

# Connections

Vol. 13, No. 3



## High bill concerns?

Think your electric bill is higher?

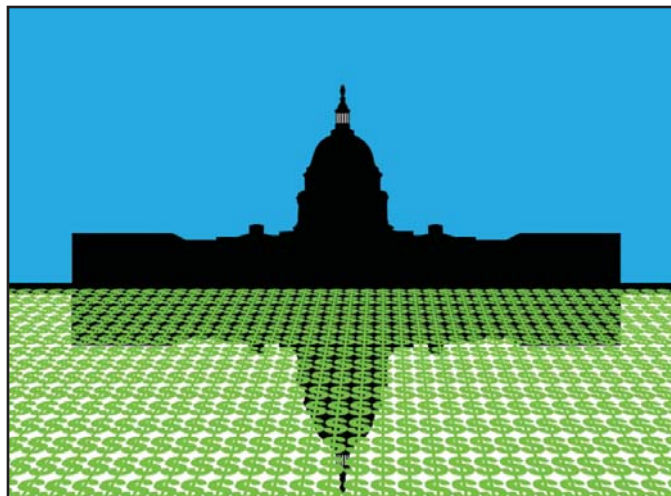
If your electric bill seems high, the first thing to do is compare the kilowatt-hours (kWhs) of electricity used with your previous bills for the same time period. It was a colder winter this year. Next, if your kWh usage is similar, but your current bill is higher, the reason for the higher bill could be the cost of electricity itself. Electric costs have gone up in recent years due in part to the power cost adjustment (PCA). The PCA passes on the higher costs of power needed by the cooperative if the power plant has an unexpected break down or needs more on peak days (your cooperative contracts for a specific amount of power; if more is needed, it must purchase it on the expensive open market). To help keep the PCA low control your electricity use during peaks and join the co-op's money-saving programs for heating, cooling and water heating.

Next, make sure your electric bill is accurate. If you get a bill saying you used 2,000 kWh when you normally use 200 kWh, perhaps you read the meter wrong or the reading was entered wrong at the co-op office. Check the meter readings on your bill with your present meter reading. If you find an error, report it.

Also, remember to read your meter on the same day each month. If you read your meter on the first day of

— *Continued on Page 6*

## So what's in the stimulus bill for you, as an electric cooperative member?



The stimulus bill covers many areas. These points may apply to you regarding your use of electricity. Check with your tax preparer for details on these options.

### 1. Tax credits for residential energy-efficient property:

Current law permits businesses to take a 30 percent tax credit for qualified small wind energy facilities and individuals are permitted a 30 percent tax credit for solar water heating, small wind and geothermal heat pumps. The credit applies to any property placed in service prior to January 1, 2017.

### 2. Tax credits for energy-efficient improvements to existing homes:

The bill would extend the tax credits for improvements to existing energy-efficient homes through 2010 and increases the credit from 10 percent to 30 percent of the cost of the improvement. Also, previous dollar caps for each technology dollar applied are eliminated, providing homeowners with an aggregate \$1,500 cap on all qualified energy-efficient improvements. However, some improve-

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# Be able to say: "See, I saved a lot" with an energy-saving C&I grant

## 3 C&I rebate examples



### Example 1 — Hog barn

- 50 25-watt CFLs to replace 100-watt incandescent bulbs.
- Project cost: \$137.01
- Co-op C&I Rebate: \$68.50
- 75 percent savings in wattage



### Example 2 — Warehouse

- Changed out warehouse lighting to T-8 High Bay Fluorescents
- Project cost: \$6,510
- Co-op C&I Rebate: \$2,480
- Up to 50 percent savings in wattage



### Example 3 — Grain handling motor

- Installed two high-efficiency electric motors (40- and 20-horsepower)
- Project cost: \$2,758
- Co-op C&I Rebate: \$1,200
- End project cost: \$1,558



Seeing is believing. If you are a member who wants to see energy-efficient improvements occur in your business, your electric cooperative can help.

Qualifying businesses include industrial/processing plants, schools, farms, local governments and more. The co-op's Commercial & Industrial (C&I) Program provides cash incentives to applicants for energy-efficient equipment. The grants typically pay for 20 to 40 percent of the project.

