

2013 Annual Meeting | **October 4, 2013** *Littlefork/Big Falls School, Littlefork, Minn.*



"Generation(s)"

Generating electricity for generations of people in our cooperative.

Official Notice and Agenda

- 5 - 6 p.m. Registration and Dinner
- 5 p.m. Entertainment - Sloughgrass Band
- 5:30 p.m. Free child care until meeting adjournment
- 6 p.m. Presentation of Colors and National Anthem



Annual Meeting Prizes

- Grand Prize** - \$500 Energy Credit
- Second Prize** - \$250 Energy Credit
- 10** - \$100 Energy Credits
- 5** - \$50 Energy Credits
(must be present to win)

Welcome
Call to Order
Invocation
Welcome Guests
Notice of 2013 Meeting
Minutes of 2012 Meeting
Treasurer's Report of Audit
Introduction of Board Candidates
Election of Directors
Financial Report
Guest Speaker

General Manager Dan Hoskins
President Arnesen
President Arnesen
President Arnesen
Secretary Hanson
Secretary Hanson
Treasurer Hanson

Districts 5 and 6

Finance Manager Ann Ellis
Mac McLennan, President & CEO,
Minnkota Power Cooperative
General Manager Dan Hoskins

President Arnesen
Members

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Manager's Report
President's Report
Old and New Business
Question and Answer Time
Drawing for Balance of Prizes and Grand Prize
Adjournment

SEPTEMBER 2013

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OFFICERS AND DIRECTORS

President Steve Arnesen
Vice President Bruce Polkinghorne
Secretary-Treasurer Michael Hanson
Directors Julian Brzoznowski, Randy Bergan,
Lorraine Nygaard, Mike Trueman

General Manager Dan Hoskins
Editor Wayne Haukaas

Office hours: 7:30 a.m. to 4 p.m.
Monday through Friday

Baudette 218-634-2202 or 888-634-2202
Littlefork 218-278-6658 or 888-258-2008

Electrical after-hours emergencies
1-888-6OUTAGE (1-888-668-8243)
or 634-2603

e-mail us at nsec@wiktel.com
Visit our website at
www.northstarelectric.coop

Members' corner

We added a section called members' corner. What we would like is for members to send in questions about your electric cooperative, and we will answer them for you. Please give us your name and a phone number in case we need to clarify the question, and send them to North Star Electric, PO Box 719, Baudette, MN, 56623, Attn: Wayne.



North Star Electric Cooperative, Inc.

Mission Statement

To improve the lives of our member-owners and community by responsibly providing electric energy and other beneficial services while maintaining the very highest standards of performance.

Highlights from the BOARDROOM

These are the highlights from the board of directors' July 29, 2013, meeting. In addition to routine action, the board voted to pay just over \$663,000 of capital credits, to send two employees to software training, to apply for sales tax refunds, to approve Manager Hoskins' travel to Washington, D.C., in September, to approve the union contract, to approve the annual meeting agenda, to approve additional funding for system improvements north of Roosevelt and between Loman and Pelland Junction.

Staff reports included the financial report, donating unclaimed capital credits, the upcoming annual audit, software training, energy conservation, distributed generation, Operation Round Up, county fair booths, plans for the annual meeting, building maintenance, the solar

demonstration project, contracted line construction, pole testing planned in the Wheeler's Point/Pitt area, safety training, outages, achieving 500,000 hours worked without a lost-time accident, ongoing negotiations with the city of Warroad regarding their desire to provide electrical service to a new casino within North Star's service territory, review of the rate structure and the impact of the Affordable Care Act on the cooperative. Reports were provided from Minnkota's board meeting.

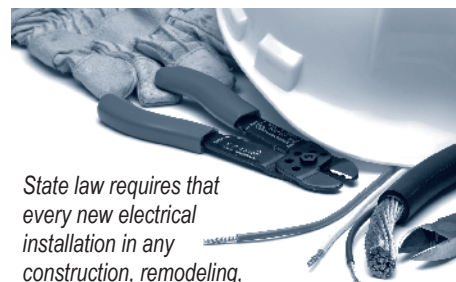
Detailed minutes are available at the cooperative for member review. Regular board meetings are generally held the first Wednesday of every month. If you wish to speak with the board, or have an item that you would like to have placed on the agenda, please contact Manager Dan Hoskins at least two weeks in advance to be included on the agenda.

