



POWER CONNECTION

member driven. community focused. energy smart.

MARCH 2020



RELIABLE SYSTEM, DEPENDABLE SERVICE

PROPERLY WORKING EQUIPMENT HELPS PROVIDE RELIABLE POWER TO OUR MEMBER-CONSUMERS AND HELPS LIMIT POWER OUTAGES.

At Stearns Electric Association, it is our mission to provide members with affordable and reliable energy. To do this, we work hard to maintain our equipment.

Each winter, Stearns Electric repairs and refurbishes a portion of our oil circuit reclosers (OCRs) to ensure they are in good working order.

Operations Supervisor and Operations Specialist, Glen Kemper and Bryan Berg, with assistance from Cooperative line workers, complete

the annual OCR project throughout January and February.

"An OCR is an automatic high voltage switch similar to a household circuit breaker. It shuts off electric power when a short circuit fault occurs out on the power line. Short circuit faults are caused by lightning, fallen tree branches, animal contact or other catastrophic events," Berg described. "The main functions of an OCR are circuit protection, safety to the public, mitigation of property damage and limiting the number of members affected by a power outage."

The OCR senses fault current or short circuits out on the main power line distribution circuitry. For example, during stormy weather when there are high winds or thunderstorms, you may notice that your power blinks off and on. Those blinks are typically a result of the OCR sensing a fault caused by lightning strikes or tree branches. The faults cause the OCR to open momentarily, resulting in a short duration power outage of normally 10 seconds or less.

Continued on page 6.

CEO'S MESSAGE

OUR POWER SUPPLY PARTNER

GREAT RIVER ENERGY



As a distribution cooperative, Stearns Electric Association provides power to homes, businesses and farms throughout Central Minnesota. We rely on our wholesale power provider, Great River Energy (GRE), an electric generation and transmission cooperative, to generate our energy and transfer it from the power plant to our local substations.

Stearns Electric Association has been a member-owner of Great River Energy since 1999. Prior to that, Stearns Electric was a member-owner of Cooperative Power Association, which merged with United Power Association to become Great River Energy. Today, Great River Energy provides electricity to 28 member distribution cooperatives throughout Minnesota.

Stearns Electric Association is an all-requirements power purchaser from Great River Energy, which means Stearns Electric relies on Great River Energy to secure all of our power needs. Even our hydro-power allocation from Western Area Power Administration (WAPA) is run through Great River Energy. Stearns Electric purchases about 500 million kilowatt hours of electricity annually from Great River Energy and pays approximately \$38 million per year for electrical energy and related expenses on behalf of our Stearns Electric members.

Like Stearns Electric, Great River Energy budgets for a modest operating margin. In 2019, Great River Energy slightly exceeded its budgeted operating margin, which resulted in an excess margin distribution to all of Great River

Energy's member-owners, including Stearns Electric. Our Cooperative received nearly \$200,000, which will be used to offset future Stearns Electric power supply and operating costs.

In addition, Great River Energy provides Stearns Electric about \$340,000 per year for our EnergyWise® program rebates. These dollars go toward our Stearns Electric residential, commercial, agricultural, industrial and income eligible energy program rebates. You can learn more about these rebates on our website, www.stearnslectric.org.

Great River Energy works hard to provide Stearns Electric with more renewable energy and lower carbon emissions. Since 2015, Great River Energy has eliminated several coal fired power plants from their generation portfolio. Additional wind generation has been added, including the Emmons-Logan wind farm, a 200-megawatt, carbon free operation, that began power production in January. Great River

Energy is currently planning to meet, or exceed, Minnesota's legislative goal of 80% carbon-free power generation by 2050. Therefore, no new coal generation will be added to their generation portfolio in the future. At this time, 25% of the energy produced at Great River Energy comes from renewable energy sources.

Stearns Electric is a proud partner of Great River Energy. Stearns Electric relies on Great River Energy for safe, competitively priced wholesale power, and we look forward to being part of Great River Energy's success in the future.