The following types of energy-efficient electric equipment qualify for C&I grants.

- Space conditioning (heating and cooling systems, ventilation equipment and controls).
- Lighting systems. Examples of lights that qualify include high-pressure sodium, regular/pulse-start metal

halides, LED exit signs, fluorescent T5 lamps with electronic ballasts, certain T8 lamps, hardwired/modular compact fluorescent fixtures, industrial multi-CFL fixtures and certain high-bay fluorescents. Automatic controls, like photocells, ceiling or wall-mount occupancy sensors, qualify too.

- National Electrical Manufacturers Association listed premium-efficiency motors and adjustable-speed drives.
- Refrigeration.
- Compressed air systems.
- Occupancy controllers for pop machines.
- Dairy equipment, such as the well water pre-cooler and waste-heat exchanger.

Contact your co-op's energy expert for details on the C&I rebates and pre-approval. The C&I Program is limited. Funds are available on a first-come, first-served basis. 🖱️

**Dollars and cents add up to savings with the co-op's Commercial & Industrial (C&I) rebates as demonstrated by three projects (left). Talk to the co-op's energy expert about your 2009 project for possible funding, while funds are available.**



## Save energy with occupancy sensors

The typical office can spend 29 percent of its electrical costs on lighting. Occupancy sensors can reduce that figure by 50 percent. Occupancy sensors use motion-sensing technology to turn the lights on automatically when a person enters a room. If the person leaves the room and does not return, the sensor shuts the light off after a specific time.

Savings can be figured by the following equation:

$$\text{_____} \# \text{ of fluorescent fixtures controlled by sensors} \times 3,000 \text{ hrs. of operation/year}^* \times \text{time unoccupied}^{**} \times \text{_____ Watts/fixture} \times \$0.8/\text{kWh} \times 0.001 = \$ \text{_____ savings/year} \downarrow$$

— Information courtesy of the Utility Savings Initiative (USI)

# Lumalinks — the missing link between do-it-yourself and professionally-installed lighting



Is your garage lit with a single dangling lightbulb that casts a feeble glow? Replace it with banks of fluorescent lights that chase the shadows out — a do-it-yourself project.

Lumalinks from American Fluorescent make it easy to install fluorescent lights in your garage, basement or shop. Simply attach them to your ceiling and plug them into a standard outlet. They don't need to be hardwired into your existing electrical system.

Lumalinks are available in a basic two-light kit (\$180) and a single add-a-light kits (\$85). The basic starter kit includes two four-foot light fixtures (each use two 32-watt T8 lamps, which are not included). Lumalinks have a two-year manufacturer warranty.

A power hub is also included that has one power-in (for plugging into a wall outlet) and three power-outs for

Brighten your garage or basement with easy-to-install Lumalinks.



the light fixtures. Up to nine fixtures can be powered by a single outlet. Cut-to-fit wire covers allow you to design your layout to your specific needs and finish it out for a professional looking installation. The elec-

tronic ballast and cool start light even operates at zero degrees Fahrenheit.

They are available at stores like Menards and Sears. Visit American Fluorescent at [www.americanfluorescent.com](http://www.americanfluorescent.com) for more information. ❧

## The INs and OUTs of outlet safety



Never overload electrical outlets and circuits. Overloaded electrical outlets, or overloaded circuits that supply power to several outlets, are a major cause of residential fires. Overloaded outlets and circuits carry too much electricity, which generates heat in undetectable amounts. The heat causes wear on the internal wiring system and can ignite a fire.

All wiring systems should have circuit breakers or fuses that disconnect power when circuits become overloaded. However, an improperly sized fuse or breaker can cancel this built-in safety feature.



To prevent overloading never plug more than two appliances into an outlet at once or “piggyback” extra appliances on extension cords or wall outlets. Use only outlets designed to handle multiple plugs.

Give special consideration to appliances that use 1,000 or more watts,

such as air conditioners, refrigerators, hot plates, irons, microwave ovens, dishwashers, heaters and deep fryers. Avoid plugging them into the same outlet or circuit. To use these appliances safely know which outlets are connected to the same electrical circuit in your home. Do not exceed 1,500 watts for each outlet or circuit. Wattage requirements are listed in appliance manufacturer's instructions.

