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Mark Your Calendar

Oct 15 Electric Bills Due

Oct 29 Board Meeting



Find Your Account Number & Win!

Congratulations to **Mike Young** for finding his account number in our September issue.

TEC has hidden an account number in this newsletter. If you find your account number, notify us by April 1st and you will get a **\$10 bill credit**.

Reforming Residential Solar Rates: Ensuring a Sustainable, Equitable, and Modern Energy Future for Minnesota

As new technologies and the transition to cleaner resources rapidly change our electric grid, some of Minnesota's energy policies, including our antiquated net metering laws, remain ineffective. Minnesota's net metering policy allows residents and businesses with distributed energy systems, like solar panels, to generate their own electricity and require the cooperative to pay more for excess power sent to the grid than it would normally pay for power. This policy is outdated, expensive and inequitable and must be reformed to be effective in the modern world.

First off, the policy is outdated. Minnesota's net metering policy was established when solar technology was in its infancy and no longer addresses the modern energy landscape. Comprehensive reform is needed to reflect current realities and capabilities, including storage. As the first state to implement net metering back in 1984, Minnesota played a pioneering role in promoting solar energy, but it is now time to update this policy to align with today's realities. Given the state law mandating carbon-free electricity by 2040, the environmental incentive for maintaining costly net metering policies is obsolete.

Second, net metering is expensive. With Minnesota's mandate for carbon-free electricity by 2040, net metering incentives have become redundant. Utilities are already charged with reducing carbon emissions; there is no reason to keep expensive incentives to

achieve the same goal. Net metering is also ineffective since it forces cooperatives to pay retail rates for energy they could purchase at cheaper wholesale prices. Additionally, generating electricity from small distributed solar systems is more costly than from larger utility-scale projects, resulting in less carbon reduction for the same investment. Utility-scale systems offer a faster, more cost-effective means of decarbonizing the electrical grid, making net metering an inefficient tool for achieving environmental goals.

Finally, net metering is inequitable. It leads to cost-shifting, where those without distributed systems end up paying more to cover the costs of maintaining the grid. Those who can afford these systems are generally wealthier, leaving poorer members to face the brunt of the cost increases. Studies show that in Minnesota, this disparity is growing, with affluent households increasingly dominating solar installations. Reform is essential to prevent financial strain on those least able to bear it.

The current model is unsustainable and unnecessarily drives up the electric bills of most co-op member-owners. Reforming net metering can enhance grid stability and reliability, ensuring that both traditional and renewable energy sources are effectively integrated and managed.

By taking a balanced approach to reforming our outdated net metering

Co-ops Power Communities with Purpose

JEREMY HUHNSTOCK
General Manager



Communities come in all shapes and sizes. Some are based on geographical proximity, some are based on shared interests or hobbies, and some communities can even be found in virtual spaces like social media groups. Regardless of where or how they are formed, communities can bring people together and create a sense of belonging.

Traverse Electric Cooperative or REA, as a lot of you still call it, is deeply committed to our consumer-members, and we're glad you are part of the electric cooperative community.

This October, more than 30,000 cooperatives across the U.S. are celebrating National Co-op Month. It's a time to reflect on all the aspects that set cooperatives apart from other types of businesses, but more importantly, it's a time to celebrate the power of co-op membership.

Electric cooperatives are not-for-profit utilities that are built by the communities they serve. For TEC, our mission has always been to provide you with reliable power. We care about your quality of life, and because we are locally operated, we're uniquely suited to meet our members' evolving energy needs.

Beyond the business of electricity, our employees and directors are equally invested in our local community. Why?

Because we live here, too. That's why we work hard to support local economic development projects, youth programs and scholarships, charitable giving initiatives and additional programs that make our community a better place to call home.

All co-ops, including TEC, are guided by seven cooperative principles that embody the values and spirit of the cooperative movement. These seven principles are a framework to help all co-ops navigate challenges and opportunities while remaining true to our purpose:

- 1. Open and Voluntary Membership:** Co-op membership is open to anyone who can use the co-op's services.
- 2. Democratic Member Control:** Members make decisions that shape the cooperative. Why? Because co-ops are created by the members, for the members.
- 3. Members' Economic Participation:** Members contribute money to the co-op to make sure it runs smoothly now and in the future. At TEC, this happens through paying your energy bills.
- 4. Autonomy and Independence:** Co-ops are independent and can operate on their own, which ultimately benefits the members.
- 5. Education, Training and Information:** Co-ops continuously focus on education

to ensure employees have the training and information they need to make the co-op successful.

