



POWER CONNECTION

member driven. community focused. energy smart.

AUGUST 2020



SMALL CHANGE BIG IMPACT

OPERATION ROUND UP® PROGRAM ACHIEVES \$2.5 MILLION MILESTONE

Stearns Electric's Operation Round Up® Program achieved a major milestone in 2020 by awarding a grand total of over \$2.5 million in grants throughout Central Minnesota over the past 27 years.

Since the program's inception in 1993, Operation Round Up® (ORU) and Stearns Electric members have awarded \$2.55 million to 4,867 local non-profit organizations and community service programs.

Through the Operation Round Up® program, Stearns Electric Association gives its member-consumers the opportunity to give back to the community by rounding up their electric bill to the nearest dollar. The rounded-up funds, between

1¢ and 99¢ per month and no more than \$11.88 per year, per member, are placed in a trust fund that is administered by the Stearns Electric Association Trust Board. The Trust Board is appointed by the Cooperative's elected Board of Directors.

Trust Board Directors met on July 15 to review applications and funding requests. Forty-three organizations were selected to receive funds totaling between \$250 to \$2,000 in this round of contributions. A total of \$28,500 was awarded in July.

Operation Round Up® funds have been used to help youth and senior organizations, food shelves, community organizations,

scholarships, environmental projects, park and lake associations, health groups, emergency responders and more.

Visit stearnselectric.org for more information on the Stearns Electric Operation Round Up® Program, including a list of recipients from the July distribution meeting.

Trust Board Director Openings:

Applications for Trust Board Directors are now open in Districts 2, 5 and 9. Elected Trust Board Directors will serve a three-year term beginning in January 2021. If you are interested in serving on the Trust Board, please visit www.stearnselectric.org to fill out an application.

CEO'S MESSAGE

PANDEMIC UPDATES AND BATTERY STORAGE



Stearns Electric Association has been operating in a medium pandemic response since mid-March. We are entering our sixth month of operation in this pandemic. Most emergencies we respond to, like summer storms and ice storms, are much shorter in duration than our current pandemic.

These are unique times that have required a unique response from employees, management and the Board of Directors at Stearns Electric. There have been many "firsts" for the Cooperative during this pandemic. We had our first-ever virtual Annual Meeting business update. We conducted a drive-through cheese and butter event for members. And, our annual Member Appreciation Pancake Feed is now a Donut Dash drive-through.

A number of Stearns Electric employees continue to work remotely, outside of our office facilities. We have worked hard to limit potential employee exposure to COVID-19 by minimizing the number of persons in one fleet vehicle, staggering employee start and end times, and encouraging employees to work remotely when possible.

Now that August is upon us and as Minnesota continues to open up for business, here is an update on the Stearns Electric pandemic response:

- Visitors will be able to come into our offices by appointment only beginning August 17. Please see more information on page 5.
- A number of Stearns Electric office employees continue to work remotely.
- All individuals inside of the Stearns Electric facilities are required to wear face coverings. This includes employees who are not seated in their designated work space.
- The Cooperative has installed plexiglass in areas, such as our front desk, to prepare employees for a safer work environment before our facilities open up to the public for appointments.
- Most Stearns Electric meetings are conducted via web-based technologies. Limited in-person meetings are allowed with social distancing and sanitizing precautions.

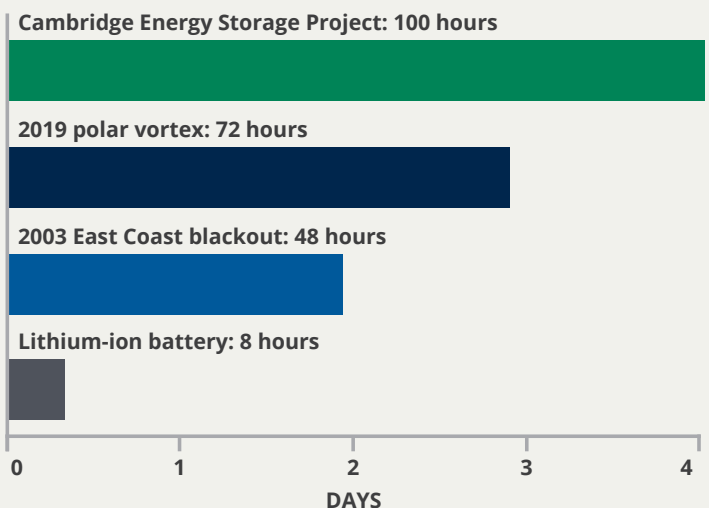
- The Cooperative has started in-person Board meetings using recommended social distancing, along with face coverings, during these meetings.
- Stearns Electric employees continue to practice social distancing, rigorous hand washing, and work area disinfecting.

