

What do we get for our money?

By Mark Glaess, General Manager, Minnesota Rural Electric Association



The Interstate highway system stretches more than 48,000 miles. That was funded largely by gas tax. Income and sales tax pay for police, schools, national defense, public radio and whatever else is covered by this country's \$3.6 trillion budget. We may disagree about funding this and that, but at least we know that our tax dollars actually produce something.

Not so with the nearly \$100 billion that has been spent since 1998 on climate change. What, exactly do we get with that enormous sum spent addressing climate change? Has the earth cooled commensurate with the money spent? Has the tons of carbon emissions worldwide decreased with the passage of the 1996 Kyoto Treaty, which would have countries reduce their carbon emissions by 5.2 percent based on what was emitted in 1990? Why

that target? Will that reduction actually reduce carbon emissions?

We don't know. Here's what we do know: 192 countries signed the Kyoto Treaty in 1996 (the United States did not). However, 155 countries were not bound by the carbon emission reduction. With a nod to China, these countries (including China) said convincingly we need to use coal, oil and other carbon emitting sources to fuel our economy. Between 1990 to 2010 the use of coal in China increased by 475 percent. More importantly, that country's gross domestic product, an indicator of wealth, soared by 375 percent. About 3.6 billion people have no access or limited access to electricity. Make no mistake, they want the same things this country has enjoyed.

Each year, according to James Fallows, who writes in *The Atlantic*, the world produces 36 billion tons of carbon dioxide (CO₂). That will not diminish. Think not? A major terminal is being built in the state of Washington for the sole purpose of shipping Powder River Basin coal to developing countries.

Scientists like NASA's Jim Hanson said the "tipping point" for CO₂ concentration is 385 parts per million (ppm). Today, again

according to Fallows, we stand at 390 ppm with an additional 2 ppm emitted annually. Said another way, the world's production of CO₂ will continue to escalate – not decline. If Hanson is right, there is no righting the climate change due (or not) to carbon emission concentrations.

In 2007, then Gov. Pawlenty promoted renewable energy, conservation mandates and a goal to reduce carbon emissions. Four years later every Minnesotan has higher energy rates as a result. We now know that the wind mandate has cost this state close to \$100 million because that breeze occurs when it is least needed. Those costs will only get worse as the renewable mandate increases until we hit 25 percent by 2025. How about the cost to reduce Minnesota's carbon emissions (which in the worldwide scheme does not matter)? According to a research paper authored by Peter Nelson for the "American Experiment," the cost of carbon reduction statewide totals, on average, \$208 per ton. Your electric co-op, which must spend more to meet conservation

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MAY 2011

The Enlightener (USPS 024959), Vol. 56, No. 5 is published monthly by North Star Electric Cooperative, Inc., 441 St. Hwy 172 N.W., Baudette, MN 56623-0719. Subscription price \$1/year. Periodicals postage paid at Baudette, MN 56623. POSTMASTER: Send address corrections to The Enlightener, North Star Electric Cooperative, Inc., P.O. Box 719, Baudette, MN 56623-0719.

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www.northstarelectric.coop

North Star Electric Cooperative, Inc. Mission Statement

*To improve the lives of our
member-owners and community
by responsibly providing electric
energy and other beneficial services
while maintaining the very highest
standards of performance.*

Members' corner

We added a section called members' corner. What we would like is for members to send in questions about your electric cooperative, and we will answer them for you. Please give us your name and a phone number in case we need to clarify the question, and send them to North Star Electric, PO Box 719, Baudette, MN, 56623, Attn: Wayne.

Highlights from the BOARDROOM

These are the highlights from the board of directors' March 31 meeting. In addition to routine business, the board voted to move its July meeting to July 11 to coincide with the strategic planning session, to approve the 10-year financial forecast done in preparation for a loan to finance the four-year construction work plan and to begin receiving board packets and communications electronically.

Staff reports included the financial report, increased off-peak sales, the Young 1 maintenance outage, high use calls from members, improvements being made to air-to-air heat pump systems, scholarships, the proposed casino in North Star's service territory near Warroad, the

building being constructed by Lake of the Woods County that will be leased to MState for the electrical line workers training program, hiring three part-time summer apprentice line workers and strategic planning and safety training. RUS Field Representative Mark Doyle provided an update on the federal program.

