

Connections

February 2025



For the member-owners of Federated Rural Electric

Volume 29, Issue 2

\$700 Operation Round Up scholarship form inserted in February electric bills; high school seniors to apply by April 1

Nominating Committee seeks co-op candidates and will meet March 3

Federated's Nominating Committee seeks candidates to run for the Board of Directors and Nominating Committee. Members vote on these candidates before the Annual Meeting August 5 using their ballots mailed in July. The Nominating Committee has its first meeting March 3; the candidates' names will be presented at the Nominating Committee's March 27 meeting.

If you would like to suggest a member for consideration, call Federated at 507-847-3520 or 1-800-321-3520 and press extension zero for assistance. Otherwise, e-mail info@federatedrea.coop. These are all four-year terms. Refer to the district map on the left.

Board of Director Candidates

- Two nominees from District Five
- Two nominees from District Six
- Two nominees from District Two for a one-year term. (See Page 4.)

Nominator Candidates

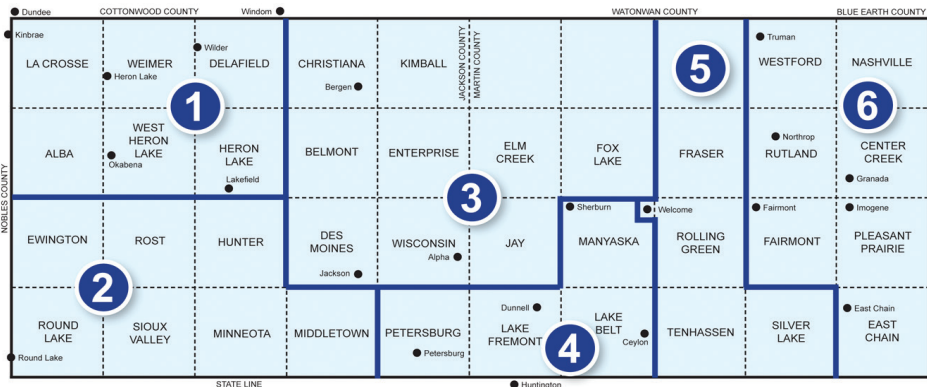
- Two nominees from District At-Large

Trust Board Director Candidates

- One nominee from District Five
- One nominee from District Six

Trust Board nominations are approved by the electric Board.

These nominations will be posted at Federated 30 days before the Annual Meeting. The nominations can also be made by petition at least 20 days prior to the meeting. The candidates will be listed in the June *Connections* newsletter, while their biographies will be posted in the July edition.



The map shows the districts where the six scholarships will be awarded, plus three more chances to win exist under the District At-Large, which includes Districts 1-6.



Attention high school seniors: the Operation Round Up Scholarship application is now available. \$6,300 total will be awarded this spring as nine scholarships.

The application came with the February electric bill. Otherwise, find the application on Federated's website

(www.federatedrea.coop), call or e-mail info@federatedrea.coop. Plus, seniors could stop by your school counselor's office for it. The student must be the son or daughter of a current Federated electric account member.

Federated's Trust Board approved awarding one \$700 scholarship for each of the six Federated districts and then three more from the remaining applications combined for additional chances to win one (a total of nine scholarships). The applications are due back at Federated's office by April 1, 2025. All nine recipients will be notified by May 1 with their photos published in the June *Connections* newsletter.

Students will receive the scholarship check after completion of the first semester of higher education with a 2.0 GPA or higher and submit proof of registration for the next semester. The scholarship check is jointly issued to the school and student.

Since 1995, Federated's Operation Round Up scholarships have assisted 265 students totaling \$155,300. This comes from unclaimed capital credits and about 75 percent of Federated members participating in Operation Round Up with their bills.

Apply today! ☎

At A Glance



Your Touchstone Energy® Partner

Say 'Be Mine Valentine' with steamy new water heater

Roses are red; violets are blue; purchase a new water heater and receive energy savings too! For a "hot" gift used every day give yourself a reliable, energy-efficient water heater from Federated for \$589, plus tax, with free installation! Call Federated to schedule your installation today! ☎



Cook up energy savings with new induction stovetop that's faster and even more efficient

What's cooking at your house? Is your electric stove past its prime? Maybe it's time to consider upgrading your electric stove/oven.

