

Red River Valley Cooperative Power Association

SPARKS

October 2022

Your Touchstone Energy® Cooperative 



**Blyss-full
Fall Flowers**

Blyss Flower Farm | Ada, Minn.

SPARKS

Red River Valley Co-op Power is an equal opportunity provider and employer.

Sparks (USPS 509-300) is published nine times a year – January, February/ March, April, May/June, July, August/ September, October, November and December – by the Red River Valley Cooperative Power Association, 109 2nd Ave. E, Halstad, MN 56548. Periodical postage paid at Halstad, MN 56548. POSTMASTER: Send address changes to Sparks, Red River Valley Cooperative Power Association, P.O. Box 358, Halstad, MN 56548-0358.

Phone (218) 456-2139 or (800) 788-7784

www.rrvcoop.com

Subscription rates: \$1/year

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October 2022
Volume 66, No. 7

Halstad, Minnesota (USPS 509-300)

OFFICERS & DIRECTORS

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Secretary-Treasurer
Bob Kinkade Ada
Curt Stubstad Sabin
Trevor Sorby Glyndon

Rich Whitcomb
Chief Executive Officer

Scheduled Board Meeting

Board meetings are held in Halstad at the cooperative office starting at 8:30 a.m. on the next-to-last Monday of each month.

**Outages:
800-788-7784**

On the cover: An early fall sunset illuminates a field of zinnias at Blyss Flower Farm near Ada, Minn.

Photo courtesy of Blyss Flower Farm (blyssflowerfarm.com).



THE CEO'S REPORT

Electric value in the face of overall rising consumer costs

by Rich Whitcomb, CEO

Inflation continues to make headlines for obvious reasons.

While it is still early to provide anything definitive for your cooperative in 2023, I do want to point out that the cost of electricity to you has remained extremely stable. In fact, Red River Valley Co-op Power's core service to residential members using 1,000 kWh only rose about half a percent over the last five years.

Meanwhile, according to the U.S. Bureau of Labor Statistics, in 12 short months, the cost of gasoline has risen 26%; new vehicles 10%; and piped natural gas 30%.

With heating season now upon us, heat pump and off-peak electric heat households are well positioned to receive great value relative to other heating fuels. If you have questions regarding this, please don't hesitate to contact our Member Services Department.

Inflation Reduction Act

There are many provisions of the recently passed Inflation Reduction Act that may help members looking to upgrade their HVAC systems and overall house energy performance.

A myriad of potential tax credits and rebates with potentially thousands of dollars are available in 2023, according to the federal government. These include:

- Households will be able to claim a tax credit for 30% of the costs of buying and installing a heat pump, up to \$2,000 including support for any electric system upgrades needed to make the home heat-pump-ready. Beginning in 2023 state programs will offer low- and moderate-income households rebates for heat pumps at the point-of-sale, cutting costs of purchase and installation up to \$8,000. If home electrical upgrades are needed to integrate new heat

pumps, rebates of up to \$4,000 will also be available to households.

- For new vehicles, income-qualified households will be able to receive a tax credit of up to \$7,500. The vehicle must be assembled in North America and have a battery that meets certain sourcing requirements. The vehicle must have a manufacturer's suggested retail price of \$80,000 or less for pickup trucks, vans, and sport utility vehicles (SUVs) and \$55,000 or less for other vehicles, including sedans. For previously-owned electric vehicles, income-qualified households will have access to a tax credit of up to \$4,000. The vehicle must be at least two years old and cost \$25,000 or less.
- Families will be able to claim up to \$1,200 in credit each year for adding insulation or installing efficient windows and doors, with a special credit of as much as \$2,000 for electric heat pumps that provide super-efficient heating and cooling. To help determine the best home improvement options, families will be able to claim a credit of up to \$150 for a home energy audit conducted by an inspector. State programs will begin to offer rebates for electric appliances and home retrofits, which will reduce household energy bills each month.

All wording in the bullet areas taken directly from www.whitehouse.gov/cleanenergy.

Certain caveats and income limits apply and homeowners should always check with their tax professional prior to purchase. To learn more about current federal tax credits and when the new expanded information will be available in 2023, go to https://www.energystar.gov/about/federal_tax_credits.