ALWAYS CALL BEFORE YOU DIG

One free, easy call gets your utility lines marked AND helps protect you from injury and expense. Safe digging is no accident: always call 811 before you dig. Visit **call811.com** for more information.



Current electrical inspectors



State law requires that every new electrical installation in any construction, remodeling, replacement or repair shall file a certificate for inspection and be inspected by a Minnesota electrical inspector. For more information go to Minnesota Department of Labor and Industries website (dli.mn.gov) and go to the electrical page.

• St. Louis and Koochiching counties:

Chip Jespersen
Phone: (218) 327-5987
Call to set up an appointment between 7 a.m. - 8:30 a.m. (Mon. thru Fri.)

• Roseau and Lake of the Woods counties:

Scott Stenvik
Phone: (218) 689-5406
Call to set up an appointment between 7 a.m. - 8:30 a.m. (Mon. thru Fri.)



Like us on
Facebook

Find us on Facebook



www.facebook.com/NorthStarElectric

TAKE ACTION

TO SAVE ENERGY THIS YEAR

Each of us can do something to help save energy. The less energy we use, the fewer emissions that go into the environment and the more money you can save (251-21-034-05, Dave Weiby)! That is why last year the Federal Energy Management Program (FEMP) asked the President to declare October's annual Energy Awareness Month as Energy Action Month. Energy Action Month is an opportunity to take a moment to think about how much energy you use and then take action to reduce its use.

Molly Hall, executive director of the Energy Education Council, says, "There are many things you can do to save energy, from making large financial investments in equipment upgrades to things that don't cost a cent. The cheapest, greenest energy is the energy you don't use!"

With winter right around the corner, fall is a good time to prepare your home for energy savings. To get your home ready for winter:

- Seal leaks between door frames and windows with weather stripping or caulk.
- Replace screens with storm windows and doors.
- Make sure the furnace and heaters are in good working order.
- Consider installing a programmable thermostat.

You can even take action to save energy while on the road. Here are some tips for saving energy on the road from the U.S. Department of Energy:

- Drive sensibly – speeding, rapid acceleration and braking wastes gas. Aggressive driving can lower your mileage by 33 percent.
- Observe the speed limit – gas mileage usually decreases rapidly at speeds above 60 mph.
- Get rid of excess weight – an extra 100 pounds in a vehicle could reduce mileage by up to 2 percent.
- Use cruise control – maintaining a constant speed will save gas in most cases.

During cold months, we tend to spend more time indoors. There are choices we can make in our everyday actions inside the home to help conserve energy as well:

- Use the power management options on your computer system to put your computer in "sleep" mode when not in use.
- Consider plugging all of your entertainment components into a power strip, which when turned off will eliminate any phantom power draw.
- Unplug battery chargers and adapters when not in use.
- Look for the Energy Star label when purchasing new electronic devices. These will help you save money without sacrificing performance.

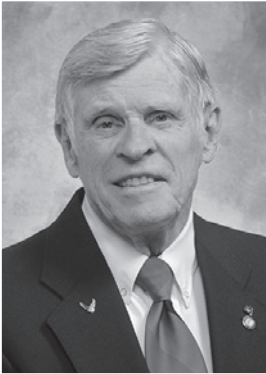
One of the busiest rooms in a home is the kitchen. The following are some efficiency tips to keep in mind when using your kitchen:

- Use toaster ovens or microwaves whenever possible rather than heating the stove or oven.
- Bake with ceramic or glass pots and pans. This will allow you to lower the oven temperature by about 25 degrees F.
- Don't peek – opening the oven door can lower the internal temperature by as much as 25 percent.
- Turn the oven or stove burners off a few minutes before the food is ready. They will remain hot enough to finish cooking the food.



