

# ***Minnkota Messenger***

September-October 2018



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## Extreme makeover

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# Extreme makeover

A customer looks to check off another item on his grocery list as he walks down a well-lit aisle at SuperMarket Foods.

## Warren grocery store gets an energy-saving facelift

**T**ony Huotte is a businessman who believes in the old adage that you must spend money to make money.

Huotte has bought three grocery stores since 1995. In the past seven to eight years he has renovated every one of them – Karlstad and Warren in Minnesota and Walhalla in North Dakota. They all go by the name of SuperMarket Foods.

The Warren store, which he bought in 2017, is the latest to get a facelift.

“I’m a big believer in updating,” Huotte said. “People want a clean, bright store to shop in. We’re not as cheap as

the big stores. We can compete with a lot of items, maybe half of them. Some of the other ones we have trouble competing with.

“If we give them a clean, bright, fresh,

new-looking store, they will shop with us. It’s all about convenience.”

Powering the latest renovated store is the City of Warren Water & Light. Warren Water & Light is one of the 12 participants in the Northern Municipal Power Agency, and Minnkota is operating agent for NMPA.

The Warren store has new 6-inch by 4-foot no-maintenance faux wood flooring, several new closed-door refrigerated display cases and new LED lighting – both in the ceiling and in the display cases. Included in the updates was the addition of frozen food cases to offer a better variety. These are some of the many noticeable changes welcomed by customers who spend time shopping in Warren.

The display cases feature French doors and house produce, dairy, meat and frozen food. Switching from open to closed cases and changing out five compressors with five horsepower to one-half horsepower motors



Owner Tony Huotte opens one of the new closed-door refrigerated display cases, which keeps vegetables and other food fresh.



has made a big difference in the amount of electricity used in the store.

"The old compressors used to run all the time in the basement," Huotte said. "Sometimes I look at them now and say, geez, I hope they're working, because they're never running. It's just like your refrigerator at home – it only needs to run once in a while."

The compressors give off a lot of heat, so Huotte blows the air out with an exhaust fan in the summer. In the winter, he uses the air to heat the store.

In addition to using less electricity, the new LED cases are much brighter. Colors pop out and customers get a better look at the product and the sales signs. Another big improvement in the cases are the new spring-loaded shelf merchandising systems. When a customer grabs an item in the case, the next item automatically springs to the front.

"Before, if we just had two items, it looked empty," Huotte said. "You want full-looking shelves. All product is dated, so it's convenient that we get down to two or three items. And we get two trucks a week. . . . We like to order it tight and get a fresher product and not throw away any outdated product, which gives the customer a fresher product to take home."

Produce, especially items such as peppers, celery and mushrooms that tend to have a shorter shelf life, stay fresher in the closed display cases.

"Our shrink or loss in the produce department is way down," Huotte said.

Another big addition in Warren is the new Beer Cave liquor store. SuperMarket Foods also has a liquor store in Karlstad. The Warren Beer Cave has a large walk-in cooler for beer and plenty of shelf space elsewhere to maintain an adequate inventory.

Customers often buy their groceries, put them in their vehicle and enter the liquor store from a separate street-side door to pick up their spirits.

Huotte said the liquor store has met sales projections since it opened in the summer, but he expects business to pick up in the sec-

ond year of operation. In Karlstad, business picked up about 20 percent after one year.

No extra labor is needed for the liquor store. A doorbell goes off when somebody enters and a grocery store employee enters and waits on them.

"If I had to set a person here all day, I'd go broke," Huotte said.

Huotte is receiving more than \$7,800 in rebates through the City of Warren's participation in the PowerSavers program. Incentives were provided for high-efficiency ECM fan motors in the refrigerated display cases and coolers, along with LED lighting and the energy-efficient doors and glasses for the refrigerated display cases. PowerSavers, which includes participating Minnkota member cooperatives and NMPA municipalities, provides a consistent set of energy efficiency and conservation programs to end-use consumers and businesses.

The updates are expected to save the store about 239,805 kilowatt-hours in electricity use annually.

Customers are pleased with the updates.

"I think it's nice and welcoming," Toby McGregor of rural Warren said. "Everything looks bright and friendly. It is clean and, quite frankly, I think Warren is very lucky to have a grocery store of this caliber."

