



POWER CONNECTION

member driven. community focused. energy smart.

NOVEMBER 2019



CASH BACK IN YOUR WALLET

BOARD AUTHORIZES OVER \$1 MILLION CAPITAL CREDIT RETURN

In September 2019, the Stearns Electric Association Board of Directors authorized a nearly \$1.25 million general retirement of distribution Capital Credits to the membership. As a member-consumer, you may receive cash back in the form of a check in early December.

If you purchased electricity from Stearns Electric during 1997-1999 and/or 2014-2018 you may receive a distribution Capital Credit check. Capital Credit amounts less than \$10 are held until additional Capital Credits are retired. Checks can be expected to arrive in the mail during the first two weeks of December. This year's average Capital Credit check is \$53.14.

As a not-for-profit electric cooperative, Stearns Electric is not like other utilities—you, as a member and consumer, own a

portion of the business. One benefit of that membership involves the allocation of excess revenue, called margins, in the form of Capital Credits.

Electric co-ops operate at cost, collecting only enough revenue to run and expand the business, unlike investor-owned electric utilities, which are designed to make a profit for shareholders.

Stearns Electric assigns any money collected above the cost of operations to its members in the form of Capital Credits. When the Co-op's financial position permits, the co-op retires, or pays, a portion of these Capital Credits back to its members.

Allocating and retiring excess revenue to members helps distinguish cooperatives. We're proud to support our communities by putting money back into the local

economy—and into the pockets of those we serve. It makes our business model special.

Capital Credit payments are quantifiable proof that as a member of Stearns Electric, you are an owner of a successful, effective organization. Life to date, we have distributed more than \$32 million in Capital Credits to our members.

If you have questions regarding Capital Credits, please contact our Capital Credits Coordinator during regular business hours at (800) 962-0655.

CAPITAL CREDITS

One more way Stearns Electric is adding value to your life.

CEO'S MESSAGE

THE BEST FIREWALL IS A HUMAN FIREWALL



Ryan Zierden, Manager of Information Technology (IT) at Stearns Electric Association, continually reminds us that the best firewall is a human firewall. I want to remind you all that YOU are the first line of defense against cybersecurity threats. It only takes one click on a malicious email, website or attachment to enable a bad actor to gain access to a computer network.

The energy sector continues to be a target for cyber attacks, and we will continue to face threats that target our members, employees, supply chains and partners. It is critical that we stay vigilant. We are not only a part of one of our nation's critical infrastructures, but also the organization that our members rely upon for their electricity needs. We want you to know we take our role in managing cybersecurity threats to our members' data and our operations very seriously.

Ransomware, credential (or identity) theft, phishing emails and other

attempts at cyber crime are no longer a question of if, but when. Anyone with a password is a possible access point into our system for bad actors. This reality spreads the responsibility of keeping our systems secure to all Cooperative employees, not just those on our IT team. At Stearns Electric, it doesn't matter if you work in accounting, operations, billing or IT, all employees, even our linemen, complete annual training to educate ourselves to better identify these cybersecurity threats. We even go through training with our Board of Directors. Additionally, the Cooperative has several security measures in place to ensure our members' information stays secure.

Cybersecurity impacts everyone. Here are some simple things you can do to protect yourself from cybersecurity threats:

KEEP YOUR DEFENSES UP!

- Make sure all your computer software - including your web browser - is updated with the latest version. Keeping software up-to-date ensures the best

protection against blocking any cyber threats.

- Create a strong password and keep it private—it can take five days to crack a nine-character password, but more than two centuries to crack a password consisting of 12 characters or more!
- Treat all Wi-Fi networks as a potential security risk. Never check financial or other sensitive accounts when using public Wi-Fi. Encrypt sensitive data when using a public Wi-Fi network.

DON'T FALL FOR A PHISH!

- Be on the lookout for emails, phone calls and other messages that try to gain access to your personal information. If it sounds too good to be true, it probably is. If something seems off, trust your instinct.
- Think before you click! Don't click links or attached files in emails or text messages from senders you don't know. Even if you do know the sender, hover over the link before you click, as they may have been hacked or someone could be spoofing them!
- There are many ways to spot a phishing. Visit www.staysafeonline.org to see them all.

