



# POWER CONNECTION



MAY  
2023

member driven.  
community focused.  
energy smart.

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(800) 962-0655  
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VOLUME 23 | ISSUE 05

## MAKE THE SWITCH TO SAVE

***Take advantage of enhanced rebates when you install a qualifying, energy-saving air source heat pump!***

From now through June 30, 2023, Stearns Electric Association members can earn up to \$1,300 in rebates 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 can receive more rebate dollars based on the ASHP's heating seasonal performance (HSPF) factor.

If you're constructing a new home or replacing an aging air conditioner, an ASHP might be a good choice for you! Learn more about what ASHPs are, how they work and if they might be a

good fit for your home by visiting [www.stearnselectric.org](http://www.stearnselectric.org).

We also have a promotion for ductless/mini-split ASHPs with a HSPF rating of 9.0 or higher purchased and installed between April 1 and June 30, 2023. Members receive more rebate dollars based on whether or not they have an electric resistive heat source for their heating needs (i.e., base board heat, plenum heater or boiler).

Ductless ASHPs are the perfect solution for adding space heating and cooling in non-ducted homes, new room additions or new outbuildings, like a pole barn.

Visit [www.stearnselectric.org](http://www.stearnselectric.org) or call the Energy Service Department at (800) 962-0655 during regular business hours for more information.

AIR SOURCE HEAT PUMP	REBATE
≥ 9.0 HSPF Ductless ASHP w/ Delivered Fuels	\$450
≥ 9.0 HSPF Ductless ASHP w/ Electric Heat (9 kW min.)	\$750
≥ 8.2 HSPF Ducted ASHP	\$1,000
≥ 9.0 HSPF Ducted ASHP	\$1,300

# CEO MESSAGE

## RAPID CHANGES CONTINUE TO IMPACT CO-OP

The energy industry is constantly evolving and changing, and this year is no different. As we can finally feel spring and summer heading our way, I want to take this month to update you on other areas of the Cooperative that continue to move quickly.

### SPRING SAFETY

Safety is a foundational component to our Stearns Electric culture. We value safety not only for our employees, but for everyone. The snowpack has finally melted, and we are all excited to get outdoors and complete our outdoor work. Whether you are a farmer preparing for planting or a homeowner working on house projects, make sure you are safely prepared for every project. Look up for overhead power lines. Call 811 before you dig, even if you are just planting a shrub or installing a new mailbox. Contact a qualified electrician to help with your home electrical projects.

Spring is also a time to remember to slow down and move over for roadside crews. Our field employees are out daily working to enhance the distribution system, manage our Right-of-Way and stake in new projects. Please help us get our employees home safely to their loved ones every day by staying alert, slowing down and moving over.



### LEGISLATIVE UPDATE

The fast-moving 2023 State legislative session, where we have seen over 6,500 bills introduced, is nearing an end. May 22 marks the date that lawmakers must adjourn and so much of their focus over the last couple of weeks has shifted to debating and moving on various omnibus bills. There are still several key issues we are watching in partnership with our statewide organization, the Minnesota Rural Electric Association (MREA). One of them, the 100% carbon-free by 2040 bill, was passed earlier in the session, but details surrounding its implementation have yet to be completely hashed out. A few other issues on radar include the rural electrification property tax exemption, load control receiver inspections and state mandates on electric cooperatives.

In February, I had the opportunity to testify in front of the Senate Tax Committee regarding property taxes on rural cooperative distribution infrastructure – something we have been working on for two years. The November 2022 and February 2023 newsletter CEO columns provided further detail

on this clarification legislation. Since 1939, the Department of Revenue (DOR) has excluded co-op owned rural meters and streetlights from a rural electrification property tax. This property tax exemption is critical for ensuring rural Minnesotans continue to receive affordable electric service. Back in 2019, the DOR changed the way it interpreted the law, substantially increasing our property tax amount. At this time, we are still hopeful that the proposed clarifying language will be included in the 2023 tax bill.

Please note, the legislative session wraps up after this column goes to print but will likely be closed when members receive this newsletter in late May. I will provide an update in future issues of Power Connection on any substantial legislation that impacts Stearns Electric.

### MINNESOTA REGIONAL GRIP PARTNERSHIP

In partnership with MREA and several other electric utility and affiliated organizations throughout Minnesota, we have submitted a letter of commitment to participate in a Grid Resilience and Innovation Partnership (GRIP) grant application. These grant dollars are available to electric utility providers and distributors that aim to improve electric grid reliability and resilience through the implementation of innovative projects on a local and/or regional scale.

If awarded, grant dollars would be used to upgrade and replace traditional substation and distribution system equipment with electronically controlled, communication ready and battery backed up equipment. Grant dollars would also be used to expand SCADA (Supervisory Control and Data Acquisition) equipment and capabilities throughout the distribution system. These two efforts would allow for automatically restoring power to as many members as possible, as quickly as possible, in the event of a permanent fault.