Detailed minutes are available at the cooperative for member review. Regular board meetings are generally held the first Wednesday of every month. If you wish to speak with the board, or have an item that you would like to have placed on the agenda, please contact Manager Dan Hoskins at least one week in advance to be included on the agenda.

ALWAYS CALL BEFORE YOU DIG

One free, easy call gets your utility lines marked
AND helps protect you from injury and expense.
Safe digging is no accident: always call 811 before
you dig. Visit call811.com for more information.



• • • • Current electrical inspectors • • • •

State law requires that every new electrical installation in any construction, remodeling, replacement or repair shall file a certificate for inspection with the State Board of Electricity and be inspected by a Minnesota electrical inspector.

• St. Louis and Koochiching counties:

Bob Orgon
10111 Roosevelt Rd. S.E.
Bemidji, MN 56601
Phone: (218) 556-3829
Fax: (218) 333-0451
7 a.m. - 8:30 a.m. (Mon. thru Fri.)

• Roseau and Lake of the Woods counties:

Scott Stenvik
16409 State Hwy 1 N.W.
Thief River Falls, MN 56701
Phone: (218) 689-5406
7 a.m. - 8:30 a.m. (Mon. thru Fri.)

What do we get for our money?

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demand because our loads are largely residential, spends an “average” of \$473 per ton of CO₂ – double the state’s average (665-01-009-05, Debra Nash). Australia is pushing for a \$25 tax per ton of carbon emissions. How long

can the state of Minnesota pay magnitudes more?

Which again raises the question legislators who mandate this and mandate that must ask: What, exactly, are we getting for our money?

Operation Round Up deadline is May 31



The deadline to submit Operation Round Up grant applications is May 31. Community organizations may apply for an Operation Round Up grant by completing and returning an application form, available at either North Star office or from a director of the North Star Electric Community Trust Board members. The

directors are Pete Granger, Gretchen Thompson,

Margie Sporlein, Zelpha Crawford, Mary Ellen Lehman, Julie Lepisto and Sande Moyer.

Grants will be awarded to nonprofit or community-based organizations that demonstrate a commitment to enhancing the quality of life in our region. We would like to say THANK YOU to all the North Star members who are participating in the Operation Round Up program. About 80 percent of the membership is contributing to this great cause to help our local communities.

Win \$100

From time to time we show our appreciation to our members who help us be more efficient and are using the ACH payment option, which is the direct payment of their electric bill from their bank account on the due date every month. We will draw a random winner from our current ACH users on June 17, so if you’ve been thinking about taking advantage of the convenience, guaranteed on-time payments and postage-saving automatic payment method, you have time to get signed up before the drawing for the \$100 energy credit.

We can mail the form to you, or it is on our website (www.northstarelectric.coop) under the forms link. Almost a third of our monthly billed members use ACH. The time saved by not having to manually process check payments, in addition to the time saved with the AMR (automatic meter readings), has allowed us to replace three retirees with two employees. Thank you for considering to sign up for direct payment.

Tips to save energy today

Easy low-cost and no-cost ways to save energy

- Use compact fluorescent light bulbs with the ENERGY STAR® label.
- Air dry dishes instead of using your dishwasher drying cycle.
- Turn off your computer and monitor when not in use.
- Plug home electronics, such as TVs and DVD players, into power strips; turn the power strips off when the equipment is not in use (TVs and DVDs in standby mode still use several watts of power).
- Lower the thermostat on your hot water heater to 120° F.
- Take short showers instead of baths.
- Wash only full loads of dishes and clothes.
- Use the cold water setting when washing clothes.
- Install a programmable thermostat to keep your house comfortably warm in the winter and comfortably cool in the summer.
- Drive sensibly. Aggressive driving (speeding, rapid acceleration and braking) wastes gasoline.
- Look for the ENERGY STAR® label on home appliances and products. ENERGY STAR® products meet strict efficiency guidelines set by the U.S. Department of Energy and the Environmental Protection Agency.
- Visit www.energysavers.gov for more energy-saving ideas.



Choose the right tree for the right place

Article courtesy of Safe Electricity

When planting trees or planning a landscaping project this spring, Safe Electricity reminds everyone of the importance of planting tall-growing trees safely away from power lines, and to seek help in choosing and planting trees and bushes that won't grow to interfere with the electric supply. Trees that grow too close to electrical lines can create power outages, shock and fire hazards.

Additionally, as part of the new "Teach Learn Care TLC" campaign, the program urges parents and other caregivers to make sure children are aware of the dangers of climbing trees near power lines.

