

Red River Valley Cooperative Power Association

SPARKS

August/September 2022 Your Touchstone Energy® Cooperative 



Winery in
Barnesville
set to grow

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SPARKS

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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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August/September 2022
Volume 66, No. 6

Halstad, Minnesota (USPS 509-300)

OFFICERS & DIRECTORS

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- Marvis Thompson Perley
Vice Chairman
- Paul Baukol Hendrum
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: Kai and Aubree Martinez started Nordic Oaks Winery in Barnesville after a visit to California wine country sparked a passion for wine making. Now the couple is on the cusp of opening the winery in 2023. See story on page 3.



THE CEO'S REPORT Transitions

by Rich Whitcomb, CEO



Work on your cooperative's headquarters facility continues to proceed on schedule and the building has really started to take shape.

The new building will certainly help employees continue to provide a high level of service to the members in a pleasant, safe and efficient environment. It will also help restoration efforts because critical equipment will now be stored in a heated shop designed to fit today's requirements. The overall project is slated to be finished in late spring of 2023.

Heading into fall

This issue's timing marks a yearly transition point for our members and the co-op alike. For instance, school is just around the corner and so is harvest. Likewise, our crews are working hard to wrap up new services, commitments and system upgrades made in the spring and summer until freeze-up conditions occur.

Of course, a transition is also occurring in the energy industry, although it is not a linear line for sure. The recent passage of energy legislation will almost certainly be a significant part of the path for this transition. We've discussed this energy transition for some time now in previous columns.

Off-peak and heat pump weather

The one transition I do want to touch on in-depth this issue is the one from summer cooling to fall and winter heating. Look for off-peak electric heating rates to stay very competitive and below the price of propane and fuel oil like it did all of last fall and winter.

The reasons for this include the usual suspects that have been present in the economy for the last 18 months. Your cooperative has had one rate increase in five years, so the price of our electricity to you has stayed drastically below the inflation present in other fuels.

Since heating fuels remain such an important part of household budgets, please take a look at the comparisons on page 6 to see how either heat pump technology and/or off-peak electric heating rates can help you hedge against rising expenses. Your cooperative has about 40% of members participating in some form of off-peak or demand response, not to mention hundreds who have invested in super-efficient heat pump technology. The technology is efficient and mature with a rate that has been steady and competitive over the years.

If you haven't already, it might make cents to take a look.



Barnesville winery poised to open in 2023

For Kai and Aubree Martinez, a 2016 trip to California wine country started their journey from making wine at home for fun to a venture on the cusp of opening commercially on the north side of Barnesville.

Nordic Oaks Winery began in 2019 with a few hands planting eight varieties of grapes totaling 900 vines. Now in its third full year of growing, along with a newly built winemaker's studio, Kai expects the operation to expand along with the grape vines. In fact, the Martinez family will obtain a commercial wine-making license this winter and double the vineyard's plants next spring.

"Our goal is to be open for business in 2023 with bottled wine for sale and hosting events," Aubree said.

Much work is to be done before that happens. As chief winemaker, Kai has continued to hone his craft, including winning a Best of Show Award this year from WineMaker

Magazine – the top award in the amateur estate grown category. Due to the cold Minnesota winters, Nordic Oaks uses hardy varieties bred by the University of Minnesota, including Frontenac, Itasca, Marquette and La Crescent.

"Wine-making is a passion gone wild," Kai laughed.

"We've caught the wine bug and our location [for Nordic Oaks] is great because it's got that away-from-town feeling, but is actually in-town."

In order to follow the Martinez' journey as Nordic Oaks grows, go to [facebook.com/NordicOaks](https://www.facebook.com/NordicOaks).



THE 3 **T**S OF THE ENERGY TRANSITION

The energy industry is in the midst of a major transition and Red River Valley Co-op Power is working to ensure its members maintain access to reliable, affordable and sustainable electricity. As changes are made to the power grid, it's important that reliability is prioritized and baseload resources – like coal, natural gas and nuclear power plants – are preserved to provide 24/7 production. While renewable resources are a growing part of our nation's energy mix, they are currently not positioned to meet the continuous demand for electricity.

As we look to move to a lower-carbon future without sacrificing reliability or affordability, we must consider the three Ts of the energy transition – technology, transmission and time.

TECHNOLOGY



Major breakthroughs in technology will be needed to significantly reduce carbon emissions while ensuring power grid dependability. With coal and natural gas still required to maintain reliability for the foreseeable future, efforts to advance carbon capture technology should be supported. Red River Valley Co-op Power and its wholesale power provider, Minnkota Power Cooperative, are evaluating Project Tundra, which would capture carbon emissions from a large coal-based power plant in North Dakota.

