

Welcome to 2018!

This marks North Star Electric Cooperative's 78th year of service to you, our member-owners. It has been a privilege meeting your needs over the past 78 years, and we look forward to continuing to meet your energy needs.

What's new

New board members

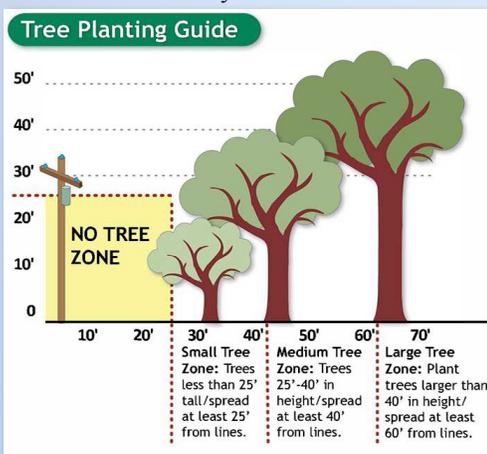
We have some new faces at the board table of your rural electric cooperative. Longtime board members Mike Trueman and Julian Brzoznowski both retired this fall. After a two-month application period, the board appointed Shelley Spears for District 2 and Bruce Sampson for District 7. Director Spears is from Baudette, Minn., and has broad experience from owning/managing a resort to her current job in human resources at Border State Bank. Director Sampson is from Ray, Minn., and he spent his career working for Minnesota Power. Both new directors will bring fresh perspectives to the boardroom that will compliment the knowledge of our seasoned directors.



Back row (from left to right): Bruce Sampson, Shelley Spears, Tom Smith and Randy Bergan; **Front row (from left to right):** Michael Hanson, Lorraine Nygaard, Ann Ellis and Steve Arnesen.

Right of way maintenance

In June and October, we experienced higher-than-usual amounts of outages due to weather and downed trees. Some outages were caused by tree limbs that knocked the transformer fuse link out of its holder, some were caused by trees laying on the power lines and yet others were caused by trees that went right through the power lines. Outage restoration time is decreased immensely when crews can see down clear right of



ways and don't have to fight brush and trees while splicing the downed power lines. We spend a lot of man-hours and membership money to maintain and keep approximately 1,000 miles of overhead and 400 miles of

underground power lines, free of brush and trees. Outages and line loss are two main reasons for maintaining a clear right of way; another is the safety side. Other co-ops have experienced loss of life and lawsuits when children were able to climb trees and came into contact with energized power lines. We never want that to happen at your co-op. So, as a reminder to all members, when planting trees or shrubs, stay back a minimum of 25 feet from power lines so trees can grow without fear of being side-trimmed or topped when mature.

Power Plant Tour

This year we are offering all North Star Electric members an exceptional summer opportunity that is fun for all ages. This year's tour is scheduled for late June, and will include visits to Minnkota's new building in Grand Forks, the Milton R. Young Station near Center, N.D., the open pit coal mines, the

Write to us at P.O. Box 719, Baudette, MN 56623-0719 or call us at 1-888-634-2202

E-mail us at: nsec@wiktel.com

Find us on the Web at: www.northstarelectric.coop



'Like us' on Facebook

www.facebook.com/NorthStarElectric

Garrison Dam and hydroelectric plant, and lastly, wind turbines near Valley City and Petersburg, N.D. The cost to members is just \$100 per person or \$175 per couple, which helps to cover the bus, hotels, tours and meals. Members who have not been on this trip are encouraged to go. Please call Wayne at 218-634-2202 for questions and registration information.

Annual meeting report

At the 2017 annual meeting of North Star Electric Cooperative's member-owners, 177 households and businesses registered, and about 350 people were served dinner. Board members Tom Smith and Lorraine Nygaard ran unopposed and were unanimously re-elected to represent the members in Districts 5 and 6. The next annual meeting is set for Oct. 5, 2018, at the Lake of the Woods School in Baudette. If you've never attended before, consider joining us for an evening of food, prizes, entertainment and, of course, information and business regarding the utility you own.