Sincerely,

Robin C. Doege
Chief Executive Officer (CEO)

GREAT RIVER ENERGY'S 2019 GENERATION PORTFOLIO

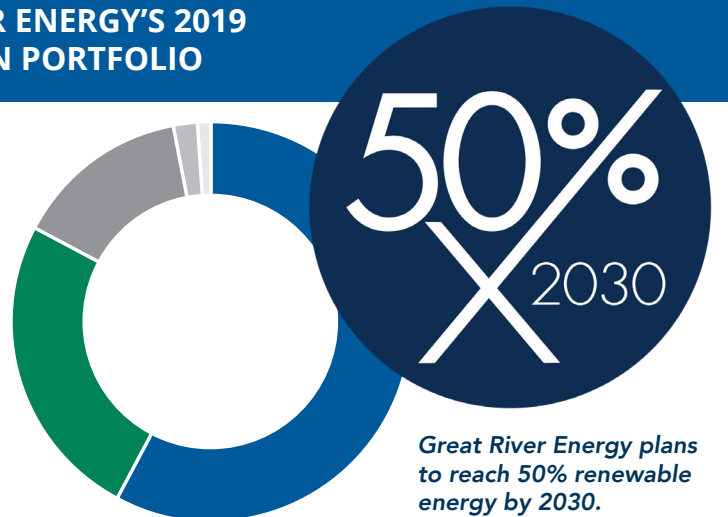
58%
COAL

25%
RENEWABLE

14%
MARKET

2%
NATURAL GAS

1%
HYDRO



Great River Energy plans to reach 50% renewable energy by 2030.

YOU'RE INVITED TO **STEARNS ELECTRIC'S 83RD ANNUAL MEETING**

Thursday, April 2, 2020
MELROSE AREA HIGH SCHOOL AUDITORIUM

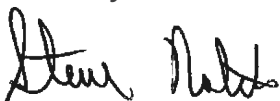
The 83rd Annual Meeting of the members of Stearns Electric Association will be held at the Melrose Area High School Auditorium in Melrose, Minnesota at 7:00 p.m. on April 2, 2020, to act on the following matters:

1. Report of Nominating Committee, Officers, Directors, Vice Presidents and Chief Executive Officer.
2. Election of three Directors of the Cooperative:
 - One from District No. 1 – Serving Minnesota Townships: Scandia-Valley, Cushing, Clough, Parker, Darling, Green Prairie, Culdrum, Pike Creek, Swanville, Swan River, Elmdale and Two Rivers in Morrison County.
 - One from District No. 7 - Serving Minnesota Townships: Turtle Creek, Little Elk, Leslie, Reynolds, Long Prairie, Bruce, Gordon, Little Sauk, Round Prairie, Burnhamville, West Union and Grey Eagle in Todd County; and Orange in Douglas County.
 - One from District No. 8 - Serving Minnesota Townships: Kandota and Birchdale in Todd County; Westport in Pope County; Ashley, Sauk Centre and Melrose in Stearns County.
3. Election of amendments to the Cooperative's Articles of Incorporation and Bylaws.
4. All other business that may properly come before this meeting or adjournment thereof.

As a member-consumer of Stearns Electric, you are also an owner of the Cooperative. As an owner, you have a voice in the operation of our organization. Through attendance at the Annual Meeting and the election of Directors, you help set the future direction of our Cooperative.

Don't forget to bring your Annual Report to register at the Annual Meeting. The first 300 members will receive a one-pound block of cheese and one-pound of butter quarters as a gift from the Cooperative. We will also give away 10 door prizes valued at \$100. You must be present at the meeting to win. Visit www.stearnslectric.org for more information.

Sincerely,



Steve Notch

Stearns Electric Board of Directors, Secretary/Treasurer

BOARD MEETING

The regular meeting of the Board of Directors of Stearns Electric Association was held on January 30, 2020 at 1:00 p.m. at the Stearns Electric Association office located in Melrose, Minnesota.

