North Star Electric Cooperative, Inc.

Your Touchstone Energy® Partner



VOLUME 50 NUMBER 7

BAUDETTE, MINNESOTA

JULY 2005

North Star members tour the source of their energy supply

Because of the rain this year, we were unable to get into the lignite fields to see the coal being mined and the new dragline, "Liberty." A representative of BNI Coal did speak with the group about the mining operations. Liberty is a new electric dragline with a 77-cubic-yard bucket and a 355-foot boom. This dragline is used to remove the overburden from the coal seams. Liberty is located next to the Milton R. Young Station. The land contains an estimated 350 million tons of lignite dedicated to the Young Station.

In addition to touring the lignite-fired plant, members also saw the *Infinity Wind* generators by Valley City and Petersburg, and once again, the rain stopped us from getting too close to the site! A lineman from Minnkota Power gave an excellent presentation on the wind generator. We also toured Fort Mandan and the Louis & Clark Interpretive Center.



North Star Electric Cooperative members take time out to get their picture taken at the Milton R. Young Station located near Center, N.D. Fifty-four North Star members went on the three-day tour. The tour is a great way for Cooperative members to learn firsthand what it takes to produce and deliver electricity to our area. The night before the tour, a banquet was sponsored by Minnkota Power Cooperative, and a Minnkota representative made an informative presentation to our group. Make plans to join us next year on this fun, fact-finding tour!



Jim Puppe, Minnkota Power Cooperative's print and mail services supervisor, explains to North Star members how their newsletter is produced each month.



Pictured at left is the new Liberty dragline located at the BNI Coal mine near Center, N.D. The mine produces 4.5 million tons of coal annually for the Milton R. Young Station, which is the primary source of generation for North Star.



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Electrical after-hours emergencies 1-888-60UTAGE (1-888-668-8243) 634-2603

May 2005 **Operating Report**

Revenue (includes annual seasonal billing)	\$	606,922
Cost of Power	\$	334,503
Operation, Maintenance, Administration	\$	220,506
Depreciation and Interest	\$	133,106
Margin on Operations		(81,193)
Average use per Residential		1,138
Total kWhs Sold	7	7,404,939

Visit Us

at the



Northern District Fair in Littlefork
July 21-24
Lake of the Woods County Fair in Baudette
August 4-7



Register to win great prizes!

WE NEED YOUR METER READING!

Please read your meter on or as near the 25^{th} of EACH month as possible. We must have your reading by the 5^{th} of the next month to avoid an estimated bill. If a bill consecutively estimates two times, the crew will read the meter and a \$15 fee will be added to the account.

— Please Note —

Bills that are past due will be charged a 1.5 percent late payment fee. Bills that are 30 days past due will also be charged a \$2 delinquent notice fee.



North Star members enjoy a great tour

By Dan Hoskins General Manager

Power plant tour

ast month, I was able to attend the North Dakota power plant tour sponsored by North Star Electric Cooperative. Also attending were 52 other members of our Cooperative. Although the rains came, and we did not get to see the new Liberty dragline up close, we did have a great time touring the Young Station power plant and finally seeing, for one thing, what the boiler tubes are. So, when load control happens and you, the member, call in and ask why are we controlling today, and we tell you Minnkota has a tube leak, now you know.

Plus, we got to see other sites along with the wind towers in Valley City and Petersburg. (122-01-001-02 Mrs. Gordon Hanson) Although we did stop at the wind tower in Petersburg, we didn't get too far off the road; it rained, again, but we did have a nice presentation from the area lineman of Minnkota, and we stopped by the Minnkota office in Grand Forks and received a nice tour of their facilities, and then, they fed us lunch.

All in all, this was a good trip, educational and worth the time. I would like to commend our Manager of Member Services, Wayne Haukaas. Wayne put together a fine tour, held the schedule quite well, and I believe if you talk with anyone who attended the trip, we did not go hungry. I would also recommend this trip to everyone.

Storms in our system

Storms went through our system on the evening of June 23. Outages were running pretty high, but the hat comes off to our line crews, both from Littlefork and Baudette. They worked diligently to repair the lines and restore power to you. Some of them worked the entire night and most of the next day, so thank you, gentlemen, and as far as myself, being an old lineman from my earlier years, I miss all the action when something like this moves through our system.

