

POWERLINES

Co-op leaders conduct annual meeting online 198 members and guests logged in, reliability and service remain top priorities



by Board President Ed Gullickson (left) and General Manager Steve Stroshane (right), also pictured above is Michael Jenssen, IT application and database specialist

Polk-Burnett Electric Cooperative held its 82nd annual meeting July 8. The meeting was online. No in-person meeting was held this year due to the COVID-19 pandemic.

"198 members and guests attended from the comfort and safety of their homes," said General Manager Steve Stroshane. Our response to the health emergency has focused on keeping the lights on for our members, ensuring a safe work environment for our employees, and doing the right thing to support our communities and prevent the spread of the virus. With these goals and the uncertainty of our times, we moved our 2020 annual meeting to an online format. We thank all who joined us."



For members who couldn't attend online July 8, the annual meeting was recorded and can be viewed on our website. Printed reports are also upon request.

"We look forward to gathering with co-op members each year," said Board President Ed Gullickson. "This year, our online format looked a little different, but the annual meeting remains an important way for co-op directors, employees and members to connect, learn about co-op performance and provide feedback. We are always looking to improve our service to our members and community."

The annual meeting included a state of the cooperative report by General Manager Steve Stroshane, results of the 2020 board election in co-op districts 1, 2 and 3, and a member Q&A forum, giving members an opportunity to make comments and ask questions through an online chat.

During his report, General Manager Steve Stroshane shared an update of the co-op's financial position, and efforts to continuously improve the electric system and make a positive difference in our local communities.

Reliable power during COVID-19

"From the beginning of the COVID pandemic, we put plans in place for the continued delivery of reliable electricity to member homes, farms and businesses. Our top priority is always providing safe reliable power, with efficiency and extraordinary service," said Stroshane. "We closed our lobbies March 16, but our drive-thru, phone lines and website have remained open. Throughout the pandemic, we have been fully staffed to continue normal operations."

The co-op encourages members to use electronic options for payments and transactions, including the SmartHub app to track electricity use, view and report outages and pay bills. Members were also reminded that they may see an increase in electricity use and electric bills due to spending more time at home. Contact us if we can help.

July 2019 storm restoration

Stroshane reported on the July 2019 storm that caused widespread damage and power outages for 9,000 co-op members across Polk County. Polk-Burnett linemen were assisted by crews from 11 neighboring co-ops and three contractors, bringing more than 100 people to the local restoration effort. "Within a week, all the lights were back on for Polk-Burnett members," he said.

"Rebuilding after the storm was expensive," said Stroshane. "The total cost to repair storm damage across our system is \$2.2 million to date." The storm led to a disaster declaration by the state of Wisconsin. Polk-Burnett has submitted a claim to FEMA to help cover expenses to repair the electric system and clear the utility right-of-way.

System improvements

Beyond storm repairs, Polk-Burnett invested \$4.9 million to upgrade and maintain the electric distribution system in 2019. Polk-Burnett's system includes 1,717 miles of underground cable, 1,695 miles of overhead power line and 38,000 poles.

"We are proud to be in the top 25% of co-ops nationwide for reliability," said Stroshane. "Our 20,000-plus members experience an average of just two hours of power outages per year. And we're always working to improve."

One major investment is upgrading substation equipment, so power can be automatically rerouted during a transmission line outage.

Strong financials

Another co-op priority is holding rates down to avoid large, frequent rate increases for members. "We've tightened our belt since the economic downturn a decade ago, and we're watching expenses closely during COVID-19 economic challenges," said Stroshane. "We've held off for more than 10 years without a rate increase, but we anticipate that we'll need to increase rates soon to cover operating costs."

Polk-Burnett reported \$98 million in assets in 2019 and \$38 million in consolidated operating revenue, with \$4.4 million in consolidated net margins. The co-op sold 237 million kWh of electricity. Electric revenue per member was \$1,608 and the cost to purchase power in 2019 was \$19,310,000; 57% of every dollar the co-op collects goes to purchase power; 22% is operating expenses; 13% goes to interest, tax and depreciation; and 8% is operating margins. The full financial report and audit are on polkburnett.com.

Giving money back and helping members save

Stroshane reported that Polk-Burnett returned \$1.2 million in **Capital Credits** to members in 2019. As a co-op, money beyond expenses is regularly returned to members as Capital Credits. This is one of the greatest advantages of co-op membership and proves that co-op performance is strong, said Stroshane.

Another way Polk-Burnett gives back to members is with **EnergySense rebates**. In 2019, EnergySense helped members save more than 860,000 kWh of electricity, and members received more than \$160,000 in rebates on energy efficiency upgrades.

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Renewable energy for the future

Polk-Burnett supports sustainable growth of alternative energy for its local membership. Stroshane commented that members qualify for rebates on residential solar and wind systems, and can purchase renewable energy blocks through its Evergreen program. Polk-Burnett is also proud to be the home of **SunTuria Solar**, the largest utility scale solar in our area. The 10-acre solar array is owned and operated by ENGIE North America.

