

Newsline

January 2010



FREE Member benefit program to start in February

Runestone Electric Association (REA) is pleased to announce that in February all REA members will receive their FREE Co-op Connections card and key fobs. As an REA member you can receive discounts on products and services from participating local and national businesses, as well as pharmacies.

To date over 75 local businesses have submitted offers as part of the program. A directory of participating local businesses and their offers will accompany the cards. Additional information such as business location, hours and offer details is available on www.RunestoneElectric.com. Information on national offers is available at www.connections.coop.

Snowbirds and travelers take note: the Co-op Connections Card is accepted across the country. Watch for window clings and cash register stickers in businesses as you travel across the country or visit www.connections.coop to track discounts available along your travel route (i.e. motels, restaurants, entertainment, recreation, etc.).

In the coming months we will provide you with additional information on how to maximize your use of the Co-op Connections Card including the pharmacy discount program. The pharmacy discounts will work best for people without insurance and/or for people that have high co-pays or deductibles. This is not insurance nor is it intended to replace insurance. Look for more information in next month's newsletter.

Will there be load control today?



For up-to-date information, simply visit www.RunestoneElectric.com, scroll down the homepage to

Today's Load Control. The Load Management Guide from Great River Energy will keep you informed. Look under "South Dual Fuel."

Extreme cold can affect your security light

If you notice a problem with your security light this winter, such as intermittent failure or it remains dimmer than normal, you're not alone. Severe cold weather, specifically -10 degrees or colder, may affect the operation of security lights.



The problem involves the formation of a gas in the bulb, which can be hampered by the cold. Usually, when the weather warms up, the lights will return to normal operation and will not have to be replaced.

If your security light is rented from REA, we would appreciate it if you could bear with us during the coldest spells. If the light does not return to normal operation when the weather warms up, please notify our office and we will repair it for you.

Washington Youth Tour



Runestone Electric Association (REA) is seeking applicants for an all-expense paid trip to Washington, D.C., for the 2010 Youth Tour, June 12 - 17.

This is not your ordinary sight-seeing tour. Students will see their government in action, cruise the Potomac, meet their congressional leaders, explore the Smithsonian museums, spend a day on Capitol Hill, and mingle with other teens from across the nation.

One lucky student from REA will win, but to be eligible, the student must be a high school student (age 16-18), and his or her parent/guardian must be a REA member. Applicants must complete an application and write an essay on the future of energy.

To receive an application and essay details, please call (320) 762-1121 or (800) 473-1722. Applications are also available at www.RunestoneElectric.com. The entry deadline is Monday, March 15.

Board Meeting Highlights

The regular meeting of the Board of Directors of Runestone Electric Association was held on Tuesday, November 24, 2009.

- Approved refunding \$450,000 in Capital Credits with ½ going to the oldest membership allocation and ½ going to the newest membership allocation (2008).
- Approved proposed revisions to Policy M-07: Theft of Electricity.
- Director Hjelle gave the Cooperative Network report and reported on the Cooperative Network Annual Meeting. Director Hjelle has now completed her term on the Cooperative Network board and did not seek re-election.
- The Directors Barbara Johnson, O'Brien and Withers reported on the National Rural Electric Association NRECA Region 6 Meeting.
- CEO Banke and staff presented the 2010 preliminary budget.

The regular January Board Meeting is scheduled for Thursday, January 28.

December Heating Degree Days

2009	1,626
2008	1,789
2007	1,658
2006	1,237

November 2009 Statistics

Kilowatt-hours Sold

2009	19,057,918
2008	21,438,748

Cost of Purchased Power

2009	\$1,028,519
2008	\$1,190,050

Cost per Kilowatt-hour Purchased

2009	\$.050
2008	\$.051

Number of Accounts

2009	13,529
2008	13,452

Looking Forward to the New Year

by Rick Banke, CEO

In December of each year the Board of Directors approves a budget for the coming year. The Board recently adopted the 2010 budget and I thought I would share with you some of the highlights.

In a business as complex as the electric utility industry, a budget is a very valuable tool. It establishes financial and operating goals and is both a planning tool as well as a control document. It includes estimates for sales, revenue, expenses, margin and capital expenditures.

In 2010 we expect to sell approximately 220,000,000 kilowatt-hours (kWhs) of electrical energy. That is about a 1% increase over 2009. Although we expect the economy to improve some over this past year, we don't see signs of robust growth. Overall revenue is anticipated to be \$23,276,000. We do not expect to have a retail rate increase next year. You should see a small increase in the Wholesale Power Cost Adjustment charge (WPCA) to reflect the increase in wholesale power costs but overall, rates will remain about the same as in 2009.

