



POWER CONNECTION



JUNE
2022

member driven.
community focused.
energy smart.

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MY CO-OP CARES: QUIET OAKS HOSPICE HOUSE

In May, ten Stearns Electric employees volunteered at Quiet Oaks Hospice House as part of the Cooperative's "My Co-op Cares" program.

Quiet Oaks Hospice House in south St. Cloud provides personalized care and comfort to residents in the remaining days of their life.

Stearns Electric volunteers cleaned out the pond, expanded a garden and relocated plants. Additionally, a few Stearns Electric lineworkers cut down dead trees throughout the property and hauled away brush.

Before beginning work, Cooperative volunteers toured the facility and learned more about the care provided at Quiet Oaks.

"It was rewarding to me knowing the work being done will impact so many others," Deb Goebel, Cooperative employee, explained. "Also, learning more about Quiet Oaks and their mission was appreciated. Hospice care - it isn't about death - it's about living!"

Stearns Electric's 'My Co-op Cares' program allows Cooperative employees the opportunity to volunteer during working hours within Stearns Electric's service territory. Three times per year, Stearns Electric sends teams of employees out to local organizations and charitable causes to share their time and talents.

Visit our Facebook page to view more photos from the day. To learn more about the Cooperative's commitment to community and other community outreach programs, visit www.stearnslectric.org/community.



MAY STORMS CAUSE SIGNIFICANT DAMAGE TO DISTRIBUTION SYSTEM

In May, two different severe weather events caused significant damage to our Cooperative's distribution system. On Thursday, May 12, our service territory was hit with multiple rounds of severe weather, which led to widespread outages throughout our service territory, impacting 43 of the 71 townships we serve.

Then on Memorial Day this year, we once again experienced multiple rounds of severe weather, which caused numerous outages and damage to our power lines.

Even though the storms are behind us, cleanup continues. We are currently assessing the damage to our distribution system and working with applicable County Emergency Managers and the State's Homeland Security and Emergency Management Division.

Storm damage occurs every year, but more often than not, the Cooperative is not reimbursed for repairs like these. The damage estimates and supporting documentation we provide will help in completing a Federal Emergency Management Agency (FEMA) Preliminary Damage Assessment and potentially lead to receiving State or Federal assistance funds for repair and recovery costs due to these two unique and significant weather events.

Here are some statistics from the outages and restoration efforts:

	MAY 12	MAY 30
Total Members Out of Power	4,428	2,550
Total Outages	194	88
Meter/Transformer	100	43
Feeder/Line Section	93	44
Substations	1	1
Number of Outage Calls	1,411	708
Broken/Cracked Poles	35	16
Auto Splices*	300+	125+
Co-op Restoration Field Workers	27	21
External Restoration Field Workers	19	0
Co-op Office Support During Restoration	24	5

** When wires go down because of wind and broken poles or insulators, the wire often breaks or is severely damaged. Either the existing wire or new wire needs to be attached to the wire that is still strung up on the poles. Auto splices are used to attach the wires back together.*

We want to extend a special thank you to the external field workers from the following organizations who helped us restore power to our members following the May 12 storm:

- City of Melrose
- Skyline Utilities
- Highline Construction
- Legacy Power

We appreciated your patience and gratefulness to our crews and employees as we worked as quickly and safely as possible to restore your power after the extensive damage.



CEO MESSAGE

POWER SUPPLY AND SUMMER ENERGY DEMAND: SHOULD WE BE CONCERNED?

If you've been paying attention to energy-industry news recently, you might have heard that the North American Electric Reliability Corporation (NERC) and Midcontinent Independent System Operator (MISO) reports each warned that parts of the country are at risk of energy shortfalls this summer. This included warnings that "the risk of rolling blackouts is elevated" in the MISO market, which includes Minnesota.

I want to address this topic and give you some additional background on what Stearns Electric and our wholesale power provider, Great River Energy (GRE) are doing to limit the possibility of rotating outages.

WHAT IS MISO?

The Midcontinent Independent System Operator (MISO) is responsible for operating the power grid across 15 states and the Canadian province of Manitoba. MISO's main responsibility and mission is grid stability, which means matching the power supply to the energy demand.

