



DECEMBER 2017

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

Merry Christmas

and Happy New Year!

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

RLEC employee and director service awards



Shirley Bregier
Manager of Finance
& Administration
45 Years



Steve Linder
Board of Director
15 Years



Bonnie Christians
Board of Director
15 Years



Laurie & Warren Malwitz
Custodians
15 Years



Pete Mosbeck
Board of Director
10 Years



Christie Klipping
Accountant
5 Years

– 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	Chris Knott
Melanie LaCrosse	Laurie Malwitz
Warren Malwitz	Branden Narlock
Sam Pahlen	Mike Raymond
Troy Schmitz	Casey Thronson

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 26 – 29

***Stop by for refreshments
and Christmas cookies
and pick up a 2018 calendar.***

Holiday Office Hours

Red Lake Electric Cooperative's headquarters will be closed Dec. 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 Randy Versdahl
Vice President Stacy Blawat
Secretary-Treasurer Mark Hanson
Directors Aaron Chervestad,
Bonnie Christians, Robert Finstad,
Colette Kujava, Steve Linder, Peter Mosbeck

Roger Johanneck General Manager
Shirley Bregier Manager of Finance
& Administration
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
218-253-2200**

Website: www.redlakeelectric.com
Email: info@redlakeelectric.com

**CALL BEFORE YOU DIG
1-800-252-1166 or 811****MINNESOTA STATE
ELECTRICAL INSPECTORS**

Northwest corner of Polk and western Marshall Counties:

Wayne Bergstrom – 701-520-9771

Pennington and eastern Marshall Counties:

Bryan Holmes – 218-686-1413

Red Lake and most of Polk Counties:

George Stage – 701-306-3511

Any time you or an electrician does wiring or other electrical work at your home or farm, Minnesota state law 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 weekdays 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



A look ahead at 2018 – budget highlights

While there is still plenty of work and bookkeeping to do before we can put 2017 to rest, focus and planning for the coming new year started a few months ago (actually planning is an ongoing process) and steadily ramped up until a budget proposal was completed and presented to the board of directors at its Nov. 29 meeting.

If you like splitting frog hairs when it comes to bookkeeping stuff, you would find the cooperative's annual budget and accounting system a real treat. Our general ledger system has more than 500 different accounts to keep track of the dollars allotted to revenue, expenses, electric plant, etc. Obviously, the annual budget review between the staff and your board of directors consists more of big picture stuff than bean counting; however there is a fair amount of scrutiny that takes place before a comfort level is reached and an agreed plan and budget for the coming year is approved by your board. I commend your board of directors for its (4517012.08 Jesus C. Santos) input and evaluation of the budget it considers each year; they do a good job of it.

Budgeting – planning, having a game plan or whatever you want to call it – is an interesting process for staff. The most difficult projection to make in our annual budget is estimating annual energy (kilowatt-hour) sales. Despite growth in the number of accounts served by your cooperative, energy use by the membership has leveled off the past 10 years. More energy efficient lighting, appliances, heating and cooling have all had an impact on the energy use of not only Red Lake Electric members, but across the globe. Because the cost of wholesale power makes up 75 percent of our cost of providing service to the members, estimating energy sales is not only the most difficult; it has the most impact on our financial statement.

As you might expect, there are other variables in member energy use beyond that of energy efficiency upgrades. Weather has a big impact too on energy use; cold or warm weather in winter, hot or cool weather in summer and wet or dry weather for harvest all impact energy needed to stay comfortable or get crops ready for storage.

Energy use by our membership has increased over time but really has leveled off the past 10 years. A modest increase of less than 1 percent has been budgeted for energy purchases for 2018. Even with this increase in kWh sales for 2018, this projection is more than 5 percent less than what the cooperative has averaged the previous nine years.

Some expense decreases we are forecasting for 2018 are a result of less building and grounds maintenance and lower conservation improvement program expenses. Our aging headquarters facility needed some upgrades that were completed in 2017 and we will not need to incur those expenses in 2018. Legislative relief easing conservation spending by electric cooperatives serving fewer than 5,000 members will also reduce some of the expenses we were incurring for rebates; this will help ease expenses in 2018 and beyond unless new state or federal mandates calling for increased spending are put in place.

