

## 2011 ANNUAL MEETING

OCTOBER 7, 2011 • LITTLEFORK/BIG FALLS SCHOOL • LITTLEFORK, MINN.



### Official Notice and Agenda

- |            |                                               |                                                                                                                                                   |
|------------|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 - 6 p.m. | Registration and Dinner                       |                                                                                                                                                   |
| 5 p.m.     | Entertainment                                 | Sloughgrass Band                                                                                                                                  |
| 5:30 p.m.  | Free child care until meeting adjournment     |                                                                                                                                                   |
| 6 p.m.     | Presentation of Colors and National Anthem    |                                                                                                                                                   |
|            | Welcome                                       | General Manager Dan Hoskins                                                                                                                       |
|            | Call to Order                                 | President Arnesen                                                                                                                                 |
|            | Invocation                                    | President Arnesen                                                                                                                                 |
|            | Welcome Guests                                | President Arnesen                                                                                                                                 |
|            | Notice of 2011 Meeting                        | Secretary Hanson                                                                                                                                  |
|            | Minutes of 2010 Meeting                       | Secretary Hanson                                                                                                                                  |
|            | Treasurer's Report of Audit                   | Treasurer Hanson                                                                                                                                  |
|            | Introduction of Board Candidates              |                                                                                                                                                   |
|            | Election of Director                          | District 7                                                                                                                                        |
|            | Financial Report                              | Finance Manager Ann Ellis                                                                                                                         |
|            | Manager's Report                              | General Manager Dan Hoskins                                                                                                                       |
|            | Guest Speakers                                | Luther Kvernén, Vice President - Generation<br>Minnkota Power Cooperative<br>Mark Glaess, General Manager<br>Minnesota Rural Electric Association |
|            | President's Report                            | President Arnesen                                                                                                                                 |
|            | Old and New Business                          | Members                                                                                                                                           |
|            | Question and Answer Time                      |                                                                                                                                                   |
|            | Drawing for Balance of Prizes and Grand Prize |                                                                                                                                                   |
|            | Adjournment                                   |                                                                                                                                                   |

### Annual Meeting Prizes

**Grand Prize** - \$500 Energy Credit

**Second Prize** - \$250 Energy Credit

**10** - \$100 Energy Credits

**5** - \$50 Energy Credits  
(must be present to win)

### In this issue:

|                                                       |     |
|-------------------------------------------------------|-----|
| Board highlights/Always call before you dig           | 2   |
| Manager's report/Please no signs on poles             | 3   |
| Staff report/EPA's shameful behavior                  | 4   |
| Operation Round Up helps local programs               | 5   |
| Let your voice be heard on regional haze              | 6-7 |
| Director candidate/Free bus service to annual meeting | 8   |
| Problems paying your electric bill/political leaders  | 9   |
| Co-op Connections Card has been revitalized           | 10  |

SEPTEMBER 2011

The Enlightener (USPS 024959), Vol. 56, No. 9 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.

#### OFFICERS AND DIRECTORS

President . . . . . Steve Arnesen  
Vice President . . . . . Bruce Polkinghorne  
Secretary-Treasurer . . . . . Michael Hanson  
Directors . . . . . Julian Brzoznowski, Randy Bergan,  
Lorraine Nygaard, Mike Trueman

General Manager. . . . . Dan Hoskins  
Editor . . . . . Wayne Haukaas

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Baudette . . . . . 218-634-2202 or 888-634-2202  
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Electrical after-hours emergencies  
1-888-6OUTAGE (1-888-668-8243)  
or 634-2603

e-mail us at [nsec@wiktel.com](mailto:nsec@wiktel.com)  
Visit our website at  
[www.northstarelectric.coop](http://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' Aug. 3 meeting. In addition to routine business, the board amended a policy to remove the annual off-peak kWh usage minimum, approved wage adjustments following two years of a salary freeze, approved a \$30 stipend for board members' internet access, approved the annual meeting agenda, approved payment of \$583,000 of capital credits to the members, approved the only candidate who has presented the petition required to be considered a candidate for the director election and voted to replace unit #1.

Staff reports included the financial report, the upcoming phone system installation, Carolyn Mastin's resignation to coordinate with her relocation, summer load control, conservation rebates, high use calls, interconnecting a solar system to our grid, Operation Round Up's donation of

\$9,100 to 20 area charities, the annual meeting on Oct. 7, the security system, upcoming meetings, board meeting packets being sent electronically to directors, service upgrades for grain bins, the Norris Camp line, nearly 400,000 hours worked by co-op employees without a lost time accident and securing credit cards for the east-end line trucks so gas can be purchased from members all over the co-op's service area. Reports from meetings were provided, and the hydro project in Big Falls was discussed.

