

## Remember to Attend Your 2021 District Meetings!



### DISTRICT 2 MEETING

Join us at:

*gathered oaks*

Monday, June 14  
6:30 p.m.

### DISTRICT 5 MEETING

Join us at:

*Country Blossom FARM*

Thursday, June 17  
6:30 p.m.

For more information or to find your district, visit our website: [www.runestoneelectric.com](http://www.runestoneelectric.com)

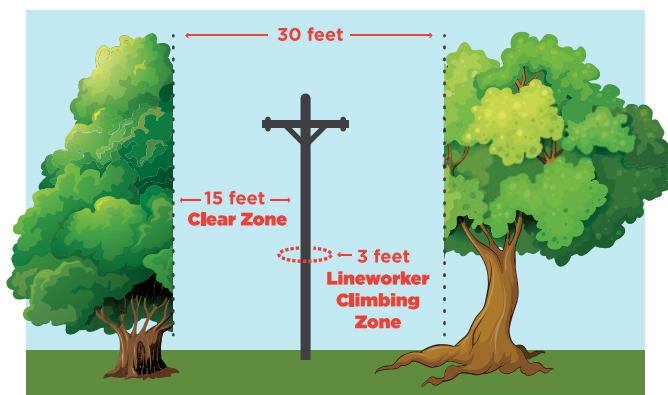
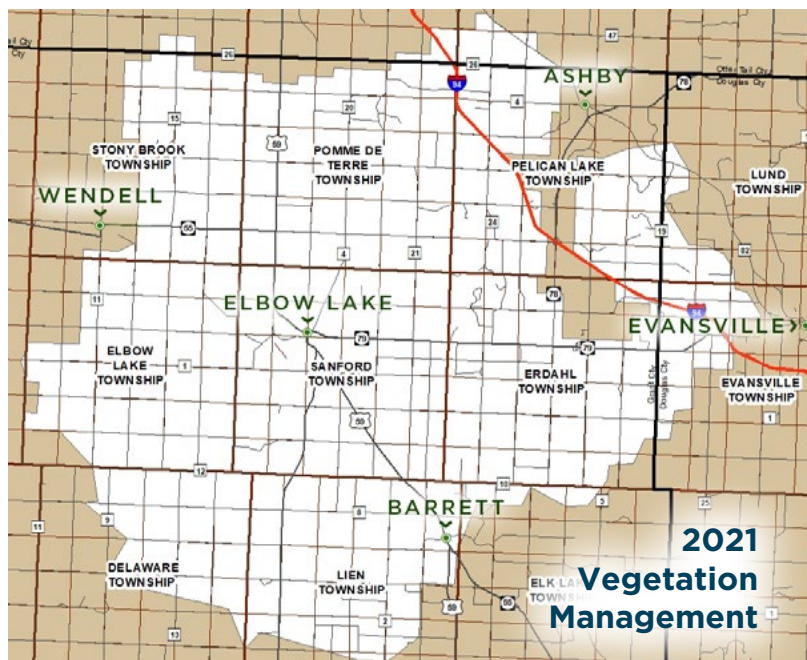
June 2021

# NEWSLINE

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## Vegetation Management Leads to Fewer Power Outages

REA manages an extensive right of way maintenance program aimed at reducing outages caused by trees. To ensure reliability and safety, this year we will spend \$750,000 on trimming, tree removal, and mowing and spraying under our distribution lines. Our contractor, Carr's Tree Service, is working in areas served by the Sanford Substation (see map below) and will be moving to areas south and west of Barrett, Hoffman and Kensington through the summer. Carr's Tree Service is accredited by the Tree Care Industry Association and has certified arborists on staff.



REA strives to obtain a clearance of 15 feet from any open wire power line. Members are notified 6 to 8 weeks before Carr's Tree Service begins pruning or removing trees in their area. Timing for scheduled maintenance projects depends on the size of the trimming area, workload for the crew and the weather. Please contact REA with any questions you may have regarding our vegetation maintenance program.