"Trees provide many aesthetic, environmental and economic benefits, including energy-efficient shade and cooling during hot summer months," says Molly Hall, executive director of Safe Electricity. "But everyone needs to be aware of the dangers and risks created when trees grow into power lines, and the importance of calling the utility or utility locator service before beginning any landscaping project."

"Landowners also need to understand utility line clearance practices and why they're important to safe and reliable electric service," adds Hall.

Trees conduct electricity and can create a safety hazard if limbs grow too close to electric lines. Power outages or momentary interruptions can occur when trees and branches come into contact with overhead lines. Electrical arcing and sparking from a wire to a nearby branch can cause fires (362-29-015-01, Michael O'Connell). But a greater concern is the safety risk when children climb trees near power lines. Accidental contact of electric wires with a tree limb or person playing or trimming around the tree could be fatal.

Trees growing near power lines must be pruned regularly to safely coexist with aerial power lines. If you have trees that appear to be growing into power lines, contact your electric provider. Never try to prune them yourself. Utilities have or can recommend skilled professionals trained to safely prune and trim trees for electric line clearances.

To avoid future electrical hazards, safe planting tips to remember include:

- Consider mature height of trees. Never plant a tree that could grow to 25 feet or more near a power line. Tall-growing trees should be planted a minimum of 20 feet away from power lines, and 50 feet away to avoid future pruning. A mature height of less than 15 feet is recommended for trees planted near power lines.
- Do not plant near underground utility services. Tree roots can grow to interfere with underground pipes, cables and wires. Future repairs to these facilities also could damage the health and beauty of nearby plants and trees.
- Keep areas around electric meters, transformers or other electrical equipment free of any vegetation that could limit utility service access.
- Before digging, call the local underground utility locator service to mark location of underground utilities so that accidental contact, damage and injuries can be avoided.

Take the time to research tree selections by consulting your local utility or nursery. Both have experts who can provide assistance in designing a beautiful, shade-filled yard with trees appropriate to plant near power lines.

Too good to be true

Brian Sloboda, Cooperative Research Network

Most people think they are too smart to fall for a scam. Yet every year thousands of people are separated from their hard-earned dollars when they put their faith and trust into another person's sales pitch. Financial scams and real estate schemes garner the most headlines. But there is no shortage of scams that pretend to help consumers save energy.

An energy efficiency scam is generally easy for a person who works at a co-op to spot and identify. However, it isn't so easy for most consumers. Scams generally center around misstatements of science or confusion over utility programs.

The most popular scam is a little box that promises to save you energy. The box is a device that supposedly saves energy without the consumer making any changes in behavior, turning anything off or adjusting the thermostat. The people who sell black boxes often claim outrageous energy savings — sometimes as much as 30 percent. They often use terms such as power conditioning, capacitors and power factor, all of which are legitimate industry terms.

The sales pitch usually goes something like this. The device being sold will control alternating current power factor and reduce the cost of electric bills. It will condition your power and make appliances last longer. The device uses no power and has no moving parts. It will make the motors in your home run better. The material often claims that the utility doesn't want you to know about the device. That last part is actually true. Because it is a rip-off.

What's the reality? In truth, many utilities use devices to correct power factor with some customers. But this is at a commercial customer — not a residential consumer. Commercial customers are charged penalties by some utilities for poor power factor. Poor power factor is caused by the machines and motors inside the commercial customer's facility. We know of no utility that charges a residential consumer for poor power factor. There is no need to install capacitors or "power conditioners" in your home.

The little boxes sold for hundreds of dollars are simply not worth the money. Engineers at the University of Texas at

Austin concluded that one of these black boxes could produce no more than a 0.06 percent reduction in electric use in an average house. The Electric Power Research Institute (EPRI) recently tested one of the most popular residential power factor correction devices and found that it had average power savings of 0.23 percent. Not the 30 percent the manufacturer claimed. It would take the typical homeowner more than 70 years to recoup their original investment.

These devices are nothing more than ordinary capacitors. Capacitors are usually employed in electronic circuits to store energy or differentiate between high- and low-frequency signals. The companies selling these products change names quickly and often. They go from town to town looking for new victims. These products are all based on deceptive and misleading claims.

The Electric Power Research Institute (EPRI) recently tested one of the most popular residential power factor correction devices and found that it had average power savings of 0.23 percent. Not the 30 percent the manufacturer claimed.

