



Volts & Jolts

Published monthly for the members of Red Lake Electric Cooperative, Inc.

One of the Minnkota Power Systems

SERVING THE FOUR-COUNTY AREA OF MARSHALL, PENNINGTON, RED LAKE AND POLK
and a portion of the lands of the Red Lake Band of Chippewa

DECEMBER 2015

Season's Greetings

May your holiday be blessed with warmth of home, the light of peace and the love of family and friends.

**Merry Christmas
and Happy New Year
to all of our members!**

*From your employees and directors
at Red Lake Electric Cooperative*

– DIRECTORS –

Stacy Blawat	Colette Kujava
Bonnie Christians	Steve Linder
Aaron Chervestad	Peter Mosbeck
Robert Finstad	Randy Versdahl
Mark Hanson	

– EMPLOYEES –

Kelli Brateng	Shirley Bregier
Darcy Cardinal	Steve Conely
Aaron Derosier	Javen Eidsmoe
Jordon Gervais	Roger Johanneck
Jenny Kelley	Christie Klipping
Brett Knott	Steve Kruse
Melanie LaCrosse	Laurie Malwitz
Warren Malwitz	Branden Narlock
Sam Pahlen	Mike Raymond
Troy Schmitz	Casey Thronson

Retail rates to increase effective March 1, 2016

Red Lake Electric Cooperative's board of directors approved a retail rate increase that is effective with the bill members receive in April 2016. On average, this retail rate increase amounts to 6.1 percent. The increase in rates is needed to offset two wholesale power cost increases by Minnkota Power Cooperative – one of 5 percent that went into effect April 1 of this year and an upcoming 3.3 percent increase on April 1, 2016.

Members will also see a continuation of seasonal rates that were first implemented with the Cooperative's retail rate increase in July 2007. Seasonal rates are higher in the winter months of December, January and February and lower in the remaining nine months of the year.

Higher retail rates in the winter are the result of the higher wholesale costs attributable to system demand peaks for those months, as well as Red Lake Electric's distribution system costs associated with serving winter peak demands for energy. The peak demands placed on generation, transmission and substation capacity typically occur on the coldest days in the winter. These costs are tied to the peaks; however, they are billed to Red Lake Electric every month.

Despite the upward trend in summer peak demands on Red Lake Electric's system, the demands for energy consumption (Dean Holtan 3729007.05) and system peaks continue to be greatest in December, January and February. Those three months historically account for an average monthly energy usage of 70 percent more than the average of the remaining nine months.

The system peak demand has a big impact on the cost of electric service and accounts for about half of the cost of buying wholesale energy from Minnkota. This system billing peak is determined when all off-peak loads have been shed and only on-peak loads are placing demand on the system. The cost to meet these peak demand loads needs to be reflected in the cost of providing that energy to customers. It is hoped the continuation of the higher retail winter rates will encourage members to be more energy conservation-minded during the time of year it impacts our cost of providing that service the most.

A summary comparing Red Lake Electric's present rates to the new rates customers will pay effective March 1, 2016, is located on page 6.

Cookies and Calendars

As a small token of appreciation to our members, an open house will be held at Red Lake Electric Cooperative's headquarters.

December 21 – 23

Stop by for refreshments and Christmas cookies and pick up a 2016 calendar.

Holiday Office Hours

Red Lake Electric Cooperative's headquarters will be closed December 24 & 25 and Jan. 1.

In case of an electric outage or emergency, please call the after-hours phone number at 218-253-2200.



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OFFICERS AND DIRECTORS

President Bonnie Christians
Vice President Randy Versdahl
Secretary-Treasurer Mark Hanson
Directors Stacy Blawat, Aaron Chervestad,
Robert Finstad, Colette Kujava,
Steve Linder, Peter Mosbeck

Roger Johanneck General Manager
Shirley Bregier Office Manager
Steve Conely Manager of Electric
System Operations
Kelli Brateng Manager of Member Services

OFFICE HOURS

Monday-Friday
8 a.m. – 4:30 p.m.

Phone: (218) 253-2168
Toll-Free: 1-800-245-6068
Fax: (218) 253-2630



AFTER HOURS/OUTAGE CALLS 1-218-253-2200

Website: www.redlakeelectric.com
Email: redlake@minnkota.com

CALL BEFORE YOU DIG 1-800-252-1166 or 811

MINNESOTA STATE ELECTRICAL INSPECTORS

Pennington and Marshall Counties:
Scott Stenvik – 218-689-5406

Red Lake and Polk Counties:
Bryan Holmes – 218-686-1413

Any time you or an electrician does wiring or other electrical work at your home or farm, Minnesota state requires a state wiring inspector to conduct a proper inspection of the work. A rough-in inspection must be made before any wiring is covered. A final inspection is also required. Please visit www.dli.mn.gov for more information. The inspectors can be reached weekday mornings between 7:00 a.m. and 8:30 a.m.