## REA Pole Trailers For Sale

Bids are now being accepted to sell two used pole trailers. The trailers may be viewed at REA's Operation Center from 9:00 a.m. - 2:00 p.m., Monday - Friday until July 1, 2021. The equipment will be sold "as is" and "with all faults." REA's Purchase Agreement form will need to be signed by the buyer prior to closing. Cash payment required, no checks please. REA reserves the right to accept or reject any and all offers.

**Deadline for submitting a bid is July 1, 2021.**

NAME \_\_\_\_\_  
 PHONE NUMBER \_\_\_\_\_  
 MY BID FOR THE \_\_\_\_\_ TRAILER IS: \_\_\_\_\_  
**\$\$\$\$\$**

**Please submit your bid to:**

REA Trailer Bid  
 6839 Power Lane SW  
 Alexandria, MN 56308



1995 29' Butler Trailer



2009 30' Felling Trailer



**Al Haman**  
CEO

# A Note from your CEO

## Capital credits represent your ownership in REA

Last month, many of you received a capital credit check from REA and this month you will see a capital credit allocation notice on the bill. So what exactly are capital credits? Why should we care? Let me try to explain.

### What are capital credits?

A cooperative does not earn profits in the sense that other businesses do. Instead, any margins, or revenues remaining after all expenses have been paid, are returned to the members in proportion to their usage of the co-op's services through capital credit allocations and retirements. Capital credits represent each member's share of ownership of the co-op.

### What does REA do with capital credits?

Every business needs to maintain a suitable balance between debt and equity to ensure its financial health and stability. Capital credits are the most significant source of equity for most electric cooperatives. In fact, REA has over \$33 million in capital credits on the books. Equity is used to help meet the expenses of the co-op, such as paying for new equipment to serve members and repaying debt. Capital credits help keep rates at a competitive level by reducing the amount of funds that must be borrowed.

### How does REA determine who receives capital credits?

The REA Board of Directors determines the basis for the allocation and sets policy for capital credits retirement. Capital credits are allocated to each member of the cooperative every year based on financial participation in the cooperative. You will find your capital credit allocation notice on your bill this month. The allocation is strictly a notice of the member's share of ownership and cannot be applied to the electric bill.

### How are capital credits disbursed?

Each year the REA Board of Directors determines whether the co-op's financial position permits the return, or retirement, of capital credits and, if so, what amount of capital credits will be retired.

The Board also decides the method for determining which capital credits are returned. REA currently uses a combination of retiring a portion of the oldest membership allocation (members receiving service in the early to mid-1990s) and to the newest membership allocation (members receiving service the previous year, i.e., 2020). When the retirement is less than \$5.00, the amount will accumulate until the total retirement exceeds \$5.00 before a check is issued.

### What happens if you move and are no longer a member of REA?

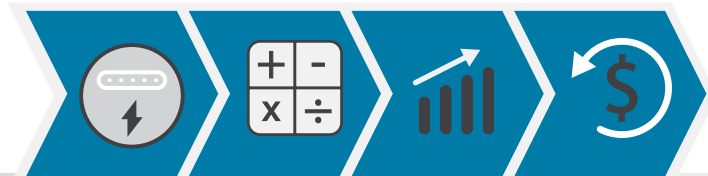
As long as you keep us informed with your current mailing address, we will send your capital credit check whether you're a current co-op member or not.

When capital credit checks are not cashed or are returned to REA, and we are unable to locate the owner, we call those unclaimed capital credits. By law, we hold unclaimed capital credits for a period of time in order to allow owners to claim them. After that period of time, and if the owner was from Minnesota, funds can be used for the REA Scholarship Program. Otherwise, funds are claimed by states' unclaimed property laws.

### Special Capital Credit Retirements

Members who have reached the age of 80 are eligible to request a one-time payment of capital credits. Members or their trustees (if their capital credits have been assigned to a trust for estate planning purposes) can contact our office for details. Also, be sure to contact our office if you receive a check for someone who is no longer living or residing at your address.

