

POWER CONNECTION



member driven. community focused. energy smart.

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Operation Round Up®

(800) 962-0655 WWW.STEARNSELECTRIC.ORG

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STACKS OF FUN!

Thank you to all who joined us at our Member Appreciation Pancake Feed on Saturday, August 6. It was wonderful to be back together in-person once again for this fun tradition!

Over 1,500 members joined us at the Freeport Community Center for pancakes and sausage, prepared by Kimball Lions Club. In addition to breakfast, we offered a School Supply Send-Off to all children who came to the event. This was a great start for families preparing for the new school year.

Members also had the chance to meet our linemen, learn about their safety gear and sit in a bucket truck.

KEEPING IT LOCAL

For the last two years, during the height of the COVID-19 pandemic, we made the decision to adjust the annual Member Appreciation Pancake Feed to a drive-through Donut Dash.

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PANCAKE FEED CONTINUED...

One of the things we liked most about the Donut Dash was supporting local businesses and ordering donuts from bakeries within our service territory. That's why this year, we partnered with the Kimball Lions Club to prepare breakfast.

Community is important to the Cooperative, and even though you may not have seen flying pancakes this year, we are proud to use local resources and products to make this event successful.

SAYING THANKS

Our goal for each member appreciation event is to create a family-friendly experience for our member-consumers and express our appreciation for your patronage throughout the year.

We were so excited to see you all this year and look forward to hosting the Member Appreciation Pancake Feed again next year!







Visit our Facebook page for even more pictures from the 2022 member appreciation event!

www.facebook.com/stearnselectric















CEO MESSAGETIME TO PASS THE BATON

In August 2018, I joined Stearns Electric as CEO. My first day was the 2018 Member Appreciation Pancake Feed at the Freeport Community Center. Last month, I announced my plan to retire. My last day at Stearns Electric will be September 30. Since we just hosted the 2022 Pancake Feed, it seems fitting this month to share a few of my favorite accomplishments, memories and highlights in my tenure as CEO.

Having worked for Minnesota rural electric cooperatives for 22 years, I have always viewed Stearns Electric as a premier electric cooperative. I'm honored and grateful for the opportunity to have led Stearns Electric for the last four years. It has been an absolute privilege working alongside our Cooperative team, members and Board of Directors to achieve many things.

Perhaps most significant has been leading the Cooperative though the ongoing global pandemic. The year 2020 was a big year for Stearns Electric. We were right in the midst of planning our Annual Meeting, conducting our annual election and coordinating a Bylaw vote when the country shut down. On Monday, March 16, our Cooperative's Emergency Response team met in our Melrose Auditorium to create a plan of action. By Wednesday, March 18, at least half of our employees were working remotely. For two weeks we planned to run a lean office to do our part and 'flatten the curve.' Two weeks turned into two months, then three, then four, and on and on. We made many adjustments, but the Cooperative continued to meet its mission to safely provide reliable electric service to our members despite so much change and volatility.

Safety and security of Stearns Electric employees, members and the general public is, and has always been, of utmost importance to me. I'm proud to have led the Cooperative as it achieved numerous milestones in safety over the last four years, including driving 1,000,000 miles without an accident, which we achieved twice in the last four years. We also hosted an innovative MAYDAY safety drill for all Cooperative employees and facilitated emergency responder training events.

Other highlights worth noting include:

- updating the Cooperative's Bylaws and Articles of Incorporation;
- discontinuing Stearns Electric's ownership of powerline contractor Karian Peterson;
- securing Stearns Electric's largest commercial energy load in company history, which will be the largest energy load for our wholesale power provider, Great River Energy (GRE);
- managing Cooperative personnel needs, negotiating multi-year union contracts, and realigning the Cooperative's internal structure; and
- managing Stearns Electric's facility updates, including starting the discussion on a future new headquarters facility.

As I get ready to pass the baton to the next CEO of the Co-op, I want to thank our employees, Board of Directors, and you, our member-consumers. As an organization, Stearns Electric has never been stronger, and the Cooperative is well prepared for the future. It has been an honor and privilege to lead Stearns Electric over these last few years.



Sincerely,

Robin C. Doege Chief Executive Officer (CEO)

BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on June 23, 2022, at 1:00 p.m. at the St. Joseph office of Stearns Electric Association.

