



NEWS *Lines*

PUBLISHED MONTHLY FOR THE MEMBER-OWNERS OF NORTH WEST RURAL ELECTRIC COOPERATIVE



NOVEMBER 2021

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OPERATION ROUND UP *Report*

Disbursements made from North West REC's Operation Round Up Trust in the third quarter of 2021 totaled \$11,500. This brings the total disbursements made from Operation Round Up since its inception in June of 1999 to \$572,295. Many people and organizations have been helped thanks to our members.



Operation Round Up funds are generated through a voluntary rounding up of cooperative members' electric bills to the next nearest dollar, and dollars are used to assist worthy causes and organizations right in your local area.

\$2,750 Medical Emergencies — Assists families with unusual expenses resulting from serious health problems and accident related injuries

\$8,750 Program support Autumn's — Center\Seasons Center, Crossroads of Western Iowa, Hope Haven, Ida County Crisis Funds, Le Mars Backpack Program, Le Mars United Way, Life Skills Training Center, Noah's Ark Daycare, Orange City Community Chest, Special Olympics Iowa, Upper Des Moines, Village Northwest Unlimited

If you no longer wish to participate in the Operation Round Up program, please call the office or email (nwrec@nwrec.coop) and we would be happy to help.

If you are currently not participating in Operation Round Up and would like to become a part of this worthwhile program, please call our office for more information. To receive an application of assistance, please call the office at 707-4935 or 800-766-2099.



Energy Assessments AVAILABLE TO MEMBERS

In addition to offering energy efficiency rebates, our member service department offers energy assessments to our members.

We have an infrared camera to do energy assessments. This camera creates images of temperature and points out where cold air leaks into a home, or where electrical circuits might be dangerously hot.

When scheduling appointments, it is important to know that there needs to be at least a 20 to 30 degree difference between the inside and outside temperatures for the camera to work effectively.

Members will be charged \$45 for an energy assessment, applied to your electric account. Please call the office at 712-707-4935 to schedule an appointment.

One of our member service personnel will conduct a walk-through of the house, with the member present, to look for possible ways to save energy. They will review a detailed list of energy efficiency ideas for potential savings. Simple changes in both lifestyle and in the home will pay you back year after year. Some of those improvements won't cost you a lot of money to put into effect.



MAKE YOUR HARVEST A *Safe Harvest*

The fall season brings excitement, fatigue and stress as farmers are trying to maximize their harvest with uncooperative weather, limited workers and shorter days. With the urgency felt by farm families during this season, here are a few safety reminders.

- The majority of roadway accidents involving farm equipment happen at dawn and at dusk. Check to make sure you have the recommended lighting on your tractor and wagons. Use an escort vehicle when necessary.
- When moving large equipment or high loads near a power line, use a spotter, or someone to help make certain that contact is not made with the line.
- Never attempt to raise or move a power line to clear a path.
- Always lower portable augers or elevators to their lowest possible level before moving or transporting. Use care when raising them back up.



It is very important for operators of farm equipment or vehicles to know what to do if the vehicle comes in contact with a power line. It is always best to stay in the cab and call for help. Warn others who may be nearby to stay away and wait until the REC arrives to make sure power to the line is cut off.

If there is fire or imminent risk of fire, JUMP – not step – with both feet hitting the ground at the same time. Do not allow any part of your body to touch the equipment and the ground at the same time. Continue to hop or shuffle to safety, keeping both feet together while leaving the area. Once you get away from the equipment, never attempt to get back on or even touch the equipment. Do your part to make this a safe harvest season!

IT'S A MATTER OF (Co-op!) Principles

This is a time of year for reflection, and topping the list of things we're grateful for here at North West REC is our wonderful community. We are thankful to be in such an incredible place. We are fortunate to live in the same place where we work, which makes our ties to this community that much stronger.

You may recall that last month, we touched on the first three Cooperative Principles, so this month, we would like to tell you about the remaining four principles. The Cooperative Principles are essential to the co-op business model and benefit all members of the co-op.

Autonomy and Independence

The fourth principal, Autonomy and Independence, means that the co-op operates in an autonomous way that is solely directed and guided by its members, reflecting the values and needs of our local community. This means the co-op is not being influenced by leaders or shareholders several states away. Instead, the co-op is led by the local members it serves.

