



POWER CONNECTION



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YOU ARE INVITED: 85TH ANNUAL MEETING

TUESDAY, APRIL 5 MELROSE AREA HIGH SCHOOL AUDITORIUM

The 85th Annual Meeting of the members of Stearns Electric Association will be held at the Melrose Area High School Auditorium in Melrose, MN at 7:00 p.m. on April 5, 2022, to act on the following matters:

- 1. Report of officers, directors and Chief Executive Officer.
- 2. Regular election of three directors of the Cooperative:
 - One from District 2
 - One from District 3
 - One from District 6
- 3. Special election of one director from District 5.
- 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 your Board of Directors, you help set the future direction of our Cooperative.

The first 300 members will receive a one-pound block of cheese and one-pound of butter quarters as a gift from the Cooperative. All members present will receive an 85th anniversary commemorative gift, while supplies last. We will also give away 8 - \$100 gift card door prizes and 2 - \$100 bill credits. You must be present at the meeting to win.

See page 2 for additional Annual Meeting and election details or visit www.stearnselectric.org for more information.

Sincerely,

Steve Notch, Board Secretary/Treasurer **Scott Dymoke**, Co-op Attorney and Nominations Secretary

2022 ELECTION DETAILS

CANDIDATES

The candidates who will appear on the ballot are:

DISTRICT 2

(Holding, Brockway, St. Wendel, LeSauk townships)

- Scott Andreasen
- Arlyn Lawrenz (incumbent)

DISTRICT 3

(Waite Park, St. Cloud, St. Augusta, Lynden, Fairhaven townships)

- Michael Cramer (incumbent)
- Thomas Keller

DISTRICT 6

(Millwood, Krain, Oak, Albany, Avon, Collegeville townships)

Bob Niehaus

DISTRICT 5 SPECIAL ELECTION*

(Bangor, Glenwood, Grove Lake, Raymond, Getty, Grove, Northfork, Lake George, Spring Hill, St. Martin, Crow Lake, Crow River, Lake Henry, Roseville Townships) *This director will serve a two-year term.

- · Joe Borgerding
- David Johnson
- Jeff Koehler
- Kurt Lensing
- Andrew Mackenzie
- Troy Walz

Full candidate biographies and candidate videos are available on the Cooperative's website. Candidate bio sheets will also be sent along with the ballot packages for each district. Ballot packages will be mailed on March 21, 2022 to members in voting districts. This year's election is coordinated by Survey & Ballot Systems, an independent firm.







THREE WAYS TO VOTE

Members in voting districts can cast their vote one of three ways:

- 1. **VOTE ONLINE*.** Vote online through SmartHub.
- 2. **VOTE BY MAIL***. Ballot packages will be mailed on March 21. 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 2 p.m. on Monday, April 4.



Since the Co-op was founded, Stearns Electric has held an annual election to determine its board of directors. Up until 2019, all voting was done either in person or by mail. In 2019, the Cooperative added the option to vote electronically ahead of the meeting. Today, members can vote by mail, electronically or in person.

POWER THAT PERSISTS .

PLAN AHEAD AND KNOW WHAT'S BELOW CALL BEFORE YOU DIG

Building a deck? Planting a tree? Installing a mailbox? Call 811 before you dig! The safest and only legal way to dig is to know what's below ground before you move any dirt. Even small projects like planting a shrub require you to make advance arrangements before digging. Your call to 811 connects you with Minnesota's Gopher State One Call which arranges for utilities like Stearns Electric to locate and mark buried utilities in your dig area at no cost to you.

Within 48 hours, your yard will be marked so you can dig knowing where utility-owned lines and equipment are buried. It is important to have all underground utilities located before digging to prevent costly and potentially dangerous contact with buried utility lines.



CEO MESSAGELEGISLATIVE SESSION OPENS

According to the Minnesota Rural Electric Association (MREA), the 2022 legislative session is going to be "a wild one." MREA is working on several legislative priorities, two of which could greatly impact Stearns Electric Association. This month, I want to give you an overview of MREA and Stearns Electric's involvement, and a preview of those top legislative priorities.



MREA

The Minnesota Rural Electric Association (MREA) is the Minnesota statewide organization that represents all 50 electric cooperatives throughout the state of Minnesota. I work very closely with MREA, attending monthly meetings, voicing concerns and even lobbying at the state Capitol when needed. Additionally, District 2 Director Arlyn Lawrenz serves as the board liaison to the MREA Political Action Committee.

