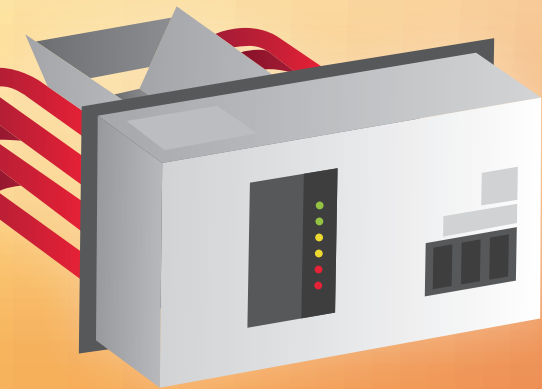


**VALUE DURING VOLATILITY:
ACTIVE OFF-PEAK SEASON**
PAGE 4

**2021 ANNUAL MEETING –
DRIVE-IN STYLE**
PAGE 5

**LEMON POPPY SEED
BREAD RECIPE**
PAGE 7



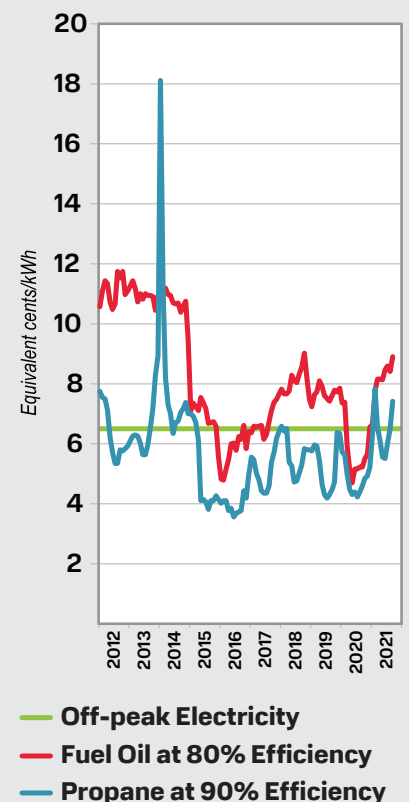
Scared of rising propane prices?

Protect yourself with electric heat.

This 10-year snapshot shows how volatile propane and fuel oil prices can be over time, as off-peak electricity rates stay low and steady. Around 2013, propane followed an upward trend that peaked nearly three times higher than off-peak electricity, and it is currently on the rise again.

— READ MORE ON PAGE 8 —

Average Home Heating Prices
(Last 10 years)



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.



Josh Compton
General Manager

MANAGER'S REPORT

Electricity prices remain stable as other energy costs rise

In Minnesota the cost of energy matters. We use significantly more energy per capita than the average U.S. citizen with our cold winters and long-distance travel. The cost of heating and transportation fuels are on the rise, but North Star forecasts stable pricing for electricity this winter season.

Member-consumers who participate in the off-peak electric heating program have seen rates remain flat in recent years, while fossil fuel prices fluctuate up and down consistently. In exchange for the discounted off-peak electric rate (about half the retail rate), consumers voluntarily allow electric heating systems and other interruptible loads to be temporarily turned off or switched to a backup fuel source (like propane) during periods of high demand for electricity across the region. By utilizing the off-peak program, Minnkota Power Cooperative, North Star's wholesale power provider, avoids purchasing high-priced energy from other utilities or the energy market during peak demand periods.

The off-peak program proved to be extraordinarily valuable during the electric grid challenges experienced in February 2021, when widespread power outages and high market prices impacted Texas and other areas of the country. Minnkota and North Star were able to strategically use the program to shield you from price volatility and other system issues.

As you plan for this winter season, we want to make sure our members know what to expect and are prepared for how increasing fuel costs have the potential to impact your home heating strategy.

WHAT CAN YOU EXPECT THIS WINTER?