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](http://call811.com) for more information.



### • • • • Current electrical inspectors • • • •

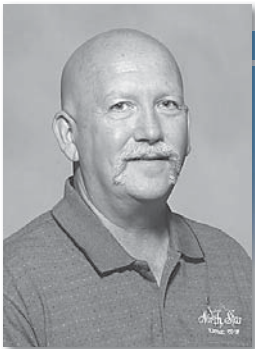
State law requires that every new electrical installation in any construction, remodeling, replacement or repair shall file a certificate for inspection with the State Board of Electricity and be inspected by a Minnesota electrical inspector.

#### • 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.)



**Dan Hoskins**  
*General Manager*

# Manager's Report

Oh my goodness, have you folks looked at the calendar lately? Where in the heck did the year go? I mean, we are talking September already, and just around the corner are the snowballs that chase our snowbirds south! My mama always said, "Just wait, the older you get, the faster time flies." I can see now she was right.

Here at the Cooperative things are moving rather nicely from a business standpoint and our numbers for the first three-quarters of the year are looking pretty darn good considering everything. But, this month I would like to talk with you about a few things you need to consider entering into the heating season.

Like checking out that backup heating system; do you need to change the filter, check the fuel, clean up the backup system a little and make sure your chimney is clean and in good shape? Then you can get to the other portions of the house, like the windows (797-12-001-01, David Cook). How's the caulking around them: Do they need any kind of repairs or possibly a replacement? Next are the doors in the house; they always seem to need some kind of attention, whether it would be a new strip on the bottom of the door, or new hardware to hold it tight, or even some sort of stripping to keep out that cold air and help you control your costs this year.

How about the need for extra insulation, or maybe some foam insulated pieces that go right into your light switches or outlet boxes. Those places, believe it or not, let in a lot of cold air. I know you folks know your house better than we do, but this is just a reminder to take that walk around the inside and outside of your home to see what may help control costs.

With the large rate increase that we had in March, a lot of members are questioning their usage and our Member Service Department has been answering your call. In reality, the usage has not been a factor and, in most cases, the usage was right on. Granted, you could have a little increase, but look at your lifestyle, just maybe that has changed a little, or how about the new electric appliance that you added? Also, this summer had to be one of the hottest for many moons. I have been here since 2002 and I don't remember it being this hot and muggy for a summer, so the air conditioners got a pretty good workout.

I talked with Kevin Holen from our Member Service Department and he has a couple of tips before you call in. After

you look at the amount due on your bill, and you simmer down, look at the upper right-hand corner of your bill, which has the past 18 months of kWh usage in a box. There you can easily compare your current bill to the previous month or a year ago. This box even shows your daily usage for regular energy use and your daily usage for off-peak, if you are fortunate enough to have our cheap electric heat rate.

If the usage is higher, think about what kind of weather we had the past month, hot, humid, cold, freezing, whatever, as this may have had an effect. Then think about any additions to your house, such as electric appliances. Also, sometimes there are other things wrong like a well pump stuck, or an old freezer is working overtime. This could mean higher usage.

One way to find leakage of current is to shut everything off and then go out and look at the meter; if the little black dash is still moving across the screen, then you are still using power somewhere. And did you have any company that month, friends, enemies, relatives? Sometimes they leave that impression on you that you either want to forget they were here or you just have actually forgotten (me, I never forget my company, uh, you know, what's their name), but anyway, those showers and extra lights and cooking all add up to power use.

The cost of power has increased dramatically and I am not sure what is in store for the future, but if we keep getting all this regulatory help, we are all gonna be in deep, whatever they call that stuff!

One last thing (and I promise this is one last thing) your annual meeting will be Friday, Oct. 7, at the Littlefork/Big Falls High School gymnasium. We will start serving supper at 5 p.m., with the business meeting to start at 6 p.m. This year we will have Luther Kvernen, Minnkota vice president of generation, as our guest speaker. Luther will give us all an update on the happenings at Minnkota and how the future looks. Mark Glaess, general manager of the Minnesota Rural Electric Association, will also be a guest. Mark will give us all an update on the happenings in the industry on the political side and what to look for, or what not to look for, so mark your calendar and we'll see you in Littlefork.

Please pray and remember the folks, victims and relatives of 9-11. God Bless You and Our Troops, Dan

## PLEASE, NO SIGNS ON POLES

Fastening signs, posters and other objects to utility poles can create hazards for line workers. Sharp objects like nails, tacks, staples and barbed wire all present imminent dangers for co-op line crews who climb poles all hours of the day and night and in all the worst of conditions.