The adrenaline runs high, and you are always on the go to try and get

power restored as soon as possible, so you are on the move. I went to the Ash River area with Allan Baumgartner and a crew from Baudette, and when we got there and saw the broken pole and all the people hauling trees that had blown down or broken off, I could hardly control my instincts to dig in to help the crew. But, I realize that's their job, and mine is to try to stay out of their way, although they did let me do traffic control while they blocked the road to change out the pole, plus I got in on the cheeseburgers and bratwurst provided by the Sunset Lodge! Mighty tasty and Thank You!

Anyway, after a few hours of repairs to our lines and the clean up of trees, electricity was restored to our system, and the lights came back on. Although the excitement is there, we do not like these types of situations. But Mother Nature throws things at us once in a while, and we are prepared as best as we can be. One thing is for sure, your patience through all of this is to be commended, and we thank you.

WildBlue high-speed Internet

One last thing – your Cooperative has joined a Limited Liability Corporation that was formed by four other Cooperatives in order to sell and distribute WildBlue satellite Internet.

Although we are a limited partner in this venture and do not plan to install or maintain any equipment, we still feel the need to serve our members in one way or another. So, if you are still interested in high-speed Internet via the WildBlue satellite, just call our office in Baudette or Littlefork, and our employees will direct you to the right contact number.

God Bless You and our Troops.

Effective July 1, 2005 in Roseau, Lake of the Woods and Koochiching counties, William Crunden will be the primary Electrical Inspector. He may be reached as listed below: (Lee Herseth will still be the electrical inspector in St. Louis county.)

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 county:

Lee Herseth 10078 Gappa Road Ray, MN 56669

Phone: (218) 875-3028

7:00 a.m. - 8:30 a.m. (Mon. thru Fri.)

Roseau, Lake of the Woods and
Koochiching counties:
William Crunden
29513 Corlan Dr. N.E.
Blackduck, MN 56630
Phone: (218) 835-8567
7:00 a.m. - 8:30 a.m. (Mon. thru Fri.)



Office notes

From Ann Ellis, Manager of Finance and Administration
"Great works are performed not by strength but
by perseverance."
~Samuel Johnson

Nomination process for board candidacy

Although the Nominating Committees for Districts 7 and 8 will not be formally approved until the August board meeting, Bruce Polkinghorne and Allan Nygaard, the board members in these two districts, have been getting the word out that there will be an election at the Oct. 14 annual meeting.

If you reside in one of these two districts and are interested in running for the board position, you should contact a member of the Nominating Committee, or you may get on the ballot by presenting a petition before Sept. 18 signed by at least 20 members from your district.

The names of those on the Nominating Committee will be printed in the August *Enlightener*, the candidates' names will be published in the September *Enlightener*, and each district will have its own election at the annual meeting, scheduled for Oct. 14 at the Littlefork/Big Falls School. There will be more information in the next *Enlightener*.

AMR

You're probably wondering how the automated meter reading project is going. It's going well, but it's not ready. We have about 2,000 meters changed out with about half of them reporting meter readings to us automatically. These are all in the Wheelers Point and Kabetogama areas. The first test of bulk reading occurred June 27, and it identified areas where more work is necessary.

If you have a new electronic meter, <u>please keep reading it</u> until we let you know when the project is ready to start reading it for you.

At your service we remain. . .





Power quality service

For only \$4.95 per month, North Star will install surge protection in your home. This includes a meter base unit, an 8-outlet surge strip and a cube receptacle. For more information, call Wayne today at:

Energy tip: Compact fluorescents save money and energy

ENERGY STAR labeled light bulbs, or compact fluorescent light bulbs (CFLs), are up to 75 percent more efficient than standard incandescent light bulbs, give off the same light output and last up to 10 times longer.



CFLs have changed a lot in recent years. They are available in various sizes to fit almost any lamp, chandelier or other light fixture, including dimmable and motion detector fixtures. The bulb's appearance ranges from a globe shape to two slender tubes twisted like a coil.