It's quite an update from when Huotte entered the grocery store business in 1975 as a bag boy for an old Red Owl in Crookston.



A young customer carries grocery bags for his grandmother.



The Beer Cave is a new addition to the Warren store.





## Cavalier REC buys successful appliance business

Over the last 18 months, Cavalier Rural Electric Cooperative (CREC) has remodeled its headquarters building inside and out.

Upgrades are aplenty – everything from a new heat pump system to office furniture to flooring to LED lighting to drywall to a new roof.

It doesn't end there. CREC even carved out a corner of its headquarters in Langdon, N.D., for a new company.

Yes, the cooperative has purchased Glenn's Appliance, a well-established

From left, employees Sherrisa Lam, Ben Nelson, Marty Tetrault, Glenn Gapp and Laurie Landsem show off the new appliance store at Cavalier Rural Electric Cooperative.

**"Our small co-op is trying to survive and serve our customers as best we can. I have been a customer of Glenn's and have seen his customer service; it really fits the cooperative world. It's all about providing services for our consumers and the community we're involved in."**

– MARTY TETRAULT, CREC Operations Manager

Langdon business known for its outstanding customer service. CREC acquired the business, forming a subsidiary called Glenn's Appliance Inc.

As part of the negotiations between CREC and Glenn's Appliance, owner Glenn Gapp will continue to manage the business for a year to 18 months. Cooperative employee Ben Nelson will join Gapp in the appliance division and eventually manage the subsidiary.

After 30 years in the appliance business, Gapp said he was pleased to sell Glenn's to another longtime Langdon area business known for its customer service. Since cooperatives exist to meet their members' needs and are known for contributing to the economic stability of their communities, Gapp thought it was a good fit.

"I've learned a lot about the co-op," Gapp said. "I think it's a solid company. I feel like it's in extremely good hands, the business. It's comforting. After you operated the business for 30 years, you care about it."

While it's not unique for cooperatives to sell appliances, they don't go out and buy an appliance store every day.

"We have worked hard on the plan," said Chuck Riesen, CREC manager. "We conservatively show positive cash flow in year three, and the business will be debt-financed. Any business startup has risks; we believe we have covered all the contingencies. I've been here long enough to know our electric service is top-notch. Glenn's reputation is stellar.

"Together we will be a good fit and better partner for our area."

Marty Tetrault, CREC operations manager, said the cooperative cannot compete with the pricing of the Best Buys, Home Depots and other big box stores on many items.

"But I can guarantee you we will kick

their butt in customer service," Tetrault said. "Customer service is our big piece."

Gapp agrees.

"It's a smaller community, so you depend on return business," he said. "Customer service has to be a priority to thrive."

On most occasions, Gapp delivered and carried appliances to his customers on his own. With fridges and other appliances becoming larger, he said it will be nice to have the help of a second employee.

"I'm just a little tired physically with it," Gapp said. "You really need another guy to do this job effectively."

Sherrisa Lam, CREC finance manager, said bringing the appliance division inside the cooperative building is a positive.

"We're just looking for another way to reach into the community," she said. "This is a great, established business and we got Glenn as part of the deal."

Electricity and appliances aren't the only products CREC sells. The co-op has an electrical resale room, where members can buy light bulbs and electrical supplies, water heaters and vacuum cleaners.

"Our small co-op is trying to survive and serve our customers as best we can," Tetrault said. "I have been a customer of Glenn's and have seen his customer service; it really fits the cooperative world. It's all about providing services for our consumers and the community we're involved in."



Glenn Gapp helps a customer select a microwave from the new store.



Raised in a baking household, Anna Lauer hasn't been able to shake her love of kitchen creations. Now, she shares stories of her flour-dusted farm life through her blog, "WildFlower Farm."

# BAKING & BLOGGING

## THE BOUNTY



# Beltrami Electric family uses rural soil and cooperative connections to satisfy sweet teeth

**O**n a brisk September evening, Anna Lauer's small country kitchen was bursting, filled with the savory sweet smell of maple and bacon, the raucous laughter of her little ones, and the chatter of her husband, father and nearby neighbor.