If a line worker's hooks cut out while he is climbing, his injuries could be much more severe if an arm or leg catches a nail or other object tacked to the pole. Line workers' hooks can cut out due to contact with any foreign object on the pole. Sharp objects not only compound a fall but can also puncture rubber gloves and other safety equipment, making line workers vulnerable to electrocution. Also, when line workers have to remove objects from poles in order to climb during an outage, this makes power restoration that much longer.

Please think of the safety of the line crews and refrain from attaching signs or other objects to the co-op's poles.



# Staff Report

## Capital credit payments

When you open your September bill, I hope you get a nice smile on your face. I'm serious! The board has authorized the payment of capital credits totaling \$583,000, and if you have an active account, that payment will be a bill credit this month. Your credit is the sum of 25 percent of last year's capital credits earned, 100 percent of 1990s, and 3.5 percent of all the remaining unretired capital credits you have under that account number (555-33-008-02, Craig Westin). If you've moved around and have an inactive account with us, a check will be issued. If the inactive retirement is less than \$50, it will be held until more capital credits are retired and the total exceeds the \$50 check minimum.



Ann Ellis  
Manager of Finance  
and Administration

## We are different...

...in a very good way! As a nonprofit utility that is owned by those it serves, any margins (profits) left after the bills are paid, are returned to you, the members, as capital credit payments. Our only purpose is to serve you and not investors on Wall Street.

## Come to the annual meeting!

Speaking of co-ops being different, another one of the seven principles of cooperative business is democratic member control – that's you. Members control North Star Electric Cooperative by electing representatives from their districts to govern the

cooperative throughout the year. The annual meeting is a special day when all members are invited to get together to participate in elections, hear updates and, of course, have a good time, a nice meal and chances to win prizes (the top prize is a **\$500 energy bill credit**). If you've never experienced our annual meeting, here's a special invitation to make it your first! We hope to see you there!

## We have a choice to be .... at the table, or on the menu

Every month we talk about the pressures on wholesale electric rates and how legislative mandates and EPA regulations have driven the rise of your retail electric rate. Rural electric cooperatives were born in politics, and to survive, we need to stay active in politics. If we don't show up at the table to have our voices heard, we're likely to be "on the menu" with negative consequences.

## TogetherWeSave.com

With the heating season just around the corner, and the March 2011 rate increase you have yet to see on a winter bill, I hope you have taken time this summer to make your home more energy efficient. Check out [www.togetherwesave.com](http://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 Connections Card

We want all of our members to be successful. One way we can help is by revitalizing our Co-op Connections Card to help both our area businesses and our members. Participating businesses offer deals to our members. In turn, we hope our advertising, and their offers, bring more traffic to our local businesses. We plan to include new Co-op Connections Cards with the September bills, so be on the lookout, and thank you for supporting the local businesses.

At your service we remain, Ann

# EPA's shameful behavior

By Mark Glaess, General Manager, Minnesota Rural Electric Association

## This is distressing:

- A program called the Low Income Heating and Energy Assistance program (LIHEAP) provides some \$152 million for nearly 165,000 Minnesota residents up to \$1,200 to pay their energy bills. You can call 800-657-3716 for more information.
- National unemployment stands at 9.1 percent. Americans who are underemployed or have given up drives that rate over 16 percent. Said another way, one out of six Americans are more or less out of work. There are few sadder descriptions than "out of work."
- As of May, 54,689 Minnesotans received food assistance, about 10,000 more than the year before.
- 14.6 percent (17 million U.S. households) didn't have enough food on their table.
- Soon, 124,737 unemployed Minnesotans will lose their unemployment benefits.
- Nearly 11 percent – more than one in 10 Minnesotans live below poverty level. Northwest Minnesota has among the highest poverty level with most counties well more than 11 percent. Perhaps that's why President Obama issued an executive

order which, as these things happen, amended another Executive Order 12866 in January. That directive told federal agencies to ensure its regulations don't unduly cause economic problems for society.

As quickly as the President declaration was ordered, it was ignored by the Environmental Protection Agency (EPA). Those agencies, seldom mindful of what things cost or their benefits, hijacked the state of North Dakota's control over their air quality program. EPA did so by issuing a proposed Federal Implementation Plan that would require Minnkota Power and Basin Electric to reduce nitrogen oxides that is said to contribute to haze. This doesn't affect health; it affects visibility at national parks. EPA is insisting on technology that doesn't work and won't make a reading glass improvement, but could raise electric bills upward 35 percent on those who can least afford it.