OUR MISSION STATEMENT

It is the mission of Red Lake Electric Cooperative to enhance the quality of life for people of our service area by safely and consistently providing quality electric service and other valued services while holding our employees, our community and our environment in high regard.



Manager's Comments

by Roger Johanneck



As you may already have read elsewhere in the *Volts & Jolts*, our electric service rates will increase effective with energy and service from us beginning March 1, 2016, and show up on the bill you receive in April.

For on-peak usage, this rate increase will amount to \$10.13 per month for an average monthly usage of 1,000 kilowatt-hours (kWh). For members using 1,500 kWh monthly, the rate increase will amount to \$14.25 per month. For members using off-peak heating, the increase will amount to \$33 per heating season for those using 20,000 kWh, the annual average energy usage by residential (Long-Term Off-Peak Rate) accounts. These increases include the renewable energy surcharge which will increase from \$.0035 to \$.004 per kWh.

Standard security lighting service will remain unchanged. Newer style LED lighting is more efficient and the cost to provide that service enables us to leave the monthly charge at \$8.

A fair question to ask is “how did RLEC move from two consecutive years (2013 and 2014) of passing on a rebate to the membership to implementing a rate increase in 2016?”

Minnkota’s rates to its member systems increased 5 percent on April 1 of this year and will increase 3.3 percent on April 1, 2016. Those two increases will add \$850,000 to our annual cost of power. Also adding to our cost of power is the increased summer demand peak Red Lake Electric incurred over the Minnkota system peak set last August. The higher peak demand level we reached will add \$158,000 to our annual cost of power. Increasing our peak demand (Bradley and Connie Engen 2716002.02) on the system while at the same time selling less energy to the membership is a difficult combination to pay for – a combination that increased our average cost of wholesale power.

We simply do not have enough

revenue built into our present rates to absorb an additional \$1 million in wholesale power cost that we will be paying for. In defense of Minnkota’s increase to us, it is also faced with cost increases it has little or no control over either. The recent wholesale increases by Minnkota have been necessary to cover the cost of the new Center to Grand Forks transmission line to maintain the reliable delivery of energy into the region. Low energy pool prices for excess energy Minnkota sells to the open market, added costs of complying with regulations and added security measures it is required to put in place are all affecting its cost to generate and deliver energy.

Members will notice that the monthly facility charge component of the rates has increased. You might wonder, if this rate increase is the result of higher wholesale power costs, why the increase in a monthly facilities charge? The cost of having the distribution facilities in place to deliver energy when you need it has never been fully recovered (Marie C. Bonagura 4720003.03) in the facility charge billed to members. That cost has been recovered through a combination of a facility charge and the energy (kWh) rate. The Cooperative has been, over the years, increasing the facilities charge to more fairly recover the actual cost of providing this service and reducing the increase in energy rate. The new facility charge and energy rate more accurately reflects our cost of providing that service.

Members who are heating with uncontrolled electric heat (on-peak), based on annual heating use of 20,000 kWh, will pay \$931 more than members will pay with an off-peak heating system on long-term control. With that annual cost difference using an off-peak heating system, I think it would be worth your time to give us a call. Let us help you evaluate your home heating options and rebates available through Red Lake Electric.



Member Service Department

by Kelli Brateng

Families can enjoy the value and convenience of electric heat and save money, too, by installing an off-peak electric heating system in new or existing homes.

An off-peak system consists of an electric heating source as its primary component. A supplemental heating source, such as oil- or gas-fired furnaces or electric storage heat, will need to operate 250-300 hours during the winter season.

Going with an electric plenum heater, along with an air-source heat pump (ASHP), has been an economical and popular heating system for those in the Red Lake Electric service territory.

Easily adapted to an existing oil- or gas forced-air system, a plenum heater uses the existing furnace fan to move air across the plenum heater elements to heat your home. The fossil fuel furnace and the electric plenum heater use the same thermostat and ductwork.

Normally the ASHP is used during the fall and spring months to heat the home and then as an air condi-

tioner in the summer months. The plenum heater and the oil- or gas-fired furnace are used during the cold months of the year.