For renewable resources, there will need to be substantial advancements in battery capabilities, which would allow electricity to be stored and released when the wind isn't blowing or the sun isn't shining. This technology currently has operational limitations and is only able to discharge power for 2-4 hours at a time, when multiple days of storage/discharge are needed.

TRANSMISSION

Transmission lines also play a key role in ensuring reliability during the energy transition process. Energy often needs to be carried long distances to reach its users. Renewable generation facilities are typically located in remote areas that are far away from demand centers. Adding more high-voltage transmission infrastructure would allow more energy to be generated at those sites. Adding and updating existing lines can also eliminate any congestion on the lines that may cause energy generation to be reduced or be disrupted. Stronger transmission connections across the United States will help bolster reliability now and in the future.



TIME



Perhaps the most important component of a successful energy transition is time. Developing new technology that is sustainable and reliable takes time. Building and updating transmission lines to transport energy takes time. Transitioning to new energy generation resources without jeopardizing the reliability of the grid will take time.

Sudden, extreme changes to our energy systems without proper planning has the potential for severe consequences. Recognizing that the energy transition will take decades helps ensure reliability and affordability can be maintained for the benefits of our local communities.

LOOK UP FOR POWER LINES THIS HARVEST SEASON

Harvest is one of the busiest times of the year in our region, but no one is ever too busy to be reminded about the importance of electrical safety. Don't fall powerless to power lines by not taking the time to look up for potential hazards. Here are some simple things to keep everyone safe this harvest season.

LOCATE AND IDENTIFY	WORK AT A SAFE DISTANCE	LOWER BEFORE YOU GO	STAY AWAY AND STAY CALM
<p>Make sure you, your family and your farm workers know where power lines are located on your property. Everyone should know the height of all your farm equipment and how high nearby power lines are to prevent accidental contact. If you need to work close to an energized line, use a spotter to make sure you and your equipment remain safe. Non-metallic items such as lumber, rubber and hay can conduct electricity depending on the dampness or dust contamination.</p>	<p>It is best to always assume a power line is energized and dangerous. Make sure everyone understands that any contact with these lines creates a path to the ground for electricity and carries the potential for a serious - even fatal - accident. A good rule of thumb is to stay at least 10 feet away from all power lines.</p>	<p>Lowering your equipment to the lowest possible setting is one way to not fall powerless to power lines. Make sure that extensions, portable augers and other equipment are under 14 feet tall before transporting. Wind or uneven ground can cause you to lose control of extended equipment and possibly make contact with a power line.</p>	<p>If your equipment ever comes in contact with an electric pole, do not get out and examine it. Call 9-1-1 and wait until the line has been de-energized before exiting your equipment. If your equipment catches fire or it is no longer safe to remain inside, do not touch any part of it as you attempt to exit. Cross your arms over your chest to protect yourself from creating any electrical pathways and jump clear of the equipment with both feet together. Bunny hop as far as you can away from your equipment keeping your feet together.</p>



4 HEATING OPTIONS TO CONSIDER WHEN PLANNING A NEW OR RETROFIT HEATING SYSTEM

Stand-alone air-source heat pump or mini-split heat pumps

Air-source heat pumps (ducted or mini-splits) offer some of the highest efficiencies available for heating and cooling, offering homeowners both comfort and savings. Standard air-source heat pumps are ducted and look like central air conditioners. Mini-split heat pumps are smaller, sleek and operate without ducting to provide zoned heating and cooling.



Great rebates up to \$500 per ton from your cooperative are also available due to the extreme efficiencies of the units. Heat pumps transfer heat instead of creating it and cold-climate models are available (ask your contractor for details).

Air-source heat pump with modulating plenum heater and gas backup

Air-source heat pumps are very efficient systems that transfer heat instead of creating it. In the summer, they work exactly like a central air conditioner, but in the winter they provide very comfortable and efficient heat until the temperature drops below the set point. Then the modulating plenum heater kicks in and works with the heat pump for extra savings. When controlled, a gas furnace kicks in.



What's nice about air-source heat pumps is how they provide year-round benefits and either pair nicely with a propane or natural gas furnace or in a heat pump/modulating plenum/propane furnace combination on the off-peak rate. This gives members the freedom to choose fuel sources.

Plus, great rebates are available that cover a large portion of an upgrade from a central AC to a heat pump.

In-floor heat

A popular option for off-peak due to its comfort is in-floor heat. The key is to install the proper heat storage base with sand and slab or install a dual-fuel system.



Complete perimeter insulation is necessary for both styles. A \$45 per kW rebate is available (to a cap amount).

