

Connections

April 2018

For the member-owners of Brown County REA



Volume 22, Issue 4

Co-op directors & staff visit state legislators

Electric cooperatives bring a unique perspective to legislative issues as their customers own the utility. Your co-op's annual spring visit occurred to voice members' concerns at St. Paul March 15.

This year electric co-ops do not see a lot of pressing energy issues on the docket. However, they took the time to update legislators on some issues that may be coming next year after the election of a new governor and House.

"Battery storage of electricity is the new hot topic at the Capitol with a dozen bills introduced," stated Jim Horan, Minnesota Rural Electric Association's (MREA) director of government affairs. "None apply to co-ops at this point, probably because cooperatives are working on energy storage solutions without mandates."

Deregulation is a topic, Horan added. "Third-party wind and solar entities are pushing to bypass the utility to sell energy right to commercial/industrial customers. This is not deregulation for everyone, but cherry-picks certain high dollar loads. The result is those loads don't pay for the infrastructure they still use, leaving the costs for everyone else to pay. The cost shift increases rates for regular members and means less investment in grid reliability."

"Move-over" legislation seeks to clarify a 2015 law. "The legislation requires drivers to move over and slow down when passing utility vehicles working along the road with four-lane



Power of the people... Electric cooperative directors and staff visited with their legislators on issues regarding electric cooperative member-owners and their electricity; topics ranged from renewables' mandates, safety and energy conservation. Pictured above are Federated Rural Electric directors, spouses and General Manager Scott Reimer with Senator Bill Weber (seated, second from left).



Brown County REA also conducted similar visits with Senator Gary Dahms (right). Directors and CEO Mike Heidemann attended.

highways," Horan explained. "This year we're asking that the legislation add two-lane roads in this bill. We've been lucky in Minnesota that none of our line crews were injured by drivers who are either distracted or going too fast, but we've had close calls. This legislation is for the safety of our crews."

The co-ops also educated legislators on the expected issues next year

with the Conservation Improvement Program (CIP) and renewables. "CIP requires utilities to reduce energy usage (1½ percent each year) by offering rebates. Many energy-saving measures we've used are occurring naturally now or aren't cost effective to incentivize. The current CIP is unsustainable and actually discourages — **Continued on Page 7**

At A Glance



Brown County
Rural Electrical
Association



Cooling system rebates available

Thinking about replacing your old air conditioner? Upgrade to an efficient air source heat pump in May, June, and July and receive bonus rebate amounts. Contact Brown County REA to learn more.

Cold climate ductless heat pumps heat & cool for home additions, all-electric homes, cabins

Tired of sweating it out in the summer because you don't have central air? Maybe you don't have ductwork or an addition to the house caused the existing central air to not keep up.

Ductless heat pumps could be your cooling solution, plus supplement your heating system with energy efficiency up to 230 percent.

A ductless heat pump has two parts: the outdoor unit/condenser and the indoor unit/evaporator that's near the ceiling. They are connected together by refrigerant linesets and control wiring. No duct work is needed so it works best in an open area that maximizes the coverage area; for example, it works well with an open kitchen, dining room and living room. Perhaps, it's a cabin with no ductwork. Maybe it's a house with all electric baseboard heat or mini-boiler system that has no ductwork. Ductless heat pumps will work great in these areas.

A recent study by the Center for Energy Efficiency and Environment (CEE) studied ductless cold climate heat pumps on two homes in Minnesota and Wisconsin. The grant was funded by the Minnesota Department of Commerce, Great River Energy and the Electric Power Research Institute.

In the study Mitsubishi Ductless Hyper Heat units of 1.5 tons and two 1-ton units were installed. Both were installed in homes that had electric baseboard heat. They studied how often the ductless heat pumps ran and down to what temperatures. The ductless heat pumps provided heat as low as -13°F. "One homeowner was so pleased that he



Add air conditioning comfort even if you do not have duct work! Cold climate ductless heat pumps add energy-efficient cooling and heating in buildings without duct work. The cold climate technology provides energy efficiency up to 230 percent! Check out the cooperative's rebate to add to the cool savings!

removed several baseboard electric heaters," stated Ben Schoenbauer, a senior research engineer from CEE. "One home cut their energy use by 52 percent thanks to the ductless system, while the other one experienced 54 percent energy reduction that was required to meet the same electric heating load. One saved \$610 a year and the other one saved \$349/year."