Off-peak heating loads are generally controlled during the coldest days, when the demand for electricity is high. Load control hours can also occur for a variety of reasons, including unscheduled power plant outages, transmission constraints outside of the Minnkota service area and extraordinary high wholesale energy market prices.

The ability to interrupt the flow of electricity to the electric portion of off-peak systems allows the power supplier to operate generating plants more efficiently (Nathan Pray 3825003.04) and avoid making costly power purchases from the market.

By voluntarily enrolling in the program, the savings are passed on to the member through the low off-peak electric rate, which is approximately half of the regular retail rate.

Call Red Lake Electric today to find out how you can take advantage of off-peak heating rates.



Submit your recipes to be published in *Volts & Jolts*. Email to redlake@minnkota.com or mail to: Red Lake Electric Cooperative, PO Box 430, Red Lake Falls, MN 56750.

Gingerbread Cheesecake Bites

Serves: 3 dozen+

- 1 (30-oz.) package Pillsbury Gingerbread Cookie Dough (refrigerated section)
- 4-oz. cream cheese (room temperature)
- 2 cups powdered sugar
- 1 teaspoon vanilla

Roll two teaspoons of cookie dough into a ball for each cookie. Place balls of dough into paper liners in a mini cupcake/muffin pan. Make a well/indentation into each ball of dough with a flour dipped mini rolling pin or the back of a measurement teaspoon.

Beat room temperature cream cheese with powdered sugar. Stir in vanilla. Place filling into a piping bag, cut off edge of bag. Place one teaspoon or so of filling into each area of cookie dough. Don't overfill the cookies with filling as they will rise when baked.

Bake at 350 degrees for 9 minutes or until cookie tested with toothpick comes out almost clean. Let cool before removing from cupcake pan.

Note: These keep well for the day at room temperature if you bake them ahead of time. Refrigerate them and remove from refrigerator an hour before serving so they can come to room temperature.



Cards of Thanks

Thank you so much for the Amazon Fire HD 6 we received in your paperless promotion drawing. Your paperless payment program is so easy and convenient to use.

*Curt & Marilyn Swanson
Thief River Falls*

Extending sincere appreciation for your generosity throughout the year to elders of our community through your support of Tri-Community Living at Home/Block Nurse Program.

Darcy Hestekind, Director



Electrical safety and conservation websites

The following is a list of websites that can provide information and education in reference to electrical safety and energy conservation. These websites are listed as links on Red Lake Electric's website at www.redlakeelectric.com.

- Electrical Safety Foundation International: www.esfi.org
- Alliance to Save Energy: www.ase.org
- U.S. Environmental Protection Agency: www.epa.gov/greenhomes
- Energy Star: www.energystar.gov
- Minnesota Safety Council: www.minnesotasafetycouncil.org
- Safe Electricity: www.safeelectricity.org
- Lighting Controls Association: www.aboutlightingcontrols.org
- U.S. Consumer Product Safety Commission: www.cpsc.gov

Co-op members show

Christmas Spirit



*Stanely Jr. and Arlene Panek
of Goodridge*

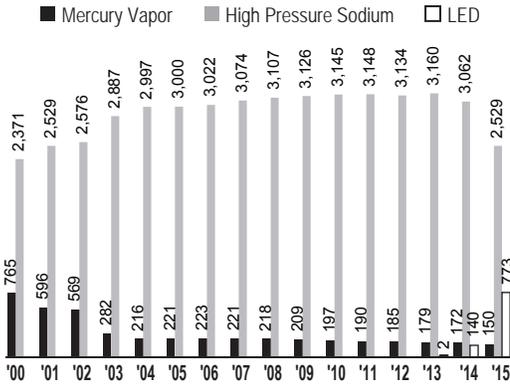


*Larry and Barb Ekman
of Newfolden*

QUICK TAKES

A look at some statistics
from your Red Lake Electric Cooperative

The shorter daylight hours this time of year doesn't mean you have to be in the dark. Red Lake Electric Cooperative has outdoor security lighting available for just pennies a night. The monthly \$8 charge includes all costs to operate and maintain the light. If you want to add lighting to your yard or work area, give RLEC a call today at 1-800-245-6068 or 218-253-2168.



NOTICE OF NAMES

Hidden within the text of the articles of this issue of the *Volts & Jolts* are the names and account numbers of some Red Lake Electric Cooperative members. They will appear within the articles in parenthesis as such (9999999.99 Willie Ray Member). If you find your name and account number, clip it out and send it with you next payment. You will be credited with \$5 on your electric bill.