Stearns Electric is part of the nation's critical infrastructure and adheres to strict operating guidelines during emergencies. It is our responsibility to continue to provide our members with reliable, safe electricity during this pandemic.

BATTERY STORAGE PROJECT

In May, I reported to you about the power supply changes with our power supplier, Great River Energy (GRE). GRE is transitioning to more renewable energy generation and Midcontinent Independent System Operator (MISO) market power purchases. GRE is also collaborating to develop low-cost, utility scale, long-duration battery storage. This 1-megawatt storage project, the Cambridge Energy Storage Project, will be located in Cambridge, Minnesota.

This battery will be capable of delivering power continuously for 150 hours, or six days. This long discharge cycle will provide adequate energy for a multi-day grid disruption, such as the polar vortex we experienced in 2019.





CHOOSE THE CHARGER THAT'S RIGHT FOR YOU!

7.7 kW Model

\$895 retail price -
\$800 rebate =
\$95 your cost

10 kW Model

\$965 retail -
\$800 rebate =
\$165 your cost

11.5 kW Model

\$1,129 retail -
\$800 rebate =
\$329 your cost

PURCHASING AN ELECTRIC VEHICLE CHARGER IS EASIER THAN EVER!

Are you in the market for an electric vehicle charger? For a limited time, save \$800* on the purchase of an EV charger for your home or business when you buy from our online store. We'll even help you set up the installation! Visit energywisemnstore.com to view options today.

1. Visit energywisemnstore.com and browse EV chargers.
2. Get an \$800 instant rebate when you purchase an EV charger from the online store.
3. Receive your EV charger, which will be shipped directly to you. Stearns Electric will also connect you with a certified installer to get your EV charger installed. Please note, you are responsible for the cost of the installation. Installation costs vary based on access/location to the EV charger installation point.

** This promotion is limited to the first 200 people who purchase from participating cooperatives throughout Minnesota.*

GRE has partnered with Form Energy of Somerville, Massachusetts for this project. Form Energy was founded in 2017 by industry veterans from Tesla, Aquion, and A123 Systems. This project utilizes Form Energy's proprietary aqueous air battery technology that is safe, inexpensive to build and operate, and utilizes abundant, local materials for battery construction. The energy storage project is expected to be operational by 2023.

The Cambridge Energy Storage Project is an important part of GRE's, and Stearns Electric's, commitment to affordable, renewable energy while continuing to provide you with a reliable supply of electricity.

Sincerely,

Robin C. Doege
Chief Executive Officer (CEO)

BOARD MEETING

The regular meeting of the Board of Directors of Stearns Electric Association was held on June 25, 2020 at 11:55 a.m. in the meeting room of the Cornerstone Restaurant in Melrose.

Manager of Finance Cindy Anderson reviewed the May 2020 financial and statistical information with the Board. Ms. Anderson noted that the COVID-19 pandemic has had some effect with decreased revenue from some larger commercial accounts as their electric usage showed a 5%-15% decline in electric usage in the month of May. The Cooperative intends to prepay \$2.7 million of its Federal Financing Bank debt penalty-free. This prepayment is estimated to save the Cooperative \$618,000 over the life of the loans. Following a comprehensive depreciation review, the Cooperative will expedite depreciation expenses related to security lights, street lights, meters, and underground conductors and devices.

VP of Administration and Finance Vicky Herkenhoff reported on the solid scores from the NRECA Market Research survey that provides the Co-op with a member satisfaction and American Customer Satisfaction Index (ASCI) score.

VP of Engineering and Operations Matt O'Shea gave an overview of year-to-date general plant capital spending, which is in-line with the budget. The 2020 Security and Street Light Replacement Contract, and 2020 Reject Pole and Overhead Line Replacement Contract, both with Skyline Utilities, were presented and approved.

The IT department reported on its annual identity theft report noting there were no identity theft attempts in 2019.

Attorney Scott Dymoke presented the annual review of the fiduciary responsibilities of board members.

The directors were introduced to the idea of participating in a board peer evaluation led by GRE. The benefit of peer evaluation is improved board performance through an analysis of its strengths and weaknesses. Board President Randy Rothstein spoke of the importance of board self-evaluation, especially when directors are not subject to term limits.

Next Board Meeting:
September 24, 2020

THE BENEFITS OF CHOOSING AN ELECTRIC WATER HEATER



As expected, most people don't think much about water heaters and take for granted that they make it possible to have hot showers, clean dishes and fresh laundry. The lonely water heater, tucked away in the basement or a utility closet, is out of sight and out of mind.

There are times, however, when your attention turns to the most essential of appliances: when an existing water heater breaks, or when building or renovating a home. At those times, as a homeowner, you make a decision that has consequences that span a decade or two, maybe longer. Your water-heating choice will have implications for energy efficiency, cost of use, the environment, safety and reliability. As a trusted energy advisor, Stearns Electric Association can help you make the right decision. If you haven't yet, consider an electric water heater for your next water heating purchase.

