

VOLTS & VIEWS

 **Roseau Electric Cooperative, Inc.**

A Touchstone Energy® Cooperative 

JANUARY 2019

How demand response works

Minnkota Power Cooperative, our wholesale power provider, has the ability to control up to 350 megawatts through its load control system.

This includes dual-fuel systems, temporarily controlling storage heating systems, large-capacity water heaters, home vehicle chargers and large industrial consumers with backup generators. Millions of dollars have been saved due to the successful operation of Minnkota's load management system for about 40 years.

This is why new load management ripple control equipment is needed at substations such as the Northwest Angle in REC's service territory.

Fuel prices, in particular propane, weather and power plant outages are what drive market price volatility and the number of hours of control in the winter season.

For instance, the Coyote Station, which is partially owned by the Northern Municipal Power Agency, has an outage scheduled to begin March 29 and last into May. NMPA and its operating agent, Minnkota, receive 128 megawatts of power from Coyote.

"Any time you have a generator out, you're exposed more to the market," said Todd Sailer, Minnkota senior manager of power supply and resource planning. "We typically do not schedule maintenance in the January and February time frame when we're at peak conditions. That's where the unplanned or forced outages come into play."

During outages and periods of peak electric demand, Minnkota's first option is to purchase energy from the power market. If the timing is

not right and affordable power is not available, off-peak loads are temporarily controlled. The savings are passed on to retail consumers through the lower off-peak heating rate.

"Controlling load during these periods protects consumers from the volatility of the market and prevents the need to build new power plants just to serve peak loads," Sailer said.

An off-peak system consists of an electric heating source as its primary component. A supplemental heating source must operate several hundred hours or more during the winter season. Sailer said members with a well-maintained backup heating system should not notice a difference in comfort level when their off-peak heating system is controlled.

Northwest Angle load management update

Roseau Electric Cooperative, with the help of Minnkota Power Cooperative, has installed a new load management ripple control system at the Northwest Angle substation in Minnesota.

The new system will work the same as the traditional off-peak/load management system. The off-peak equipment will help Roseau Electric Cooperative better manage the load at the Northwest Angle, which will allow opportunity for future growth.

Northwest Angle residents could see some load control if the load level increases to a high level that is near capacity. This would then create a "peak" condition. When peak conditions occur, the load management system will send a signal through the power lines to the off-peak receivers and the electric heat load will be controlled. When the load level decreases, the electric heat is restored. If the backup system is adequate the homeowner will not experience discomfort.

Off-peak electric heat offers several benefits. Members get a reduced kilowatt-hour rate for their electric heat and there are currently incentives of \$40 per kw for new installs of electric heat and for off-peak heat conversions.

Roseau Electric will work in the Northwest Angle over the next several months to change out old load management receivers. REC will make phone calls for appointments to set up a time or gain access to the off-peak receivers. If you have any off-peak questions or concerns, please feel free to call the Roseau Electric Cooperative Member Service Department at 218-463-1543.



Roseau Electric employees work on cabling for the new load management ripple control injector at the Northwest Angle.

VOLTS & VIEWS

JANUARY 2019 – Vol. 64, No. 1

OFFICIAL PUBLICATION OF

Roseau Electric Cooperative, Inc.

1107 3rd Street N.E.

The Volts & Views (USPS-663420) is published monthly by Roseau Electric Cooperative, Inc., P.O. Box 100, Roseau, MN 56751. Periodicals postage paid at Roseau, MN. POSTMASTER: Send address changes to ROSEAU ELECTRIC COOPERATIVE, INC., P.O. Box 100, Roseau, MN 56751.

OFFICERS AND DIRECTORS

Chairman Mark Sax
Vice Chairman Jim Hallan
Secretary-Treasurer Collin Jensen
Directors Roger Amundson, Shawn Gust,
Wes McFarlane, Dale Moser,
Mike Wahl, Ed Walsh
Tracey Stoll General Manager
Ryan Severson Assistant Manager
Mike Millner Line Superintendent
Jeremy Lindemann Member Services
Alex McMillin Office Manager

Regular Business Hours: 8:00 a.m. - 4:30 p.m.

Phone (218) 463-1543

OUTAGE CALLS:

Toll-Free 1-888-847-8840

MINNESOTA STATE ELECTRICAL INSPECTORS

7 a.m. - 8:30 a.m. (Mon. thru Fri.)

*Kittson, Polk and part of
Marshall Counties:*

Wayne Bergstrom – 701-520-9771

*Northwest Angle, Pennington, Roseau
and parts of Beltrami and
Marshall Counties:*

Ronald Ditsch – 218-779-6758

Lake of the Woods County:

Curt Collier – 218-966-5070

Inspector list is subject to change at any time.