The reason is that electric baseboard, miniboilers and plenum heat are 100 percent efficient. Meanwhile, these ductless heat pumps have a Seasonal Coefficient Of Performance

(COP) of 2.3 or 230 percent efficiency. Of course, the savings vary as it's based on the size of the home, existing heating system and insulation. Keep in mind that if you have an old LP furnace that the efficiency could be 60 to 80 percent.

Consider installing a ductless air source heat pump to solve your cooling and heating needs. Your electric cooperative even offers ductless heat pump rebates; see Page 4 for details.

For more information on this study go to mncee.org and click on research projects.

Cordless screwdriver makes jobs easier

Are you planning on doing some remodeling projects once the weather warms up? Speed up such projects with the Tacklife Cordless Screwdriver.

Features include:

- 31 drill bits (including extension)
- Recharge this screwdriver with a regular USB charger. It is a great advantage for your convenience and no need to worry about losing the charger.
- LED light with four beads which is brighter than other tools.
- Flashlight in the base of tool provides a bright working environment.
- Forward/reverse switch to loosen




The Tacklife Cordless Screwdriver makes do-it-yourself projects easier with its handy design and LED lights.

very tight screws or firmly tighten screws easily and freely.

- Torque adjustment ring lets you drive screws without stripping, which is suitable for small screws and more precision jobs. Enjoy the six torque settings.

- Screwing up is not a problem. Portable and lightweight size fits your hand perfectly. The handle angle is adjustable, allowing you a better grip to improve working efficiency.

- Not for heavy-duty projects or to be used as a drill.

The Tacklife Cordless Screwdriver is approximately \$30 on Amazon. 

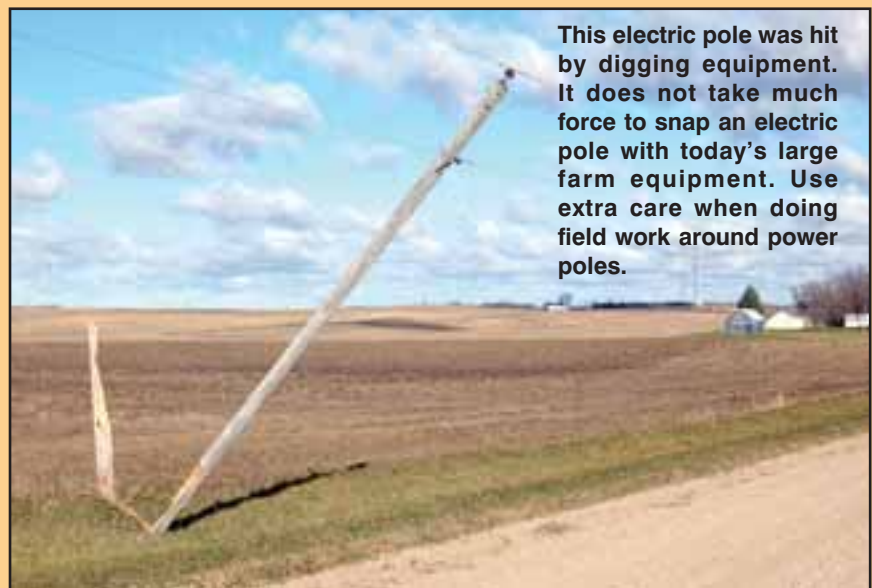
Safety

Beware of poles during spring planting season

It's that time of the year again. Farmers are anxious to get back in the fields to plant. Your electric co-op urges farmers to not get in such a big hurry that they forget about the electric poles along the edges of their fields. Today's bigger equipment makes it easier than ever to knock an electric pole down. Take extra care when working end rows. It will end up saving time in the long run for both you and your neighbors, if you cause an outage. Plus, hitting a pole can affect one's wallet, as well. Farmers who clip poles are responsible for paying the replacement costs to fix the issue.

What do you do if you hit an electric pole and are afraid to get out of the tractor because you may be in contact with a powerline?


The best thing to do, if there is no immediate danger, is to stay in the tractor and call your electric co-op.