***Energystar.gov** has more information on how you can save money around the house by using less energy. The Energy Education Council's **EfficiencyResource.org** also has efficiency links and tips that can help you save some cash this Energy Action Month!*

Director Candidate *District 5* - Bruce Polkinghorne



Bruce Polkinghorne has been a director since 1989. Bruce and his wife, Violet, live in Littlefork. He has been a lifelong resident, except for four years he spent in the Air Force. He worked in the hardware business for 40 years and is now retired. He is a member of the Lions Club and American Legion and also lists aviation, music, camping

and hiking as additional interests. Bruce is seeking re-election for another four-year term representing District 5. He has served on the North Star Electric board for 24 years and has been vice president for the past seven years. During his term as a director, Bruce has attended several seminars enabling him to become a credentialed board member for the electric cooperative. Bruce enjoys being a director at North Star because he knows he is helping his community. He knows the electric industry has some large challenges in the future and, with his 24 years of experience, he can help North Star make the right choices on some tough decisions.

Director Candidate *District 6* - Lorraine Nygaard



Lorraine Nygaard has lived in Big Falls for many years. She has three grown children, four grandchildren and three great grandchildren. Some of her hobbies include gardening, traveling, baking, decorating and visiting family and friends.

Lorraine worked as the city clerk in Big Falls for 30 years and retired 10 years ago.

As city clerk, part of her duties

included working with other government offices in the county and state. Some of the projects she was involved in were getting the medical clinic, dental office and bank (now the credit union) to move into Big Falls. In February 2007 she was appointed to the North Star board to fill the vacancy for District 6. She was elected to the North Star board by the members of District 6 at the annual meeting in October 2007. She has served on several other boards, including the Koochiching County HUD board for nine years, Northern

Itasca Hospital board for 15 years and as treasurer of the Big Falls Senior Club. She has also been a member of the Big Falls Community Education and Recreation organization for 25 years and the Legion Auxiliary for 61 years.

Since elected to the North Star board in October 2007, she has attended training seminars for new directors, strategic planning, district meeting and the Minnkota/Square Butte annual meeting. Lorraine has also attended several seminars enabling her to become a credentialed board member for the electric cooperative. Lorraine would like to remain on the board because of her commitment to community and knowing that she can make a difference. Being active in the community, she feels that she is there to listen to concerns of the members and is willing to work with them to find solutions. She says that her priorities for the future include keeping the members informed, holding the line on electric rates and helping North Star achieve the goals that have been set for future growth and prosperity. She feels that her business knowledge from being city clerk for 30 years would help her to accomplish this.

The value is electric!

One tank of gas for your car

20 gallons at \$3.54/gallon = **\$70.80**

More than 21 days of electricity for your entire home = **\$70.80***

*Based on North Star Electric average residential usage of 875 kWh per month at the residential rate of \$.113/kWh + Minnkota surcharge of \$.003/kWh
(Does not include the \$36 basic service fee)



Annual Meeting Guest Speaker

Mac McLennan, president & CEO, Minnkota Power Cooperative



Robert "Mac" McLennan is the President & CEO of Minnkota Power Cooperative, Inc., North Star's wholesale power provider based in Grand Forks, N.D.

McLennan has spent his career serving the rural electric cooperative industry. Prior to joining Minnkota in 2011, he was employed by Tri-State Generation & Transmission Association, an electric cooperative

based in Colorado, as senior vice president of external affairs & member relations. McLennan has also worked for the National Rural Electric Cooperative Association (NRECA) as director of environmental affairs. He is currently a member of the Board of Directors for the Lignite Energy Council and BNI Coal, Ltd.

A Wyoming native, McLennan earned his bachelor's degree from Jamestown (N.D.) College. He and his wife, Debbie, reside in Grand Forks.

Help keep your lights on



Careless ditch burning can destroy utility poles and junction boxes, leading to unnecessary power outages. Pole damage ranges from surface charring to destruction,

and may cost landowners \$2,000 on up, depending on the location of the pole and the severity of the damage.

