

MANAGER'S REPORT

Where is that crystal ball?

Have you ever been on a trip and encountered a road construction detour you didn't expect? Speaking from an experience, I was less than happy when a detour brought me back out to the unfamiliar highway, but I had no idea if I should turn right or left. No sign was in sight. Cellphones had not been invented, and I had a 50/50 chance of not wasting any more time. I figured I'd been driving long enough that my turn onto a different road was already passed. Yep, I went the wrong way. Sigh.

Wouldn't it be great if all of our decisions could be spot-on the first time for the most cost-effective outcomes? That is always our goal for you, and these days it's been a little more challenging with the utility "road" under construction.

In July, the board of directors will complete its biannual strategic planning exercise. There are several moving targets we didn't have two years ago. We talk plenty these days about the legal challenge of the EPA's Clean Power Plan and what the Supreme Court will decide. We discuss how to best ensure a reliable source of affordable electricity for the future. We'd like to see a bunch of this dust settle so we have actual targets, but in the meantime, we will be moving cautiously to avoid making very expensive and irreversible long-term decisions that could turn out to be unnecessary.

Survey results

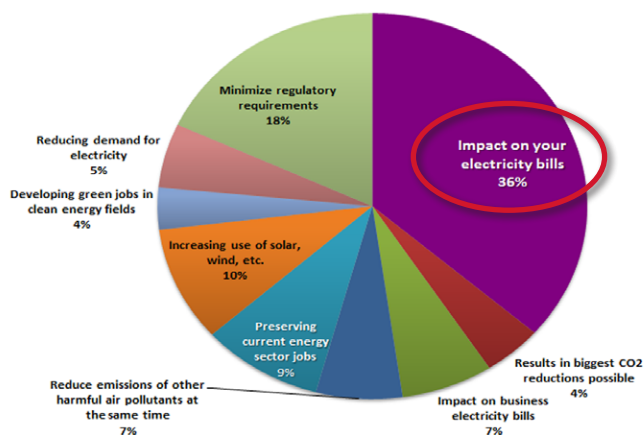
After our recent membership survey, it is clear that our objectives should remain focused on providing affordable, safe, and reliable electricity. We have printed the survey results in the pie chart below. According to our members, the most important factor for the MPCA

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Ann Ellis
General Manager

North Star Electric Co-op's members' opinions on factors that are most important for Minnesota to consider as the MPCA develops their plan



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Does your old AC unit need replacing?

Replace it with an air-source heat pump

In size and appearance, a standard heat pump looks like a central air conditioner. But unlike a central air conditioning system, which only cools a home, a heat pump provides heating and cooling.

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1-888-6OUTAGE (1-888-668-8243)
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Visit our website at

www.northstarelectric.coop

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.



North Star Electric Cooperative, Inc. **Mission Statement**

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

This institution is an equal opportunity provider and employer.

Highlights from the **BOARDROOM**

These are the highlights from the board of directors' June 1, 2016, meeting. All board members were in attendance. In addition to routine motions, the board voted to approve the retirement (payment) of \$603,000 of capital credits this fall, to approve the review and minor revisions of three board policies and to support donations to the local Fourth of July celebrations in our service area.

Staff reports included the financial report, roof repairs to be done at the Littlefork office, water heater rebates, light bulb sales, the summer price of propane, Operation Round Up, the June power plant tour, new services, pole changeouts, right-of-way maintenance, repairs of issues found during overhead and underground line inspection, progress on the summer work plan projects, recent line department hires, outages, no lost-time hours, the Minnesota Pollution Control Agency's (MPCA) "dotmocracy" survey distributed to members and

an objection filed at the Minnesota Public Utilities Commission regarding a legislatively granted net-metering cost recovery fee formula being used by electric cooperatives in Minnesota.

Board reports included an update from the Minnkota board meeting. President Arnesen and Director Hanson announced they will be providing the nomination petition forms to be eligible to seek re-election for their District 1 and 4 seats, respectively. Guest Jerry Loud, candidate for Minnesota House of Representatives District 2A, also joined the meeting to introduce himself and discuss issues important to both him and the cooperative.

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 Ann Ellis at least two weeks in advance to be included on the agenda.

COME SEE US AT THE FAIR!

Northern District, Littlefork **July 7-10!**

Lake of the Woods, Baudette **July 13-16!**



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www.facebook.com/NorthStarElectric



Ann Ellis
General Manager

MANAGER'S REPORT

(article continued from page 1)

to consider as it develops the state's plan for compliance with the EPA's Clean Power Plan, is the impact on electricity rates. With North Star Electric Cooperative members putting this at the top of their priorities (36 percent), this is a stark contrast to the 1 percent rating given by participants at the MPCA Listening Sessions in the Twin Cities.