This electric pole was hit by digging equipment. It does not take much force to snap an electric pole with today's large farm equipment. Use extra care when doing field work around power poles.

If fire is a danger, then you must exit the tractor. Make sure you do not touch the ground and the tractor at the same time. The best way to exit the cab is to hop from the tractor

and land on both feet away from the tractor. You can then hop out of the immediate area until you are safely in the clear.

Be safe this planting season! 

Brown County Briefs

Member Advisory Council

The first meeting of the new Member Advisory Council is set for Monday, April 23 at 7 p.m. at the Brown County REA headquarters. Please park in the south lot and enter through the auditorium doors.

Cooling system rebates

BCREA offers rebates to members installing new cooling systems. A \$300 rebate is available for ductless mini-split heat pumps with delivered fuel heat as the main source and a \$500 rebate when electric is the primary heat source.

Twins Play Ball! Clinic May 12



Teach your kids some baseball skills with Brown County REA and the Sleepy Eye Community Ed. program. They are teaming up with the Minnesota Twins to offer a free Twins Play Ball! youth clinic Saturday, May 12 at Burnside Park in Sleepy Eye.

Youth ages 6-9 are scheduled from 9-10:30 a.m. and ages 10-13 should come from 10:30-noon. There is no cost to participate. The program is presented in partnership with Great River Energy, which is made up of BCREA and 27 other rural electric cooperatives in Minnesota.

Created to promote baseball and softball, the clinic provides hands-on instruction for boys and girls ages 6-13. No registration is required, but youth must sign a waiver at the clinic. The Twins will provide safe, youth-friendly equipment, but participants are asked to bring their own gloves to learn throwing, hitting and fielding skills. (a)

BCREA employees help out with 10th Annual Touchstone Community Service Project



Brown County REA CEO Mike Heidemann and his wife, Amy, Operations Manager Brandon Havemeier, Lineman Zach Gulden and Morgan Rankin were among more than 120 volunteers from electric cooperatives across the country to join forces for the 10th annual Touchstone Energy Community Service Project.

Focusing on rebuilding property interiors and exteriors, plus food and clothing distribution efforts, Touchstone Energy volunteers marked their 10th consecutive service day in conjunction with the National Rural Electric Cooperative Association (NRECA) Annual Meeting in late February.

This year, Touchstone Energy partnered with the United Way, Wherry Housing Co-op, Middle Tennessee Electric Cooperative and Tennessee Electric Cooperative Association (TECA) to make worksite improvements in Middle Tennessee EC's service territory.

Volunteers completed a variety of landscaping, demolition, lighting and painting projects for local community and learning centers that are central to the daily lives of many local residents. The co-op group also organized clothing donations and distributed food. (a)

Zachary Helget selected for Youth Tour



Zachary Helget, a junior at Cathedral High School in New Ulm, will represent Brown County REA on the Rural Electric Youth Tour to Washington, D.C., June 9-14.

Zachary will travel with about 40 other Minnesota high school students representing rural electric cooperatives statewide, plus adult chaperones. While in our Nation's Capitol, they will participate in leadership training, engage in one-on-one conversations with elected officials and tour Washington, D.C. Last year, more than 1,800 students from across the nation took part in the Youth Tour.

Brown County REA has sponsored co-op members' children to the Youth Tour for many of the program's 54-year history. Zachary is the son of Dean and Karen Helget, rural New Ulm.

Lauren Mages, a sophomore at New Ulm Public School, was awarded the \$150 second place prize. (a)

Contractors learn more about heat pump technologies

Heating, Ventilation and Air Conditioning (HVAC) and electrical contractors from throughout Brown County REA's service territory attended meetings co-sponsored by BCREA, Federated REA, Redwood Electric Cooperative, South Central Cooperative Electric, Nobles Cooperative Electric and Great River Energy. Presenter Ben Schoenbauer, Center for Energy and Environment, (right photo), shared information about cold climate air source heat pump technology and results of trials conducted in Minnesota. Dean Havel, Electro Industries (bottom photo), offered information on electric boilers and heat pumps, which work in combination with them. (C)



Dean Havel showed an electric boiler that featured heat pump technology.