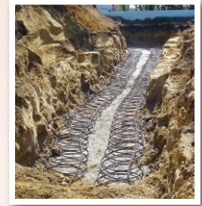
Example rebates

System	Benefits	Potential Rebates*
Air-source heat pump or mini-split	Versatile, great efficiency, save money	\$500 per ton
Air-source heat pump w/mod. plenum	Ability to choose fuels, efficiency, off-peak rate	Up to \$3,000
Electric floor heat	Ultimate comfort, off-peak rate	\$45/kW
Geothermal heat pump	Year-round best efficiency, long-term savings	Up to \$3,000 or greater
Electric water heater >80 gallons	Large capacity for families, great warranties, no venting worries, lower install cost	Up to \$650

*Example based on size, efficiency, off-peak option. **Some rebate amounts are capped.**

Geothermal heat pumps

Geothermal heat pumps provide the highest efficiencies for space heating and cooling today. They use the constant temperature of the earth to transfer heat. Energy efficiency rebates of up to \$500 per ton are available as well.



When paired with a fossil-fuel furnace backup, geo heat pumps get the off-peak rate for a heating price that is hard to beat when you combine efficiency with the 6.5 cents per kWh off-peak rate.

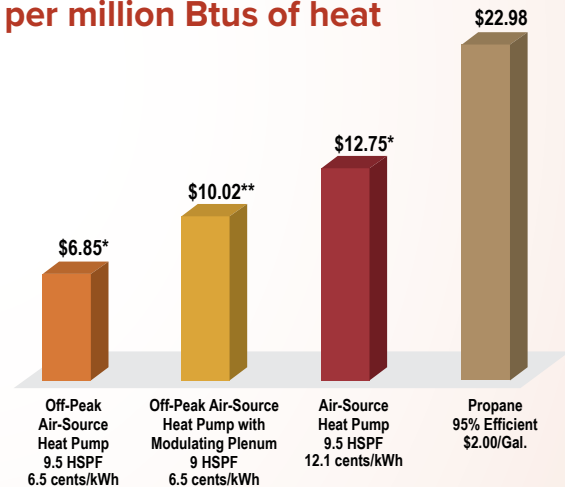
Bonus option

A large-capacity water heater on off-peak credit is another option. Purchase an electric water heater 80 gallons or larger and get great upfront rebates (up to \$650), plus the option of an \$11 recurring monthly credit for letting us control that water heater when energy demand is high.



For more information about off-peak, heat pumps and electric water heaters, contact Member Services at 800-788-7784 or email info@rrvcoop.com.

Price difference in heating fuels per million Btus of heat



* Outside temperatures fluctuate, affecting the heat pump's efficiency. Efficiency and price per million Btus is estimated at 47 degrees F. Need additional heat like plenum heater in winter.

** Heat pump with modulating plenum assumes a coefficient of performance of 1.9 at 10 degrees F using information provided and reviewed by Electro Industries, Monticello, MN.

COLD WEATHER RULE

In accordance with Minnesota's Cold Weather Rule (216B.096), electric service cannot be disconnected for nonpayment between Oct. 1 and April 30 if electricity is the primary heat source and all of the following statements apply:

- Your household income is at or below 50% of the state median household income. Income may be verified on forms provided by Red River Valley Co-op Power or by the local energy assistance provider (see graphic).
- You enter into and make reasonable and timely payments under a payment agreement that considers the financial resources of the household.
- You receive referrals to energy assistance, weatherization, conservation or other programs likely to reduce your energy bills from Red River Valley Co-op Power.

Please note that the Cold Weather Rule does not completely stop winter disconnects.

Before disconnecting electric service to residential members between Oct. 1 and April 30, Red River Valley Co-op Power must provide:

- A 30-day mailed notice or 15-day hand delivered notice
- A statement of members' rights and responsibilities
- A list of local energy assistance providers
- Forms to request Cold Weather Rule protection
- A statement explaining available payment plans and other options to continue service.

ENERGY ASSISTANCE PROGRAM

This program is federally funded and can help low-income renters and homeowners pay for home heating costs and furnace repairs. Household income must be at 60% of the state median income to qualify for benefits.

To learn more about the EAP program or to apply visit the MN Dept. of Commerce Energy Assistance website at <https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/> for more details and to access the application portal. Or simply contact your county's EAP service provider.

If you are having difficulty paying your electric bill and regardless of whether you qualify for either of these programs, please contact Red River Valley Co-op Power to set up a payment plan.

LOCAL ENERGY ASSISTANCE PROVIDERS

Community Family Service Center Tri-Valley Opportunity Council, Inc.

1407 Erskine Street
Crookston, MN 56716
(218) 281-9080 or (866) 264-3729
(Norman County & W. Polk County)

West Central MN Community Action

411 Industrial Park Blvd.
Elbow Lake, MN 56531
(800) 492-4805
(Clay County Only)

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<u>Gallon size</u>	<u>Rebate</u>
80-99 gal.	\$300
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