Please use extreme caution when burning around our electrical equipment, and always tend to a fire once it is lit. Let's do our part to keep the lights on and costs down.

Special guest appearance at board meeting

State Rep. Dan Fabian of Roseau was a guest at the Aug. 28 North Star Electric Cooperative board meeting. He gave an update on past



issues and what he thought was coming up in the next session. The board thanks him for his work supporting rural electric cooperatives.

Free Bus Service to Annual Meeting

Call or send us a note to confirm your seat on the bus.

The bus is free, but this year we are asking that you give us a call or drop a note to let us know that you plan to ride. Also, it would be helpful to know where you plan to board. With your help, we can make sure that everyone will find a seat.

Call us to confirm your seat on the bus

634-2202 (Baudette)

or 278-6658 (Littlefork)

or toll-free (888) 634-2202

Bus schedule for Annual Meeting

Friday, Oct. 4, 2013

EAST ROUTE 1

Kabetogama	Gateway Store	3:50 p.m.
Ray	Woodland Inn (park at north end by Hwy 11)	4:00 p.m.
Roger's Corner	Store	4:10 p.m.
International Falls	International Falls Shopping Mall	4:25 p.m.
Pelland Junction	Y-Knot Quick Stop	4:45 p.m.

EAST ROUTE 2

Big Falls	Community Building	4:40 p.m.
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WEST ROUTE

Roosevelt	Percy Place	3:30 p.m.
Williams	Williams Liquor Store (park at north end by Hwy 11)	3:40 p.m.
Baudette	North Star Electric Office	4:00 p.m.
Birchdale	Church	4:25 p.m.
Loman	Church	4:45 p.m.

Destination – Littlefork/Big Falls School

**Registration and Dinner
Business Meeting**

**5 to 6 p.m.
6 p.m.**



Ann Ellis
Assistant Manager/
Finance Manager

Staff Report

I sure hope you are planning to attend the annual meeting on Oct. 4, 2013, at the Littlefork/Big Falls School.

It's always fun to see those who return year after year, but it's exciting to have members attend for the first time. Although it's very social, it's also a very important part of the existence of a nonprofit rural electric cooperative. Since this is a business you own, the annual meeting is when the official delivery of reports and the election of board members occurs (448-20-001-06, William Rollenhagen). From the mid 80s until about five years ago, the electric utility business was fairly status quo – wholesale rates were stable, and increased revenue from growing kWh sales covered most local distribution cost increases. Then came all the things we've been talking about in issues of *The Enlightener* – every one of them increasing the wholesale cost of your electricity. And with each increase, you find ways to use less. We applaud your efforts to conserve, even if it means we sell less, because we are here to make your life better. I am hoping that we have helped you find ways to conserve.

Another way we look out for you is to watch the proposed legislation and mandates to weed out any that have harmful rate consequences and do not have a discernible environmental payback. We work hard to help elected officials creating laws, or those enforcing regulations, understand our issues — your issues. We work hard so your voice is heard.

One of the new helpful things that we are looking into for you is an online tool to help you understand and manage your electricity usage. It's called MyMeter, and a side benefit is the ability to set up text or email alerts when your usage goes above, or below, your indicated level. For example, if your usage drops to zero,

and you're not home, an alert would have you questioning if your home is experiencing a power outage. We plan on testing this service this fall and will have more information about this service in future *Enlighteners*.

The factors impacting the utility you own, and your electric bill, are complicated, and the annual meeting is the perfect place to learn about them, but don't think you'll get bored. We'll keep it moving, and maybe you'll be the lucky member going home with a \$500 energy bill credit! We will be giving out 17 bill credits totaling \$2,000, as well as an energy efficient LED flashlight for each membership. And if you like to eat, a ham dinner will start at 5 p.m. The meeting starts at 6 p.m. and we should have it wrapped up by 7:30 p.m.