"We are pleased to offer a growing renewable energy supply through our power supplier, Dairyland Power Cooperative," said Stroshane. "At present, about 20% of the energy that flows into our distribution system from Dairyland is renewable. Each year, Dairyland adds more solar and wind to reduce carbon emissions."

The announcement by Dairyland to retire its 345-MW Genoa Station #3 is part of a shared goal to be future ready. The coal plant provided safe, reliable electricity for more than 50 years and will close in 2021 when fuel is gone.

Making a difference in our community

Polk-Burnett employees work hard to improve our local quality of life not only with reliable power, but also with support for our local community, said Stroshane. In 2019, **Operation Round Up** awarded more than \$65,000 to 78 local nonprofits, including schools, fire departments, food shelves and libraries. Grants are funded by members who round up electric bills, and Stroshane thanked members for their generosity.

The co-op also supports youth with its annual **scholarship** program. In 2019, \$57,500 was awarded to 46 students to attend a technical school, college or university. For this year's Class of 2020, Polk-Burnett increased the number of scholarships to 54, for a total of \$67,500.

"It's important to know that co-op scholarships do not affect electricity rates," said Stroshane. "They are funded with unclaimed Capital Credits that if not used for education would be forfeited to the state."

New this year, Polk-Burnett announced that co-op members can donate future Capital Credits to the scholarship program. Scholarships are awarded to the sons and daughters of co-op members. To see a list of winners and learn how you can donate Capital Credits, visit polkburnett.com.

Thorman, Morris, Gullickson re-elected to board

Tim Laux, legal counsel for Polk-Burnett Electric Cooperative, announced results of the 2020 board election at the July 8 annual meeting. All three incumbent directors were re-elected.



In District 1, incumbent **Cindy Thorman**, left, of Osceola, ran unopposed and was re-elected with 345 votes.

In District 2, incumbent **Mike Morris**, center, of Luck, was re-elected with 308 votes. Also on the ballot was Erick Vitalis of St. Croix Falls, who received 155 votes.

In District 3, incumbent **Ed Gullickson**, right, of Amery, ran unopposed and was re-elected with 339 votes.

The election was conducted by mail and web ballot by an independent election contractor. Election results were tabulated from ballots received on or before May 27, 2020. Voter participation was 17.4%, with 1,188 ballots received (1,045 paper and 143 online) from 6,827 eligible voters.

Thorman, Morris and Gullickson will serve three-year terms on the co-op board, beginning with the July regular board meeting. Overall, nine co-op directors serve on the Polk-Burnett Electric Cooperative board.

"Electric cooperatives are unique because we are owned and governed by the members we serve. Local board governance is one of the greatest advantages of our co-op business model," said General Manager Steve Stroshane.



Thank you for rounding up **\$34,753 AWARDED TO 35 LOCAL NONPROFITS!**
See grant winners and learn how your nonprofit can apply on polkburnett.com.

Energy demand and cost peak during hot weather

We're asking co-op members to help reduce energy cost and carbon by shifting energy use away from peak times when demand and cost are highest: Summer weekdays, 11 a.m. to 7 p.m.

1. Wash clothes before 11 a.m. or after 7 p.m. Only run full loads. Use cold water. Go solar with Mother Nature; hang clothes outside to air dry.
2. Turn off the light when you leave the room and use natural daylight.
3. Unplug electronics so they don't draw power when not in use.
4. Set your thermostat at 78 degrees. Use a fan to feel 4 degrees cooler!
5. Run dishwasher before 11 a.m. or after 7 p.m. Run full loads. Use air dry cycle.

Learn more about Summer Shift to reduce energy costs and carbon, and sign up to receive peak alerts on polkburnett.com or give us a call at 800-421-0283. Thank you for your help!



What's the best deal for keeping warm this winter?

Are you looking to conserve energy and lower electric costs while keeping cozy and warm this winter? **Now is the time to upgrade your heating system to an Electric Thermal Storage (ETS) heater from Polk-Burnett.** The benefits of ETS heat:



- ✓ Safe and clean.
- ✓ Easy to operate and maintenance free.
- ✓ 100% efficient.
- ✓ No carbon monoxide. No exhaust. No fuel tanks.

When you install a high efficiency ETS heater from Polk-Burnett, you qualify for off-peak rates, which deliver even more savings! **Call today for more information about warm and efficient off-peak electric heaters from Polk-Burnett, 800-421-0283, ext. 595.**

YOU may have unclaimed Capital Credits! We're looking for members with checks issued in 2015-16 that were returned or never cashed. See list of names on polkburnett.com.

IF YOU RECEIVE AN EMAIL SURVEY, WE APPRECIATE YOUR FEEDBACK TO HELP US IMPROVE.

All members who submit a survey will be entered in a drawing for a \$50 bill credit.

Polk-Burnett is your local Touchstone Energy Cooperative. Reliable power with efficiency and extraordinary service.

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