We will send these surveys to the MPCA to be included in its analysis. Because rural electric cooperative wholesale power comes from outside the state of Minnesota, we are suggesting that any Minnesota Clean Power Plan compliance measures should exempt us and other rural electric cooperatives. We will need to comply with, and pay for, North Dakota's additional CO₂ reduction target. Having to pay twice is unreasonable (Orvis W. Olson, 140-08-008-

02). It is more important than ever for us all to keep talking with our elected officials so our members' concerns don't get lost in the contradicting noise in St. Paul.

Along those lines, this summer we have been continuing to meet with area legislators, candidates and community groups to discuss issues important to you, our member-owners. We encourage you to do the same.

And the winner is ...

If you were one of the almost 10 percent of the members who took the time to fill out the survey, thank you! As promised, from this group we had a random drawing for a \$100 energy bill credit. The winner is **Clayton Moen** from the Sandy Shores area north of Williams. Congratulations Clayton!

At your service we remain ... Ann

Fixing up your home?

We can help.

Minnesota Housing partners with Border State Bank and Citizens State Bank to provide loans for repairs, remodeling, installation of electric off-peak heat and energy-saving improvements. The Minnesota Housing Fix Up loan program offers affordable fixed interest rates with loan amounts up to \$50,000.

Go green and save! Make energy-saving improvements to your home with a loan up to \$15,000. This loan has no income limit and no equity required. Plus, you'll save money with low interest rates.

Looking for energy-saving ideas? Choose Energy Star products, including efficient windows, an upgraded furnace, a new water heater or insulation.

Contact your local bank to apply for a Fix Up loan today!



DIGGING SOON?



ALWAYS CALL BEFORE YOU DIG.

Visit www.call811.com for more information.



For additional information:
www.borderstatebank.com

Anna Stewart NMLS# 1003973
Roseau - 463-3888
Christine Modahl NMLS# 530663
Badger - 528-3255
Lisa Bergsnev NMLS# 504770
Greenbush - 782-2151



118 Main Ave. S., P.O. Box 160
Roseau, MN 56751

Stuart McFarlane NMLS# 677574
Paul LaPlante NMLS# 677575
463-2135

Current electrical inspectors

State law requires that every new electrical installation in any construction, remodeling, replacement or repair shall file a certificate for inspection and be inspected by a Minnesota electrical inspector. For more information go to Minnesota Department of Labor and Industries website (dli.mn.gov) and go to the electrical page.

• Lake of the Woods, St. Louis and Koochiching counties:

Curt Collier (cgcollier67@gmail.com)
Phone: (218) 966-5070
Call to set up an appointment between
7 a.m. - 8:30 a.m. (Mon. thru Fri.)

• Roseau county:

Scott Stenvik
Phone: (218) 689-5406
Call to set up an appointment between
7 a.m. - 8:30 a.m. (Mon. thru Fri.)



Member Appreciation Days



We were pleased with the turnout at our 14th annual Member Appreciation Days. We had 138 members at Littlefork and 185 at Baudette register for prizes. The winners of the table top grill were Marlo Mellum from Pelland Junction and Rubella Town from Baudette. The Lock-N-Go winners were Harvey Lehman from Littlefork and Tom Griffen from Baudette.





Does your old AC unit need replacing?

Replace it with an air-source heat pump

(continued from page 1)

Heat pumps also dehumidify better than standard central air conditioners, resulting in less energy use and more cooling comfort in summer months. One thing that you need to remember is that an air-source heat pump works great in the spring, summer and fall but does not work well in the winter.

Heating efficiency for air-source heat pumps (ASHP) is indicated by the heating season performance factor (HSPF), and cooling efficiency by the seasonal energy efficiency ratio (SEER). The most efficient heat pumps have a SEER between 14 and 21, and an HSPF between 8 and 10. Always remember the higher the number the higher the efficiency.

When selecting a new air-source heat pump, it's important to determine the proper size needed for your home. Bigger is not always better. Oversizing causes the heat pump to start and stop more frequently, which is less efficient and harder on the components than letting it run for longer cycles. A properly sized heat pump will also provide better comfort and humidity control than an oversized one.

When choosing an air-source heat pump, look for the ENERGY STAR® label. Heat pumps that are ENERGY STAR-rated do qualify for some very nice rebates through our PowerSavers program. Heat pumps that are connected to your furnace, which have a SEER 14/HSPF 8.2, get a \$400 rebate and SEER 15/ HSPF 8.5 or greater get a \$500 rebate. A mini-split system (no ductwork) with a SEER 15 gets a \$500 rebate. In addition to the PowerSavers program, we also give an extra rebate of \$100 per ton. Please give us a call for additional information about any of our rebates.

Avoid HAZARDS with grain bins and power lines



Electrical power is an indispensable part of modern agricultural operations. In fact, electricity is such a commonplace part of a farm operation that it can easily become a part of the scenery and its hazards overlooked. One often overlooked safety consideration is the power line clearance required for grain bins.