Education and Training

The fifth principle, Education and Training, focuses on enhancing the knowledge of co-op employees and board members, which enables them to contribute to the development of the co-op.

By investing in continuous learning for our employees and board members, our co-op is making a commitment not just to individual professional and personal growth, but to the future of the co-op and the high quality of service our members expect and deserve. It's a win-win situation.

We also strive to inform our members (that's you!) and the public about the mission and operations of the co-op. In fact, that's why you receive this newsletter every month, so we can share the latest co-op news and updates, as well as energy efficiency and safety tips.

Cooperation Among Cooperatives

Cooperation among cooperatives is the sixth principle and fosters the way that co-ops work together to address bigger challenges. While this principle applies to all types of cooperatives, it is especially relevant in the energy industry. In our case, we put this principle in action after major storms and disasters that cause widespread power outages. When this happens, we call on nearby co-ops to come to our aid and assist with restoration efforts—and we of course extend the same help to them when they need us. We can't think of a better example of cooperation among cooperatives.

In addition, because we are part of the national electric co-op network, we can connect and collaborate with other electric co-ops to tackle industry-related challenges, like cyber security and an ever changing energy landscape.

Concern for Community

The seventh principle, Concern for Community, is essential to who we are as cooperatives. We serve our community not only by being an essential service, but by helping to power our local economy. Whether through economic development, volunteerism or donations to local causes, we invest in this community because it's our home too.

We think you'll find that most cooperatives bring good people together to make good things happen in the community. We hope you feel that way about us, your local electric co-op.

On behalf of everyone at North West we're thankful for your membership, and we hope you have a wonderful Thanksgiving.



ARE YOU SWITCH SMART?

A frequently asked question we get when people sign up for Switch Makes Cents is "How much money will it save me?"

When you opt in to participate in the Switch Makes Cents load management program, you will have the benefit of avoiding demand costs as well as receiving a reduced energy rate or incentive bill credits just for opting-in to Switch Makes Cents. Visit our website www.nwrec.coop or call the office for all our current rates. Our current electric heat rates are listed to the right.

The Electric Heat Partial Control Rate is applicable for homes and buildings that have electric heat as their primary heat source without any backup heat source.

The rate is \$.063 per KWh per month for all KWh sold for heating, cooling and water heater usage.

The Interruptible Electric Heat Rate is applicable for homes and buildings that have electric heat as their primary heat source and agree to have a load management switch installed.

The rate is \$.049 per KWh per month for all KWh sold for heating, cooling and water heater usage.



Lyle D. Korver

MANAGER'S *Report*

"We will reach a 7-year period of rate stability in May of 2022."

\$1.2 Million To Be Refunded To Members Through the Power Cost Adjustment (PCA)

This month, I'm pleased to share some good news about North West REC's rates. Our power supplier, NIPCO, is having a very good year financially and operationally, and their Board of Directors has approved a bill credit to their member cooperative's. NWREC's share of this bill credit is \$1.2 million. Your Cooperative is also having a good year and the NWREC Board of Directors made the decision at their September board meeting to refund this \$1.2 million to our members through our power cost adjustment (PCA).

As a reminder, we use the PCA to either collect from or return to

the members, the difference in wholesale power costs compared to the base wholesale rate that was used to establish the current electric rate. This year, our PCA that is applied to electric bills each month is 1.2 mills per kWh. For the remainder of this year (September through December) and all of 2022, our PCA will be 0 mills instead of 1.2 mills. Based on projected kWh sales for this time period, this should amount to approximately \$1.2 million that is refunded to our members.

The other good news I need to share is that our electric rates will remain stable in 2022. Based on

our most recent financial forecast, the Board has decided that we will not need to adjust rates next year. Our last rate adjustment was in May of 2015 so we will reach a 7-year period of rate stability in May of 2022. We work hard to provide reliable electric service for our members at the lowest possible cost, and we are very pleased to share this positive rate information with our members.

Rate Structure from 2015 → 2022

- Monthly Facility Charge - \$21.50
- First 300 kWh's – 14.5 cents per kwh
- Next 200 kWh's – 9.8 cents per kwh
- Balance over 500 – 8.1 cents per kwh



CFC Releases 2020 Benchmarking Report

NWREC Compares Very Well

Our lender, the National Rural Utilities Cooperative Finance Corporation (CFC), completes a statistical analysis each year, which gives the member cooperatives the opportunity to compare their financial and operating ratios with other REC's throughout the U.S. This analysis is called the Key Ratio Trend Analysis or KRTA. We have found this to be a great benchmarking tool as it highlights our financial and operational strengths, weaknesses, and trends. There are 815 REC's included in this analysis, and I'm pleased to report that your Cooperative continues to compare very well overall.

