

POWER CONNECTION

member driven. community focused. energy smart.

JULY 2021



YOU'RE INVITED TO A DONUT DASH!

SATURDAY, AUGUST 14 | 9-11 A.M. | FREEPORT COMMUNITY CENTER

Drive-through our award-winning member appreciation event to enjoy donuts, milk and school supplies!

WE WANT TO THANK YOU!

Every year, our member appreciation event is our chance to thank you and express our appreciation for your patronage throughout the year. We enjoy meeting our memberconsumers who support us and play a role in directing the future of this Cooperative.

Before the mask mandate and indoor capacity restrictions changed earlier this summer, we had to decide whether to host our traditional Pancake Feed or repeat Donut Dash this year. After careful consideration

at the time, we made the decision to bring back Donut Dash in 2021.

DONUTS, MILK AND SCHOOL SUPPLIES

Although we won't gather together in the same space to enjoy pancakes, our drive-through event will provide a sweet treat for those who attend. Load up your family for a mini-road trip adventure!

Members who join us from 9-11 a.m. at the Freeport Community Center will receive a 6-pack of donuts from one of several local bakeries and milk from Stony Creek Dairy. First come, first served while supplies last. Additionally, we will again offer a school supply giveaway for children

between the ages of 2 and 18*. And, since we ran out of school supplies so quickly last year, we increased the number of school supply bags this year!

You can find complete details on our website. You "DONUT" want to miss this - we hope to see you there!

*Children must be present at the event in order to receive a bag of school supplies. Offer will be available while supplies last.



LOCAL BAKERIES

Albany Home Bakery Belgrade Bakery Cold Spring Bakery Little Falls Bakery and Deli

CEO'S MESSAGE

MINNESOTA PASSES ECO ACT



A bill led by electric cooperatives to modernize and expand the state's energy conservation program for utilities was signed into law by Minnesota Governor Tim Walz on May 17, 2021. This bill is great news for electric consumers across Minnesota, including our members at Stearns Electric Association.

Receiving strong bipartisan support from both the House and Senate, the Energy Conservation and Optimization (ECO) Act updates and expands Minnesota's Conservation Improvement Program (CIP). I especially want to thank our local constituents Aric Putnum, Torrey Westrom and Dan Wolgamott for the support of this bill as it made its way through the Minnesota Legislature.

When it was created, CIP established energy-saving requirements for all Minnesota utilities - including electric cooperatives like Stearns Electric - to realize annual energy savings equal to at least 1.5% of annual electricity sales, and to spend at least 1.5% of their gross operating revenues on programs to achieve this goal.

These energy savings are typically achieved when member-consumers make energy-efficiency improvements in their homes and businesses, such as installing LED lighting, purchasing ENERGY STAR® appliances, and enrolling in utility load control programs to help manage peak energy demand.

Since CIP was adopted in 2007, the landscape of the utility industry has changed dramatically, primarily in the number of renewable energy resources that have been added to

the electric grid (i.e., solar and wind generation). Therefore, CIP became outdated and needed to be reformed.

To make CIP more relevant today, a variety of stakeholders, including Minnesota's electric cooperatives and other industry partners, introduced the ECO Act. The goal of the bill was to help incentivize industry technologies and consumer behaviors that lead to greater energy efficiency while also reducing emissions economy-wide.

One main component of the ECO Act emphasizes total energy efficiency across several areas rather than focusing solely on reducing overall electricity use. As part of the reform, efficient fuel switching improvements allow cooperatives to offer programs that substitute electricity for a consumer's current fuel when those programs achieve a trifecta of (1) reducing the overall amount of energy; (2) reducing greenhouse gas emissions; and (3) reducing consumer costs.

In other words, electric utility providers can now count certain efficiency programs toward their required savings goals, even if overall electricity use is not reduced. This will allow Stearns Electric to achieve the 1.5% reduction standard through additional programs that promote electrification technologies such as electric vehicles, electric storage water heaters and air source heat pumps.

According to the bill, a fuel-switching measure is efficient if it:

- Results in a net reduction in source energy on a fuel neutral basis
- Reduces greenhouse gas

- emissions
- Is cost-effective to the utility, participant and society
- Is installed and operated in a manner that improves system load factor

"I am proud to sign this important energy legislation into Minnesota law," Governor Walz said in a press release. "We know that investing in energy conservation and beneficial fuel switching means that Minnesota's homes and businesses run more efficiently and have a lower impact on our environment. The ECO Act will help Minnesota families and small businesses save money, create goodpaying jobs, and, most importantly, protect Minnesota's environment for generations to come."