- **Higher propane, fuel oil and natural gas prices** – Expect to see the cost of home heating fuels much higher this winter compared to previous years. Propane prices are near double the cost compared to this time last year and are forecasted to remain high throughout the winter. Fortunately, the cost of electricity will stay stable this winter. For members that have off-peak electric heat, this is excellent news!
- **Stable electricity prices** – Natural gas price increases have contributed to wholesale electricity market prices being twice as high as they were last year. Your cooperative and Minnkota are able to avoid these issues because our power supply consists of coal, wind and hydro, which are not susceptible to fuel price spikes (673-36-026-03, Craig G. Swanson). The off-peak/load control programs can also be used to avoid the costly wholesale electricity market.
- **Potential for more off-peak load control hours** – With more wholesale electricity market volatility, members should expect the potential for more off-peak load control hours than in previous years. More than 200 hours of load control is possible during the winter season depending on wholesale power market prices and weather conditions.

WHAT CAN YOU DO TO PREPARE?

- **Switch to off-peak electric heating** – If you have a dual-fuel furnace, it is time to switch to off-peak electricity and use propane or fuel oil as a backup. This strategy will limit your usage of higher-priced heating fuels. Contact our energy

• Members who participate in the off-peak electric heating program have seen rates remain flat in recent years, while fossil fuel prices fluctuate up and down.

• Propane prices are near double the cost compared to this time last year and are forecasted to remain high throughout the winter. The cost of electricity will stay stable.

experts today to find out more about how off-peak heating works and the incentives available for the installation of new off-peak electric heating equipment.

- **Fill your propane or fuel oil tank** – Be sure to fill your propane or fuel oil tank as soon as possible, and make sure your tank is large enough to hold an adequate supply. If your propane tank gets low during extreme cold temperatures, it may not work properly. Remember, prices typically rise as demand increases during the heating season.
- **Check your furnace** – Make sure to change your furnace filter regularly. Contact a heating/ventilation/air conditioning (HVAC) professional to inspect/maintain your system as needed. Early attention to maintenance can help prevent failures in the heart of heating season.

Members will undoubtedly have to spend more on energy to heat their homes and for transportation this year, but the good news is that the price you pay for electricity is forecasted to remain flat. If you have questions about how to save on your winter heating bills or are having issues making payments, please contact our offices. We are here to help and can connect you with the right resources, no matter the situation.

This will be the last newsletter before Thanksgiving, so I hope you and your family have a very enjoyable holiday and we'll touch base again in December.

Until next time, Josh

HIGHLIGHTS FROM THE BOARDROOM

These are the highlights from the Sept. 1, 2021, regular board meeting. All board members were in attendance. In addition to routine actions, the board voted to set next year's annual meeting date for Oct. 7, 2022, to approve the CliftonLarsonAllen LLP audit engagement, and to appoint Director Smith as the voting delegate for the RESCO annual meeting.

Staff reports included the safety report, the financial report, benefit rates for 2022, yellow and red zone control, ripple receiver inspections and repairs, building maintenance, solar installations, rebates, new services and upgrades, pole changeouts, breaker testing, summer work plan projects, digger truck repairs, outages, upcoming meetings, strategic

planning, right-of-way issues and federal and state legislative issues.

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 the co-op at least two weeks in advance to be included on the agenda.



ENERGY EFFICIENCY TIP OF THE MONTH

Fall is the perfect time to prep your home for the upcoming winter chill. One of the best ways you can save energy and stay comfortable is to caulk and weatherstrip areas that typically need sealing. Start by sealing around windows and doors. Seal plumbing, ducting and areas where electrical wiring comes through walls, floors and ceilings. — Source: *energy.gov*

What can you get for \$1?



600 hours of tablet use

You may feel guilty about the time you spend on your tablet, but you don't have to feel guilty about the power price. It only costs \$1 in electricity to use your device for around 600 hours. That's a lot of movie watching, article reading or video chatting for just a buck!

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 the 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

218-966-5070

Call to set up an appointment
7 a.m. - 8:30 a.m., Monday - Friday

ROSEAU COUNTY

Ronald Ditsch

218-779-6758

Call to set up an appointment
7 a.m. - 8:30 a.m., Monday - Friday

DIRECTORS

President
Steve Arnesen

Vice President
Michael Hanson

Secretary-Treasurer
Lorraine Nygaard

Directors
Shelley Spears
Randy Bergan
Tom Smith
Bruce Sampson

OPERATION ROUND UP®

The next deadline to submit Operation Round Up® grant applications is Nov. 30, 2021. Community organizations and groups may apply for an Operation Round Up grant by completing and returning an application form.

