



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

JULY 2022

IN THIS / Jssue

Energy Trail Tour Winners Announced

Save The Date **Appreciation Days**

Patronage Dividend

Manager's Report 4-5

2022 Rebates

Energy Efficiency Loans Available

Thinking of Joining SmartHub?

Power Quiz 8

Switch Smart?



\$2,044,000 Patronage Retirement Approved

I'm pleased to report that the Board of Directors has approved a significant deferred patronage dividends retirement to the members again this year. The total amount of the retirement will be \$2,044,000, which is just slightly less than the record amount that was returned to the members last year of \$2,050,000. These patronage retirement funds will be distributed to the members at the fall Member Appreciation Day events.

What are deferred patronage dividends?

One of the benefits our members realize from being a member-owner of North West REC (NWREC) is to share in the net income or margins of the Cooperative. Following the closing of the Cooperative's books each year, the margins are assigned to the members based on the dollar amount of electricity they have purchased during the year. These assignments are referred to as deferred patronage dividends and they are part of NWREC's equity and are retained for a period of years to enable NWREC to finance construction projects and other operating expenditures.

How long do I need to wait to receive the patronage dividends that have been assigned to me?

These deferred patronage dividends are retained by the Cooperative for a period of years and represent equity for the organization until the point in time when they are returned to the members. We are currently using a combination First In, First Out (FIFO) and Last In, First Out (LIFO) method. This gives an opportunity for both our long time and our newer members to see the benefits of being a member of the Cooperative.

What year of business will this years' retirement be based on?

This year's retirement will cover the remaining assignment of the year 2009, a portion of 2010 and a portion of 2021.

How will I receive my patronage refund?

We will be handing out patronage checks at our four Member Appreciation/Patronage Day events in August and September. (The dates are listed on page 2 of the newsletter.) If you aren't able to attend one of these events, your check will be mailed out later in September. If your refund amount is less than \$50, your patronage refund will be made in the form of a credit on your electric bill dated September 20.

How much has the Cooperative returned to the members in patronage refunds?

With this \$2,044,000 patronage refund, it brings the total patronage that has been returned to the members during the last 83 years to over \$31 million! We believe this is a true demonstration of what a Cooperative is about



Energy Trail Tour Winners Announced

The response was great again this year from our members who want to join the fun on the Energy Trail Tour sponsored by North West REC and NIPCO. We want to thank everyone for their interest and for sending in their coupon. The following names were drawn for the two trips:

Wilmer & Diane Wynia - Ireton
Nate & Rhoda Van Ravenswaay - Rock Valley
Ray & Randi Anstine - Kingsley
Kim & Paula Wiltman - Le Mars
John & Dean Lohberger - Paullina
Jay & Juanita Anliker - Primghar
Ken & Sherri Van Donslear - Hospers
Garret & Betty Visser - Sioux Center
Richard & Ashley Ruba - Remsen
Roger & Dani Oetken - Akron
Jim & Cathy McDonough - Schaller
Dennis & Deanna Roeder - Ida Grove

What's it all about?



Tour the **Qahe Dam and Powerhouse** in Pierre, SD. One of the world's largest earth-rolled dams, Qahe Dam and Lake provide more than \$371 million in annual benefits to the American people. Other authorized benefits includ flood control, power generation, recreation, avaigation support and fish a wildlife enhancement. Seven turbine generators at the Qahe Powerhouse generates a maximum capacity of 118.2 megawatts of electricity, which is enough to Court fee annual electric meast of £590 both benes.



Learn shout the **Great Plains Synfuels Dakota Gasification Company Plant**, the only commercial-scale coal gasification plant in the country that manufactures natural gas using the Lurgi gasification technology. Located NW of Beulah, ND, it is capable of producing 13 products, including synthetic natural gas (SNG), ammonium sulfate, anhydrous ammonia, carbon dioxide, cresylic acid, krypton and xenon gases, liquid nitrogen, naphthe, phenol, tar oil, and ures.



