

# NEWS *Lines*

## IOWA VENTURE AWARD *Presented*

The Iowa Area Development Group (IADG), on behalf of Iowa's rural electric cooperatives, municipal utilities and independent telecommunication companies, honored seven distinguished Iowa companies with the Iowa Venture Award at a luncheon held in conjunction with the Iowa Association of Electric Cooperatives' annual meeting at the Sheraton West Des Moines.

Siouxland Machine Inc. and Siouxland Fabricating Inc. each occupy their own 27,000 sq. ft. production facility in the Westview Business Park in Rock Valley, Iowa. The facilities will be brought together by a new 44,000 sq. ft., over \$6 million building and equipment addition, that will increase productivity and efficiency for both companies.

Siouxland Machine, founded in 1997 and celebrating its 20th anniversary, specializes in CNC Machining. Siouxland Fabricating, founded in 2003, provides a broad range of services including prototyping, production, fabrication, and assembly for a variety of markets and industries. Together these two companies employ over 130 highly trained machinists and other associates. Siouxland Machine Inc. and Siouxland Fabricating Inc. were nominated for an Iowa Venture Award by North West Rural Electric Cooperative.

"IADG, on behalf of our sponsors, is proud to recognize these outstanding companies," said Rand Fisher, president of Iowa Area Development Group. "Their innovation, vision, courage, and social responsibility have made an impressive impact on their communities, regions and the State of Iowa."

This marks the 30th year that IADG has presented Iowa Venture Awards to individuals and organizations, both large and small, in recognition of their significant contributions to Iowa's economy through entrepreneurial leadership, innovation and the creation of job opportunities. History has demonstrated that these are among the most accomplished and successful companies in the state. Together they are helping to sustain and grow Iowa's economy. The Iowa Venture Award Hall of Fame showcasing these 256 companies can be found at [www.IADG.com/HallOfFame](http://www.IADG.com/HallOfFame).



*Pictured left to right: Rand Fisher, IADG President; Bill Northey, IA Secretary of Agriculture; Jeff Rehder, NWREC Board President; Chris Schuett, Co-Owner, Siouxland Machine & Fabricating; Mike Van Egdom, Co-Owner, Siouxland Machine & Fabricating; Cal De Ruyter, Co-Owner, Siouxland Machine & Fabricating; Lyle Korver, CEO, NWREC; and Rob Driesen, Member Services Director, NWREC.*

**JANUARY 2018**

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# SCHOLARSHIPS *Available*



## Additional Scholarships Awarded

North West REC and Basin Electric Power Cooperative will again be sponsoring four individual \$1,000 scholarships to a dependent of a member of North West REC. There will be one winner from each of the four districts of North West REC.

In addition to that amount, North West REC will also sponsor four \$750 scholarships and four \$500 scholarships to the runners-up in each district. We will be able to honor a total of 12 applicants.

The scholarship is designed to recognize and encourage the academic achievements of students in the eight-state region where Basin Electric of Bismarck, ND, supplies wholesale electric power.

North West REC members may qualify if their dependent meets the following criteria:

- Must be a U.S. citizen
- Are current North West REC members
- Must be a senior in high school and planning to enroll in a full-time accredited, two-year or four-year college, university or vocational/technical school
- Submit the application as provided by North West REC
- Return all completed forms no later than Friday, February 16, 2018

The selection will be based on a combination of SAT/ACT scores and overall grade-point average, work experience, participation in school and community activities, a personal statement of career goals and a written recommendation by a third party.

If you are interested in applying for this scholarship, send in the registration form below, and we will then send you an application form. You can also apply online by visiting our website at [www.nwrec.coop](http://www.nwrec.coop) or you can e-mail Renee at [rwynia@nwrec.coop](mailto:rwynia@nwrec.coop) and she will mail you an application. If you have any questions, please call Renee at 712-707-4935 or 1-800-766-2099. All entries for the scholarship must be returned to the REC no later than Friday, February 16!

### 2018 BASIN SCHOLARSHIP REGISTRATION

*Yes,* I am interested in applying for the scholarship. Please send me the application form.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

PHONE \_\_\_\_\_

PARENT'S NAME \_\_\_\_\_

MAIL TO: North West REC • Attn: Renee • PO Box 435 • Orange City, IA 51041

# DIRECTOR *Profile* DALE ULLRICH

*Here's a chance for you to get to know your Board of Directors a little better.*

**Family:** Wife, Sandy, married 43 years in January, 2018; Son Jerry and his wife Robyn, grandchildren Blake, Jaydrien and Ryker; and son Jason.

