

Connections

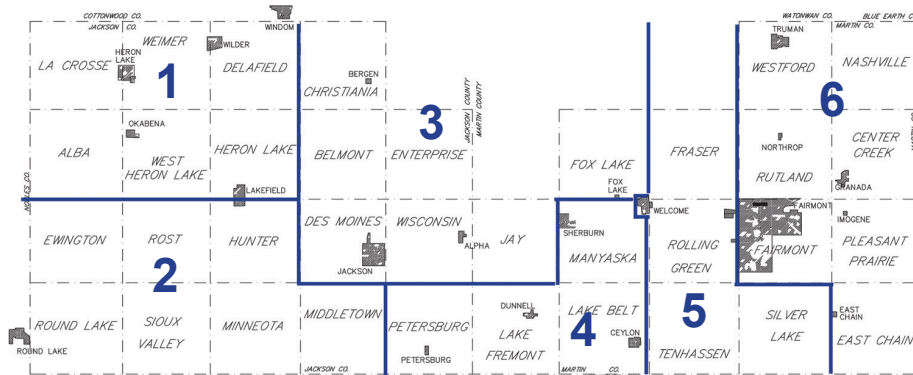
February 2023

For the member-owners of Federated Rural Electric



Volume 27, Issue 2

\$700 Operation Round Up scholarship form inserted in the February bills; high school seniors apply by March 31



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



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, 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 March 31, 2023. 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 will be jointly issued to the school and student.

Enter today!

Nominating Committee met February 9; they seek co-op candidates

Federated's Nominating Committee seeks candidates to run for the Board of Directors and Nominating Committee. Members vote on these candidates at the Annual Meeting August 3 or by mail the month before. The Nominating Committee had its first meeting February 9; the candidates' names will be presented at their April meeting.

If you would like to suggest a member for consideration, call Federated at 847-3520 or 1-800-321-3520 and press extension 0 for Janet. 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 for the Director at Large. Candidates can be from Districts 1 through 6 for At-Large.

Nominator Candidates

- Two nominees from District Five
- Two nominees from District Six

Trust Board Director Candidates

- One nominee for District Two
- One nominee from District At-Large

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.

At A Glance



Line crews patrol the lines in winter for maintenance issues

The linemen hit the roads in the winter to drive every mile of line looking for maintenance issues that need repairs before they cause outages. If a Federated line truck or pickup is driving slowly, that's the reason why. Crews also check the meter so they will drive into your yard too.



New tax credits exist for energy-efficiency

Tax time is around the corner for 2022. Take advantage of these incentives. Plus, 2023 offers new tax incentives thanks to the Inflation Reduction Act (IRA).

Who is eligible for tax credits?

Homeowners, including renters for certain expenditures, who purchase energy and other efficient appliances and products.

How do you get the credit(s)?

Fill out Internal Revenue Service (IRS) Form 5695, following IRS instructions; include it when filing your tax return. Include any relevant product receipts.

Are there limits to what consumers can claim?

Consumers can claim the same or varying credits year after year with new products purchased, but some credits have an annual limit. The overall total limit for an efficiency tax credit in one year is \$3,200. This breaks down to a total limit of \$1,200 for any combination of home envelope improvements (windows/doors/skylights, insulation, electrical) plus furnaces, boilers and central air conditioners. Any combination of heat pumps, heat pump water heaters and biomass stoves/boilers are subject to an annual total limit of \$2,000.

Find qualified energy auditors?

Visit https://www.energystar.gov/about/federal_tax_credits/air_source_heat_pumps/energysave/professional-home-energy-assessments.

Your local electric cooperative is not licensed for energy audits as the state of Minnesota requires expertise in electrical and gas systems.