Highlights of the meeting include:

- In the consent agenda, the board approved the Cooperative's Work Order Inventory, Special Equipment Capitalization and Non-Payment Write Offs - Electric Service Accounts.
- Manager of Finance Cindy Anderson reported year-todate gross margin is above budget primarily due to lower power cost rates.
- CEO Robin Doege shared information regarding the unlikely chance for rotating outages in the Stearns Electric service territory. He also discussed current energy market pricing volatility.
- Director Greg Blaine, who serves on the Great River Energy board, stated that Power Cost Adjustments (PCA) has been top of mind for him as he attends GRE board meetings.
- Katie Anderson, member and employee engagement coordinator, provided more information on the new director member engagement events happening this year.
- Following the meeting, directors toured local Cooperative substations, Right-of-Way areas and new commercial services.

NEXT BOARD MEETING

August 25, 2022



POWER OF COMMUNITY

AS A COOPERATIVE, STEARNS ELECTRIC ASSOCIATION WAS FOUNDED ON THE SEVEN COOPERATIVE PRINCIPLES. ONE OF THOSE PRINCIPLES IS 'CONCERN FOR COMMUNITY.' WHAT BEGAN AS A PROMISE TO POWER RURAL COMMUNITIES ACROSS OUR SERVICE TERRITORY HAS GROWN INTO SEVERAL PROGRAMS FOCUSED ON MAKING OUR SERVICE TERRITORY A BETTER PLACE TO LIVE, WORK AND PLAY.

Since it was founded in 1937, Stearns Electric has been driven by people over profits; it is the cooperative difference. While investor-owned energy utilities focus on turning profits for their shareholders, electric cooperatives return margins to their members in the form of Capital Credits. Capital Credits are recorded on members' accounts every year based on electric purchases during the year. The accounts are maintained until the Capital Credits are retired (paid back) to the member in full.

When the Board of Directors authorize a general retirement, Capital Credit checks are mailed to the last known address. Throughout the year, we continually update addresses to make sure we can connect with our members. When funds are not claimed or checks get returned without a forwarding address, the Cooperative holds onto them in search of the right member-owner. When Capital Credits go unclaimed for seven years or more, they are funneled into the Operation Round Up® program and distributed back to area community groups and organizations.

Through Operation Round Up®, participating members round up their electric bills to the nearest dollar. Rounded-up funds are placed into a trust fund and administered by a Trust Board made up of members from each district. Funds are given to local worthy causes and non-profit organizations.

This small amount of change really makes a large impact. Since the start of the program in 1993, over \$2.8 million dollars has been distributed to over 5,000 worthy causes. Operation Round Up® is just one community-focused program of the Cooperative. In the early 2000s, Stearns Electric employees created an internal program, which has transformed into the annual Charity Event.

Every fall, employees would bring in leftover produce from the garden so it wouldn't go to waste. Employees were able to swap produce or buy fresh vegetables and flowers among themselves. As the event became more popular, a group of employees decided it might be nice to offer the program as a fundraising event for an external organization.

In 2008, the first United Way Kick-off and Silent Auction took place at the Co-op and over the years, the event has grown. Today, the annual Charity Event raises money for

85 years

In 1979, Stearns Electric formed its first Member Advisory Council. The council was made up of two members from each district and met every other month. The group was formed to serve as a sounding board and give input into proposals, policy changes and ideas being considered by the Board of Directors. This group still exists today as the Member Engagement Group.

- POWER THAT PERSISTS -

organizations selected by employees. Funds are raised by employees through a silent auction, in-kind donations, meat raffles and more.

"The Charity Event is such a unique and special event for Stearns Electric employees," Katie Anderson, member and employee engagement coordinator, explains. "It starts and ends with the heart and generosity of our employees. Employees make a majority of the donations and choose the organization that will benefit each year. Money raised is given to local organizations that are directly impacting the communities and members that the Cooperative serves."



In 2022, four employees took turns in the dunk tank to raise funds for the "Sharing Our Blessings" drive.

In 2019, after much success with the Charity Event, a new Cooperative initiative called My Co-op Cares was launched. My Co-op Cares encompasses several community-facing programs Stearns Electric accomplishes, including three annual events of the same name.

Three times per year, Stearns Electric sends teams of employees out to local organizations and charitable causes to share their time and talents. Employees have painted fences, done yard work, stuffed food packs and gone fishing with nursing home residents.

"Our My Co-op Cares events benefit the organizations and individuals they serve with the work and time put in by our employees," Anderson explained. "Plus, the intrinsic rewards and knowledge employees receive about these organizations is unmatched."