Overall, these updates will not only benefit the environment by reducing greenhouse gas emissions, but also foster a more resilient power grid.

"Not only will the ECO Act benefit consumers' pocketbooks while contributing to Minnesota's conservation goals, but it also will increase and expand workforce opportunities all over the state," said Darrick Moe, President and CEO of the Minnesota Rural Electric Association, which represents electric cooperatives. "This is a win-win-win for consumers, energy providers and all sectors of Minnesota."

Sincerely,

Robin C. Doege Chief Executive Officer (CEO)

BOARD MEETING

AIR SOURCE HEAT PUMP PROMOTION EXTENDED THROUGH AUGUST!

Members can earn up to \$2,000 in rebates until August 31, 2021, when they install a qualifying, energy-saving air source heat pump (ASHP) and enroll on our EnergyWise® Dual Fuel and Cycled Air Conditioning programs for the first time. Members receive even more rebate dollars based on the ASHP's heating seasonal performance factor (HSPF) and whether or not they also have an electric resistive heat source.

Promotions are also available for ductless ASHPs with a HSPF of 9.0 or higher!

DUCTED UNITS						
	Rebate w/ Electric Heat (9kW min.)	Rebate w/ Delivered Fuels				
8.2 – 8.9 HSPF	\$1,000	\$800				
≥ 9.0 HSPF	\$2,000	\$1,600				
DUCTLESS/MINI SPLIT UNITS						
Min. ≥ 9.0 HSPF	\$750	\$450				

CALL (800) 962-0655 TO LEARN MORE!

Visit www.stearnselectric.org or call our Energy Services department at (800) 962-0655 during regular business hours for more information.

MEMBER TESTIMONIAL

"We don't have duct work in our house, so we installed an air source heat pump this past summer for the air conditioning attributes. The ASHP eliminated the loud and energy draining window units we had in various rooms of our house - it's so quiet we often never know it's on.

It's very efficient as shown on our Stearns Electric bill, and provides evenly consistent temperature control with barely a whisper of sound. We mainly use the heat pump for summer cooling, but it's terrific in the winter at "taking the edge off" of a cold house if we arrive home outside of our normal programmed thermostat timing."

Colleen Peters, Stearns Electric member

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on May 27, 2021 at 1:08 p.m. at the St. Joseph office of Stearns Electric Association.

Manager of Finance Cindy Anderson reviewed the April 2021 financial statement. Year-to-date gross margin was again below budget due to a nearly three percent decrease in kWh sold.

VP of Engineering and Operations Matt O'Shea explained the process of the Crow Lake transformer replacement and how it was energized as planned. An update on any ongoing material backorders was also provided.

Manager of IT Ryan Zierden provided a report on work with GRE on the Demand Response Unit testing and the process of upgrading to Office 365. Mr. Zierden also provided a focused discussion presentation on the Cooperative's disaster recovery function. Directors asked questions about potential disaster situations.

Attorney Scott Dymoke reported on the current state of SEA Development, LLC. Newly elected District 3 Director, Michael Cramer, will replace Dick Nathe as a governor. CEO Robin Doege spoke to the Board of Directors about an offer received to purchase the remaining acreage of SEA Development, LLC. The Board affirmed their support for CEO Doege to move ahead with negotiations in the potential sale of the property.

Director Greg Blaine brought up a member concern about the potential for terminating the Cooperative's current off-peak programs. The member was assured that off-peak programs are the first line of defense to control rates for our members and that this was not true.

NEXT BOARD MEETING

August 26, 2021

RIGHT-OF-WAY RESULTS

TRIMMING **TOMORROW'S PROBLEMS**

FOUR-YEAR TREE TRIMMING PROJECT **CONCLUDES; NEXT** PHASE COMMENCES

In 2016, Stearns Electric Association began an aggressive vegetation management project. After four years of hard work, the results are in: tree-related outages across the Cooperative's service territory reduced by over 60%.

When put together, trees and power lines mix about as well as oil and water. Trees cannot only cause downed power lines in storms, endangering the lives of people who live, work and play nearby, but also grow into power lines, causing outages for members, impacting electrical distribution system reliability, and posing safety threats to linemen.

In 2016, tree-related outages were steadily rising throughout Stearns Electric's service territory and the



Cooperative realized it needed to act quickly to clean up the trees and brush growing into, or too close to, power lines.