But Anna went about meticulously spreading maple buttercream across her freshly baked layer cake. This was her happy place – food, family and friends on the farm.

Lauer is known as the baker and blogger behind WildFlower Farm, a quaint farmstead in Puposky, Minn., about 15 miles north of Bemidji. Professionally trained in the ways of breads, tortes and scones, she uses anecdotes and photos to illustrate how she turns the



grains, sweets and meats of her own land into dishes for her family and community.

"The blog was a way to share some recipes, share all of the random things that happen out here, and just talk about our farm life," Lauer said. "I hope people just enjoy hearing about it and they're able to learn something, or get a good laugh," she added with a giggle herself.

"It's hard to put into words what goes on around here," her husband Mike chuckled as daughter Scout climbed her way up onto his back. "But Anna nails it pretty close with her stories."

She has a lot of stories to share. Her days start with chores and getting the kids where they need to go, followed by a full day of work at Paul Bunyan Communications (a rural telephone cooperative) in Bemidji. Then it's back home to care for her cows, 70 chickens, four turkeys, handful of dogs and cats, donkey, two little girls (Scout, 3, and baby Hazel), two little boys (Cyril, 5, and Emerson, 2) and husband.

Amidst all of that, she fits in the task that has a lock on her heart.

"I grew up cooking and baking. Before I'd go to soccer practice, there would be a note on the kitchen table: 'Make bread,'" Lauer said.

"Her mom is a baker, so she was a baker," her dad, 35-year Beltrami Electric Cooperative mechanic Matt Dockendorf, grinned. "They were always up to their elbows in flour dust."

It was an urge cooked into Anna's conscience. "It just kept pulling me in that direction."

## Pastries to pastures

Lauer left home after graduation to enroll in the culinary program at North Dakota State College of Science in Wahpeton, N.D. She brought her pastry chef training to Bismarck, where she gained more hands-on experience at a local grocery store and took on additional courses.

In 2008, when she was just 20 years old, she opened her own bakery downtown – the Patisserie on Fourth.

"We did a lot of scratch baking there," she recalled. "It was a lot of fun, but it was a lot of work, and there wasn't time for family."

That's what she and her then-boyfriend and Bismarck native, Mike, yearned for, so they closed the shop, got married and headed east for a small farm just 10 minutes from Anna's childhood home.

"I was going to be done with the baking. I was just going to grow some vegetables, maybe some wheat, and just enjoy the farm,"

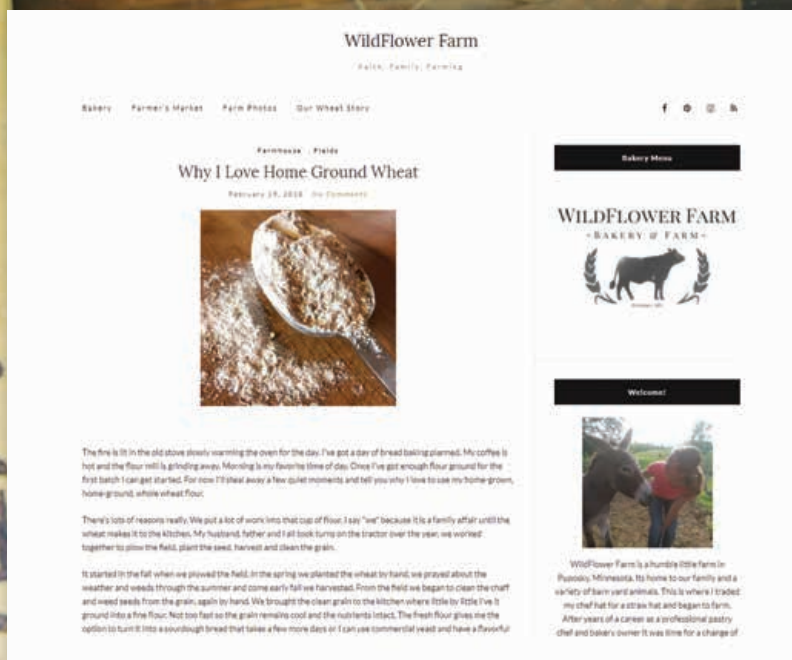


Beltrami Electric's Matt Dockendorf spends some kitchen counter time with his granddaughter, Hazel.