Begin a habit of regularly checking electrical cords and outlets. Fires that begin in these areas are difficult to detect, yet easy to prevent. ❧

— *Information courtesy of safeelectricity.org*

# Federated Focus

## 2009 Energy Star rebates

Take advantage of Federated's rebates on any of these purchases made in 2009.

- \$20 on Energy Star torchieres, lamps or lighting fixtures (not ceiling fans)
- \$25 on dehumidifiers, dishwashers and clothes washers
- \$50 on refrigerators and freezers
- \$75 on refrigerators and freezers if the old one is recycled

The rebate forms for appliances are on our website ([www.federatedrea.coop](http://www.federatedrea.coop)), with local appliance stores or call our office to request it.

## 2009 cooling rebates

The cooling rebates have changed for air source heat pumps (ASHPs). The Quality Install rebate is the same for central air and ASHPs; you must use Quality Install contractors, as listed on our website.

- \$180 for SEER 14 to 14.9
- \$280 for SEER 15 to 15.9
- \$330 for SEER 16 and higher
- Ground source heat pumps are rebated at \$200/ton.
- \$25 cooling tune-up rebate for central air or air source heat pumps.

## Water heater cost as of March 1

Due to increasing costs by the manufacturer, Federated's Marathon water heater will cost \$499, plus tax, as of March 1. This includes installation by our electrician. This energy-efficient water heater would cost twice as much if purchased in a store and you paid for installation separately.

## Visit our home show booths

Look for Federated's booths at the Fairmont Home Show March 6-8 and the Jackson Home Show March 21. 📍

# Get the dirt on ground source heat pumps

## Federated hosting seminar March 23



Unearth the benefits of a ground source heat pump! Discover the costs to install and savings there after. Attend our free seminar.

Get an educational grounding on ground-source heat pumps at Federated's Jackson office March 23 starting at 6:30 p.m.

You may have heard about the energy-saving, money-saving efficiency of ground source heat pumps, but such stories have left you with more questions. Get those questions answered. RSVP using the coupon below, e-mailing ([info@federatedrea.coop](mailto:info@federatedrea.coop)) or calling to attend Federated's free Ground Source Heat Pump Seminar. Space is limited to 30 members. The seminar will include:

6:30 p.m. — Visit with ground-source heat pump contractors.

7 p.m. — Brian Urlaub, Entertech, Inc., will explain how ground-source heat pumps work, their costs and payback.

7:45 p.m. — Financing and tax incentives.

8 p.m. — Federated's rate and rebate program for ground-source heat pumps.

8:15-9 p.m. — Question and answer session and visit with contractors.

The seminar will be held in the lunchroom of Federated's office, 77100 U.S. Highway 71, Jackson. Refreshments will be provided. 📍

### Yes, I am interested in attending Federated's Ground Source Heat Pump Seminar

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/state/zip: \_\_\_\_\_ Phone #: \_\_\_\_\_

Number attending (limit two): \_\_\_\_\_

Return with your bill payment or mail to: Federated  
Rural Electric, ATTN: Jon, 77100 US Highway 71, PO  
Box 69, Jackson MN 56143



# Blake Pothoff represents Minnesota on the Youth Leadership Council

The trip of a lifetime led to more memorable trips for Blake Pothoff, son of Neil and Dawn, Dunnell.

Pothoff won Federated's 2008 Youth Tour Contest — a free trip to Washington, D.C. Pothoff did more than learn about our nation's history and see the sights; he was also interviewed and named the Minnesota delegate to the Youth Leadership Council (YLC), with other state delegates from electric co-ops. This led to further trips and experiences.

Pothoff wrote: "Since I was chosen as the YLC representative I have done many things. First, I introduced myself in front of 1,500 Youth Tour participants from across the country. When I came home I walked in a local parade, then went back to Washington, D.C. in July for leadership training. There, I met the president from the National Rural Electric Cooperative Association (NRECA), other cooperative board members and several lobbyists. Next, I traveled to New Orleans February 13-18 to participate in the NCECA Annual Meeting.

