



POWER CONNECTION

member driven. community focused. energy smart.

JANUARY 2021

2020 RECAP: A YEAR LIKE NO OTHER



Over the last year, COVID-19 did not stop the Cooperative from serving our members. We achieved tremendous accomplishments in the midst of a global pandemic.

RELIABILITY

Safely delivering reliable electric service to our members continues to be our top priority. In 2020, Stearns Electric completed its four-year Right-of-Way vegetation management cycle. We also made several enhancements to our 33 substations and replaced 40 miles of overhead and underground lines.

TECHNOLOGY

We completed several technology goals in 2020 in order to successfully transition employees to work from home. These include the deployment of Virtual Private Network (VPN) and Multifactor Authentication (MFA) software to employee computers to establish a secure, encrypted connection, and Zoom video-

conferencing for connecting with others virtually.

We upgraded our service order processing from a paper-based process to an electronic work management system, which allows us to be efficient in allocating Co-op resources and managing employee workloads.

MEMBER ENGAGEMENT

Since we could not safely meet in person, we modified our 2020 events as best as we could. Unfortunately, we had to cancel our in-person Annual Meeting. We live-streamed the election results and created a virtual update instead.

Our successful drive-through Donut Dash took the place of our annual Pancake Feed. Nearly 700 vehicles drove through our event to receive donuts, milk and school supplies.

We worked closely with members to

help them manage their account 24/7 through the use of their computer, smart phone or tablet. More members are using SmartHub to make payments and view energy usage.

EMPLOYEE RESPONSE

In March, nearly half of our employees transitioned to working from home. A number of office employees continue to work remotely. Most meetings are conducted virtually, and employees continue to wear masks in public spaces and practice social distancing. In addition, all board meetings are conducted virtually.

Our offices remain closed to walk-in traffic, but are open for appointments.

We look forward to continuing to serve you, our members, by safely providing reliable electric service, beneficial energy solutions and a positive member experience throughout the New Year.

CEO'S MESSAGE

2021 UPDATES

A LOOK AT THE NEW YEAR



MEMBER SURVEY SCORES HIGH

At Stearns Electric Association, our mission is to safely provide competitively priced and reliable electric service, beneficial energy solutions, and a positive member experience. We work daily to exceed member expectations by providing superior member service and offering programs that help you save time and money.

In order to help us gauge our success at providing a positive member experience to our member-consumers, we conduct an annual member satisfaction survey through the National Rural Electric Cooperative Association (NRECA).

Throughout 2020, over 600 Stearns Electric Association members participated in this member satisfaction survey. Members were randomly selected to receive a survey, which was completed either by phone or online.

Members evaluated the Cooperative in the areas of responsiveness, listening, understanding, service and overall Cooperative experience. Overall member satisfaction for Stearns Electric Association is very high, with 95.2% of members rating their overall Cooperative experience as either satisfied or very satisfied.

Additionally, 92.4% of those surveyed stated that Stearns Electric meets or exceeds their expectations. Although we are pleased with these scores, we plan to continue working hard on behalf of our members and we are constantly looking for ways to improve our overall member experience.

During the survey, members also have time to provide comments on their experience with the Cooperative. In 2020, two topics came up, which I'd like to address this month: our Right-of-Way Vegetation Management program and the Fixed Charge on our electric bill.

RIGHT-OF-WAY

In 2017, Stearns Electric began an aggressive four-year Right-of-Way (ROW) vegetation management program. This project was planned out and budgeted over the last four years to improve electrical service reliability and assure our Cooperative's Right-of-Ways were safe for the public and Stearns Electric employees.

In 2020, we completed our four-year project with much success. In 2016, before our ROW project began, nearly 25% of the Cooperative's power outages were caused by trees. Since then, we have seen a decrease in tree-related outages for Stearns Electric members. We will publish a comprehensive analysis of the ROW program in Power Connection later this year.

Our first four-year ROW clearing cycle is complete, but the work continues into 2021 and beyond. This requires continued inspection and vegetation clearing in our ROW areas. We are excited to announce the hiring of an arborist to our Cooperative team who will oversee this effort. Erica Joelson has worked with us as an outside contractor over the past four years and will continue leading our ROW program as a Stearns Electric employee in 2021.

Throughout 2021 you can learn more about our ROW program through an infographic series on page 7 of the newsletter.

FIXED CHARGE

Our member survey results also indicated that some members have questions regarding the Stearns Electric Fixed Charge on their electric bill.