Mike and Anna Lauer moved to rural Beltrami County to raise a family, which quickly grew from one child to four. Left to right: Scout, Mike, Emerson (above), Cyril (below), Anna and Hazel.





Anna uses the web as a platform to recount her family's humorous and inspiring farm adventures, share made-from-scratch recipes and take orders for her popular in-home bakery.



Lauer said. "That worked for not even a year. Somehow I got pulled back into baking, so I gave up trying to walk away from it."

### Connected to the cooperative

The baking Anna knew how to do. Other farm life details have been more of a learning experience, like organic wheat growing, hay-loft design, and fence building – with which they receive plenty of help from Anna's parents, Matt and Dianne.

There's a sweet connection between Anna and her dad. About 15 years ago they started tapping maple trees together to make their own maple syrup. Even when she was five hours away in Bismarck, Anna continued to use her pop's syrup in her baking.

"I know where the good stuff is," she said, sprinkling the final glistening bacon bits on top of her now-complete maple bacon cake, which joins raspberry white chocolate scones, chocolate croissants and specialty breads as her most popular sellers online and at the local farmers' market.

Anna uses her own farm-fresh eggs, homespun honey and garden fruits and grains in her recipes, but the whole Beltrami Electric Cooperative community helps her do what she does best. Many have known her and brother Luke Dockendorf (now a Minnkota substation electrician) since they were kids running around the bucket trucks.

"I sold a record amount of Girl Scout

cookies. I earned patches because of Beltrami Electric," Lauer remembered.

Now, the chef leans on those at the co-op to supply heifers, pigs, wild fruits and wild rice for her culinary concoctions. In turn, they get first dibs on orders for Valentine's Day and Christmas, and brother Luke is always up for making special deliveries to the cooperative folks in Grand Forks.

"I'm very proud, very proud of her," Matt beamed from his daughter's kitchen stool.

### Next chapter

In addition to her blog, Anna has self-published two books – a cookbook called "Apron Strings and Rolling Pins" and a children's book titled "When Christmas Happened on the Farm" – and is currently working on two more that focus on gardening and the farm.

The Lauers have plans to add more livestock and expand their two-and-a-half-bedroom farmhouse, including a bonus kitchen for summer canning and keeping up with Anna's orders.

It's extra space to whip up extra delicacies for the kids, cooperative and community.

"I have a lot of repeat customers. It's fun to meet new people at the farmers' market and have them call at Christmas," Lauer said. "It's great to make that connection."

Visit **WildflowerFarm.org** to follow Anna's story.





## Minnkota reviewing Affordable Clean Energy rule

Minnkota is studying a proposed rule from the Environmental Protection Agency to regulate carbon dioxide emissions from existing coal-based facilities.

The Affordable Clean Energy (ACE) rule, published in the Federal Register on Aug. 31, appears to be a step in the right direction because it provides states with the latitude to implement plans focused on each individual power plant within their borders. Under the proposal, states would set a unit's performance standard by determining the Best System of Emission Reduction from a list of seven candidate technologies identified by EPA. The technologies focus on efficiency upgrades known as heat-rate improvements. Heat-rate improvements have long been analyzed for their engineering and economic feasibility.

The ACE rule also proposes to modify EPA's New Source Review program to streamline the process for plants to make efficiency improvements without a prolonged and costly permitting process.

EPA indicates that CO<sub>2</sub> emissions will be approximately 34 percent below 2005 levels upon full

implementation of the ACE rule, which is consistent with expected reductions under the Clean Power Plan. Although it was finalized in 2015, the Clean Power Plan was never implemented due to a Supreme Court stay pursued by Minnkota and other electric cooperatives. The rule's stringent targets and aggressive timelines would have likely forced North Dakota utilities into costly, irreversible and irrevocable decisions on the future operation of their coal-based facilities.

EPA will accept public comments on the proposed rule through Oct. 31.

### **Project Tundra would benefit from 48A tax credit changes**

Changes in the path toward CO<sub>2</sub> regulation have not affected Minnkota's efforts to evaluate Project Tundra. Modeled after the successful Petra Nova initiative in Texas, the vision for Project Tundra is to retrofit Unit 2 at the Milton R. Young Station with technology that could capture up to 95 percent of its CO<sub>2</sub> emissions. The CO<sub>2</sub> would then be utilized for enhanced oil recovery (EOR) or geologic storage.

