



Attention High School Seniors!
There's still time to apply!

Apply for one of ten \$1,000 scholarships available through a random drawing.

The deadline to apply for REA scholarships is March 1, 2021. Winners will be announced in April. Scholarship applications can be filled out online at www.runstoneelectric.com.

NEWSLINE

February 2021

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Lake Moses Home Benefits from Heat Pump Built for Minnesota Winters and Summers

Air source heat pumps have been used for many years in nearly all parts of the United States but, until recently, were not common in areas with extended periods of subfreezing temperatures. However, in recent years, cold-climate air source heat pump technology has advanced so that it now offers a legitimate space heating alternative in colder regions like Minnesota.

In 2018, Mike and Audrey Bramwell fulfilled a dream by turning their summer lake lot on Lake Moses north of Brandon into their full-time home. When choosing their heating and cooling systems, the Bramwells selected a cold-climate air source heat pump. "We've been pleased with our heat pump and its ability to heat and cool our home," said Mike Bramwell.

A cold-climate air source heat pump can provide both efficient heating and cooling for your home. When properly installed, it can deliver up to three times more heat energy to a home than the electrical energy it consumes. This is possible because a heat pump moves heat rather than converting it from a fuel as combustion heating systems do.

The Bramwells participated in a study conducted by the Center for Energy and Environment. The study found that the efficiency of the newest generation of cold-climate air source heat pumps can operate down to minus 13 degrees Fahrenheit. The efficiency of these technologies in moderate climates is also two-to-three times more efficient than standard electric heating systems.

"When choosing the size of our heat pump, I wish I would have given more thought to the heating performance of the heat pump rather than focusing on the cooling aspect," explained Bramwell. "With our climate here in Central Minnesota, we would have gained more efficiencies with a higher Heating Seasonal Performance Factor (HSPF)."

Since heat pumps provide heating in the winter and cooling in the summer, you should be aware of at least

two heat pump energy efficiency ratings. The Seasonal Energy Efficiency Ratio (SEER) measures cooling efficiency over the cooling season, while the Heating Seasonal Performance Factor (HSPF) measures heating efficiency over the heating season. (see graphic on page 3)



Audrey & Mike Bramwell

HSPF is a standardized rating used to compare energy efficiencies. HSPF is used by all heat pump manufacturers to indicate efficiency ratings. Like miles per gallon for your car, the higher the HSPF number, the more efficient the system.

"There can be a learning curve to capitalize on the full efficiencies of a cold-climate air source heat pump," said Bramwell. "This is our second winter in our home, and I now have a better understanding of how the heat pump technology works."

Heat pumps, when properly installed, provide members with several distinct advantages:

- » When sized appropriately, today's cold-climate air source heat pumps can provide 100% of a home's heating needs down to temperatures as low as zero degrees, which is roughly 90% of all heating hours in Minnesota. If properly set, an air source heat pump can serve as your primary source for a good part of our Minnesota winters.
- » The balance point of your heat pump is the outdoor temperature at which your home HVAC system

Continued on page 3...



Al Haman
CEO

A Note from your CEO

Goals Reflected in REA's Mission

January 1st was my first day on the job. Even though I have been interim CEO since last March, taking on the permanent role is something different and one I look forward to embracing. Many people have asked me about my goals for REA, so I thought now would be a good time to share a few of them. Let's start with

the Mission Statement. Our Mission here at Runestone Electric Association states: To serve our members with safe, reliable, and affordable electricity.

Safe electricity

What exactly is safe electricity? For me, there are really three parts - employees, public, and the environment.

Employee safety is our highest priority at REA. We strive to have every employee go home safely, every day. There are many strategies that we use to accomplish that first goal. The risks are many because our employees drive thousands of miles each year in large bucket trucks and passenger vehicles. The linemen operate heavy equipment at the job site, excavating trenches, drilling holes, and lifting large materials. They work around energized lines where one slip or moment of inattentiveness can cause serious injury or worse. When I watch them on the job site, it always reinforces in my mind why we make the commitment to training, purchase the safest tools available, and count on each other to be an active participant of the team. Even though this can be a dangerous business, our safety record is excellent and the safety culture is strong.

Public safety starts with design and maintenance of the system. Yes, we have construction and safety codes to follow that tell us how high wires need to be in the air and how deep underground. But we need to be sure to follow through. Our process is to have engineering standards, trained personnel to perform the design, and experienced linemen to oversee the construction. Once the lines are in place, we perform annual inspections to make sure conditions haven't changed and to look for damaged or failing equipment. We also have a right-of-way management program where we request permission to trim and remove trees within 15 feet of the power

lines. Dead trees outside the right of way will also be removed if they present a falling hazard to the line. If lines unfortunately land on the ground we have a 24-hour standby crew to respond. REA also participates in the annual Safety Day Camp for area 5th graders and we offer training for first responders using a safety demonstration trailer.

Environmental safety is really an extension of public safety. We try to design our lines in a way to protect animals from known electrocution hazards, patrol the line to remove trees that can touch the wires, and do our best to repair maintenance issues in order to prevent the lines falling onto vegetation which may start a fire.