LEARN MORE IN THE STAFF REPORT ON PAGE 7.

LOOKING FOR SOMETHING?

Past issues of the Enlightener are on our website at

www.northstarelectric.coop

Value during volatility

Minnkota and its members expect active off-peak season spurred by volatile energy markets

Last winter, a polar vortex event sent energy market prices soaring. Fewer resources across the country were able to generate electricity in the historic cold, and demand was high for the few resources that were generating enough to sell into the electric grid.

Utilities are experiencing those high market prices again – but it's not because of a single major weather event this time. It's the climbing cost of natural gas.

"Natural gas is one of those resources that typically help manage the variability in electricity generation, and we're seeing prices that are significantly higher than what we've seen in the past 10-15 years," explained Todd Sailer, senior manager of power supply & resource planning for Minnkota Power Cooperative, North Star Electric Cooperative's wholesale power provider. "We're seeing prices double and triple what they were last year, or even over the last couple of years."

While the energy markets soared for only 7-10 days in February 2021's polar vortex, Sailer says this volatility could last throughout the winter season, or longer. That's good insight for cooperative members on the demand response – or off-peak – program, which allows the co-op to temporarily interrupt service to a participant's off-peak loads (electric heating, large-capacity water heaters, electric vehicle chargers, etc.) in exchange for a lower electric rate.

"The projection is that these high prices will likely drive our demand response more than we've seen in the past years," Sailer said.

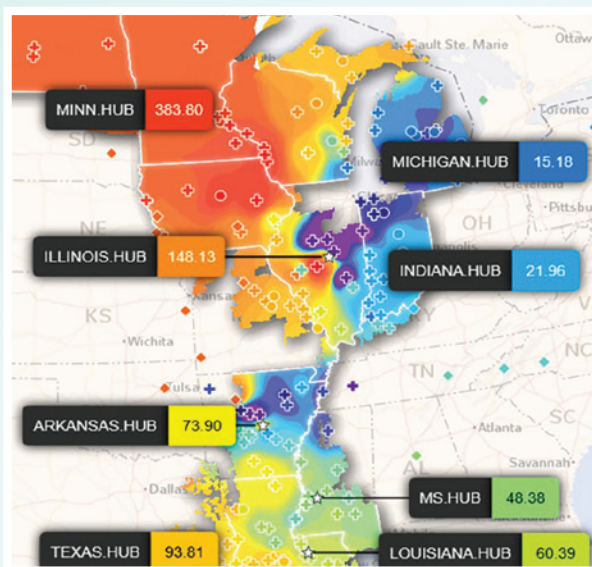
Minnkota's energy marketers are preparing for 200 hours of off-peak load control this upcoming winter, but Sailer says that could rise if natural gas prices continue to climb. He also notes that load control could be spread out over more days and not always coincide with major weather events.

"If we have days of low intermittent resources in the region, like wind power, the expectation is that the markets will respond and you'll see higher markets, which will result in more off-peak control," he said.

Ultimately, the cooperative will deploy off-peak load control when it needs to protect itself from buying high-price energy from the market. This system was established years ago to avoid building more generation facilities for peak need that only arises a few days out of the year. That, in turn, keeps rates low for consumers. By being a part of the off-peak load control program, consumers can also take advantage of an even lower electric rate without any disruption in comfort.

As we enter the winter, Sailer urges those who are a part of the off-peak program to make sure they have adequate backup fuel supply now (111-24-006-03, Robert Liebelt). When the cooperative runs its load control tests before the peak of the cold season, confirm that all parts of your heating system are running smoothly.