Tour the **Dakota Coal Company Freedom Mine**, which delivers approximately 16 million tons of lignite acot perse, making it the largest mine in the US in delivering. The mine reclaims about 500 areas of land annually. Here you'll learn how lignite acot is produced at a surface mine and how the land is reclaimed according to strict high environmental preservation standards. A guided drive-through tour will bring you into active mining areas where you can see girler earth moving equipment in action.



Tour the Antelope Valley Station, the newest coal-based power plant in North Dakota. Its two units, each rated at 450 megawatts, are designed to be environmentally sound. Basin Electric consistently invests in environmental control technologies for all of its facilities. At the Antelope Valley Station, you'll learn how electricity is made. The tour includes an overview in the model room, guided walking tour of the power plant with stops at the turbine deck, control room, boiler and observation deck on the 17th floor!

The tour will include stops at coal mines, power

plants and hydro-electric dams producing the electricity used by us daily. Congratulations! We hope you enjoy your trip! Watch the newsletter early next spring for the next chance to participate.



NEWSLines

Sioux County July 11-14

O'Brien County July 23-28 Plymouth County
July 27-31

Ida County July 20-25



2021 Patronage Dividend Assignment

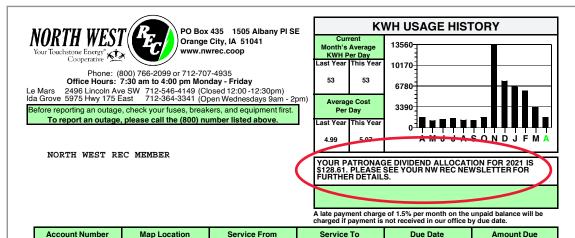
Your patronage dividend is one of the primary benefits of being a member of North West REC. Your cooperative had an excellent year of financial operations in 2021, and as a result, the board of directors assigned \$3,200,000.00 in patronage dividends to the member-owners. North West REC members who received electric service during the year 2021 will receive a patronage dividend assignment. Your portion of this assignment is based on the amount of electricity you purchased from the cooperative in 2021.

Shown here is an example of the patronage dividend allocation notice as printed on your electric bill that you received in June. The patronage has no cash value and cannot be used in payment of electric bills.

Patronage dividends are retained by the cooperative until the board of directors approves them to be paid. Upon approval, a certain percentage of past allocations are retired to the members.

If a member becomes deceased, patronage dividends can be refunded. The member's estate then needs to fill out the required paper work to have the past patronage dividends refunded.

If you have a change in address, please keep the cooperative informed of your new address. This will ensure any future patronage checks will be mailed to your correct address.



123456		84-01-01-1234	05/	05/01/2022		05/31/2022		07/10/2022		204.00	
Meter Number		Rate Description	Present Reading	Previous Reading	Difference	Multiplier	Kwh Used	Kwh Charge			
3000001 3500001		DENTIAL SINGLE P SUB INT HP WH AC	10124 9261	10061 9178	63 83	40 20	860 1660	113.76 83.84			

OTHER CHARGES	AMOUNT	BILLING INFORMATION	AMOUNT
Previous Bill	200.00	Current Electric Charge	197.60
Balance Forward	-200.00	Power Cost Adjustment .0016000	4.03
Balance Forward	0.00	Local Option Tax	2.01
Operation Roundup	0.36	Total Current Billing	203.64
Total Other Charges	0.36	Net Amount Due	204.00
		Gross Amount Due After 07/10/22	204.00

PLEASE DETACH BOTTOM PORTION AND RETURN WITH YOUR PAYMENT

Account Number 123456

Name: NORTH WEST REC MEMBER

Amount Due on 07/10/2022: 204.00

Amount Paid:

Amount After Due Date: 204.00

NORTH WEST REC PO BOX 435 ORANGE CITY, IA 51041-0435

Primary phone number: 712-123-4567.	
If not correct, please update.	
Thank you.	



MANAGER'S Report

Lyle D. Korver

Reliability is Paramount to Our Cooperative

In early May, the North American Electric Reliability Corporation (NERC) released a report outlining their 2022 Summer Reliability Assessment. In the report, NERC raised concerns regarding several regional transmission organizations (RTOs) and their challenges related to electric generation and transmission this summer. This month, I wanted to take this space to discuss what it all means and how North West REC (NWREC) is working with its industry partners to address these issues.