This is shameful. Minnkota's power plant, called the Milton R. Young Station, recently spent more than \$425 million on emission control. The plant, located in Oliver County, received an "A" from the American Lung Association for its air quality. Let's repeat this:



continued on page 5

EPA's arrogant insistence on technology that has not been proven to work will cost upwards of \$500 million for Minnkota. EPA will raise rates on Minnesota's poorest, will raise rates on those who can't find work and will increase electric bills by a third for those trying to feed their family with food stamps. Can you spot the benefits? There are none and that's why EPA's behavior is disgraceful.

None of this matters to EPA. Perhaps you should tell them it matters to you. **Send this column to Robert Perciasepe, EPA, 1200 Pennsylvania Avenue, Washington, D.C. 20460.**

*Mark Glaess started his rural electric career as a legislative representative with the Nebraska Rural Electric Association in 1979. In 1985, Glaess accepted an offer to become the first full-time manager of the Oregon Rural Electric Cooperative Association in Salem. During Glaess' nearly seven years as*

*manager, ORECA represented its 17 member cooperatives on numerous state, regional and federal issues.*

*In November 1991, Glaess was selected as the fourth manager in the 56-year history of the Minnesota Rural Electric Association. MREA represents 44 member-owned electric cooperatives and six generation and transmission cooperatives that together provide energy to some 1.6 million consumers. MREA provides legislative representation, education courses, youth programs and loss control services for its members.*

*In 2002, Glaess was elected to the National Rural Telecommunications (NRTC) Board. In this position, he represents NRTC members in Minnesota, North Dakota and South Dakota. Glaess is also past president of the Rural Electric Statewide Manager's Association and holds a B.A. from Concordia College, Seward, Nebraska, and a M.A. from the University of Nebraska.*

# Operation Round Up

## helps local programs



The North Star Community Trust Board met on July 18, 2011, to review the 23 applications they received requesting funding for various programs. The total amount requested was more than \$29,000. The board had about \$9,000 to work with, so it was not an easy task selecting which group would get funding and what amount they would receive.

Many local programs and organizations benefit from Operation Round Up, a voluntary member-driven fundraising program of North Star Electric Cooperative, Inc., that is designed to provide financial assistance for worthwhile projects and charities in the area. Donations are given to organizations to help make the area a more pleasant and safe place to live.

All funds for Operation Round Up are contributed by the member-owners of North Star Electric and the money is put into a trust fund that is separate from electric accounts. The trust is administered by its own board of directors comprised of people from across the area.

Operation Round Up directors are appointed by North Star's board members and must be members of the cooperative. The cooperative's general manager is a non-voting member of the board.

Organizations from the area may apply for a donation from the Operation Round Up Trust. The applicant must be charitable in nature and be working to meet a need in our area. The Operation Round Up Board meets twice a year and decides if an application meets the guidelines of the trust and if funds are available.

If a member chooses to be part of Operation Round Up, their bill is "rounded up" to the next highest dollar. For example, if a bill is \$96.47, the computer will round up the bill to \$97. The additional 53 cents will be placed in the trust and distributed to local charitable and community-based programs.

About 80 percent of North Star's members have chosen to participate in Operation Round Up and it is expected that contributions will be about \$18,700 each year. That money goes right back into our community.

The average annual contribution from a member is about \$6. The most that could be contributed in a year by a member is \$11.88 (12 months x 99 cents).

If a member of North Star Electric or a non-member of the cooperative would like to make an additional contribution, please give our office a call.



**Front row from left to right:** Marlys Hirst, Lake of the Woods County Museum; Trell Kulju & Sue Johnson, Sanford Health; Nancy Jewell, Williams Seniors Citizen; Nyla O'Connell, Lake of the Woods School 2<sup>nd</sup> Grade. **Second row:** Bobby Jo Castle, Lake of the Woods Ambulance, Northern Light First Responders & Lake of the Woods Enrichment Program; Sandy Haman, Sanford Health; Tammie Doebler, Northwest Minnesota Mentoring Program; Theresa Brown, Lake of the Woods Early Childhood Initiative; Julie Berggren, Little Brother/ Little Sisters; Tonja Reed, Friends Against Abuse; Nicole Gate, Lake of the Woods Head Start Program. **Third row:** Peter Granger, North Star Electric Community Trust Board; Tim Bey, LSS Senior Nutrition Program.

continued on page 9



# Let your voice be heard on regional haze

*The EPA will communicate its proposal in a Federal Register notice. As members of the public, we have a 60-day opportunity to comment on the EPA's plan. Minnkota has worked with others in this region to develop a website, [www.stopEPAnd.com](http://www.stopEPAnd.com), where you can take a minute to let your voice be heard.*

In recent months, there has been a significant level of discussion in the United States and this region regarding environmental issues.

