



POWER CONNECTION



JULY
2026

member driven.
community focused.
energy smart.

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STEARNSSELECTRIC.ORG

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EMPLOYEE VOLUNTEERS SHOWCASE CO-OP VALUE OF “MEANINGFUL COMMUNITY INVOLVEMENT”

Twelve Stearns Electric employees recently volunteered their time at Camphill Village MN as part of our “My Co-op Cares” program. Volunteers repaired and stained some of the large decks at the community north of Sauk Centre. After the work was completed, eating lunch on-site with many of the community members was a highlight!

“As employees, being able to volunteer in the community is a meaningful way to demonstrate our commitment to community involvement,” volunteer Abby Gardner stated. “It allows us to build relationships, give back in a hands-on way and represent the Co-op’s values beyond the workplace.”

“The work the Stearns Electric volunteers completed is not only visually appealing, but it allows our community to continue to provide safe care for our residents with special needs,” Annie Welck, Camphill Village MN development and outreach manager, said.

Continued on page 2.



NEW LOCATION!

Melrose Headquarters | 700 Kraft Drive SE, Melrose

Join us for our annual Member Appreciation Pancake Feed for a complimentary pancake and sausage breakfast! This year, we are in a new location – our new operations center and headquarters in Melrose. Please note, no tours will be provided.

WE'RE SAYING THANK YOU!

Each year, our Member Appreciation event gives us the chance to thank you for your continued support throughout the year. We enjoy connecting with you and seeing your families at this annual event.

BREAKFAST

Our local Kimball Lions Club will prepare delicious pancakes and breakfast sausage again for us this year.

SCHOOL SUPPLIES

As you prepare your children to return to the classroom, we want to help! Each child between the ages of 2 and 18 who attends the Stearns Electric Pancake Feed will receive an age-appropriate bag of school supplies*.

MEET A LINEWORKER

Don't miss your chance to meet a lineworker, learn about their tools and take your picture in front of a bucket truck!

90TH ANNIVERSARY

Stop by our 90th Anniversary booth to learn more about our upcoming milestone! You'll also have a chance to share a memory with us for your chance to win a \$90 bill credit.

Visit stearnselectric.org for complete details. We hope to see you there!

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

REMINDER: YOU'RE INVITED!

STEARNS ELECTRIC MEMBER APPRECIATION PANCAKE FEED

SATURDAY, AUGUST 1 | 8:00 - 11:30 A.M.

MY CO-OP CARES CONTINUED...



"It's wonderful for our community to have had the opportunity to interact with employees of such a productive and community-focused organization!"

In its eighth year of impacting multiple organizations throughout our service territory, the "My Co-op Cares" program allows Cooperative employees time to volunteer during the workday to benefit our area communities.

"It was nice seeing the smiles on the villagers and workers faces, the thankfulness they expressed, without even saying a word, was amazing," volunteer Glen Kemper said.

Katie Anderson, an employee volunteer concluded, "Getting to see the people and hear the heart behind an organization makes whatever work we do much more meaningful when you see the 'why' behind the work."

Read the full feature on our blog and see more photos on our Facebook page.

CEO MESSAGE

RATE ADJUSTMENT FAQ

Stearns Electric's new rates went into effect May 1, 2026. When I announced the 2026 rate adjustment, I shared that Stearns Electric's Board of Directors approved a 3.3% rate increase. Since May bills were mailed in early June, a few members have contacted us because their monthly bill increased by more than 3.3%. I'd like to address these concerns and, hopefully, provide you with further information about how the new rates affect individual electric bills.

The 3.3% increase equates to approximately \$2.5 million in additional revenue for the Cooperative over a year's time. It reflects the annual average rate increase Stearns Electric needs across all members and rate classes.

IMPACT TO MONTHLY BILLS FOR RESIDENTIAL MEMBERS

The 2026 rate adjustment affects members differently based on their energy use and rate class. Residential members, our largest rate class, are served under General Single Phase (GS1).