Reliability

Another goal for me at REA is to improve the reliability of power. Availability of electric service is our primary product, which is critically important to you. While we can't guarantee 100% service, we continue to monitor our performance and set new standards of achievement each year. Over the last 12 years, various initiatives and projects have reduced the number of unique outages by 17% and average off time by 55%! Some of the strategies we've used is increased tree clearing, aggressive replacement of failing underground cable, substation upgrades, and continued construction of new lines that allow us to reroute electricity during large outages. We have also placed a priority on momentary outages, more often called "blinks" which are caused by failing power line equipment or trees. The cause of the blink can sometimes be difficult to find because it can be something as small as a hair line crack in a porcelain fuse holder that is 25 feet in the air. We presently have a program on-going at REA to inventory these suspect devices and replace them system wide with a type that is constructed of fiberglass and polymer compound.

Affordability

We are always looking for ways to make electricity affordable. Our rates are made up of three primary components. The cost to generate the electricity (wholesale), the cost to transport the electricity to REA's service territory (transmission), and our cost to distribute the electricity to your home or business. For the first two, we rely upon our wholesale power provider, Great River Energy (GRE). REA does not own

REA Board of Director Meeting Highlights - December 2020

» Mrs. Nelson reviewed the Financial Report for November 2020. As expected, sales were down in November, with crop drying being done more in October than November this year. Temperatures have been mild, so December sales are also tracking below our budget. The PCA charge from GRE for the month is being booked to expense but will not be passed through as a charge on our members' bills. Credits expected from GRE for the month of December, per their margin planning resolution GRE R20-12-2-2020, a member refund, and an additional COVID 19 relief refund, will be passed through to our membership on the December billing. REA has favorable

margins and has not, as yet, been impacted negatively by COVID 19. Bill credits give REA members the immediate benefit of these credits versus an increased margin allocation for the year.

- » Approved the 2020 Uncollectible Accounts.
- » CEO Haman reviewed the Federated Rural Electric Insurance Exchange Site Audit Profile.
- » **The regular February Board Meeting will be February 25, 2021 at 9:00 a.m.**

2021 Residential Rebates

significant generating resources or transmission lines. As such, we pay rates to GRE for these services. GRE is also a cooperative with 28 members who have oversight of GRE. REA has one seat on GRE's Board. District 3 REA Director Audrey Hjelle represents REA on the GRE Board serving as the GRE Board Secretary. GRE also has a working group for the 28 general managers of their membership. The Board ultimately approves the wholesale rates. GRE has announced stable wholesale rates for the next few years due to their long-term contracts with several wind developers.

The third cost component, is the distribution cost that REA incurs in delivering electricity to your door. Things such as principal and interest payments on money borrowed to build lines, operating and maintenance expenses, and employee wages and benefits. We constantly examine the expenses under our control by looking for efficiencies, competitive bidding of goods and services, watching for best practices, and planning ahead to position ourselves for the future. Each year, a budget is submitted to the Board of Directors to be approved in December and an annual financial audit is conducted.

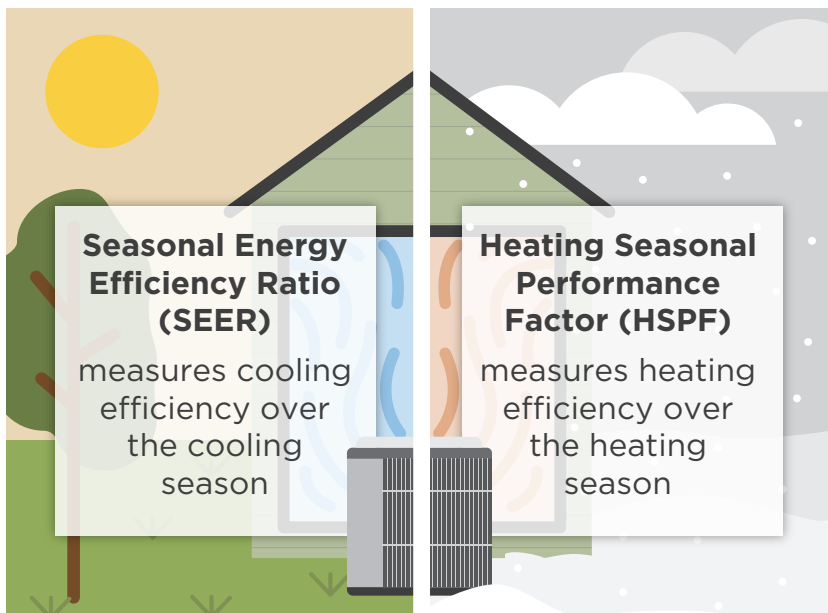
I hope that by sharing my goals for REA you can trust that we will serve our members with safe, reliable, and affordable electricity now and into the future.

Cold Climate Air Source Heat Pump continued from page 1...

switches over to its backup heating system, likely set by your installer. If your heat pump can keep your home warm down to 10 F, but your balance point is set to switch over to your backup heat at 20 degrees then anytime the temperature is between 10 and 20 degrees Fahrenheit, you'll be paying more than you should for heat.