Also included in our 2018 budget is capital expenditures to our electric plant that will total \$2.5 million. This is about twice what is normally budgeted for electric plant upgrades annually and is due to the replacement of the cooperative's aging meters and automated metering equipment. While the replacement of the meters and AMI system will occur over a two-year period, initial work to install the network communication equipment will take place in 2018 and requires more investment initially to make the system operational. Other investments in electric plant are for new service construction, service upgrades, pole replacements and security lighting to name a few. Construction of two three-mile sections of power lines are also on tap to replace aging underground lines.

Another assumption that is part of the 2018 budget is the retirement of capital credits to the membership. The process to officially approve an equity retirement takes place at the January board meeting, but our financial projections include a retirement in March. Another important component projected in the budget is no change in retail rates to our membership. Minnkota's wholesale rates increased by 2.9 percent in April of 2017; however, Red Lake Electric



Member Service Department

by Kelli Brateng

Rebates changing in 2018

For many years Red Lake Electric Cooperative (RLEC) has offered rebates to its members for energy conservation. Since May of 2009, RLEC has participated in the PowerSavers rebate program under Minnkota Power Cooperative. PowerSavers was formed when the state required a spending and saving requirement of energy conservation. Collectively, with the Minnesota cooperatives under Minnkota Power, we were able to meet these requirements. Legislation passed a law early this year that cooperatives with less than 5,000 members no longer needed to meet the Conservation Improvement Program (CIP) requirements. This law affects Red Lake Electric as we are less than 5,000 members.

Red Lake Electric will continue to offer rebates, but we have revised it. These changes will begin for any qualifying equipment installed after Jan. 1, 2018. The biggest change you will notice is RLEC will no longer offer rebates on lighting or appliances. We will have three forms: 1) HVAC equipment; 2) Electric water heaters; and 3) Electric vehicles. Please see pages 4 and 5 to see

what rebates will be offered in 2018.

Qualifying equipment installed before Dec. 31, 2017, will be eligible for the PowerSavers rebates (current program). I encourage you to complete your forms ASAP; there is a requirement in the (6928001.19 Donald & Teresa Conard) terms and conditions that the forms must be submitted within 60 days of installation.

The planned expiration on the new rebate program will be Dec. 31, 2018. If you have any questions, please call me.

Winter is here

What's in store for the heating season, no one knows. Predications and estimates can be made, but the answers will only be revealed in time. Having and maintaining an adequate and dependable heating system will make it simpler and certainly more comfortable for you and your family.

Call your local HVAC contractor or Red Lake Electric to make sure your heating system is serviced and operational for the heating season.

Wishing you and your family a wonderful holiday season, a Merry Christmas and all the best for the New Year ahead!

Manager's Comments *continued from page 2*

did not increase its rates in 2017 to cover that increase. Minnkota is projecting no increase in rates for 2018 and that was a major reason we could prepare a budget that did not include a rate increase to our members.

Except for a few of the highlights mentioned, our budget prepared this year includes no major changes in 2018. We know from experience, there are too many variables to be spot on with a budget, but it does provide your cooperative with a plan to carry out work that will hopefully keep our cooperative on course to carry out our mission. We believe overall our electric system works well today and our cooperative is in good financial shape. Comparisons of retail rates and reliability statistics with

other rural electric cooperatives across the state and nation back that belief up. We think (7905004.02 Steven Sogla) the budget for 2018 will help us keep on track with those favorable comparisons.

Merry Christmas

On behalf of the employees and directors of your Red Lake Electric Cooperative, thank you for your patronage this past year. We appreciate the opportunity to serve you in 2017, and we look forward to serving you and the new members who will be joining us in 2018. Merry Christmas and may the new year be one full of blessings for you, your family and your Red Lake Electric Cooperative.

