

Members Gathered at Rolling Forks Vineyard for the District 7 Meeting

NEWSLINE

March 2023

In this Issue: **Candidate Profiles** pgs 2 & 3 • **CEO Note** pg 4

Members Nominate Director Candidates at District Meetings

District Meetings were held in preparation for the 86th REA Annual Meeting scheduled for Thursday, April 27, 2023.

Members of District 3, 6 and 7 gathered in February to nominate director candidates, hear updates on the cooperative, and to visit with neighbors.

Nomination results were as follows:

District 3: Audrey Hjelle (Incumbent), Barrett

District 6: Bruce Harvey, Villard
Joel Seela, Nelson
Paul Stennes, Alexandria
Todd Malecha, Villard (nominated and withdrew nomination)

District 7: Matthew Mattson (Incumbent), Kensington

Members of District 6 may vote for the candidates at the Annual Meeting or by using the mail ballot included with the Annual Meeting materials they will receive in early April. As of the printing of this newsletter, the director election in District 3 and 7 are uncontested. No ballot will be mailed, and the candidates will be elected by acclamation at the Annual Meeting. Candidate profiles can be found on pages 2 & 3.



REA Director Clif Patrick welcomed members to the District 6 meeting at the United Methodist Church in Villard. Director Patrick will not seek reelection in 2023

April 27, 2023
REA ANNUAL MEETING
Alexandria Area High School
4 - 5 P.M. - Registration
5 P.M. - Annual Meeting



Attend the Annual Meeting and Receive a

\$25
Gift Certificate
(1 per membership)

Gift certificates are redeemable at a variety of businesses served by REA. Must be present at Annual Meeting to receive a gift certificate.



District 3 & 7 Director Candidate Biographies

Election results will be announced at the Annual Meeting on April 27, 2023.

ELECTION BY ACCLAMATION: As of the printing of this newsletter, the director election in District Three and Seven was uncontested, therefore no ballots will be mailed. Candidates will be elected by acclamation at the Annual Meeting.

District 3 Townships: Aastad, Delaware, Eagle Lake, Elbow Lake, Elk Lake, Erdahl, Evansville, Gorton, Lien, Lund, Macsville, Pelican Lake, Pomme De Terre, Roseville, Sanford, St. Olaf, Stony Brook, Tumili and Urness

District 7 Townships: Barsness, Ben Wade, Blue Mounds, Chippewa Falls, Donnelly, Framnas, Glenwood, Hodges, Land, Minnewaska, New Prairie, Nora, Rendsville, Reno, Swan Lake, Walden and White Bear Lake

REA Board of Director Meeting Highlights - January 2023

- » Reviewed the Financial Report for December 2022. December kWh sales were 8% over budget. Revenue was ahead of budget and expenses were below budget. For the year, additional sales and the rate change offset higher expenses for a margin above budget. Our FEMA applications related to the May storms are under review with expected approval.
- » Approved contracts for right-of-way tree clearing, cable locating, underground construction, and overhead construction projects as part of the 2023 Operations and Maintenance Budget.
- » Approved the updated Wholesale Power Cost Adjustments (WPCA) rates and Cogeneration and Small Power Production Rates, effective January 1, 2023.
- » Approved amending the Great River Energy Power Purchase Contract to allow member-cooperatives to develop more renewable and storage resources. If approved, GRE All-Requirement Members could self-generate up to 10% of their electric energy, up from 5% set in 2008.
- » Discussed two REA Work Plan projects submitted by STAR Energy Services as part of the MREA aggregate application for an infrastructure grant
- » **The regular March Board Meeting will be Tuesday, March 28, 2023 at 9:00 a.m.**

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.runestoneelectric.com/energy-wise-programs/renewable-energy.



Matthew Mattson, Kensington
District 7 Candidate

Matthew Mattson was nominated at the District 7 meeting in Starbuck. Matthew and his wife, Kerri, have two adult children. They live south of Kensington and have been REA members for over twenty-four years.

Matthew graduated college from the University of Wisconsin-River Falls with a bachelor's degree in Ag Business with an Animal Science minor in 1993. He worked for Villard Implement and GTA Feeds before returning to the family farm full-time in 1995. He and his wife are currently in partnership with his parents on a cattle and grain farm near Kensington, where he has farmed for over twenty-five years. Matthew has completed the necessary training to become a National Rural Electric Cooperative Association Credentialed Cooperative Director.