Stearns Electric employees also show concern for their communities through the Cooperative's internal wellness program. With a focus on supporting employees' overall health, the Wellness For Life program hosts annual employee initiatives that directly benefit our local communities.

"Stearns Electric, as a cooperative, has always considered community involvement. However, since the inception of our Wellness For Life program in 2012, small seeds of ideas have grown into amazing programs which allow employees to use their time and talents to give back to our communities," wellness coordinator Judy Terres-Madsen explained.

Some of the wellness programs include tying fleece blankets, hosting a "Sharing Our Blessings" donation drive and delivering May Day Baskets.

For the last two years, the Cooperative has sponsored the "Sharing Our Blessings" donation drive, which provides support to members of the community facing hardships. Employees contribute to this program through in-kind donations. The Cooperative has also hosted an internal "penny wars" competition and dunk tank to raise funds for the program over the last two years.

The May Day baskets is another program that started out as a small idea from an employee. Each year, a Cooperative department is chosen to create May Day baskets for an organization they choose. Items for the baskets are purchased related to the group's needs. During working hours, the department meets to assemble and distribute the baskets on or around the first of May.

"For Stearns Electric, our May Day basket program displays the Cooperative spirit by coming together as a team to show kindness and support for others," Terres-Madsen said. "Recipients have been thrilled to be acknowledged and receive these gift baskets."

Stearns Electric prides itself as a cooperative and aims to follow the seven cooperative principles, including 'concern for community.' Electric cooperatives belong to the communities they serve, and these programs help Stearns Electric live out this principle, focusing on giving back to local communities within our service territory.

SENDING WARMTH

Every year, employees volunteer after working hours to tie fleece blankets. These blankets are distributed to members of our local communities who are facing hardship or loss, or going through an illness, injury or other tragedy.

"We have found that the warmth from our acts of kindness has brought as much healing as the warmth of the blanket. Showing others that they are cared for and thought about brings emotional rewards to both the recipient and our employees," Judy Terres-Madsen, wellness coordinator, said.

In 2022, we tied 17 blankets, which will be given to individuals in need.



OPERATION ROUND UP[®] AWARDS OVER \$35,500

The Stearns Electric Association Trust Board of Directors met on Wednesday, July 13 to award funds through the Cooperative's Operation Round Up® program. They distributed \$35,550 to 56 local organizations and charitable causes.

Through the Operation Round Up® program, members of the Cooperative round up their monthly electric bills to the nearest dollar. The rounded-up funds (between 1¢ and 99¢) are placed in a trust fund that is administered by the Trust Board.

Since the program's inception in 1993, Operation Round Up® and Stearns Electric members have awarded over \$2.8 million to local non-profit organizations and community service programs.

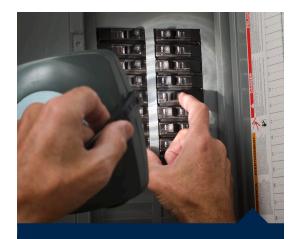
Any local non-profit organization or charitable cause can apply for funding. The next deadline is Friday, October 14.



CONSIDERING INSTALLING SOLAR PANELS?

Recently we have heard reports of solar vendors visiting members' homes to talk about solar installation. These vendors are claiming to work in partnership with Stearns Electric to install solar panels on residential homes. As a practice, we do not endorse or partner with any specific solar vendor on residential installations. We work with many different vendors based on the member's choice of vendor. Stearns Electric encourages members to look closely at any solar panel company and make sure you know who you are dealing with.

We encourage you to connect with us before you begin the process of installing solar panels at your home or business. We can show you your average energy use to help you determine the number of solar panels you might need and discuss how your monthly electric bill may differ with a solar installation. If you have questions about installing solar at your home or business, please call us during regular business hours.



ELECTRIC SAFETY

ALWAYS CUT THE POWER

If you ever have to deal with electrical issues, always cut the power at the breaker box. Before you start work, test to make sure the outlet, fixture or switch is shut off. Then plug something in, flip the switch and use a tester. It will only take a few seconds to cut the power and test the circuit to prevent injury.

MEMBER NEWS

WELLSPRING RATE CHANGE

Members who participate in the Wellspring Wind Energy Program will see a rate change starting with August 2022 usage from 20¢ to 30¢ per each 100 kWh of wind energy purchased. For questions or more information, please contact the Member Services department during regular business hours at (800) 962-0655.