Through feedback from electric cooperatives, MREA has outlined its three areas of focus: safety, education and training, and government affairs. As far as government affairs goes, MREA represents the legislative and regulatory interests of all Minnesota electric cooperatives. This allows co-ops to maintain a unified message across the state and move the needle on issues that are most important to cooperatives and the energy industry.

2022 LEGISLATIVE SESSION

This legislative session, MREA is focused on seven issues, two of which we will be keeping an especially close eye on at Stearns Electric: property tax on distribution infrastructure and permits on load control receivers. Both of these issues could have significant impacts on our Cooperative.

PROPERTY TAX ON DISTRIBUTION INFRASTRUCTURE

The Minnesota Department of Revenue (DOR) has begun to reinterpret a 1939 statute that grants electric cooperatives an exemption from personal property tax for "attachments and appurtenances" to a co-op's distribution system outside of incorporated areas. These are things like meters and streetlights.

The DOR recently started to require a handful of co-ops to start paying property tax on these items, which has never been done before. This includes Stearns Electric. We have been working diligently to reverse this reinterpretation and will continue to do so throughout the legislative session with the support and assistance of MREA.

BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on January 27, 2022, at 1:00 p.m. at the St. Joseph office of Stearns Electric Association.

Highlights of the meeting include:

- Board members followed a new consent agenda structure for their meeting.
- cindy Anderson, manager of finance, explained that the Co-op would receive a substantial refund from Great River Energy (GRE) in January. Board members voted to credit a portion of this back to Stearns Electric members to offset January PCA charges and defer remaining funds for a later date.
- The Board approved the GRE Form of Resolution related to the sale of Coal Creek Station and the high voltage direct current (HVDC) system purchase agreement.
- Operation Round Up® Trust Board appointees were approved to serve three-year terms on the Cooperative's Trust Board of Directors.
- The Board approved a quitclaim deed related to a project in Osakis along Highway 27.
- Directors reviewed a recorded MISO market presentation by Great River Energy Vice President and Chief Corporate and Member Services Officer Mark Fagen.

NEXT BOARD MEETING

April 28, 2022

Continued on page 7.



STEVE NOTCH RETIRES FROM THE COOPERATIVE'S BOARD

STEVE NOTCH JOINED STEARNS ELECTRIC ASSOCIATION'S BOARD OF DIRECTORS IN 2007. FOR THE LAST 15 YEARS, HE HAS REPRESENTED THE MEMBERS FROM DISTRICT 6. HE HAS SERVED THROUGH A RECESSION, A BOOMING ECONOMY, SEVERAL ELECTRIC UTILITY INDUSTRY ADVANCES AND A GLOBAL PANDEMIC IN HIS TENURE. AS STEVE PREPARES FOR HIS LAST BOARD MEETING THIS MONTH, WE WANTED TO BID HIM FAREWELL WITH A RECAP OF HIS TIME SERVING OUR MEMBERS AND OUR COOPERATIVE.

Steve grew up in Freeport and has lived in Central Minnesota for most of his life.

After attending Melrose High School, Steve went on to the University of Minnesota, Waseca to study ag business management. Following his time there, he attended St. Cloud State University, where he graduated with a degree in finance. Later in life, Steve earned his Master's in Business Administration from DeVry University.

In 1995, he and his wife Jan were raising three young children at their home in the city of Freeport. They decided to house-swap with Steve's parents, which allowed their kids to grow up on the family farm where Steve grew up, near Kings Lake right outside of Freeport. Steve and Jan still reside there today, though they rent out the farmland to another family.

Steve has a long work history in finance and banking. He spent 24 years at Freeport Bank, and another six years at North American State Bank in Belgrade.

When North American State Bank was sold in 2018, Steve started working at Total Agri-Business Services, Inc. in Albany. In 2020, he and three business partners purchased Total Agri-Business



Steve Notch greets members arriving at the 2009 Annual Meeting breakfast.

Services from the previous owner and founder. This is where he continues to work today.

"I'm a people person and I always enjoy working with the farmers," Steve explained.

Since 2014, Steve has also represented the western portion of Stearns County as the District 5 County Commissioner.



John Anderson, Steve Notch and Arlyn Lawrenz hand out school supplies at the 2016 Member Appreciation Pancake Feed.

