



Members of an electric cooperative elect their board of directors. The REA Board of Directors are pictured from left to right: District 1: Gary (Andy) Anderson, Parkers Prairie; District 5: Mike Loken, Alexandria; District 6: Clif Patrick, Alexandria; District 4: David Staples, Kensington (newly elected); District 2: Barbara Johnson, Miltna; and District 3: Audrey Hjelle, Barrett. Steve Pederson from Farwell, director for District 7, was unable to attend.

2019 Annual Meeting highlights the cooperative community

Over 400 REA members attended the Runestone Electric Association 83rd Annual Meeting at the Alexandria Area High School on Monday, April 22. During the business meeting, Board President Barbara Johnson and CEO Kristin Dolan gave reports on the activities and financial condition of the cooperative. The Cooperative reported assets of over \$91 million with nearly 14,500 accounts at the end of 2018.

"In 1935 it was, for some of you, your grandparents, parents, your relatives that came together with their neighbors. They agreed that electricity was needed in their homes and on their farms," explained REA CEO Kristin Dolan. "All of them recognized no one else was going to do this, so it was up to them. They brought electric service to this community of members today. REA literally is this community, a community you and those before you, built. Today we provide safe, reliable, and affordable electricity to you in a responsible manner. No one can do it better than us because we know our community, we know us. You and REA are this community," Dolan said. Dolan also reviewed the upcoming member survey, Operation Round Up®, proposed bylaw changes, the May 1st rate changes, REA Energy Management programs, help provided to southern Minnesota cooperatives following the recent ice storm, and legislative challenges facing electric cooperatives.

REA Board President Barbara Johnson provided an overview of programs and activities at the Cooperative. She also provided insight into the director's role at an electric cooperative. "As your elected board of directors, we have oversight responsibility to you, our members. I can



REA Board President Barbara Johnson presents Ron Holm a gift for his service to the REA. Ron served as the District 4 director for 33 years.

assure you that each month we review the financial statements, the monthly and year-to-date operating report, the balance sheet, the operating ratios and all the disbursements for the month. We also hire an outside accounting firm to do a financial audit each year. We take our responsibility seriously to be accountable to all of you."

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Make safety a priority this spring

Kristin Dolan, CEO, Runestone Electric Association



Kristin Dolan, CEO

During this busy time of spring planting, always remember that overhead power lines and power poles may be nearby. Equipment continues to get bigger and bigger and could come in contact with power lines. To help keep everyone on the farm safe, make sure you have ample clearance when moving large machinery. Be extra careful when working near obstructions like trees and make sure that all farm workers know to keep an eye out for overhead power lines and other electrical

equipment that may be nearby. We have unfortunately had several poles hit with farm equipment this spring. Please take the extra time to be aware of the surroundings. We don't want to see anyone get hurt out there.

Electricity is a great value

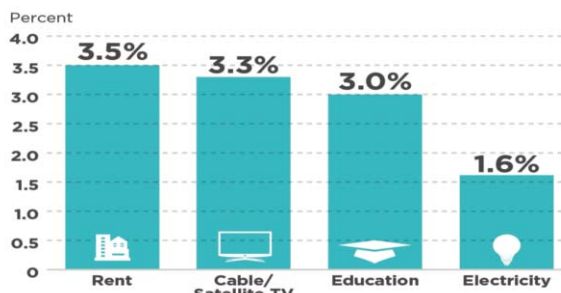
Electricity is a valuable service. It enables an easier way of life for us all. It powers our everyday and for an average of just under \$4/day for the average residential home, it provides the conveniences afforded to us all. Whether you are enjoying supper with your family, working on your hobby or charging all of your electronics, we are there for you.

If you are interested in levelized billing from REA, we offer a Budget Pay Plan which averages your projected electric bills for the year and gives you a consistent monthly billing amount to pay each month. To qualify for budget pay, you must have been in residence at the same location

ELECTRICITY REMAINS A GOOD VALUE

The cost of powering your home rises slowly when compared to other common expenses. Looking at price increases over the last five years, it's easy to see electricity remains a good value!