Your bill ... no rate increase planned

This enclosed bill is for any electricity you used in 2017, plus a prepayment of your 2018 Basic Service Fee, which is charged to your account on a monthly basis. The total amount due is printed on the bottom of your statement on the remittance stub. Although you prepay a year's worth of the basic service fee, it is charged to your account one month at a time as the year progresses, which is why the Current Charges total and the Total Amount Due are not the same.

If paying monthly is more appealing to you:

- 1) We can easily accommodate your request to transfer to monthly billing. The monthly rate is exactly the same as the seasonal rate.
- 2) You may also choose to have your monthly payment paid automatically from your checking or savings account (ACH bankdraft). Once established, we would continue to send you a bill for your records, but you would not need to send anything back to us. There is no charge for this service.
- 3) Budget billing is available to the monthly-billed members, which would make your automatic payment the same every month, except the bill due in July, when actual usage is reconciled with budget-billed amounts.
- 4) We also offer bill notifications via email through SmartHub, which is available through our website or through the smart phone or tablet app. SmartHub allows members to see their billing information online as soon as it is calculated, no matter where they are, any time of any day. Having an email address and knowing your account number is all it takes to sign up on our website (www.nse.coop) or through the app on your smart phone or tablet. Members who live away from North Star country find this helpful, as it eliminates the need to wait for the postal service to deliver your bill. This works really well with the free ACH bankdraft method of payment (see above). SmartHub does provide the nonrecurring option of paying with a credit card or e-check, but there is a \$3.95 convenience fee with that method of payment.
- 5) Our AMR (automated meter reading system) is reading about 96 percent of our meters, eliminating the need for most of our monthly-billed members to self-read their meter(s).
- 6) Monthly bills are mailed early in the month, and payments are due on or before the 20th. A 1.5 percent finance charge is added to the bill if the payment is late, and another \$5 is added if a disconnect notice is printed. With ACH bankdraft, late fees are eliminated, and the payment is set up for the 20th of each month.

Annual billing was created for the convenience of members who moved around during the year, who couldn't supply monthly meter readings, or who preferred a single, annual billing in the winter. If you still prefer the convenience of the annual billing, but don't like one large payment each winter, you may send prepayments at any time during the year to reduce the annual amount due.

Please give Patsy Olson, our billing coordinator, a call if you have any questions about your bill or to make changes to your account. (1-218-634-2202, toll free at 1-888-634-2202, or by emailing patsynsec@wiktel.com).

Contact information

There are times when we need to get in touch with you or use your service address (911 address of the property where your meter is located). Please take a minute to look at the phone numbers we have printed on your remittance stub and make any corrections or additions on the stub. Also, if the service address that is printed to the left of your District number (about a third of the way down from the top of your bill) is not correct, please make a note on your payment stub indicating the 911 address or some type of description, like "cabin on County Road 8."

Due date

PLEASE NOTE THAT YOUR DUE DATE IS FEB. 20, 2018. IF THIS CREATES A PROBLEM FOR YOU, PLEASE CALL US TO AVOID DISCONNECTION OF SERVICE. If your payment is late, a 1.5 percent late fee penalty will be added each month until paid. **The enclosed bill is the only statement you will receive.**

If an account is disconnected for nonpayment, there are additional fees: a \$75 disconnection fee, a \$75 reconnect fee (\$150 if after hours), payment for all energy used up to the disconnect date, plus the full annual prepayment. The extra fees and the inconvenience can be avoided by making a quick call to Sue at 1-888-258-2008 to set up a payment arrangement before the due date.



Meter readings

It's a good idea for you to read your meter once in awhile to be aware of your usage. This will allow you to notice if your usage is unusually high, and correct it early. We will read your meter monthly with the AMR (automated meter reading) system, but only the December reading is uploaded to the billing system for calculating energy usage over the past year. If you would like to check on your meter reading and are not in the area, please give us a call, and we can

read it for you. Or better yet, sign up for MyMeter and access your usage from your computer, tablet or smartphone.

