REA WISHES YOU AND YOUR FAMILY A

Menny Christmas & Happy New Year!

REA will be closing at 10:30 AM December 24, closed December 25, 2025 and January 1, 2026.

To report a power outage or an emergency, call (800) 473-1722. We have a 24-hour answering service to take your call.



NEWSLINE

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REA'S CHRISTMAS LIGHT CONTEST

Let's light up the countryside! REA presents the **5th Annual Let It Glow** event to recognize members who put in hard work on their light displays AND to let our communities know where to look for these spectacular lights. Check out the details below.

Prizes:

ALL Christmas light display entries will be entered into a drawing for three \$100 bill credits.

Registration:

Online registration form at www.runestoneelectric.com or call REA at 800-473-1722. Submit a photo with an address so that the public will know where to go to check out the holiday displays.

Details:

- Display must be served by Runestone Electric Association (REA).
- Deadline for drawing entry is 12/11/25.
- Drawing will be held on 12/12/25 and winners will be notified.
- Map of participating displays will be available at www.runestoneelectric.com on 12/15/25.

You're Invited!

RUNESTONE ELECTRIC ASSOCIATION



FRIDAY, DECEMBER 19

1 PM TO 3 PM

Stop in for a visit with the REA Board of Directors! The coffee will be hot and served with Christmas cookies. Pick up a Senior Perspective Cookbook as a token of our appreciation for your business.

While Supplies Last

Annual Meeting Gift Certificate!

If you attended the REA Annual Meeting in April and received a gift certificate, please remember to redeem your certificate at one of the participating REA businesses before 12/31/25. A complete list of participating businesses can be found on the gift certificate or online at www.runestoneelectric.com.





CEO

A Note from the CEO Rates to increase in 2026

Let me begin by thanking everyone for their patience as winter arrived with a blast on November 25th. Strong winds, heavy snow and ice brought down powerlines and broke several power poles across our system. I am thankful for our employees who worked through

the night, despite horrible driving conditions, to get the lights back on safely.

REA's service territory has, for the most part, been spared from severe weather events in 2025. When members have experienced power outages, our crews restored the outages as quickly and safely as possible. So far, on average, REA members have had power 99.993% of the time.

Our employees have had no lost-time injuries or vehicle accidents. This is commendable considering our employees drive over 300,000 miles a year, often working in extreme weather conditions, like the recent winter storm. Making safety a priority is one of our core values, and it is something that every employee takes seriously.

New construction costs

At REA, we use an approach to calculate the cost to construct a new electric service that ensures consistency and repeatability of the calculation. The approach utilizes a three-year average cost from work orders (including the transformer, meter base, and meter) to collect a 40% upfront member investment. To achieve 40%, as of January 1, 2026, the base fee will increase from \$750 to \$850 for single-phase and \$750 to \$1,500 for three-phase. Three-phase transformers are considerably more expensive than single-phase transformers. When the member requests additional overhead or underground construction, the single-phase cost per foot will remain \$6.50, and the three-phase cost per foot will remain \$11.50.

Cost of service study underway

At the Annual Meeting in April, I mentioned that wholesale power costs have been relatively stable for the past twenty years. I also said that with the electrification of the economy, the mandate to bring more renewables online, and the expansion of transmission systems, we can expect to see our electric bills increase. That is precisely what we are experiencing now and will continue to do so into the coming years.

Last year, we reduced expenditures on tree clearing, contractor use, staffing levels, vehicle purchases, and other operating expenses, delaying some of these expenses until 2026 when we expected wholesale power costs to stabilize. Unfortunately, that has not happened. Our wholesale power rate has risen by over 13 percent since 2024, when the 2026 rate increase from Great River Energy is factored in.

Determining electric rates is one of the most challenging and essential tasks facing your elected board members and management staff. REA's subsidiary, STAR Energy Services, is conducting a cost of service study to analyze REA's costs to serve each rate class and the cost components within each rate class. The analysis will help ensure financial stability while maintaining fair and equitable rates among rate classes. Details have yet to be finalized, but you can expect to hear more in the coming months.

Despite the potential future increases, our off-peak rates remain competitive. Remember, one benefit of off-peak programs is the flexibility to choose your fuel source based on energy rates. The REA Energy Management Department is here to assist you, so please don't hesitate to contact us by phone, email, or in person to discuss how we can help you evaluate your usage and energy costs.

Lighting up the countryside

Be sure to check out Judy Rose's memoir (page 3) of the day the lights came on in her family home in North Dakota. Over the years, I've had members tell me they also remember that special day. Runestone Electric Association was organized in 1935, and the next decade and beyond was spent bringing electricity to the rural countryside. Low population density, high upfront costs, technical and logistical hurdles, and economic barriers were among the challenges faced by rural residents. Thank you, Judy, for taking the time to share your memories!

Early pioneers of electrification faced numerous challenges and difficulties associated with building power lines in rural areas. Ninety years later, we still face some of the same challenges. Despite these challenges, you can trust that we are doing everything possible to control costs while ensuring that we continue to provide safe and reliable electricity that you expect.

On behalf of the Board of Directors and all our employees, we wish you and your loved ones a Merry Christmas and a Happy New Year.