Additionally, the improved collection of real-time data, combined with remote switching capability throughout the distribution system, will set Stearns Electric up to better manage power flow and power quality as the adoption and penetration of electric vehicles and distributed energy resources continue to rise into the future. Distributed energy resources include member-owned and installed solar, wind and battery technology equipment.

Though the industry is constantly evolving and facing new challenges, I assure you Stearns Electric is prepared to keep up with new legislation and innovation initiatives. We work hard to maintain electric reliability for all of our members and are excited to see how these new technologies will help us achieve our mission into the future.



Sincerely,

A handwritten signature in black ink that reads "Matt O'Shea".

Matt O'Shea  
Chief Executive Officer



# MEMBER NOTICE: RATE ADJUSTMENT

To maintain the reliability and quality of electricity provided by your Cooperative while also managing rising costs and inflation pressures, it is necessary for Stearns Electric to implement a rate adjustment in 2023.

The chart below outlines the change in rates effective May 1, 2023, for our most common rate classes. Information regarding adjustments to additional rate classes can be viewed on our website, [www.stearnselectric.org/RateAdjustment2023](http://www.stearnselectric.org/RateAdjustment2023). Members will first see the impact of the new energy rates on the energy bill they receive in June.

*Please Note:* Included in the monthly Fixed Charge for all members is \$3 for the new headquarters facility. Members of the Cooperative will equally contribute to this important infrastructure need of Stearns Electric Association. Additional adjustments made to the Fixed Charge and energy charges will fairly reflect the actual cost to the Cooperative to deliver reliable energy to each member.

RATE CLASS	EXISTING RATE	NEW RATE
<b>GENERAL SINGLE PHASE</b>		
Fixed Charge	\$24.75 per month	\$34.25 per month
Energy (June – August)	\$0.12500 per kWh	\$0.13220 per kWh
Energy (Other Months)	\$0.10500 per kWh	\$0.11720 per kWh
Base Power Cost Adjustment	\$0.00595 per kWh	-----
<b>ENERGYWISE RATE</b>		
EnergyWise Rate (June – August)	\$0.07700 per kWh	\$0.08300 per kWh
EnergyWise Rate (Other Months)	\$0.05700 per kWh	\$0.06300 per kWh
Base Power Cost Adjustment	\$0.00595 per kWh	-----

When the new rates went into effect on May 1, the current Power Cost Adjustment (PCA), which is passed on directly from our wholesale power provider Great River Energy, folded into the new energy rates. Any wholesale PCA you see on your power bill for the remainder of this year will likely be minimal and reflect monthly changes in wholesale power costs.



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## BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on March 30, 2023, at 8:30 a.m. at the Melrose office of Stearns Electric Association.

Highlights of the meeting include:

- A representative from Clifton Larson Allen (CLA) reviewed the Stearns Electric Association financial audit from 2022. The audit, which was a clean opinion on the monthly 2022 financial statements, was approved by the Board.
- CEO Matt O'Shea provided a headquarters update to the Board, focusing on the strategic financial plan that is in place regarding the new facility.
- The Board and Cooperative employees heard the results of the Cost-of-Service study, presented by Shaurice Moorman from Power Systems Engineering (PSE).
- After a lengthy discussion regarding rate increase options among various classes of power, Board members approved a rate adjustment, effective May 1, 2023.
- VP of Administration and Finance Vicky Herkenhoff announced personnel changes in the Finance department.
- VP of Engineering and Operations James Pachan reported on the IJA grant as it relates to SCADA system updates. The new Manager of Engineering was also announced.

**NEXT BOARD MEETING**  
May 25, 2023



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## LONNIE IVERSON'S SERVICE ON STEARNS ELECTRIC'S BOARD OF DIRECTORS

IVERSON'S LIFETIME OF DEDICATION TO HIS FAMILY'S FARM AND COMMUNITY EXTENDED TO SERVING ON STEARNS ELECTRIC ASSOCIATION'S BOARD OF DIRECTORS FOR 12 YEARS, OVERSEEING SIGNIFICANT CHANGES IN THE ENERGY INDUSTRY AND THE COOPERATIVE'S OPERATIONS.

Tucked into the northwestern-most part of our service territory just outside of Osakis is a Century Farm that is home to Lawrence "Lonnie" and Sharon Iverson.

Since coming into the world nearly 80 years ago, Lonnie has made home on his family's homestead and within this community. He spent his formative years attending school in Osakis. When his father passed away his senior year of high school, Lonnie took over running the family farm, where he milked cows for 47 years.

In 1967, Lonnie married the love of his life, Sharon. Originally from Nebraska, Sharon's family had a summer resort in Osakis. Sharon came to Osakis one summer to handle horses and also worked as a nurse in the nursing home where Lonnie's mom was residing. Lonnie and Sharon met, and the rest is history.