**Occupation:** Farming and serving as Ida County's Veterans Service Officer

**Interests:** Farming, Legion activities, County Fair, camping and sitting around a good campfire with family and friends.



**What I enjoy about serving as a NWREC Director:** The opportunity to work with a like-minded group of my fellow directors to continue to offer fellow members some of the lowest rates in the nation, while also assuring them of service reliability by continued maintenance and upgrading of the entire NWREC system.

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## *Check Out* SMARTHUB

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**SmartHub** puts the power of data in your hands through convenient account management and detailed usage information. SmartHub, a mobile and Web app, delivers accurate, timely account information and allows you to make payments in a secure environment with the touch of a button, right from your mobile device or on your PC.

The two-way communication available with **SmartHub** allows you to notify us of account and service issues while providing us a way to let you know about outage information that pertains to you with text messages or emails. We can also communicate when we have special offers, programs, events and more!

**SmartHub** allows you to:

- Pay your bill
- Receive email or text alerts
- View payment history
- View current and past bills
- View your electricity usage
- Contact our office with account issues



Go to our website at [www.nwrec.coop](http://www.nwrec.coop). Click "Pay and Review My Bill Online".

***Would you like to receive text messages or email notifications\* for power outages and restorations?***

Notifications via text message or email can be configured through your **SmartHub** account.

When on our website and **SmartHub**, click on "Manage Contacts and Notifications". Please call 800-766-2099 if any questions.

\*The timeliness and accuracy of notifications is not guaranteed. You may disable notifications at any time.

# MANAGER'S *Report*



Lyle D. Korver

*“We are very pleased to report that it will not be necessary to increase base rates in 2018.”*

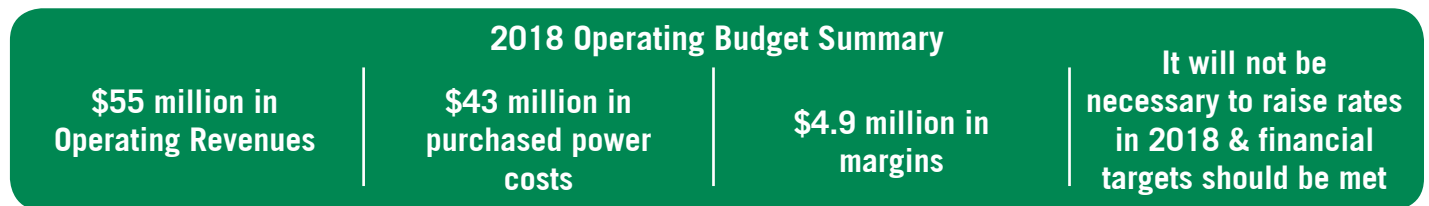
## 2018 BUDGET PROCESS COMPLETED ALIGNS WELL WITH MISSION STATEMENT AND STRATEGIC GOALS

**Happy New Year:** As we begin another year, I want to use this opportunity to extend our best wishes to you and your family for a healthy, happy and successful 2018. Your Cooperative had another successful year in 2017, and we look forward to continuing to work hard in 2018 to provide reliable electric service for our members at the lowest possible cost. These are key components of our Mission Statement and align well with our strategic goals.

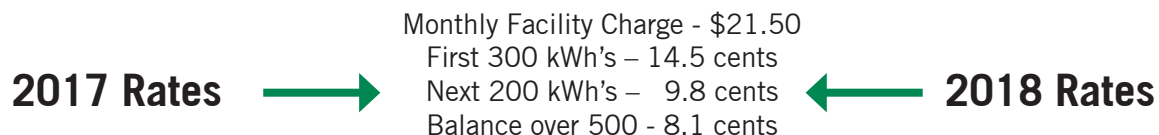
Each year we evaluate what we have done well and what we could improve on to better serve our members. As part of our planning for each new year, we prepare a detailed work plan, capital outlay budget and operating budget. Management reviews the proposed budgets for the upcoming year with the board of directors to get their input and approval.

We prepare two annual budgets – an Operating Budget and a Capital Outlay Budget. The Operating Budget includes detailed projections on revenues, expenses, margin levels and financial ratios. The Capital Outlay Budget includes new construction projects, system improvements, new services and the planned expenditures for new transformers and meters.