Pothoff relates one aspect of the New Orleans trip that made a big impression on him. "We took a bus tour of the area hardest hit by Katrina," he said. "The bus driver showed us houses and buildings that were under 26 feet of water, more than twice the height of our 12-foot bus. He also showed us houses that were inspected



Blake Pothoff, Dunnell, stands with the Minnesota flag on his recent visit to New Orleans after being named to the Youth Leadership Council during the 2008 Youth Tour.

after the water was gone. Spray paint marked when they were inspected and how many animals and bodies were found inside them.

"Finally, the driver took us to where the main levy broke. What we saw sent chills down my spine: nothing — a completely flat area where houses once stood and people once lived. Looking closer, sidewalks led to stair steps, which led to nowhere...

"When you see something like that, you realize everything you have can

disappear at any moment. It makes you realize how much we take for granted: a warm house, a roof over our heads, our family... We, as humans, are vulnerable and must treat every day as if it may be our last."

Pothoff's other lasting impressions came from the individuals he met. "From the President of the NRECA, Mr. Glen English, to the board members from Federated Rural Electric, I met some of the nicest, respectable individuals I have ever run into," Pothoff said. "To be involved with something like the NRECA Annual Meeting, where nearly 8,000 prestigious electric co-op leaders were assembled, showed what America is all about. These people represent values of honesty, integrity and humbleness that America was founded on and still looks for in people today.

"I believe I have grown into a more mature, responsible young man through this experience. I have learned that the responsibility given to me by the Minnesota electric co-ops is one that must be faithfully completed due to today's energy challenges.

"In addition, the other 43 YLC representatives I met were all outstanding. It was a privilege to be a part of such a select group. They, along with the NRECA advisers, helped enhance the YLC experience to a point where it seemed like the whole trip was a living dream." 🙏

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# Monitor factors in high electric bills

— Continued from Page 1



the month and then the tenth day the next month, that accounts for nine extra days of electricity use on the bill.

Don't compare your bill with your neighbors. Too many factors are involved — size of house, number of people, type of heating system, etc.

Monitor your use of electric heat. Some people forget to turn their electric heat down when they aren't home or asleep; a programmable thermostat can help. Others use it in places with bad insulation. Others might use two different sources of electric heat and remember to turn one off, but leave

the other running. This causes the second source to use more electricity to make up the difference. Space heaters can also raise electric bills.

Consider your outbuildings. Do you have block heaters on tractors, well pumps or heat lamps running? How about your home itself? Did you get a new hot tub or plasma TV? Charging all of the kids' cellphones will affect your electric bill.

In addition, sump pumps can get stuck on if their water drain pipe freezes up. Do you have a well pump? Do you have a second refrigerator or freezer that is only half-full? Half-full freezers and refrigerators run more to maintain their temperature. How about your water habits? How many hot showers or baths do your family take a day? Are you drying more laundry since you can't hang clothes out-

side as easily in the winter?

To give you a better idea of how much power you are using and what uses it, two tests exist.

First, look at how fast your meter is turning. Then flip off all of your breakers (even your outbuildings). The meter should stop. Next, flip on the breakers one by one to see which makes the meter turn the fastest. This enables you to narrow down what is using the most power.

Second, read your meter at the same time every day for a week. Check the results. Does one day stand out in usage? What work or chores caused the jump? Figuring that out can help you save electricity and keep your electric bills from causing complaints.

Electricity is still one of the most economical sources of energy available. 🌱

## Stimulus bill provides incentives for energy-efficiency

— Continued from Page 1

ments such as geothermal heat pumps, solar water heaters and solar panels are not subject to the \$1,500 maximum.

### 3. Plug-in electric vehicle credit:

The bill modifies and increases the existing tax credit for qualified plug-in electric drive vehicles. The base amount of the credit is \$2,500. An additional \$417 is provided for batteries at least 5 kilowatt-hours and increases by \$417 thereafter for each kilowatt-hour up to 16 kilowatt-hours for a maximum of \$7,500 per vehicle. The credit phases out after 200,000 plug-in hybrid electric vehicles (PHEV) are sold. The credit is now expanded to include a \$4,000 credit for PHEV conversion kits rated no lower than 4 kilowatt-hours.

### 4. Credit for other electric vehicles:

The bill includes a new credit of \$2,500 toward the purchase of low-speed (maximum 25-30 mph) electric

vehicles, electric motorcycles and electric three-wheel vehicles.