— Continued on Page 6

Equipment Type	2022 Tax Credit	2023-2032 Tax Credit
Home clean electricity products		
Solar for generating electricity	30% of cost	
Fuel cells		
Wind turbine		
Battery storage	N/A	30% of cost
Heating, cooling and water heating		
Heat pumps	\$300	30% of cost, up to \$2,000/year
Heat pump water heaters		
Geothermal heat pumps	30% of cost	
Solar (water heating)		
Efficient air conditioners*	\$300	30% of cost, up to \$600
Efficient heating equip* (boilers)		
Efficient water heating equipment*	\$300	30% of cost, up to \$600
Other energy-efficiency upgrades		
Electric panel or circuit upgrades for new electric equipment*	N/A	30% of cost, up to \$600
Insulation materials*	10% of cost	30% of cost
Windows, including skylights*	10% of cost	30% of cost, up to \$600
Exterior doors*	10% of cost	30% of cost, up to \$500 for doors (up to \$250 each)
Home-energy audits*	N/A	30% of cost, up to \$150
Induction or electric stove, electric cooktop or electric oven	N/A	up to \$840
Heat pump dryers	N/A	up to \$840
New electric vehicle	up to \$7,500	up to \$7,500
Used electric vehicle (based on income level)		up to \$4,000
*Annual cap limits exist for different categories.		

This table itemizes energy-efficient tax credits for 2022 and new ones for 2023. Keep these incentives in mind as you plan your energy-efficiency upgrades. Be sure to investigate before buying as income eligibility levels exist too.

Electric auger is cool choice for ice fishermen

Winter doesn't make things easier, including starting gas-powered ice augers. Now electric models are available that start augering with the touch of a button. The StrikeMaster Ice Auger is built for reliable, consistent cutting to drill through the ice quickly.

The StrikeMaster Ice Auger features ergonomically-designed handles that are placed opposite the power switch. The planetary gear system ensures consistent and powerful performance, while maintaining a lighter overall weight.

The StrikeMaster battery recharges the battery in only two hours. Tests have shown it capable of drilling 100 holes through 16 inches of ice on a single charge.

Other features include:

- Electric DC brushless motor
- Durable, quiet and easy to transport



- Built-in LED light for a wide range of view
- Power button with deadman safety switch
- Twin serrated stainless steel blades
- Forward and reverse controls to quickly clear the ice hole
- Weight: up to 27 pounds
- Battery: 40-volt, 5-amp hour lithium-ion

The StrikeMaster Ice Auger is available at outdoor stores like Scheels and Cabela's. It can also be found online. The electric ice auger costs approximately \$500. (E)

Simplify your fishing life. The StrikeMaster Ice Auger is an electric auger that eliminates the need for gas and oil. Just take it out on the ice, press a button and start drilling through the ice with the power of a 40-volt lithium battery.

Safety

Know where to blow snow safely

What a winter! Where do we put all of this snow?

Keep electrical safety in mind when clearing snow around your driveway, farm yard and business. Be aware of where the electrical power equipment is located. Make sure it is clear and accessible for electric co-op crews. Keep in mind the location of the green pad-mounted transformers, guy wires, cabinets, poles and overhead wires when moving snow.

Snow piled on electrical equipment not only impacts your safety, but also the potential to impact the electric service of homes and farms in your neighborhood. Please keep at least 10 feet in front of power equipment and 3 feet on the sides and back for line workers in case they need access during an outage.

Look up too for power lines! If you are using a large tractor mounted



An underground cabinet was pushed off the pedestal while moving snow. Be safe. Don't cause an outage. Maintain 10 feet of clearance in front and 3 feet to the side of electrical equipment.

snowblower, be aware of the direction the chute blows the snow; avoid blowing a large stream of snow at overhead lines. Snow could damage the pole or knock out high voltage fuses causing an outage. Rocks in the stream of snow can hit, chip and break porcelain insulators.

Avoid making snow piles under overhead power lines too so kids don't potentially come in contact with power lines or the tractor's loader doesn't make contact either. When backing up with the snow blower, don't run into the snow covered green transformer box.

If removing snow from the roof, look out for any overhead lines coming to the house so you don't risk electrocution.

Snowmobilers, watch for the guy wires and snow covered electrical equipment. Be safe in the snow! (E)

Federated Focus

Kyle Korselman promoted



Effective January 1, Kyle Korselman was named Federated's line superintendent. He oversees the line foremen in Jackson and Martin Counties, along with all of the line crews.