Minnkota Power Cooperative, our wholesale energy supplier, its member-owners, including North Star Electric, and other regional cooperatives are a significant part of that debate.

The latest debate has surrounded an issue called Regional Haze and a dispute between the state of North Dakota and the Environmental Protection Agency (EPA). On Sept. 1, the EPA indicated it will propose to take over the state of North Dakota's Regional Haze plan to improve visibility in areas including North Dakota's Theodore Roosevelt National Park and the Lostwood National Wildlife Refuge's wilderness area.

The EPA will communicate its proposal in a Federal Register notice. As members of the public, we have a 60-day opportunity to comment on the EPA's plan. Minnkota has worked with others in this region to develop a website, [www.stopEPAnd.com](http://www.stopEPAnd.com), where you can take a minute to let your voice be heard.

North Dakota's state plan, the EPA says, isn't good enough to address nitrogen oxides (NO<sub>x</sub>) emissions at Minnkota's Milton R. Young Station, Basin Electric Power Cooperative's Leland Olds and Antelope Valley stations and Great River Energy's Coal Creek Station.

If the EPA is successful in its attempt to take over the state's plan dealing with NO<sub>x</sub> emissions, all Minnkota cooperatives would see a rate increase of 20 to 30 percent to pay for technology that would be required to comply with this Federal Implementation Plan (FIP).

We believe the EPA should not take over the state of North Dakota's plan to improve visibility. North Dakota's plan achieves a significant amount of reduction in emissions and visibility while taking into account feasibility and cost-effectiveness.

Minnkota complied with the state plan by installing, at a cost of \$40 million, Over-Fire Air (OFA)+Selective Non-Catalytic Reduction (SNCR) technology that is proven to work on cyclone-fired boilers fueled with high-sodium North Dakota lignite coal. It will reduce 55

to 60 percent of the NO<sub>x</sub> emissions.

The EPA plan would force Minnkota to add an additional technology called Selective Catalytic Reduction (SCR) that the agency believes will reduce 90 percent of the NO<sub>x</sub> emissions. SCR, which will not work on cyclone-fired boilers fueled with high-sodium North Dakota lignite coal, could cost Minnkota an additional \$500 million to install.

Even if Minnkota could demonstrate that SCR technology works on its plants, the emissions-reduction difference is not discernable to the human eye. A deciview can be used to measure visibility. EPA says most humans can only see one deciview distinction, but SCRs only improve 0.553 deciviews over OFA+SNCR.

Modeling done by the state of North Dakota indicates that shutting down all of the power plants in North Dakota would not allow the state to meet EPA's visibility goals because of significant emission inflows from other states and Canada.

And remember, in 2010 the American Lung Association identified eight North Dakota counties, including Mercer and Oliver counties (home to several coal-based power plants), as having "A" grades for clean air. Oliver County is home to Minnkota's Young Station.

The current debate issue is not about health. The state is already meeting required National Ambient Air Quality Standards to reduce emissions that can impair health.

Consumers in our region enjoy some of the cleanest air in the country and are currently paying for more than \$425 million in environmental upgrades installed in the last few years. Does it really make sense to require huge additional investments for visibility improvement that, even if it did work, would be imperceptible to the human eye? The state of North Dakota doesn't think so, and we agree. The overreaching EPA goes too far in attempting to take away North Dakota's authority to implement federal Clean Air Act rules in the state.

So go to [www.stopEPAnd.com](http://www.stopEPAnd.com) and tell the EPA the FIP is not right for Minnkota members' consumers in Minnesota and North Dakota.

## WHAT YOU CAN DO TO HELP STOP EPA FROM SEVERELY IMPACTING YOUR RATES

✓ Go to [www.stopEPAnd.com](http://www.stopEPAnd.com).

On the website, learn more about the proposed Federal Implementation Plan (FIP) and follow a link to submit formal comments to the EPA.