AVOID HIGH NATURAL GAS AND PROPANE PRICES WITH OFF-PEAK ELECTRIC HEATING

Households that relied on fuel oil or propane to keep them warm through last year's cold season faced volatile prices that sent their heating bills soaring unexpectedly. One year later, fuel oil and propane costs remain high – with the potential to climb higher through the winter.

If the possibility of another price spike has you nervous, there's an easy way to prepare now. Simply incorporate electricity into your heating system and enroll in Red River Valley Co-op Power's voluntary off-peak program. You'll receive electric heat at nearly half the standard electric rate, which brings your cost for heating well below the cost for fuel oil or propane. Plus, the off-peak electric rate has remained stable, so there are no worries about sudden swings in the market that you didn't work into your budget.

How the valuable off-peak program works:

Red River Valley Co-op Power members voluntarily sign up for off-peak, which allows Minnkota (your co-op's wholesale power provider) to temporarily turn off electric heating, water heating, vehicle chargers and commercial account service during times of high regional demand. During these "control periods," most consumers are automatically switched to a backup heating system, generator or stored heat so there is no interruption in comfort.

Electric heat system

An electric heating system on the off-peak program consists of an electric heat source as its main component and a supplemental heating source (such as fuel oil or propane) that will typically operate 250-300 hours per year during times of peak electrical demand in the region. The program can also be utilized in storage heat technologies, in which heat is collected and stored during low-demand times of day and deployed when needed.

Water heater

A water heater on the off-peak program will warm the contents of the tank during lower-demand times of day (often overnight), and that water will remain hot until it is needed in the home.

Popular electric options eligible for the off-peak program:

AIR-SOURCE HEAT PUMP



- Can be used with a backup fuel source for off-peak program
- Eligible for low off-peak rate
- **\$500 per ton rebate**

ELECTRIC PLENUM



- Backup energy source is necessary for the off-peak program
- Eligible for low off-peak rate
- **\$25 per kW rebate if enrolled in off-peak**

THERMAL STORAGE



- Backup fuel source is not needed for the off-peak program
- Eligible for low off-peak rate
- **\$45 per kW rebate if enrolled in off-peak**

ELECTRIC WATER HEATER



- Backup fuel source is not needed for the off-peak program
- Eligible for low off-peak rate
- **Up to \$650 in rebates**



Learn more about off-peak by scanning this code or call your cooperative at 218-456-2139.

NATIONAL CO-OP MONTH

DEMOCRACY IN ACTION

Have you celebrated your role as a Red River Valley Co-op Power member this month? October is National Co-op Month, making it an excellent time to reflect on what makes the cooperative model the most democratic, efficient and collaborative system for energizing your community!

Unlike many areas of government, every year is an election year for your member-owned electric cooperative. Our board of directors is chosen by YOU. You get to experience democracy in action at every annual meeting and meet your elected directors in person – if you don't already know them as neighbors.

Unlike investor-owned utilities, electric co-ops aren't organized to make profits. That means that decisions made by your board of directors are based on what is best for end-users – not what will make shareholders the most money. If a co-op makes more than it needs from operating margins to help cover the cost of safe and reliable service, that money is returned to member-consumers in the form of capital credits.

Unlike the majority of private businesses, electric co-ops are not competitors of neighboring co-ops. In fact, co-ops pride themselves in working with each other – merging their collective industry knowledge, sharing generation resources and assisting each other during outage events. A cooperative system is strongest when everyone is moving the same direction toward mutual goals for the future.

Do you want to know a little more about cooperatives this Co-op Month?



TYPES OF CONSUMER CO-OPS

- Rural electric co-ops (like us!)
- Telephone/communications co-ops
- Water co-ops
- Credit unions
- Grocery co-ops
- Housing co-ops
- Insurance co-ops



SEVEN COOPERATIVE PRINCIPLES

1. Open and Voluntary Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community

FUN FACT

It was a former Minnesota governor, U.S. Secretary of Agriculture Orville Freeman, who first proclaimed October to be Co-op Month. That was all the way back in 1964!

ARE YOU READY FOR WINTER?

Last winter was cold and made worse by rapid increases in the price of home heating fuels, such as propane, fuel oil and natural gas. With the price of those fuels expected to remain high, it's a good time to consider switching to off-peak electric heating. Off-peak provides your home or business with comfortable, efficient heating, while also protecting you from heating fuel price spikes. The off-peak electric heating rate is remarkably stable in comparison to the alternatives.