Electric water heaters are safe. There is no threat of carbon monoxide poisoning, combustion or explosion. Electric water heaters are also easy to install, requiring no expensive gas lines, exhaust flue or on-site fuel tanks. If you are looking to make the switch and convert from a gas to electric water heater, we recommend using a licensed electrician to extend the electrical circuit and install the radio receiver, as well as a licensed plumber to perform the removal and installation of the water heater.



In addition, electric water heaters are emerging as a building block of the future electric grid. These formerly mundane units are evolving into smart appliances and energy storage units that are helping the power grid become more stable and more efficient. By heating water when demand for electricity is low and storing the thermal energy for later use, electric water heaters can save you money. This is how electric water heaters are used when enrolled on the EnergyWise Stored Water Program or Peak Shave Program.

STORED WATER HEATING

The Stored Water Heating Program conserves energy by heating water during off-peak hours when electric costs are their lowest. Your water heater will heat overnight and then distribute hot water throughout the day. October through April, water heaters will heat from 10 p.m. to 6 a.m. and in May through September, water heaters heat from 10 p.m. to 9 a.m. Participating members receive a \$7.50 credit on their electric bill each month.

PEAK SHAVE WATER HEATING

The Peak Shave Program is designed to reduce demand on the electrical system on days of high demand and peak pricing (typically the hottest days of the summer or coldest days of the winter) or in the case of a system emergency. Water heaters enrolled on this program are only controlled for up to 8 hours on peak days and members receive a \$5 credit per month.

Members can save even more when they sign up for the EnergyWise Dual Fuel program, in addition to a water heating program. Instead of a monthly credit, members enrolled in both programs are eligible to receive energy for water heating at the EnergyWise rate.

LEARN MORE

The Cooperative offers a variety of rebates for members when they enroll in any of the EnergyWise Programs. If you have questions about water heater options or other energy efficiency needs, give us a call during regular business hours at (800) 962-0655 or visit www.stearnslectric.org. We're here to be your trusted energy source.

MEMBER NOTICE

OFFICES OPEN TO MEMBERS BY APPOINTMENT ONLY

Effective Monday, August 17, 2020, Stearns Electric offices, including the Melrose Headquarters and St. Joseph Branch Office, will be open to members by appointment only. Both offices will remain closed to walk-in traffic.

Members and guests should call Stearns Electric at (800) 962-0655 to make an appointment during regular office hours, Monday through Friday, 7:30 a.m. – 4 p.m. As the Cooperative still has employees working remotely, members should schedule an appointment at least 24 hours in advance to ensure that we are staffed appropriately to fit your needs.

Although we are opening our offices for appointments, we are encouraging members to limit in-person appointments for necessary items that cannot be handled over the phone. In order to ensure the safety of our members and employees, please continue to reach out by phone and use the dropbox at either office whenever possible. Stearns Electric employees can be contacted to answer questions or assist you via phone during regular business hours at (800) 962-0655.

Members are also encouraged to continue using alternative methods of paying their bill, including using the dropbox at each office or paying electronically via SmartHub, by phone via SecurePay or by mail.

Review our full list of office appointment protocols online at www.stearnslectric.org.

ENERGY EFFICIENCY TIP OF THE MONTH

EASY INSTALL, EASY SAVINGS

Installing a smart power strip is a quick and easy way to start saving money while making your home more energy efficient. Smart power strips can actually cut power off to save energy since they are able to detect when a device is in standby mode.

ELECTRICAL SAFETY CHECKUP

GIVE APPLIANCES PROPER SPACE FOR AIR CIRCULATION

Without proper air circulation, electrical equipment can overheat and short out, and can become an electrical fire hazard. Make sure your appliances have proper air circulation, and avoid running electrical equipment in enclosed cabinets.

MEMBER APPRECIATION

DONUT dash

Our Member Appreciation Donut Dash was held on August 15 at the Freeport Community Center. Make sure to check our September edition for a recap and photos from the event! Thank you to everyone who was able to join us this year.



LIKE US ON FACEBOOK

www.facebook.com/stearnslectric

LOOKUP AND LIVE

Harvest season is right around the corner as tractors, combines and tillage machinery come out of the barn and get ready to do their work. We at Stearns Electric want to remind the community to look up and look out for power lines.

"We know during harvest everyone is busy bringing in produce and grain," said Matt O'Shea, Vice President of Engineering and Operations. "But we want you to be aware of your surroundings and remember to look up. Those power lines are energized, bringing electricity to your farm, family and business. If you do come in contact with a power line, stay in your vehicle or machinery and call 911 right away."