Stearns Electric hired ACRT, an independent utility vegetation management company, to assess the Cooperative's Right-of-Way (ROW). ROW refers to a strip of land underneath or around power lines that electric utilities have the right and responsibility to keep clear. ACRT used mathematical algorithms to analyze over 2,600 miles of Cooperative power line and created a detailed four-year rotation plan to clear ROW throughout Stearns Electric's service territory.

Although clearing Right-of-Way has always been important to the

Cooperative, finding time for line crews to clear the trees and brush growing into thousands of miles of power line is nearly impossible.

After the results of the study were reviewed, Stearns Electric once again hired ACRT to work with Carr's Tree Service in 2017 to implement the fouryear ROW management plan. Since then, the Cooperative has invested over eight million dollars and will clear over 2,680 miles of ROW in the first rotation.

"Unfortunately, the initial four-year rotation has not been completed just yet as the number of problem trees was significantly higher than the original estimate. However, by August, crews will begin working on the second rotation," Erica Hippen, Stearns Electric's Arborist, explained.

IMPACT OF ROW CLEARING OVER FOUR-YEAR CYCLE AS OF JANUARY 1, 2021							
	2016	2017	2018	2019	2020		
MILES CLEARED		250	387	508	857		
PROBLEM TREES ADDRESSED		15,002	18,175	20,993	22,716		
PARCELS SPRAYED AND MOWED		1,361	1,666	610	444		
OUTAGES CAUSED BY TREES	251	170	173	153	94		



"Clearing Right-of-Way is critical to keeping our members' lights on. Before the project began, nearly 25% of the Cooperative's power outages were caused by trees," Manager of Operations Glenn Blommel said. "Since we started implementing the work, we have seen a decrease in tree-related outages for Stearns Electric members of 62.4%."

WHAT'S NEXT?

Maintaining ROW is a never-ending job for the Cooperative. After fourand-a-half years of intense work, it's already time to revisit the sections of lines cleared in 2017. However, since the Cooperative was so aggressive with its initial ROW clearing project, that work has paved the way for more efficient and consistent tree clearing cycles into the future.

Additionally, the Co-op has hired its own arborist to manage ROW clearing. Erica Hippen is no stranger to Stearns Electric as she formerly worked with the Co-op through ACRT. As Stearns Electric's Operations department determined the next steps for the program, hiring a full-time employee to manage the ongoing ROW program and help maintain the work that has been done made sense. Frica was the perfect fit for the position as she already had experience managing ROW throughout the Cooperative's service territory.



Erica continues to work with the Operations department, our member-consumers, Carr's Tree Service and Central Applicators to clear problem trees and brush away from power lines in order to help maintain system reliability for members throughout our service territory.

"I plan to use the lessons I have learned during the first ROW clearing rotation to be even more efficient at addressing member needs and problem vegetation," she explained.

"I strive to be the connecting voice between Stearns Electric and each member. I make decisions on the ground based on what the power line needs and what the member wants. I compromise whenever possible, but stand firm when I must," she concluded. "I enjoy representing both parties and finding solutions that work for everyone."

HOW CAN YOU HELP?

We realize that cutting and trimming trees on your property is not always ideal. The Cooperative works closely with members to only remove and trim what is needed for the safety of the public and our line workers. and to maintain the reliability of our distribution system.

One way you can help is by not planting trees within at least 25 feet of power lines. If you plan to plant a medium-sized or larger tree, plant at least 40 feet away from power lines. You can download our "Right Tree Brochure" on our website, www.stearnselectric.org.

Throughout 2021, you can learn more about the Cooperative's vegetation management program through an infographic series on page 7 of the Power Connection.

If you have any questions about our Right-of-Way program, please don't hesitate to call us at (800) 962-0655.



BEAT THE SUMMER HEAT

Run large appliances that emit heat (like clothes dryers and dishwashers) during the evening when it's cooler. This will minimize indoor heat during the day when outdoor temps are highest.



OUTDOOR EXTENSIONS

When purchasing your outdoor extension cords, always make sure they are marked "for outdoor use." These devices may be more expensive, but they are thicker, weatherresistant, and designed to withstand more wear and tear.



MY CO-OP CARES

COOPERATIVE CONSTRUCTS NEW PLATFORM, RELOCATES OSPREY NEST

In late May, Stearns Electric Association was notified of an osprey nest being constructed atop one of the Cooperative's power poles just north of Grey Eagle, Minnesota. On June 4, Stearns Electric line workers installed a platform mounted on top of a taller pole in an effort to relocate the osprey nest to a safer location.