MISO is split into three sections: North, Central and South. GRE, and therefore Stearns Electric, is located in the North region. Neighboring utilities such as Xcel Energy and Minnesota Power are part of MISO North as well. Any electricity generated within the MISO market by one of these generating facilities is pooled together and distributed back out to all consumers across the market.

MISO IN THE NEWS

Recent reports from NERC and MISO warn that the constrained supply of natural gas, which is necessary for power generation, and the hot weather much of the country is predicted to face this summer, elevates the potential for temporary, controlled power outages.

WHAT ARE TEMPORARY CONTROLLED OUTAGES?

In emergency situations, when the demand for electricity exceeds the power generation capacity in our market, MISO responds. First, additional power supply resources are instructed to operate, including GRE's peaking facilities; next, MISO imports energy from other regions of the country as it can; and third, MISO calls for voluntary load reductions to manage the electric system.

As a last resort, temporary controlled outages (a.k.a. rolling blackouts or rotating outages) are used to manage the power grid. When instructed by MISO, GRE will order temporary rotating outages for portions of its service territory to help curb energy load and rebalance the power grid.

COULD ROTATING OUTAGES HAPPEN IN GRE'S TERRITORY?

Yes, there is potential for rotating outages. Although GRE has enough generating capacity to meet the demands of its members, plus a cushion, any emergency measures deployed to maintain reliability by MISO North will be applied over the entire region by all energy generation facilities in the region, regardless of which utility serves a geographic area or the capacity position of those utilities.

COULD ROTATING OUTAGES HAPPEN FOR STEARNS ELECTRIC MEMBERS?

It is unlikely that Stearns Electric members would be affected. If our power grid and system is operating as it should, the members of Stearns Electric should not experience rotating outages, even in an energy emergency.

Continued on page 7.

BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on April 28, 2022, at 1:00 p.m. at the Melrose office of Stearns Electric Association.

Highlights of the meeting include:

- Three policies were approved: C-040 Equal Opportunity & Harassment; C-190 Community Development Loan Program; and Board Policy 040 Board of Director Meetings. Board Policy 090 Conflict of Interest was discussed and will be approved at a future meeting.
- The Quarter 1 results from the 2022 Cooperative Scorecard were reviewed.
- Board members discussed the sale of Coal Creek Station and the HVDC line. They also discussed a request by Connexus Energy to leave GRE as a member.
- The 2023 Annual Meeting date was set for April 13.
- A resolution to sell off an unused parcel of land near the Five Points substation was presented and approved.
- Attorney Scott Dymoke presented the suggestion to bring back term limits as presented by a member at the Annual Meeting. Lengthy discussion took place regarding term limits and whether to revisit them at this time. Due to the overwhelming approval of the Bylaw changes in 2020, directors decided not to propose a change at this time.

NEXT BOARD MEETING
June 23, 2022



POWER TO SERVE

STEARNS ELECTRIC ASSOCIATION WAS FOUNDED IN 1937 AND SINCE ITS START, MEMBER SERVICE HAS BEEN A TOP PRIORITY FOR THE COOPERATIVE. AS MEMBER EXPECTATIONS CONTINUE TO EVOLVE, OUR TEAM OF EMPLOYEES REMAINS DEDICATED TO SERVING OUR MEMBERS NOT ONLY WITH RELIABLE ELECTRICITY, BUT ALSO WITH A POSITIVE MEMBER EXPERIENCE.

At Stearns Electric Association, our mission is member focused. In everything we do, a team of dedicated employees is behind the scenes working on behalf of our members. Whether it's the operations department ensuring power is available when you need it, our engineering and operations support team taking phone calls during power outages, or the member service department distributing Capital Credits, our member-consumers are always top of mind.

RELIABLE ELECTRICITY AND 24/7 OUTAGE RESPONSE

In 1937, the Cooperative was founded by members to bring electricity to rural areas of Central Minnesota. In the early days, when power was lost, members might go days without even reporting their outage.

"I stopped in the office to say, 'Just wanted to let you know the power was out last Tuesday,'" Stearns Electric member in 1943.

Over the years, this has changed quite drastically. People have grown accustomed to having the electricity they need when they want it. So when the power goes out, it is an inconvenience. Reliability is our mission; that is why our linemen are on-call 24 hours a day, 7 days a week to respond to outages whenever they happen.