U.S. Sen. Heidi Heitkamp (D-ND) has introduced a bill that would potentially unlock additional federal funding for the project. By making important technical modifications to the Section 48A "Qualifying Advanced Coal Project Credit" program, Project Tundra could receive up to a 30 percent investment tax credit.

Sen. Tina Smith (D-MN) is a co-sponsor of the bill. U.S. Rep. Kevin Cramer (R-ND) introduced similar legislation on the House side earlier this year.

This effort is the latest in a series of initiatives the North Dakota federal delegation has supported this year. In February, the FUTURE Act to reform the Section 45Q tax credit for CO<sub>2</sub> capture and sequestration passed with strong leadership from the North Dakota delegation. The expansion of these tax credits provides a credit of \$35 per ton for CO<sub>2</sub> that is captured and used for EOR and \$50 per ton that is captured and stored in a geologic formation deep underground.

Visit [ProjectTundraND.com](http://ProjectTundraND.com) to learn more.





Beltrami Electric Cooperative kicked off National Drive Electric Week (Sept. 8-16) with an EV celebration at its headquarters in Bemidji, Minn. This Tesla Model X was the belle of the ball, travelling 200 miles for the event.

# Drive Electric Week

Chris Wilde is wild about electric vehicles (EVs), and it's difficult for her to contain it.

"Spread the gospel!" she exclaimed, surrounded by the EV enthusiasts and curious newcomers gathered at Beltrami Electric Cooperative in Bemidji, Minn., on Sept. 11.

Wilde and her husband Dan were among the dozens attending Beltrami's National Drive Electric Week event, one of several

planned across the country from Sept. 8-16. The party drew those wanting to learn about the benefits and challenges of going electric, as well as the drivers of many varieties of plug-in vehicles – Teslas, Chevy Bolts and Volts, and Nissan Leafs like the Wildes'.

"Who can resist coming to see other kinds of electric cars when you're such an electric car fanatic," Chris said.

"We absolutely love our Leaf. It's comfortable to drive. It just tickles me when I drive

through a parking lot and it doesn't make any noise. People jump!"

The pair from Park Rapids, Minn., heard about the event from an online EV community and had no problem making the 50-mile drive north. Some attendees drove farther on battery power, including Nicholas Thieling from the Anoka-Ramsey area. His 2017 Tesla Model X made the 200-mile journey with plenty of charge to spare.

"I'm primarily interested in furthering education," he said as people poked around his ride's interior. "These are still viewed as a kind of weird, alien technology that people are afraid of. They think it can't work for them."

Thieling, like many EV owners, feels a responsibility to teach people about his mode of transportation. In northern Minnesota, where drivers don't see many electric cars on the road, the questions come full force.

"If we stop to charge at some public charging station, we'll hook up and people will just be like, 'What is that? What's going on here? Is this guy vandalizing something?'" Thieling laughed. "No, I'm just plugging in the car. I can get into it and explain all of the technology at play."

## Fargo fiesta

Two days later, the education and intrigue continued at



Cass County Electric's EV Tailgate Party on Sept. 13 drew dozens of community members who wanted a peek under the hood of locally owned plug-in vehicles.





**“Cooperatives are viewed as experts in a lot of fields. Our members look to us for advice. That was the reason the co-op purchased a Chevy Bolt earlier this year. We want to learn more about it, be the energy experts on electric vehicles and be a resource for our members.”**

– PAUL MATTHYS, *vice president of Member and Energy Services,*  
Cass County Electric Cooperative

Cass County Electric Cooperative in Fargo, N.D., where the co-op hosted an EV Tailgate Party for the Red River Valley community. Industry experts stood by to answer questions about available plug-in car models, off-peak rebates, home charging stations, electric bicycles and other all-electric opportunities.

With the help of local sponsorship partners, Cass County Electric dished up free food truck fare, T-shirts and test drives. Knowledge was also on the menu.