Recipe Corner



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

Overnight French Toast Bake

1 loaf sourdough bread
8 eggs
2 cups milk
½ cup heavy cream
¾ cup sugar
2 T vanilla

Topping

½ cup flour
½ cup brown sugar
1 tsp. cinnamon
¼ tsp. salt
½ cup cold butter, cut into pieces

Cut loaf into cubes and place evenly in a greased 9x13 pan. In a bowl, mix together eggs, milk, heavy cream, sugar and vanilla. Pour evenly over bread. Cover your pan with Saran wrap and refrigerate overnight.

Mix together flour, brown sugar, cinnamon and salt in a medium bowl. Cut in butter with this mixture until crumbly and place in a Ziploc bag and refrigerate overnight as well.

Take pan and Ziploc out when ready to bake. Sprinkle crumbly mixture evenly over the bread.

Bake at 350 for 45 minutes to 1 hour, depending on how soft you like it.

For Sale on Bids: 2002 FORD F-250 XL SUPERDUTY



4X4, 5.4L V8 TRITON
167,400 MILES

SOLD "AS IS,"
TOOLBOXES INCLUDED

Pickup can be seen at
Red Lake Electric
during normal business hours.

Please submit bids to
Red Lake Electric Cooperative
by 10 a.m. on Jan. 5, 2018

New year. Great rebates.

Add home comfort and energy efficiency to your New Year's resolutions with help from Red Lake Electric Cooperative

Millions of Americans start each January with New Year's resolutions that may or may not make it to the end of the month. This year, set a resolution that's easy to keep. Make your home more comfortable and energy efficient with help from Red Lake Electric Cooperative. Great rebates and incentives are available to help you upgrade your heating and cooling system, water heater and electric vehicle chargers for electric vehicles.

Not sure where to start? Contact Red Lake Electric Cooperative for expert advice on improving your home's energy performance.

Take a look at our rebate list below to see which resolution you'll be checking off your list this year.

Electric vehicle chargers

Leading the charge 



Residential Charger



Commercial Charger



Electric Vehicle Charger Rebate Checklist – 240V Level 2 Charger

Must be on off-peak

- ☐ Electric vehicle (EV)
\$50 rebate
- ☐ Residential – Electric golf carts, ATVs, lawn mowers, etc.
\$50 rebate
- ☐ Commercial – Forklifts, Zambonis, etc.
\$50 rebate

Electric heating



Electric Heating Rebate Checklist

Must be on off-peak.

- ☐ **Electric plenum heaters**
Easily converts your existing fossil fuel furnace into a dual-fuel heating system. You are able to use the most efficient, cost-effective heating source – fossil fuel or electricity – at any time.
Rebate of \$50 per kilowatt (kW)
- ☐ **Electric thermal storage heaters**
Draws electricity during off-peak hours when it is cheaper. Heat is stored in specially designed bricks to provide comfort 24 hours a day.
Rebate of \$60 per kW
- ☐ **Air-source heat pumps (including mini-split ductless option)**
Works just like a central air conditioner in the summer. In the fall and winter, they provide super-efficient supplemental heat.
Up to 16 SEER: Rebate of \$300 per ton
17 SEER or greater: Rebate of \$500 per ton
- ☐ **Geothermal heat pumps**
Provides the highest efficiency for space heating and cooling available today. The system transfers heat to and from the earth using only small amounts of electricity.
Closed loop: Rebate of \$400 per ton
Open loop: Rebate of \$200 per ton
- ☐ **Electric underfloor boiler**
A popular off-peak option because the system transfers consistently across the floor to reach people and objects, providing both comfort and efficiency. Applications include electric boiler with hydronic tubing.
Rebate of \$50 per kW
- ☐ **Other electric heating systems**
Options include electric baseboards, cove heaters, electric floor cable, mats and more.
Rebate of \$20 per kW

Water heaters



Electric Water Heater Rebate Checklist

Must be on off-peak

- ☐ 100 gallon or greater

\$350 rebate

- ☐ 56-99 gallon

\$300 rebate

- ☐ 55 gallon or less

\$150 rebate

- ☐ **Bonus rebates:**

Add \$250 if converting from natural gas or propane.

Add \$100 for new building construction.

All equipment must be new and installed on Red Lake Electric Cooperative's system

Equipment must be installed on RLEC's off-peak program

Contact Member Services for more details!