6. Cooperation Among Cooperatives: Co-ops share with and learn from other cooperatives. We help each other out in times of need because we want other co-ops to thrive.

7. Concern for Community: All cooperatives work for the greater good of the local communities they serve. Co-ops give back to their communities to help them thrive and grow.

This October, as we celebrate National Co-op Month and the power of membership, we hope you will recognize the many aspects that set electric cooperatives apart. Our mission is reliable power. Our purpose is people—the local communities we're proud to serve.

Power Supplier to Increase Rates

Traverse Electric Cooperative buys power from a 3-tiered system. Basin Electric Cooperative and Western Area Power Administration both notified their members in late July that they will be increasing their rates effective January 1st. Their rates have not been published as of this newsletter, but when we do get notified of the amount of increase, Traverse will need to work with our rate contractor to see if we will need to increase our rates at this time. ▀

OCTOBER IS NATIONAL

CO-OP MONTH

Enter to Win a **\$100** Bill Credit in Recognition of Co-op Month

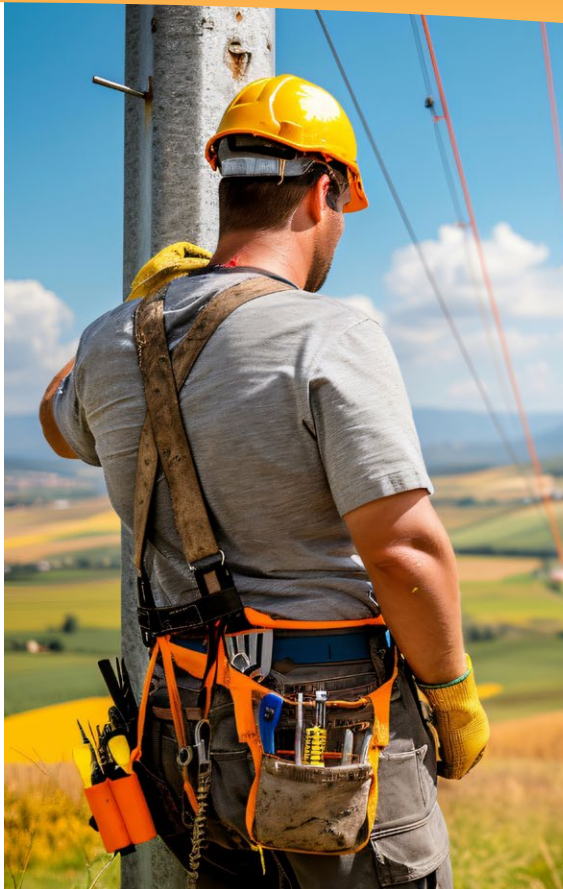
Name _____

City _____ State ____ Zip _____

Phone _____

One entry per member. The winner will be notified.

Return to our office by Oct 31, 2024 by mail, dropped off, or emailed to info@traverseelectric.com.



ENERGY EFFICIENCY TIP OF THE MONTH

Lengthen the life of your clothes dryer with regular cleaning. Clean the lint filter after every load, which improves air circulation and safety. Check the lint trap opening and use a vacuum to remove any lint that's fallen inside the opening.

If you use dryer sheets, check the lint filter for residue buildup. Remove any residue with hot water and a nylon brush or toothbrush. Over time, dryer sheets can leave a film on the filter, which can affect the performance of the motor.



Congratulations!

Justin Lundblad, recently obtained his Journeyman Lineworker certification after successfully completing the four year apprentice program that required Justin to complete 7,500 hours of on the job work experience and pass written tests. Congratulations, Justin!

August 2024 Traverse Electric Board Meeting Highlights

The August regular board meeting was held on Tuesday, August 27, 2024 at 8 AM. Absent: None.

Staff members present were General Manager, Jeremy Huhnstock, Dale Schwagel, and Karen Lupkes.

President Diekmann called the meeting to order.

The agenda was approved.

Completed the annual general manager review.

The minutes of the July regular board meeting were approved.

The July check register was approved.

Discussed the East River video report and the NRECA training video: Fiduciary Duties of a Director.

Diekmann gave an East River Board Report.

Diekmann reported on the MREA Energy Issues Summit.

Ehlers, Gaulrapp, and Marks reported on the Basin Annual Meeting.

Huhnstock presented the General Manager's Report, which included:

- ▶ Provided a Basin Electric update.
- ▶ Provided an East River update.
- ▶ REED Fund review.
- ▶ NRECA update.