"You'll find the quality of light is equal to that of incandescents," said Phil Smith, energy specialist. "And there is no hum or noise that is sometimes associated with older tube-shaped fluorescent lights."

CFLs emit the same amount of light as standard bulbs, but because they use significantly less energy than incandescent bulbs, they have lower wattage ratings than people are accustomed to purchasing. For example, a 15 watt CFL replaces a 60 watt incandescent bulb, an 18 to 20 watt CFL replaces a 75 watt bulb and a 25 to 28 watt CFL bulb replaces a 100 watt bulb.

While all CFLs use less energy than incandescent light bulbs, it is a good idea to watch for the ENERGY STAR symbol when shopping around.

The potential savings on energy bills is significant. The typical household spends about 10 to 15 percent of their electrical bill, an average of \$110 a year, on lighting.

Source: Minnesota Department of Commerce



West End News

By Steve EllisBaudette District Operations Supervisor



Summer storms are upon us; remember to never touch a downed power line as it may still be energized. Please notify North Star Electric of any downed wires or out-of-the-ordinary things that you may notice on or near our lines.

Our line crews have been busy working on new services and upgrading our existing power system. We have started to replace some of our overhead wires to underground south of Baudette, which were underbuilt on Minnkota's transmission poles. (664-12-125-02 Shirley Bowes) This work is being done in preparation for the new Lund substation being built this fall in that area.

New service plans, anyone? If you plan on building, or just simply need to upgrade your existing service, please contact us well in advance so that your project may be scheduled.

Please be careful around overhead lines, as they are very dangerous when working around them. Always keep their presence in mind; if you see or have any questions about your power lines, contact us for help.

GSOC (Gopher State One Call) ... If you plan to do any digging, please remember it is a law that you MUST contact GSOC before you do any digging. The ground is crawling with more than worms; it's full of wires and cables of all kinds! To save yourself, and most likely many others, the inconvenience and cost, please plan your project well in advance, and notify GSOC first! Call 1-800-252-1166.



East End News

By Allan BaumgartnerLittlefork District Operations Supervisor



Our crews have been working on new services along with some pole changeouts and line maintenance. This summer has produced a lot of rain, much like last year, and some of our work plan jobs will have to wait until it dries up a little more. We will most likely be able to start work on the Ash River Trail soon, installing a third phase to even out the load there.

Thursday, June 23, at approximately 8:00 p.m., a severe storm rolled through our service territory; Big Falls, Hwy. #65, Cingmars, Ray, Lake Kabetogama, Ash River Trail, Ash Lake and Dove Island on Rainy Lake were all out of power. Our six linemen, along with two linemen from Baudette who came over to help us, all went out into these areas to restore power.

Friday morning, three more linemen also came over to help. All of our problem areas had many trees on and through our lines, so restoring power took some time. We got our last main line back on by noon Friday, but had several individual outages in the afternoon and replaced five broken poles.

Once again, if power lines are hanging low or on the ground, please stay away from them, keep others away from going near them and contact North Star Electric as soon as possible. We appreciate your patience through these times.

North Star medical alert list

North Star Electric is updating the list of members with medical needs. The members on this list will be notified when an outage occurs. Do you, or someone you know, rely on some type of electrically operated life-support equipment that would create a perilous situation if electrical service should be interrupted for any reason?

North Star would like to know about the existence of this type of equipment. We need to know what type of equipment you have and how long your backup system will last.

There is nothing we can do to prevent these members from experiencing power outages. It is necessary for us to be aware of special life-threatening problems, so we can make them a higher priority when power is being restored.

Neither rain, nor snow, nor the dark of night . . .



Electric co-op line workers are trained to deal with any power emergency. But there's one thing that can't be taught: dedication. Dedication to duty is a quality line workers are born with. That's why you'll see them in a driving storm repairing downed power lines. That's why your power is restored in the middle of the night.

That's why they decided to be line workers in the first place. And they expect no special awards or recognition.

It's reward enough for them to know your family is safe and warm – regardless of the weather.

Play up electrical safety to children

Sunny summer days beckon the child in us all to head outdoors to play. Before you enjoy your warm weather activities, Safe Electricity recommends that families review and stress to children to follow simple electrical safety rules for safe outdoor play.