Together they have three sons and eight grandchildren. Plans are in progress for Lonnie and Sharon to gift the family land and homestead to their sons, where the next generation of Iverson's will make their home.

A Stearns Electric member his whole life, Lonnie decided to run for the Cooperative's Board of Directors in 2011 after being approached by individuals from the Nominating Committee. "I saw Mike and Marcy Johnson's name on the Nominating Committee list, which was printed in Power Connection, so I called them up to ask some questions. At the time, I wasn't planning to run, but when they followed up with me a few weeks later to see if I would apply, I took them up on it," Iverson recalled.

During his tenure, Lonnie served on the board through several historic Cooperative events, including the 75<sup>th</sup>, 80<sup>th</sup> and 85<sup>th</sup> anniversaries, a global pandemic, and a full Cooperative policy and Bylaw review. His proudest work has been hiring the CEOs to lead Stearns Electric and watching the St. Joseph branch office location get built.

"During my time on the Board, we've hired five CEOs to lead the Cooperative," he explained. "Most recently, we hired Matt O'Shea to take over the CEO role and I'm very proud of that decision and I think Matt will do a great job leading Stearns Electric into the future. He is very sharp."

Perhaps always intrigued by the energy industry, Lonnie recalls his mom telling him that in 1944, when they got electricity in their area, that he would watch the highline guys from the window as they strung wire along the newly placed power poles.

During the last 12 years, the energy industry has changed immensely. "We are moving away from coal-produced electricity toward renewables, and the industry continues to change at a quick pace," he said. "Though I'm going to miss serving on the board, I will continue to be interested in the industry and watching to see what happens."

When asked what advice he would give to others interested in joining the Cooperative's Board, Lonnie had this to say: "Things in the industry are moving quickly and at the end of day you've got to be able to agree even when you disagree."

"Serving on the Board has been a great learning experience for me," he concluded. "Thank you for allowing me the opportunity to represent the membership in District 7 for the last 12 years."

## A YEAR OF SAVINGS WITH INNOVATIVE ENERGY SOLUTIONS **ELECTRIC FORKLIFTS**

*member since 1989*

## FINGERHUT

### **WHY DID YOU PURCHASE A NEW FLEET OF ELECTRIC FORKLIFTS?**

The energy savings of new electric forklifts was a big reason why we purchased them, but also the aspect of fleet management was important from efficiency, run time, operator use and the obsolescence of previous equipment.

### **WHAT HAS BEEN THE BIGGEST BENEFIT?**

Two of the biggest benefits tie directly to our employees: Safety, including comfort of the forklifts for less employee fatigue and quieter running, as well as better work practices as the new forklifts require less time charging, fixing, less maintenance and better reliability.

### **ARE THERE ANY INCONVENIENCES OF USING AN ALL-ELECTRIC FORKLIFT FLEET?**

No. The operating costs and maintenance intervals are much less than fossil-fueled forklifts, plus there is no need to store fossil fuels on site.

### **HOW MUCH DID YOU RECEIVE IN REBATES?**

We received a \$2,000 rebate for each forklift added to the fleet.

### **HOW MUCH MONEY HAVE YOU SAVED?**

In comparison to a typical fossil fuel-powered forklift, an electric forklift saves us between \$3,000-\$4,500 annually, per forklift.

### **HOW MUCH ENERGY HAVE YOU SAVED?**

Our electric forklift upgrades, along with the LED lighting retrofits we completed during the same time frame, has reduced our kWh energy usage by 20% year over year.

**ENERGY WISE** 



**“THE ENERGY EFFICIENT UPGRADES THAT WE MADE TO NOT ONLY OUR ELECTRIC FORKLIFT FLEET, BUT ALSO OUR LED LIGHTING, HAVE MADE HUGE IMPACTS FOR FINGERHUT. WE’VE HAD A SIGNIFICANT REDUCTION IN OUR KWH USAGE, BUT WE NOW ALSO HAVE BETTER WORK EFFICIENCIES THAT BENEFIT OUR BUSINESS AND OUR EMPLOYEES.” – JEFF WOLSETH, FINGERHUT**

## STEARNS ELECTRIC ENERGYWISE REBATE **ELECTRIC FORKLIFT**

The EnergyWise Electric Forklift Rebates are for businesses that make the change from internal combustion engine forklifts to electric, electric fleet addition (new or refurbished) and electric to electric fleet retention. Qualifying forklifts must be operated a minimum of 40 hours per week.

### **Rebate Requirements:**

- Purchase or lease must be final before funds are issued.
- Member and vendors must submit itemized equipment invoices, rebate applications and manufacturer equipment specifications.
- The Cooperative reserves the right to conduct random inspections of installations.
- Rebates must be applied for within 12 months of invoice date.
- Project must comply with all program-specific rules and qualifications.
- The member is responsible for checking with the Cooperative to determine funding and availability to verify program parameters.