- » Aren't sure of your heat pump's balance point? Take note of the temperature where your backup heating source kicks in and if it's above 10 F, your balance point may be set too high. If you have already installed an air source heat pump, you may also want to contact your installation contractor to inquire further and ensure your balance point is where you want it to be.

For more information on heat pump technologies and rebates available (on right), please contact the energy experts at REA - (800) 473-1722, email rea@runestoneelectric.com or visit www.runestoneelectric.com.



Heating & Cooling

Electric Thermal Storage (ETS)

Space Heating & Room Storage Heating
\$50/kw up to \$5,000 or 100kw

Geothermal Heat Pumps

\$400

Quality Installation Program

Air Source Heat Pump

SEER 14.5: \$480

SEER 15: \$580

SEER 16+: \$630

Air Conditioner

Seer 14.5+: \$50

Ductless Air Source Heat Pump

\$200

Air Source Heat Pump Paired with Plenum Heater or Boiler

Efficiency Rebate

\$100

Plenum Heater or Boiler

Plenum heater must be designed to heat the loss of the home

\$25/kw up to \$500 max

Electronically Commutated Motor (ECM)

Many of today's high-efficiency furnaces include an ECM that would qualify for this rebate.

\$25

Smart Thermostat

\$25

Appliances

Must be purchased or recycled after 1/1/2021

Clothes Washer

\$25

Clothes Dryer

\$25

Recycling of a Refrigerator or Freezer

\$50

Dehumidifier

\$25

Electric Vehicle

Qualifying Uncontrolled EV Charger

\$250

Qualifying Controlled EV Charger

\$500

*All rates and rebates are subject to change
Contact REA for more information*

#PowerOn GIVEAWAY ENTRIES

Thank you REA members for helping us celebrate Cooperative Month in October. We'll share entries in the #PowerOn Giveaway in the coming months.



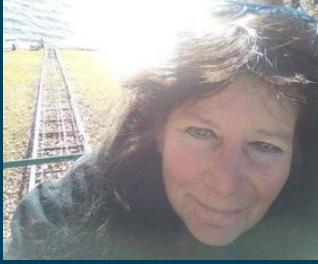
Ellison Farm:

REA keeps the augers, fans and dryer running during fall harvest. Thank you to the linemen and crew who keep us going in sometimes less than optimum conditions.



Heidi Klimek:

REA helps me #PowerOn with my farm-fresh egg on a toasted bagel!



Denise Hanson:

REA helps me Power On by running my hill hoist on beautiful Lake Ida! What would I do without you? Your electricity would be running a Life Alert for when I had the heart attack walking up that hill!!!

NEWSLINE

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6839 Power Lane SW
Alexandria, MN 56308

320-762-1121
Fax: 320-763-4149

rea@runestoneelectric.com
www.runestoneelectric.com

24/7: 800-473-1722

Office Hours:
7:30 a.m. to 4 p.m. Mon- Fri.

Board of Directors

- District 1: Gary (Andy) Anderson, Secretary
- District 2: Barbara Johnson, President
- District 3: Audrey Hjelle, Vice President
- District 4: Dave Staples, Director
- District 5: Mike Loken, Treasurer
- District 6: Clif Patrick, Director
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- Al Haman, CEO
- Sue Lundeen, Editor
- Ally Coleman, Communications Specialist

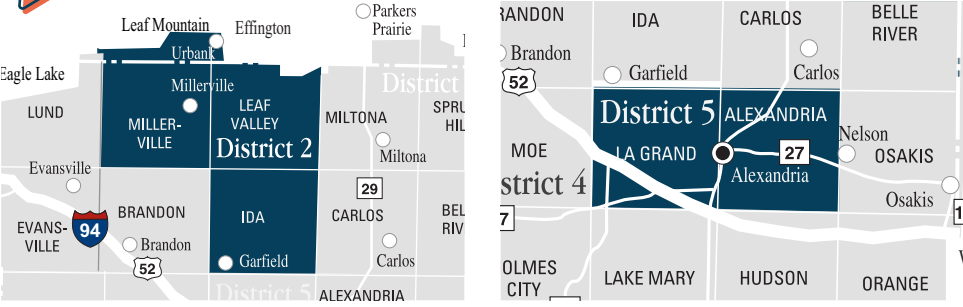
In Case of a Power Outage

- » 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 a corded phone or a charged cell 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 PLEASE

Important Update about the 2021 District Meetings and Annual Meeting



REA's District Meetings are usually held in January to nominate director candidates for the REA Board of Directors. With COVID concerns and restrictions in place, the District 2 and District 5 Meetings have been moved to June. We have also moved the Annual Meeting to summer. We will have more details on the District Meetings and the Annual Meeting in the coming months.

The 2021 Annual Meeting will be held Summer 2021



This Month's Safety Tip...

Be careful when piling snow near pad-mounted transformers and beneath power lines where children might reach them. Just a quick look up is all it takes to make sure it is safe!