STAY SAFE THIS HARVEST SEASON BY FOLLOWING THESE TIPS:

- Physical contact with a power line is extremely hazardous and may cause a lethal shock. Equipment should not be operated under a power line in a manner that would cause contact or near-contact with the wires.
- Keep equipment, antennas and people at least 15 feet from power lines at all times, in all directions.
- Inspect the height of farm equipment to determine clearance.
- Always set extensions to the lowest setting when moving loads to prevent contact with overhead power lines.
- Equipment that can be extended, such as a stack mower or grain elevator, requires the utmost care when near a power line. Look up and use care when moving any equipment, such as extending augers or raising the bed of grain trucks, around power lines.
- Grain augers should always be positioned horizontally before being moved.
- Never attempt to move a power line out of the way or raise it for clearance.
- Always use a spotter when operating large machinery near power lines.
- If a power line is sagging or low, contact Stearns Electric Association.

FOR EVERYONE YOU LOVE COME HOME SAFE TONIGHT



The illustration shows a green field with rolling hills under a blue sky. Several power lines with wooden poles stretch across the scene. On the left, a combine harvester is near a red warning triangle icon. In the center, a tractor is being driven by a person, with a spotter standing nearby. To the right, a person stands with their back to the viewer, looking at a power line, with a double-headed arrow and the text 'STAY AWAY' above them. Further right, a tractor is near another red warning triangle icon.

**REMEMBER:
LOOK UP AND LIVE**
Almost half of all power line contacts involve large equipment. Always be aware of your surroundings, such as overhead wires.

**PLAN YOUR
WORK IN ADVANCE**
Take time to note the location of all power lines in and around your worksite. Always use a spotter on the ground to warn you of any dangers when moving equipment.

**KEEP A
SAFE DISTANCE**
If you see a downed power line, stay away and report the downed line immediately by calling (800) 962-0655 or 911.

**STAY PUT
AND SURVIVE**
If you contact a power line, DO NOT get out of your vehicle. Immediately call (800) 962-0655 or 911. Tell bystanders to stay away.

NEWS

OFFICES CLOSED FOR LABOR DAY

The Stearns Electric offices will be closed on Monday, September 7 in honor of Labor Day. If you experience an outage during the holiday, please call us at (800) 962-0655 or report your outage on SmartHub. Line crews are on call 24/7, ready to respond to any emergency situation.

UNCLAIMED CAPITAL CREDITS

Stearns Electric Association has funds that were returned by the Post Office as undeliverable. We need your help in locating these former members. A searchable list is available on our website, www.stearnselectric.org. Any information you can give the Cooperative regarding the location of these members would be greatly appreciated.

SAFETY CONTINUED...



IF YOU DO COME IN CONTACT WITH A POWER LINE:

- Call 911 as soon as possible and keep the area clear until help arrives.
- If you can do so without risking your machinery or damaging utility infrastructure, drive at least 40 feet away.
- If you cannot drive away, be sure to stay in your cab or on your equipment and keep others away from the area until line crews de-energize the power line. The only exception to this is if your vehicle starts on fire.
- If the vehicle is on fire then you must get to safety. Exit your equipment by crossing your arms over your chest and jumping clear so that no part of your body touches the equipment and ground at the same time. Land with your feet together and shuffle to safety to avoid electric shock by breaking the current's path.



COOKING CORNER

ANDALUSIAN GAZPACHO

Submitted by: Elizabeth Forsythe

Ingredients:

2 cucumbers
5 tomatoes
2 green peppers
1 red onion
2 cloves garlic

5 celery stalks
2 Tbsp fresh chives
2 Tbsp fresh parsley
2 C V8 Juice
1 C Water
10.5 oz can beef
consommé

2 tsp salt
½ tsp sugar
3 dashes Worcestershire
sauce
1 Tbsp lemon juice
¼ C red wine vinegar
¼ C vegetable oil

Directions:

Peel and seed the cucumbers. Seed the tomatoes and peppers. Cut all of the vegetables into pieces that can be chopped in a food processor. Process the vegetables in a food processor until smooth and creamy, but still with some texture. Mix together all remaining ingredients and add to the vegetables, mixing well. Refrigerate the mixture for at least 24 hours. Stir lightly to combine ingredients before serving. 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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PERIODICALS
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CONTRACT DESIGNER

AMANDA GROETHE

Fuller Creative

WORK
HERE
LIVE
HERE
SERVE
HERE



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

Stearns Electric Facilities and Grounds Custodian Justin Spanier makes our community a better place by volunteering as an instructor with the local Future Farmers of America (FFA) chapter to teach students about agriculture and the hard work and dedication invested into producing high quality food. He's also an advocate for the FFA program and raises funding for student projects. In addition, Justin is also a volunteer firefighter who responds to about 75 calls per year.