COOPERATIVE INVOLVEMENT

In 2001, Steve got involved in the Cooperative by joining the Operation Round Up® Trust Board of Directors. He served for six years on the Trust Board, reviewing grant applications and approving funding for local non-profit organizations and worthy causes.

In late 2006, Steve was approached by Bud Heidgerken, a longtime Cooperative member and local busines owner, about running for the Cooperative's Board of Directors.

"Bud's brother-in-law, Arnie Blommel, was terming out of the board. I was serving on the ORU Trust Board at the time, and on the township board," Steve recalled. "Bud talked to me about running for the Co-op Board and it sounded interesting. I checked with my employer, who gave me the approval to miss work for Co-op Board functions, and I submitted my application."

Steve was elected to the Stearns Electric Board in District 6 at the Annual Meeting in March 2007.

"Throughout my time on the Coop's Board, I have really enjoyed the challenge. Especially right away, there was a lot to learn about a whole new industry," he said.

"When I was elected in 2007, the Cooperative was cruising along. But then the recession hit in 2008 and 2009," he recalled. "Co-op growth went almost completely flat during that time. I remember Board meeting updates went from 300 new services in one month when I first started, down to under 100 during the recession."

"But we got through it and there have been several highs in my time on the board, too," he explained.

Some of those highs include the Minnesota Pipe Line Co. pumping station and Associated Wholesale Grocers, Inc. (AWG) coming into our service territory.

"It's been fun to see the Cooperative grow throughout the years. When I started, there were about 24,000 members. Now there are nearly 28,000, and the volume of electricity people are using has continued to grow," Steve said. "Additionally, we have watched several businesses expand and start through the Cooperative's SEA Development entity in the I-94 business park in St. Cloud, where we just sold the last parcel of land to AWG."

"The industry has changed so much since I first started on the Board. Renewable energy continues to gain tons of traction and new regulations have been implemented for utility providers to work towards becoming carbon free," he stated. "Additionally, technology advances have allowed members to be more in control of their overall energy use and utility bills."

According to Steve, the toughest tasks the Cooperative's Board is responsible for are strategic planning and hiring new CEOs.

"Setting the long-term plan for the entire Cooperative through strategic planning is tough. A lot can change in the electric utility industry in three years," he said.

"Also, hiring the right leader for the organization is a huge responsibility of the board. In my involvement, I have been a part of three CEO searches," he recalled. "As Board members, we know there is a talented group of employees who are there to take care of the day-to-day business of the Cooperative. It's important that they have a leader who will not only support them but

What advice would you give to incoming directors?

Take the time to learn as much as you can. There is A LOT to learn, and you can't learn it all within a week.

Take advantage of the training opportunities through the National Rural Electric Cooperative Association (NRECA) and the Minnesota Rural Electric Association (MREA).

also continue to move the organization forward."

WHAT'S NEXT?

After serving five three-year terms on the Cooperative's Board, Steve made the decision not to run for the Board again in 2022. So, what's next?

"Well, not much is going to change," he said. "I'll still continue working at Total Agri-Business Services and I also plan to seek another term as the District 5 County Commissioner for Stearns County this fall."

Steve also plans to continue spending time doing the things he loves – camping, golfing, gardening and spending time with his wife, children and grandchild.

"Serving on the Stearns Electric Association Board has been rewarding and challenging. I have enjoyed getting to learn about the industry, making decisions on behalf of our members and interacting with the staff and members of the Cooperative over the past 15 years."

THANK YOU

Thank you, Steve, for your many years of service on our Board of Directors!

SIGN UP FOR AUTOPAY BY APRIL 30TH FOR A CHANCE TO WIN!

Simplify your finances and enroll your account in AutoPay. Your bill will be paid automatically each month on the due date.

AutoPay is safe, secure and convenient. After the initial set-up, you won't have to spend any time paying your Stearns Electric Association bill each month. You'll have peace of mind knowing you will never have to pay a late fee or worry about a misplaced bill. If you like to keep a paper trail, no problem - with AutoPay, you can still receive bills online or in the mail.

You can have your bill payment automatically electronically transferred from your designated checking account or savings account, debit card* or major credit card* FREE of charge. (*VISA, MasterCard, American Express or Discover).

FOR YOUR CHANCE TO WIN

Stearns Electric is giving away three \$100 bill credits to members signed up with AutoPay. To be entered into the bill credit drawing, you must be currently enrolled in AutoPay or sign up by April 30 using a designated checking or savings account.

HOW DO I APPLY FOR THE AUTOMATIC PAYMENT PLAN?