### Here are a few highlights from the 2018 Operating Budget:



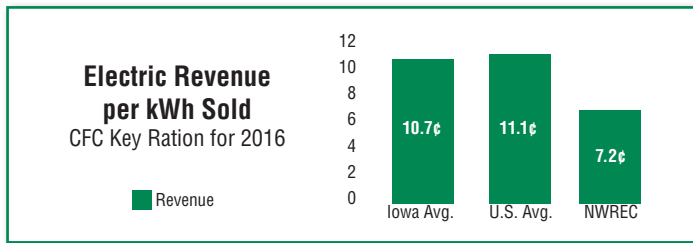
Good news on rates: We are very pleased to report that it will not be necessary to increase base rates in 2018. The current rate structure was implemented on June 1, 2015, and the power cost adjustment (PCA) was set at 0. The base rate structure of our single phase rate (the rate that over 90% of our members are on) is as follows:



We also offer a Switch Makes Cents electric heat rate for those members who have electric heat as their primary heat source. **This electric heat rate has a \$2.50 monthly facility charge and the kWh rate is 4.9 cents.** This rate applies to the electric heating, air conditioning and water heater usage.

Regarding the PCA – it was 1 mill (1/10 of one cent) per kWh in 2017 and it will only increase to 1.6 mills in January, 2018. For 1,000 kWh's – this is a 60 cent adjustment.

NWREC's rates continue to be very competitive. Our lender, the National Rural Utilities Cooperative Finance Corporation (CFC), publishes a Key Ratio Trend Analysis each year, which we use as a benchmarking tool to compare our key ratios with the other 800 RECs in the United States. The graph below shows how we compare on the electric revenue per kWh sold ratio:



Our overall rates are in the lowest 3% nationally (790th lowest out of 809) and the lowest in Iowa. We will continue to work hard to keep our electric rates as low as possible for our members.

The following is a summary of our Capital Outlay Budget for 2018:

**Capital Outlay Budget Summary:**

- \$275,000 budgeted for new services and new construction
- \$450,000 budgeted for service revisions/upgrades
- \$1,049,000 budgeted for new three phase line construction projects – tie lines between substations and replacement of older three phase line
- \$1,705,000 budgeted for replacing older single phase line with new overhead or underground line
- \$250,000 budgeted for ordinary replacements
- \$650,000 budgeted for new transformers and meters

**The total Capital Outlay Budget for distribution plant improvements is \$4.3 million**

**This is higher than the 5 year average of \$3.2 million**



We purchased a new underground plow last year with the goal of increasing the number of miles of older line that will be replaced

each year and to increase the percentage of our line that is underground. We believe this will definitely help to improve service reliability for our members.

We will also replace older overhead line with new overhead line in certain areas where overhead works well and is more cost effective. The new line construction has much shorter span lengths, larger poles, and improved cross arms and other hardware. This new line is able to handle ice load much better than the older line that had longer span lengths.



*New three phase line construction our crews worked on this past summer*

**Member Patronage Days Are Well Received**

One of our strategic goals is to enhance our member engagement. In connection with this, we decided to schedule Member Patronage Days during December for the first time. In the past, we have mailed out patronage checks and we should note, that we did mail them to members who did not stop by to pick them up. However, we thought it would be a good opportunity to visit with our members if we invited them in to pick up their check and to have some Christmas treats.

We held an Open House in each of our four districts during the first week of December and these were very well attended. In fact, the attendance far exceeded our expectations as over 700 patronage checks were picked up and we had over 1,300 members stop in to sample some treats and to visit.

We have a very loyal membership, and we want to thank all of our members who took the time to stop by and visit. Our dates for our Annual District Meetings have been set (see list of dates below) and we hope to see you there in March.

- 2018 Annual District Meeting Dates:**
- March 19 - District 2 Meeting at Primghar**
  - March 20 - District 1 Meeting at Orange City**
  - March 26 - District 3 Meeting at Le Mars**
  - March 27 - District 4 Meeting at Ida Grove**



# Consider Both Price Tags

## WHEN APPLIANCE SHOPPING

Before you congratulate yourself for getting a great deal on a refrigerator, washing machine or other major appliance, consider the other cost of that device: its operating cost.