"Kyle will also oversee the larger projects that we have contractors working on, as well as help members with their requests when needed," said Federated Operations Manager George Madden. "Congratulations!"

Korselman was named the co-op's metering, staking, technical services foreman January 1, 2021. He started at Federated as an apprentice lineman January 9, 2006; he became a journeyman lineman April 1, 2009.




Iowa complaint process posted

If you have a concern or complaint regarding Federated Rural Electric, it should be addressed to: Scott Reimer, general manager, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or call 507-847-3520.

If Federated does not resolve your complaint, you may request assistance from: Utilities Board, Department of Commerce, 350 Maple St., Des Moines IA 50319-0069 or call 515-281-5979.

If your complaint is related to service, rather than rates, and Federated does not resolve your complaint, you may request assistance from the Utilities Division.

This institution is an equal opportunity provider and employer. 



Scott Reimer

Manager's Message

Minnesota legislature off to a fast start this year

The most compelling legislation is the 100 percent carbon-free by 2040 standard. Senate bill SF4 (Frentz, DFL-Mankato) and companion bill HF7 (Long DFL-Minneapolis) set the stage for what's to come. HF7 passed the house floor along party lines; now SF4 is on to the Senate in early February likely following the same path. The governor indicated he will sign it.

This and other marque legislation are a top priority for the DFL-led Minnesota legislature. With little or no legislation passing last year, they are making up for lost time. Minnesota will be the 22nd state to legislate a goal like this. North Dakota and Wisconsin are watching closely as they serve co-ops in Minnesota, including Federated. Legal action could be forthcoming. While we are not certain how this will all materialize, we know that changes will be made in our portfolio to comply with the mandate and we will do everything we can to mitigate increases. This is a fluid situation; as we know more, we will communicate with members.

Some are calling this bill the "Black Out Bill," which could actually be the case as more and more baseload power is retired, reducing our instantaneous or dispatchable resources. MISO has already sent signals that 2023 and 2024 could see generation shortages forcing more and more load control followed by rolling blackouts as a last resort.


Grid resiliency is something that has been a focus for co-ops and our power suppliers, especially with this increased electrified future. We have been systematically increasing our capabilities, planning for the electrification of our transportation sector, which has been slow to materialize in rural areas. However, as range anxiety issues are worked out, it's only a matter of time before electric vehicle chargers are installed and stresses the electric grid.

Federated is looking at a rate increase for April 1

We have been looking at our cost of service and how post-Covid changes have seemingly now become the norm. These include wholesale power supply cost increases, as well as material costs doubling in some cases. We aren't seeing any relief in sight, which led us to performing a new comprehensive financial forecast. It shows us that increases are needed. Our target date is April 1 for the increase, which will be in the 3 percent range. We hope to bring this to the board at our February meeting. Our rate was 10.84 cents in 2022. See the map on Page 6 for a rate comparison.

Nationally electric rates increasing even more than local co-op's rates

Nationally, consumers paid 14.3 percent more for electricity last year on average, than in 2021, more than double the overall 6.5 percent rise in prices, according to Consumer Price Increase (CPI) data released January 12 by the U.S. Bureau of Labor Statistics. Month to month, electricity prices rose 1 percent, while the overall CPI decreased by 0.1 percent. The price of residential electricity is projected in the coming years to rise more slowly, the Energy Information Administration said January 10. It jumped to 15.07 cents a kilowatt-hour (kWh) last year, from 13.66 cents per kWh in 2021. It's projected to rise to 15.45 cents a kWh this year and by a penny in 2024. Electricity to heat homes is expected to cost 10.2 percent more this winter over last year or \$1,359 for the season, according to the National Energy Assistance Directors' Association.

As we move ahead, we see many changes. Our business needs to be nimble to navigate the challenges: renewable energy on the rise, carbon sequestration, beneficial electrification and achieving zero carbon or at least greatly reduced carbon. Our children are asking us what we are doing for a clean planet for them. We must have all tech on deck, as our electrified world evolves and avoid making costly mistakes. We want to act as model stewards of the environment, while taking into account reliability and affordability as our north stars. 