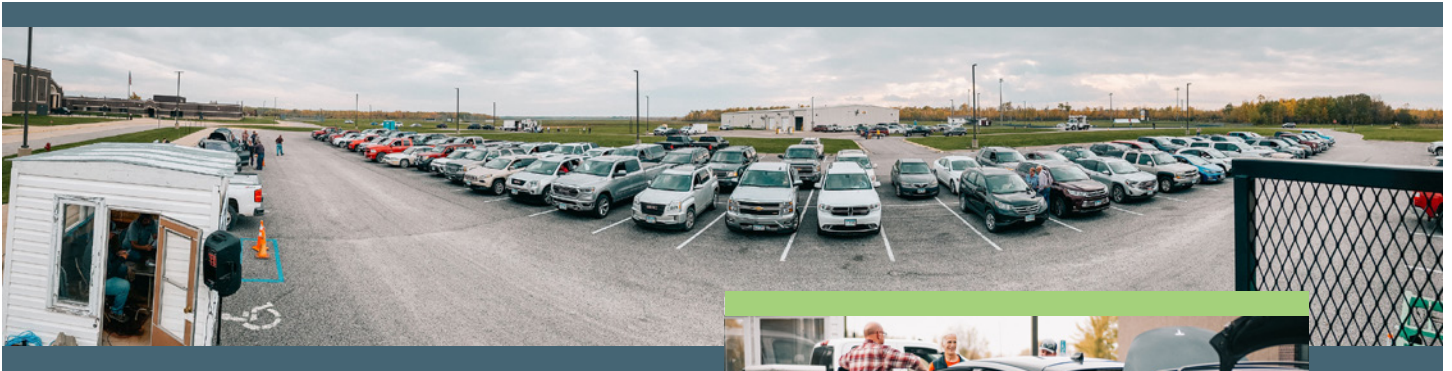
"It's not just natural gas – it's propane, it's all fuel sources that have seen an increase in cost. Which leads to people reliant on their off-peak system," Sailer said. "Members should be making sure their system works."



This image of the Midcontinent Independent System Operator (MISO) energy markets on Feb. 13, 2021, shows a swath of red, where market prices in our region climbed to about 25 times higher than recent averages. With natural gas prices high, any dip in intermittent resource generation – like wind – can send costs soaring.

ANNUAL MEETING 2021 ... DRIVE-IN STYLE!

Lake of the Woods High School, Baudette *(photography by Courtney Danielle)*



About 135 members registered to attend the meeting, which included voting by flashing headlights. Members were also able to check out the future of their cooperative, including electric vehicles.



North Star employees, members and board of directors were all smiles as they participated in the utility they own at the 2021 Annual Meeting.

PROBLEMS PAYING YOUR ELECTRIC BILL?

ENERGY ASSISTANCE MAY BE AVAILABLE!

If you recently lost your job or had your hours cut, the following agencies may be able to help you with your electric bill. You may have never needed help before, but maybe today you do.

LAKE OF THE WOODS COUNTY SOCIAL SERVICES

206 8th Ave SE, Suite 200
Baudette, MN 56623-2895
218-634-2642

NORTHWEST COMMUNITY ACTION COUNCIL

PO Box 67
Badger, MN 56714-0067
800-568-5329

KOOCHICHING COUNTY COMMUNITY SERVICES

1000 5th St
International Falls, MN 56649-2243
218-283-7000

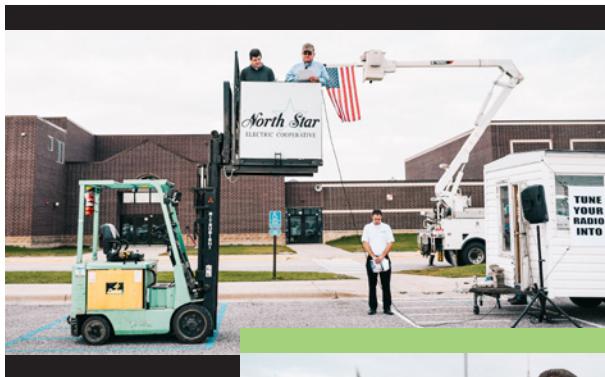
KOOTASCA COMMUNITY ACTION, INC.

