He also believes the Cooperative should continue maintaining a member-focused business plan and provide efficient, low-cost services to all members.

DON'T WAIT UNTIL SUMMER TO CHECK YOUR A/C – SPRING IS PERFECT TIMING!

Spring is nearly here! Now is the perfect time to test your A/C and ensure it's ready for summer. Remember to check the evaporator coil, which should be cleaned annually for optimal efficiency.

ELECTRICAL SAFETY CHECKUP



ELECTRICAL OUTLETS

Keep all outlets properly covered with secure plates that cover all wiring. Block unused outlets by installing a solid cover plate or using childproof outlet caps.



LIKE US ON FACEBOOK

www.facebook.com/stearnsselectric

2019 COAL CREEK TOUR

JOIN US | On a Bus Tour June 5-7 to Great River Energy's Coal Creek



GET READY TO EXPLORE NORTH DAKOTA ON AN EXCITING ENERGY TOUR

Every other year, Stearns Electric Association sponsors a bus tour to Coal Creek Station, located about 50 miles north of Bismarck, North Dakota, near Underwood. This is one of the world's largest and cleanest lignite coal-fired power plants and it's where most of Stearns Electric Association's electricity comes from.

Designed to acquaint interested Co-op members with the complexities of modern power production, the Coal Creek Tour has become a very popular Co-op event. The tour includes a close-up view of the expansive, open-pit coal mines and the huge draglines that uncover the coal and the equipment that mines it.

Tour cost for Stearns Electric Association members is \$225 and for non-members is \$250. Tour price includes transportation, most meals, snacks, and two nights of double occupancy lodging.

REGISTER TODAY

2019 Coal Creek Tour // June 5-7

ON TOUR YOU'LL SEE:

COAL CREEK STATION: the largest power plant in North Dakota; learn why this power plant is vitally important to Great River Energy's generation mix.

FALKIRK MINE: see the gigantic equipment that is used to help supply 8 million tons of lignite coal each year to Coal Creek Station.

BLUE FLINT ETHANOL: uses a mix of primary and waste steam to produce ethanol, making it one of the lowest-cost facilities in the nation.



Reservations are taken on a first-come basis. The tour price covers transportation, most meals, snacks, and two nights of double occupancy lodging. Cancellations less than two weeks before the trip will be charged \$50.

Mail to:
Stearns Electric Association
Coal Creek Tour
PO Box 816
St. Joseph, MN 56374

Cost \$225 for Stearns Electric Association members or \$250 for non-members. Please enclose payment with registration.

Please reserve _____ places on the tour.

Names: _____ **Phone:** _____

Address: _____

E-mail Address: _____ **Member Account #:** _____

Additional Comments: _____

NEWS

MEMBER NOTICE

Effective May 28, 2019 the Stearns Electric Association Branch Office in St. Joseph will be closed to walk-in traffic. While the activities of this office remain in high value to the Cooperative, over the last number of years member traffic has declined. By implementing this change we are able to modify activities for efficiency. An external payment drop box will remain on site at the St. Joseph Branch Office and employees will be available to meet with members by appointment.

OFFICES CLOSED

Stearns Electric Association offices will be closed on Friday, April 19 in observance of Good Friday. The offices will be open for normal business on Monday, April 22.

Please call (800) 962-0655 in the event of an outage or emergency.

CALL 8-1-1 BEFORE YOU DIG



IT'S FREE, IT'S EASY, AND IT'S THE LAW

The safest and only legal way to dig is to know what's below ground before your shovel or equipment moves any dirt. Even small projects like planting a shrub require you to make advance arrangements before digging. Your advance call to 8-1-1 helps you learn where utility-owned lines and equipment are buried before you turn the earth.

Your call to 8-1-1 connects you with Minnesota's "one-call center," which arranges, at no cost to you, for utilities like us to locate and mark our buried utilities in your dig area. Within 48 hours your yard will be marked and then you can dig with care. It is very important to have all underground utilities located before digging to prevent costly and potentially dangerous contact with buried utility lines. Digging into an underground power line could not only disrupt electrical service for you and nearby homes, it could deliver a lethal shock!



cookingcorner

COUNTRY BBQ MUFFINS

Submitted by: Kim Murphy Ellingboe

Ingredients:

1 tube (10 oz)
refrigerated buttermilk
biscuits
1 pound ground beef -
cooked
1/2 cup ketchup
3 Tbsp brown sugar
1 Tbsp cider vinegar
1/2 tsp chili powder
1 cup shredded cheddar
cheese

Directions:

Preheat oven to 375 degrees F. Divide dough into 10 biscuits. Flatten each biscuit into 5 inch circles. Grease 10 muffin cups and press each circle into the bottom and up the sides of muffin tin. Brown hamburger and add ketchup, brown sugar, vinegar, and powder. Fill each biscuit lined cup with 1/4 cup of meat mixture. Sprinkle cheese on top. Bake 20 minutes. Enjoy!

CONTEST DETAILS:

One member per account may submit one recipe per month. Recipes will be saved for future publications. The recipe selected each month will receive a \$10 credit on their electric bill. Submit your recipe to agroethe@stearnselectric.org or mail to: Stearns Electric, Cooking Corner, PO BOX 816, St. Joseph, MN 56374.



STEARNS ELECTRIC ASSOCIATION

900 Kraft Drive SE, PO Box 40
Melrose, MN 56352

(320) 256-4241 (800) 962-0655

www.stearnselectric.org

**PERIODICALS
POSTAGE PAID**

The Power Connection (USPS 016053) is published monthly (plus an Annual Report) by Stearns Electric Association, P.O. Box 40, Melrose, MN 56352, Subscription rate: \$4 annually. Stearns Electric Association is an equal opportunity employer.

Periodicals Postage Rate is at Melrose, MN, 56352 and additional mailing offices.

• **BOARD OF DIRECTORS**

- RANDY ROTHSTEIN
• *President, District 4*
- RJ DICK NATHE
• *District 3*
- STEVE NOTCH
• *Secretary/Treasurer, District 6*
- GREG BLAINE
• *District 1*
- ARLYN LAWRENZ
• *District 2*
- JOHN ANDERSON
• *Vice President, District 5*
- LONNIE IVERSON
• *District 7*
- MIKE BLENKUSH
• *District 8*
- JERRY FRIES
• *District 9*
-

• **STAFF**

- ROBIN DOEGE
• *Chief Executive Officer*
- VICKY HERKENHOFF
• *Manager of*
• *Administrative Services*
- MATT O'SHEA
• *Manager of Engineering*
- GLENN BLOMMEL
• *Manager of Operations*
- RYAN ZIERDEN
• *Manager of Billing and IT*
- JAMES PACHAN
• *Manager of Energy Services*

• **EDITOR**

- AMANDA GROETHE
• *Director of Communications*
-



888.264.6380
heartlandss.com

The Power to Protect Your Favorite Chill Spot.

With smart home security, you can arm or disarm your system, lock and unlock your smart doors, turn your lights on and off, change your thermostat and more.