Recognizing 125 years of co-op service to members



Mike Kleinschmidt



Brandon Clarke



Jon Saxen



Jake Soderholm



Julie Edlin



Mort VanDeVere



Andrea Christoffer

Congratulations to these employees and director on their 2022 co-op anniversaries with Federated. They were recognized for their 125 years of service to Federated members at the banquet January 13. 🎉

Name	Federated position	Years of service
Mike Kleinschmidt	Journeyman Lineman	10
Brandon Clarke	Welcome Foreman	15
Jon Saxen	Director At-Large	15
Jake Soderholm	Journeyman Lineman	15
Julie Edlin	Customer Service Representative	20
Mort VanDeVere	Jackson Foreman	20
Andrea Christoffer	Marketing & Communications Manager	30

Power plant bus tour returns! Join us August 9-11

Join us on a three-day trek across the Dakota Plains to tour the Antelope Valley power plant and the Coteau lignite mine August 9-11. In addition, tour the Garrison Dam and a gas-fired peaking plant.

Depart from Jackson August 9 on the air-conditioned charter bus. Plenty of movies, games and frequent rest stops break up the day.

The big tour day is August 10. Depart Bismarck, North Dakota, for the Garrison Dam, power plant and mine. Take the elevator to the top of the power plant to see the view, peek into the coal-burning furnace and enjoy the bus ride into the lignite open pit mine, weather permitting. In the evening enjoy a relaxing supper and riverboat ride on the Missouri River.

On August 11 the group stops east of Brookings for the peaking plant tour on the way back. Enjoy periodic rest stops and return to Jackson in the early evening.

As a cooperative member-owner, learn about one of the sources of your electricity. The cost is only \$138 per Federated member or \$275 per Federated couple. The fee includes the cost for the hotel, bus, all meals, riverboat and snack breaks.

Federated shares the tour bus with two Iowa co-ops so just 15 seats are available. Sign up today! Call with your credit card to reserve your seats or send in your contact info with your check payment and the coupon. Call Federated (847-3520 or 800-321-3520, press extension 2224 for Andrea). If you have gone before, please do not sign up again. This is the first time the tour has occurred since three years of Covid. 🎉



Tour lignite coal mine & coal-fired power plant

August 9-11, 2023 Basin Tour Registration

____ 1 Federated member for \$138
____ 2 Federated members for \$275

Name(s) _____
Phone # _____ Amount Paid \$ _____
Address _____
City/state/zip _____

Mail to: Federated Rural Electric, ATTN: Andrea,
PO Box 69, Jackson MN 56143-0069 with the
check or call 847-3520 or 1-800-321-3520 extension 2224 for Andrea and pay with credit card.

Homeowners can take advantage of tax credits

— Continued From Page 2

Products eligible for tax credits?

- Solar panels
- Home back-up power battery storage with capacity of three kilowatts or greater.
- Heat pumps; heat pump water heaters; central air conditioners; natural gas or propane or oil furnaces or hot water boilers that meet or exceed the specific efficiency tiers established by the Consortium for Energy Efficiency. Eligible products found here: <https://cee1.org/node/729>.

Your electric cooperative offers rebates for ground source, air source and ductless air source heat pumps. Find these rebate forms on the co-op's website or talk to the co-op's energy expert with any questions.

Electric water heaters purchased through your electric cooperative are not eligible for tax credits. However, your cooperative's pricing already features more than \$800 in savings from the retail price.

Keep in mind that heat pump water heaters blow cold air into the room, which may not be ideal during a Minnesota winter. It uses the heat from the space they are located (requires 1,000 cubic feet of air), plus dehumidifies too. Plus, heat pump water heaters could require service from a heating-cooling contractor for the heat pump part and a plumber for the water heater part.

- Solar water-heating products that are certified for performance by the Solar Rating Certification Corporation or comparable entity endorsed by the state government where the product is installed. See: <https://solar-rating.org>.