Remember, YOU are the first line of defense against cybersecurity threats!

Sincerely,

Robin C. Doege
Chief Executive Officer (CEO)



DIRECTOR ELECTIONS

DIRECTOR NOMINATIONS WILL OPEN ON DECEMBER 10 IN DISTRICTS 1, 7 AND 8

As a Stearns Electric Association consumer, you are a member of the Cooperative. The Cooperative depends on its members to provide leadership and guidance. This is your opportunity to participate in the business decisions of a successful electric utility.

Nominations will open for the 2020 director candidates in Districts 1, 7 and 8 on December 10. Nominees must meet eligibility requirements as specified in the Stearns Electric Association Bylaws. For a full-text version of the Bylaws visit www.stearnselectric.org.

Members in Districts 1, 7 and 8 who are interested in becoming a nominee are to contact a Nominating Committee member in their district prior to January 20, 2020. Nominating Committee contacts will be available online when nominations open and will be posted in the December edition of the Power Connection.

THE DIRECTOR ROLE:

RESPONSIBILITIES:

- Legal: Ensure the legal right of the Cooperative to exist.
- Trusteeship: Act in the best interest of the members.
- Planning: Develop programs and carry out plans based on ideals that reflect the thinking of its members, with realistic goals adjusted to the purposes of the Cooperative.
- Resources: Assure the availability of basic resources, including personnel, loan funds, wholesale power and revenue, according to the Cooperative's size and needs.
- Control: Monitor operations to assure compliance with Board policy, budgets, member relations, loan covenants, contractual compliance, and long-range planning.

QUALIFICATIONS:

- Be a member of the Cooperative and a resident of the district you wish to represent.
- Not be employed by, or have financial interest in, a competing enterprise.
- Have the time available to attend a minimum of 12 regular daytime board meetings, additional meetings and training sessions.

FOR A COMPLETE LIST OF QUALIFICATIONS AND RESPONSIBILITIES, CONTACT A MEMBER OF THE NOMINATING COMMITTEE FOR YOUR DISTRICT AFTER NOMINATIONS OPEN ON DECEMBER 10, 2019.

BOARD MEETING

The regular meeting of the Board of Directors of Stearns Electric Association was held on September 26, 2019 at 1:30 p.m. at the Stearns Electric Association office located in Melrose, Minnesota.

Attorney Scott Dymoke presented the Resolutions Approving Federal Financing Bank Loan for \$40,956,000. This is a RUS guaranteed loan. Authorized senior staff have the ability to request draws when necessary. Questions were asked and answered to the Board's satisfaction. Motion to approve the resolutions were carried.

CEO Robin Doege reported on the financial condition of the Cooperative's subsidiary businesses.

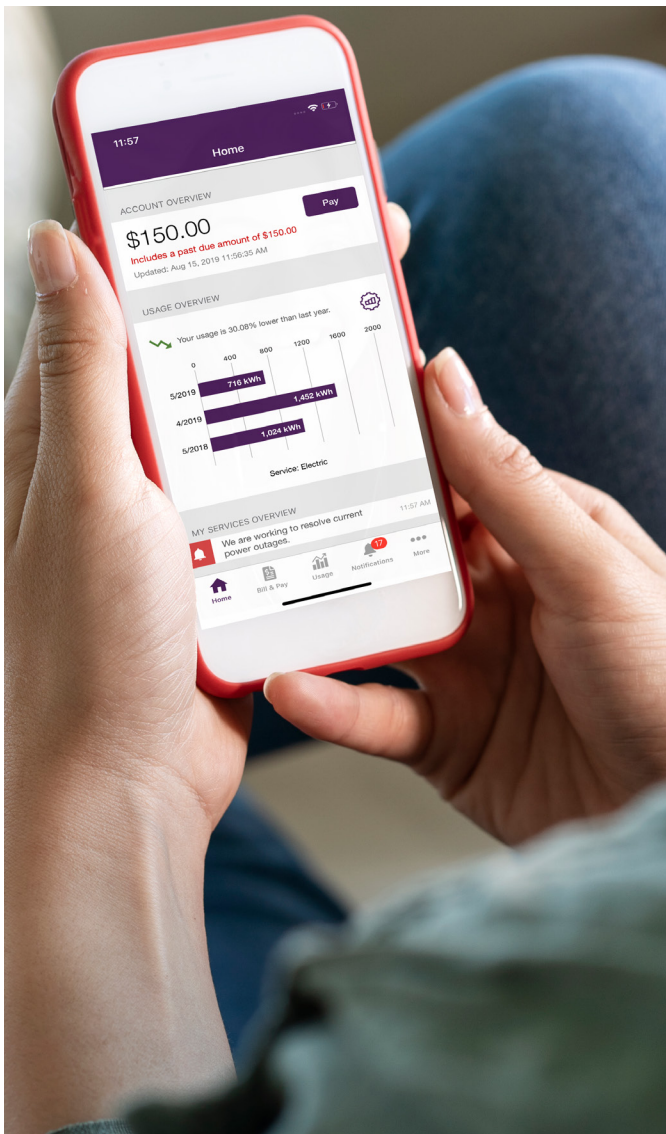
VP of Administration and Finance Vicky Herkenhoff reviewed her written report with the Board, which included information related to personnel matters. The 2020 employee development plan with GiANT is now in place. Ms. Herkenhoff requested Board authorization of the Capital Credit General Retirements in the amount of \$1,250,000. These will be mailed the day before Thanksgiving, similar to past years. This is an increase of \$50,000 from 2018.