▶ MREA and MN legislative update.

▶ SDREA and SD legislative update.

Lupkes gave the Office Manager's Report, which included:

- ▶ July 31, 2024 accounts receivable balances were reviewed.
- ▶ A list of new members was reviewed.
- ▶ Update on Electrical Dept. and Generator Program.
- ▶ NISC software conversion update.
- ▶ East River power bill and Basin's financial reports reviewed.

Reviewed and approved the July 2024 Financial Report.

The Operations Report was presented per written report. Items included:

- ▶ Provided a crew update.
- ▶ Reviewed upcoming and completed projects.
- ▶ Digester service update.
- ▶ Reviewed our Safety Program.
- ▶ Outages were reviewed.

Received an update on the new facility.

Received an update on the old properties for sale.

Reviewed upcoming meetings and attendees.

Meeting adjourned. ▶

#2418

BOARD OF DIRECTORS

President: Doug Diekmann, Beardsley, MN

Vice-President: Tom Frisch, Dumont, MN

Secretary: Matthew Glynn, Sisseton, SD

Treasurer: Michael Marks, Norcross, MN

Stacy Ehlers, Wheaton, MN

Michael Gaulrapp, Breckenridge, MN

Jared Hamling, Rosholt, SD

Terry Monson, Veblen, SD

Bradley Rudolph, Dumont, MN

OFFICE PERSONNEL

Jeremy Huhnstock – General Manager

Karen Lupkes – Office Manager

Dale Schwagel – Operations Manager

Melissa Przymus – Accountant

Stacie Johannsen – Billing Clerk

OPERATIONS PERSONNEL

Richard Davis – Foreman

Lonnie Tekrony – Journeyman Lineworker

Joe Gahlon – Journeyman Lineworker

Austin Reinke – Journeyman Lineworker

Justin Lundblad – Journeyman Lineworker

Isaac Callens – Journeyman Lineworker

Tayden George – Apprentice Lineworker

Chris Falk – Facility/Staking Technician

Robert Groebner – Facility Technician

GENERAL MANAGER'S CONTACT INFORMATION

Jeremy Huhnstock

Cell: 320-349-9901 | Direct: 320-563-1055

jhuhnstock@traverseelectric.com

MEMBER SERVICE REP/ MASTER ELECTRICIAN

Steve Powers 320-808-9104

Connor Bartz

– Journeyman Electrician 320-287-0009

ELECTRICAL INSPECTORS

MINNESOTA

Brandon Lennox 320-808-5309

Big Stone County Grant County

Stevens County Traverse County

Rodney Schaffer 701-235-2840

Wilkin County

NORTH DAKOTA

Mark Moderow 701-226-3779

Richland County

SOUTH DAKOTA

Seth Warner 605-500-9020

Marshall County Roberts County

In case of a power outage, call

(800) 927-5443

6590 State Highway 27

P.O. Box 66

Wheaton, MN 56296 USA

Toll-free phone: (800) 927-5443

Local phone: (320) 563-8616

Hours of Operation

Monday through Friday, 8 a.m.–4:30 p.m.

October 1 – April 30

Web site: www.traverseelectric.com

This institution is an equal opportunity provider and employer.

Our Mission: To provide dependable service at the lowest possible rates, consistent with sound business principles.

TEC August 2024 Financials

	Aug 2023	Aug 2024	YTD 2024
Total Revenue	\$1,094,590.48	\$1,100,124.15	\$8,676,491.67
Cost of Power	\$675,112.58	\$684,949.63	\$5,367,770.12
Total Cost of Service	\$1,032,845.02	\$1,110,352.32	\$8,867,985.65
Operating Margins	\$61,745.46	\$(10,228.17)	\$(191,493.98)
Total Margins	\$88,296.89	\$6,322.26	\$(12,904.18)
Kilowatt-Hours (kWh) Purchased	10,212,232	10,461,882	88,631,837
Kilowatt-Hours (kWh) Sales	9,846,964	9,971,795	84,572,212
Line Loss	4%	5%	4%

Reforming Residential Solar Rates

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policies, Minnesota has the potential to become a national leader in renewable energy policy and ensure a fair, sustainable and modern energy future for all Minnesotans. Embracing reform will support renewable energy growth and facilitate the connection of solar sized to load for those

who want it. Minnesota's electric cooperatives stand ready to support these necessary reforms, advocating for policies that benefit all cooperative members and advancing our collective goal of a reliable, affordable and sustainable energy future. ▶