



# POWER CONNECTION

**Simplify**  
WITH THIS BRIGHT IDEA

**MARCH  
2023**

**SIGN UP BY APRIL 30  
TO WIN A BILL CREDIT!**

member driven.  
community focused.  
energy smart.

#### IN THIS ISSUE:

##### PAGE 2

Annual Meeting

##### PAGE 4

Infrared Camera Inspections

##### PAGE 5

A Year of Savings with  
Innovative Energy Solutions

##### PAGE 6

What is the Fixed Charge?

##### PAGE 7

Call Before You Dig

(800) 962-0655  
[WWW.STEARNSELECTRIC.ORG](http://WWW.STEARNSELECTRIC.ORG)

VOLUME 23 | ISSUE 03

## SIGN UP FOR AUTOPAY BY APRIL 30<sup>TH</sup> 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'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](http://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.

*Learn more at [www.stearnselectric.org](http://www.stearnselectric.org).*



# YOU ARE INVITED: STEARNS ELECTRIC'S 86<sup>TH</sup> ANNUAL MEETING

**THURSDAY, MARCH 30, 2023**  
**MELROSE AREA HIGH SCHOOL AUDITORIUM**

Doors Open: 6:30 p.m.  
Business Meeting: 7:00 p.m.  
Social: 8:00 p.m.

As a member-consumer of Stearns Electric Association, 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 (candidates listed below), you help set the future direction of our Cooperative.

### GIFTS AND DOOR PRIZES:

The first 300 members will receive a one-pound block of cheese and one pound of butter quarters as a gift from the Cooperative. Attendees also have a chance to win one of 10 door prizes each valued at \$100. You must be present at the meeting to win.

### REGISTRATION:

Bring your Annual Report to the Annual Meeting for registration and to follow along.

## 2023 ELECTION DETAILS

### DIRECTOR CANDIDATES

The candidates who will appear on the ballot are:

#### DISTRICT 1

*(Scandia-Valley, Cushing, Clough, Parker, Darling, Green Prairie, Culdrum, Pike Creek, Swanville, Swan River, Elmdale, Two Rivers townships)*

- Greg Blaine (incumbent)

#### DISTRICT 7

*(Turtle Creek, Little Elk, Leslie, Reynolds, Long Prairie, Bruce, Gordon, Little Sauk, Round Prairie, Burnhamville, West Union, Grey Eagle, Orange townships)*

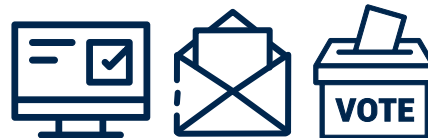
- Scott Dirkes
- Lawrence "Lonnie" Iverson (incumbent)

#### DISTRICT 8

*(Kandota, Birchdale, Westport, Ashley, Sauk Centre and Melrose townships)*

- Eric Peterson (incumbent)

Full candidate biographies are available on the Cooperative's website. Candidate bio sheets were also sent along with the ballot packages for each voting district. Ballot packages were mailed on March 15, 2023 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 were mailed on March 15. 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 3 p.m. on Wednesday, March 29.*

# LEADERSHIP MESSAGE

## CO-OP FACES FINANCIAL PRESSURES

Like many of our members over the past couple of years, Stearns Electric Association has been caught in the economic crosswinds of rising prices and supply chain disruptions. I am proud of the deep commitment of our employees and leadership team to maintain the Cooperative's high standard of service during these turbulent times.

As Board President, I want to explain some of the financial challenges Stearns Electric is facing, what we are doing to address these challenges and what you can expect from us moving forward. Today, we are feeling the full impact of rising inflation across all our operations – from the cost of wholesale power and labor, to transportation and equipment. For example: The cost of poles, wires, transformers and meters has risen by an average of 60% over the past two years, while general construction costs have risen by 20%. In addition, our wholesale power provider, Great River Energy, will be passing a 6% increase in rates onto Stearns Electric this year. Since about two-thirds of every member dollar goes directly towards purchasing wholesale electricity, this creates additional financial pressures for the Cooperative.

