


The Enlightener



North Star
Electric Cooperative, Inc.

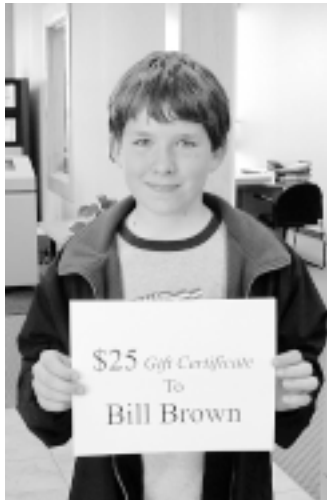
Your Touchstone Energy® Partner 

VOLUME 49 NUMBER 6

BAUDETTE, MINNESOTA

JUNE 2004

Customer appreciation days



Bill Brown of Baudette was the lucky winner of a \$25 gift certificate for the kids drawing at Baudette.



Les Nelson from Williams was the lucky winner of the electric cart grill in Baudette.



Steve Polkinghorne, from our Littlefork office, gave a safety demonstration for members at our open house.



Todd Thydean and Bruce Petersen, from our Littlefork office, took turns cooking hot dogs.



North Star's General Manager, Dan Hoskins, and Walt Scribner were busy making cotton candy and popcorn.

We were very pleased with the turnout, of our second annual Customer Appreciation Days. We had 137 register at Littlefork and 209 in Baudette for a total of 346. The winners of the electric cart grill were Wanda Linder at Littlefork and Les Nelson at Baudette. The Lock-N-Go grill winners were Jill Knaeble at Littlefork and Don Krueger at Baudette. The kids drawing winners were Josie Porter at Littlefork and Bill Brown at Baudette.



Members were greeted by Norma Anderson as they registered for prizes at the Baudette office.

**North Star
offices
will be closed
on July 5
in observance of
Independence
Day**

June 2004

Published monthly by

North Star Electric Cooperative, Inc.
Baudette, MN 56623

Subscription 50¢/year for members;
\$1/year for non-members

OFFICERS AND DIRECTORS

Steve Arnesen President
Gunder Hallan Vice President
Michael Hanson Secretary-Treasurer

BOARD OF DIRECTORS

Julian Brzoznowski,
James E. Palm, Bruce Polkinghorne,
Allan Nygaard, Randy Bergan, Mike Trueman
Wayne Haukaas Editor

Baudette 218-634-2202
Littlefork 218-278-6658
DirecTV questions 218-634-3322

**If calling long distance,
call toll-free**

Baudette 888-634-2202
Littlefork 888-258-2008
DirecTV questions 877-634-3322
e-mail us at nsec@wiktel.com
Visit our Web site at
www.northstarelectric.coop
P.O. Box 719 Baudette

AFTER HOURS

DirecTV® Problems
1-888-207-6266

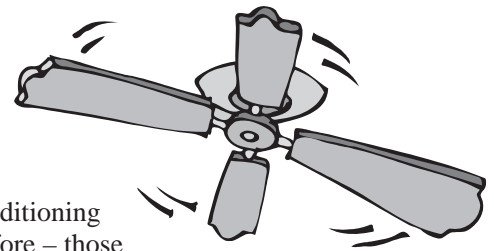
**Electrical
After-Hours
Emergencies
1-888-6OUTAGE
(1-888-668-8243)
634-2603**



April 2004
Operating Report

Revenue	\$ 691,573
Cost of Power	\$ 373,919
Operation, Maintenance, Administration	\$ 186,594
Depreciation, Interest	\$ 124,500
Margin on Operations	\$ 6,560
Average use per Residential	1,601
Total kWhs Sold	9,647,190

**Don't forget about fans
for beating
the heat**

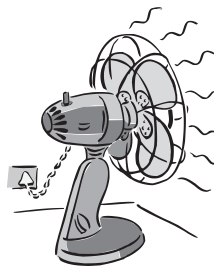


We've become so accustomed to air conditioning that sometimes we forget what came before – those old-fashioned fans that helped keep our parents and grandparents cool during the hot summer months.

Fans have not outlived their usefulness! Ceiling fans are a popular addition to many homes, providing extra cooling power that makes it possible to be comfortable, even when you set your air conditioning thermostat at a higher temperature. On days when you just need a bit of a breeze instead of a deep freeze or on those pleasant nights, a ceiling fan alone can keep you nice and cool.