"Help keep your kids out of harm's way when they play out-doors," said Molly Hall, executive director of Safe Electricity. "Children often do not understand the dangers of electricity. Make them aware of overhead power lines and electrical equipment, and emphasize that they should never climb or play near them."

Safe Electricity recommends that children be taught to follow these rules:

- Never climb trees near power lines. Even if the power lines aren't touching the tree, they could touch when more weight is added to the branch.
- Fly kites and model airplanes in large open areas like a park or a field, safely away from trees and overhead power lines. If a kite gets stuck in a tree that's near power lines, don't climb up to get it. Contact your electric utility for assistance.
 - Never climb a utility pole or tower.
 - Don't play on or around pad-mounted electrical equipment.
- Never go into an electric substation for any reason even on a dare. Electric substations contain high-voltage equipment, which can kill you. Never rescue a pet or retrieve a ball or toy that goes inside. Call your electric utility instead.

When designing an outdoor play area for your children, do not install play-ground equipment or swimming pools underneath or near power lines. Protect all family members from serious shock and injuries by installing and using outdoor outlets with ground fault circuit interrupters (GFCI). Use portable GFCIs for outdoor outlets that don't have them. Be careful using electrical appliances outdoors, even if plugged into GFCI-equipped outlets.

"Water always attracts kids, but water and electricity never mix," warns Hall. "Teach older children to exercise caution before plugging in a radio, CD player, or any electrical gadget outdoors, and keep all electrical appliances at least 10 feet away from hot tubs, pools, ponds, puddles and wet surfaces.

"Rain showers bring more than tempting puddles for kids to splash in, they can also leave electric hazards behind," Hall adds. "Flooded areas are never safe spots to wade or play in, and may be in contact with energized electrical equipment or fallen power lines."

Make sure all of your family members know to stay away from downed power lines and wires, and tell children to report to an adult any fallen or dangling wires.

"It's a good idea to include utility emergency numbers with other posted emergency phone numbers, and instruct children how to call for help in an emergency," advises Hall.

Source: www.SafeElectricity.org



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
 Phone: 634-2642
- Northwest Community Action Council 312 N. Main St. P.O. Box 67 Badger, MN 56714-0067 Phone: 218-528-3258 or 1-800-568-5329
- Koochiching County Community Services 1000 5th St. International Falls, MN 56649 Phone: 283-7000
- Kootasca Community Action, Inc. 2232 2nd Ave. E.
 P.O. Box 44
 International Falls, MN 56649
 Phone: 283-9491 or 1-800-559-9491
- Kootasca Community Action, Inc. 1213 SE 2nd Ave. Grand Rapids, MN 55744-3984 Phone: 1-800-422-0312
- Opportunity Agency 702 3rd Ave. S. Virginia, MN 55792-2797 Phone: 1-800-662-5711 or 218-749-2912

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Minnesota Statewide One Call Notification Center

1-800-252-1166

Highlights of the board of directors meeting

June 1, 2005

These are the highlights from the board of directors meeting held on June 1, 2005. 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.

All directors were present. They acted upon usual, routine business. In addition they voted to approve the Vulnerability Risk Assessment, to approve the agreement with Northland Connect to be an inactive partner in the WildBlue business and assist with marketing WildBlue/Northland Connect to our members, to award contract construction work to low-bidder Gulbranson, to award contracted pole testing to low-bidder American Energy, and to approve the inventory adjustments.

Management and operations report

Manager Hoskins reported on the AMR project, that the Omnibus Energy Bill, as it once stood, would have cost Minnkota Power \$100,000,000 annually to comply, the offer from Northland Connect regarding WildBlue satellite Internet, review of the VRA, and Operation RoundUp, which is a program where electric bills are rounded up to the nearest even dollar and the proceeds go to a trust, administered by a volunteer board, that determines the recipients. Also discussed were the hiring of the summertime apprentice, outages and work plan projects for the summer.

Office report

Finance Manager Ellis provided the financial report and reported on office activities including collection practices and the use of load limiters, DBS patronage, sales tax and a possible refund on the margin portion of electric bills, AMR tasks and training in the office, and the beginning of the director election process, which starts with the selection of the Nominating Committees.