On the expense side our largest expense by far is the cost of wholesale power we purchase to resell to you. We project power costs in excess of \$13,000,000 representing 56% of each dollar you pay each month. About 24% of the revenue we receive is used to operate the Cooperative on a day to day basis and amounts to \$5,600,000. This includes labor and transportation related costs to operate and maintain the \$56,000,000 invested in utility plant to deliver the electricity you consume, as well as right-of way clearing, outage restoration, testing poles and meters, locating underground facilities, sending bills each month, promoting and delivering our Demand Side Management programs and conservation programs, publishing our monthly newsletter and the list goes on and on. It seems each year new challenges bring new responsibilities and



through enhancements in technology, our employees become ever more productive. We will continue to provide quality electric and customer service and do so with no additional employees.

After accounting for the depreciation expense on our plant and interest expense on our debt, we project a year-end margin of around \$1,186,000.

I hope this gives you a taste of the year ahead, as we see it at this time. Of course, nothing ever goes exactly according to plan and we will need to be flexible adapting to any changes as they come along.

Co-op Connections Card

I would also like to discuss with you an exciting new program. We are pleased to bring you the Co-op Connections discount card program. The Co-op Connections program will benefit our member-owners by offering specials and incentives at local and national retailers. You will also be able to take advantage of the unique pharmacy discount program.

Once again we will be mailing capital credit checks prior to our Annual Meeting set for Saturday, March 27. When your check arrives near the end of February, you will also receive a Co-op Connections discount card and two key fobs. REA is implementing this program in conjunction with many other Touchstone Energy cooperatives across the United States, in an effort to better serve you, our members.

With soaring prices everywhere these days, this discount program is designed to help you and your family save money.

I wish you and your family a healthy and Happy New Year!

Operation Round Up® lends a hand



Operation Round Up® has distributed over \$434,000 in grants to community-minded groups and organizations throughout the Cooperative's service territory since its inception seven years ago.

Over 66% of REA members allow their bills to be rounded up an average of 51 cents per month amounting to \$6.39 per participating member for the year.

The following twenty-five area organizations shared \$13,650 in grants from Operation Round Up:

Fire Departments/First Responders:

Villard Fire Department (\$500); Garfield First Responders (\$1,000); Brandon Volunteer Fire Department (\$500) and Millerville Fire Department (\$500).

Youth: Osakis After Prom Party (\$200); Evansville Post Prom (\$200); Brandon Post Prom (\$200) and Greater MN Children's Choir (\$200).

Community: Pioneer Public Television (\$250); Central MN Foster Grandparent Program/Catholic Charities (\$250); Salvation Army Douglas County (\$1,000); Osakis Area Heritage Center (\$350); Jingle Bells Foundation (\$1,000); Alexandria Area Uncompensated Care Plan (\$1,000); Friendship Ventures (\$500); Douglas County Historical Society (\$500); Wings Family Supportive Services (\$500); Community Memorial Home, DBA Galeon (\$500); Brandon History Center (\$500); Salvation Army-Douglas County Services Extension (\$1,000) and Radiothon to End Child Abuse (\$1,000).

Senior: Knute Nelson (\$500); Hoffman Senior Citizen's Club, Inc. (\$500); Alexandria Senior Center (\$500) and Bethany Community (\$500).

Participation in Operation Round Up is strictly voluntary. Members that wish to participate, do nothing. Your contribution will be included on your future bills. If members want to opt-out of the program, they merely need to call REA and their bills will no longer be rounded up.

Calling all non-profit organizations! Area organizations are encouraged to apply for Operation Round Up grants. The deadline for the next round of funding is February 12. Application forms are available by calling Runestone Electric at (320) 762-1121 or (800) 473-1722. Applications can be downloaded from the REA website: www.RunestoneElectric.com.



Photo caption: Representing some of the organizations receiving Operation Round Up® grants in November (front row from left to right): Hilda Betterman, Brandon History Center; Mike Schreiner, Jingle Bells Foundation; Janet Nelson, Douglas County Historical Society; Chris Korkowski, Brandon History Center; Ardie Piper, Garfield First Responders; Shay Imdieke, Community Memorial Home, DBA Galeon; (second row from left to right): Carol Wenner, Knute Nelson; Jenny Hevern, Salvation Army Douglas County; Sharon Fredrickson and Stella Bender, Osakis Area Heritage Center; Deb Waldvogel, Bethany Community; Vicki Hinrichs, Osakis After Prom Party; Jana Lindoo, Friendship Ventures; Rosalie Thoen, Central MN Foster Grandparent Program (Catholic Charities); Carla Beem, Operation Round Up Board member and Ruth Nagle, Alexandria Area Uncompensated Care Plan. (back row from left to right): Lyla Engfer, Greater MN Children's Choir; Peggy Kill, Salvation Army – Douglas County Service Extension; Dorie Twist, Wings Family Supportive Services; Dick Wagner, Millerville Fire Department; Dave Bedore, Brandon Post Prom; Donna Wierenga, Pioneer Public Television; Pat Scherf, Central MN Foster Grandparent Program (Catholic Charities); Jeff Dreier and Jerome Hagen, Operation Round Up Board members.