The Fixed Charge, which is \$24.75 per month for Stearns Electric Association accounts, is designed to recover the basic cost of electric service, independent of how much energy is used per member. It accounts for Stearns Electric's investment in equipment like power poles, wires and transformers, as well as labor to safely provide members with reliable electric service.

It also supports fleet, facility and customer service functions, such as line maintenance, Right-of-Way clearing, member service support and administrative responsibilities.

If you only use one kWh of electricity and your neighbor uses 1,000 kWh, Stearns Electric still incurs the same cost to build the line, maintain the distribution system and deliver electricity to both of you.

No matter how much or how little energy you use each month, certain costs must be recovered. Our goal is to recover those costs as fairly as possible, which is why we have a monthly Fixed Charge.

Sincerely,

A handwritten signature in black ink, appearing to read "Robin Doege". The signature is fluid and cursive.

Robin C. Doege
Chief Executive Officer (CEO)

ENERGYWISE

2021 RESIDENTIAL REBATES AVAILABLE NOW

Stearns Electric Association offers a wide range of EnergyWise® programs and smart technologies to our member-consumers to help manage electricity and ensure reliability. We provide a number of rebates and incentives to save you even more when making energy efficient changes in your home.

ENERGYWISE® REBATES

QUALITY INSTALL AIR SOURCE HEAT PUMP

SEER 14.5	\$550
SEER 15	\$650
SEER 16	\$700

POOL HEATING

Pool ASHP	\$400
Pool Pump VSD	\$200

GROUND SOURCE HEAT PUMP

\$150 / ton (10-ton max.)

NEW DUAL FUEL REBATE

\$200 (9 kW min.)

THERMAL STORAGE

SPACE HEATING

\$50 per kW (5 kW min.)

ECM MOTOR

\$25

ELECTRIC VEHICLE CHARGER

\$500

NEW MARATHON WATER HEATER

(purchased from Stearns Electric)

\$300 on Stored Water or Peak Shave Programs (85 gal. or 100 gal.)

\$100 on Peak Shave Program (50 gal.)

ELECTRIC WATER HEATER

(Contractor/Member Supplied)

\$100 on Stored Water Program or Peak Shave Program

HEAT PUMP WATER HEATER

\$300 (contractor/member supplied)

ENERGYSTAR® REBATES

DUCTLESS ASHP

\$300

REFRIGERATOR

(with recycling of old unit)

\$50

FREEZER

(with recycling of old unit)

\$50

DEHUMIDIFIER

\$25

LED YARD LIGHT

\$30

In order to receive the EnergyWise® rebates, members must enroll in the associated program, if applicable. For complete details on these rebates contact Stearns Electric Association at (800) 962-0655 or visit www.stearnselectric.org.

COMMERCIAL, INDUSTRIAL & AGRICULTURAL (CI&A) REBATES AVAILABLE TO MEMBERS

Stearns Electric also offers rebates and programs to our CI&A members. Rebates are available for robotic milking; ag irrigation variable frequency drives; livestock waterers; ag ventilation; commercial LED lighting; electric forklifts; heat pumps; variable frequency drives; and more.

The Cooperative also manages a United States Department of Agriculture (USDA) economic development loan program that is used to help fund businesses and community projects throughout our area. These loan funds have been utilized by private businesses, cities, health care systems and churches. Contact our Business Development Representative during regular business hours at (800) 962-0655 for more information.

BOARD MEETING

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on November 24, 2020 at 1:00 p.m. via Zoom.

Manager of Finance Cindy Anderson reviewed the October 2020 financial and statistical information. Ms. Anderson reported strong year-to-date gross margins compared to budget due primarily to a lower power cost rate and higher sales volume.

Stearns Electric received a GRE refund on our power bill. This refund was provided by GRE to help offset increased costs associated with COVID-19 (potential increase in bad debt write offs, late payment fees waived, delayed payment arrangements, etc.)

Discussion took place regarding the balance between margins, the equity management plan and Capital Credit payouts.

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

The proposed 2021 budget was presented to the directors. Commentary was provided by the Cooperative staff and many clarifying questions were asked throughout the presentation.

The Member Service report provided information about the upcoming Capital Credits payout, ACH promotion and energy assistance availability. The Business Development overview included programming updates and rebate information.

VP of Engineering and Operations Matt O'Shea provided an overview of the recent areas of focus for his division including Construction Work Plan projects, inspections and maintenance.

The Engineering report outlined the installation of the new St. Augusta 10 MVA transformer and moving the existing transformer to the Little Sauk substation.