NERC's Summer Reliability Assessment

NERC placed Midcontinent Independent System Operator (MISO) in a "high risk" category for electric generation/capacity shortfalls this summer. The following RTOs were identified as "elevated risks": Southwest Power Pool (SPP), the Western Interconnection, and ERCOT (Texas). (We are in the SPP RTO)

NERC outlined the following factors leading to these risk levels:

- Storm damage to a key SPP transmission line.
- Above-average temperatures and drought contributing to high demand and lower than average output from hydro generators.
- Supply chain challenges leading to difficulty securing fuels and other key resources.
- Cyber security threats.

What does this mean for NWREC?

The way we generate electricity is rapidly changing. More and more, renewable energy sources like wind and solar power are coming online, while traditional sources like coal, nuclear and natural gas are being retired. NWREC believes and advocates for an "all-of-the-above" energy approach. "All-of-the-above" promotes the idea that the U.S. depends on a reliable and sustainable fuel supply that includes developing

Montana
North Dakota

South Dakota

Wyoming

Nebraska

Colorado

Kansas

Missouri

New Mexico

Oklahoma

Arkansas

Louisiana

and incorporating domestically produced renewable energy resources to supplement baseload generation that includes biofuels, natural gas, nuclear, hydropower, and coal.

In May, SPP (NWREC's RTO) reported that they project enough generation to meet summer peak demand. However, that doesn't eliminate the risk of an isolated energy emergency alert (EEA) that could be prompted by a weather event, as we encountered in February 2021. Winter Storm Uri produced prolonged arctic cold that negatively impacted generation resources in the SPP footprint. SPP mandated WAPA, NIPCO's Transmission Operator, to curtail load in our service territory.

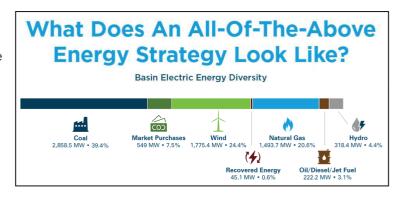
It's important to remember that the electric grid is made up of thousands of generating stations and millions of miles of line. A power plant outage or natural disaster could have an impact on SPP's projections. **NWREC, NIPCO, and NIPCO's primary power provider Basin Electric Power Cooperative are well-positioned to meet this summer's peak demand.** As we have always done, we will communicate potential issues with you as they arise.



What is NWREC doing?

We continue to work with policy makers and regulators on a state and federal level for a sensible "all-of-the-above" generation approach.

The ongoing energy transition must recognize the need for time and technology development, while including all energy sources to maintain reliability and affordability. A resilient and reliable electric grid that keeps the lights on is not only paramount to what we do but serves as the cornerstone of our rural economy.



Electric cooperative families and businesses rightfully expect the lights to stay on at a price they can afford. To maintain the reliability of your power supply, we must adopt an "all-of-the-above" strategy that includes renewable energy as well as dependable resources we have come to rely on like coal, natural gas, nuclear, and hydropower. This diverse energy mix is essential to meeting those expectations day in and day out.

We are keenly aware that the sun doesn't always shine, and the wind doesn't always blow. While we support and encourage the development and use of renewable energy, the intermittent nature of renewables means there may be times when there simply isn't enough of it to keep the lights on all the time. Its place is to supplement a reliable and affordable baseload generation mix. That's why we must continue to recognize the value of and operate baseload generation plants now and into the future.

After the February 2021 event, we worked with our power provider and regional transmission organization to refine communication processes and emergency operations procedures. We are better equipped to respond and communicate potential EEA events impacting our service area, should they arise in the future.

Our mission remains the same. We are here to provide you with safe, reliable, and affordable electricity that is also environmentally responsible. We will continue to advocate on your behalf and do everything we can to continue to live up to that mission.

