



REA Journey Lineworkers Travis Brede and Josh McGrane perform routine maintenance on an energized three-phase powerline in Elbow Lake Township. The linemen are repairing frayed and broken strands of wire after years of being exposed to extreme weather conditions and vibration from the wind. When possible, REA crews try to make repairs with the line “hot” to minimize power outages for our members. Safety is always the priority for our crews, especially when working with energized powerlines.

Balancing reliability, cost and renewables during extreme weather

Concerning Legislation Recently Introduced

Great River Energy's baseload and peaking power plants played a critical role in ensuring electric system reliability for members of Runestone Electric Association during the coldest part of the January polar vortex when there was very little wind energy available due to the extreme cold.

Great River Energy is committed to renewable energy and balancing the need of baseload generation to keep our lights on. Great River Energy has voluntarily reduced carbon dioxide emissions by 38 percent since 2005 and has achieved Minnesota's renewable energy standard of 25 percent renewables in 2017 – eight years earlier than the state requirement. The following year, it established a voluntary goal of 50 percent renewables by 2030. “We see significant opportunities for more renewable energy in our future, but we are opposed to increased mandates that would ultimately shift pricing power from rural consumers to for-profit developers” said Jon Brekke, Great River Energy's Vice President and Chief Power Supply Officer.

Proposals currently in the state legislature are considering new mandates for renewable energy and carbon-free electricity. HF700 (Long, DFL-Minneapolis) and its companion SF850 (Frentz, DFL-North Mankato) would require 55 percent of electricity to come from renewable sources by 2030, increasing to 80 percent renewables by 2035 and 100 percent carbon-free by 2050.

Runestone Electric and Great River Energy believe that energy policies should consider potential impacts on the cost and reliability of electricity, in addition to environmental outcomes. Reliability concerns are especially important in Minnesota, where weather extremes can stress the electric grid for longer periods of time.

“Member-owned cooperatives are owned and guided by the people we serve,” said REA CEO Kristin Dolan. “Our membership wants renewable energy, but not at the expense of reliability and affordability. I'll provide more information on this legislation in upcoming issues of Newsline.”



REA ANNUAL MEETING

Alexandria Area High School
5:30 - 6:30 P.M. - Registration
6:30 P.M. - Annual Meeting
Ice cream treats to follow meeting



Attend the
Annual Meeting
a Receive a
\$25
Gift
Certificate
(1 per membership)

The list of participating businesses will appear in the April issue of Newsline

Bylaw changes to be decided at Annual Meeting

Kristin Dolan, CEO, Runestone Electric Association



Kristin Dolan, CEO

In addition to electing directors in Districts 1 & 4 at the Annual Meeting in April, REA members will also be asked to approve restated Articles of Incorporation and Bylaws for the Cooperative. Below is a summary of the proposed changes. In the coming weeks you will receive a packet of information regarding the Annual Meeting. The packet will include an annual report, registration card, and if you are in Districts 1 or 4, the packet will include a director candidate ballot. All packets will also include a booklet with the proposed amendments to the Articles of Incorporation and Bylaws. Please be sure to complete and return the ballot(s) with the envelope provided or bring the ballots with you to the Annual Meeting on Monday, April 22.

Important changes in the Proposed Restated Articles of Incorporation and Bylaws of Runestone Electric Association include:

Registered Office: The address of the registered office is updated.

Elimination of Stock: Since the cooperative is no longer raising funds by selling its stock, stock certificates and the initial stock purchase fee of \$20 are eliminated. The cooperative becomes organized as a member cooperative rather than a stock cooperative.

Uncontested Director Elections: For uncontested director elections, the director candidate may be elected by acclamation rather than by balloting where only one candidate appears on the ballot.

Elimination of Signed Member Agreements: The administrative requirements of obtaining member signatures on a member agreement from all new members is eliminated. Application information will still need to be obtained from new members but receiving electric service from the cooperative will be sufficient to make you a member unless you specifically withdraw your consent to membership.

Member Requirements in Bylaws Rather Than in Member Contract: The bylaws continue to form a contract with the members, and because the members will no longer be signing a member agreement, many of the provisions that were in the member agreement in the past have now been included as bylaw provisions.

Joint Membership: The opportunity for joint membership has been expanded to more persons than just spouses.

Suspension of Membership: Suspension of membership is available for landlords whose tenants begin paying the electric service bill with full membership reinstated to the landlord when the tenant vacates and the landlord once again begins paying the electric bill.

Distributed Generation Facilities: The bylaws address more specifically distributed generation facilities such as wind generators and solar panels and include interconnection and other requirements to safeguard the cooperative's distribution system and its employees and members.

Limitation of Liability for Interruption of Service: The cooperative's liability for interruption of electric service is limited.

Electronic Notice and Voting Authorized: Electronic notice and voting is permitted to the extent authorized by the board of directors and permitted by law.