Currently, Stearns Electric is determining what needs to be done to manage rising costs without sacrificing service. As part of this effort, we have commissioned a cost-of-service study that will identify revenue needs for the next several years to support daily operations and long-term investments in the distribution system. The Co-op Board will hear the results of the study during its March 30 meeting.

While we are still doing our due diligence, I want to be honest with you – we expect that some kind of rate increase will be necessary this year. Based on our current projections and needs, we expect a rate increase to become effective as soon as May.

We understand that these are economically challenging times for our communities. We will do everything we can to minimize the impact of any rate adjustment and spread the cost fairly among those we serve. Member service will always be the driving force behind these decisions.

As a not-for-profit electric cooperative, we don't set our rates to make a profit. Our primary objective is to provide safe and reliable service that our members expect. Not only has it been five years since our last rate increase, but the Cooperative has also performed well enough financially to return Capital Credits to our members over the last several years. This is not the first time Stearns Electric has faced difficult times, nor will it be the last. I am confident in our ability to meet these challenges. After all, the cooperative model was born out of economic hardship and determination, which led the way for electrification of large parts of rural America. We embrace that legacy today.

Looking ahead, we will continue to make investments to modernize equipment and infrastructure and seek to educate members on ways that they can reduce their energy use and get the most value out of their electrical service. This is why we are exploring the construction of a new facility that would better support our operations, mechanic and garage service areas, and administration.

Stearns Electric will be sure to provide you with more information as it is available. In the meantime, I want to thank all our members for their support. I encourage you to let us know how we can serve you better. Please contact the Cooperative office during regular business hours at (800) 962-0655 with any questions.



Sincerely,

A handwritten signature in blue ink, appearing to read 'Eric Peterson'.

Eric Peterson  
Board President

# BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on January 26, 2023, at 1:05 p.m. at the St. Joseph office of Stearns Electric Association.

Highlights of the meeting include:

- Shaurice Moorman of Power Systems Engineering presented background information on the Cooperative's cost-of-service study and rate design process.
- Board members approved a resolution to pass along a Great River Energy (GRE) Margin Refund directly to member-consumers of Stearns Electric.
- The Board approved an amended GRE Power Purchase Contract. The amendment details requirements and expanded opportunities associated with certain member resources involving renewable energy and energy storage.
- CEO Matt O'Shea reported updates on Stearns Electric's legislative priorities. These include the 100% carbon-free by 2040 bill, property tax on electric cooperative infrastructure and paid FMLA for employees.
- The following Operation Round Up® Trust Board members were appointed: District 1 – Al Poser, Randall; District 3 – Chris Bergman, St. Cloud; District 8 – Stephen Gudgell, Grey Eagle.

**NEXT BOARD MEETING**  
March 30, 2023



## INFRARED CAMERA INSPECTIONS

EVERY YEAR, STEARNS ELECTRIC FOCUSES ON THE PREVENTATIVE MAINTENANCE OF OUR DISTRIBUTION SYSTEM. MUCH OF THIS MAINTENANCE TAKES PLACE THROUGHOUT THE WINTER MONTHS, INCLUDING INFRARED CAMERA INSPECTIONS.

Infrared camera inspections are used to examine our underground power line system as well as our substations for potential issues not visible to the naked eye. Infrared inspection is the process of photographing the heat exchange of equipment. The result is a thermogram image which captures an object's excessive heat rating and can clearly show issues or unsafe conditions that may otherwise have gone unnoticed until they caused an outage.

"Stearns Electric has several different infrared cameras that we use throughout our system," Glenn Blommel, Manager of Operations, described. "The Co-op has been using this technology for about 25 years and it has played a big role in preventing outages."

"The reasons why we do infrared camera inspections are really twofold. The Co-op is required to inspect a percentage of our line each year per the USDA's Rural Utilities Service (RUS), but we also do it to find issues before they can cause an outage," explained Crew Chief, Bob Barutt.