The graphs on page 7 (also available online at stearnselectric.org/rate-adjustment-2026) compare monthly bill impacts for members in the GS1 rate (based on energy use) for both summer and non-summer months. Monthly bill amounts are on the left (vertical axis) while energy use levels are along the bottom (horizontal axis). Above each usage level are the estimated rate increase impacts in both dollars and percentages. Taxes, local fees and variable monthly power cost adjustment (PCA) charges/credits are not included.

WHY IS MY BILL INCREASE HIGHER THAN 3.3%?

Some members may see bill increases greater than the overall 3.3% average for one of the following reasons:

- An account has lower-than-average monthly energy use. Even though energy charges are low, the total Fixed Charge increased by \$5.00 (or 14.6%). Accounts impacted in this scenario are often seasonal properties or apartment dwellings.
- Summer energy rates are higher compared to non-summer energy rates.
- Cost-of-Service (COS) study results required different adjustments among rate classes to better align costs with the services provided, ensuring rates remain fair across all member-consumers.

I realize no one wants to see higher electric bills. Please know that your Cooperative employees and Board members remain committed to managing costs while continuing to provide you with the safe, reliable energy you depend on every day.

I encourage you to visit stearnselectric.org/rate-adjustment-2026, for additional information regarding our recent rate adjustment. As always, we are here to serve you, so please contact us with any additional questions or concerns you may have.



Sincerely,

Matt O'Shea
Chief Executive Officer

SECURITY SYSTEM DISCOUNT FOR CO-OP MEMBERS

Are you searching for peace of mind for your home, business, farm or cabin? Heartland Security, which is owned by Stearns Electric and 12 other rural electric cooperatives, installs and monitors home and business security systems, and medical alert systems. As a member, you qualify for a special discount on a professionally installed and monitored security system.

Learn more at stearnselectric.org/heartlandsecurity

BOARD MEETING HIGHLIGHTS

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on Thursday, May 28, 2026, at 1:00 p.m. at the Melrose office of Stearns Electric Association.

Highlights of the meeting include:

- Darrick Moe, CEO of the Minnesota Rural Electric Association (MREA), provided an update on MREA's legislative session priorities and programs and services, including its safety training partnership with Stearns Electric.
- A facility update was given regarding the former headquarters at 900 Kraft Drive. The Cooperative recently completed a second auction for remaining items and executed a lease with Merry Moose Childcare and Preschool LLC for the front portion of the facility.
- CEO Matt O'Shea provided an update including information on the demand rate implementation task force team, guidance on using the Cooperative's brand in campaigning efforts and other industry-related news.
- A recap of the recent Member Engagement Group (MEG) meeting was provided, and it was noted that the Power Connection newsletter will advertise opportunities for future interested members.
- Directors Cramer, Tomasek, Rothstein and Koehler attended area high school scholarship ceremonies, presenting certificates to recipients at ROCORI, Sauk Rapids-Rice, Cathedral and BBE.

NEXT BOARD MEETINGS

July 23, 2026

August 27, 2026



POWERING BUSINESSES. STRENGTHENING COMMUNITIES. POWERED BY PURPOSE.

Kevin Doyle was always interested in science, agriculture and plants. In 1985, his interests turned into business ownership when he and his business partners founded Forest Mushrooms in St. Joseph. Today, the mushroom farm grows and sells over 5,000 pounds of mushrooms per week! Recently, Forest Mushrooms partnered with Stearns Electric Association to complete a lighting retrofit project for rebate. As Doyle puts it, "Although mushrooms don't need light, people do!"

Just outside of St. Joseph, in the former St. John's University hog farrowing barn, thousands of pounds of mushrooms are grown, harvested and sold every week.

What began as a hypothetical business plan for a college project, turned into reality in 1985.

"I spent a lot of time outdoors as a kid. I was particularly interested in identifying plants," Doyle recalled. "After studying natural science in college, I worked on a project team focused on figuring out ways to generate energy by using plants. I was specifically focused on soil science and tissue culture." (For reference, tissue culture is how mushrooms are made.)

A constant learner, Doyle stumbled upon a book which had a chapter on growing mushrooms. Some time later, a college friend was visiting and needed to create a hypothetical business plan for his grad school program. Doyle brought out the book and the chapter on mushrooms. That night, a business model for a mushroom farm was made. And though the final project was turned in, the idea never went away.