But ceiling fans aren't the whole story. Small portable fans set at floor level can keep cold air, which sinks, moving up where you need it. Larger window fans can be used to pull cool air inside or draft hot air out, and may provide all the cooling power you need when the humidity is fairly low. And whole-house or attic fans have been around for years, doing an excellent job of cooling entire homes.

So don't overlook the good old-fashioned fan this summer. In combination with your air conditioner or alone, fans can help you save energy and stay cool.



WE NEED YOUR METER READING!

Please read your meter on or as near the 25th of EACH month as possible. We must have your reading by the 5th of the next month to avoid an estimated bill. If a bill consecutively estimates two times, the crew will read the meter and a \$15 fee will be added to the account.

— Please Note —

Bills that are past due will be charged a 1.5 percent late payment fee. Bills that are 30 days past due will also be charged a \$2 delinquent notice fee.



Winter 2003-2004 review

By Dan Hoskins
General Manager

*I thought we should talk a little about load control from the past winter, for this upcoming summer and beyond. Load control has been a very valuable program in the past and will be in the future. It has saved everyone money, if you use off-peak electric or not. So instead of me visiting with you, I called upon one of our staff members, Wayne Haukaas, Manager of Member Services and Compliance. Wayne is our Load Control Guru, if you will and has a lot of information that he has collected. If you have questions on load control, give him a call. I believe you will also find the article, Winter 2003-2004 review, very interesting.
God Bless you and stay safe.*

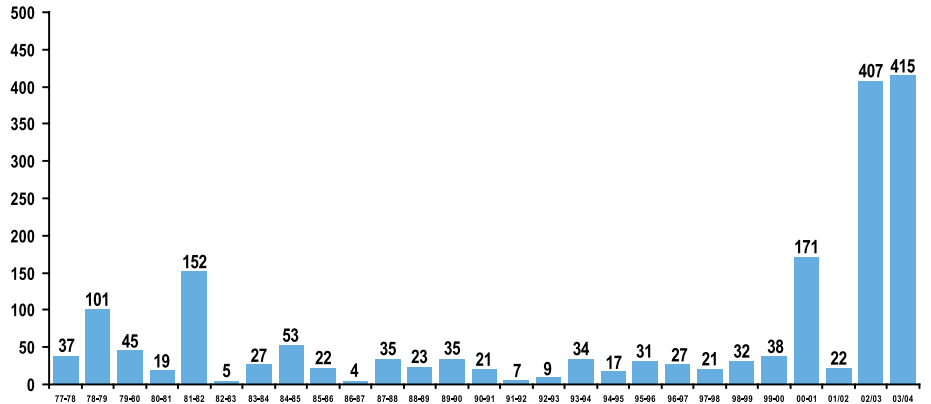
Total load control hours below Minnkota's estimate

by **MIKE NISBET**,
Senior Publications Editor,
Minnkota Power Cooperative

For North Star Electric Cooperative off-peak heating members, control hours experienced in the winter of 2003-2004 may become the norm of future heating seasons to come.

Last fall, Minnkota Power Cooperative, North Star's wholesale power supplier, projected 450-700 hours of load control for the past winter heating season. Rationale for that

Average Hours of Winter Control Load Management Program



estimate was based primarily on two factors:

1. Reduced output from regional hydropower resources. 2. Escalating natural gas prices. "WAPA (Western Area Power Administration) and Manitoba Hydro are dealing with drought-like conditions, which means less output from the dams in their hydroelectric systems," said Jim Burley, Minnkota system operations manager. "As a result, both organizations have been purchasing electricity from the wholesale marketplace to serve their firm load commitments."

This increased market activity, in turn, raises the price of wholesale power and means less economical

electricity is available for Minnkota to purchase during peak demand periods.

Higher natural gas prices also influenced Minnkota's ability to buy low-cost electricity to serve the off-peak loads this past heating season.

"Natural gas is the fuel used by most of the region's new peaking generation facilities," Burley explained. "Due to the higher natural gas prices we saw last winter, the electricity available from these peaking units was priced higher than Minnkota's 4 cents/kWh economical ceiling purchase price. (362-17-003-50 Richard Schaefer) During those times, Minnkota chose to control the off-peak loads rather than purchase electricity at very high prices."