"Large nests built on utility poles such as this one pose a danger both to the osprey and to electric line workers who work to maintain the electrical distribution system," Stearns Electric Manager of Operations, Glenn Blommel, said. "With the high voltage electricity flowing through the power lines, there is a risk for the wood and other materials used for the nest to become conductors and eventually cause fires."

Stearns Electric worked with the Minnesota Department of Natural Resources (DNR) to obtain the required permits needed to remove the osprey nest from the power pole. The Cooperative followed recommendations provided by the DNR to create a new platform structure that would be most beneficial and preferable to the osprey.

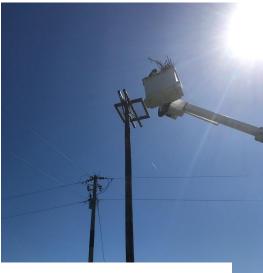
On Monday, June 7, a Stearns Electric employee drove past the nesting location and was able to confirm that the osprey had successfully relocated its home from the power pole to the new platform.

This is not the first time Stearns Electric has built a platform structure like this to help relocate osprey nests in the last few years.

"There are at least two other structures like this throughout our service territory that osprey use to construct their nests annually," Blommel concluded.



Original osprey nest built on Cooperative's power pole.



Line workers relocate the osprey nest to the newly installed platform.

G&T CAPITAL CREDITS



When Stearns Electric Association experiences financial success, we return cash to our members in the form of Capital Credits. As a Cooperative, Great River Energy (GRE), Stearns Electric's generation and transmission (G&T) partner and wholesale power provider, does the same by returning payments to our Cooperative.

In 2021, GRE once again retired patronage capital through cash payments to its member-owner cooperatives. Stearns Electric received over \$810,000 in G&T Capital Credits in March. These funds will be returned, less early retirements, to Stearns Electric member-consumers from qualifying years of electric service in November.

NEWS

VEGETATION MANAGEMENT 101

DEPT. OF COMMERCE EXTENDS ENERGY ASSISTANCE ELIGIBILITY

The Minnesota Department of Commerce has expanded the Energy Assistance Program (EAP) by raising income eligibility and extending the deadline to apply to Sept. 1, 2021. Households with incomes at, or below, 60% of the state's median income (about \$65,000 for a household of four) may be eligible for assistance with home heating costs and furnace repairs. Please call your local assistance agency or the Cooperative's Member Service department with questions.

BEWARE OF SCAM CALLERS

Please know that Stearns Electric will always ask you to verify your account with specific personal information such as account number, name, address, etc. when we call you. We will also never call and allow you only a few minutes to pay your utility bill prior to being disconnected. Please stop and think before releasing personal banking information over the phone. Call us at (800) 962-0655 with any questions.

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.

COLLABORATION

Although it's not always possible to save certain trees in the Rightof-Way area, members who are concerned about trees marked on their property are encouraged to work with Stearns Electric to find the best possible solution.

While the Cooperative maintains a legal right to clear Right-of-Way, our goal is to collaborate with our members and help you understand why we are cutting or removing trees in your area.



COMMUNICATION // ASSESSMENT // **COLLABORATION**

Corrective action is always documented and communicated with property owners before Right-of-Way clearing is completed.

COOKING CORNER

APPLE CINNAMON OATMEAL COOKIES



Ingredients:

- 1 C flour
- 1 tsp baking powder
- 2 tsp ground cinnamon
- 1 tsp nutmeg
- ½ tsp apple pie seasoning
- ½ tsp salt
- 34 C white sugar
- ½ C shortening
- 2 large eggs
- 1 C rolled oats
- 1-2 C diced apples, without peel 1 C chopped walnuts (optional) Ghirardelli Chocolate white melting wafers for garnishing (optional)

Directions:

Preheat oven to 350 degrees. In a large mixing bowl or stand mixer, cream together shortening and sugar. Beat in eggs until well blended. In a separate bowl, combine flour, baking powder, cinnamon, nutmeg, apple pie seasoning and salt; then stir into the sugar mixture. Mix until well blended. Fold in the walnuts (optional). Gently blend in oats and diced apple. Drop by spoonfuls onto an un-greased cookie sheet. Bake for 12-15 minutes or until the edges are just barely turning brown. Remove from oven and let sit on cookie sheet for 10 minutes to cool and set. Remove and place on wire racks to cool completely. Melt the white chocolate wafers and drizzle over the top of cookies for garnish (optional). 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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'Meaningful Community Involvement' is one of Stearns Electric's core values. One of the ways we demonstrate this is through our 'My Co-op Cares' program. Empowering employees to volunteer for organizations that make a difference in our communities positively impacts not only those served by the organization, but our employees also.