Director Qualifications Expanded: Director qualifications are expanded to disqualify former employees and cooperative union representatives for five years. Director removal is required for a director who misses more than 3 board meetings a year. A former director cannot become an employee for a period of 5 years after leaving the board.

More Flexibility for Director Compensation: Compensation will continue to be approved by the Member Advisory Council and the members at an annual meeting but there is flexibility to pay a retainer and not just a per diem.

Continued on page 4...

The Cooperative Difference!

Capital Credit Checks

ARRIVING LATE MARCH/EARLY APRIL

District 1



District 1 Townships:

Burleene, Carlos, Eastern, Miltona, Parkers Prairie, Spruce Hill and Wykeham



Gary (Andy) Anderson,
Parkers Prairie

Gary (Andy) Anderson,

(Incumbent) was nominated at the District 1 meeting. A resident of Miltona Township and an REA member since 2000, Andy and his wife Kathy have two married daughters and four grandchildren.

Andy was appointed to the REA Board in

2015 and has served as board secretary the past two years. Andy recently completing his CCD Training (Credentialed Cooperative Director). Andy and Kathy have served on the REA Member Advisory Council.

Andy has been in the communication business for 41 years and is also employed by Alexandria Technical & Community College as a Fire Program Manager. Andy & Kathy are business owners of Advanced Fire Training & Asbestos Inspections.

Currently, Andy is a member of the Parkers Prairie Fire Department and a member of First Lutheran Church in Parkers Prairie. He is also a past member of the Miltona Township Board and past mayor of Parkers Prairie.

REA Board of Director Candidate Profiles

Election results will be announced at the Annual Meeting on April 22



Rod Borden, Farwell

Rod Borden Rod Borden of Homes City Township was nominated at the District 4 Meeting. Rod has been an REA member since 1992. He and his wife, Sue, have five grown children. Rod has a degree in Mechanical Engineering from the University of Minnesota. He was a manager at 3M Company, a management consultant, and for the past 16 years has operated his own construction business.

Rod is currently on the REA Operation Round Up Board of Directors. He and his wife have served on the REA Member Advisory Council. He has served on the Alexandria Technical &

Community College Advisory Committee, was a member of the inaugural team for Leadership Alexandria, and has been involved with the Boy Scouts, Lions Club, and Toastmasters. He is an active member of the Church of St. Mary in Alexandria. For the past 18 years, Rod has been involved with Central Minnesota REC, a jail ministry.

Raised on a farm in Minnesota, Rod learned the tremendous importance of electricity from his parents, since they had grown up without it. As a member of

the REA Board of Directors, it would be Rod's objective to help continue the long tradition of providing our rural area with reliable and cost-effective electric power as the electric utility industry faces unprecedented challenges in the upcoming years. He has been impressed with the high level of competence and professionalism from the employees of REA and would enjoy working with them as a representative of District 4.



David Lemmon, Farwell

David Lemmon was nominated at the District 4 meeting in Kensington. David has worked in the Cooperative system for 38 years. Through these 38 years, he

has been in Staffing, Training, and Sales Management positions with CHS, Land O Lakes, and local cooperatives. He has helped Boards of Directors hire CEO's and general

managers. He supervises a group of three selection services managers that help coops hire C level managers and management level positions at the local cooperative. He has trained CEO's and general managers on management skills and financial acumen for their businesses. He has trained over 1,000 coop employees per year on management, sales, and safety training. Dave has covered the entire nation with staffing, training and consulting with coops and has worked with coops from \$5 million to \$1 billion in size in all departments across the country.

Dave and his wife, Dee, live near Holmes City and belong to Trinity Lutheran Church where Dave is on the Church Council. Dave and Dee are also in charge of the Holmes City Farmers Market and active with their Saturday morning breakfasts that are served through the summer.

Terrence (Terry) Detloff was nominated at the District 4 meeting in Kensington. Terry was born and raised in Todd County where his parents farmed. Terry attended Willmar Technical College and graduated with honors in 1983 with an Associate's degree in Telecommunications within their Electronic Department. Terry was offered a position with Dairyland Power Cooperative (DPC) based in LaCrosse, Wisconsin after graduation. DPC is a generation and transmission cooperative similar to Great River Energy. After completing 1-year of specialized training in DPC's Telecommunications Department in LaCrosse, Terry was then transferred to Austin, MN to be their western area telecommunications field technician where he operated from for over 35 years. Terry worked closely with six rural electric cooperatives installing and maintaining their 2-way radio communications, load control, and automated meter reading infrastructure (AMI) systems. He was also responsible for data communications located within distribution and transmission substations for telemetry and supervisory control and data acquisition (SCADA) systems and also maintained the back-bone of DPC's telecommunication system with a 6 GHZ digital microwave network.



Terry Detloff, Farwell

Terry met his wife, Sherri, while attending technical college. Sherri was raised on a farm in Swift County. The Detloff's have been married for 35 years. They bought a piece of land near Holmes City in 2008 and became members of REA. In 2017 they built a house there where they now live retired.