Spotlight on Operation Round Up® Grant Recipients

Are you 55 and over? Do you love children?

Are you able to volunteer an average of 15 hours a week?

The Foster Grandparents program may be just for you! Foster Grandparents are needed in the Alexandria area for school-aged children to give them much-needed attention that can change lives. They help children learn to read, care for children with disabilities and offer a listening ear and caring concern.

"You could just stay home, or you could come here and make a difference in the life of a child."

Foster Grandparent Ruth Allstrom

Foster Grandparents receive benefits for their volunteer service including a modest stipend, mileage and more.

To find out more about the Foster Grandparents program, please contact Pat Scherf at (320) 293-0682.



Foster Grandparent Aggie Hinnekamp, Sauk Centre

How to protect your equipment during a brownout

A brownout is a temporary condition lasting a few seconds or a few hours resulting from lower than normal voltage. Lights may flicker and dim during a brownout, and the event also often wreaks havoc with appliances, computers and other equipment.

Overloads on the electrical system can trigger a brownout as well as weather, animals, motor vehicles or other issues can interfere with the power system.

If you experience a brownout, we recommend protecting your equipment and appliances, by turning off your main breaker as soon as possible. The main breaker could be located in your electric service panel or out on your meter pole. Learn where your "main" is located and share that information with others in your household or business.

The next step is to call REA to report the power issues. It is also helpful if you can

check with your neighbors to see if they are experiencing electrical problems as well. If so, please alert REA of your findings. The more information we are able to gather the quicker we are able to resolve the problem.

How will I know when full power is restored and I can turn my "main" back on? It depends. If you are able to unplug

your appliances, TVs, computers, etc. and switch off the breaker to your well pump and other equipment that can not be unplugged, you could turn your main back on and monitor your power quality by turning on a few lights. If this is not possible, you could check back with REA a little while later to see if the issue has been resolved. In some cases, the problem exists within the homeowner's wiring and an electrician will need to be called.



In this service panel, the "main" is located on top. Learn where your main is located.

Thank you to Jerome Winter of Swan Lake Township for suggesting this story idea!

**Official monthly publication of
Runestone Electric Association**

PO Box 9, 124 7th Ave W
Alexandria, MN 56308
(320) 762-1121 or (800) 473-1722
Fax: (320) 763-4149
www.RunestoneElectric.com
email: REA@runestoneelectric.com

Office Hours
8:00 a.m. - 4:30 p.m.
Monday - Friday

24-hour outage & emergency service
(800) 473-1722

Underground cable locations
Gopher State One Call
(800) 252-1166

Board of Directors
Bill O'Brien, President
Mike Johnson, Vice President
Wilbur Burquest, Secretary
Ron Holm, Treasurer
Audrey Hjelle, Director
Bryan Withers, Director
Barbara Johnson, Director

Editorial Staff
Rick Banke, CEO
Sue Lundeen, Editor

In case of a power outage

- Make sure the problem is not on your side (Members may be billed for service calls if the problem is caused by their own equipment).
- Check your own fuses and circuit breakers in your home and by the meter pole (Call us for help if you are unsure of the location of your breakers).
- Check with your neighbors to see if their power is off and if they have reported the outage.
- If the trouble is not on your wiring, please call (800) 473-1722 for 24-hour service. Please report any tree branches in lines, twisted wires, broken poles and if your neighbors are also out of power.
- Be sure to have one corded phone in the house, because cordless phones won't work when the power is out.
- Program the number above into your cell phone for easy access.

REA is an equal opportunity provider

Keeping you informed!

1. Congratulations to REA members **Roger Myrin, Trent Schlosser and Bernadett Steidl** winners of \$100 bill credits for completing an electrical use survey from our power supplier Great River Energy.
2. Due to recent increases in the cost of wholesale power, there will be a slight increase to Off-Peak rates effective Jan. 1. Our per kilowatt-hour (kWh) rate for Electric Thermal Storage (ETS) will go from 3.9¢ to 4.0¢. Dual Fuel with automatic back-up will go from 4.9¢ to 5.0¢. All Off-Peak rate classes will experience a 10th of a cent increase.
3. Thinking of purchasing a storage room heater? Steffes is offering a factory rebate up to \$120 on units purchased by April 15. Learn more at www.heatforlessnow.com or contact REA.

4. 2010 Energy Star® Rebates

Appliances must be purchased after 1/1/10
Limited funds available
Contact REA for rebate form or visit
www.RunestoneElectric.com

Refrigerator	\$50
Refrigerator with recycling of old unit	\$75
Dishwasher	\$25
Freezer	\$50
Clothes Washer	\$25
Dehumidifier	\$25
Room Air Conditioner	\$35
Ductless Air Source Heat Pump	\$300
Lighting Fixtures (up to)	\$20