Shortly after, that college friend approached Doyle about starting a mushroom farm. Two more friends joined the endeavor and Forest Mushrooms was in business.

Today, Doyle is the sole owner of Forest Mushrooms, which grows and distributes fresh oyster and shiitake mushrooms. The small business also offers a full line of specialty mushrooms and mushroom products, purchasing and distributing about 10,000 additional pounds of those products per week.



Doyle shows off the growing shiitake mushrooms in the fruiting room.

ENVIRONMENT AND ELECTRICITY

Though mushrooms don't need light to grow, reliable electricity is extremely important for the growing cycle.

Oyster mushrooms require 60-degree temperatures and 90% humidity all year round. And once harvested, the mushrooms need to be kept at 35 degrees in refrigerators.

Plus, unlike green plants, mushrooms break down plant matter, releasing small amounts of carbon dioxide into the

air during the growing process. In nature, that carbon dioxide blows away into the breeze, but indoors, fresh air is required to displace the stale, carbon air.

To maintain a proper environment, Forest Mushrooms relies on six air conditioners to maintain proper temperature and humidity. Additionally, multiple air exchangers run six to ten times per hour to exchange the air in the fruiting rooms. (For reference, a typical industrial shop runs an air exchanger twice per day.)

In the past, Doyle would frequently need to be on-site to monitor the temperature and humidity conditions of the fruiting rooms. Today, he can monitor these technologies from his phone to ensure the mushrooms have the proper environment 24 hours a day, 7 days a week.

LIGHTING UPGRADE

Recently, Forest Mushrooms completed a commercial lighting retrofit, which not only led to energy efficiency for Forest Mushrooms, but saves money on their monthly power bill, too.



Lights in the packaging area were retrofitted to LEDs.

Through our commercial energy rebate program, Stearns Electric was able to rebate Forest Mushrooms for a portion of the retrofit project cost.

"Over the years, building by building, we have worked to upgrade our older fluorescent lighting to LEDs. LEDs don't generate a lot of heat, which is nice, especially as we regulate the temperatures in our fruiting rooms and refrigerated areas," Doyle said. "Though the mushrooms don't need light, our people do. It's nice not to have the flickering fluorescent bulbs in our workspaces."

MUSH"BOOM"

Mushrooms have become quite popular over the last few years – including increased interest in mushroom powders, specialty mushrooms and functional mushrooms.

"Consumers across the world have had more interest in mushrooms lately, which keeps us very busy," Doyle said. "We are experiencing a mushBOOM!"

That boom is good business, and Stearns Electric is proud to partner with Forest Mushrooms to provide the electricity and efficiencies needed to keep up with growing demand.

COMMERCIAL AND INDUSTRIAL PROGRAMS & REBATES

Stearns Electric offers rebates and programs for our commercial and industrial members every year. Rebates are available for:

- Building Studies
- Commercial Lighting
- Compressed Air
- Custom Rebates
- Variable Frequency Drives
- Electric Forklifts
- Food Service
- Commercial Refrigeration
- Electric Vehicle Charging
- and more

If your business has a generator, our Interruptible Program helps businesses lower energy costs by allowing Stearns Electric to interrupt your electric service and automatically switch energy load onto your back-up generator.

Plus, through partnerships with our wholesale power provider, Great River Energy, and the USDA, Stearns Electric offers economic development funding opportunities for new business development or the expansion of existing business.

**SCAN THE
QR CODE TO
LEARN MORE:**



**POWERED
BY PURPOSE**

As your local electric cooperative, we are proud to power area businesses and provide you with the reliable energy you depend on. Our team enjoys working with your business to make energy upgrades that lead to efficiencies and cost savings.

After all, it's your energy.
Our mission is to help you use it wisely.



GET INVOLVED: MEMBER ENGAGEMENT GROUP (MEG)

We are looking for members from every district who want to be more engaged with their local electric Cooperative. If this sounds like you, consider joining the Member Engagement Group!