So, how does it work? The off-peak program is voluntary for members who allow for their electric heating system to be temporarily controlled and switched to an automated backup resource (like propane or electric storage) during times of peak demand for electricity in the region. In exchange, members receive a discounted electric heat rate, which is about 50% less than standard electricity rate.

Here are a few things we want you to know before the winter season begins.

1) There's still time to switch to off-peak heating

Call our Energy Services Department at **218-456-2139** to discuss your options for adding off-peak electric heating equipment to your home or business. The process is typically simple and straightforward, and your electric cooperative provides great rebates, incentives and other programs.

2) There is a potential for earlier-than-normal off-peak load control hours

From now until mid-December, Minnkota Power Cooperative, your electric cooperative's wholesale power provider, will have its largest power plant offline for scheduled maintenance. With this plant not producing electricity, Minnkota may need to utilize off-peak load control to avoid costly electricity purchases from others on the grid. The savings from this practice are passed on to you through the low off-peak rate.

3) Fill your propane or fuel oil tank

Be sure to fill your propane or fuel oil tank as soon as possible, and make sure your tank is large enough to hold an adequate supply. If your propane tank gets low during extreme cold temperatures, it may not work properly. Remember, prices typically rise as demand increases during the heating season.

4) Check your furnace

Make sure to change your furnace filter regularly. Contact a heating/ventilation/air conditioning (HVAC) professional to inspect/maintain your system as needed. Early attention to maintenance can help prevent failures in the heart of heating season.

Members have had to spend more on energy to heat their homes and for transportation this past year, but the good news is that the price you pay for electricity is forecasted to remain stable. If you have questions about how to save on your winter heating bills or are having issues making payments, please contact our office. We are here to help and can connect you with the right resources, no matter the situation.

DON'T FALL FOR CYBER SCAMS

For many of us, the fall season is associated with falling leaves, falling temperatures and falling onto a couch with a warm and cozy blanket. But one thing you shouldn't fall for is cyber scams. October is Cybersecurity Awareness Month and Red River Valley Co-op Power wants to share four ways to help protect you from cyber risks. There are several things you can do to be safer online in both your personal and professional life.



WHAT YOU CAN DO to protect yourself from cyber risks

USE TWO-FACTOR AUTHENTICATION



Adding layers of security to access your online accounts has proven to be one of the best ways to protect yourself from malicious cyber activity. Two-factor or multi-factor authentication allows users to confirm who they really are online. Two-factor authentication may come in many forms, including a confirmation text code, an email or even a separate authenticator app.

CONSIDER USING A PASSPHRASE



A new practice for creating strong passwords includes using "passphrases." A passphrase is usually longer than a typical password and includes at least 14 characters with spaces between words. An example of a passphrase would be "secure passw0rds w0rk Great!". Since passphrases are longer and composed of more characters, they are stronger than typical passwords.

DON'T GET TRICKED BY A LINK



Open links and attachments sent to you with caution. If you receive a text message or email that is too good to be true or threatens you if immediate action isn't taken, it is more than likely a scam. If an email comes from a friend or co-worker that seems odd, call the sender and see if they really meant to send the message. Taking the time to verify this information can keep you from being tricked by a link!

INSTALL SOFTWARE UPDATES



Make sure to complete all software updates promptly. Often the updates include protection against the latest security risks. Remember that updates come from apps and not from emails or social media links. If you get an email saying you have a software update, check the app's website to verify if there is one available.



**RED RIVER VALLEY
CO-OP POWER**

Celebrate Co-op Month with us!

Don't miss your chance to win a Roomba, a tablet or 2 tickets to a UND Fighting Hawks hockey game.

Here's how you get entered to win:

You must complete tasks in order for up to 4 chances at winning a prize.

1 Chance: Sign up for Co-op Month

There are two ways to sign up:

1. Send a postcard or slip of paper with your name and account number to: Red River Valley Co-op Power, PO Box 358, Halstad, MN 56548.
2. Email your name and account number, subject "Co-op Month," to: info@rrvcoop.com.
3. For additional chances see below.

2 Chances: Sign up or already be signed up for SmartHub

3 Chances: Sign up or already be signed up for autopay

4 Chances: Sign up or already be signed up for paperless billing

All entries must be received by 4:30 p.m. on Thursday, Nov. 3.