Blommel added, "We try to complete an inspection of our entire underground system every five years on an annual rotation. The infrared camera inspections are typically done in the winter because of the greater temperature difference. This makes potential issues easier to see on the camera. When there are issues, they are very evident."

Our construction lineworker crews complete the infrared camera inspections on the underground power lines throughout our service territory. Each inspection can be completed in just a couple of minutes if there are no issues.

"We find issues every day we do the inspections, but many things can be fixed the same day. One of the biggest issues that we

find are elbow lightning arresters that need to be changed out," Barutt detailed. "Other things that our crews look for are rusty transformer cabinets, tipped boxes, fiberglass basement damage or bad paint. Some things cannot be addressed during the winter but can be added to the work plan for the spring or summer after the ground thaws."

The line crews also update Stearns Electric or safety stickers on the transformer and add flagging whips as needed. The flags allow transformer boxes to be more visible to the public and make it easier for crews to locate the boxes if they get covered with snow.

However, this work can only be completed when the transformers are accessible. Plants, landscaping and other objects should always be at least 10 feet away from the front of the box and 5 feet from the back and sides of the box. Snow also should not be piled on top of or against them. Having obstructions to the transformers not only blocks our crews from completing this preventative maintenance, but also prohibits our lineworkers from accessing equipment quickly during a power outage.

Our substation crew also utilizes the infrared camera technology for substation inspections. All 33 of our substations are inspected annually along with any electrical distribution equipment in and around the substation.

Infrared camera inspections are an imperative part of our regular maintenance. By completing them over the years, our crews have been able to remedy minor fixes and larger concerns that could have caused major outages.

***View additional photos from this year's infrared camera inspections on our blog, [www.stearnslectric.org/news](http://www.stearnslectric.org/news).***



A YEAR OF SAVINGS WITH  
INNOVATIVE ENERGY SOLUTIONS

## ROBOTIC MILKING SYSTEM

member since 1989

GROETSCH DAIRY

**WHY DID YOU INSTALL A ROBOTIC MILKING SYSTEM?** We installed our system to alleviate the constant chore of traditional milking. There have been many benefits since we switched to robotic milking. For us, it's given us more flexibility in our schedules. Our cows are now on their own schedule which allows us to better manage our herd. For the cows, they have such a better temperament, they are more mellow and their production has increased by about 20-25 pounds per day.

**ARE THERE ANY INCONVENIENCES?** With the technology, we are on-call 24/7, but completing scheduled maintenance on the milkers helps reduce the need and still allows us more flexibility.

**HOW MUCH DID YOU RECEIVE IN REBATES?** While we were early adopters in Central Minnesota in the robotic milking technology and received a small rebate when we installed our robotic equipment, Stearns Electric has since recognized the value in robotic automation and now has a handsome rebate program of \$2,500 per robot\* to compliment energy efficient milking technology.

**HOW MUCH MONEY HAVE YOU SAVED?** The results are significantly lower costs per pound of milk. Smart technologies have led to minimal energy use and a reduction in compressed air and water consumption, leading to savings in electrical energy, water usage and wastewater storage/pumping. This all adds up to savings of money and time.

**HOW MUCH ENERGY HAVE YOU SAVED?** We save energy with robotic milking alone, but installing the robotic milking equipment allowed us to add other technologies to help our herd. As a result of those additional upgrades, we now use more energy, but that energy is used more efficiently with a greater focus on animal health and comfort.



**“ROBOTIC MILKING HELPS US TO BETTER MANAGE OUR HERD. THIS HAS ALLOWED US TO NOT ONLY ADD MORE COWS AND DOUBLE OUR PRODUCTION IN THE PAST DECADE, BUT ALSO BETTER SEE THE COWS BEYOND THE CHORES.” – STEVE AND LISA GROETSCH, GROETSCH DAIRY**

## STEARNS ELECTRIC AGRICULTURE REBATE ROBOTIC MILKING

The Agricultural Dairy Rebate is available to agricultural members who purchase and install a new robotic milking system. The robotic milking program provides a rebate\* for dairies that install automated single stall milking unit(s). The milking process at the dairy site will use fully automated robotic milking station(s) in place of conventional systems.