According to the International Association of Certified Home Inspectors, the average lifespan for an electric range is 13 to 15 years. If you cannot recall the age of your stove, it might be time to plan for a new model and one that's energy-efficient too! Look at upgrading to an electric induction cooktop.

Consumer Reports state that an induction stove is up to 10 percent more energy-efficient than a conventional electric stovetop. When compared to a natural gas stove, induction cooking is about three times more efficient.

Choose from three types of induction cooking styles. Portable induction cooktops are single-burner units that are good for small kitchens, portable cooking or just trying it out. Built-in cooktops are integrated into your kitchen counter. Finally, induction ranges combine induction cooking elements for the stove with an oven.

Induction cooktops are also ranked tops for safety due to the induction burner. It works by creating an electromagnetic field below the glass cooktop surface. This causes magnetic pans sitting on top to heat up. If there's no pan on top or you turn on the wrong burner, it won't get hot. Plus, as soon as a pan is removed from the burner, the heating stops so the glass surface doesn't risk burning your hand.

Granted, this means your existing pots and pans may or may not work on a cooktop. Place a magnet to the bottom of the pot. If it sticks, you don't need new cooking pots. If not, you will need stainless steel, cast iron or enamel-coated cast iron cookware. Sorry, aluminum will not work. Look for "induction compatible" pans.

Another big advantage of an induction cooktop is the speed! Time is money when you are cooking, right? Induction cooking can boil six quarts of water two to four minutes sooner than a gas or electric stove. No heating element has to heat up first before transferring heat to the pan, like with your old electric stove. Besides the speed, induction ranges cook more precisely and evenly, as reported by *Consumer Reports*. The reason is that the heat generates from within the pot or pan.


Clean up becomes simply a breeze with these induction cooktops. The nice smooth glass surface makes it so easy to wipe up spills.



Ditch the old stove. Switch to induction stove for fast cooking.

In addition, the electric induction range likely features some sweet features with the oven. Imagine how much garden surplus can be dehydrated with the new model's dehydrating oven feature. These new models can also air fry. Toss the air fryer clunker away that takes up a lot of space on the countertop for an oven air fryer that can feed the whole family at once, rather than in shifts. Some models even have Wi-Fi features turning the oven on and off remotely or monitoring the meal inside. You will still enjoy typical features, like the self-cleaning oven and adjustable racks.

Yes, induction cooktops are often more expensive, but prices have been dropping. In addition, the Inflation Reduction Act (IRA) offers rebates, if the program is not changed by the incoming administration. Minnesota has received its funding, but the program has not been unveiled by the Department of Commerce; the department's website lists a rebate up to \$840 for households buying induction ranges with qualifying income level.


Induction cooking is gaining popularity due to its efficiency, safety and convenience. As technology advances, more features, such as smart connectivity, automatic pot detection and integration with home automation systems are expected to enhance the cooking experience. 

Trash old trash can for new tech features

Now even trash cans feature an electric cord! Why would you want that? Check out these conveniences.

The SensorCan from iTouchless (13 gallon kitchen trash can) features an carbon odor filter. This filter absorbs garbage odors and neutralizes the smells! It even comes with a free text message reminder on when it's time to replace the odor filter. Each charcoal filter lasts about three months; buy an eight pack online for \$22. Imagine odor control with a diaper pail!

Topping off the trash can is an automatic sensing lid. Move your hand above the motion sensor and the lid automatically opens. No stepping on the foot pedal is needed. That's a step above being hygienic! Enjoy never opening a lid or cupboard door with sticky, messy hands to throw away your trash.

While the AC adapter to power it is five foot long, if no outlet exists nearby, you could power it with four D-sized batteries. When shopping for this trash can online, be observant as some models come with the AC adapter (for about \$78) and others charge about \$10 more for it. 



SensorCan from iTouchless has a motion detector to open it and charcoal odor filter too.