### 5. Extension of production tax credit (PTC) for renewables:

H.R. 1 extends the in-service date for wind facilities to December 31, 2012. For all other renewables (excluding solar) the PTC is extended until December 31, 2013.

### 5B. Investment tax credit in lieu of production tax credit:

It was originally created primarily for solar energy projects. H.R. 1 expands the investment tax credit to include wind and other qualifying renewable sources. The credit equals 30 percent of the investment in a renewable energy facility and must be taken in the year the facility is placed in service, rather than over a 10-year period like the production tax credit.

### 6. Electric utilities & customers:

Electric utilities will explore these funding options:

- Transmission grid investments: \$11 billion for research and development, pilot projects and federal matching funds for the Smart Grid Investment Program to modernize the electricity grid to make it more efficient.

- Local government energy efficiency grants: \$6.3 billion is allocated to help state and local governments make investments to be more energy efficient and reduce carbon emissions.

- Home weatherization: \$5 billion will be used to help low-income families reduce their energy costs by weatherizing their homes and make our country more energy efficient.

- Smart appliances: \$300 million is allocated to provide consumers with rebates for buying energy-efficient Energy Star products.

For more information visit [www.energystar.gov](http://www.energystar.gov) and search for the "Federal Tax Credits for Energy Efficiency" story. 🌱





## Pining for pineapple? Share your favorite pineapple recipes...

Mail your pineapple recipes by March 23 to: Editor, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or e-mail to christoffer@federatedrea.coop. Otherwise, drop it off at your local electric co-op. Add your name and phone number. 📧

### Bumbleberry Pie and Crust by Laura Greiner, Truman

Crust: 2/3 c. Crisco      1½ c. flour      2½ T. cold water  
½ tsp. salt      ½ of an egg, beaten      ½ tsp. vinegar

Combine the Crisco, salt and flour. Mix until pea sized. Combine the egg, water and vinegar; mix well. Stir into flour mixture until well blended. Chill or not, then roll into two crusts (one for the bottom and one on top of filling).

Filling: 1 c. fresh or frozen blueberries      2 c. chopped apples (or 1 c.)  
1 c. fresh or frozen raspberries      1 c. sugar  
1 c. fresh or frozen sliced strawberries      1/3 c. flour, plus 2 tsp. Minute tapioca  
1 c. fresh or frozen rhubarb, cut up      1 T. lemon juice

Combine the filling ingredients (partially thaw fruit if necessary). Spoon into the crust. Seal and crimp the top and bottom pie crust edges. Bake at 400° for 10 minutes and then 350° for 50 minutes if the fruit is not frozen. If the filling is frozen, bake at 400° for 50 minutes and then 350° for 10 minutes. Turn off the oven and leave the pie sitting in the oven for 15 minutes to cool before removing it. 📧



### Dawson, Danielle & Grandma's Applesauce & Shredded Carrot Pie by Deloris Strom, Lakefield

Mix well: 3 c. finely shredded raw carrots      ¼ tsp. nutmeg  
1/3 c. sugar      ½ tsp. cinnamon  
Mix well: 2 c. applesauce      ¼ tsp. nutmeg  
½ c. sugar with ½ tsp. cinnamon      ¼ c. flour

Combine all together. Put in an unbaked pie shell. Put the crust on top and bake at 375° for 50 minutes. (This recipe was created by my grandson, his sister and me.) 📧



### Brick Terrace Walnut Pie by Janice Becker, Truman

8 oz. cream cheese at room temperature      1½ tsp. vanilla, divided  
1/3 c. plus ¼ c. sugar      unbaked 10" pie shell  
dash of salt      1 c. chopped walnuts  
4 eggs, divided      1 c. dark or white corn syrup

Stir the cream cheese, 1/3 c. sugar, salt and 1 egg together, until smooth. Fold in 1 tsp. vanilla. Spread the mixture over the bottom of the pie shell. Sprinkle the walnuts over the mixture. Beat the remaining eggs, ¼ c. sugar, corn syrup and ½ tsp. vanilla together. Pour over the nuts. Bake at 350° about 45 minutes, until set. 📧