CEO Robin Doege reported on a NRECA government affairs meeting noting that they were instrumental in the passing of the RURAL Act where cooperatives wouldn't lose potential FEMA funding due to their taxation status.

The current financial condition of the Cooperative's subsidiary businesses was reviewed. Heartland Security ended 2019 with good net income. Carr's Tree Service exceeded both sales and net income projections as well.

VP of Administration and Finance Vicky Herkenhoff reviewed information related to personnel matters. The Member Services report included information on bad debts and EnergyWise® Program participation. Various rebates and incentives were also included.

VP of Engineering and Operations Matt O'Shea gave an overview of various items from the Operations division including the 2019 construction and distribution system statistics. After providing an update on the work management project, a board member asked Mr. O'Shea to explain what work management is used to accomplish. Simply stated, it is an electronic flow of work that allows the Cooperative to know the progress of a task or project at any point in time. It allows the Cooperative to be paperless and track our progress through the use of technology.

Safety and Reliability reports were provided for examination. Mr. O'Shea explained how the frequency of outages has decreased which is also part of the employee incentive plan. The 2020 Safety Campaign (Work Safe—Home Safe) was introduced to illustrate that Cooperative employees are also part of the communities we serve.

Next Board Meeting:
March 26, 2020

MEET YOUR 2020 DIRECTOR CANDIDATES

As a member-consumer of Stearns Electric, you are also an owner of the Cooperative. You have a voice in the operations of the organization through the election process. Elected by members, the nine Directors determine the policies and procedures of the Cooperative.

These elected Directors are members of the Cooperative themselves. These representatives are your neighbors and are directly affected by the decisions that are made to carry out the business of the Cooperative. Their decisions are made in the best interest of our members and the Cooperative.

DISTRICT 1

Photo
Unavailable

Timothy Anway

Timothy Anway of Randall is retired and has been a member of the Cooperative for nine years. He formerly served as a council member on the Alden, Iowa City Council and as a Board member for the Alden Community School.

If elected, he believes the goal of the Cooperative should be to stay current on updating any changes made to the Cooperative and relaying that information to the members. He would like to look at options for the Cooperative to branch out to better serve our member-consumers. He would love the opportunity to bring new ideas and an understanding of what it means to be part of the Board for the people and for the Cooperative.

DISTRICT 1



Greg Blaine - Incumbent

Greg Blaine of Little Falls is a farmer and Morrison County Commissioner for District 5. He has been a member of the Cooperative for 30 years and has served two terms on the Board of Directors. He previously served as Minnesota State Representative for District 12B and has several years of experience serving on local committees and boards including South Country Health Alliance, Our Lady of Lourdes Catholic Church, Gordon Rosenmeier Center of State/Local Government, Region V Development Commission, and Minnesota Milk Producers Association. He participates in the Cooperative's EnergyWise® Stored Water, Dual Fuel and Generator Backup programs.

If re-elected, Blaine believes the goal of the Cooperative should be to continue providing safe, competitively priced and reliable power to members for their homes, farms and businesses. He believes the Cooperative should maintain a strong fiscal position, continue to return Capital Credits in a timely manner, and position employees to meet members in a changing future landscape.

DISTRICT 7



Lonnie Iverson - Incumbent

Lawrence "Lonnie" Iverson of Osakis is a local farmer and custodian. He has been a member of the Cooperative for 50 years and has served three terms on the Board of Directors. Iverson served as the president and deacon trustee for Salem Lutheran Church for 60 years. He participates in the Cooperative's EnergyWise® Dual Fuel program.

If re-elected, Iverson believes the Cooperative should continue running as a business that serves all of its members. If elected, he hopes to help find ways to establish and add new growth to the Cooperative.