Average Annual Price Increase 2012 - 2017



Sources: U.S. Bureau of Labor Statistics, Consumer Price Index

for one year and be current with your bill. Please contact REA for more information.

Legislative update

We are working hard to advocate for a responsible path forward on energy policy. It is a challenging environment for our electric industry legislatively. There are many concerning provisions proposed by the House of Representatives and the MN Governor.

Concerning provisions include a proposed mandate for electric utilities to provide aggregated customer energy usage data to the public upon request. REA's density is only 4.8 members per mile of line, and even less in portions of our territory, aggregated data isn't enough of a cushion to protect your privacy as the dissection of the data could determine an individual's member use.

There are proposed reporting requirements that mandate utilities file an annual diversity report on goals and efforts to increase diversity in our employment and the contractors we hire. At REA you do have diversity today, and we can always do more. It also starts at the education level in order to provide diversity at the applicant stage of the hiring process. Added reporting requirements associated with this adds to our administrative costs.

100% carbon free by 2050 and a requirement that generation comes from clean energy first is extremely concerning. Today the technology isn't available to achieve this goal without impacting reliability. We are very concerned with reliability, especially during extreme weather events, such as our recent polar vortex, and we are concerned with increased costs to achieve these goals.

We as an electric industry are asking for positive reform to the Conservation Improvement Program. As our industry becomes more carbon-free, let's work toward electrifying the economy. The current Conservation Improvement Program penalizes REA in achieving this. As you may recall in last month's Newsline, REA's generation portfolio is 48% carbon-free.

Thank you!

Thank you for participating in the democracy of your cooperative at our recent annual meeting. Thank you for voting for directors and also for the bylaw recommended change. It is important that you let your voice be heard in your cooperative. The Board of Directors, the employees and I greatly enjoyed meeting with you at the annual meeting, thank you for coming out and for your engagement in your cooperative.

Have a wonderful spring and be safe!

REA Board of Director Meeting Highlights - March 2019

- Mrs. Nelson reviewed the Financial Report for February 2019 and noted energy sales were very strong in February, with kWh sales 9% over budgeted. The approved general capital credit retirement, including the retirement from GRE, will be disbursed March 28.
- STAR Safety Compliance Specialist Lisa Tickhill presented the 2018 State of Safety Report and answered questions from the board.
- Appointed Dwayne Waldorf (District 1) and Mike and Erica Dickey (District 5) to the Member Advisory Council.
- CEO Dolan presented the Cooperative Finance Corporation (CFC) CEO's Certificate and reported to the Board that the Cooperative met all of its mortgage requirements during fiscal year 2018.
- Mr. Rooney reviewed details of the new Nova Portal available this summer. The portal will provide timelines for interconnection consumers and the cooperative.
- CEO Dolan provided the 2017 – 2019 Strategic Plan for the board's review. Management will provide an update on the current plan in preparation for the strategic planning session scheduled for Friday, September 27, 2019. The Regular May Board Meeting will be on May 28, 2019.

Helping You Electrify Your Everyday

Highlights of the 2019 REA Annual Meeting

Annual Meeting continued from page 1...

Guest speaker of the evening, Rick Lancaster, Great River Energy Vice President & Chief Generation Officer, reviewed Great River's strong financial year, cash back of patronage capital to member cooperatives, and the successful reduction of carbon dioxide at GRE power plants. Mr. Lancaster shared lessons learned during the polar vortex, GRE's power supply goal of 50% renewable energy by 2030, and innovations to electrify the economy. He also discussed concerning legislation involving the Conservation Improvement Program and efforts to be 100% carbon-free by 2050. President Johnson accepted a \$1,000 donation from Mr. Lancaster on behalf of Great River Energy for the Operation Round Up® program.

Immediately following the adjournment of the annual meeting, the board of directors held a re-organizational meeting to elect officers for the coming year. Elected to their positions were Barbara Johnson from District 2, President; Clif Patrick from District 6, Vice President; Gary (Andy) Anderson from District 1, Secretary; and Mike Loken from District 4, Treasurer. Other directors on the board include Audrey Hjelle, Steve Pederson, and David Staples.



REA's Ryan Rooney helps a member with a question before the annual meeting started.