### Rebate Requirements:

- Evaluation must be complete before funds will be issued.
- Members and vendors must submit itemized equipment invoices along with the rebate application and worksheet to the Cooperative.
- Rebates must be applied for within 12 months of invoice date.
- The Cooperative reserves the right to conduct random inspections of installations.
- Project must comply with all program specific rules and qualifications.
- The member is responsible for checking with the Cooperative to determine funding availability and to verify program parameters.

*\*The maximum rebate amount is limited to 25% of the equipment costs or \$10,000, whichever is less. Based on project type, there are caps for each rebate.*

Stearns Electric offers residential, commercial, industrial and agricultural rebates for our member-consumers. By upgrading to more efficient equipment and enrolling in our EnergyWise programs, you will save money and energy every month. Contact Stearns Electric at (800) 962-0655 for more information.



## WHAT IS THE FIXED CHARGE ON MY BILL?

The Fixed Charge is designed to recover the basic cost of electric service, independent of how much energy is used. It accounts for Stearns Electric's investment in equipment like poles, wires and transformers, as well as labor to provide members with safe and reliable electric service. It supports fleet, facility and customer service functions such as line maintenance, Right-of-Way clearing, member service and 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 costs to build the power line, maintain the distribution system and deliver electricity to both of you. None of these costs change regarding how much energy you or your neighbor use.

Here are some of the monthly costs that Stearns Electric aims to cover through the Fixed Charge:

- Owning, maintaining and reading your electric meter - the device that tells us how much energy each member is using per month.
- Owning, maintaining and operating your nearby transformer - the device that steps down the 7,200-volt electricity from the distribution line to 120 or 240 volts, so you can safely use it in your home, farm or business.
- Maintaining and building our distribution system – the power lines and poles that are needed to reach across our service territory and back. Stearns Electric owns and maintains over 4,000 miles of power lines.
- Maintaining our 33 substations, which step down the high voltage electricity from transmission lines to our 7,200-volt distribution voltage.
- Purchasing, servicing and maintaining our fleet – trucks, diggers, distribution equipment, tools and more.
- Costs related to everyday business: computer and telephone systems, accounting, financing, collections, dispatching, customer service and communication equipment, etc.
- Salaries for our dedicated and qualified employees who work daily to help fulfill Stearns Electric's mission of safely providing affordable, reliable energy for our members.

The Fixed Charge is designed so that each member is paying a fair share of the cost to access electric service. The Energy Charge is just that - the purchase price for the energy you use.

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

Contact us at (800) 962-0655 during regular business hours with any questions.



## ENERGY EFFICIENCY

Washing windows and screens is a great way to practice energy efficiency during spring cleaning. They make your home brighter by allowing more sunlight in, reducing the need for lamps and fixtures. Clean screens also allow more fresh air in the home when the windows are open to recycle indoor air.

## MEMBER NEWS

### OFFICES CLOSED GOOD FRIDAY

Stearns Electric Association will be closed on Friday, April 7 in observance of Good Friday. Both offices will be open for normal business on Monday, April 10. 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](http://www.stearnselectric.org). Any information you can provide the Cooperative regarding the location of these members would be greatly appreciated. Email us at [capital-credits@stearnselectric.org](mailto:capital-credits@stearnselectric.org) with any information or questions. Thank you!





---

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

*Building a deck?*

*Planting a tree?*

*Installing a mailbox?*

**You must call 811 before you dig!**

The safest and only legal way to dig is to know what's below ground before your shovel or equipment moves 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 in your project zone. It is very important to have all underground utilities located before digging to prevent costly and potentially dangerous contact with buried utility lines. Digging into an underground power line could not only disrupt electrical service for you and nearby homes, but also deliver a lethal shock to you or your family members.

Call 811 or visit [gopherstateonecall.org](http://gopherstateonecall.org) before you dig.