Safety

Your cooperative loves heart health safety — investing in automatic external defibrillators for office, line trucks

Since Valentines Day and Heart Health Month occur in February, your electric cooperative wanted to share something that is close to our heart — automatic external defibrillators (AEDs).

The American Red Cross explains that AEDs can help those experiencing sudden cardiac arrest. This sophisticated, yet easy-to-use, medical device analyzes the heart's rhythm; if necessary, it delivers an electrical shock or defibrillation to help the heart re-establish an effective rhythm.

Did you know that your electric cooperative has AEDs? The co-op's office has an AED, along with the line crews' large bucket trucks. In case of an electrical contact accident along the cooperative's power lines, the linemen are equipped with this possible lifesaving tool.

"While we hope we never need to use it, we are equipped for this emergency, whether an employee,




Line crews have all sorts of tools on their trucks. You may be surprised that an automatic external defibrillator (AED) is one of the safety tools your cooperative stocks. Jacob Kummer displays one from a Federated Rural Electric line truck.

director or an office visitor, has a heart issue," commented Brandon Havemeier, Brown County REA's operations manager. "Our employees are trained on first aid, along with the use of an AED."

"We have had AEDs for more than a decade," stated George Madden, Federated's operations manager. "We consider this life-saving tool as a necessity, as our line crews work around the high-voltage lines."

Besides AEDs, your cooperative's line trucks also carry other safety tools: a fire extinguisher and first aid kit.

In addition, the cooperative's Operation Round Up program has helped fund AEDs for local ambulance departments and other public organizations. Visit the cooperative's website to find the Operation Round Up application or call the office to request that a hard copy be mailed to you. 

Federated Focus

Co-op members: Thank you for giving us high marks!



Federated completed a member-wide customer satisfaction survey, where over 3,000 members were asked to participate. The member responses were sent to the American Customer Satisfaction Index (ACSI®), a company that measures customer satisfaction across multiple industries throughout the entire United States. For 2024 Federated received an ACSI score of “91,” on a 100-point scale*. Federated’s score is higher when compared to publicly measured investor-owned utility scores, cooperative utility scores and municipal utility scores reported in the syndicated 2024 ACSI Energy Utility Study. Federated placed 17 points higher than the average investor-owned utility score of 74, as well as 16 points higher than the municipal utilities score of 75 or electric cooperatives’ score of 78, per the industry ratings. For more information, please visit <https://theacsi.org/industries/energy-utilities/>

* Compared to publicly measured energy utilities in the ACSI® survey of customers rating their own energy utility. Results based on data collected between November 11-25, 2024. ACSI and its logo are registered trademarks of the American Customer Satisfaction Index LLC. (CS)



Scott Reimer

Manager’s Message

Thank you Darvin Voss for 14 years on the Board!

Darvin Voss, Lakefield, resigned from Federated’s Board of Directors January 3. (See Page 5.) Darv’s dedication to the members, concern for employees and board leadership are greatly appreciated. He was always willing to represent Federated, whether handing out 4-H fair T-shirts or legislative visits; he was committed to serve. Thank you Darv!

The Federated Nominating Committee was called to order and tasked with canvassing the membership in District 2 to fill Darv’s position. The District 2 Nominator Thomas Cunningham acted quickly to find potential successors. According to the Bylaws, the Federated Board will appoint a qualified candidate to serve as District 2 director until the August 5 Annual Meeting when interested candidates can be on the ballot and will complete the term, which will be one year. The candidate appointed by the Board at its January 30, 2025 meeting is Troy Post, Brewster. The Nominating Committee will once again begin their duties in early March to seek candidates for not only District 2 board seat, but for Districts 5 and 6 as well. (See Page 1 for the district map and Nominating Committee details.) If any member is interested in being a candidate, please let us know; we will get you in touch with the nominator of your district.

Co-op earns an ACSI® 2024 Customer Satisfaction Award



Federated is honored to have earned a 2024 Customer Satisfaction Award* from the American Customer Satisfaction Index (ACSI®) based on our member survey results. Members were asked to rate their overall satisfaction with us, how well we lived up to their expectations and how well we measured up to their ideal co-op experience. While these were not the only questions in the survey, we included these specifically because they are the core components of the proprietary ACSI methodology.