NEXT BOARD MEETING

February 25, 2021



BIO GIRLS WINS LOCAL TOUCHSTONE ENERGY COMMUNITY AWARD

After being selected from 207 Operation Round Up® applications in 2020, BIO Girls – Glenwood, Long Prairie, Sartell and Sauk Centre – received the 2020 Stearns Electric Touchstone Energy Community Award.

BIO Girls aims to improve the self-esteem of adolescent girls, ages 7-12, through the empowerment of self and service to others. Founded in Fargo, North Dakota in 2013 with one site, BIO Girls, 'Beautiful Inside and Out', now has over 50 sites in five states. This includes program sites within our service territory in the communities of Glenwood, Sartell, Long Prairie and Sauk Centre.

The 12-week BIO Girls program focuses on four pillars: mentorship, structured curriculum, physical activity and community service. Participants learn the importance of healthy relationships, kindness, self-care and leadership, among other topics. Every site concludes its programming with a 5K run that participants organize and complete themselves.

"Through independent research, BIO Girls participants have shown a significant increase in overall quality of life, self-esteem, emotional and physical well-being, and home and school life," Betsy Stadick, BIO Girls program operations manager, said. "Positive self-esteem is proven to contribute to better health, positive social behavior and decisions as a predictor of academic success, and is tied to job satisfaction in adulthood."

COMMUNITY DRIVEN

Although BIO Girls has a few staff members, programming is truly volunteer-driven.

"We have five staff members at BIO Girls, but over 600 volunteers," Stadick explained. "We need leaders for every BIO Girls site, and every program has at least 10 additional mentors. We also have junior mentors, board members and planning committees, as well as volunteers who coordinate annual fundraising events."

"Most of our volunteers have the same mantra: 'I wish we had BIO Girls when I was a kid,'" Stadick

continued. "Our volunteers get just as much out of the program as the girls do."

BIO Girls is always looking for volunteer program leaders and mentors. Interested volunteers should visit www.biogirls.org/get-involved to learn more.

COVID-19

Like every individual, business, organization and program, BIO Girls has faced unforeseeable challenges throughout the ongoing COVID-19 pandemic.

"In the best of times, BIO Girls curriculum is critical to the mental health and development of adolescent girls in all communities. In the time of the COVID-19 pandemic, mental health impacts in our communities are much more acute," Stadick said. "BIO Girls programming is essential to continue to deliver to the girls we serve."

And serve they did. When Minnesota first implemented its "Stay at Home Order" in March, BIO Girls programs throughout the state were

in a variety of phases. Many were mid-season, meaning the sites had completed some programming in-person but had to transition to virtual lessons instead. Other BIO Girls sites were able to postpone their seasons for later in the year and were able to creatively meet outside and host 'fun runs' instead of organized 5Ks.

Adjustments continue into 2021.

"We want to execute in the ways we always have, even in the midst of a pandemic," Stadick said. "Next year, in addition to our traditional larger group programming, we are also offering 'Squads,' which are smaller groups of 10 girls that meet once per week."

"We are especially grateful in this time of uncertainty that BIO Girls was one of the few youth activities that was able to modify programming and carry on during the pandemic," Stadick explained.

TOUCHSTONE ENERGY COMMUNITY AWARD:

Every year, the Minnesota Touchstone Energy Community Award recognizes businesses, non-profit organizations and community groups that have shown a strong commitment to their communities. Stearns Electric Association uses its Operation Round Up® (ORU) program to select a local organization as its local Touchstone Energy Community Award Winner.



This year's recipient is BIO Girls – Glenwood, Sartell, Long Prairie, Sauk Centre.

"In Central Minnesota, we are grateful to have many groups that are willing to donate time and effort to better our community," Whitney Ditlevson, ORU coordinator, said. "We are pleased that we have this opportunity to recognize individuals and organizations like BIO Girls that impact our community in a positive way."

"We strive to keep the cost of our programming down for girls and families. Programs like Stearns Electric's Operation Round Up allow us to cover the registration and program cost for each participant," Stadick explained. "Partnering with local organizations, such as Operation Round Up, adds credibility and community connection to our cause. Dollars allow our program to happen, but sponsorships make all the difference."

As part of the award, BIO Girls earns a \$500 prize and plaque and is automatically entered into the statewide competition, along with other cooperative winners. The statewide winner is selected in conjunction with the Minnesota Rural Electric Association's annual meeting in March. The statewide winner receives an additional \$1,000.



ENERGY EFFICIENCY TIP OF THE MONTH

REPLACE OLD POWER STRIPS

Replace standard power strips with advanced power strips to save energy. Advanced power strips have built-in features that are designed to reduce the amount of energy used by standby electronics that consume energy even when they're not in use (also known as phantom load).