### How Capital Credits Work



<b>One:</b> REA records how much members spend on electric service	<b>Two:</b> Each year, after expenses are recorded, REA calculates margins (revenue over expenses)	<b>Three:</b> REA allocates margins to members as capital credits based on their financial participation in the co-op	<b>Four:</b> REA retires (returns) capital credits to members
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## REA Board of Director Meeting Highlights - April 2021

- » Reviewed the Financial Report for March 2021. March margin is under budget, mostly due to lower gross margin. March kWh sales are 11% under budget. A general retirement payout of capital credits is in April this year, instead of March.
- » Updated the Board on the Co-op's response to Covid-related issues.
- » Reviewed load control during the February polar vortex, the value of DERMS (Distributed Energy Resource Management Systems) software, and Aquanta water heater load control results.
- » As part of the Great River Energy Report, Director Hjelle reviewed the GRE Annual Meeting held April 7 online, noting the reelection of all the officers, including her position as board secretary.
- » Director Anderson and CEO Haman reviewed the STAR Energy Services Board Meeting held on April 22. Director Anderson reported that STAR is doing well financially and that after serving as interim CEO since the first of the year, Lois Croonquist has been named CEO.
- » **The regular June Board Meeting will be June 29, 2021 at 9:00 a.m.**

# Advantages of Cooling & Heating with an Air Source Heat Pump

So often we take air conditioning for granted. When it's hot outside, we simply step into our comfortable air conditioned homes or businesses. However, when our air conditioner is not working – that's a problem. Whether you are looking for a new air conditioner because yours is broken, or if you are simply upgrading your older, inefficient system, consider an air source heat pump (ASHP).

ASHPs act like a central air conditioner in the summer time, but they can also provide heating and cooling in one efficient and economical package that looks like a central air conditioning unit.

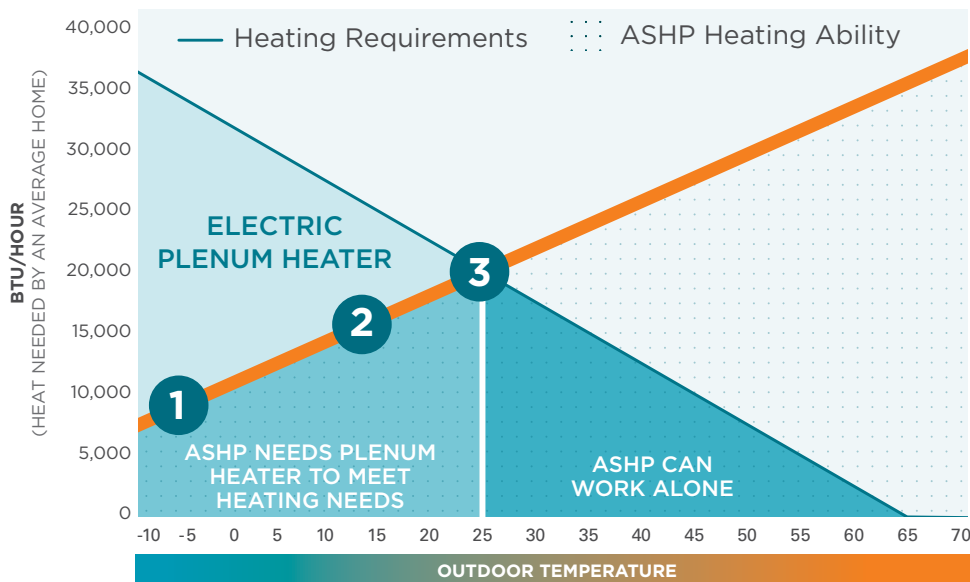
When properly installed, in the winter, an ASHP can deliver 1 1/2 to 3 times more heat energy to a home than the electrical energy it consumes.

In the summer, ASHPs operate like a central air conditioner. In the winter, ASHPs can heat your home by transferring heat energy from the outside air and bringing it indoors.