*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.*



## WANT TO LEARN MORE ABOUT THE CO-OP? JOIN THE MEMBER ENGAGEMENT GROUP

***Stearns Electric is looking for members to serve on the Cooperative's Member Engagement Group (MEG). The MEG gives members a chance to learn more about the Cooperative and our services. The MEG also serves as a sounding board for the Cooperative, helping the Co-op board and staff gain ideas and proposals for new and existing programs.***

Serving on the committee is a two-year commitment for a total of eight meetings. Meetings are typically held at 6:30 p.m. on the second Wednesday of September, November, February and May. A light supper is provided.

In return for your participation, MEG members receive a \$50 honorarium for each meeting attended, plus mileage. There are limited spots available in each district. If you are interested in joining, visit [www.stearnslectric.org](http://www.stearnslectric.org) to apply. If you have any questions, call our office during regular business hours at (800) 962-0655 or email the MEG Coordinator at [communications@stearnslectric.org](mailto:communications@stearnslectric.org).

## OPERATION ROUND UP® AWARDS OVER \$58,000

***The Stearns Electric Association Trust Board of Directors met in March to award funds through the Cooperative's Operation Round Up® program. They distributed \$58,573 to 80 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 \$2.9 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, June 23.



## ENERGY EFFICIENCY

The location of your thermostat can impact your HVAC system's ability to maintain an ideal indoor temperature. For maximum accuracy, thermostats should be placed in the center of the home, out of direct sun light or in a shaded area, or away from air vents, plumbing pipes and exterior doors. Avoid placing items like lamps and televisions near your thermostat, which can cause the HVAC to run longer than necessary.

## MEMBER NEWS

### OFFICES CLOSED MEMORIAL DAY

Stearns Electric Association will be closed on Monday, May 29 in observance of Memorial 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.

### SMARTHUB OUTAGE NOTIFICATIONS AVAILABLE

You can already report your outage 24 hours a day quickly and conveniently via SmartHub. And now, you are able to receive text and email notifications allowing you to be informed when your power is out or has been restored.

Learn more by visiting [www.stearnslectric.org/outage-center](http://www.stearnslectric.org/outage-center).

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## TRAVIS BELLEFEUILLE SELECTED AS RURAL ELECTRIC YOUTH TOUR DELEGATE



Travis Bellefeuille, son of Kris and Molly Bellefeuille of Swanville, was selected to represent Stearns Electric at the 2023 Rural Electric Youth Tour in Washington, D.C this June. Travis is currently a junior at Swanville High School.

Each year, rural electric cooperatives across the nation sponsor nearly 2,000 students on the National Rural Electric Youth Tour to Washington, D.C. The Youth Tour program continues to foster the grassroots spirit of rural electric cooperatives by demonstrating to students how our government works and what the electric cooperative business model is all about.

Stearns Electric Association sends one current high school junior or senior on an all-expense paid trip to the Youth Tour every year. The selected student will visit with congressional representatives, tour some of the most famous museums and monuments in the world, and make memories and friends that will last a lifetime.

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## COOKING CORNER EASY SUPPER CASSEROLE

*Submitted by: Keith and Cyndi Locnikar*

### INGREDIENTS

- 1 lb. hamburger, browned and drained
- 1 can cream of chicken soup
- 2 cans cream of mushroom soup
- ½ - 1 C onion, chopped
- ½ - 1 C celery, chopped (optional)
- 1 stick butter, slightly melted
- 1 package egg noodles
- 1 package French fried onions

### DIRECTIONS

Preheat oven to 350 degrees. Cook noodles according to package directions. Drain. Mix stick of butter with cream of chicken and cream of mushroom soups. Mix hamburger, onions and celery in with the soup mixture. Put half of the mixture in the bottom of a 9x13" baking dish. Top with noodles. Add other half of the meat mixture to the top of the noodles. Stir slightly together. Bake for 30 minutes. Take out of the oven and add fried onions on top. Do not mix. Put back into oven for 15 minutes or until fried onions are golden brown. 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@stearnsselectric.org](mailto:communications@stearnsselectric.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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# COOL OFF AND CRUISE!

**WITH A \$25 REBATE  
FROM STEARNS ELECTRIC AND A  
CHANCE TO WIN AN ELECTRIC BIKE!**

*Get your AC Tuned Up and Ride Away on an Electric Bike!*

From now through September 1, Cooperative members can receive a \$25 rebate when an air conditioning contractor performs a central air conditioning tune up. Plus, you'll be entered into a drawing to win an Aventon Soltera Electric Road Bike.

Learn more and download our rebate form at  
**WWW.STEARNSELECTRIC.ORG**