ELECTRICAL SAFETY CHECKUP



USE THE CORRECT WATTAGE

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.



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www.facebook.com/stearnsselectric

MEMBER NOTICE



START PLANNING NOW FOR THE NEW YEAR

Does your list of New Year's resolutions include a project that might require new electrical service or changes to existing service? If so, let us know!

It's common for the Cooperative to receive many requests for service projects in the late fall and early spring. However, projects requiring electric lines to be built, rebuilt or moved aren't as simple as they may seem and sometimes require a more complex process.

We strongly encourage anyone thinking about projects that might require new or modified electrical service to contact the Cooperative and begin the planning process as early as possible.

For questions, please contact the Cooperative during regular business hours at (800) 962-0655.

COMMITTED TO OUR FUTURE

SCHOLARSHIPS AVAILABLE

The Northern Co-op Foundation provides financial assistance and promotes education in the cooperative field. Scholarship applications are now available!

These scholarships are available to individuals from Minnesota, Wisconsin, North Dakota and South Dakota who are seniors in, or a graduate of, high school who may have interest in future employment with a cooperative organization.

Applicants must be a member of a cooperative, will be enrolled full-time at an institution of higher learning, and will take courses in business or economics which studies the principles of cooperatives. If such courses are not offered, the applicant must submit a letter agreeing to take such a course at another institution.

Applications are available at www.stearnselectric.org or by calling our office at (800) 962-0655. Those interested in applying must submit their application and three letters of reference (including one from your local cooperative) by February 1, 2021. For more information, contact Stearns Electric during regular business hours at (800) 962-0655.



NEWS

CASH YOUR CAPITAL CREDIT CHECKS

If you purchased electricity from Stearns Electric in 1981-1985; 1999-2000; and/or 2015-2019, you may have received a Capital Credit check in December. We would like to remind you, if you haven't already, to cash that check.

Capital Credit payments are quantifiable proof that as a member-consumer of Stearns Electric, you are an owner of a successful, effective organization. To date, we have distributed more than \$35 million in Capital Credits back to our members.

ANNUAL MEETING

Save the date! The Stearns Electric Association Annual Meeting is Thursday, April 8, 2021 at 7 p.m. More details will be announced in future editions of the Power Connection.

VEGETATION MANAGEMENT 101

There are many ways that Stearns Electric Association safely provides you with consistent, reliable electric service. One of the most common – and crucial – ways is referred to as vegetation management or Right-of-Way clearing.

BRUSH CLEARING

Vegetation that is less than 4 inches in diameter is considered brush. Uncontrolled brush can impede access to utility structures which can delay restoration during a power outage. It can also be a hazard for Stearns Electric line crews.

3 COMMON TYPES OF BRUSH CLEARING:

CUTTING



Small areas of brush are often cut by hand because it's most affordable and convenient.

MOWING



Large areas of brush are cleared by a mower for efficiency.

SPRAYING



Low volume herbicide is used to control fast growing species while allowing grasses to thrive.

BRUSH CLEARING // TRIMMING // TOPPING // REMOVAL

Vegetation type, location, growth factors, property aesthetics and more are considered when determining corrective action for Right-of-Way concerns.

COOKING CORNER

TOMATO PIE

Submitted by: Elizabeth Forsythe
Stearns Electric Member



Ingredients:

- 1 9-inch deep dish pie crust
- 4 large tomatoes, peeled and sliced
- ½ C chopped fresh basil
- 3 medium green onions, thinly sliced
- ½ lb. bacon – cooked, drained, chopped
- ½ tsp garlic powder
- 1 tsp dried oregano
- ½ tsp crushed red pepper
- 2 C shredded cheddar cheese
- ¼ C mayonnaise

Directions:

Preheat oven to 375 degrees. In alternating layers, fill deep dish pie crust with tomatoes, basil, onion, bacon, garlic powder, oregano and red pepper. In a small bowl, mix cheese with mayonnaise. Spread mixture over top of pie. Cover loosely with aluminum foil. Bake in preheated oven for 30 minutes. Remove foil from top of pie and bake an additional 30 minutes. Serve warm or cold. 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

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

(800) 962-0655

www.stearnsselectric.org

PERIODICALS
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ENERGY EDUCATION: LEAVING A MEANINGFUL IMPACT



We present our Energy Education and electrical safety presentations to 1,800 students annually throughout Central Minnesota. Teaching the next generation about the importance of safety around electrical equipment early on establishes good safety habits.