The following is a brief summary of the discussion and decisions from the board meeting that was held on June 3, 2022:

- Derald Philips gave the monthly safety report. It has been a good start to the year regarding safety.
- Doug Alons, Derrick Haak, and Sheila Van Beek gave Received monthly safety and financial reports from an update on our construction and maintenance projects that the crews have been working on. They also reported on the storm damage and outages we experienced in May.
- Manager Korver provided an update on operations, kWh sales, staffing, service reliability, the Youth Tour Winners for the trip to Washington, D.C. and plans for the Energy Trail Tours.
- Plans and dates for the Member Appreciation Day events were reviewed. Tentative dates are: Aug. 23 - O'Brien County Fairgrounds; Aug. 30 - Ida County Fairgrounds; Sept. 1 – Terrace View Events Center;

Sept. 8 – Plymouth County Fairgrounds.

- Membership applications of new members were approved.
- staff. Curt Ahrenholz reported that the first four months have been very good for NWREC from a financial standpoint.
- Manager Korver reported on several economic development projects that are underway.
- The Board approved delegates and alternates for some upcoming meetings of our associated organizations.
- Heard reports from Director Wagner on the recent NIPCO and Basin Board Meetings.
- Director Rehder gave a CFC Board Report.
- Approved Operation Round-Up donations to several charitable organizations and medical emergency situations.

²⁰**REBATES**



Geothermal Heat Pump

Residential & C&I/Aq \$1,400 per ton (new installs) \$750 per ton (replacement)

Air Source Heat Pump

Residential & C&I/Ag \$700 per ton (all electric heat)

\$500 per ton (not all electric)

Ductless Mini Split Heating/Cooling & P-Tac Unit

Residential all electric \$1,000 per unit (new installs)

\$500 per unit (replacement)

Residential not all electric \$600 per unit (new installs)

\$300 per unit (replacement)

C&I/Ag all electric \$800 per ton (new installs)

\$400 per ton(replacement)

C&I/Aq not all electric \$400 per ton (new installs)

\$200 per ton (replacement)

Central Air Conditioner

Residential & C&I/Aq \$100 per unit (new install only)

Marathon Water Heaters - rebate applied your cost:

50 gallon \$300

85 gallon \$700 (Call the office 100 gallon \$700 for current prices.)

105 HD gallon \$700

Hog Building (50 gallon only) Full Price

New Home with all electric heat —\$1000 off an 85 gal.

Energy Star Certified New Electric Appliances

Clothes Washer \$50 per unit Clothes Dryer\$25 per unit Refrigerator \$25 per unit Freezer.....\$25 per unit

Dishwasher\$25 per unit

Appliance Recycling Program - max of 3 per year

Freezer.....\$50 per unit Refrigerator \$50 per unit

Building Insulation

Residential 30% of install cost up to \$800 10% of install cost up to \$2,000 C&I/Ag

Variable Speed Motor & Soft Start Motors

C&I/Aq \$30 per horsepower

Electric Vehicle Chargers

Residential/ C&I/Aq up to \$1000

Energy Assessments

Residential costs \$45

Many rebates have forms, maximum limits and certain criteria that needs to be met in order to receive the rebate. For complete details on all of our rebates, and forms to apply, visit our website nwrec.coop or contact the office and we would be happy to review them with you.

Energy Efficiency LOANS FOR HOMEOWNERS



An energy-efficiency loan from North West REC can be an effective way to improve your home and save energy. The loan may be made for qualifying energy efficient home improvements such as new electric heating systems, an electric water heater, or energy efficient windows and doors.

If interested in an energy efficiency loan, members must complete a loan application and provide a complete itemized bill. This bill may include electric heat equipment, wiring, labor, electric water heater, and electric space conditioning equipment for cooling. Insulation expense, to improve the integrity of the building and the space to be conditioned, may also be included in a loan. Once submitted, the loan application and credit check will be reviewed by the board of directors for approval. Other specifics of our loan program for North West REC members include:

- Minimum amount of \$500 to \$999 written for one year.
- Maximum amount of \$7,000 for equipment upgrade, written for three years.
- Maximum amount of \$4,000 for house improvement of insulation, doors, windows, caulking, weather-stripping, etc.
- 5.50% simple interest
- Monthly payments included on electric bill
- No penalty for early pay-off

North West REC will deduct any rebates from the total itemized bill and will finance up to 90% of the remainder upon approval from our board of directors.