Matthew currently serves as the chairman and a trustee of the Kensington Covenant Church, president of West Central Area Ag Boosters, a director for the Pope Co. Ag Society, and is a member of the Pope County Farm Bureau. Matthew has also been a volunteer with the Ben Wade Blazers 4-H Club and Pope County 4-H for about 18 years. He is a past board member of the Stevens County Farm Bureau and completed a term on the REA Member Advisory Council.



Audrey Hjelle, Barrett
District 3 Candidate

Incumbent director Audrey Hjelle was nominated at the District Three meeting. An REA member since 1963, Audrey lives near Barrett.

Audrey has served on the REA Board since 1996. She represents REA on the Great River Energy Board of Directors, where she serves as secretary. She has completed the necessary training to become a National Rural Electric Cooperative Association Credentialed Cooperative Director and has completed the Board Leadership Certificate. She represents Great River Energy on the Cooperative Network Board of Directors, representing the utility (generation) sector.

Audrey is the vice chairman of the Barrett Senior Citizens, and attends Peace Lutheran Church in Barrett.

District 6 Director Candidate Biographies

Election results will be announced at the Annual Meeting on April 27, 2023.

ELECTION BY BALLOT: As of the printing of this newsletter, there are three candidates running in District Six, therefore ballots will be mailed to the members in District Six. Todd Malecha, Villard, withdrew his nomination following the district meeting.

District 6 Townships: Ashley, Belle River, Gordon, Grove Lake, Hudson, Leslie, Leven, Orange, Osakis, Reynolds and Westport



Joel Seela, Nelson
District 6 Candidate

Joel would like to be your representative to keep the affordable and reliable power members enjoy with excellent customer service which REA has become known for. He has a good background and understanding of the power industry along with understanding the needs of REA members.

Joel has lived on a hobby farm in District 6 since 1993 in Westport Township and moved to Osakis Township in 2020. He has been involved with design, construction, and managing work for industrial and commercial facilities for over 30 years. Included in this work is 10 years in the electrical generating industry at various locations on nuclear, fossil, gas, wind, and renewable generation. Experience includes capital and long-term planning on a utility scale, rebate qualification, and permitting. Currently he holds the position of Facility Director at Alexandria Technical and Community College. His work keeps him active in the ever-changing energy and utility industry. He received a BS at the NDSU College of Engineering. Professional certifications include PMP Project Management Institute, CPC American Institute of Constructors, second class engineer State of Minnesota, and a graduate of Leadership Alexandria.

Some of his volunteer work in the last 25 years include chairman City of Glenwood Airport commission, served on commission for over 15 years; MSHL football official - present; past president EAA chapter 702 in Alexandria, currently member at large; Boy Scouts of America; parental escort downhill skiing; past president, board member and founding member of the Osakis Gridiron Booster Club; and little league; past coach 6 years.



Paul Stennes, Alexandria
District 6 Candidate

Paul grew up on a farm in Northern Minnesota and learned the value of co-ops at a young age. Grain elevators, farm fuel suppliers, service stations and last but certainly not least the Rural Electric Association. As a young man, Paul worked at the local Farmers Union Co-op for three years and learned further the value to the co-op system.

For Paul, it was a natural transition to go from being a 30 year retired UPS man to being elected to the board at Farmers Union Oil company. His experience also expanded to five years on the board at Renville Co-op Transport Association. Currently he has served for 15 years on the board at Farmers Union Oil Company of Alexandria where he is the board secretary. He is also the chairman of the Mid Minnesota Directors Association.

Paul has raised a family, served as treasurer for two churches and been an election judge for 15 years. He also coached youth hockey and was a MSSHS certified soccer referee. He currently owns a lawn irrigation company. In his free time, you can find Paul with his best friend, Kathy, on a motorcycle or on an airplane. He also enjoys reading.

According to Paul, he understands that being a director for REA is an important job. He feels he can best fulfill that role by protecting member equity and making common sense decisions that would maintain a strong financial balance sheet. Your support would be greatly appreciated.



Bruce Harvey, Villard
District 6 Candidate

Bruce Harvey was born and raised in Pope County. Bruce and his wife, Martha, will be married for 43 years in March. They live in Westport Township where they have been REA members since 1984. They have two married sons and 4 grandsons who all live in Pope County.

Prior to attending college, Bruce worked at National Bushing in Glenwood, West Side Volkswagen in St Louis Park, Grant Hustad Company in Glenwood, and farmed with his father-in-law, Ralph Lang, on the farm where he and Martha still reside.