## See Rates and Rebates

Contact REA for more information on air source heat pumps or visit [www.RunestoneElectric.com](http://www.RunestoneElectric.com).

### ADVANTAGES OF AN AIR SOURCE HEAT PUMP (ASHP)



1. At -5°, an ASHP still 100% efficient
2. ASHP is 200% efficient and 1/2 price of LP at 15°
3. At 25°, an ASHP is nearly 250% as efficient as traditional heat options

# Cooling Rates & Rebates

## Rates

**Air Source Heat Pump**  
With automatic back-up ..... 7.24¢/kWh  
*(Or lower depending on complimentary dual fuel system)*

**Geothermal heat pump**  
With automatic back-up ..... 6.04¢/kWh

*With off-peak heating, off-peak rates may apply to electric water heating.*

## Rebates

### Quality Installation Program

**Air Source Heat Pump:**

- SEER 14.5 ..... \$480
- SEER 15 ..... \$580
- SEER 16+ ..... \$630

**Central Air Conditioning:**

- SEER 14.5 ..... \$50
- SEER 15 ..... \$50
- SEER 16+ ..... \$50

**Ductless Air Source Heat Pump**  
(Must be Energy Star® Rated) ..... \$200

**Geothermal Heat Pumps** ..... \$400

**Air Source Heat Pump Paired with Plenum Heater or Boiler**  
Efficiency Rebate ..... \$100

**Electronically Commutated Motor (ECM)** .... \$25

**Smart Thermostat** ..... \$25

**Air Conditioner Tune-up** ..... \$25

**Cycled Air Conditioning**  
Bill credit in June, July and August ..... \$7.50

*All rates and rebates are subject to change.*



**COMBINE REA REBATES WITH HEAT PUMP EFFICIENCIES TO START SAVING TODAY!**

Air Source Heat Pump



## Summer Home Check List Dehumidifier Basics

Using a dehumidifier to suck moisture out of the air can cost more than \$100 a year on electric bills. Consider replacing a standard dehumidifier with an energy efficient Energy Star® model. Replace your old dehumidifier with an Energy Star unit and receive a \$25 rebate from REA.

Contact REA at 800-473-1722 for a rebate form or visit [www.RunestoneElectric.com](http://www.RunestoneElectric.com).

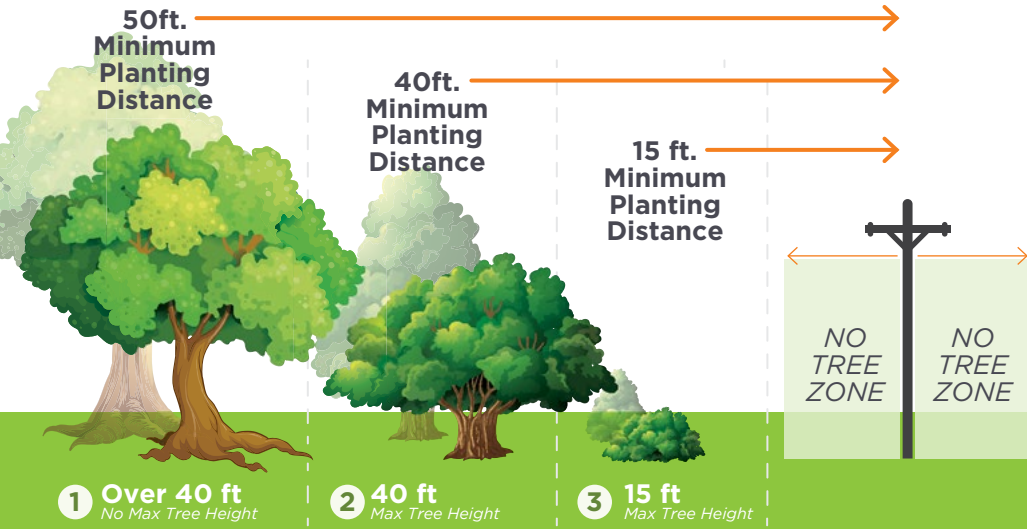
## Is Your Electric Heat still on?