- Must be a member-consumer of Stearns Electric
- Two-year term; eight meetings total
- Meetings begin at 6:00 p.m., typically on the second Wednesday in September, November, February and May (light supper is provided)
- \$50 honorarium for every meeting attended, plus mileage reimbursement

APPLY BY AUGUST 14

Visit stearnsselectric.org, call our MEG coordinator at (800) 962-0655 or email communications@stearnsselectric.org.

LAST CHANCE: ENHANCED REBATES FOR AIR SOURCE HEAT PUMPS

Don't miss your chance to receive up to \$1,250 in rebates or one free 100-gal. Marathon Water Heater when you install a qualifying, energy-saving ducted ASHP from now through August 31, 2026.

ASHP	Promotional Rebate
DUCTED UNITS	
≥14.3 SEER2 & ≥7.5 HSPF2	\$750 OR One (1) Free 100-gal. Marathon Water Heater
CEE Tier 1 Listed	\$1,250 OR One (1) Free 100-gal. Marathon Water Heater
DUCTLESS/MINI SPLIT UNITS	
1 Ton or Less ≥14.3 SEER2 & ≥7.5 HSPF2	\$450
Over 1 Ton CEE Tier 1 Listed	\$650
Over 1 Ton; Metered Dual Fuel Load on Account, CEE Tier 1 Listed	\$1,000
CALL (800) 962-0655 TO LEARN MORE!	

Members must meet all qualifications to secure a rebate or receive a water heater. Visit stearnsselectric.org/ASHP for all qualifications and full promotion details. Call our Energy Services Department at (800) 962-0655 with questions or to enroll.



ENERGY EFFICIENCY

Running several major appliances at once, like the dishwasher, laundry machines and oven, can increase energy demand during peak hours. Spread chores throughout the day or shift them to off-peak times. Doing laundry in the morning and running the dishwasher overnight can support reliability, improve efficiency and help lower costs.

MEMBER NEWS

ATTENTION SMARTHUB MOBILE APP USERS

SmartHub Mobile launched an update to its app (version 26.3) on June 29.

The new version is required in order to make payments through the SmartHub Mobile App. To update:

- Android users: You will be prompted to update the app the first time you log in after the new version is released.
- Apple (iOS) users: An update option will be available through the App Store and may also appear on the SmartHub home screen.

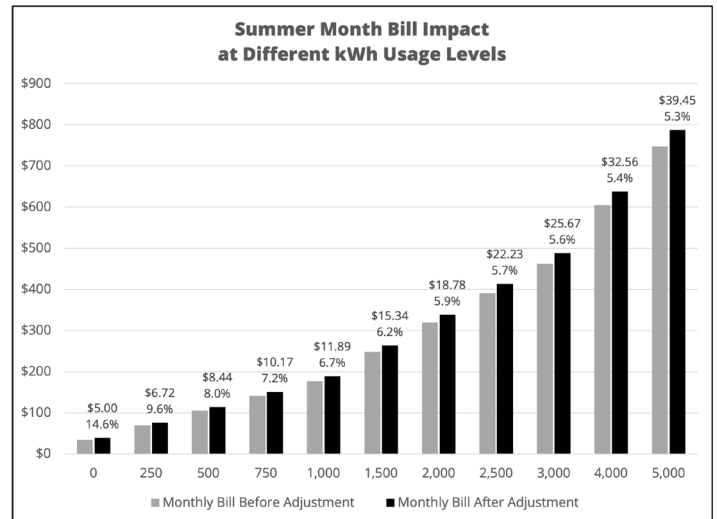
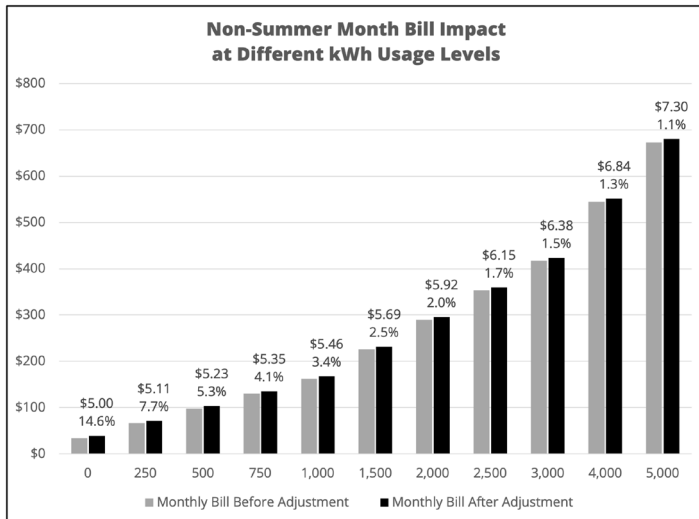
REBATES FOR AIR CONDITIONING/ ASHP TUNE-UPS