✓ Contact your Congressional delegation and ask them to keep fighting for the North Dakota state plan for regional haze in areas such as North Dakota's Theodore Roosevelt National Park and the Lostwood National Wildlife Refuge's wilderness area. In Minnesota, you can contact:

**Rep. Collin Peterson**

2211 Rayburn HOB  
Washington, DC 20515  
202-225-2165  
Detroit Lakes: 218-847-5056  
Red Lake Falls: 218-253-4356  
Fax: 202-225-1593

**Sen. Al Franken**

309 Senate Hart Office Building  
Washington, DC 20510  
202-224-5641  
NW Phone: 218-230-9487  
Fax: 202-224-0044

**Sen. Amy Klobuchar**

302 Senate Hart Office Building  
Washington, DC 20510

202-224-3244

Moorhead: 218-287-2219  
Fax: 202-228-2186

## Our stand on Regional Haze

- EPA should approve the North Dakota Department of Health (NDDoH) Regional Haze State Implementation Plan (SIP).
- The goal of the Regional Haze program is to improve visibility; it does not focus on health.
- North Dakota's SIP improves visibility.
  - It identifies the Best Available Retrofit Technology (BART) as Over-Fire Air (OFA) and Selective Non-Catalytic Reduction (SNCR) for North Dakota's cyclone lignite-fired boilers, including Minnkota's Milton R. Young units.
- EPA wants to force North Dakota's cyclone lignite-fired boilers to install technology (namely, Selective Catalytic Reduction, SCR) that is unreasonably expensive relative to the small improvement for visibility – and SCR has not been demonstrated to work on cyclone lignite-fired boilers.
  - Western North Dakota facilities have spent a combined \$1 billion in recent years on the control of emissions.
  - Minnkota has already installed OFA+SNCR technology and updated SO<sub>2</sub> scrubbers:
    - Improvement: NO<sub>x</sub> controls reduce emissions by 55 to 60 percent, and SO<sub>2</sub> scrubbers remove 95 percent of the SO<sub>2</sub>.
    - Cost: more than \$425 million.
  - If Minnkota were forced to use SCR, it could cost more than \$500 million to install. The OFA+SNCR technology cost \$40 million to install.
  - The technology isn't proven! North Dakota's high-sodium lignite coal is unique – when this technology was tested on North Dakota boilers using lignite coal, the catalyst failed after two months.

# StopEPAND.com

## CAN YOU SEE A DIFFERENCE?

ND  
HAS  
CLEAR  
SKIES  
AND  
CLEAN  
AIR  
EPA  
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HUGE  
COSTS  
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COSTS  
AND  
NO  
BENEFITS  
STOPEPAND.COM

## NEITHER CAN WE.

Stop the EPA from imposing huge, unnecessary costs on Minnkota cooperatives in North Dakota and Minnesota.

Though you can't see it, the difference is more than \$700 million. That's how much more it would cost for EPA's plan to regulate visibility in North Dakota over the state's existing plan.

When it comes to EPA's plan, the benefits are hazy and the huge costs are crystal clear.

Go to [StopEPAND.com](http://StopEPAND.com) to learn more.

  
**Partners  
for affordable  
Energy**  
*Powering our lives.*



## Director Candidate



### District 7 - Julian Brzoznowski

Julian Brzoznowski is a lifelong resident of the Orr area. He and his wife, Joann, have six grown children, 10 grandchildren and a great-grandchild. Julian attended high school in Orr and attended the University of Minnesota for two years. He has been self-employed as a logger, farmer and business owner and worked as a creel census taker for the DNR. He is now semi-retired and

sells gravel from his gravel pit. Julian is seeking re-election for another four-year term from District 7. He has served on the North Star Electric board for 28 years and was president of the board for 14 years. He also served as director on the Minnkota Power board for more than 12 years. During his term as a director, Julian has attended several training seminars and has become a credentialed board member. He has served on several other boards as well, including the Cook Community Hospital Board, the Kabetogama Cemetery Board, the Sportsman's Club and the Snowmobile Club, and was president of the Orr PTA. Julian enjoys being a director at North Star because he knows that he is helping his community. He knows the electric industry has some very large challenges in the future and, with his 28 years of experience, he can help North Star and Minnkota make the right choice on some tough decisions that must be made.

## Annual Meeting Guest Speaker



Luther Kvernen joined Minnkota Power Cooperative on June 3, 1974, as a project engineer. He was promoted to project engineering manager on Jan. 1, 1983. During those years he worked on the design and construction of transmission relay, control and metering systems. He also assisted with the application of Minnkota's successful load management system.

In January 1986, Kvernen was promoted to technical superintendent and transferred from Minnkota's Grand Forks headquarters to the lignite-fueled Milton R. Young Station, near Center, N.D. (393-06-001-02, Wesley Hasbargen). While at the plant he coordinated the Young Station engineering group, focusing on improved efficiencies and project management along with ongoing maintenance and operation activities.