Federated’s ACSI score substantially outperforms the industry average score earned by publicly measured utilities reported in the 2024 ACSI Energy Utility Study. This Award is a testament to Federated’s ongoing efforts to provide the best possible member experience.

The 2024 Customer Satisfaction Award affirms that Federated’s hard work has been noticed by its members. Federated is grateful for its members and will continue to strive for excellence through constant dedication to improvement.

*Award criteria are determined by the ACSI® and are based on customers rating their satisfaction in a survey independent of the syndicated ACSI Energy Utility Study. For more about the ACSI visit www.theacsi.org/badges. ACSI and its logo are registered trademarks of the American Customer Satisfaction Index LLC.

Increasing costs call for 2025 rate increase

Federated sees several areas of cost increase in 2025 with none more impactful than power supply. At roughly 80 cents of every dollar spent it’s of major importance to manage the financial forecast and the rates that we charge. Please read about the 2025 rate plan, which implements a less than 4 percent overall rate increase. See the table on Page 5 to view your specific rate class. The entire upper Midwest is growing with the largest being data centers and petroleum development. Both are large users of electricity. The grid must accommodate both new generation, as well as new and upgraded transmission. Both take time, planning and much capital; then phase in the 100 percent carbon free electricity by 2040. Wind and solar are still moving forward, but will never supply the dispatchable generation needed for grid stability. The nuclear moratorium is on the docket in Minnesota and if lifted, will open the door to construction as a carbon free resource. Stay tuned. (CS)

Board approves 3.7 percent rate increase, effective April 1

Rate	Description	Old service charge	2024 kWh charge	2024 demand	New service charge	New kWh charge	New demand
A	Residential	\$28.50	\$0.088	n/a	\$33.00	\$0.090	n/a
B	General service	\$55.00	\$0.084	\$4.50	\$60.00	\$0.086	\$5.00
C	Small power	\$80.00	\$0.082	\$7.50	\$85.00	\$0.084	\$8.00
D	Large power	\$90.00	\$0.081	\$8.25	\$95.00	\$0.083	\$8.75
I	Interruptible	\$115.00	\$0.066	\$6.50	\$120.00	\$0.068	\$7.00

The Federated rates will increase with the April 1 electricity use, which is billed May 5. Without this rate increase the co-op would have a \$660,000 operating loss this year.

Federated's Board of Directors approved an average 3.7 percent rate increase to the membership, effective April 1, 2025. These energy changes will appear on the May 5, 2025 bill. This rate increase was approved December 30, 2024.

Most rate classes have their monthly service charge increase by \$5, while the residential (Rate class A) increased by \$4.50/month. Demand is increasing 50 cents per kilowatt (kW), while energy is changing only slightly. Please refer to your electric bill for your rate class and the above chart for the itemized changes by rate class.

A couple of factors are contributing to the rate increase. In order to offset the need for a rate increase, Federated needs roughly a 2 percent increase in sales. However, electric sales declined half a percent from 2023 to

2024. Factor in milder weather and the economy as causes too. Federated's most economical materials supplier for poles, wire and other materials saw an increase in pricing around 8 percent for 2024. Employee health benefits jumped 9.4 percent.

Meanwhile Federated's wholesale power costs are increasing with all four of our power suppliers increasing an average of 7 percent, which will pass through to your bill with the Power Cost Adjustment (PCA). The wholesale power costs make up 80 percent of your electric bill; these increases are from building transmission lines, decreased power supply surplus, increasing power demand, increasing hydropower costs and inflation, plus volatile price markets.

Federated presently features the lowest cost residential electric rate for Minnesota electric cooperatives and

will strive to remain the lowest cost. Federated's strategy focuses on doing more frequent, smaller rate increases annually, instead of a double-digit rate increase less often to avoid sticker shock, for you, our member-owners. Without the rate increase Federated would have nearly a \$660,000 operating loss.