Red Lake Electric Cooperative, Inc. OPERATING REPORT

MONTHLY COMPARISON

	October 2014	October 2015
Total revenue	\$1,161,890	\$1,014,493
Total margins	\$87,788	(\$24,981)
Cost of power	\$845,704	\$795,026
kWhs purchased	11,242,713	9,655,542
Capital credits paid to estates	\$7,654	\$1,844
Average outage time in minutes per member	3	14.3

YEAR-TO-DATE COMPARISON

	October 2014	October 2015
Total revenue	\$11,767,689	\$11,203,792
Total margins	\$853,296	\$350,200
Cost of power	\$8,444,580	\$8,291,941
kWhs purchased	117,099,816	107,294,933
New service connections	61	36
Customers served	5,312	5,359
Capital credits paid to estates	\$59,103	\$53,086
Average outage time in minutes per member	173	228.8
Miles of line – overhead	2,323	2,327
Miles of line – underground	264	270

Retail Rate Change Effective March 1, 2016

(April 2016 Bill)

	Current Rate	New Rate
Rate 1, General Service		
Monthly Facilities Charge		
1.5 - 10 kVA Transformer	\$27.00	\$30.00
11 - 25 kVA Transformer	\$30.00	\$33.00
26 - 75 kVA Transformer	\$35.00	\$38.00
All kilowatt-hours (Dec - Feb)	\$0.099	\$0.106
All kilowatt-hours (Mar - Nov)	\$0.095	\$0.102
Multiphase Surcharge	\$22.00	\$22.00
Rate 2, On-Peak Service, over 75 kVA Transformer		
Monthly Facilities Charge	\$50.00	\$54.00
All kilowatt-hours	\$0.061	\$0.065
Demand Chg per kW (Dec - Feb)	\$15.00	\$16.00
Demand Chg per kW (Mar - Nov)	\$10.00	\$11.00
Rate 3, Seasonal Service over 75 kVA Transformer		
Monthly Facilities Charge per kVA	\$0.60	\$0.64
All kilowatt-hours (Dec - Feb)	\$0.099	\$0.106
All kilowatt-hours (Mar - Nov)	\$0.095	\$0.102
Multiphase Surcharge	\$22.00	\$22.00
Rate 4, Interruptible Service over 25 kVA Transformer		
Monthly Facilities Charge	\$50.00	\$54.00
All kilowatt-hours	\$0.061	\$0.065
Multiphase Surcharge	\$22.00	\$22.00
Renewable Energy Surcharge		
All kilowatt-hours	\$0.0035	\$0.0040
Off-Peak Heating Rates		
Monthly Off-peak Equipment Chg	\$5.50	\$5.75
Short-term Control per kWh	\$0.075	\$0.079
Long-term Control per kWh	\$0.055	\$0.056
Security Lighting Service		
Metered Security Lighting	\$7.00	\$7.00
Unmetered Security Lighting	\$8.00	\$8.00
Standby Service (retain deenergized service only)		
Monthly Charge	\$12.00	\$13.00

FEDERAL/STATE ENERGY ASSISTANCE

If you need help paying your electric utility bill, you may qualify for state or federal fuel assistance. For complete, qualification and application information, contact your local county welfare or community/citizen's action council listed below. These organizations may also provide budget counseling.

Inter-County Community Council

Oklee, MN
Serves East Polk, Pennington and Red Lake Counties
218-796-5144
Toll-free: 1-888-778-4008
Fax: 218-796-5175

Northwest Community Action

Badger, MN
Serves East Marshall County
218-528-3258
Toll-free: 1-800-568-5329
Fax: 218-528-3259

Tri-Valley Opportunity Council

Crookston, MN
Serves West Polk, West Marshall County
218-281-9080
Toll-free: 1-866-264-3729
Fax: 218-281-0705

Red Lake Community Action Agency

Red Lake, MN
Serves Beltrami County
218-679-1880



Like us on Facebook at
www.facebook.com/redlakeelectric



Energy Efficiency Tip of the Month

If you only want to heat or supplement inadequate heating in one room, small space heaters can be less expensive to use than your central heating system.

Source: energy.gov

ELECTRIC HEAT EXEMPTION

This is to certify that the primary source of heat for my residence is electricity and I am eligible for the electric heating sales tax exemption as provided by Minnesota State Law. The primary source is the source that supplies more heat than any other source for the largest period of time during the heating season.