On Aug. 1, 1992, Kvernen was promoted to director of Electrical Operations and returned to Grand Forks. For a five-year period he was responsible for Minnkota's transmission/electrical operations. From 1997 to 2002, he took on additional duties when he became responsible for the Young Station.

Kvernen was named vice president of generation on Jan. 1, 2002, a position that allows him to focus on future environmental and long-term reliability issues.

Originally from Portland, N.D., Kvernen graduated from the University of North Dakota with a bachelor of science degree in electrical engineering. He and his wife, Jan, have three adult, married children and several grandchildren.

## Free Bus Service to Annual Meeting

The bus is free, but this year we are asking that you give us a call or drop us a note to let us know that you plan to ride the bus and where you plan to board the bus. With your help, we should be able to make sure that everyone will be able to find a seat.

**Call us to confirm your seat on the bus**

**634-2202 (Baudette)**

**or 278-6658 (Littlefork)**

**or toll-free (888) 634-2202**

### Bus schedule for Annual Meeting

**Friday, Oct. 7, 2011**

| EAST ROUTE 1        |                                                    |           |
|---------------------|----------------------------------------------------|-----------|
| Kabetogama          | Gateway Store                                      | 3:50 p.m. |
| Ray                 | Woodland Inn<br>(park at the north end)            | 4:00 p.m. |
| Roger's Corner      | Store                                              | 4:10 p.m. |
| International Falls | International Falls<br>Shopping Mall               | 4:25 p.m. |
| Pelland Junction    | Y-Knot Quick Stop<br>(park at north end by Hwy 11) | 4:45 p.m. |
| EAST ROUTE 2        |                                                    |           |
| Big Falls           | Community Building                                 | 4:40 p.m. |
| WEST ROUTE          |                                                    |           |
| Roosevelt           | Highway 11 Café                                    | 3:30 p.m. |
| Williams            | Ma Ma's Café                                       | 3:40 p.m. |
| Baudette            | North Star Electric Office                         | 4:00 p.m. |
| Birchdale           | Karen's Place                                      | 4:25 p.m. |
| Loman               | Church                                             | 4:45 p.m. |

### Destination – Littlefork/Big Falls School

**Registration and Dinner  
Business Meeting**

**5 to 6 p.m.  
6 p.m.**

**At the July meeting, \$9,109 in Operation Round Up funds were distributed to various qualifying programs and organizations throughout the area including:**

Lake of the Woods Ambulance - Radio upgrades

LSS Senior Nutrition Program - Senior meals

Williams Senior Meals - New freezer

Lake of the Woods School 2<sup>nd</sup> Grade - I-Pads

Headstart Program - Real-Life Classroom Center

Northern Light First Responders - Equipment for new members

Sanford Health Lake of the Woods Community - Patient outing

Koochiching Aging Options - Senior wheels support for mileage

Koochiching Aging Options - Plan well to age well

Lake of the Woods Museum - Program development

Littlefork Fire Department Auxiliary - Update training facility

Littlefork Medical Center - Phone call away

Oakley Cemetery Association - Door vault & sign

Moose Creek Quilters - Warm the body/warm the heart

Lake of the Woods Enrichment Program - 5<sup>th</sup> & 6<sup>th</sup> grade math masters

Lake of the Woods Early Childhood - Park remodeling & upgrade

Friends Against Abuse - Safe Home Project

Northwest Community Action Little Brother & Little Sister - Event sponsor

Northwestern Minnesota Mentor Program - Teen Journey Program

Lake of the Woods Salvation Army - Emergency Assistance



## 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 5<sup>th</sup> St.  
International Falls, MN 56649  
283-7000

### Kootasca Community Action, Inc.

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

### Kootasca Community Action, Inc.

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

### Arrowhead Economic Opportunity Agency

702 3<sup>rd</sup> Ave. S.  
Virginia, MN 55792-2797  
800-662-5711



**Picture from left to right:** Mary Ellen Lehman, North Star Electric Community Trust Board member; Douglas Skrief, Koochiching Aging Options; Sheri Gates & Lori Petersen, Littlefork Medical Center; Jill Knaeble, Littlefork Fire Department Auxiliary; and Sande Moyer, North Star Electric Community Trust Board member.