REA CEO Kristin Dolan gave the Treasurer's Report and CEO Report during the meeting.

Director Election Results

District 1	Votes
Gary (Andy) Anderson (Incumbent)	132
Write-in	1
Total	133

District 4	Votes
Rod Borden	58
Terry Detloff	16
David Lemmon	40
David Staples	70
Total	184

Bylaw Vote Results

Restated Articles of Incorporation & Restated Bylaws	Votes
In Favor	589
Against	59
Total	648

Nine Scholarships Awarded



Congratulations our scholarship recipients and their parents. We wish you the very best!

Back row - Jordan Gruenes, son of Joseph & Stephanie Gruenes, Clear Lake; Jeremy Knight, son of Kevin & Nancy Knight, Alexandria; Hunter Croonquist, son of Chad & Lois Croonquist, Alexandria; Josh Wegner, son of David & Angela Wegner, Alexandria.

Bottom row - Spencer Meyer, son of Gary & Kristie Meyer, Melrose; Jordyn Marshall, daughter of John & Connie Marshall, Alexandria; Kali Johnson, daughter of Kristin Johnson, Barrett and Lance Johnson, Evansville; Riley Moore, son of Paul & Cheri Moore, Hoffman.

Unable to attend the meeting - Derek Dalen, son of Carlyle and Leslie Dalen, Mason City, IA.

REA's scholarship program is funded through unclaimed capital credits. This is money that would otherwise be claimed by the state of Minnesota. Scholarship applicants are required to have a parent or legal guardian that is a member of REA. Winners are determined through a random drawing.

Rates to Change May 1st

At REA we work hard to control costs without adversely affecting reliability or service, but eventually the rising costs we pay for materials and services needed to deliver reliable electricity make it necessary to increase rates. The chart below reflects changes to the general service single phase rate and fixed charge effective May 1st. The rate change that goes into effect on May 1st will appear on the bill you receive in June for your May usage. Additional information is available at www.runestoneelectric.com.

General Single Phase	Current Rate	New Rate May 1
Fixed Charge	\$26.50 per month	\$29.25 per month
Energy (June - August)	\$0.1240 per kWh	\$0.1255 per kWh
Energy (Other Months)	\$0.1103 per kWh	\$0.1118 per kWh

Call Gopher State at least 48 Hours before you dig!

If you are planning a digging project more than one foot in depth, it is **YOUR** responsibility to notify Gopher State One Call **at least 48 hours before** you dig. Gopher State will notify all parties that may have underground facilities in the area. Simply call, **1-800-252-1166** or requests can be made on-line at www.gopherstateonecall.org.

The Gopher State One Call Notification Center will take the responsibility of notifying all affected utilities within 48 hours of your call.

Member-Owned Wires

The Gopher State One Call System will take care of all utility-owned underground facilities, but you are responsible for locating your own underground facilities. REA will locate all wires up to the metering point. All wires from there to your home and out buildings are your property, and other provisions must be made to locate these. Your electrical contractor or a line locating service is able to locate your lines for you.

A list of private facility locators can be found at:
<http://www.gopherstateonecall.org/private-facility-locators>

When you call Gopher State One Call, have the following information ready:

- Who is doing the digging and their phone number?
- For whom is the work is being done?
- What type of work is being done?
- Street address or township, section and quarter

(651) 454-0002 or (800) 252-1166

Click or Call Before You Dig!

www.gopherstateonecall.org



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6839 Power Lane SW
 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. Mon - Fri

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

Board of Directors

Barbara Johnson, President
 Clif Patrick, Vice President
 Mike Lokken, Treasurer
 Gary (Andy) Anderson, Secretary
 Audrey Hjelle, Director
 Steve Pederson, Director
 David Staples, 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.

**REA is an equal
opportunity provider**

Attention Area 6 - 13 Year Olds:



FREE Baseball Clinic

Knute Nelson
 Baseball Field
 Alexandria, MN

**Saturday
June 1, 2019**

6-9 Year Old
 Boys & Girls
 9:00 AM

10-13 Year Old
 Boys & Girls
 10:30 AM

Register at www.playballmn.com