Wholesale energy prices are the most significant factor influencing load control hours. Other factors include regional temperatures, load growth and scheduled and unscheduled power plant outages.

With future load control hours predicted to be 500 hours or more each winter season, North Star members participating in the load management program need to have well-maintained

Continued on page 4

CURRENT ELECTRICAL INSPECTORS

State law requires that every new electrical installation in any construction, remodeling, replacement or repair shall file a certificate for inspection with the State Board of Electricity and be inspected by a Minnesota electrical inspector.

■ **Koochiching and St. Louis counties:**
Lee Herseth
10078 Gappa Road
Ray, MN 56669
Phone: (218) 875-3028
7:00 a.m. - 8:30 a.m. (Mon. thru Fri.)

■ **Roseau and Lake of the Woods counties:**
Laurence Otto
60426 County Road 12
Warroad, MN 56763
Phone: (218) 386-2299
7:00 a.m. - 8:30 a.m. (Mon. thru Fri.)

Winter review

Continued from page 3

backup heating systems capable of carrying them through control periods, according to Wayne Haukaas, North Star Member Services Manager.

“Members with adequate backup systems generally don’t even notice when their electric heating system is being controlled,” Haukaas said, “and they are saving money each winter season on their monthly heating bills.”

A valuable program

When Minnkota’s total system load exceeds its economical coal-based generating resources, energy marketers in the Grand Forks Control Center attempt to purchase low-cost electricity to serve the interruptible loads. Contrary to some rumors and misinformation, MINNKOTA DOES NOT CONTROL OFF-PEAK LOADS TO SELL TO OTHER UTILITIES OR OTHER AREAS OF THE COUNTRY.

As the graph on the previous page illustrates, control times have been minimal since the program began in 1977, averaging 20 hours each heating season excluding the winters of 1978, 1981, 2000 and 2002. The typical dual heating system was controlled 415 hours this past heating season. Control was utilized primarily to avoid high-cost power purchases, but was also used during times when one of Minnkota’s lignite-fueled generating stations was down for a scheduled or unscheduled maintenance outage.

Widespread acceptance

The load management program enjoys widespread member acceptance. More than 40 percent of the winter loads are interruptible at a moment’s notice. Water heaters, storage heaters, dual heating systems and generators are the loads most commonly controlled.

“North Star and the other Minnkota-associated systems have created retail rate incentives that encourage members to voluntarily interrupt their controllable



Office notes

From Ann Ellis, Office Manager

Instead of printing a quick quote, I’d like to point you to <http://www.theinterviewwithgod.com> for some thought-provoking observations.

Thank you for your patience

Local television stations

At long last, as I write this, we are expecting that your local network stations (Fargo or Duluth) will be airing in 22 days, on June 17. Our fingers are crossed that this will have happened by the time you read this and a 60 day free preview will be in progress (provided you have upgraded or newer equipment). All of the networks will be available: ABC, CBS, NBC, FOX and PBS. If you have Total Choice, the cost of these local stations will be \$3. With a smaller package the cost is \$6.

Minneapolis networks?

We are also hoping that legislation will be passed that gives satellite TV providers, like North Star, equality to cable; specifically, having Minneapolis network channels as a choice. This proposed federal legislation is on the table, and we are very hopeful that it will become law. Choice is good.

Equipment upgrade waiting list

We have had so many subscribers call to upgrade to the new LIL-ready equipment, that we’ve had outside contractors helping us since last fall to assist us to get subscribers ready for LIL. There are still many on the waiting list, so we have hired an extra, temporary employee at the co-op to help get that list taken care of before June 17. Your patience during this exciting and hectic time is much appreciated.

At your service we remain. . .

loads when required by Minnkota,” Haukaas said.

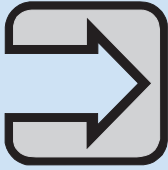
“The program allows Minnkota to serve our loads primarily from low-cost, locally owned generation resources in western North Dakota, and when economical, from reasonably priced energy available in the wholesale market.”

The interruptible loads that comprise the load management program qualify for Mid-Continent Area Power Pool (MAPP) Schedule L energy. Throughout the winter season, Minnkota avoided more than 300 hours of load control by purchasing low-cost electricity from other utili-

ties and serving the off-peak loads, rather than interrupting them.