If elected to the Runestone REA Board of Directors, Terry believes his past work experience would be a real asset for REA.

David Staples was nominated at the District 4 meeting in Kensington. Dave and his wife, Amy, along with their four children reside in a rural home near Kensington where they have been REA

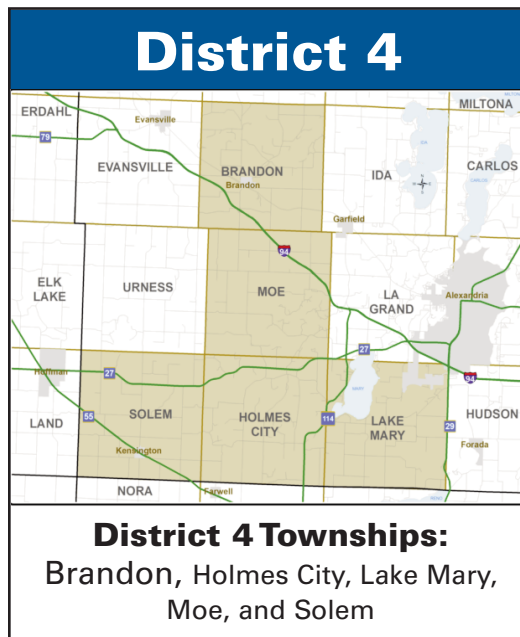
members for over eighteen years.

Dave attended college at Moorhead State University where he graduated with a Bachelor of Science degree in Business Management. He worked for the Minnesota Department of Transportation for 21 years. He owns and operates a grain farm near Kensington where he has farmed for 25 years.

Dave currently serves on the Douglas County Corn and Soybean Growers Committee, the Alexandria Technical College Farm Business Advisory Committee, and has served on various church boards over the years. Dave is also an active community member; volunteer coach for youth sports and many school activities.



David Staples, Kensington



Proposed Bylaw changes continued from page 2...

Director's Standard of Care: A director's standard of care is specified, and the board is given authority to censure a director not meeting that standard.

Board Action by Written Consent: The board may act by written consent if the consent receives unanimous approval of all directors.

Allowance of Capital Credit Classes: The board may allocate capital credits by classes of similarly situated types of members.

Dispute Resolution Through Arbitration: If there is a dispute between the cooperative and a member, either party may choose to resolve the dispute through arbitration rather than through the court system. In addition, class actions must also be resolved on an individual basis through arbitration. For claims in excess of \$100,000, three arbitrators will be chosen.

It's been a long winter! Spring will be especially welcomed this year. See you at the Annual Meeting on April 22nd! - *Kristin Dolan*

Fixed Charge Adjustment Questions & Answers for Residential Accounts

Why is it necessary to increase the fixed charge?

The increase is necessary in order to cover the increased cost of doing business, to ensure the financial stability of the Cooperative and maintain the quality, reliability and integrity of the services we provide.

Additional revenue is needed to invest in the distribution system, including the replacement of aged and faulty underground wire, and the replacement of old power poles. When possible, overhead powerlines will be replaced with underground wire which costs more to install but has less exposure to weather. Additional revenue is also needed to accelerate our right-of-way clearing program and to invest in smart grid technologies.

When will the rate change take effect?

The rate adjustment will take effect on May 1st, 2019. Members will see the adjustment beginning with their June 2019 bill. By implementing this rate adjustment in May, we hope to lessen the immediate impact on member bills by avoiding the winter heating season.

When was the last time REA raised rates?

The fixed charge was last raised in 2017. In past member surveys, members told us they prefer smaller, more frequent rate adjustments over larger less frequent increases.

How will the increase to the fixed charge impact my bill?

REA residential members will see the fixed charge go from \$26.50 per month to \$29.25 per month, an increase of \$2.75 per month.

**Official monthly publication of
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Mike Loken, Director

Editorial Staff

Kristin Dolan, CEO
Sue Lundeen, Editor

In case of a power outage

- 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.
- Never assume we know you are without power. Always call to report an outage.

***This institution is an equal
opportunity provider***

The Coal Creek Tour is a bus and walking tour to Bismarck, ND offered by REA annually. We visit Coal Creek Station, Falkirk Mine, Garrison Dam and Fish Hatchery, and more! The tour costs \$200 for a single occupancy and \$150 per person for a double occupancy. That price includes hotel accommodations, bus transportation, all tours, and 5 meals! The tour is limited to 42 guests, so reserve your spot today!

**\$200
FOR A SINGLE
OCCUPANCY**

**\$150
PER PERSON
FOR A DOUBLE
OCCUPANCY**

**RESERVE YOUR SPOT
BY CONTACTING REA:**

320-762-1121 or 800-473-1722
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Take in the views on the
COALCREEKTOUR
June 11 - 13, 2019