An examination of the Member Services report included information on billing statistics and EnergyWise® Program participation, along with various rebates and incentives.

VP of Engineering and Operations Matt O'Shea gave an overview of Department of Labor and Industry changes to permitting and inspection fees which could affect the future cost of load management receiver change-outs. Work continues on interruptible program documentation and the importance of members understanding the value and expectations when on an interruptible program. Safety and reliability reports were provided for examination.

Director Arlyn Lawrenz reported on his visit to Washington, D.C., including how important it is for cooperatives to visit with elected officials.

Next Meeting: December 26, 2019



SMARTHUB

NEW LOOK. NEW EXPERIENCE. SAME SMARTHUB.

Check out the refreshed and enhanced new mobile app!

Stearns Electric Association's SmartHub online and mobile app provides a lot of features that help you manage your account; from billing and payment info to detailed usage analysis. It's a great tool to help you access your account information on the go or online.

Life is fast, and it can be hectic, but it doesn't all have to be complicated. Managing your Stearns Electric Association account shouldn't be a complex task, and with our SmartHub web and mobile app, it won't be.

You may have heard about SmartHub, our innovative tool for account management, but what can it do for you? SmartHub helps

you take control of your Stearns Electric account like never before, giving you more time to focus on other responsibilities.

SmartHub has several features that make managing your account as easy as possible.

Whether through the web or your smartphone or tablet (Android or iOS,) you'll be able to pay your bill, view your energy usage, contact customer service and get the latest Co-op news.

With SmartHub, you can select how you want to be notified about your bill, including email and text messaging. View your billing history and make a payment with just a couple of clicks.

You'll see your current bill, along with bills from the previous month, or even the previous summer, if you want to compare costs. Not only will you see your billing history, but you'll also be able to view your actual energy

usage. You can even set usage thresholds so that you'll know when you're using more energy than you'd like, helping you keep your electricity bill as low as possible.

Making payments through SmartHub is fast and easy. The first time you make a payment either through the web or through your mobile device, you'll be able to securely store your payment information for future transactions. The next time you need to pay your bill, it will only take a couple of clicks.

NEW LOOK AND FEEL

This fall, Stearns Electric launched a new upgrade for the SmartHub mobile application that helps you get to the features you need quickly and efficiently.

The fresh look allows you to see your usage analysis right away. You can also contact us with the click of a button right from the home screen.

Outage and billing alerts are displayed right on the home screen, making it easy for us to

communicate important information with you. Billing, payment and other features are available with one click of a button in a new condensed menu.