---

## COOKING CORNER

### **BRIE & MUSHROOM APPETIZER**

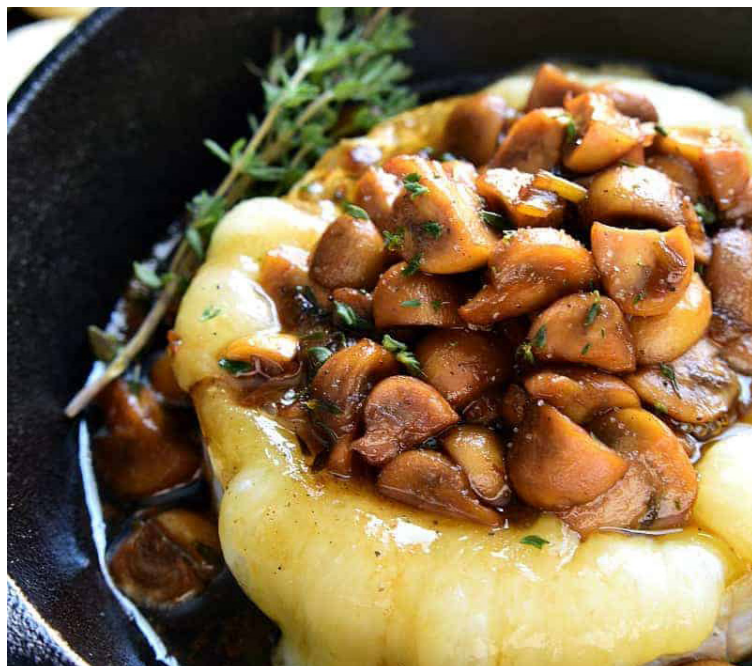
*Submitted by: Anne Wolke*

#### INGREDIENTS

1 small round Brie cheese  
1 pint fresh mushrooms (not canned)  
Butter  
Garlic salt  
Crackers (optional)  
Baguette (optional)

#### DIRECTIONS

Preheat oven to 350 degrees. Remove rind from Brie cheese and place in a pie plate. Sauté mushrooms in butter and sprinkle with garlic salt to taste. Pour mushrooms over Brie. Bake for 10 minutes. Serve with crackers or baguette. 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](mailto: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

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

USPS 016053  
**PERIODICALS  
POSTAGE PAID**  
MELROSE, MN

The Power Connection (USPS 016053) is published monthly (plus an Annual Report) by Stearns Electric Association, P.O. Box 40, Melrose, MN 56352, Subscription rate: \$4 annually. Stearns Electric Association is an equal opportunity provider and employer.

Periodicals Postage Rate is at Melrose, MN, 56352 and additional mailing offices.

### BOARD OF DIRECTORS

**ERIC PETERSON**

President, District 8

**RANDY ROTHSTEIN**

Vice President, District 4

**MICHAEL CRAMER**

Secretary/Treasurer, District 3

**GREG BLAINE**

District 1

**ARLYN LAWRENZ**

District 2

**JEFF KOEHLER**

District 5

**BOB NIEHAUS**

District 6

**LONNIE IVERSON**

District 7

**JERRY FRIES**

District 9

### STAFF

**MATT O'SHEA**

Chief Executive Officer

**VICKY HERKENHOFF**

Vice President of  
Administration and Finance

**JAMES PACHAN**

Vice President of  
Engineering and Operations

**CINDY ANDERSON**

Manager of Finance

**GLENN BLOMMEL**

Manager of Operations

**DARLA HONKOMP**

Manager of Member Services

**RYAN ZIERDEN**

Manager of IT

**EDITOR****WHITNEY DITLEVSON**

Communications Supervisor

**CONTRACT DESIGNER****AMANDA GROETHE**

Fuller Creative

# NOW OFFERING OUTAGE ALERTS

SmartHub now offers  
text and email outage  
notifications allowing you  
to be informed when your  
power is out or when your  
power has been restored.

## LEARN MORE

[WWW.STEARNSELECTRIC.ORG/  
OUTAGE-CENTER](http://WWW.STEARNSELECTRIC.ORG/OUTAGE-CENTER)

*Please note: You must have a SmartHub account AND texting  
must be enabled to participate in outage texting.*