“As our nation seeks to develop a comprehensive energy bill, we believe the load management system developed by Minnkota, North Star and the other associated distribution systems, offers members in our region a stable heating energy option not available elsewhere,” Burley said.

Even though Minnkota estimates control times of 500 hours or more in future heating seasons, off-peak electricity remains the best energy value in the region.



West End News

By *Steve Ellis*

Baudette District Operations Supervisor

With summer here, so is the construction season; the crews have been busy building new services and working on maintenance projects. In the next few months, Emblom Construction will be doing the V-phase rebuild for four miles south of Baudette to the Baudette Meadows Road. This is being done for our four-year work plan to update and upgrade old existing lines on our system.

This summer has started out with several new service requests in our district; the crew has been doing a great job keeping up with these. We will be rebuilding and moving some poles and equipment on County Road #73 northwest of Baudette this summer to make room for Lake of the Woods County to rebuild and widen that road.

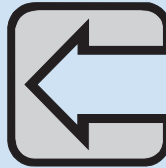
Remember, with the storm season here, if you see wires on the ground, stay clear and keep others clear of them; contact us immediately so we can come and secure the lines. (654-25-015-01 Raymond L. Smith) Never touch a downed wire; even if it is on the ground, it may still be energized. You can contact us at 1-888-668-8243 after hours and 218-634-2202 Baudette and 218-278-6658 Littlefork, during regular working hours.

Until next time, stay safe!

East End News

By *Allan Baumgartner*

Littlefork District Operations Supervisor



Our crews have been building new services along with upgrading others for mostly new home construction this summer. Prior to this work, they were changing out rejected poles along with some 50-year-old ones on Rainy Lake. Most of the old poles were set in dynamited holes, some of them were installed by hand on the islands in quite remote spots. If we have good ledge rock, we use a new method of drilling the rock and installing three large pins with two heavy collars on them that bolt to the base of the new pole. This makes a very solid new pole installation. If we have shale rock or large boulders in the area, we'll put the new pole back in the old dynamited hole; either way, it's a long time-consuming project.

As soon as the ground dries up, we'll start working on our new 14.4 kV feeder to Rainy Lake. We have some work to do on our step-down substation at Jackfish Creek and some underground work on the end of the Van Lynn Road.

The high winds we've had in our area lately have caused quite a few trees to lean toward our power lines. We're going to have to take a couple of days and get them down before they cause outages. During May, we had five outages caused by winds, trees and lightning.

Problems paying your electric bill?

Energy assistance may be available!

If you are receiving a low income or suffering from a temporary financial shortfall, the following agencies may be able to assist you with your electric bill. We urge you to contact them immediately to avoid disconnection if you feel you are eligible for aid.

- **Lake of the Woods County Community Services**
P.O. Box G-0200
Baudette, MN 56623
Phone: 634-2642
- **Northwest Community Action Council**
P.O. Box 67
Badger, MN 56714-0067
Phone: 1-800-568-5329
- **Koochiching County Community Services**
1000 5th St.
International Falls, MN 56649
Phone: 283-7000
- **Kootasca Community Action, Inc.**
2232 2nd Ave. E.
P.O. Box 44
International Falls, MN 56649
Phone: 283-9491 or 1-800-559-9491
- **Kootasca Community Action, Inc.**
1213 SE 2nd Ave.
Grand Rapids, MN 55744-3984
Phone: 1-800-422-0312
- **Arrowhead Economic Opportunity Agency**
702 3rd Ave. S.
Virginia, MN 55792-2797
Phone: 1-800-662-5711

Gopher State One Call



It's the **LAW**

CALL BEFORE YOU DIG

Minnesota Statewide One Call
Notification Center

1-800-252-1166

Highlights of the board of directors meeting

May 12, 2004

These are the highlights from the board of directors meeting held on May 12, 2004. Detailed minutes are available at the Cooperative for member review. Regular board meetings are held the first Wednesday of every month. If you wish to speak with the board or have an item that you would like to have placed on the agenda, please contact Manager Dan Hoskins at least one week in advance to be included on the agenda.