OFFICES CLOSED LABOR DAY

The Stearns Electric offices will be closed on Monday, September 5 in observance 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 to respond to any emergency situation.

BOARD OF DIRECTORS BEGIN NATIONAL SEARCH FOR NEW CEO

Upon Robin Doege's retirement announcement, the Stearns Electric Board of Directors has chosen to hire Holmes Executive Search, LLC, an external search firm, to conduct a national search for a new CEO. "The search for the Cooperative's next CEO is one of our greatest responsibilities as a Board," said Eric Peterson, Board President of Stearns Electric Association. "We look forward to working with Holmes Executive Search, LLC to select the next CEO to lead the Cooperative."

With Doege's retirement planned for September 30, the Board anticipates a short period of time that Stearns Electric will be without a CEO. During that time, the Board has asked existing vice presidents Vicky Herkenhoff and Matt O'Shea to provide this leadership in the absence of a CEO. Herkenhoff, vice president of administration and finance, and O'Shea, vice president of engineering and operations, have been with Stearns Electric for 18 years and seven years, respectively.





DID YOU KNOW?

Did you know it costs Stearns Electric approximately \$60,000 to install one mile of standard single-phase underground line and approximately \$90,000 to install one mile of standard three-phase underground line?

Stearns Electric has 1,552 miles of primary underground line on our distribution system. We add or replace an average of 35 miles of underground lines annually.

Underground cable has the same purpose as overhead wires – distribute electricity throughout our service territory - but are insulated to protect the wires within as they are buried underground. Although they provide better protection from storm damage, they are not immune to damage caused naturally by flooding or damage caused by rodents or humans. Underground construction is more expensive than overhead construction due to higher material and installation costs required to bury cables beneath the ground's surface.

COOKING CORNER

MACARONI SALAD

Submitted by: Kim Murphy Ellingboe

INGREDIENTS

2 stalks celery, finely chopped 1 cucumber, finely chopped 1 green pepper, finely chopped

1 green pepper, finely chopp 1 onion, finely chopped 1 16 oz box of ring macaroni noodles 1 14-16 oz bag coleslaw mix Salt and pepper, to taste ⅓ C sugar ¼ C apple cider vinegar 1 ½ C Miracle Whip

DIRECTIONS

Boil macaroni noodles as directed on the box. Drain. Combine cooked noodles, celery, cucumber, green pepper, onion and coleslaw mix together. In a separate bowl, hand whisk sugar, salt, pepper, apple cider vinegar and Miracle Whip together. Pour over the pasta mixture and stir well to combine. Cover and refrigerate for 4-6 hours before serving. Enjoy!

Edit to July Recipe:

Our July recipe, pineapple bars, was missing a key ingredient – % C butter. You'll add it to the crust mixture.



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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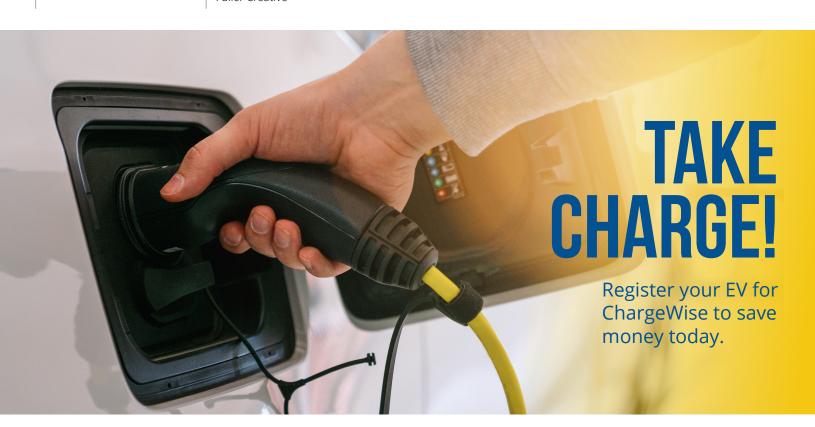
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POWER YOU NEED. PRICE YOU WANT. CHARGEWISE.

ChargeWise allows you to charge your electric vehicle at home during the off-peak hours of 11:00 p.m. - 7:00 a.m. Simply plug in your EV in the evening and wake up to a full charge! Participating members pay a reduced energy rate. Earn a \$500 rebate when you install a home charger, too. **Visit stearnselectric.org to learn more.**