In order to restore power as quickly and safely as possible, our linemen are required to live within 15 miles of the office.

"When the phone rings for an after-hours outage, I grab my work gear, get in my vehicle and can get to the office in about 17 minutes," lineman Jason Selix said. "From there, we grab the bucket truck and supplies we think we might need and leave to assess the situation. Every outage is unique, and each outage cause must be identified. Once we know why the power is out, we can work on restoration. This might take 15 minutes, 150 minutes or even longer, depending on the situation."

"We do our best to restore power for our members as quickly and safely as possible. Our crews can work up to 16 hours before they are required to rest," Line Superintendent Jake Dooner explained. "When major events happen, such as the storms we experienced last month, restoration takes longer. But we always have at least one crew on-call 24/7."

Though outage response is extremely important, we don't experience very many power outages. In fact, in 2021, our members had power over 99% of the time. When there are no outages, our linemen, substation techs and engineering team

85
years

In July 1939, Stearns Electric employed five full-time employees and various part-time employees. Today, the Cooperative has 68 full-time employees.

POWER THAT PERSISTS

work daily to maintain and enhance reliability across the entire distribution system.

MEMBER EXPERIENCE AND CUSTOMER CARE

In addition to reliability, providing our members with a positive member experience is also a vital part of our mission.

The Cooperative exists to serve our members. Whether we are taking phone calls, keeping member information safe, creating and approving an annual budget, or thanking our members for their patronage, Stearns Electric employees are constantly working to better our customer care and service.

Over the last 85 years, the ways in which we communicate and interact with our member-consumers has changed. In the early days, much member communication was done either in-person or via mailed correspondence.

Today, only a portion of our 27,000 members attend the Annual Meeting, so we are available to our members in other ways, such as through the annual Member Appreciation Pancake Feed or our Member Engagement Group. And, though we still mail monthly power bills and newsletters, we also offer electronic communication including website forms, email and Facebook Messenger, too.



Retired employee Jim Athmann presents a Capital Credit check to members Gene and JoAnn Hartung of Melrose in 2001.

If you've ever called the Cooperative, you have talked to a person, not a recorded menu. Stearns Electric feels it is important to connect human to human with our members when they have a question or concern. We strive for excellent and efficient customer service and do our best to help answer a question or address an issue as quickly as possible.

"We have a team of knowledgeable member service representatives who are available to answer your billing, account setup and usage questions during business hours. We also use the Cooperative Response Center (CRC) to take calls after hours," Manager of Member Services, Darla Honkomp, explained. "If CRC cannot answer a question, we get those calls first thing the next business day and can respond to our members as needed."

Our employees take time to listen. "When members call regarding their energy usage or wanting to save money on their energy bill, I enjoy spending time looking into their account and problem solving with them," Allan Gregory, Energy Service Lead, said. "Sometimes I can direct them to an energy-

CAPITAL CREDITS: A MEMBER BENEFIT

Another member benefit that sets electric cooperatives apart from other utility providers is the return of capital, or money, back to our members above the cost of operations. These are called "Capital Credits." Since the start of the Cooperative, Capital Credits have been returned to our members. These payments back to members are proof that you are part of a successful organization.

saving program or rebate, help identify what is consuming electricity or we discuss other ways to save. Usually together we can figure out ideas for them to save a little money on their monthly energy bill."

Our engineering and operations (E&O) support team also responds to member phone calls throughout the day. They handle all new electric service, service upgrades and service alteration requests from members, as well as respond to incoming outage phone calls. Additionally, they communicate with members ahead of planned outages.

"We do our best to communicate planned outages ahead of time to our members," Melissa Welle, E&O Support Supervisor, explained. "We currently notify members of pre-arranged outages through phone calls, and soon, members will have the opportunity to opt-in to email and text notifications as well."

There are many other departments working on behalf of you, our members, every single day. Whether it's the finance team ensuring the Cooperative is operating soundly, the IT department keeping member information safe and secure, or the purchasing department ordering the supplies needed to keep our distribution system reliable, all business decisions are made with our members in mind. Thank you for letting us serve you!



We are grateful to serve you! Cooperative employees register members for the 2020 Drive-In Annual Meeting.

CEO MESSAGE CONTINUED

However, if there was an unexpected major event impacting a generation facility or transmission power line, then our members could be impacted.