Bruce attended the University of Minnesota Morris and earned a BA degree in Economics with minors in Business, Computer Science and Mathematics. He has 33 years of experience in finance and human resources in a variety of industries. Bruce worked for Dairyland Computer & Consulting in Glenwood, Diversified Communications in Alexandria, Minnewaska District Hospital in Starbuck, and most recently retired from Aagard in Alexandria after 17 years. He has worked with revenue streams and expenses of 50 million dollars annually including budgets, accounting, banking, insurance, investments, human resources, benefits, IT, and building projects.

Bruce is currently serving on the Glacial Ridge Hospital board and as church treasurer; he has served on a day care board, the Villard EDA, and the Minnewaska Area School Board.

According to Bruce, he is a servant leader and a good listener. He has Christian conservative values, common sense, and would be honored to serve and represent the members of District 6.



Al Haman
CEO

A Note from your CEO Unpacking the Carbon-Free by 2040 Law

In early February, Governor Tim Walz signed the Carbon-Free by 2040 law. Let's take a look at this new law and how it might affect you as a member of Runestone Electric Association.

The Carbon-Free bill increases the existing Renewable Energy Standard and creates a

Carbon-Free Standard. In 2007, the Minnesota Legislature passed the Renewable Energy Standard requiring renewable energy sources to make up at least 25% of power generated and sold in Minnesota. Utilities across the state were able to meet this goal in 2017. With the new law, 55% of energy sources must be renewable by 2035.

In addition to increasing the Renewable Energy Standard, the bill also creates a Carbon-Free Standard requiring electric utilities to serve 100% of retail electric sales with technology that does not emit carbon dioxide, such as solar, wind, hydropower and nuclear. Electric cooperatives and municipalities have an interim requirement of 60% carbon-free by 2030, but by 2040 all utilities that generate electricity must be 100% carbon-free. REA's wholesale power provider, Great River Energy, is responsible for meeting these standards and projects to be approximately 35% carbon-free in 2023.

Renewable Energy Credits – RECs

Great River Energy believes the power supply decisions it has made over the past 15 years, combined with the ability to retire RECs to satisfy the Carbon-Free Standard, puts GRE in a good position to meet the standards in the law. A REC (renewable energy credit) is produced when a renewable energy source generates one megawatt-hour (MWh) of electricity and delivers it to the grid. The generator of renewable energy can then apply them to retail sales, bank these credits for future retirement, or sell them to utilities who are in need of RECs.

Off-ramps

The Public Utilities Commission can modify or delay the Carbon-Free Standard if doing so is in the public interest. The Public Utilities Commission must consider ten factors - cost, reliability, availability of technology, transmission availability, environmental cost of modification or delay, and the impact of additional load from beneficial electrification. Great River Energy does not expect off-ramps to be regularly or easily granted by the Public Utilities Commission.

Meeting the new standards will not be easy. Significant investment in new generating sources, battery storage, and transmission lines to move the power will be required. Utilities that can't react fast enough to add carbon-free power supply will be exposed to purchasing RECs in an open market. While it is unlikely that regional reliability of electricity will be impacted during this transition, the impact on cost of electricity is difficult to forecast at this time. In coordination with Great River Energy, REA's Board of Directors and management are committed to doing everything we can to keep electricity safe, reliable, and affordable.



Runestone Electric
ASSOCIATION

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Board of Directors

District 1: Gary (Andy) Anderson, Vice President

District 2: Barbara Johnson, President

District 3: Audrey Hjelle, Director

District 4: Dave Staples, Treasurer

District 5: Mike Loken, Secretary

District 6: Clif Patrick, Director

District 7: Matthew Mattson, Director

Editorial Staff

Al Haman, CEO

Sue Lundeen, Editor

Ally Koudela, 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 will use reasonable diligence to furnish adequate and dependable electric service, but it cannot and does not guaranty continuous and uninterrupted service.

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

**Sign up to get text messages
from REA on control days!**

Simply text #loadcontrol to 22300.
Msg and data rates apply.

Snowmobile Safety Tips

- » Watch out for power poles and electrical equipment that can be hidden in the snow.
- » Power poles are often anchored with wires extending out from the pole. Avoid snowmobiling directly next to or underneath power lines.

- » Slow down, know the area and stay on marked trails.
- » If you see a downed power line, stay away from it and call 911 to report it. Always assume it is live and can carry currents strong enough to kill.