Date _____ Account Number _____

Social Security Number _____

Signature _____

CLASSIFIEDS

Members are invited to use this FREE WANT AD service.

If you have anything to trade or sell, just drop a card to Red Lake Electric Cooperative, Red Lake Falls, MN 56750.

Want Ad Order Form

FREE for RLEC members

For sale and wanted items only. All ads must be 50 words or less. Ads are published for Red Lake Electric members at no charge. Ads must be typed or in clear readable print. RLEC reserves the right to edit or reject any ad.

You can submit your ad by fax, email or mail. Fax ads to: (218) 253-2630; Email ads to: redlake@minnkota.com; Mail ads to: Red Lake Electric Cooperative, PO Box 430, Red Lake Falls, MN 56750.

Include your name, address and telephone number. All telephone numbers are presumed to have a 218 area code unless noted otherwise.

Use the form below to submit your ads.

To Give Away

Red Lake Electric has cable reels to give away, first come first served. Available for pick up during business hours.



FOR SALE

1997 Freightliner FL 70 Digger Derrick 4X4 Truck

Caterpillar 3126 diesel engine rated at 250HP, Allison automatic transmission, high/low range, winch on front of the truck, 193,153 Miles, 16,393 Hours, 18" auger, Pole claw, boom winch, hydraulics at the rear of the truck. Air brakes on truck, set up to work with electric trailer brakes. Truck can be seen at Red Lake Electric during normal business hours.

Please submit bids to
Red Lake Electric Cooperative
by 10 a.m. Jan. 15, 2016



Red Lake Electric Cooperative Inc.

Auto Pay and paperless billing winners

Members who use Auto Pay for making their monthly energy payments and members who have signed up for paperless billing through Bill4U were entered into a promotional drawing. The winners of the \$100 energy credit for Auto Pay were Myles and Janice Olson of Thief River Falls and the winners of the Kindle Fire HD 6 for paperless billing were Curt and Marilyn Swanson of Thief River Falls. Congratulations!



Curt and Marilyn Swanson of Thief River Falls were the winners of the Kindle Fire HD 6.



Winners of the \$100 energy credit were Myles and Janice Olson of Thief River Falls.

2016 contractor workshops set

Minnkota Power Cooperative and the associated systems will sponsor continuing education classes for area electricians and builders in 2016.

This marks the 28th year of the successful program, which is aimed at providing area trade allies with the latest information in building (Delwin J. Schob 4410010.01) and electrical practices and the opportunity to obtain code credits for license renewal.

The electrical workshops will be held Jan. 18 and Jan. 19 at the Cambria Hotel & Suites in West Fargo, N.D. The training then moves to the Alerus Center in Grand Forks Jan. 26 and Jan. 27. The workshops continue with classes Feb. 3 at the Eagles Club in Bemidji, Minn., and Feb. 4 at the Bigwood Event Center in Fergus Falls, Minn.

The residential builder workshops are Jan. 27 at the Alerus Center in Grand Forks, Feb. 3 at Hampton Inn & Suites in Bemidji, Feb. 4 at the Bigwood Event Center in Fergus Falls and Feb. 5 at Cass County Electric Cooperative in Fargo, N.D.

The registration fee is \$75 for eight code credits. Taking the class on multiple days will not qualify for 16 code credits. Online registration is preferred through www.minnkota.com. Registration should be completed by Jan. 13.

For more information about the program, contact Sue Black, Minnkota communications/member services specialist, at (701) 795-4292 or email questions to sblack@minnkota.com.

2016 Electrical CE Workshops

Monday, Jan. 18

Cambria Hotel & Suites
825 East Beaton Drive
West Fargo, ND 58078

Tuesday, Jan. 19

Cambria Hotel & Suites
825 East Beaton Drive
West Fargo, ND 58078

Tuesday, Jan. 26

Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Wednesday, Jan. 27

Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Wednesday, Feb. 3

Eagles Club
1270 Neilson Avenue SE
Bemidji, MN 56601

Thursday, Feb. 4

Bigwood Event Center
925 Western Avenue
Fergus Falls, MN 56537

2016 Residential Builder CE Workshops

Wednesday, Jan. 27

Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Wednesday, Feb. 3

Hampton Inn & Suites
1019 Paul Bunyan Dr. S.
Bemidji, MN 56601

Thursday, Feb. 4

Bigwood Event Center
925 Western Avenue
Fergus Falls, MN 56537

Friday, Feb. 5

Cass County Electric Cooperative
3312 42nd St. S.
Fargo, ND 58104