BYLAW AMENDMENT VOTE

*In addition to the Director elections in Districts 1, 7 and 8, **ALL Stearns Electric member-consumers** have the opportunity to vote on the proposed amendments to the Cooperative's Articles of Incorporation and Bylaws. Learn more about this important vote at www.stearnselectric.org/about-us/2020bylawvote.*

DISTRICT 8



Earl Chesnik

Earl Chesnik of Sauk Centre is retired and has been a member of the Cooperative for 23 years. He has held leadership roles in several organizations, including the South Dakota Plumbing, Heating and Cooling Contractor's Association, Redfield, South Dakota Lions Club, Redfield Chamber of Commerce, and South Dakota Lions Club. Chesnik is currently a member of the Cooperative's Member Engagement Group and participates in the EnergyWise® Cycled Air Conditioning Program.

If elected, he believes the goal of the Cooperative should be to help keep the cost of energy down by promoting its EnergyWise® programs. Chesnik also believes in promoting alternative energy sources in place of fossil fuels when they are economically feasible.

DISTRICT 8



Eric Peterson

Eric Peterson of Grey Eagle is the co-owner of Centre Powersports and Recreation and has been a member of the Cooperative for 19 years. He previously worked at Stearns Electric in college and spent 18 years in the utility industry before becoming a business owner. He has served as a church trustee and youth group leader, as well as a Board member for Little Birch Lake. He participates in the Cooperative's EnergyWise® Storage Heating, Cycled Air Conditioning and Stored Water Heating programs, and previously served on the Member Engagement Group.

If elected, he believes the goal of the Cooperative should be to maintain competitive rates. He also believes in completing the tree trimming project and educating members on helping to clear Right-of-Way. Peterson would like to look at long range plant upgrades for the Cooperative and be more active working with other utilities to complete future projects.

ENERGY EFFICIENCY TIP OF THE MONTH

GOT LEFTOVERS? LET THEM COOL FIRST TO SAVE ENERGY

Placing hot food in the refrigerator makes the appliance work harder than necessary, using more energy. Allow food to cool down before you place it in the fridge.

ELECTRICAL SAFETY CHECKUP



CORRECT WATTAGE

Check that you're using the correct wattage in all your fixtures and appliances. Using the right bulbs can prevent electrical problems, so check all lamps, fixtures and appliances to ensure you're using the correct wattage. If a light fixture has no wattage listed, use 60-watt bulbs or less. For unmarked ceiling fixtures, choose 25-watt bulbs.



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OCR PROJECT CONTINUED

"A lightning strike will generally only cause the OCR to open momentarily one time, causing one blink, then it will reclose automatically and power will be restored without further interruption," he explained. "However, a tree branch across a power line may cause the OCR to open and reclose up to three times, causing three blinks as the OCR attempts to burn off or clear the branch causing the fault. If the fault (tree branch) is not cleared after the third operation, it will remain open and not reclose, causing a power outage. It is then imperative to call out a line crew to find the cause of the fault (tree branch) and manually reset the OCR to restore power to the affected members."

Stearns Electric has over 800 OCR breakers throughout our distribution system. Each year, the OCR project team refurbishes approximately 110 of those breakers.

"The breakers are full of oil. After so many years, the oil breaks down and the arcing inside



BEFORE



AFTER



Opening OCR to clean and replace oil.

causes carbon build-up which can flashover, potentially causing outages for members," Berg said. Older OCR models have non-vacuum breakers that are serviced every three years. The newer models have vacuum breakers that prevent arcing in the oil, so those are serviced every seven years.

adding the new oil. We retest the OCR for proper function and finally repaint the exterior of the OCR."

When the OCRs are ready for their final testing, they are hooked up to a Multi-Amp Oil Circuit Recloser Tester. The Multi-Amp OCR Tester indicates the number of trip outs, or times the OCR opens and closes, as well as the time curve at each trip. To perform accurately, the breaker needs to trip out four times within the time curve parameters. He explained that during the testing phase they partner with the Cooperative's engineers to determine the correct time curves for each trip out, which helps guarantee the best functionality. Once they are accurate, the OCRs can be used for operations back in the field.

"The annual OCR project is imperative to make sure our breakers are working properly," Berg concluded. "This not only protects the system from fault current but also, and most importantly, provides safety to our member-consumers."



Testing a refurbished OCR.