Rebates are available for tuning-up your air conditioning unit this summer!

- \$100 for an ASHP tune-up
- \$25 for a central AC tune-up

For full eligibility requirements and rebate applications, visit stearnsselectric.org/rebates.

CEO MESSAGE: MONTHLY BILL IMPACT COMPARISON



Larger graphs are available at stearnsselectric.org/rate-adjustment-2026



DID YOU KNOW?

Did you know it costs Stearns Electric approximately \$75,000 to install one mile of standard single-phase overhead line and approximately \$110,000 to install one mile of standard three-phase overhead line?

Stearns Electric has 2,562 miles of primary overhead line on our distribution system. We add or replace an average of 30 miles of overhead lines annually.

Overhead wires typically have a steel core for strength and multiple strands of aluminum for conducting electricity. There are many factors to consider when deciding to install overhead lines or underground cable, but one of the pros to overhead construction is that the material and installation costs are quite a bit less than underground construction.

COOKING CORNER

RASPBERRY FLUFF-N-STUFF

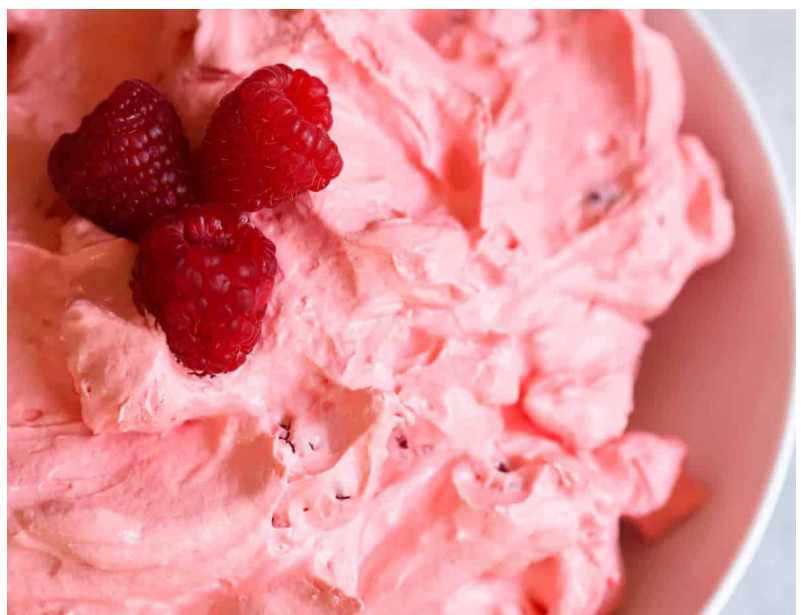
Submitted by: Joy Swanson

INGREDIENTS

- 2 C heavy cream
- 3 tsp of sugar
- 1 tsp of vanilla extract
- 1 package of instant vanilla pudding (3.4 oz box)
- 40 oz container of Greek yogurt, plain or honey flavored for extra sweetness
- 2 C frozen raspberries

DIRECTIONS

Whip cream with sugar and vanilla until it forms nice peaks. Add the instant vanilla pudding and Greek yogurt. Mix well. Add raspberries about 2 hours before serving so they can thaw in the mixture. Serve with a few raspberries on top as garnish. 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 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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MELROSE, MN

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INNOVATION WITH INTENTION.

Beneficial Energy Solutions

We offer a wide range of programs and technologies to our members to smartly manage electricity and ensure reliability. If you are looking for energy-saving solutions for your home, farm or business, we are here to work with you. It's your energy. Our mission is to help you use it wisely.