All directors were present. They acted upon usual, routine business. In addition, they voted to approve privacy policies, to approve the new line extension policy, to approve travel for two employees for training, to move the June board meeting to June 7, to approve the income tax returns for board signature, and to accept the minutes from the Safety Committee meeting.

Management and operations report

General Manager Hoskins reported on meetings, succession planning, employee demographics in the industry, upcoming union negotiations, safety culture, DirecTV issues, AMR (automated meter reading), line loss and strategic planning sessions set for August. He also reported on Operations Department issues including new services, new construction, road moves requiring relocating electric facilities, staking, outages, right-of-way spraying, personnel, temporary summer help, review of the MAYDAY safety procedures, evaluation of safety in the Member Services Department, sponsorship of the area Call Before You Dig meetings for contractors, the new circuit out of the International Falls substation and planned replacement of underwater cable at Kabetogama.

Office report

Office Manager Ellis reported on financial issues, prevention of identity theft, training requirements with the new

DBS billing system and personnel issues. She also provided a refresher on capital credit retirement (payment) history and methods and trained the board regarding HIPAA privacy compliance.

Compliance and member services report

Manager of Member Services Haukaas reported on load management, the results of the competition for the Cooperative Knowledge Scholarships, LIL (local-into-local) network availability scheduled for June 17, uncertainty regarding continued availability of distant network signals, available advertising and conversion rebates, WildBlue satellite Internet launch scheduled for this fall, and counts from the Member Appreciation Open Houses.

Board reports and other discussion

A member participated in the meeting and requested that retired members be paid for their accumulated capital credits. The board explained the many reasons for temporarily retaining capital credits and when members can expect payment. The board district boundaries and number of members in each district were reviewed. Management will draft proposed district boundaries for approval at the June meeting. Minnkota Delegate Arnesen reported on their recent board meeting, the REMA CEO/Board Chair conference and the Washington, D.C., legislative conference. Square Butte Delegate Bergan reported on their reorganizational meeting. Director Brzoznowski reported on Lake Country Power's annual meeting.

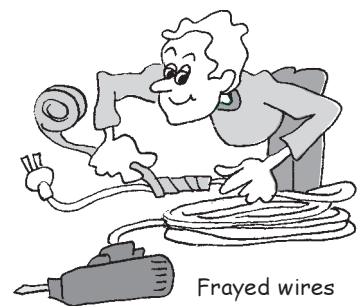
Off-Peak Loan Program for Automatic Backup Systems

If your off-peak backup heating system is in need of repair or replacement, we may be able to help.

North Star Electric will lend up to \$2,500 for upgrading members' existing off-peak backup systems when the following terms and conditions are met:

1. On approved credit.
2. \$2,500 maximum.
3. 6 percent interest.
4. 1 to 3-year term.
5. Payment will be added to existing electric bill (\$25 minimum per month).
6. \$35 filing fee.
7. Must be existing off-peak member.
8. Automatic backup system only (no wood or manual systems).
9. Must furnish sales receipt from contractor or vendor.
10. Job must be completed before loan is approved for payment by our member services department.
11. Outstanding loan balance at termination of service is due in full.

Electricity: Use it wisely



Frayed wires are dangerous anywhere. They should be repaired at once, by someone who knows how, or better yet, replaced.

Tune into Channels 200, 201 or 500 to get all the latest updates about equipment, DirecTV movies, pay-per-view events and more!

Equipment problems?

If you are having problems with your DirecTV system, please give us a call. We are here to help you.

If your existing system quits working properly, we have an exchange program where we will exchange your unit with one of ours at little or no cost to you.

Please call one of our offices for more details.

BLOCKBUSTER TICKET

– only on DIRECTV –
Movies ONLY \$3.99
when you order by remote!



Big local news

The launch date for Duluth & Fargo local channels has been targeted for June 17, 2004. Watch them FREE for two months; if you wish to subscribe to these channels (your LOCAL news, sports and weather on DirecTV), please call our office. Upgraded equipment may be necessary.

Minnesota Twins on FOX Sports North

DirecTV has reached an agreement with Victory Sports Network for the rights to distribute Minnesota Twins baseball games. Fox Sports North Channel #641 will be the primary source for Twins games. In addition, the Twins are available in the MLB Extra Innings package. (242-19-004-02 Larry Pioske) Tune in for a FREE Preview of the MLB Extra Innings package July 15 -19.