The State of Minnesota has high wiring standards, which are in the best interest of you and your family or business. Improper wiring can damage your home, your property and equipment, and injure or kill the people you love. Currently, the state does allow homeowners to do their own residential wiring; however, it is critical that the current electrical code is followed. Any time you or an electrician does wiring or other electrical work at your home or farm, Minnesota state law requires a state wiring inspector to conduct a proper inspection of the work. A rough-in inspection must be made before any wiring is covered. A final inspection is also required. For more information visit dli.mn.gov and go to the electrical page.

Gopher State One Call
1-800-252-1166 or 811
www.gopherstateonecall.org



Anyone who plans to dig is required by law to notify the state of their intentions at least 48 hours in advance. All digging requires the 48-hour notification so that buried telephone line, television cable, pipelines, utility electrical lines, municipal water and sewer lines can be located to ensure that none will be severed or damaged.

OUR MISSION STATEMENT

Roseau Electric Cooperative is committed to providing its member-owners low-cost, high-quality, safe and reliable electricity with friendly, efficient and knowledgeable service.

This institution is an equal opportunity provider and employer.



We like brisk winters

Tracey Stoll, General Manager

Well, if we needed a reminder of what northern Minnesota winters can produce, we've seen, heard and felt it this week. Between the -31°F at my house this morning to the howling winds and blowing snow the day before, even some of the longtime locals were jarred from their opinions that winters just aren't as cold here as they once were.

It was the visual reminder, returning from a Minnkota meeting this week and seeing eight vehicles just sitting on the side of the road, that auto maintenance before the winter season is so important. There have been at least two auditory reminders – one, the certain crunch of the snow and ice as you walk out from your house, and two, the distinct irritation in a voice on the phone when a heating system is not performing as expected.

Over the years, we've gained a few people with a negative tone in their voice when you dare to bring up the subject by saying, "It sure is cold out there this morning!" I admit that my wife is one of those. But, for us who were born and raised here, there's still that sense of awe and a wee bit of pride in the tone of voices as we share temperature differences at our houses and what the vehicle was showing on the ride in.

Here at your cooperative, the months of December, January and February remain our highest potential sales months. When that potential is not met, we struggle through the rest of the year wondering how much the rates may have to be increased to balance the scales. The month of December 2018 was disappointing. Will January 2019 surprise us?

We ended 2018 selling just shy of

152 million kilowatt-hours (kWh) of energy to our members – the third-lowest kWh sales in the last 20 years – the other two low years were 2017 and 2016. Our new normal – three-year average – is just under 151 million kWh. Any other average you may wish to run – five-year, 10-year, 20-year – all come in around 160 million kWh. That's almost 10 million kWh we're learning to budget without. We are in a period of no significant load growth, higher efficiency standards, as well as your right and privilege of choosing what source of fuel you use to heat your home.

What Minnkota produces and what we sell to you, our member, is a precious commodity. With rebates and expert help from our member services department, we are purposely educating and offering incentives to you to use electricity in the most efficient way possible. I admit some of that is spurred by an aggressive state conservation improvement program, but a good part of the education offered to any who stop in or call is for the betterment of our members.

That is as simple as I can be with our philosophy of how to run our cooperative – what is best for the member? In the past, that question has been answered with products and offerings like C-Band (big dish) satellite television, DirecTV, long-distance phone service, water heater sales, generator sales, safety and security monitoring, and coming soon, fiber-to-the-home high-speed internet and phone service. None of these offerings has blanketed our entire membership. None of these offerings has and ever will eclipse our primary offering – reliable electricity, light at the flip of a switch!

RESOLVE TO SAVE ENERGY

Make a home energy resolution and reap the benefits all year long!

Three easy ways to save energy:

1
Install a programmable thermostat.
You could save an estimated \$180 annually!



2
Ditch incandescents.
Did you know incandescent bulbs release 90% of their energy as heat? Use LEDs instead.



3
Reduce energy used for water heating.
Lower your water heater's temp and consider installing low-flow showerheads.



Source: energy.gov

*Happy New Year from our co-op family to yours!
Thinking about resolutions? Here's an easy one:
Resolve to #SaveEnergy (and money!)*



CARBON MONOXIDE SAFETY REMINDERS

- Install CO alarms on every floor of your home and outside each sleeping area.
- Test CO alarms monthly.
- Replace CO alarm batteries at least annually.
- Make sure your family knows the difference between CO and smoke alarm sounds.
- If your CO alarm sounds, immediately go outdoors.