- Oil furnaces or hot water boilers if they meet or exceed 2021 Energy Star efficiency criteria and are rated by the manufacturer for use with fuel blends at least 20 percent of the volume that consists of an eligible fuel. See: <https://www.energystar.gov/products>.

- Upgrade your home's electrical panel to a 200-amp service or higher. This includes panelboards,

sub-panelboards, wiring or feeders that are installed according to National Electrical Code. Be sure to check out the income guidelines to qualify on the limit for each year and that it must be paired with an energy-efficiency upgrade. www.energystar.gov and search for electric panel upgrade tax credits.

- Insulation materials and systems that meet International Energy Conservation Code standards. See: eere/buildings/building-energy-codes-program.

- Exterior windows that meet Energy Star's most efficient requirements. See: https://www.energystar.gov/products/most_efficient.

- Electric cooking rebates exist for induction or electric stoves; this includes electric cooktops, ranges and ovens. Induction stoves are very fast at heating pots and pans, plus are better for the environment than gas stoves. Keep in mind that induction stoves require metal or steel pans though. Use a magnet to check that your pans are metal and will work with induction cooking.

- Heat pump dryers work as a closed system heating the air to dehumidify/remove moisture from the clothes. It then reuses the heated air once the moisture is removed. While it does not require outside ventilation, it does require a drain hose or tank for this moisture. According to Energy Star, a heat pump dryer uses 28 percent less energy than a standard dryer. Using heat pump drying mode means a longer run time.

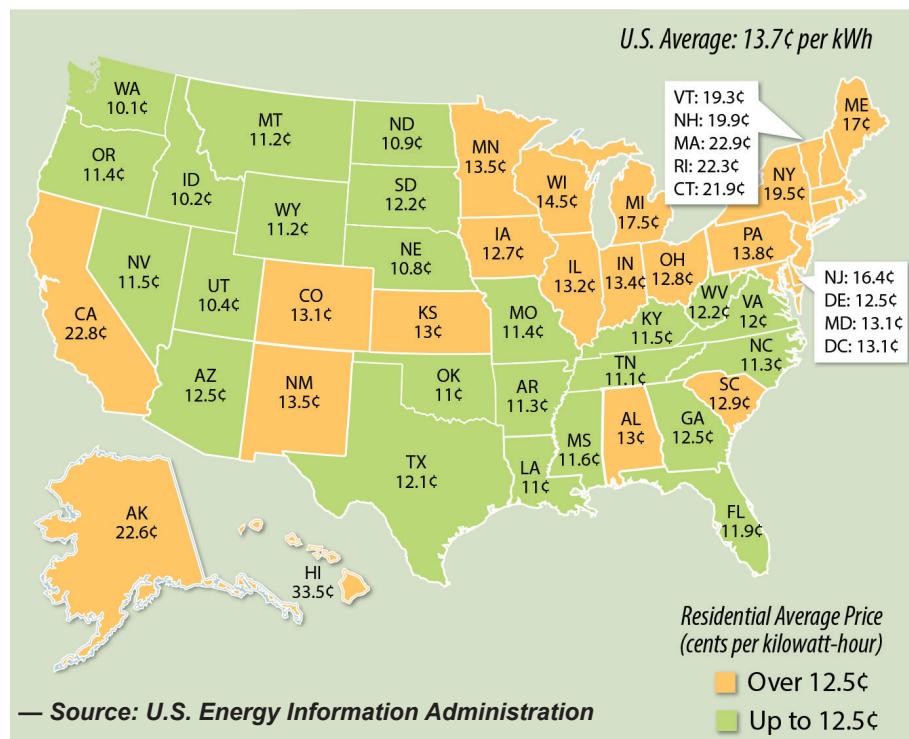
- Be sure to research the electric vehicle credit before buying one new or used. The tax incentives come with certain criteria for the battery source, where the vehicle is manufactured and income levels.

Research any item/upgrade before purchasing by going to: https://www.energystar.gov/about/federal_tax_credits/non_business_energy_property_tax_credits.