## NORTH STAR ELECTRIC COOPERATIVE POLITICAL LEADERS

### Federal legislators

#### Senator Al Franken

309 Hart Senate Office Building  
Washington, D.C. 20510  
www.franken.senate.gov  
202-224-5641  
Fax: 202-224-0044

#### Senator Amy Klobuchar

302 Hart Senate Office Building  
Washington, D.C. 20510  
www.klobuchar.senate.gov  
202-224-3244  
1-888-224-9043 (Minnesota office)  
Fax: 202-228-2186

#### Congressman Chip Cravaack

508 Cannon House Office Building  
Washington, D.C. 20515  
www.cravaack.house.gov  
202-225-6211  
Fax: 202-225-0699

#### Congressman Collin Peterson

2211 Rayburn House Office Building  
Washington, D.C. 20515  
www.collinpetersen.house.gov  
202-225-2165  
Fax: 202-225-1593

### State of Minnesota legislators

#### Senator Tom Bakk

75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol Building, Room 147  
St. Paul, MN 55155-1606  
651-296-8881  
sen.tom.bakk@senate.mn

#### Senator Tom Saxhaug

75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol Building, Room 135  
St. Paul, MN 55155-1606  
651-296-4136  
sen.tom.saxhaug@senate.mn

#### Senator LeRoy Stumpf

75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol Building, Room 145  
St. Paul, MN 55155-1606  
651-296-8660  
sen.leroy.stumpf@senate.mn

#### Representative Tom Anzels

307 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

651-296-4936

rep.tom.anzels@house.mn

#### Representative David Dill

273 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155  
651-296-2190  
800-339-0466  
rep.david.dill@house.mn

#### Representative Dan Fabian

431 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155  
651-296-9635  
rep.dan.fabian@house.mn

#### Representative Tom Rukavina

303 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155  
651-296-0170  
888-682-3205  
rep.tom.rukavina@house.mn



## North Star Electric Cooperative's Co-op Connections Card *has been revitalized*

*Local and National Discounts just for you...*

North Star Electric Co-op, a Touchstone Energy® Cooperative, is proud to be an integral part of the communities we serve. That is why we have revitalized Co-op Connections, a program that helps you receive discounts on products and services from participating local, regional and national businesses.



We have partnered with more than 40 local businesses – restaurants, hair salons, golf courses, auto parts stores, hotels and much more – offering discounts to co-op members. Simply present your Co-op Connections Card or key fob at participating businesses, and you receive a special discount predetermined by the businesses. A complete list of participating local businesses will be enclosed with your September bill, or you can stop by our offices or log on to **www.connections.coop** for the list.

In addition to local businesses, Touchstone Energy®, a national alliance of more than 600 electric cooperatives, has recruited national chains such as Choice Hotels, Avis Car Rental, BarnesandNoble.com, Sprint and others to offer co-op members national discounts. You can even take advantage of discounts arranged by other electric cooperatives, such as the gas discount at the Tesoro station in Bemidji. Your card is good anywhere you see the Co-op Connections Card sticker – whether you are at home, traveling to the next county or across the country.

*Save 10-60 percent on prescriptions*

Your Co-op Connections Card is accepted at national and regional pharmacy chain stores, including CVS, Walgreens, Wal-Mart, Kmart, Target and many more. To learn more about the pharmacy discount program online, go to **www.connections.coop** or visit **www.rxpricequotes.com**. Simply present your card to the pharmacist with your prescription (121-09-001-06, Shane Friesner). The pharmacist calculates the discount and the member pays the discounted price. It's that easy.

*Need a card? – They are in the mail*

The Co-op Connections Program is free to all members of participating cooperatives. Key fobs and cards are being mailed to all members in the September bill, or pick one up at our offices. One card can be used for the entire family.

*Business owners*

If you are a local business and would like more information about offering discounts to potential customers, please contact North Star Electric. The card has no boundaries. At the same time, businesses benefit from increased customer visits by co-op members participating in the program.

**Use Your Co-op Connections Card at participating businesses and save.**

## FREQUENTLY ASKED QUESTIONS

**How many members does North Star have and how many members are in the districts?**

North Star has 5,255 members and the seven districts have between 679-835 members in their district. Each year the board of directors reviews the numbers of members in each district and, when needed, they will move the district lines so each district has about the same number of members to represent.

## The check is in the mail bill



We are paying about **\$583,000** of capital credits this month. If you have an active account, watch for your payment as a credit on your September bill. Inactive accounts will still receive a check, but to save money, active members are getting a bill credit.

The difference between a cooperative, like North Star Electric Cooperative, and other utilities is that we are nonprofit, meaning any money left after the bills are paid is returned to the member. These "margins" are assigned to members based on their usage and are retained for a period of time to help fund system improvements and provide equity needed to secure long-term debt. North Star has returned about \$8.6 million of capital credits over the years, which is about half of the total capital credits.

We are committed to demonstrating the advantages of being a cooperative member. Thank you for your patronage and support.