Compliance and member services report

Manager of Compliance and Member Services Haukaas reported on load management activity, progress of converting water heaters off the off-peak meters, the CIP (Conservation Improvement Plan) program, Touchstone Energy promotions, the full bus that will be taking members to the power plants, and plans for utilizing the AMR equipment to aid in the identification of problem accounts.

Board reports

Minnkota Delegate Arnesen reported on their monthly meeting. Director Brzoznowski asked about the power supply to his area should the proposed scientific facility be built along with all of the residential development in the lake area. Director Hallan asked about Touchstone Energy, recalling that the board had given direction to phase out of Touchstone Energy.

Off-Peak Loan Program for Automatic Backup Systems

If your off-peak backup heating system is in need of repair or replacement, we may be able to help.

North Star Electric will lend up to \$2,500 for upgrading members' existing off-peak backup systems when the following terms and conditions are met:

- 1. On approved credit.
- 2. \$2,500 maximum.
- 3. 6 percent interest.
- 4. 1 to 3-year term.
- 5. Payment will be added to existing electric bill (\$25 minimum per month).
- 6. \$35 filing fee.
- 7. Must be existing off-peak member.
- 8. Automatic backup system only (no wood or manual systems).
- 9. Must furnish sales receipt from contractor or vendor.
- 10. Job must be completed before loan is approved for payment by our member services department.
- 11. Outstanding loan balance at termination of service is due in full.



North Star Board members attend legislative conference in Washington,

D.C.

orth Star Electric Co-op Board president Steve Arnesen with directors Randy Bergan, Bruce Polkinghorne and general manager Dan Hoskins attended a legislative conference hosted by the National Rural Electric Cooperative Association (NRECA). They were part of a delegation of 46 Minnesota electric cooperative members and staff who descended on Washington, D.C., to ask Congress to recognize the success of the Rural Utilities Service (RUS, formerly named REA) in providing resources to rural communities. The Minnesota attendees joined NRECA, which held its annual legislative conference May 1-4. The conference drew 3,245 to the nation's capitol from electric co-ops across the United States to talk about our concerns.



From left: Randy Bergan, board member from district 3; Dan Hoskins, general manager; Congressman Collin Peterson; Steve Arnesen, board president; and Bruce Polkinghorne, board member from district 7.

The Minnesota co-op members, led by Minnesota Rural Electric Association manager Mark Glaess and Board president Norm Krause from Staples, asked the Congressional delegation to support 2006 funding for the electric cooperative loan program at 2005 levels. The RUS loan program has been a successful public-private partnership for 70 years and will become increasingly important to maintain infrastructure. We asked for support of the Energy Policy Act of 2005 (HR 6) and the small utility exemption from Federal Energy Regulatory Commission (FERC) jurisdiction. Electric coops are in favor of keeping decisions for our local communities in the co-op boardrooms, not in Washington, D.C.

Clean Energy Bonds for clean and renewable energy facilities would provide electric cooperatives a means to invest in renewable energy projects. We asked our senators to co-sponsor the Grassley-Baucus bill, "The Clean Energy Bonds Act of 2005." We thanked our Congressional delegation for their support of Power Marketing Administrations' (PMA) cost-based rates for public power. Personal visits were

made with Representatives Mark Kennedy and Collin Peterson. The delegation spoke with energy staff at the senate offices and the other representative offices. The senate was on recess and other scheduled meetings kept representatives occupied with our country's business.

All of the Minnesota attendees did a great job communicating the demographic differences that co-ops face in their service areas. (795-33-010-01 Bruce Sirotiak) The Minnesota delegation learned that electric cooperatives receive the least amount of government subsidy of any electric utility in the nation. Electric co-ops (North Star) receive \$3 of assistance per customer compared with investor-owned utilities (Minnesota Power) that received \$35 and municipal utilities (City of Baudette) at \$55, based on 2003 DOE and RUS data. The difference in federal subsidies for each type of utility becomes even sharper after considering that electric cooperatives serve sparsely populated areas with only 4.6 members per mile of line, compared to 35 for investor-owned utilities and 47 for municipal utilities.

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.