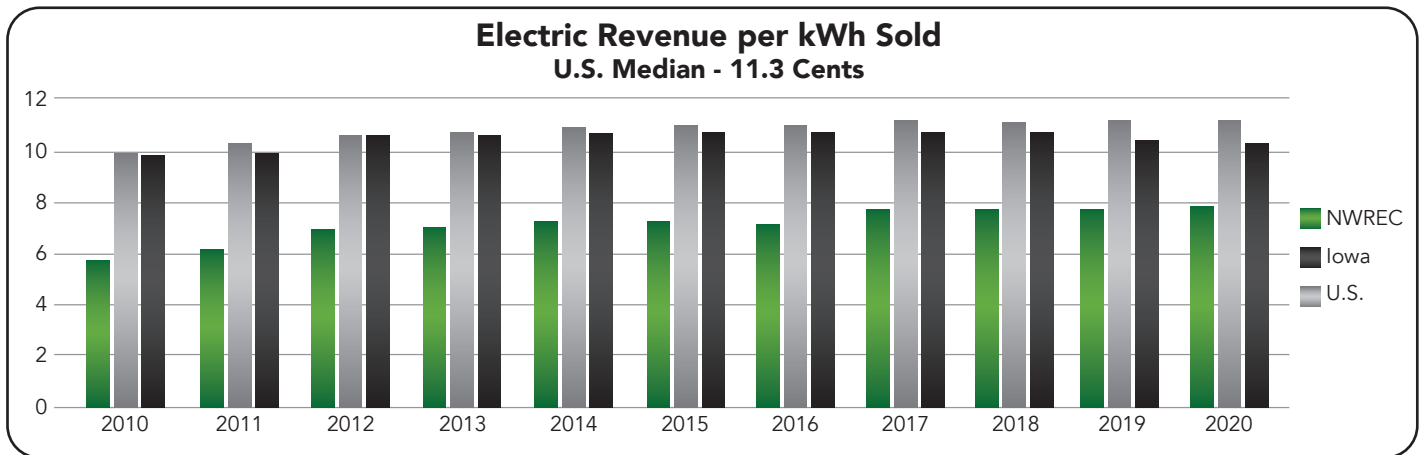
One of the statistics shows a comparison of how **NWREC's rates** compare. The graph below shows that when you compare the revenue per kWh sold for all of the cooperatives, NWREC's rates are in the **lowest 5%** in the U.S. It also compares our rates to the median rates of the other REC's.

NWREC compares very well in many of the other financial and operating ratios also. The table below shows a summary of the key ratios for 2020.

We have reviewed this report with the Board of Directors, and they were very pleased. Be assured that we continue to work hard on behalf

of our members and try to improve on these already strong ratios. We know there is always room for improvement, and we use these types of reports and comparisons to evaluate areas we need to focus on. Thank you for your continued support of NWREC.

Ratio	NWREC	U.S. Rank	State Rank	U.S. Median
Total kWh Sales	656,162,000	184th highest	Highest	321,801,000
Avg. Farm/Res. Usage per month	2,347 kWh's	3rd highest	3rd highest	1,139 kWh's
Residential Revenue per kWh sold	7.9 cents	39th lowest	Lowest	11.3 cents
Total Controllable Expenses per kWh sold	8.79 Mills	14th lowest	Lowest	25.4 Mills
Long Term Debt per kWh sold	64.7 Mills	149th lowest	2nd lowest	128 Mills
Equity % of total capitalization	57.2%	305th highest	8th highest	52.4%
Service Reliability- Avg. Outage Minutes per Consumer	78 minutes	120th lowest	8th lowest	209 minutes



WHY SHOULD YOU INVEST IN A *Heat Pump?*

Maybe you were in the process of buying a home, watching the latest episode of your favorite house-hunting reality show, or just making small talk at the office water cooler when you heard the term “heat pump.” Perhaps you wondered what it is or what it does. Although it has the word heat in its name, it does more than help warm your home.