Capital Credit Refunds

One last thing, watch your September bill for a credit – your share of just over \$663,000 being returned to member-owners this year. The board authorized returning 25 percent of last year's margin (the revenue in excess of expenses) plus the rest of 1992's, and 3.5 percent of all the capital credits in-between. We talk about being nonprofit, and returning capital credits is how we walk the talk.

So, have you circled Friday, Oct. 4 on your calendar? I hope so!

At your service we remain ...
Ann

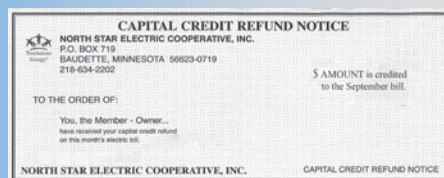


Voluntary and Open Membership
Democratic Member Control
Members' Economic Participation
Autonomy and Independence
Education, Training and Information
Cooperation Among Cooperatives
Concern for Community

Assistance offered to handicapped for annual meeting

Any member with a handicap who needs assistance to attend our annual meeting needs to notify Member Service Manager Wayne Haukaas of their needs for assistance before Sept. 28. We will do our best to accommodate your needs so you may take part in the annual meeting of your cooperative.

The check is in the ~~mail~~ bill



We are paying just over \$663,000 of capital credits this month. If you have an active account, watch for your payment as a credit on your September bill. Inactive accounts will still receive a check, but to save money, active members are getting a bill credit.

The difference between a cooperative, like North Star Electric Cooperative, and other utilities is that we are nonprofit, meaning any money left after the bills are paid is returned to the member. These "margins" are assigned to members based on their usage and are retained for a period of time to help fund system improvements and provide equity needed to secure long-term debt. North Star has returned about \$10 million of capital credits over the years, which is about half of the total capital credits. We are committed to demonstrating the advantages of being a cooperative member. Thank you for your patronage and support.

Sign up for email alerts to keep Co-op Nation strong



The National Rural Electric Cooperative Association (NRECA) recently released a video that gives a voice to the 900-plus electric cooperatives and their 42 million consumer members that oppose President Obama's climate proposal using the Clean Air Act to regulate carbon dioxide during a fragile economic recovery.

The video can be seen at <http://action.coop>. On the same site, North Star Electric encourages you to sign up for alerts on how you can help keep Co-op Nation strong.

Many rural American communities, including the ones we serve, depend on coal-based generation for affordable electric power. Using the Clean Air Act to reduce carbon dioxide emissions from power plants could disproportionately burden those communities and farm families.

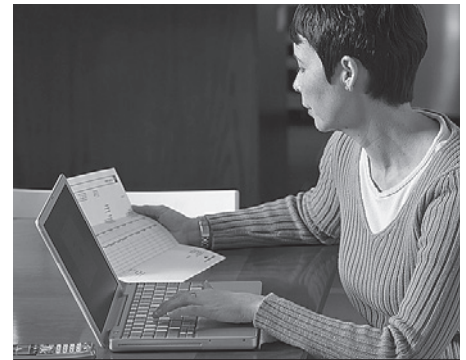
"Rural communities have a great story to tell about how they are innovating, using new technologies and leading in energy

efficiency. It's our responsibility to communicate the importance of affordable energy to the communities cooperatives serve and tell their story on how we are pursuing our energy future," said Jo Ann Emerson, CEO of NRECA.

"The next few months are a critical time to unite behind that message and let policymakers know where we stand on the issues, as well as how important affordable energy is to us and the American economy."

The two-minute video is the first action in a coordinated campaign that underscores the dramatic impact new regulations could have on much of the country's electric generation and calls on consumers to join the united campaign.

NRECA is the national service organization that represents the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which provide service to 42 million people in 47 states.



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 Social Services

206 8th Ave. SE, Suite 200
Baudette, MN 56623
634-2642

Northwest Community Action Council

P.O. Box 67
Badger, MN 56714-0067
800-568-5329

Koochiching County Community Services

1000 5th St.
International Falls, MN 56649
283-7000

Kootasca Community Action, Inc.

2232 2nd Ave. E.
P.O. Box 44
International Falls, MN 56649
283-9491 or 800-559-9491

Kootasca Community Action, Inc.