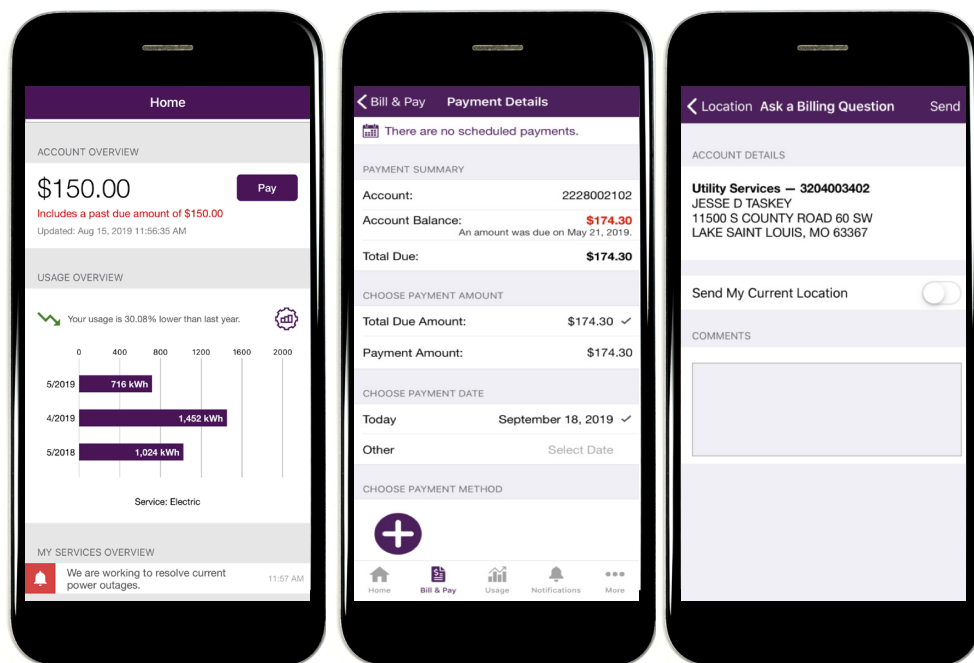
Reporting a service issue is quick and easy. There's no need to call the office, just let us know about the issue with a few taps.

We hope these app updates will help provide a more user-friendly experience.

SIGN UP NOW

Access SmartHub by visiting www.stearnsselectric.org or by downloading the app on your mobile device through the Apple App Store (iOS devices) or Google Play Marketplace (Android devices). Manage your Stearns Electric account simply, quickly and easily with SmartHub.

Smart Management. Smart Life. SmartHub.



ENERGY EFFICIENCY TIP OF THE MONTH

USE THIS TIP TO SAVE ENERGY IN THE LAUNDRY ROOM

Dry towels and heavier cottons separately from lighter clothing. You'll spend less time drying the lighter-weight items.

ELECTRICAL SAFETY CHECKUP



LIGHT BULBS

Always screw lightbulbs in tightly; a loose bulb can cause sparks or shorts.

FACEBOOK GIVEAWAY

From now through Christmas Day (December 25, 2019) share a photo of your holiday lights on the Stearns Electric Facebook page for your chance to win a new LED holiday light gift pack (a \$100 value)!



LIKE US ON FACEBOOK

www.facebook.com/stearnsselectric

KNOW HOW TO STAY SAFE IF YOUR CAR CRASHES INTO A POWER POLE

In traumatic situations, it may be instinctive to flee as soon as possible. A car accident is a good example of this. However, if you are in a car accident with a power line, the safest place is often inside your car.

When a car crashes into a power pole, the pole may fall down, lines may fall on your car or nearby, and the area around your car may become charged with electric energy. If you stepped out of the car in this scenario, your body would become the path to ground for the electricity, and you could be electrocuted.

Unlike what you might see in the movies, downed power lines rarely show they are live by arcing and sparking with electricity. Since you can't see, hear or smell electricity, power lines can be live and just as lethal, even though they might appear de-energized.

Stay in your vehicle if you are in a car accident with a power pole. Warn those who try to come near your car that they must stay far away. Call 911 for help and wait until a professional from the electric utility tells you it is



safe to leave the car.

The only exception to this rule is if your car is on fire. In that case, jump clear of the vehicle without touching it and the ground at the same time. Then shuffle away with feet together. This way there will not be a voltage difference between your two feet,

which could give electricity the chance to flow through your body.

If you witness a car collision with a power pole, do not approach the accident. By trying to help, you will put your own life at risk. The best thing to do is contact emergency responders and stay far away from the accident.