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

ARROWHEAD ECONOMIC OPPORTUNITY AGENCY

703 3rd Ave S
Virginia, MN 55792
800-662-5711

ANNUAL MEETING 2021 (cont'd)

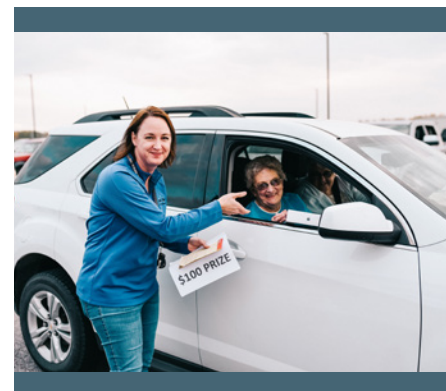


President Steve Arnesen and attorney Sam Schmitz conducted the meeting, which included the elections of incumbents Tom Smith in District 5 and Lorraine Nygaard in District 6.

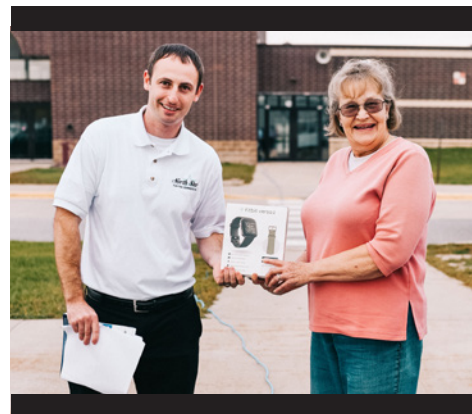
Tammy Harris was the \$500 energy credit grand prize winner at this year's annual meeting.



Grady Onstad, son of Kyle and Joanne Onstad, won the \$100 kids' coloring contest (above). West of Border food truck provided a BBQ pork dinner (below).



Linda Hansen was the winner of the Apple iPad (above), and Eileen Gordray was the winner of the Fitbit Versa 2 Smartwatch (below).



STAFF REPORT – SALES TAX EXEMPTION



Robyn Sonstegard
*Finance and
Administration Manager*

Sales tax exemption

Please remember, if you heat your home primarily with electricity, residential electric heat usage is exempt from Minnesota sales tax during the months of November through April. If you have off-peak electric heat, the off-peak portion of your bill is tax exempt during those months. If you feel you may qualify for this exemption, please call our office at **888-634-2202** for more information.

Operation Round Up®

Operation Round Up® is a charitable program designed to provide financial assistance to worthwhile activities and community projects in our service area. Members contribute to the fund by “rounding up” their electric bills to the nearest dollar each month. The average donation by each member is less than \$6 annually. Thanks to our members who generously contribute to this program, we have collected and distributed over \$280,000 since 2007! If you do not participate in rounding up your bill, but you would like to in the future, please let us know. Enrollment is easy!



The next deadline for Operation Round Up grant applications is Nov. 30. The seven volunteer Community Trust board members that administer this program will meet and distribute grants in January. Local nonprofit community organizations are encouraged to apply!

Holiday wishes

The holiday season is right around the corner! This is the time of year when we should all remember to slow down and take extra moments to count our blessings and practice gratitude. We send our warmest wishes for a happy, healthy and safe holiday season!

HOME COOKING

Lemon Poppy Seed Bread

Perfectly moist and tender, easy to bake, packed with delicious lemony flavors, just the right amount of poppy seeds and topped with a sweet lemon orange glaze.

Prep Time	Cook Time	Total Time	Servings
15 mins	55 mins	1 hour, 20 mins	8-10 servings

INGREDIENTS

- 3 cups flour
- 1½ tsp. baking powder
- 2½ cups white sugar
- 3 large eggs
- 1½ tsp. vanilla extract
- ¼ cup orange juice
- ½ tsp. lemon extract
- 1½ tsp. salt
- 1½ Tbsp. poppy seeds
- 1⅓ cup vegetable oil
- 1½ cup milk
- 1½ tsp. additional lemon extract (for topping)
- ¾ cup additional white sugar (for topping)

INSTRUCTIONS

1. Preheat oven to 350 degrees. Grease three 8” x 4” bread pans.
2. In a large mixing bowl, stir together the flour, salt, baking powder, poppy seeds and 2½ cups white sugar.
3. Add the eggs, milk, oil, vanilla and lemon extract. Mix until smooth, about one minute.
4. Pour mixture evenly into the prepared pans. Bake at 350 degrees for 50 to 55 minutes or until a toothpick inserted in the center of the loaves comes out clean.
5. Cool loaves in the pans for 10 minutes before removing to a wire rack.
6. Combine orange juice with remaining ¾ cup white sugar and ½ tsp. lemon extract; stir well. Pour this mixture over the loaves while they are still hot. Allow loaves to cool completely before serving.