Heat pumps for larger homes can save energy with a zone-heating feature, warming only rooms that are in use. High-efficiency heat pumps also dehumidify better than standard systems, resulting in less energy usage.

To determine the best heat pump system for your home, contact a reputable heat pump installer/contractor to assess your home’s needs.

HEAT PUMPS

- **AIR-TO-AIR OR AIR-SOURCE PUMPS (ASHP)** are the most common and are powered by electricity. They have an outdoor compressor/condenser unit that warms or cools the coils inside the air handler. It then circulates the warmed or cooled air through the system and pushes the air through ducts back into rooms. For homes without air ducts, air-source heat pumps are also available in a ductless version called a mini-split heat pump.
- **GEOHERMAL HEAT PUMPS (GSHP)**, also known as ground-source or water-source heat pumps, can heat, cool, and even supply hot water to a home by transferring heat to or from the ground (or nearby water source), according to Energy.gov. Geothermal pumps cost more to install than other versions but have lower operating costs since they take advantage of relatively constant ground or water temperatures. They are typically more efficient and can be used in more extreme climates than air-source heat pumps (although air-source technology has improved).

WHAT ARE THEY AND HOW DO THEY WORK?

In general, a heat pump extracts heat from one place and transfers it to another (similar to how an air conditioner or refrigerator cools). In warmer months, a heat pump takes heat from inside a home and relocates it outdoors, helping to make your home cooler. In the cooler months, a heat pump produces heat energy from the outside and moves it inside, which helps to warm your home.

DO THEY SAVE ENERGY?

Since heat pumps move heat, instead of create it, they do save energy! Energy.gov estimates that today’s heat pumps can reduce a home’s electricity use for heating by approximately 50% compared to traditional systems like furnaces and baseboard heaters.



NORTH WEST REC ASHP & GSHP REBATES

GEOHERMAL HEAT PUMP – NEW UNITS INSTALLED ON OUR SYSTEM		NEW LOAD	REPLACEMENT
• RESIDENTIAL		\$1,400 PER TON	\$750 PER TON
-	MAXIMUM REBATE LIMIT OF 30% OF EQUIPMENT COST/UNIT INSTALLED UP TO \$10,000		
• COMMERCIAL/INDUSTRIAL/AG PROJECTS		\$1,400 PER TON	\$750 PER TON
-	MAXIMUM REBATE LIMIT OF 30% OF EQUIPMENT COST/UNIT INSTALLED UP TO \$75,000		
AIR SOURCE HEAT PUMP – NEW UNITS INSTALLED ON OUR SYSTEM		NEW LOAD	REPLACEMENT
• RESIDENTIAL			
-	IF BACK UP HEAT IS ELECTRIC	\$700 PER TON	\$700 PER TON
-	IF NO BACK UP HEAT OR IF BACK UP HEAT IS PROPANE OR GAS	\$500 PER TON	\$500 PER TON
-	MAXIMUM REBATE LIMIT OF 30% OF EQUIPMENT COST/UNIT INSTALLED UP TO \$10,000		
• COMMERCIAL/INDUSTRIAL/AG PROJECTS			
-	IF BACK UP HEAT IS ELECTRIC	\$700 PER TON	\$700 PER TON
-	IF NO BACK UP HEAT OR IF BACK UP HEAT IS PROPANE OR GAS	\$500 PER TON	\$500 PER TON
-	MAXIMUM REBATE LIMIT OF 30% OF EQUIPMENT COST/UNIT INSTALLED UP TO \$75,000		



WHY DO WE *Advertise?*



WHY DO WE ADVERTISE?



At North West REC we are often asked why we run radio ads or spend resources on mailing out a member newsletter each month. Great question! Proactive communication is essential in any industry or business, and it is especially important for North West REC to communicate often with our members who own the co-op. In fact, the core principles of our cooperative business model include concern for community and keeping our members informed and educated.

We use a variety of communications methods to “cut through the clutter” and make sure we reach our members with our messages. Our monthly newsletter, radio announcements, social media posts, bill stuffers, emails, and website serve as effective ways for us to quickly communicate important information with you regarding safety, energy efficiency, cooperative business, and regulatory notices.