Call us to find out if your home improvement project qualifies!

Thinking of Joining SmartHub?

Save time and money with our bank draft and SmartHub e-bill options by having your monthly electric bill deducted from your bank account and receiving your bill electronically. You would no longer receive printed billing statements in the mail. To sign up for SmartHub, please register at www.nwrec.coop. You can also sign up for bank draft online once you register for an account.

smart hub

Why sign up for the automatic bank draft and SmartHub e-bill option?

- No more writing a check to North West REC for your electric bill.
- Your electric bill will be paid on the due date no worrying about getting your check to our office on time.
- Accurate record keeping from your financial institution showing the direct payment you make to NWREC on your bank statement.
- Access to your electric information at all times online view your billing and payment history with bill details.
- Easy sign up for SmartHub e-billing at www.nwrec.smarthub.coop or download the free app available for Android and iOS Apple devices.

What else can you do with SmartHub?

- View your electric usage and history.
- Report outages directly from your SmartHub account!
- Sign up to receive e-mail or text alerts for power outages and restorations.
- Contact our office with questions and account issues.

Your financial institution automatically transfers the amount of your monthly electric bill from your account to North West REC each month. The amount transferred will also appear on your monthly bank statement. The amount due will be transferred out of your account on the 8th of each month for payment of your electric bill. You will receive an e-mail notice on the 20th of each month that your monthly electric bill is now ready to be viewed. This will indicate the amount to be withdrawn from your account. Please call 800-766-2099 if you have any questions or check out our website: **www.nwrec.coop** for more information.



When does the program control appliances?

program operates year-round, connected equipment is not interrupted every day. When needed to reduce peak demand, on the hottest or coldest days of the month, switches will interrupt operation of your qualifying electric devices during the following times*:

- Summer operating season is June 1 through September 30. Normal summer control periods occur, as needed, usually between the hours of noon - 10:00 PM
- Winter operating season is October 1 through May 31. Normal winter control periods occur, as needed, usually between the hours of 6:00 AM - noon and 4:00 PM – 10:00 PM. Typically, heat is only controlled during the month of May.
- *These dates and times are subject to change, on an annual basis, without notice.



Sign up for smart choices Each month North West REC hides

Each month North West REC hides a code in our Smart Choices news stories. Find the code below in the Smart Choices article, complete the prize entry registration form and submit for a chance to win one of two \$25 bill credits in July.

WNS77251JUL

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





- 1. What is one of the 4 dates of the Member Appreciation Events this fall?
- 2. Name a type of heat pump that you can receive a rebate for installing:
- 3. How much is the 2021 Patronage Dividend Assignment?

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 August 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.

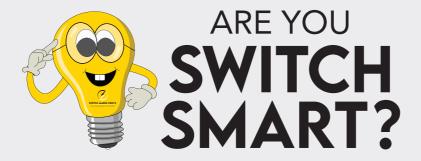
POWER QUIZ Winners

MAY 2022

Steve Schoenherr - Hinton Steve Schau - Battle Creek Howard Van Engen - Hawarden Delores Vondrak - Sioux City Barry Carslon - Aurelia

Name

James Verrips - Sheldon Marvin Wynia - Maurice Jesse Anthony - Le Mars Rose Heeren - Le Mars Verdene Kollbaum - Ida Grove



When are the switches usually operated?

Answer:			
•			

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 September 30. At the end of the quarter one name will be randomly drawn from all the correct entries for a prize. There will be a new question every month, participate up to 3 times a quarter!

North West Rural Electric Cooperative

P.O. Box 435 1505 Albany Place SE Orange City, IA 51041-0435

OFFICE HOURS: Monday through Friday 7:30 a.m. till 4:00 p.m.

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

PHONE: (800) 766-2099

24/7 outage reporting using the SmartHub app or nwrec.smarthub.coop Or call 800-766-2099 anytime

Pay your bill online anytime using SmartHub



Outside Depository Box Available For After Hours Payments

This institution is an equal opportunity employer, provider, and lender.

Lyle D. Korver CEO & General Manager

> Curt Ahrenholz Finance & Office Services Director

Emily Vander Velde Editor





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