218-253-2168

4

Heating Options

TO CONSIDER WHEN PLANNING A NEW OR RETROFIT HEATING SYSTEM

Air-source heat pump with modulating plenum heater and propane backup

Air-source heat pumps are very efficient systems that transfer heat instead of creating it. In the summer, they work exactly like a central air conditioner, but in the winter they provide very economical heat until the temperature drops below the set point (usually 20-30 degrees F). Then the modulating plenum heater kicks in and works with the heat pump for extra savings. When controlled, a propane furnace kicks in.

What's nice about air-source heat pumps is how they provide year-round benefits and either pair nicely with a propane (6025004.02 Glenyce Harrington) or natural gas furnace or in a heat pump/modulating plenum/propane furnace combination on the off-peak rate. This gives members the freedom to choose fuel sources.

Plus, energy-efficiency rebates of up to \$1,100 as well as a separate \$100 per ton rebate for the heat pump are available, and a \$20 per kW rebate.



Hydronic floor heat

A popular option for off-peak due to its comfort. The key is to install the proper heat storage base with sand and slab or install a dual-fuel system. Complete perimeter insulation is necessary for both styles. A \$20 per kW rebate is available.



Geothermal heat pumps

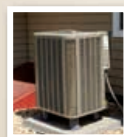
Provide the highest efficiencies for space heating and cooling today. Geothermal heat pumps use the constant temperature of the earth to transfer heat. Energy efficiency rebates of up to \$400 per ton are available as well as a separate rebate of \$200 per ton.

When paired with a fossil fuel furnace backup, geo heat pumps get the off-peak rate for a heating price that is hard to beat when you combine efficiency with the 5.6 cent per kWh off-peak rate.



Steffes thermal storage with air-source heat pump

An all-electric option that still receives the off-peak rate, an electric thermal storage system coupled with a heat pump eliminates the need for a fossil fuel backup when sized properly. The heat pump provides the efficiency and the Steffes provides the backup making the system eligible for the off-peak rate – providing excellent energy savings.



Steffes systems convert electricity into heat and store that heat in specially designed bricks. Energy efficiency rebates of up to \$1,000 are available for select units, as well as a separate off-peak rebate.

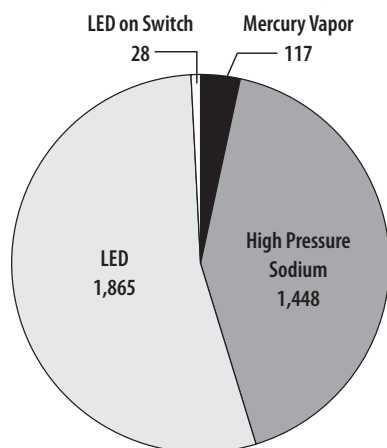


QUICK TAKES

A look at some statistics from your
Red Lake Electric Cooperative

Red Lake Electric Cooperative has outdoor security lighting available for just pennies a night. The most common lighting option operates automatically from dusk to dawn. A second option enables members to control lighting automatically or with a manual on/off switch; this option requires a one-time fee of \$150 to cover the switch and wiring costs. If you are looking to add security lighting or would like the option of a manual override switch, give Red Lake Electric Cooperative a call today, 1-800-245-6068 or 218-253-2168.

Red Lake Electric's Security Lights



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 parentheses as such (9999999.99 Willie Ray Member). If you find your name and account number, clip it out and send it with your next payment. You will be credited with \$5 on your electric bill.



Energy Efficiency Tip of the Month

Electric bills increase during the winter for a variety of reasons – holiday gatherings, houseguests and shorter days and longer nights.

Small measures, like turning down your thermostat, replacing incandescent bulbs with LEDs and washing clothes in cold water can help control energy costs.



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

Don't want to write a check? Want to save on postage?



Red Lake Electric has a new payment option to make paying your bill easy. This service is free. Sign-up is simple. Go to www.redlakeelectric.com and click on the Bill4U icon. There is now an app for your smart-phone. Just go to your app store and download the free app. Bill4U allows you to:

- Make your payments 24 hours a day directly from your checking or savings account, eliminating the cost of the check and postage.
- Access your billing statements at any time.
- View and compare your kilowatt-hour usage.