The line workers remove and replace the OCR breakers with previously refurbished ones and then bring them back to the shop to be repaired by Berg and Kemper. Each OCR takes approximately an hour and a half for a full renewal.

Berg detailed the steps of the project. "We'll first open the breaker to remove the old oil, then we clean the contacts inside the OCR. Next, we insert new gaskets and seals and flush everything out before

NEWS

OFFICE CLOSED

Stearns Electric Association will be closed on Friday, April 10, 2020, in observance of Good Friday. Both offices will be open for normal business on Monday, April 13. Please call (800) 962-0655 in the event of an outage or emergency.

UNCLAIMED CAPITAL CREDITS

Stearns Electric has Capital Credit funds that were returned to the Post Office as undeliverable. We need your help locating these former members. A searchable list is available on our website at www.stearnslectric.org. Any information you can provide the Cooperative regarding the location of these members would be greatly appreciated. Thank you!

VOTING OPTIONS

All Stearns Electric member-consumers will receive a voting package that includes a ballot and copy of the proposed amendments to the Cooperative's Articles of Incorporation and Bylaws. In addition, member-consumers in Districts 1, 7 and 8 will receive a ballot to vote for a Director to represent them on the Stearns Electric Board of Directors. Voting begins March 16, 2020. These voting packages include three options for placing your vote:

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 passcode to log in. In either format, follow the online voting instructions to place your vote. (Please note, voting via SmartHub is available only via a desktop or laptop. It is not available on the app.)

2. VOTE BY MAIL*.

Ballot packages will be mailed on March 13. Cast your vote for Director (Districts 1, 7 and 8) and the Articles of Incorporation and Bylaw amendments. Detach ballot and place into the envelope marked "Ballot Envelope" and seal. Then place the sealed "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 open at 6:30 p.m. until balloting closes. Be sure to bring your Annual Report with you for registration.

**Online or mail ballots will only be accepted if received by 3 p.m. on Wednesday, April 1, 2020.*

COOKING CORNER

DISAPPEARING MARSHMALLOW BARS

Submitted by: Lenee Hoffman



Ingredients:

½ C butterscotch pieces
¼ C butter
¾ C flour
¼ tsp salt
½ C brown sugar
½ tsp vanilla
1 tsp baking powder
1 egg
1 C miniature marshmallows
1 C chocolate pieces
½ C nuts

Directions:

Pre-heat oven to 350 degrees and grease an 8 x 8" baking pan. Melt the butterscotch pieces and butter together. Cool to lukewarm. Mix the flour, salt, brown sugar, vanilla, baking powder and egg. Add the butterscotch pieces and butter mixture. Mix well. Fold in the miniature marshmallows, chocolate pieces and nuts. Spread the mixture evenly throughout the pan. Bake for 20-25 minutes. Cool and cut into squares. 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@stearnslectric.org or mail to: Stearns Electric, Cooking Corner, PO BOX 816, St. Joseph, MN 56374.



STEARNS ELECTRIC ASSOCIATION

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**PERIODICALS
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BOARD OF DIRECTORS

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

STAFF

• ROBIN DOEGE
• *Chief Executive Officer*
• VICKY HERKENHOFF
• *Vice President of Administration and Finance*
• MATT O'SHEA
• *Vice President of Engineering and Operations*
• CINDY ANDERSON
• *Manager of Finance*
• GLENN BLOMMEL
• *Manager of Operations*
• DARLA HONKOMP
• *Manager of Member Accounts*
• JAMES PACHAN
• *Manager of Engineering*
• RYAN ZIERDEN
• *Manager of IT*

CONTRACT EDITOR

• AMANDA GROETHE
• *Fuller Creative*

WORK
HERE
LIVE
HERE
SERVE
HERE



***Our employees don't just work here.
They call our community home.***

Stearns Electric Line Worker Wayne Senst makes our community a better place as a volunteer firefighter and ambulance driver with the Sauk Centre Fire Department. The department responds to about 110 emergency calls each year and Wayne helps manage those calls. Wayne also serves as the department's Safety and Training Officer.