Members can also take charge of your electricity use by upgrading to energy-efficient equipment that uses less electricity. Check out our rebates (www.federatedrea.coop) for heat pumps, Smart Thermostats, Energy Star appliances and farm/commercial rebates. Consider signing up for paperless bills to help us reduce billing costs. Enroll in Auto Pay to save on postage and avoid late fees. Sign up for Budget Billing in May to average out the monthly variations. (U)

District 2 Director Darvin Voss retires from Board after 14 years

Darvin Voss, Lakefield, switched from an electric energy focus to the grandchildren's boundless energy, as he retired from the co-op's Board of Directors January 3. Voss served 14 years as the District 2 director and 13 years as the Board's secretary/treasurer.



Darvin Voss, Lakefield,

"I thoroughly enjoyed my time on the Board, helping to navigate Federated's decisions on energy issues and expanding the co-op's interests," he stated. "I also enjoyed attending the state and national electric co-op meetings, learning about current issues, changes to the industry and future power generation options. I am very thankful for the time working together with my fellow board

members, getting to know Federated's employees and discussing concerns with co-op members.

"As I retire from the Board, I plan to spend more time with my family and attend many of my grandchildren's events," Voss added. "This will also allow the next generation to become active in the leadership of Federated and continue to guide our cooperative."

Voss and wife Cheryl have three children: Emily (Dan) Becker, Ashley (Mickey) Lair and Dustin (Amanda) Voss, along with eight grandchildren.

"When I was asked to run for director, I felt it was a good way for me to become involved in the future of Federated," Voss

stated. "As a farmer, I had an interest in keeping energy costs low and being involved in the political process.

"As a part of the Federated Board, we care about our members, all of the co-op's employees and did our best to make sure that members had their needs met and are kept up to date with our cooperative's changes and growth. Safety of employees was always a priority to the Board and updates to equipment and the office were all given much thought. We were blessed with quality leadership, as we made decisions for Federated."

Voss also served a term on Federated's Nominating Committee in 2001.

Thank you Darv for your dedicated service to the Federated Rural Electric members and employees! Enjoy your retirement! (U)

Upper Midwest electric providers will develop transmission lines for continued reliability

The Midcontinent Independent System Operator (MISO), our region's grid operator, approved a new set of high-voltage transmission projects in December to help ensure reliable service, deliver more renewable energy and support the region's growing economy.

Several utilities, including Great River Energy, participated in the planning process, advocating for the projects that are in the best interest of its member cooperatives. Several utilities will develop the projects to serve customers throughout the Midwest with reliable electricity in a changing energy environment.

"These new transmission lines will help keep electric service reliable and affordable for homes, farms and businesses every hour, every day," said Great River Energy's Vice President and Chief Transmission Officer Priti Patel.

This was the second set of projects in MISO's Long-Range Transmission Plan, known as Tranche 2.1 to be approved. This historic \$21.8 billion portfolio includes 24 projects throughout the Midwest with several 345-kilovolt (kV) transmission lines in Minnesota and a 765-kilovolt (kV) transmission backbone that would start in South Dakota and traverse southern Minnesota before continuing into Wisconsin and Iowa.

"Being able to deliver bulk electricity across multiple states helps ensure reliability for customers even when the wind doesn't blow and the sun doesn't shine," Patel said.

New 765 kV transmission lines

While 765 kV transmission has been used in other parts of the United States for decades, these projects will be a first for the Upper Midwest. This high

capacity transmission line can carry the same amount of electricity as six 345-kV transmission lines, maximizing the efficient use of land and reducing the overall impact on landowners.

"To support the Upper Midwest's energy and economic future electric providers are using innovative approaches to maintain the reliability of the grid in a way that is most affordable and least impactful from a land-use perspective," Patel said. "These projects and the addition of the 765-kV transmission backbone are a big step for the future."

Overall, the Tranche 2.1 portfolio will deliver energy resources to customers where and when they need it and provide significant benefits, including reliable electricity in the face of a changing energy system and increased access to new generation. As the region's electric system transitions from fossil fuels to renewable resources, such as wind and solar, more bulk power lines are needed across the region for continued reliability.