WILL I BE ASKED TO DO ANYTHING TO HELP?

Likely before any rotating outages would be ordered, Stearns Electric and other members of GRE would call on you, our member-consumers, to conserve as much energy as possible by initiating an emergency conservation request.

This means we might ask you to turn your thermostat up by a few degrees, delay use of large appliances until off-peak times or turn off your lights. Stearns Electric members enrolled in a load management program would also be controlled during an emergency conservation event. In a peak emergency event, scarcity pricing would be in effect and therefore, conserving as much energy as possible will be extremely important across the MISO market.

WHAT IS GRE DOING TO MEET THE INCREASING ENERGY DEMAND?

GRE has a fleet of dispatchable resources that allow it to generate or receive additional energy when needed. These include additional market purchases and peaking plants, which are built to operate on both natural gas and diesel fuel.

Additionally, GRE and its member cooperatives have approximately 350 megawatts of demand response capability that can be dispatched to reduce stress on the electric grid. These demand response programs provide valuable flexibility and may be called on more often during peak periods this summer.

We hope to not have to implement these emergency measures this summer, but please know that MISO, GRE and Stearns Electric have a plan and will keep you as updated as we can. Following us on our Facebook page is the best source for real-time updates if an emergency conservation request has been made. If a MISO Market energy emergency is declared, more information will be available on GRE's website, greatriverenergy.com.



Sincerely,

Robin C. Doege
Chief Executive Officer (CEO)

WHETHER TEMPS RISE OR FALL, YOUR ENERGY BILL WILL STAY COOL.

AIR SOURCE HEAT PUMP PROMO

Stearns Electric members can receive up to \$2,000 in rebates when they install a qualifying air source heat pump and enroll in our EnergyWise® Dual Fuel and Cycled Air Conditioning programs for the first time. Promotion ends June 30. Learn more at www.stearnslectric.org or call our Member Services team at (800) 962-0655.



ENERGY WISE



ENERGY EFFICIENCY

GO SMART WITH NEW TECH

Smart plugs are inexpensive and can be used to control lighting and other electronic devices through a smart phone app. With smart plugs, you can conveniently manage lighting, home office equipment, video game consoles and more. By powering off unused devices when you're away, you can save energy (and money!)

MEMBER NEWS

OFFICES CLOSED

Stearns Electric Association will be closed on Monday, July 4 in observance of Independence Day. 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.

DEMAND RESPONSE UNIT (DRU) CHANGEOUTS

This summer, Stearns Electric's electricians will begin changing out residential DRUs. This only impacts member-consumers who are enrolled in a load management program (i.e. dual fuel, storage water heating, cycled air conditioning and/or electric vehicle charging). Impacted members will receive more communication in the mail before the work begins.

PANCAKE FEED RETURNS!

SATURDAY, AUGUST 6, 2022

8-11:30 A.M. | FREEPORT COMMUNITY CENTER
FREE FOR COOPERATIVE MEMBERS

Mark your calendars now and plan to join us for the return of our Member Appreciation Pancake Feed!

Every year, our member appreciation event is our chance to thank you and express our appreciation for your patronage throughout the year. After hosting a drive-in event for two years, we are back in-person in 2022! New this year, the Kimball Lions Club will be serving up a pancake breakfast to all who attend. We will also give away school supplies for children between the ages of 2 and 18.*

Find more details on our website. We hope to see you there!

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



DID YOU KNOW?

Did you know one lightning arrester on the Stearns Electric distribution system costs \$100?

Stearns Electric purchases an average of 900 lightning arresters annually.

Lightning arresters protect electric utility equipment against damage caused by power surges from lightning strikes.

COOKING CORNER

GRANDMA ROSE'S RHUBARB STRAWBERRY JELLY

Submitted by: Tim Schaefer

INGREDIENTS

4 C rhubarb, cut up
3 C sugar

2 Tbsp strawberries, mashed
½ package Sure-Jell

DIRECTIONS

Cover bottom of kettle with water and add the rhubarb. Cook until rhubarb is soft. Add sugar and strawberries, then add Sure-Jell. Cook for 2-3 minutes. Put into jars and freeze. 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.



STEARNS ELECTRIC ASSOCIATION

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POWER'S OUT?

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