Grand Rapids, MN 55744-3984
Toll free 1-877-687-1163
Direct 1-218-999-0800
Fax 218-999-0220

Arrowhead Economic Opportunity Agency

702 3rd Ave. S.
Virginia, MN 55792-2797
800-662-5711

NORTH STAR ELECTRIC COOPERATIVE POLITICAL LEADERS

Federal legislators

President Barack Obama

The White House
1600 Pennsylvania Ave. NW
Washington, D.C. 20500
www.whitehouse.gov
president@whitehouse.gov
202-456-1111

Senator Al Franken

320 Hart Senate Office Building
Washington, D.C. 20510
www.alfranken.com
202-224-5641
Fax: 202-224-0044

Senator Amy Klobuchar

302 Hart Senate Office Building
Washington, D.C. 20510
www.klobuchar.senate.gov
202-224-3244
1-888-224-9043 (Minnesota office)
Fax: 202-228-2186

Congressman Rick Nolan

2447 Rayburn House Office Building
Washington, D.C. 20515
www.nolan.house.gov
202-225-6211
Facebook: US Rep Rick Nolan
Twitter: @USRepRickNolan

Congressman Collin Peterson

2109 Rayburn House Office Building
Washington, D.C. 20515
www.collinpeterson.house.gov
202-225-2165
Fax: 202-225-1593

State of Minnesota legislators

Governor Mark Dayton

75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 130
St. Paul, MN 55155-1606
800-657-3717
mark.dayton@state.mn.us

Senator Tom Bakk

75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 226
St. Paul, MN 55155-1606
651-296-8881
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Senator Rod Skoe

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651-296-4196
sen.rod.skoe@senate.mn

Senator LeRoy Stumpf

75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 122
St. Paul, MN 55155-1606
651-296-8660
Email: Use mail form

Representative David Dill

571 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-2190
800-339-0466
rep.david.dill@house.mn

Representative Roger Erickson

527 State Office Building
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651-296-4265
800-920-5867
rep.roger.erickson@house.mn

Representative Dan Fabian

307 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-9635
888-727-0979
rep.dan.fabian@house.mn

Look up and look out
to keep your harvest
season safe

National Farm Safety and Health Week, Sept. 15-21

Farmers are vital to the growth of this country. Therefore, in honor of National Farm Safety and Health Week, Sept. 15-21, Safe Electricity offers safety tips for farm and ranch workers across the nation.

One of the biggest hazards for farmers is posed by power lines. Typically, power lines over streets and rural areas have a minimum clearance of 18 feet and 12.5 feet over residential private property.

To stay safe around overhead power lines, Safe Electricity urges farm operators and workers to:

- Use a spotter when operating large machinery near lines.
- Use care when raising augers or the bed of grain trucks around power lines.
- Keep equipment at least 10 feet from lines – at all times, in all directions.
- Inspect the height of the farm equipment to determine clearance.
- Always remember to lower extensions when moving loads.
- Never attempt to move a power line out of the way or raise it for clearance.
- If a power line is sagging or low, call the local utility immediately.

If contact is made with a power line, remember, it is almost always safest to stay on the equipment. Make sure to warn others to stay away, and call the local utility provider immediately. The only reason to exit is if the equipment is on fire (795-27-012-04, Eldon Zahn). If this is the case, jump off the equipment with your feet together and without touching the ground and vehicle at the same time. Then, still keeping your feet together, “bunny hop” away.

Additional safety tips from Safe Electricity include:

- Do not use metal poles when breaking up bridged grain inside and around bins.
- Always hire qualified electricians for any electrical issues.
- Do not use equipment with frayed cables.
- Make sure outdoor outlets are equipped with a ground fault circuit interrupter (GFCI).
- When operating a portable generator, make sure nothing is plugged into it when turning it on, and never operate a generator in a confined area. Generators can produce toxic and deadly gasses such as carbon monoxide.

Always use caution when operating heavy machinery.

For more farm and electrical safety information, visit **SafeElectricity.org**.