Ben Schoenbauer spoke to contractors about cold climate ductless air-source heat pumps (see Page 2).

GRE visits Christensen Farms



Christensen Farms & Feedlots, Sleepy Eye, one of Brown County REA's largest members, was chosen to be featured as part of Great River Energy's innovative electrification communication materials. Visual Communication Specialist Tim Bolduc, right in top photo, learns about automation technology used at the feed mill from Leon Steffl. Below, Bolduc tapes his interview with Brent Frederick, Director of Research, during a visit to the new rural Comfrey research facility R2. (C)

Remember to Slam the Scam



Recent reports of people receiving billing scams over the phone warrant a reminder that if you think you are being targeted by a scammer, hang up and call your utility. You should also

report the incident to local law enforcement.

Remember:

- Never give out any personal information, credit card numbers or wire money as a result of an unexpected or unsolicited call or e-mail if you can't validate authenticity.
- BCREA provides payment arrangement options; be suspicious if the caller insists on the use of a pre-paid debit card or immediate payment.
- Be aware that your cooperative will contact you first by mail about past due bills — not over the phone. You will be sent a written reminder notice when your account is past due and then a disconnect notice, if necessary. At least one courtesy phone call will be made before your service is turned off.
- If it just doesn't feel right, end the conversation — "slam the scam" and contact your utility. (C)

Tree trimming keeps powerlines in the clear

When tree limbs and power lines come together it can lead to blinks, outages and downed wires. Your electric co-op uses Carr's Tree Service to trim problem trees in the co-op's service area.

Throughout the year linemen and members can also notify the electric co-op and take note of trees that could be potential problems. Carr's then comes in and takes care of them when in the area. This maintenance prevents numerous problems from developing. Trees in electric lines can create shock and fire hazards. If a tree is dead or dying, it could pull down power lines when it falls. This is especially true during storms. In addition, trees



that grow into power lines can be hazards to climbing children.

Regular tree maintenance helps ensure safe and reliable service. Take advantage of your electric co-op's crew of tree professionals, rather than trying to do the job yourself if you think you have a tree that could potentially cause problems with powerlines around your home.

Carr's tree trimmers have marked trucks. If you are unsure of their identity, contact your electric cooperative. Sometimes tree-trimming scammers operate in the state.

If you have a tree you that concerns you, please call your electric cooperative today. ☎

Look for Carr's Tree Service to be operating in your area this season

Carr's Tree Service will be in Federated service area from January to June.

Carr's Tree Service will be in BCREA's area from July to August and was there from January to March too. ☎

Linemen Appreciation Day April 9, 2018

Thank you line crews for keeping on our electricity on & braving bad weather to restore it, whether it's meal time or bedtime!

Share your thanks on our Facebook page
or #ThankALineworker



Don't scrimp on the shrimp recipes! Share yours with us today

Share with us your impressive shrimp recipes. Share with us recipes for scampi, stir fry, skewers, Alfredo, as appetizers and main courses. Share your favorite shrimp recipes and send to: Editor, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or e-mail to christoffer@federatedrea.coop by April 26. Add your name and phone number. Thanks for sharing with us! ☺

Beef Taco Chili Soup by Mary Sue Lenort, Fairmont

Brown beef and onions. Then add the everything to the slow cooker. Cook on high for about four hours.

3 lbs. ground beef	14½ oz. can diced tomatoes
2 c. diced onions	1 pkg. taco seasoning
2 - 15½ oz. cans pinto beans	1 pkg. chili seasoning
15½ oz. can kidney beans	1 pkg. ranch dressing mix
14½ oz. Mexican-style stewed tomatoes	16 oz. can kernel corn

Serve with taco chips, grated cheese and sour cream. ☺

Electric cooperative legislative visits

— Continued from Page 1

many of the new technologies that can use energy more efficiently. Electric co-ops and municipal utilities are working with stakeholders on a sustainable CIP path.”

Plus, the renewable energy standard's mandate may change with a new governor. Now the goal is to have 25 percent renewables by 2025. “While utilities are on track to meet it, groups are proposing to raise the goal,” Horan said. “Again, let us make the right decision based on the marketplace and not force mandates and higher rates.”