Let’s break these categories down one by one:



1. SAFETY AWARENESS

As your electric cooperative, we have a duty to keep you safe from the dangers of electricity. Preventative safety messages are a top priority in our public communications efforts. For example, we remind farmers to watch out for electric lines and poles during planting and harvest seasons. We encourage members to call 8-1-1 before digging so underground utilities can be properly located. During the holidays, we promote safety in the kitchen because the incidence of home fires increases dramatically during that time. Throughout the year, we tell members to “look up and live” as they use ladders and tall equipment around the house, garage, or barn.

2. ENERGY EFFICIENCY



At North West REC, we are committed to helping our members use energy wisely. We provide multiple resources to help you find ways to reduce that electricity bill and become more energy efficient, but we need to promote those resources, so you know about them. For example, we often post energy efficiency tips on our Facebook page and within the pages of our member newsletter. We communicate through various methods to let you know about rebates and incentives for energy efficient products.

3. COOPERATIVE BUSINESS

As an owner of the electric cooperative, you need to know important information about the financial condition of the business and when to elect directors of the board. We publish an annual report which includes important information about the co-op.



4. REGULATORY NOTICES






We are required to communicate with our co-op members regarding specific state and federal regulations. For example, you may notice the grain bin clearance notice we publish every year in the member newsletter and articles informing members about financial aid available through the Low-Income Home Energy Assistance Program (LIHEAP).

Communicating frequently with our members is an important business function that helps North West REC achieve our mission of powering lives and empowering communities.

5. STAY CONNECTED!



At North West REC, we are committed to keeping our members informed and educated, which is why we communicate through a variety of platforms. Here are a few ways you can stay connected to your co-op:

- Find us on Facebook and Instagram by searching for North West REC.  
- Subscribe to our monthly e-newsletter Smart Choices for the latest safety tips and news about your REC. 
- Register for a SmartHub account at <https://nwrec.smarthub.coop/Login.html#> so you can track your energy use and pay your bill online, or you can download the app!
- Check your recent billing statement to make sure we have an accurate phone number and email on file for your account so we have the best way to contact you!

Plug into the Power of

smart choices



Each month North West REC hides a code in our Smart Choices news stories. Find the code 115311NOV in the Smart Choices article, complete the prize entry registration form and submit for a chance to win a \$25 bill credit in November.

115311NOV

Don't receive Smart Choices?

Subscribe by scanning the QR code with your mobile device or visit our website:

www.nwrec.coop/smart-choices-sign-up



THE POWER QUIZ

NORTH WEST REC

1. Name one easy way to save energy this fall:
2. What is one of the five reasons why we advertise?
3. Name one of the Co-op Principles:

Name _____ Acct. # _____

Find the answers within the content of this newsletter, our website or Facebook posts and you could win a prize of \$10 off your electric bill. Send your answers to powerquiz@nwrec.coop or you can send your written answers to North West REC, PO Box 435, Orange City, IA 51041. You may mail your entry along with your electric bill payment, but remember the deadline is December 10. Each month, ten names will be randomly drawn from all correct entries for a \$10 bill credit. Members who answer the questions correctly and participate at least three times throughout the year will be eligible for 2 - \$250 bill credits, through a random drawing, at the end of the year.

POWER QUIZ *Winners*

SEPTEMBER 2021

Donna Huls - Merrill
 Bobby Back - Sutherland
 Gary Meyer - Granville
 George Laughton - Le Mars
 Tim Streck - Ida Grove

Lyle Luedke - Primghar
 June Knop - Arthur
 Jeff Kramer - Le Mars
 Cronin Crops - Holstein
 Robert Navrkal - Hinton



ARE YOU SWITCH SMART?

What is the current interruptible all electric heat rate?

Answer: _____

Name _____ Acct. # _____

What do you know about the Switch Makes Cents program? Find the answers within the content of this newsletter, our website or Facebook posts and you could win a prize. Send your answers to switchsmart@nwrec.coop, fill out the question form online, or send your written answers to North West REC, PO Box 435, Orange City, IA 51041. You may mail your entry along with your electric bill payment, but remember the deadline is December 31. At the end of the quarter one name will be randomly drawn from all the correct entries for a prize. With a new question every month, you can participate up to 3 times each quarter!

North West Rural Electric Cooperative

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Orange City office open during noon hour

Le Mars office closed 12:00 - 12:30 p.m.

Ida Grove office open 9:00 a.m. - 2:00 p.m.
 Wednesdays only

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