REA Board of Director Meeting Highlights - October 2025

- » Mrs. Nelson reviewed the September Financial Report noting sales were close to budget. The REA margin for the year is close to budget, with a negative variance in gross margin and a positive variance in operating expense.
- » Approved increasing the underground contract. The amount budgeted in 2025 was less than previous years and additional funds are needed to complete necessary work.
- » Reviewed member district populations as per REA Bylaw
- requirement Article III, Section 2, and determined that redistricting is not needed at this time.
- » Selected dates for the 2026 District Meetings: District 3 - Tuesday, Feb 10, Hoffman Community Center District 6 - Wednesday, Feb 11, Osakis Community Center District 7 - Thursday, Feb 12, Starbuck Community Center
- » The regular December Board Meeting will be Friday, December 19, 2025.

The revolution of rural electricity Remembering the day the lights turned on

Remarks presented at the last annual meeting and recent REA newsletters have sparked recollections of my early childhood before and on the day, November 20, 1948, when electricity "turned on" at my farm home in Adler Township, Nelson County, North Dakota. Feeling like a living historical artifact, it has become my quest to better understand the revolution that rural electricity really was.

In the time before lights, evenings were controlled by fussy lanterns with burning mantles. For a young child, the world beyond the lantern was a worry. If the lantern was in the kitchen, the living room was dark and spooky. Worse yet, it was not always comfortable to be shuffled off to a dark bed and then have the lantern carried away by the grownups. The dark was absolute: the only ghost of light might have been the moon.

Other light came from kerosene lamps, which were barely adequate for any task, such as reading or perhaps some sewing. The user was trapped very close to the lamp's light. Those lamps are memorable for their often dirty glass chimneys, the wicks that required some management, and the scent of kerosene. Many of those lamps were quite decorative in the light of day.

Social evenings could be cozy in the near dark. On one unforgettable evening, our favorite neighbors visited with a battery radio, and all of us huddled under the lamp and listened to The Grand 'Ol Opry and Cousin Minnie Pearl. The radio battery had been charged by what was referred to on that occasion as the "wind charger," which we knew, generally, as the "windmill." When the lights came, social evenings were not quite as cozy as the whole house would be lit, and we could play everywhere, even outdoors under the yard light.

Memory of the very day of the lights is still amazingly clear to me. As a child, I had no expectations of the men who were banging around the house and interfering with the walls, but at a moment late in the afternoon, the house came alive in a burst of light. My younger brother, who must have been attending more to what was going on, ran through the house shouting, "RA, RA, RA!" We enjoyed the lights all evening, turning them on here and turning them off there. It was the beginning of many delights: an electric mixer (my favorite), Christmas lights, radios, not to mention a new lifestyle in the barn of milking machines, cream separators, and pumps.

Past our household, the light amped up civic life for evening events at school and church. There were meetings and parties. One event was a bright homemakers club Christmas party, where neighboring farmers behaved in ways that I will recall to my grave.

Best of all, we got bedtime stories!

Judy and her husband, Gene, live on Lake Miltona north of Alexandria.







The Roy and Cornelia Sears farm in Adler Township, Nelson County, North Dakota in the early 1950s.



Little did the Sears' know that the rosy cheeks of the children would give way to measles the following day. Judy is the oldest of the four.

High School Seniors! It's Time to Apply!





VlagA

Apply for one of **Twenty-two \$1,000 scholarships** available through a random drawing.

Scholarship applicants must be a graduating high school senior whose parents or legal guardians are members of REA. Students attending public, private, parochial or home school are eligible to apply. The deadline to apply for the REA scholarships is March 1, 2026. Winners will be announced at the Annual Meeting on April 22, 2026.

Scholarship applications can be filled out online at www.runestoneelectric.com. If you're unable to fill out the application online, call REA for an application at 800-473-1722.

Space Heaters Can Dramatically Increase your Electric Bill

Use the formula below to determine what the monthly cost of operating a space heater will be before you plug it in.

Example for a 1,500 watt space heater:

(wattage divided by 1,000) x hours used x cost per kWh = cost per day

Example: $(1,500 \text{ watts} \div 1,000) \times 12 \text{ hours} \times 9.69 \text{ (REA's general service rate)} = 1.74 per day

To calculate a monthly cost multiply your cost per day by number of days in the month.

 $1.74 \times 30 \text{ days} = 52.20 \text{ This is your cost per month.}$

Bottom line: space heaters are convenient, but can be expensive to use!



NEWSLINE

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Board of Directors

District 1: Gary (Andy) Anderson, President
District 2: Barbara Johnson, Director
District 3: Jon Winter, Director
District 4: Dave Staples, Secretary
District 5: Mike Loken, Vice President
District 6: Joel Seela, Director
District 7: Matthew Mattson, Treasurer
Al Haman, CEO

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

Move Over When Passing Crews at Work

Help us keep our employees safe by remembering Minnesota's *Ted Foss Move Over Law*. The law requires drivers to move one full lane away from stopped emergency vehicles with flashing lights activated, including ambulances, fire trucks, squad cars, and maintenance and construction vehicles. The law was named in honor of the State Patrol trooper who was killed while on the shoulder of I-90 near Winona in 2000.

WORK

FREE Christmas String Lights Recycling

Recycle Christmas/Holiday string lights & power cords at the Pope/Douglas Solid Waste Recycle Center, ALP, REA, Ace Hardware Glenwood & Alexandria, True Value Hardware in Osakis, or the Glenwood Library.

Accepted until January 30, 2026.

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