REA recommends checking boiler and baseboard heating systems to ensure they are turned off. This easy step can prevent a battle between your cooling and heating system, especially in basements.

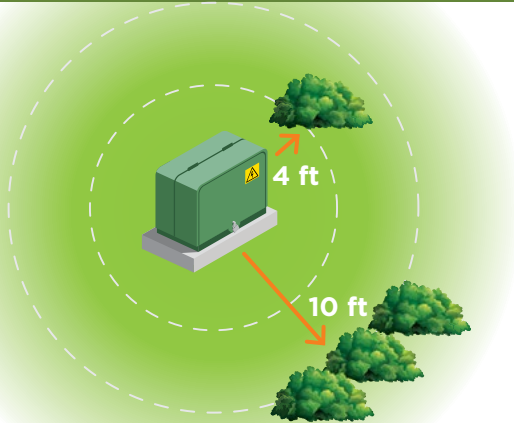
Save money and energy this summer by turning off the heat!

# Planting Guidelines

Landscaping is a great way to increase the value of your property and save energy, but trees and shrubs planted too close to power lines and other electrical equipment can create both safety and reliability concerns. You can help maintain power line access and clearance by planning ahead before planting trees and shrubs. These guidelines help ensure a safe and reliable service for all Runestone Electric members.



**Quick Tip!** Please do not landscape or install fences near REA's pad mount transformers, junction boxes or at the base of power poles. Our crews need plenty of space to access this equipment. Thank you!



## Pad Mount Transformers

Mature trees, shrubs, and plants need to maintain 10 feet of clearance in front of doors and 4 feet on all other sides of the box.

- 1 Trees over 40 feet**  
These trees must be planted at least 50 feet from the electrical wires and no closer than 35 feet from buildings to allow proper root development and minimize root damage to buildings
- 2 Trees under 40 feet**  
These trees may be planted 40 feet from electrical wires, but no closer
- 3 Trees under 15 feet**  
These trees may be planted 15 feet from the electrical wires, but no closer.

## Cogeneration Notice

*In compliance with Minnesota Adopted Rules relating to Co-generation and Small Power Production, Chapter 7835, Runestone Electric is required to interconnect with and purchase electricity from co-generators and small power producers that satisfy the conditions of a qualified facility. Runestone Electric has available and will provide free information to all interested members regarding rates and interconnection requirements. An application for interconnection is required for a qualifying facility to interconnect and operate in parallel with the cooperative's distribution system and is subject to approval by the cooperative. For more information on cogeneration please visit: [www.runstoneelectric.com/energy-wise-programs/renewable-energy](http://www.runstoneelectric.com/energy-wise-programs/renewable-energy)*

## NEWSLINE

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www.runstoneelectric.com

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**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
- District 7: Matthew Mattson, Director

### Editorial Staff

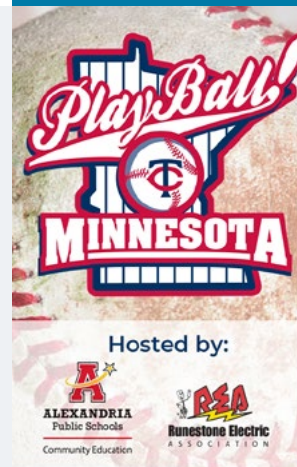
- Al Haman, CEO
- Sue Lundeen, Editor
- Ally Coleman, Communications Specialist

### 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

**Sign up to get text messages from REA on control days!**  
Simply text #loadcontrol to 22300.  
*Msg and data rates apply.*



**FREE Baseball Clinic for boys and girls ages 6-12.**

Alexandria Area High School Softball Complex  
Alexandria, MN

**Saturday July 31, 2021**

Hosted by:



Session 1:  
9:00 AM

Session 2:  
10:30 AM

Register at [www.playballmn.com](http://www.playballmn.com)