The new 765-kV backbone transmis-

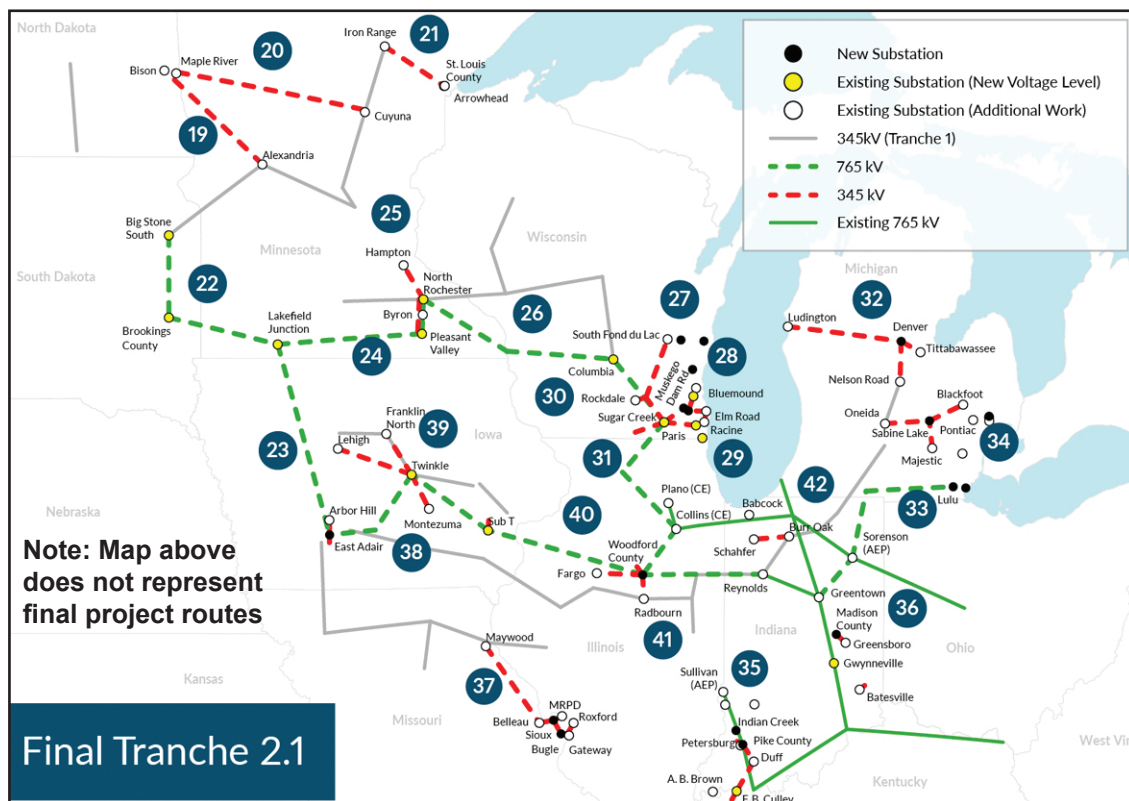
sion connects the following substations:

- Big Stone South (Northeast South Dakota)
- Brookings (Eastern South Dakota)
- Lakefield Junction (Southwest Minnesota)
- Pleasant Valley (Southeast Minnesota)
- North Rochester (Southeast Minnesota)
- Columbia (near Madison, Wisconsin)

Joint Targeted Interconnection Queue projects (JTIQ)

Another portfolio of projects called the Joint Targeted Interconnection Queue projects were approved by MISO on the same day. These projects connect regions, including southwest Minnesota, North Dakota and South Dakota, providing strong transmission connections and reducing congestion along the boundaries between the MISO and Southwest Power Pool grids. These projects will allow renewable energy developers and energy providers to tap into the region's rich wind resources. The projects are partially funded by

— Continued on Page 7



Chip, chip, hooray! Break out the chocolate chip recipes for treats

What's cooking with chocolate chips in your house? Share your favorite chocolate chip (or even butterscotch or caramel chip) recipes with us, whether it's for cookies, bars, candy, cakes or other desserts. Send your favorite chocolate chip recipes to Editor, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or e-mail to christoffer@federatedrea.coop by March 27. Add your name and phone number. Thanks for sharing with us! 📧