OPERATING STATISTICS

	Monthly		Yearly	
	Dec. 2017	Dec. 2018	Dec. 2017	Dec. 2018
Members	6,471	6,536	6,471	6,536
kWh purchased	18,219,860	16,298,757	156,212,995	158,902,858
% change		-10.54%		1.72%
Revenue	1,990,139	1,855,895	18,768,122	19,211,005
Cost of power	1,200,493	1,119,616	11,424,489	11,683,428
Other expenses	529,103	587,883	6,534,590	7,004,590
Operating margins	260,543	148,396	809,042	522,987
Nonoperating margins	(7,163)	11,256	66,895	83,545
Patronage dividends	-	-	188,280	191,747
Total margins	253,380	159,653	1,064,217	798,279

member connection

ENERGY TIP

Cover up cold feet. Research shows we are more sensitive to feeling cold when our toes are exposed, and women are more likely than men to have cold feet. Wearing comfy wool socks can help you feel warm all over, and you won't "feel" the need to turn up the thermo\$tat!

SAFETY TIP

It's no secret that many deaths caused by carbon monoxide poisoning occur during winter months. Keep the CO safety tips shown at left in mind for you and your family.

QUOTE OF THE MONTH

"There is no hope unmingled with fear, and no fear unmingled with hope."

- Baruch Spinoza

DATES TO REMEMBER

- Feb. 14** – Valentine's Day
- Feb. 18** – Presidents Day
- Feb. 21** – Electric bill is due
- April 6** – REC Annual Meeting

Roseau Community School

OFFICE HOURS

Monday-Friday 8 a.m. – 4:30 p.m.
Phone 218-463-1543

AFTER HOURS/OUTAGE NUMBER

Toll-free 1-888-847-8840
(main outage call center)

CALL BEFORE YOU DIG
1-800-252-1166 or 811

PAY BY PHONE – 1-877-999-3412

SMARTHUB

<https://roseauelectric.smarthub.coop/>

WEBSITE

www.roseauelectric.com



LIKE US ON **FACEBOOK**
TO STAY UP-TO-DATE!

Save money and energy in 2019



*with energy
efficiency rebates!*

Please see the chart
for a sample of
residential incentives.

All incentives, criteria and
guidelines for resident and business
members can be found at

www.roseauelectric.com

or by calling

888-847-8840

All criteria are listed
on the rebate form.

Sample 2019 Residential Electric Rebates for Members

(Incentive shall not exceed 50 percent of project costs)

Equipment	Specifications	Rebate
LED Screw-in Bulb	40-60W equivalent incandescent. ENERGY STAR® recommended.	50% of the purchase price up to \$2/bulb
LED Screw-in Bulb	65W or greater equivalent incandescent. ENERGY STAR recommended.	50% of the purchase price up to \$4/bulb
LED Fixture	Complete fixture or replacement kit. ENERGY STAR recommended.	50% of the purchase price up to \$4/fixture
LED Outdoor Fixture	LED Outdoor Fixture Wattage of <40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR recommended.	50% of the purchase price up to \$10/fixture
LED Outdoor Fixture	LED Outdoor Fixture Wattage of >40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR recommended.	50% of the purchase price up to \$20/fixture
Clothes Washer	Must be ENERGY STAR approved.	\$25/unit
Clothes Dryer	Must be ENERGY STAR approved.	\$25/unit
Refrigerator or Freezer	Must be ENERGY STAR approved.	\$25/unit
Recycle old Refrigerator or Freezer	Recycling receipt required.	\$50/unit
Electric Water Heater	Minimum 80-gallon total capacity, EF ≥0.91. Must be controlled under the utility's load management, also known as demand response, program.	\$150/unit
Programmable Thermostat		50% of the purchase price up to \$25
Tune-up for Central AC	Not valid on window AC units. Checklist on form must be completed with application.	\$25/unit
Tune-up for Air-Source Heat Pump or Mini-Split Ductless Air-Source Heat Pump	Checklist on form must be completed with application.	\$25/unit
Supplemental Heating Source Air-source Heat Pump	Must modulate to allow ENERGY STAR-rated Air-Source Heat Pump to operate down to 5° F and be on load control.	\$500/unit
Air-source Heat Pump	Less than 17 SEER Equal to or greater than 17 SEER	\$200/ton \$400/ton
Furnace (Air Handler) with ECM Blower	Furnace with an ECM Blower	\$100/unit
Mini-Split/Ductless Air-source Heat Pump	Less than 17 SEER Equal to or greater than 17 SEER	\$200/ton \$400/ton
Ground-source Heat Pump Open Loop less than 135,000 BTUH @ 59° F	16.2 EER/3.6 COP Maximum incentive \$2,500/home	\$200/ton
Ground-source Heat Pump Closed Loop less than 135,000 BTUH @ 77° F	14.1 EER/3.3 COP Maximum incentive \$5,000/home	\$400/ton