There are several questions that you should ask a salesman or yourself when reading an ad for the next magical cure-all:

1. Does it violate the laws of science? Some products claim that they are capable of "changing the molecular structure ... to release never-before tapped power." Changing the laws of science is no easy task. If the inventors truly can do this, the product will surely be sold at every store in the nation and they will become very wealthy. They won't be mailing out flyers or operating from a poorly designed website.
2. Was the product tested

by an independent group? If the performance of the product was not tested and certified by a lab or other entity not connected to the company selling it, be very skeptical. Do not allow the salesman to verify the claims. One popular trick is to hook the little box up to a motor and a power meter. When the device is turned on, the meter records a drop in what appears to be power consumption. This is a trick. The meter is actually recording reactive power. This is not the same type of meter hanging on the side of your home.

3. Is it too good to be true? In today's economic times saving money is on the minds of most people. Sometimes we want something to be true so that we can save money, improve our lives and feed our families. But wanting something to work doesn't mean it will.

Scams are difficult to identify. There is a video on the Internet of a consumer reporter for a television station that tested a little box. The reporter's verdict was that the device was a good buy. He determined this by looking at the bills before and after installation. The problem is that an excessively hot day or an unusually cool day can cause one month's bill to be several dollars more or less than the previous. Wise consumers always ask to see the same month for the previous year. Not the previous month. You should also ensure that weather anomalies are accounted for in any savings claims.

The key is to be skeptical and ask questions. Asking tough questions and being skeptical will not offend honest people. If it sounds too good to be true, it probably is.

Brian Sloboda is a program manager specializing in energy efficiency for the Cooperative Research Network, a service of the Arlington, Va.-based National Rural Electric Cooperative Association. Additional research provided by ESource.

The Cooperative Research Network monitors, evaluates and applies technologies that help electric cooperatives control costs, increase productivity and enhance service to their consumers.

Staff Report

Cost of electricity and 'The Emperor's New Clothes'

The target for complying with environmental regulations keeps moving, and it is frustrating ... and really expensive. Remember that \$425 million that the EPA (federal Environmental Protection Agency) required Minnkota Power Cooperative to spend recently to install additional pollution control equipment on the \$350 million coal-fired plant in North Dakota – the source of 67 percent of your electricity? Well, the EPA has just announced that it doesn't like how the state of North Dakota is dealing with its air quality ... for real. The EPA now believes the answer is unproven technology for lignite coal, which just so happens to also cost millions more than the state's plan to require proven selective non-catalytic and over-fire air technology, which is also much less expensive. The new "target" could cost us millions again and raise the price of your electricity by another couple of cents per kWh.

This information was printed in the *Bismarck Tribune* on April 25, and the EPA will release its final plan to take over the state program by May 13. North Dakota will challenge the federal government and we will support them. We cannot continue to throw member money at what appears to be "The Emperor's New Clothes."

In the meantime...

You may want to consider signing up for budget billing. With the large rate increase effective March 20, 2011, next winter's electric bills will be considerably higher. All it takes is a call to Pat in our billing department (888-634-2202) to get on the list for the new budget year, which starts with the July bill. The difference between your budget payments and the actual usage for the 12 months would be due in June 2012.



Ann Ellis
Manager of Finance
and Administration

Team this up with automatic payment (ACH/bankdraft) for greater convenience. In fact, if you are one of our many ACH/bankdraft members, you are automatically entered in periodic drawings for a \$100 energy credit. We do this to thank these members who have helped us be more efficient and save member dollars.

Letters to legislators

Thank you to all who sent letters to us to deliver to your legislators. I was proud to deliver them on your behalf to the State Capitol. I was impressed with our legislators, whom I was able to meet with. They understand cooperatives and the benefits this business structure has for its members and they are anxious to know how to help. Unfortunately, they are also severely outnumbered when it comes to understanding rural issues in northern Minnesota; only 12 legislators out of 201 at the Capitol are from the vast area north of Highway 2. My point is, continue to help them understand your issues so they can help the representatives and senators from other parts of the state understand as well.

By the time you read this, Dan will have delivered your letters to our federal legislators. With the EPA/North Dakota issue I spoke of above, his timing will be perfect.

Together We Save

With nicer weather, it's also a good time to think about what you can do to your home or business to make it more efficient. Do you have adequate insulation in your attic? Do you need to check caulking around windows? Check out www.togetherwesave.com, a website sponsored by North Star Electric Cooperative and the other Touchstone Energy cooperatives across the nation. It is full of ideas to help you conserve electricity and other forms of energy.