“I didn’t realize that there were this many different kinds of electric vehicles,” said EV newbie Carman Swenson, visiting from Mapleton, N.D. “I didn’t know you could have the technology in a bus,” she added, referring to the hybrid city bus parked behind her. “That’s pretty neat.”

Those eye-opening moments drive this nationwide celebration of EVs to expand every year. Cass County Electric’s Paul Matthys, vice president of member and energy services, said they decided to join in on the Drive Electric Week fun as a way to better connect with their members.

“Cooperatives are viewed as experts in a lot of fields. Our members look to us for advice,” he said. That was the reason the co-op purchased a Chevy Bolt earlier this year. “We want to learn more about it, be the energy experts on electric vehicles and be a resource for our members.”

## Minnkota mileage

In addition to the two official National Drive Electric Week events hosted by its member cooperatives in Fargo and Bemidji, Minnkota took its own Chevy Bolt to other community gatherings over the week.

That Friday, the Minnkota EV spent the day at Grand Forks’ Greenway Takeover Festival – a four-day outdoor event filled

with live music, lawn games, food trucks and community bonding. The Minnkota team handed out **EnergizeYourDrive.com** sunglasses and answered dozens of questions about electric car technology.

The amped-up week ended on Sunday with the Rydell Benefit Car and Bike Show, hosted at Rydell Cars in Grand Forks. Amid the nearly 400 souped-up automobiles registered, the Minnkota Bolt stood out in the dealership’s “Toy Shop” – home base for the best classic finds.

Visit **EnergizeYourDrive.com** for a firsthand account of Minnkota’s Drive Electric Week journey and to learn more about your cooperative’s EV rates and rebates.



## #ISeeTheEV

As a part of Minnkota’s Drive Electric Week travels, we asked people to keep an eye out for our all-electric Chevy Bolt. If they saw it out and about, they could snap a photo with the car and post it to social media with the hashtag #ISeeTheEV for a chance to win \$100 for a charitable cause of their choice. The lucky winner was Tom Seymour of West Fargo, N.D., who decided to give his \$100 to the Mayville State University Foundation. Congratulations, Tom, and thank you to everyone who participated!



On Sept. 14, Minnkota brought its EV to the Grand Forks Greenway Takeover Festival to show the public, young and old, what electric cars can do.



The Minnkota Chevy Bolt stood out from the hundreds of classic rigs at the Sept. 16 Rydell Benefit Car and Bike show – a perfect venue to bring Drive Electric Week to a close.



## NORTH DAKOTA MEASURE NO. 1

## 2018 ELECTION

# North Dakota's electric cooperatives oppose Measure 1

Minnkota is joining North Dakota's electric cooperatives and the vast majority of the state's business community in opposing Constitutional Measure 1.

North Dakotans will vote this fall on the ballot measure, which purports to protect the state from corruption through the formation of an ethics commission. Instead, Measure 1 contains too much ambiguity, which will limit an electric cooperative's ability to advocate on behalf of its members.

The measure would override all other articles of the North Dakota Constitution.

"As a cooperative, we strongly support open, transparent and ethical engagement with public officials," said Stacey Dahl, Minnkota senior manager of external affairs and communications. "Measure 1 does not advance these ideals. It only creates barriers to having productive conversations about public policy decisions impacting our cooperative."

In addition to the state's electric cooperatives, Measure 1 is also opposed by the Greater North Dakota Chamber of Commerce, the American Civil Liberties Union (ACLU) and the majority of the state's energy companies.

"The cooperative movement was born out of grassroots advocacy," Dahl said. "There is too much uncertainty in Measure 1's impacts on the ability to engage at the grassroots level."

## Minnkota Messenger

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Minnkota is a generation and transmission cooperative supplying wholesale electricity to 11 member-owner distribution cooperatives, three in eastern North Dakota and eight in northwestern Minnesota. Minnkota also serves as operating agent for the Northern Municipal Power Agency, an association of 12 municipal utilities in the same service region. Together, the Joint System serves more than 150,000 customers.

Visit Minnkota's website at [www.minnkota.com](http://www.minnkota.com).



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**On the cover:** Owner Tony Huotte renovated and updated his SuperMarket Foods grocery store in Warren, Minn. The improvements have been a big hit with customers. *Story on pages 2-3.*