Equipment and vehicles, such as augers and grain trucks, around grain bins are particularly at risk of coming into contact with overhead power lines (Al Lavalla, 795-29-012-01). It is important that bins be built a safe distance from power lines to help ensure the safety of all farm workers.

The National Electrical Safety Code sets minimum clearances around grain bins. It requires that any high-voltage power lines (over 600 volts) be at least 18 feet above the highest point on a grain bin. Additionally, the Code sets the minimum distance

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The cleanest, greenest energy is the energy not used

The cheapest, cleanest and greenest energy is the energy not used. There are many ways to be more energy efficient – from equipment upgrades to things that don't cost a cent.



Let nature do some of the work. Consider leaving your windows open and cutting the air conditioner at night, when temperatures are much more moderate. Then keep the windows shut during daylight hours to help keep that cooler air inside. You can also install window coverings, which can block out sunlight and heat during the day. Also, increase

insulation and seal cracks that may let out cold air.

Fans can make higher temperatures in the home feel more comfortable. When using a ceiling fan along with air conditioning, **Energy.gov** states that you can raise the thermostat approximately 4 degrees Fahrenheit without reducing comfort level.

Make sure that your cooling equipment is in top-notch condition. If possible, move the air conditioner out of direct sunlight. Regularly clean or replace dirty air conditioner filters. **Energy.gov** reports that doing so can lower the unit's energy use by 5 to 15 percent.

Use a programmable thermostat and set it to a warmer than normal temperature while away and to a lower

temperature when you expect to return home.

On the warmest days, avoid using the oven. Grill outside or use the stove or a microwave. According to **Energy.gov**, a microwave can use up to 80 percent less energy when reheating than a standard oven.

According to **Energy.gov**, water heating costs make up an average of 18 percent of energy costs. Cut back on



these costs by taking shorter showers and using low-flow showerheads. Run clothes and dish washers only when they have full loads. Additionally, lower the set temperature on the water heater. **Energy.gov** suggests setting the water

heater temperature to no higher than 120 degrees.

Take into account the best times to run your appliances. Avoid using them during typical peak hours, from 4 to 6 p.m. Also be sure to switch off and unplug appliances when they are not being used (George Gray, 446-17-001-05). Consider air drying clothes and dishes to further cut back on energy costs.

Energystar.gov reports that 90 percent of the electricity in an incandescent bulb is given off as heat rather than as light. Turn off lights that are not being used and switch to LED bulbs.

For more information on energy efficiency, visit **EnergyEdCouncil.org**.

Avoid HAZARDS with grain bins and power lines *(continued from page 5)*

that power lines must be from grain bins, depending on the bin's height. For instance, a bin that is 15 feet tall must be at least 55 feet from power lines on its loading side, and a bin that is 50 feet tall must be at least 143 feet from power lines on its loading side.

Your state and utility may have further requirements. If planning on building a new grain bin, contact your local utility before any construction begins. They can help you determine minimum safety requirements.

Keep these additional tips in mind anytime you are operating farm equipment around power lines:

- Keep equipment at least 10 feet from lines – at all times, in all directions.
- Inspect the height of the farm equipment to determine clearance.
- Always remember to lower extensions when moving loads.

- Use a spotter when operating large machinery near lines.
- Never attempt to move a power line out of the way or raise it for clearance.
- If a power line is sagging or low, contact your local utility.

If equipment does come into contact with a power line, remember, stay on the equipment until the utility has arrived to de-energize the lines. Warn others to stay away, and call the local utility provider immediately. The only reason to exit is if the equipment is on fire. If this is the case, jump off the equipment with your feet together and without touching the ground and vehicle at the same time. Then, still keeping your feet together, “bunny hop” away to safety.

For more electrical safety information, visit **SafeElectricity.org**.





LED lighting rebate form



ENERGY STAR® bulbs highly recommended
(Rebates will not exceed 75 percent of purchase price)

Complete this form, attach a copy of your purchase receipt and mail to: North Star Electric Cooperative, P.O. Box 719, Baudette, MN 56623 Attn: Wayne
(Rebates will be in the form of a credit on your electric account)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone #: _____ Other Phone #: _____

North Star Electric account number: _____

Name of retailer: _____

Replacing 40-60W bulb: (\$4/bulb rebate)

Number of bulbs: _____

Replacing 75-100W bulb: (\$8/bulb rebate)

Number of bulbs: _____



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 Social Services

206 8th Ave. SE, Suite 200
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.