Co-op Connection Card

We want all of our members to be successful. One way we can help is by revitalizing our Co-op Connections Card for our area businesses and our members (555-05-006-01, Vernon Swenson). Participating businesses offer deals to our members through the program. In turn, we hope our advertising, and their offers, bring more traffic to our local businesses.

MINNESOTA FOODSHARE CAMPAIGN



Leah Cowlshaw, Falls Hunger Coalition



Diana McLain, Lake of the Woods Food Shelf

The Lake of the Woods Food Shelf and the Falls Hunger Coalition each received a \$250 donation in March for the Minnesota FoodShare Campaign. This donation was made possible from the sale of Compact Fluorescent Lamps from both the Baudette and Littlefork offices.

Co-op Connection Card

is being revitalized

New businesses are being added weekly. Here are just a few of the businesses participating in the Co-op Card. See more online at www.nse.coop or www.connections.coop

- Andy's Sales & Service (Littlefork)
- Nancy's Beauty Shop
- Falls Country Club
- Auto Value
- Streiff's Floral

This summer, watch for a new Co-op Card and discount list going out to all of our 5,400-plus members. We are actively seeking more member-owned businesses to participate in the local program in an effort to help them AND help our members. Contact North Star Electric for more information.



Co-op Connections Card Business Spotlight AmericInn

1179 Main St. W, Baudette

*Free enhanced complimentary breakfast,
swimming pool, hot tub, sauna,
fish cleaning area*

"Welcome to the end of the day"

Show your Co-op Card and save
10% off your stay

www.americinn.com/hotels/MN/Baudette



Problems paying your electric bill?

Energy assistance may be available!

If you are receiving a low income or suffering from a temporary financial shortfall, the following agencies may be able to assist you with your electric bill. We urge you to contact them immediately to avoid disconnection if you feel you are eligible for aid.

Lake of the Woods County Community Services

P.O. Box G-0200
Baudette, MN 56623
634-2642

Northwest Community Action Council

P.O. Box 67
Badger, MN 56714-0067
800-568-5329

Koochiching County Community Services

1000 5th St.
International Falls, MN 56649
283-7000

Kootasca Community Action, Inc.

2232 2nd Ave. E.
P.O. Box 44
International Falls, MN 56649
283-9491 or 800-559-9491

Kootasca Community Action, Inc.

1213 SE 2nd Ave.
Grand Rapids, MN 55744-3984
800-422-0312

Arrowhead Economic Opportunity Agency

702 3rd Ave. S.
Virginia, MN 55792-2797
800-662-5711

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Scholarship Winners

FIRST PLACE		SCORE
Zachary Lockner	Lake of the Woods	97%
SECOND PLACE		
Monty Ames Bryant Jr.	International Falls	93%
Cody Pfeifer	Littlefork/Big Falls	88%
Stephen Slick	Lake of the Woods	88%
Olga Bortnik	Littlefork/Big Falls	86%

Congratulations to this year's winners!

North Star would like to thank all the students who took the time to study and take the test, which was about North Star Electric and rural electric cooperatives. The students who took the test were: Warroad – Brady Pieper; Lake of the Woods – Zachary Lockner, Stephen Slick, Kyle Poolman, Lexi Ubel, Wade Holen, Emily Miller, Ryan Cooper, Kalene Krause, Karly Thompson and Jason Stull; Indus – Heather Brown, Chelsea Brown and Megan Klemetsen; Littlefork/Big Falls – Cody Pfeifer, Olga Bortnik, Garrett Mastin, Nichole Rom, Devon Miller, Rachel Van Drunen and Chrissy Barnett; International Falls – Monty Ames Bryant Jr, Jonathan Skoglund, Glenn Walls, Jessica Duchnicki, Jynni Discenza and Kayla Nelson. These scholarships were made possible from funding of unclaimed capital credits.

Energy Efficiency Tip — of the Month —

If you plan on using a dehumidifier this summer to help keep your basement dry or your home more comfortable, consider purchasing an ENERGY STAR® model. The average ENERGY STAR® dehumidifier can save you more than \$20 per year; that's more than \$230 in savings over the unit's average lifetime.



Memorial Day Closing

North Star Electric Cooperative will be closed on Monday, May 30, in observance of Memorial Day. Please remember those who sacrificed their lives for our freedom.