ONLINE: The easiest way to get started is to enroll online through SmartHub. Visit www.stearnselectric.org to sign up, or log into the SmartHub app.

BY MAIL: If you prefer not to use SmartHub, you can enroll by mail by completing the form available on your recent bill insert or by printing the form online. Please follow all of the instructions provided.

BY PHONE: Call SecurePay at (855) 386-9908 and follow the instructions to enroll in recurring payments.

Please continue to pay your bill in your usual way until your bill indicates that the balance will be automatically paid.



Our member service representatives are available during business hours to assist you with any account or billing questions.



ENERGYEFFICIENCY

SCHEDULE A COOLING SYSTEM CHECKUP

Most manufacturers recommend an annual tune up for your home's cooling system. March is a great time to schedule this service so you can beat the summer rush when the pros are busiest. A qualified professional can check the amount of refrigerant, accuracy of the thermostat, condition of belts and motors and other factors that greatly impact your system's efficiency.

MEMBER NEWS

OFFICES CLOSED GOOD FRIDAY

Stearns Electric Association will be closed on Friday, April 15 in observance of Good Friday. Both offices will be open for normal business on Monday, April 18. If you experience a power outage or emergency during this time, please call us at (800) 962-0655 or report your outage via SmartHub. Crews are on call 24/7 and ready to respond to any emergency situation.

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.stearnselectric.org. Any information you can provide the Cooperative regarding the location of these members would be greatly appreciated. Thank you!

CEO MESSAGE CONTINUED

PERMITS ON LOAD CONTROL RECEIVERS

As technology ages, Stearns Electric, along with all Minnesota electric cooperatives, are working on changing out current load control radio receivers with new demand response units. More electrical work is needed to change out these new units, including rewiring. Though we have certified electricians employed at the Co-op to perform these change outs, per its guidelines, the Minnesota Deptartment of Labor and Industry still requires permit inspections for the change out of each new unit. This increases both the cost and difficulty of the project.

Though progress has been made on the original cost and permit inspection requirements for these units, Stearns Electric continues to partner with MREA and other Minnesota cooperatives to work on acquiring an exemption for these permits.

Electric cooperatives were founded in the United States Government, and we continue to value the legislative and regulatory work elected officials complete each year. Cooperatives continue to band together on behalf of our membership and speak up on issues that impact our industry when necessary.



Sincerely,

Robin C. Doege Chief Executive Officer (CEO)



DID YOU KNOW?

Did you know one Stearns Electric bucket truck costs \$250,000?

Stearns Electric owns 10 bucket trucks in our fleet, which are inspected frequently to ensure safety. In addition, the Cooperative has 32 vehicles including digger derricks, pickup trucks and other operational equipment to help maintain a reliable electric system for our members.

Specifically designed to help line workers work on and install power lines safely, bucket trucks are insulated with fiberglass to prevent the conduction of electricity.

COOKING CORNER

LUCILE'S CHOCOLATE CHIP COOKIES

Submitted by: Corrine VanKoevering

INGREDIENTS

1 C white sugar1 tsp vanilla½ C rolled oats1 C brown sugar3 ½ C flour1 ¼ C Rice Krispies

1 C oil 1 tsp salt cereal 1 C butter (2 sticks) 1 tsp cream of tartar 12 oz chocolate chips

1 egg 1 tsp baking soda

DIRECTIONS

Preheat oven to 350 degrees. Cream white sugar, brown sugar, oil, butter, egg and vanilla. Add in flour, salt, cream of tartar and baking soda. Mix well, then add oatmeal, Rice Krispies cereal and chocolate chips. Bake on an ungreased cookie sheet until cookie edges are light golden brown, about 9-10 minutes. Enjoy!



SUBMIT YOUR FAVORITE RECIPE FOR A CHANCE TO WIN A \$10 BILL CREDIT

Members may submit one recipe per month by email at communications@stearnselectric.org or mail to: Stearns Electric Cooking Corner, PO BOX 816, St. Joseph, MN 56374. The recipe selected each month for publication will receive a \$10 credit on their electric bill. Recipes not selected will be saved for consideration in future publications.



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PERIODICALS

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Fuller Creative



Stearns Electric is giving away three \$100 bill credits to members signed up with AutoPay by April 30. It's free, secure and guarantees your payment will be made on time, every time. Enroll your account in AutoPay today and your bill will be paid automatically each month on the due date. Learn more on page 6.