These tax incentives will help you save energy and on your taxes too! ☺

Average Prices for Residential Electricity

2021 figures, in cents per kWh



Freezer meal recipes make hot meals a breeze when time is tight

Meal prep when you have the time to enjoy a hot meal when time is tight. Share your recipe for a crock pot meal, hot dish or marinated meat, then you just thaw in the fridge and cook for a hearty, hot meal. Mail your favorite freezer meal recipes to Editor, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or e-mail to christoffer@federatedrea.coop by February 24. Add your name and phone number. Thanks for sharing with us! 

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Chocolate Chip Cheesecake

by Roxanne Zimanski, Courtland

2 pkgs. brick cream cheese, softened
 $\frac{1}{2}$ c. sugar $\frac{1}{2}$ tsp. vanilla
 2 eggs $\frac{3}{4}$ c. mini semi-sweet
 choc chips, divided ($\frac{1}{2}$ c. and $\frac{1}{4}$ c.)

1 honey graham pie crust (6 oz.)

Preheat oven to 350°. Beat the cream cheese, sugar and vanilla in large bowl with mixer on medium speed until well blended. Add the eggs and mix just until blended. Stir in the $\frac{1}{2}$ c. of chips. Pour into crust and sprinkle the $\frac{1}{4}$ c. of choc. chips on top. Bake 40 minutes or until center is almost set. Cool. Refrigerate three hours or overnight. Store in refrigerator. 

Chocolate Marble Cheesepie

by Andrea Christoffer, Round Lake

Chocolate crumb crust: $\frac{1}{4}$ c. cocoa

$1\frac{1}{4}$ c. graham cracker crumbs

$\frac{1}{4}$ c. sugar 6 T. butter, melted

In medium bowl mix above ingredients. Blend in 6 T. melted butter. Press mixture firmly on bottom and up sides of 9" pie plate; refrigerate crust two hours before filling.


$\frac{1}{4}$ c. cocoa

1 can sweetened condensed milk, divided

3 tsp. vanilla extract, divided

4 (3 oz.) pkg. cream cheese, softened

2 T. lemon juice

In small saucepan stir together cocoa and $\frac{2}{3}$ c. sweetened condensed milk. Cook over low heat stirring constantly until mixture is smooth and very thick. Remove from heat; stir in 1 tsp. vanilla. Cool thoroughly. In a large mixing bowl beat remaining 2 pkgs. cream cheese until light and fluffy. Gradually beat in remaining sweetened condensed milk, lemon juice and remaining vanilla. Alternately spoon vanilla and chocolate mixtures into crust. Gently swirl with knife for marbled effect. Chill til firm. 



Go with confidence

With our mobile medical alert system,
you can live life independently, safely,
and worry free.

Enjoy the freedom to explore and the
confidence to do what you love.



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Rural Electric

Official monthly newsletter published

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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.

Streaming TV package pricing increases Feb. 1



As of February 1, 2023, Federated Broadband is increasing the rates for our Southwest Stream TV packages.

While Federated Broadband tried to keep our prices low, our operating costs have increased significantly due to upstream prices with our internet protocol television service provider. After carefully reviewing numbers and knowing this is our first price increase for Southwest Stream within the five years of offering the service, we made the tough decision of increasing our rates. Below you will find the new rates for each streaming package and add-ons.

- Southwest Stream Basic \$70/month
 - Southwest Stream Expanded \$80/month
 - Movie Pack \$15/month
 - Movie Pack Bundle \$20/month
- The price changes on the February bill. ☺

Fall in love with:



Faster internet & local service from Federated Broadband

Residential packages

- 6MB down/2MB up** \$50/month
- Perfect speed for e-mails, surfing & Facebook
- 15MB down/2MB up** \$70/month
- Upgrade to streaming TV & drop satellite TV
- 25MB down/3MB up** \$80/month
- Works with larger households, downloads & gaming
- 40MB down/3MB up** \$90/month
- Gamers, work from home and all of the above!

Basic installation fee \$150

We offer business packages & streaming TV too!



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507-847-1001 or 1-833-847-8001