Receive a \$20 energy credit if you submit a recipe and it is selected to run in a future issue of the *Enlightener* newsletter.

From the kitchen of Norma Anderson.

SCARED OF RISING PROPANE PRICES?

Protect yourself with electric heat (continued from page 1)

The costs of fuels used to heat our homes in the winter are rising, and they're rising fast. Propane prices entered this year's cold season nearly 100% higher than they were at the same time last year. In a state as frigid as ours, heating with only propane can quickly take a chunk out of your holiday shopping budget – and beyond.

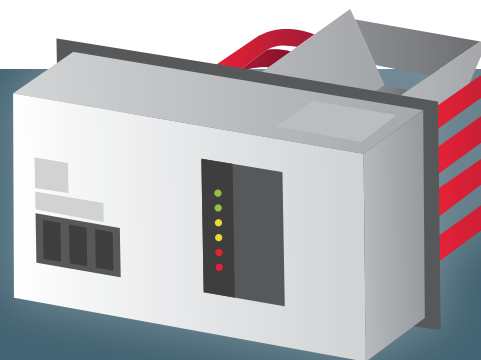
Protect yourself from the volatile price of propane by utilizing a dual-fuel electric plenum heater on our popular off-peak program. The cost of off-peak electricity has remained low and stable for more than a decade, unlike the seasonal swings of propane. If you already have a plenum, make sure it's turned on and working smoothly to take advantage of enormous savings.

A plenum pairs easily with your existing oil or propane forced-air system. It uses the furnace fan you already have to move air across heater elements to heat your home, as well as the same thermostat and ductwork. Most of the fall and winter season, the plenum will deliver reduced-cost off-peak electric heat to keep your space cozy and comfortable (111-02-004-01, Don Bitzer). When your cooperative finds it necessary to lower the electric demand on its system (usually 100-200 hours per year, often during extreme cold), it will remotely switch your heat to a backup fuel, like propane. You notice no difference in comfort – but you'll notice a big difference on your energy costs!

Plenums are a safe and clean way to warm your home, and they allow you

to receive the off-peak heating rate – about 50% of the standard rate – as well as a large rebate on installation. Plus, installing a plenum heater will have you relying less on your gas furnace, which can help increase the furnace's lifespan. In many cases, a plenum can be installed in conjunction with an air-source heat pump, which brings additional benefits.

Propane prices are projected to remain high throughout the winter, so call North Star Electric Cooperative's member service department at **218-634-2202** today to find out how you can get started with a plenum heater, or visit northstarelectric.coop to learn more.



UPCOMING NORTH STAR DATES / EVENTS

**03
NOV.**

North Star Electric will hold its next monthly board meeting on Wednesday, Nov. 3, if you wish to speak to the board.

**11
NOV.**

North Star Electric Cooperative will be closed Thursday, Nov. 11, in observance of Veterans Day.

**25-26
NOV.**

North Star Electric will be closed Thursday and Friday, Nov. 25-26, in observance of Thanksgiving.

OFFICE HOURS | 7:30 A.M. - 4 P.M. | MONDAY - FRIDAY

Baudette 218-634-2202 or 888-634-2202 | **Littlefork** 218-278-6658 or 888-258-2008

For credit card payment 855-874-5354 | **Online billing** info available via SmartHub app

Electrical after-hours emergencies 1-888-60OUTAGE (1-888-668-8243)

Email us at nsec@wiktel.com | **Visit our website at** northstarelectric.coop

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'LIKE' US ON FACEBOOK TO STAY UP TO DATE

Like your cooperative for outage updates during the winter season and other useful information.

 /northstarelectric

This institution is an equal opportunity provider and employer.