Power failure . . . will your seasonal home be OK?

We always advise members to have someone check on their homes while they're on vacation or, in the case of the seasonal member, when they're gone for an extended time. You never know when a power failure, either in the home or supply lines, will occur. If seasonal homes are not going to be checked regularly, we would recommend the homeowner consider draining the water pipes, turning the breakers off and otherwise preparing the home to be unattended. You never know if a suicidal squirrel will decide to scamper across your transformer, blow the fuse and not live to report the outage for you.

Capital credits

To explain what capital credits are is actually quite simple. Since we are a nonprofit cooperative, the margins (co-op income in excess of costs) belong to the member-owners, like you. At the end of the year, the total margins are prorated among the members based on the amount of their current year billing(s) from North Star. These capital credits are temporarily retained and invested back into the cooperative as capital to fund system improvements, etc.

To explain to a member when he or she may expect a refund is more difficult. Annually the board of directors evaluates the financial impact of paying capital credits. In June 2017 the board authorized the return of nearly \$550,000 in capital credits. North Star has returned more than \$11 million of capital credits to its members, like you.

We hope this explanation has answered any questions you may have. Just give us a call or drop us an email if you have further questions.

Other items of interest

Where does your power come from?

Have you ever wondered how and where your electricity is generated? There is a nicely done brochure on www.minnkota.com. Click on the Power Facilities tab, and select the Milton R. Young brochure. You can also view its wind energy brochures and current output graphs at this site.

Scholarships for high school seniors

Our future is in the hands of our young people, and to support their post-secondary education, North Star provides scholarship opportunities to students whose parents or guardians are active North Star Electric Cooperative members. Even if your primary residence is outside of the North Star territory, your student is eligible to visit one of our local

schools for the cooperative knowledge-based scholarship testing. We also participate in the local schools' Dollars for Scholars programs.

Monthly newsletter

We have a monthly newsletter for the year-round residents, and if you are interested in receiving it, just let us know. It is where our official notices are printed. We would be very happy to add you to that mailing list. It is also posted on our website (www.nse.coop) under the News link.

North Star Electric belongs to YOU

. . . and the other members who purchase electricity from this cooperative. Your capital credits are your portion of your ownership in the co-op. As a member-owner, you and your neighbors elect a director representative to the board of directors. These elections by district occur with a mailed vote or at the annual meeting held early each October, although the nomination process begins in the summer. So, if you're around, we'd love to see you at the annual meeting.

We hope you found this newsletter informative and helpful. We also hope you find the electricity we provide to be a good value. We do our best to provide you with excellent reliability and customer service.

We appreciate your patronage, and we look forward to meeting your needs. We are just a phone call away, so please let us know whenever we can be of help to you or answer any questions. Have a good winter!

NOTICE

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.

State Electrical Inspectors

Lake of the Woods, St. Louis and Koochiching Counties:

Curt Collier

Phone: (218) 966-5070
cgcollier67@gmail.com
 Call to set up an appointment between 7 a.m. - 8:30 a.m. (Monday through Friday)

Roseau County:

Bryan Holmes

Phone: (218) 686-1413
 Call to set up an appointment between 7 a.m. - 8:30 a.m. (Monday through Friday)

OFFICERS AND DIRECTORS

Steve Arnesen President
 Michael Hanson Vice President
 Lorraine Nygaard Secretary-Treasurer

OTHER BOARD OF DIRECTORS

Shelley Spears, Randy Bergan,
 Tom Smith, Bruce Sampson
 Ann Ellis, General Manager
 Robyn Sonstegard, Editor

Write your account number here. Put this by your telephone.

CALL DURING OFFICE HOURS

Baudette 218-634-2202 or toll-free 1-888-634-2202
 Littlefork 218-278-6658 or toll-free 1-888-258-2008

FOR OUTAGE REPORTING AFTER HOURS

218-634-2603 or toll-free 1-888-6outage (1-888-668-8243)