Crescent Roll Bars by Connie Urban, Fairmont

2 - 8 oz. pkgs. cream cheese, softened
 2/3 c. sugar 1 egg yolk 1 tsp. vanilla
 2 tubes 8-count crescent rolls or dough sheet
 powdered sugar, optional to dust the top of the bars

Preheat oven to 350°. In the bottom of an ungreased 9x13" pan pat one of the crescent tubes to cover the bottom. If using the rolls, pinch the seams together and set aside. Mix together the sugar, softened cream cheese, egg yolk and vanilla. Spread the mixture over the dough. Take the remaining tube of rolls/dough and stretch out to lay over the cream cheese mixture. Bake at 350° for 25 minutes. Let cool. If desired, sprinkle the cooled bars with powdered sugar. Do not cover tightly; store in the refrigerator. However, the bars taste the best at room temperature. 📧

Great River Energy builds new transmission lines

— Continued from Page 6

U.S. Department of Energy grants, lowering long-term costs for customers. One of the projects, a 345-kV line called Lyon-Lakefield Junction, would be located in southwest Minnesota.

All MISO-approved projects will require approval from state regulatory agencies. Project partners will engage landowners, local governments and other stakeholders as part of the project development process. Informational meeting will begin later this year for southern Minnesota areas involved. 📧

Upgrade to a Smart Wi-Fi thermostat! Receive a \$25 rebate from electric co-op



Find the form on the co-op's website or call the office to request it. Requires receipt and will be added as a bill credit.

FEBRUARY SPECIAL!

\$50 off one camera

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1-800-252-1166



Call Gopher State One Call before doing any digging more than 12" deep — 48 hours before digging for foundations, trees and tiling.

Register at www.gopherstateonecall.org or call 811. Call a licensed electrician to locate the underground lines on your side of the meter. 📧



Important notice regarding past due balances:

Effective February 1, 2025, Federated Broadband will no longer be making courtesy calls or sending courtesy e-mails regarding past due account balances.

Past due balance notifications will be sent out on monthly bill statements. If the delinquent account balance remains unpaid by the 15th of each month, those services will be subject to disconnection until payment is received.

We understand that unexpected circumstances arise and we encourage you to contact us promptly if you are experiencing difficulty making your payment. Our customer service team is available to discuss payment arrangements.

Example of timeline:

February 2025 bill is due on February 20th. If no payment is received, you will receive a notice on your March 2025 billing statement. If no payment is received for the past due portion by March 15, 2025, services will be disconnected until a payment is processed. ☎

Use the online portal or mobile app to pay Broadband too

New to Broadband? Pay your Federated electric bill through the online portal or mobile app? Don't forget to add your broadband account number to your portal so you stay on top of all of your accounts. Go to "add meter," add your account number and a phone number or e-mail address that we have attached to your billing account. ☎



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The Board of Directors generally meets the last business day of the month at 8 a.m. at the Jackson office. Regular board meetings are open to the membership. Members interested in discussing business items should contact the general manager or president three days before the meeting.

Construction updates

Jackson County Border-to-Border

Construction came to a halt for the winter. Mainline and drop crews for the Jackson County project wrapped up mid-December due to frozen ground conditions. Splicing crews are still out and completing their portion of construction. Our team will directly contact homeowners to set up installation appointments as the splicers complete their work.

Martin County Border-to-Border

The Martin County Border-to-Border project will begin construction in the spring once the ground thaws. This project will begin with mainline construction followed by individual drops up to homes and splicing of fiber optic cables. Once all of those phases are completed, we will begin home installs. We hope to be able to begin connecting customers before the end of 2025 and more information regarding that timeline will be posted once crews begin working.

In the meantime, continue sending in the Construction Consent forms to be included in these fiber buildouts. More information regarding expanding our fiber optic network beyond these grant areas will be communicated throughout the year as plans are finalized. ☎