Grand Rapids, MN 55744-3984
Toll free 1-877-687-1163
Direct 1-218-999-0800
Fax 218-999-0220

Arrowhead Economic Opportunity Agency

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

NORTH STAR ELECTRIC COOPERATIVE POLITICAL LEADERS

Federal legislators

President Barack Obama
The White House
1600 Pennsylvania Ave. NW
Washington, D.C. 20500
www.whitehouse.gov
president@whitehouse.gov
202-456-1111

Senator Al Franken
320 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 Rick Nolan
2447 Rayburn House Office Building
Washington, D.C. 20515
www.nolan.house.gov
202-225-6211
Facebook: US Rep Rick Nolan
Twitter: @USRepRickNolan

Congressman Collin Peterson
2109 Rayburn House Office Building
Washington, D.C. 20515
www.collinpeterson.house.gov
202-225-2165
Fax: 202-225-1593

State of Minnesota legislators

Governor Mark Dayton
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 130
St. Paul, MN 55155-1606
800-657-3717
mark.dayton@state.mn.us

Senator Tom Bakk
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 226
St. Paul, MN 55155-1606
651-296-8881
sen.tom.bakk@senate.mn

Senator Rod Skoe
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 235
St. Paul, MN 55155-1606
651-296-4196
sen.rod.skoe@senate.mn

Senator LeRoy Stumpf
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 122
St. Paul, MN 55155-1606
651-296-8660
Email: Use mail form

Representative Dave Hancock
575 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-4265
rep.dave.hancock@house.mn

Representative Dan Fabian
307 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-9635
888-727-0979
rep.dan.fabian@house.mn

Representative Rob Ecklund
311 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-2190
rep.rob.ecklund@house.mn

Nomination process for director election

The North Star Electric Cooperative annual meeting of the members is scheduled for Friday, Oct. 7, at Lake of the Woods School. The Board of Directors positions up for election are **District 1 and 4 for a four-year term** and a special midterm election in **District 5 for a one-year term**.

Your district number is printed on your electric bill. If you live in one of these districts and are interested in a position on the Board of Directors, you may pick up a petition form at our North Star Electric Cooperative office in either Littlefork or Baudette.

Please be advised that each membership of the North Star Electric Cooperative is allowed one signature, and in the case of joint membership, only one signature is allowed. (A husband and wife are not joint members unless they have completed a joint membership application.)

SECTION 3. QUALIFICATIONS.

All persons eligible to become or remain a director of the Cooperative shall:

(a) be a member in good standing of the Cooperative receiving electric service at the member's primary residence in the district from which the director is to be elected prior to being nominated for director;

For purposes of these bylaws, "primary residence" shall mean the residence that is the chief or main residence of the person and where the person actually lives for the most substantial portion of the year.

(b) have voting rights within the district from which the director is to be elected;

(c) not be employed by, materially affiliated with or have a material financial interest in any director, individual or entity which either is:

(1) directly or substantially competing with the Cooperative; or

(2) selling goods and services in substantial quantity to the Cooperative; or

(3) possessing a substantial conflict of interest with the Cooperative;

For purposes of this section, the terms "material" or "substantially" shall be interpreted as constituting a minimum of 5 percent of a member's total hours of employment sales or income on an annual basis.

(d) not be an employee or not have been an employee of the Cooperative within the last three (3) years;

(e) not be a close relative of an employee, where as found in these bylaws "close relative" means any individual who is, either by blood, law, or marriage, including step, half, foster and adoptive is either a spouse, child, grandchild, parent, grandparent, brother or sister;

(f) be only one, and not more than one, member of a joint membership; provided, however, that none shall be eligible to become or remain a director or to hold a position of trust in the Cooperative unless all shall meet the qualifications hereinabove set forth;

(g) if a representative or agent of a member is not a natural person, i.e. a corporation, partnership, limited liability company, or similar, then the representative or agent designated as a nominee for director shall be an individual residing within the external boundaries of the district from which the member is nominated;

(h) agree to regularly attend all board, annual and special members' meetings,

and in no case have more than four (4) unexcused absences within a twelve (12)-month period of time; and

(i) not have been convicted of a felony.

(j) **Exceptions.** In regard to the restrictive provisions of this section that are based upon close relative relationships, no incumbent director shall lose eligibility to remain a director or to be re-elected a director if, during a director's incumbency, a director becomes a first kindred relative of another incumbent director or of a Cooperative employee because of a marriage or an adoption to which the director was not a party.

(k) **Disqualification.** After the Board of Directors determines that a nominee for director lacks eligibility under the provisions of this section or as may be provided elsewhere in these bylaws, it shall be the duty of the board to promptly make a disqualification.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

SECTION 5. NOMINATIONS.

The procedures and methods of nominating candidates for election as a director of the cooperative is by nomination by petition. Any twenty (20) or more members of a district of the cooperative may make nominations in writing over their signatures not less than sixty (60) days prior to the annual meeting, and the Secretary of the Board of Directors shall post the petition at the principal office of the cooperative, Baudette, Minnesota; such listing of nominations by petition may be mailed to each member through the medium of the cooperative newsletter.