MY CO-OP CARES



EMPLOYEES DONATE OVER \$4,000 TO THE CENTRAL MINNESOTA MENTAL HEALTH CENTER

On October 30, Stearns Electric Association employees participated in the 12th Annual Employee Charity Event. Each year, employees vote for a charitable organization to receive all of the proceeds from the event. This year's recipient was the Central Minnesota Mental Health Center (CMMHC). We're so grateful to have such generous employees who not only donated items to the silent auction, but also bid on those items, as well as participated in the prize and meat raffles to raise funds for CMMHC.

This year, we are proud to announce that employees raised \$3,026 and the Stearns Electric Board of Directors provided a \$1,000 match for a grand total of \$4,026! These funds will all go to CMMHC to directly impact our Central Minnesota communities.

NEWS

CAPITAL CREDIT CHECKS

Members can expect to receive their Capital Credit checks by mail in early December.

COOPERATIVE CLOSED

We will be closed November 28 and 29 for the Thanksgiving Holiday. The office will be open for normal business on Monday, December 2.

We will also be closed Tuesday, December 24 and Wednesday, December 25 for the Christmas Holiday. The office will be open for normal business on Thursday, December 26.

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

· HAPPY ·
Holidays

ELECTRIC BILL GIFT CERTIFICATES MAKE GREAT HOLIDAY GIFTS

GIFT CERTIFICATE

THIS CERTIFICATE ENTITLES: _____

TO AN ELECTRIC BILL CREDIT IN THE AMOUNT OF: _____



Your electric bill has been credited.

As a member of Stearns Electric Association, you will see the credit on your next bill.

Account Number: _____ Authorized by: _____

Date: _____ Gift Certificate Number: _____

Not redeemable for cash.

Whether you're looking for a gift or just want to bless someone, Stearns Electric gift certificates are a great choice.

The best way to purchase a gift certificate is to stop by our Melrose Headquarters during business hours with cash, check or credit card. If that doesn't work for you, you can request a gift certificate by mail. Payment would need to be made electronically or by mail to the Cooperative before December 15.

You simply select the dollar amount of electricity you'd like applied to a member's account. We'll give you a gift certificate to deliver and the member will see the credit on their next bill.

QUESTIONS? GIVE US A CALL DURING BUSINESS HOURS AT (800) 962-0655.

cookingcorner

APPLE ROLL

Submitted by: Delores Haus
Stearns Electric Member-Consumer



Ingredients:

1 C brown sugar
2 C flour
1 tsp salt
2 Tbsp white sugar
3 tsp baking powder
3 Tbsp butter
1 ¼ C milk
2 quarts of apples
Cinnamon

Directions:

Butter a 9x13 inch pan then combine 2 cups of hot water and brown sugar. Stir together until dissolved. Set aside. Mix in a separate bowl flour, salt, white sugar, baking powder, butter and milk. Mix and knead on a floured board or table. Form a ball, cover and set aside. Peel, core and cut apples into thin slices, sprinkle with cinnamon and mix up. Roll out the flour mixture (approximately 10x13) and spoon the apple mixture on top. Then roll it up like a jelly roll. Slice into 12 pieces and place in the sugar-water mixture. Bake for about 50 minutes or until golden brown at 350 degrees. Serve with ice cream if desired. 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 recipes to communications@stearnselectric.org or mail to: Stearns Electric, Cooking Corner, PO BOX 816, St. Joseph, MN 56374.



STEARNS ELECTRIC ASSOCIATION

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BOARD OF DIRECTORS

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Vice President, District 2

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RJ DICK NATHE

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Manager of IT

CONTRACT EDITOR

AMANDA GROETHE

Fuller Creative



LET YOUR BILL TAKE CARE OF ITSELF

AutoPay is free, secure and guarantees
your payment will be made on time.

SIGN UP BY NOVEMBER 30, 2019

For a chance to win one of
three \$100 bill credits!

Limited Time Promotion: Accounts that are enrolled in AutoPay by November 30, 2019 using a designated checking or savings account will be entered into a drawing for a chance to win one of three \$100 bill credits on their next billing statement. All accounts that sign up for AutoPay using a designated checking or savings account automatically receive a one-time \$24.75 bill credit.