If you have any questions or need more information, visit our website or call Red Lake Electric at 800-245-6068.

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

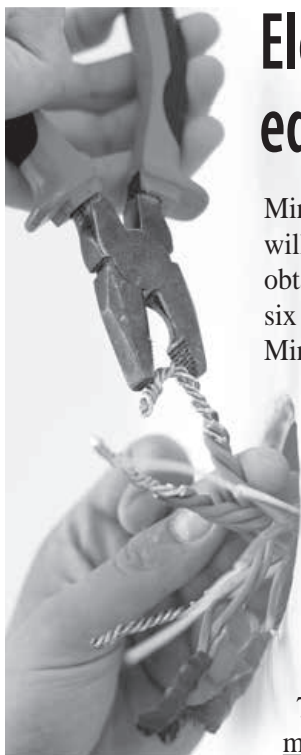
ELECTRIC HEAT EXEMPTION

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 _____



Electrical contractor continuing education sessions set

Minnkota Power Cooperative and the associated systems will again provide an opportunity for area electricians to obtain credits for license renewal by attending one of the six continuing education classes being offered throughout Minnkota's service area.

The registration fee is \$75 for eight code credits. Taking the class on multiple days will not qualify for 16 code credits. Registration is online only at www.minnkota.com. Registration should be completed by Jan. 12.

For residential building contractor continuing education workshops, (2835001.06 Leroy Ose) contact your local home builders association.

For more information about the program, call (701) 795-4292 or email questions to contractortraining@minnkota.com.

2018 ELECTRICAL WORKSHOPS

JAN. 23, 24

DoubleTree Inn

825 E Beaton Dr
West Fargo, N.D.

JAN. 30

Eagles Club

1270 Neilson Ave SE
Bemidji, Minn.

JAN. 31

*Bigwood
Event Center*

925 Western Avenue
Fergus Falls, Minn.

FEB. 6, 7

*Minnkota Power
Cooperative Headquarters*

5301 32nd Ave. South
Grand Forks, N.D.

Cards of Thanks



Red Lake Electric reserves the right to edit thank you notes when being published.

Dear RLEC Trust,

The senior citizens of Middle River want to thank you for the generous donation given to us.

Middle River Senior Citizens Club

Your care for our elder neighbors through your support of Tri-Community Living at Home Program is truly appreciated.

*Tri-Community LAH/BNP
Advisory Board and Darcy & Leola*

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.

For Sale

Frigidaire electric stove. Good condition. 218-686-2592 or 218-686-9757.

Small square wheat straw bales, \$2.50 each. Stored inside. Call 218-686-1823.

RIDE WITH CAUTION



**BEWARE
OF GUY
WIRES**

Watch for guy wires – the cables that anchor power poles. Electrical transformer boxes can also be hidden by snow. Driving at a safe speed will help you identify and avoid them before it's too late. If you see damaged electrical equipment, stay away and call us immediately.

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
- 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





**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 promotional drawings.

Winners for the Auto Pay drawings were Ryan and Karen Griffen of Thief River Falls, \$100 energy credit; and Luke and Jessie Forness of Red Lake Falls, Kindle Fire. Winners for the paperless billing drawing were Jared and Mandi Janek (5213003.02 Peterson Farms) of Crookston, \$100 energy credit; and Patrick and Laura Brickson of Thief River Falls, Kindle Fire. Congratulations!



Through the Infinity Renewable Energy program, you can decide how much of the electricity you purchase is generated by renewable resources.

Contact RLEC today to learn more about how you can participate in the program.

We make your holidays merry and bright.



As the nights grow longer, our lives are brightened and our hearts warmed by the lights of Christmas.

The celebration of Christmas is surrounded by lights – colored lights twinkling on the tree, lights shining throughout the countryside and children's faces lit with a joy that is reflected in their parent's eyes.

Electricity helps make your holidays merry and bright by providing you with the gift of light – a powerful value, each and every day.



218-253-2168 or 1-800-245-6068 • www.redlakeelectric.com