The 50 electric cooperatives' delegates also listened to the six declared major party governor candidates. This was the first time all six candidates were on the same stage from both parties. The candidates discussed their positions on various topics ranging from education, guns, health insurance and more. ☺

Sump pump failure?



What if you go on a two-week vacation and your sump pump fails? You don't have to worry with a Heartland Security System. Heartland Security systems do more than sound the alarm. They can also monitor your home for flooding and more. Other features include:

- Smoke sensors detect fires and then dispatch the fire department.
- Carbon monoxide detectors pick up the presence of this odorless “silent-killer” gas emitted by malfunctioning furnaces or running vehicles.
- Water sensors alert you to a failing sump pump, drain, toilet or sewer back-up before costly damage occurs.
- High/low temperature sensors alert you to extreme changes. ☺



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also register at www.gopherstate-onecall.org or call 811. Call a licensed electrician to locate the underground lines on your side of the meter. ☺



Darla Ruschen
Office Manager

Staff notes

2017 financials at a glance

Brown County REA's 2017 audit was conducted by Eide Bailly LLP. Your cooperative had a clean audit and another good year.

Total Utility Plant increased from \$37.4 million in 2016 to \$38.5 million in 2017. The co-op's patronage capital is just over \$13 million and will be retired back to the membership, with board approval, at a later date.

BCREA's equity level is 40.5 percent. This number represents the total percent of assets owned by the membership. The current ratio meets all the co-op's loan covenants for lending.

The total revenue of nearly \$14.6 million is down nearly \$2 million from 2016 to 2017. BCREA sold just over 129 million kilowatt hours in 2017, as compared to 161 million kilowatt hours in 2016. A few factors contribute to these decreases. First, as we discussed last year, we had an accounting entry at the end of 2016 adding one more month to our financial statements for last year. Also, some of our decreasing revenue and kWh sales can be attributed to member conservation efforts, as well as self-generation by members.

The total expenses for the co-op also decreased by \$1.6 million over the prior year. The largest expense to the cooperative is purchased power. BCREA purchased just over 32 million less kilowatt hours in 2017 over the prior year purchases. Just like on the revenue side, the same factors can be attributed on the expense side of the equation — the revenue recognition piece, causing the co-op to book an additional month of purchased power expense in 2016, as well as the conservation efforts and self-generation. Purchased power costs make up about 66 percent of the total expenses to the co-op.

The net margins for 2017 are \$1,354,896. These margins will be allocated back to the membership as your capital credits in the very near future. We appreciate your membership and are grateful for another successful year. (U)



**Brown County
Rural Electrical
Association**

Brown County Rural Electrical Assn.
24386 State Hwy 4, PO Box 529
Sleepy Eye MN 56085

E-mail address: bcrea@bcrea.coop
Website: www.browncountyrea.coop
Phone: 507-794-3331 or 800-658-2368
Office hours: 8 a.m. to 4:30 p.m. Monday-Friday

Mike Heidemann, Chief Executive Officer

Board of Directors

James Mickelson, President — 794-6298
William Berg, Vice President — 354-4895
James D. Hanson, Sec.-Treasurer — 829-6756
Brad Sprenger — 877-2633
Allen Hanson — 276-0691
Thomas Hayes — 228-8954
Reuben Kokesch — 359-2112
Greg Mages — 794-3540
Joel Christensen — 828-4550
The Board of Directors meets the last Thursday of each month.

Board meeting highlights

The BCREA Board of Directors held its monthly board meeting March 29 at the BCREA office in Sleepy Eye. Discussion and/or action were taken on the following agenda items:

- Reviewed and approved February 2018 payroll and January 2018 financial statements.
- Reviewed and approved cooperative's 2017 financial audit as presented by Aaron Clayton of Eide Bailly, LLP.
- Approved appointments of 27 members to the 2018 Member Advisory Council.
- Updated on management team activity with the Rural Cooperative Cyber Security Capabilities Program (RC3).
- Discussed final plans for the 81st Annual Meeting to be held April 5 at the Sleepy Eye Event Center.
- Reviewed recent employee training and safety meetings and operations maintenance activities.
- Reviewed and approved staff meeting reports, director meeting reports and individual director reports.

The next meeting will be April 26 at the BCREA office in Sleepy Eye. (U)