### Jill's Mousse Pie by Dorothy Elness, Windom

1½ c. milk  
1 envelope unflavored gelatin  
6 oz. pkg. chocolate chips  
1 tsp. vanilla  
2 c. Cool Whip  
1 Keebler graham cracker crust

In a saucepan sprinkle the unflavored gelatin over the milk. Let stand one minute. Cook over low heat until gelatin is completely dissolved or about five minutes. Add the chips and continue cooking stirring constantly until the chips melt. Stir in the vanilla. Chill one hour stirring occasionally. It will get thick and look like pudding. Fold in the Cool Whip and put into the crust. Make the day before you want to eat it. 📧



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## Marathon — Hot Water For Life

According to the Department of Energy, the average water heater lasts 10 years. The Marathon water heater has a lifetime warranty. Call your electric cooperative on how you can buy one for your home.



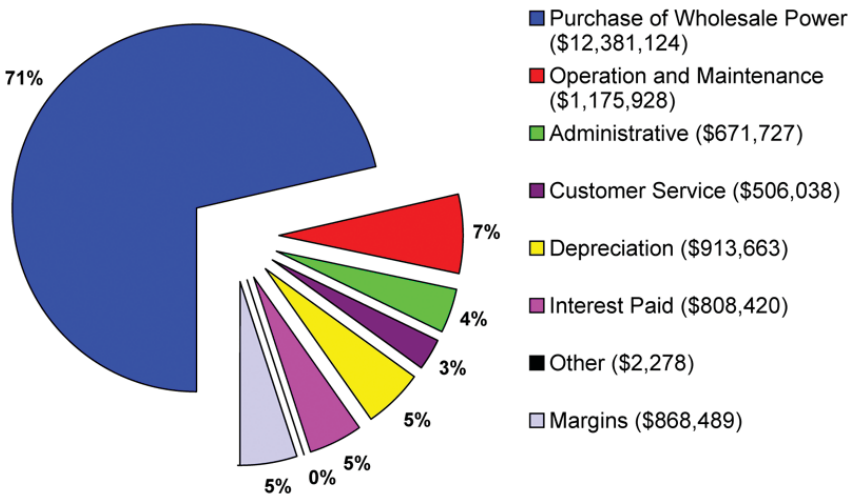


Richard 'Rick' Burud

## Manager's Message

Where does all that money go when I pay my electric bill?

I bet everyone who has ever paid an electric bill has wondered the true answer to that question. In these ever-changing times I thought I'd give you the answer for Federated. First, I'll show you this pie chart for 2008. Total revenue was \$17,327,667. Here's how it was spent:



Let's look at the largest category. Wholesale power is 71 percent of your bill. We purchase power from Western Area Power Administration (WAPA), Great River Energy (GRE) and L&O Power (Basin Electric). Two of these suppliers are cooperatives. One is part of the Department of Energy. This category is the largest cost and the hardest to control by far. With emphasis on renewables and carbon dioxide control I only see this category increasing in the short term. We use energy advisers, peak alerts and load management as a way to control these costs.

The next highest category is operation and maintenance at 7 percent, which is your linemen's salaries and the upkeep of your power lines, meters and substations.

The next three biggest slices of the pie are depreciation, interest paid and margins allocated. Each one is around five percent. We can control these to some extent, but are relative to many years of borrowing and building our system to meet your needs.

I hope this helps you better understand our finances so you can see where monies paid to Federated go. ⚡



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The Board of Directors generally meets the last business day of the month at 9 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.

## Board meeting highlights

Federated Rural Electric's Board of Directors met February 27. All directors were present. They acted on these issues:

- Approved the 2009 workplan with revenue anticipated at \$22 million, expenses at \$21 million and approximate operating margins of \$1 million. Fluctuating wholesale power costs, which are passed onto the members through the power cost adjustment (PCA), means the summer electric rate with the PCA could reach as high as 10 cents with the year averaging 8 cents.
- Reviewed the audit results from the Rural Utilities Service.
- Approved the method for allocating 2008 capital credits. Allocation notices will be mailed in early March.
- Updated on the warehouse addition; the lighting and heating systems are running.
- Updated on the members using the new Easy2Pay program. Meter readings submitted via the website doubled over the previous month (235 vs. 455). ⚡