Public Interest Channels Free

Effective June 1, the following public interest channels are provided to all subscribers free of charge:

RFD-TV #379 Rural Farm Delivery: rural news, events, farming/agriculture, tractors, horses, etc.

NASA-TV #376 National Aeronautics & Space: live NASA events, educational space programs, etc..

BYU-TV #374 Brigham Young University: live church events, living essentials, family programs, etc.

EWTN #422 Eternal World Television Network: global Catholic network faith, news and more.

G4 & Tech TV will be upgrading to form one network that will take digital entertainment to the next level. Effective May 28, Tech TV merged with G4 to become "G4techTV" located on channel #354, which is the current location of TechTV. G4techTV will be the one and only network that is plugged into every dimension of games, gear, gadgets and gigabytes.

Check it out!

DirectTV FREEVIEW events for July

Tune to channel #103

Tune to DIRECTV channel 103 and enjoy Patti Scialfa in concert and The Lord of the Rings: The Return of the King-The Quest Fulfilled: A Director's Journey, exclusive DIRECTV® FREEVIEW® events, premiering Friday, July 2, and airing every weekend throughout July.

We are proud to present this to you – at no additional charge – as our way of saying . . .

"Thanks for allowing us to serve you!"



Power quality service

For only \$4.95 per month, North Star will install surge protection in your home. This includes a meter base unit, an 8-outlet surge strip and a cube receptacle. For more information, call Wayne today at:

Baudette 218-634-2202

Toll-Free 888-634-2202

Share a favorite recipe with your North Country neighbors!

Send to:

North Star Electric Cooperative, Inc.

Attn: The Enlightener
P.O. Box 719
Baudette, MN 56623



Summer Special

RCA Satellite System & Phase 3 Antenna

(Antenna for local programming - when available)

Installed for only \$49.99

<u>ADD UP YOUR SAVINGS:</u>	<u>VALUE</u>	<u>SALE</u>
RCA System-Antenna	\$259.00	\$ 49.99
Basic Installation	95.00	FREE
Surge Protector	20.00	FREE
1 Month Total Choice Plus	39.99	FREE
	<u>\$413.99</u>	<u>\$ 49.99</u>

- Warranty & damaged equipment exchange program is available to all subscribers.
 - Must be a new DirecTV account & purchase programming from North Star Electric.
 - Must reside in USA & North Star Electric's DBS sales territory.
 - No free programming with second receiver. Additional receiver fee is \$2.99/mo.
 - Activation fees are charged per unit - \$10 NSEC members & \$20 non-members.
 - All sports channels, pay-per-view & additional receivers require a telephone connection.
 - 1-year commitment to Total Choice or higher programming package required.
- If you downgrade or terminate programming during the 1-year commitment, \$100 will be charged to you.

ADDITIONAL RECEIVERS ONLY \$49.99

(Installation is extra & Programming is only \$2.99 a month)

Energy tip:

Compact fluorescents save money and energy



ENERGY STAR labeled light bulbs, or compact fluorescent light bulbs (CFLs), are up to 75 percent more efficient than standard incandescent light bulbs, give off the same light output and last up to 10 times longer.

CFLs have changed a lot in recent years. They are available in various sizes to fit almost any lamp, chandelier or other light fixture, including dimmable and motion detector fixtures. The bulb's appearance ranges from a globe shape to two slender tubes twisted like a coil.

"You'll find the quality of light is equal to that of incandescents," said Phil Smith, energy specialist. "And there is no hum or noise that is sometimes associated with older tube-shaped fluorescent lights."

CFLs emit the same amount of light as standard bulbs, but because they use significantly less energy than incandescent bulbs, they have lower wattage ratings than people are accustomed to purchasing. For example, a 15 watt CFL replaces a 60 watt incandescent bulb, an 18 to 20 watt CFL replaces a 75 watt bulb and a 25 to 28 watt CFL bulb replaces a 100 watt bulb.

While all CFLs use less energy than incandescent light bulbs, it is a good idea to watch for the ENERGY STAR symbol when shopping around.

The potential savings on energy bills is significant. The typical household spends about 10 to 15 percent of its electrical bill, an average of \$110 a year, on lighting.

Source: Minnesota Department of Commerce