



Runestone Electric

A s s o c i a t i o n

A Touchstone Energy® Cooperative 

Director Application Packet

Application for District Director

Please complete and return this application to
Runestone Electric Association (REA) by **July 24, 2019**

Member Information

Name _____ REA Account#: _____ REA District #: _____

Home Phone _____ Cell Phone _____

Address _____

City _____ State _____ Zip Code _____

Email Address _____ Number of Years as an REA Member _____

Occupation _____ Employer _____

1. What do you feel are the main strengths you would bring to the REA Board of Directors?

2. Aside from your membership in REA, what other cooperative memberships have you held?

<u>Cooperative</u>	<u>Years</u>	<u>Your Capacity</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Do you have any experience on other boards or communities (such as school boards, hospitals, churches, local government, civic organizations, clubs, etc.) that you think should be considered in your qualifications? If so, please list.

<u>Organization</u>	<u>Years Served</u>	<u>Your Capacity</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. What do you believe should be the short-term goals of REA?

5. What do you believe should be the long-term goals of REA?

6. In your opinion, what is the biggest concern facing REA in the future?

7. Feel free to add any other information or comments that you would like to share.

Please review the director qualifications found on page 5. Return the completed Application and Affirmation of Director Qualification and Acknowledgment found on page 6 to REA by **Wednesday, July 24** to the following mail, fax or email address.

Runestone Electric Association
Attn: Kristin Dolan
6839 Power Ln SW
Alexandria, MN 56308

Fax: 320-763-4149

Or email to kristin.dolan@runestoneelectric.com

Director Qualifications

Runestone Electric Association Bylaws ARTICLE III Section 7. Qualifications.

No person shall be eligible to become or remain a director of the Cooperative who:

- (a) is not a bona fide member of the Cooperative receiving electric service from the Cooperative in the district that the director represents or would represent if elected;
- (b) is not a bona fide resident of the district from which he or she is elected or for which he or she is a candidate; (bona fide resident shall be defined as occupying and continuously and materially purchasing electric service at a location within any director district from which the director is elected or for which he or she is a candidate for at least nine (9) months each calendar year);
- (c) is in any way employed by or substantially financially interested in an enterprise substantially competing with the Cooperative or any Cooperative-affiliated business;
- (d) within five (5) years preceding a director candidate's nomination was or during service on the Board of Directors is adjudged to be guilty of a felony;
- (e) within five (5) years preceding a director candidate's nomination was a full-time employee of the Cooperative;
- (f) within five (5) years preceding a director candidate's nomination was an employee of a statewide association of electric cooperatives, an electric generation and transmission cooperative, or any other entity in which an electric cooperative is a member.
- (g) within five (5) years preceding a director candidate's nomination or during his or her term if elected was or becomes employed by a labor union which represents, has represented, or has endeavored to represent any employee of the cooperative;
- (h) is a close relative of an incumbent who is not up for reelection at that time;
- (i) is a close relative of an employee of the Cooperative;
- (j) is or becomes the full-time employee or agent or, who is or becomes the full-time employer or principal of, another director;
- (k) does not have the capacity to enter legally binding contracts;

Director Qualifications continued:

- (l) is absent from three or more regular meetings ("Unexcused Absences") of the Board of Directors during any consecutive twelve month period, unless excused for good cause (an "Excused Absence") by the Board. If a director participates in more than one regular meeting during any consecutive twelve month period by electronic communication, that director shall be considered absent from that meeting for purposes of determining the number of the director's Unexcused Absences, unless the attendance by electronic communication is approved for good cause by the Board.

A "close relative" as used in these Bylaws is a person who:

- a. is by blood, law, or marriage (including half, step, foster, and adoptive relations) a child, grandchild, parent, grandparent, or sibling); or
- b. is a spouse or resides in the same residence.

A member that is an authorized farm corporation or family farm corporation may select an individual member residing on or actively operating the farm to be eligible for election to the board.

Affirmation of Director Qualification and Acknowledgment

I, the undersigned, hereby state and affirm as follows:

1. I have read the Cooperative's Qualifications for Eligibility for Service on the Cooperative's Board of Directors, and all attachments thereto.
2. I am qualified in accordance with the legal requirements, bylaws and the Cooperative procedures to be nominated and elected or appointed as a Cooperative director and agree to comply with said legal requirements, bylaws and policies at all times while acting as a Cooperative director.

I have signed my name hereto this _____ day of _____, 20 _____.

Signature



Please complete and return this page along with your application.

REA History

A meeting for persons interested in organizing a cooperative electric company was held in August of 1935, and the dream of local friends and neighbors was on its way to becoming a reality. Forty farmers attended this meeting and began the process which resulted in the formation of Douglas County Light and Power, the forerunner of Runestone Electric Association on November 30, 1935. As an electric distribution cooperative, the new organization's single goal at the time was to bring electricity to the rural areas of Douglas County.

In the 80 years that Runestone Electric has been in business, the organization has grown to the point where we currently have over 2,900 miles of overhead and underground line, with which we serve over 14,000 member accounts. Runestone Electric also employs 36 local residents in full-time jobs to meet the needs of our members 24 hours a day, seven days a week.

Runestone Electric's core business is the distribution of electricity. Electric power for our members is primarily purchased from Great River Energy (GRE). GRE is a wholesale power cooperative located in Maple Grove, Minnesota, that serves 28 electric cooperatives in Minnesota and one in Wisconsin, with most of its electricity produced at Coal Creek Station, a twin generator coal-fired plant near Underwood, North Dakota. The coal used in the plant comes from the Falkirk Mine located adjacent to the power plant. GRE also has generation capability at its refuse burning facility located in Elk River, Pleasant Valley Station in Dexter, MN, Lakefield Junction station in Trimont, MN, Cambridge Station in Cambridge, MN, and several large wind farms in southwestern Minnesota.

Runestone Electric Association also receives an allocation of power from the Western Area Power Administration (WAPA), which generates power from dams along the Missouri River.

Wholesale electricity is delivered throughout Minnesota via large, high voltage "transmission" power lines. These lines are strung between large towers marching across open land from North Dakota and throughout Minnesota. This transmission network is owned and shared by all Minnesota electric companies, private, municipal and cooperative.

These transmission lines deliver power to substations, which Runestone Electric has strategically located throughout our service territory. Our substations reduce the high voltage transmission power to "distribution" voltages. These distribution lines are owned by the co-op and are used to distribute electricity to homes, farms, and businesses.

Electricity is sold to our member-consumers at what it costs to buy power in addition to the cost to distribute it, plus a margin. As a non-profit organization, any margins (profits) are allocated back to the membership and paid in cash when Runestone Electric's financial conditions permit.

Runestone Electric also complements its revenue with other businesses. These include Heartland Security and Star Energy Services.

REA VISION, MISSION & CORE VALUES



Runestone Electric's vision and mission statements provide direction and focus for the future for all in our organization. Our on-going strategic planning efforts play a key role in helping us live up to our mission, as Runestone Electric and the electric utility industry face unprecedented changes and increased competition in upcoming years.

The Seven Cooperative Principles

Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people, and opinion leaders, about the nature and benefits of cooperation.

Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.