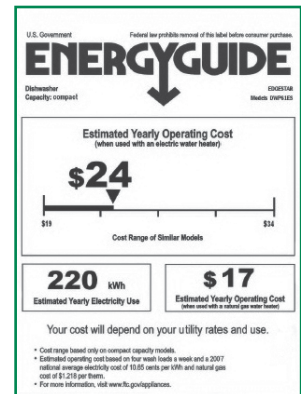
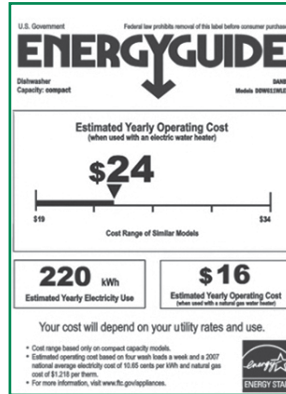
As with so many items, you often get what you pay for when it comes to electric appliances. The purchase price, as it turns out, is really just a down payment, because as long as you own the machine, you'll pay a monthly fee to use it.

Know what that monthly operating cost is before you buy.

It's not hard to figure it out. When you shop for an appliance, look for two labels: one from Energy Star, which you'll find only on appliances that exceed federal standards for energy efficiency; and the bright yellow Energy Guide label, which estimates the appliance's energy consumption.

The Energy Guide label, required on all appliances, is especially helpful because it reveals how much energy, on average, each appliance uses compared with similar models and estimates how much it will cost you to operate the appliance each year.

Note: All new appliances will have the yellow Energy Guide label attached, but please check the guide for the Energy Star logo on it before sending it to us for a rebate. Each member is limited to a maximum of \$250 in combined appliances rebates.



Our appliance rebates:

- Clothes washer \$50 per unit
- Clothes Dryer \$25 per unit
- Refrigerator \$25 per unit
- Freezer \$25 per unit
- Dishwasher \$25 per unit

The rebate form can be found at [www.nwrec.coop](http://www.nwrec.coop) or call our office to request a form.

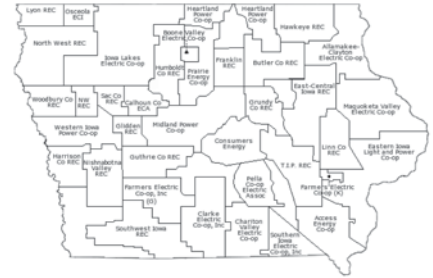
**It pays to read** the "Living with Energy in Iowa" magazine. Congratulations to Brent Koops of Orange City for winning \$150 worth of LED bulbs.

For your chance at winning, go to [www.livingwithenergyiniowa.com](http://www.livingwithenergyiniowa.com) and complete the entry form each month.



# Power Outage

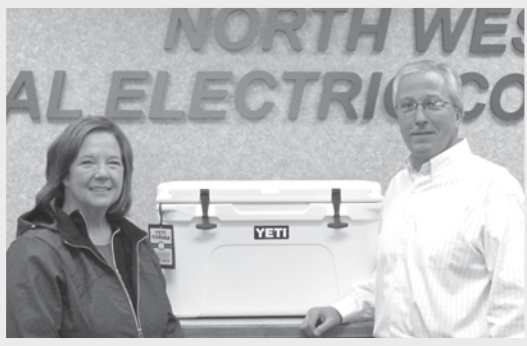
## INFORMATION RESOURCE



Information about power outages effecting homes, businesses and farms served by North West REC is available online at [www.iowarec.org](http://www.iowarec.org), the website of the Iowa Association of Electric Cooperatives.

This web resource, developed by the Iowa Association of Electric Cooperatives, provides a statewide view of power outages at electric cooperatives that deliver electricity in each of the state's 99 counties to approximately 650,000 Iowans. When you log onto the power outage tool, you will see a map of Iowa, and you can view the information from a county-by-county view of Iowa or electric co-op-by-electric co-op view, including North West REC. On the website you also will be able to obtain safety information as well as link to North West REC. In addition to going to the statewide association's website to view the maps, you can check out the information at <http://outages.iowarec.org>.

When there are widespread power outages in Iowa or isolated power outages impacting large numbers of Iowans, North West REC will enter information onto the website. The website will automatically refresh every 10 minutes, so it will reflect the most recently entered information from the electric co-ops. When only a few North West REC member-consumers are without power, the website may not necessarily reflect that information.



### ***Congratulations to Melinda Nibbelink***

of Sioux Center as she was the winner of the YETI cooler in the drawing from the members who "liked" North West REC on Facebook. Presenting the cooler to Melinda is Curt Ahrenholz, Finance Director. Thanks to all the members who participated in the contest.

One of the key benefits to being our friend on Facebook will be the opportunity to provide real time updates about outage restoration efforts in the event of a significant storm. You can also learn the latest about safe, efficient electric use.

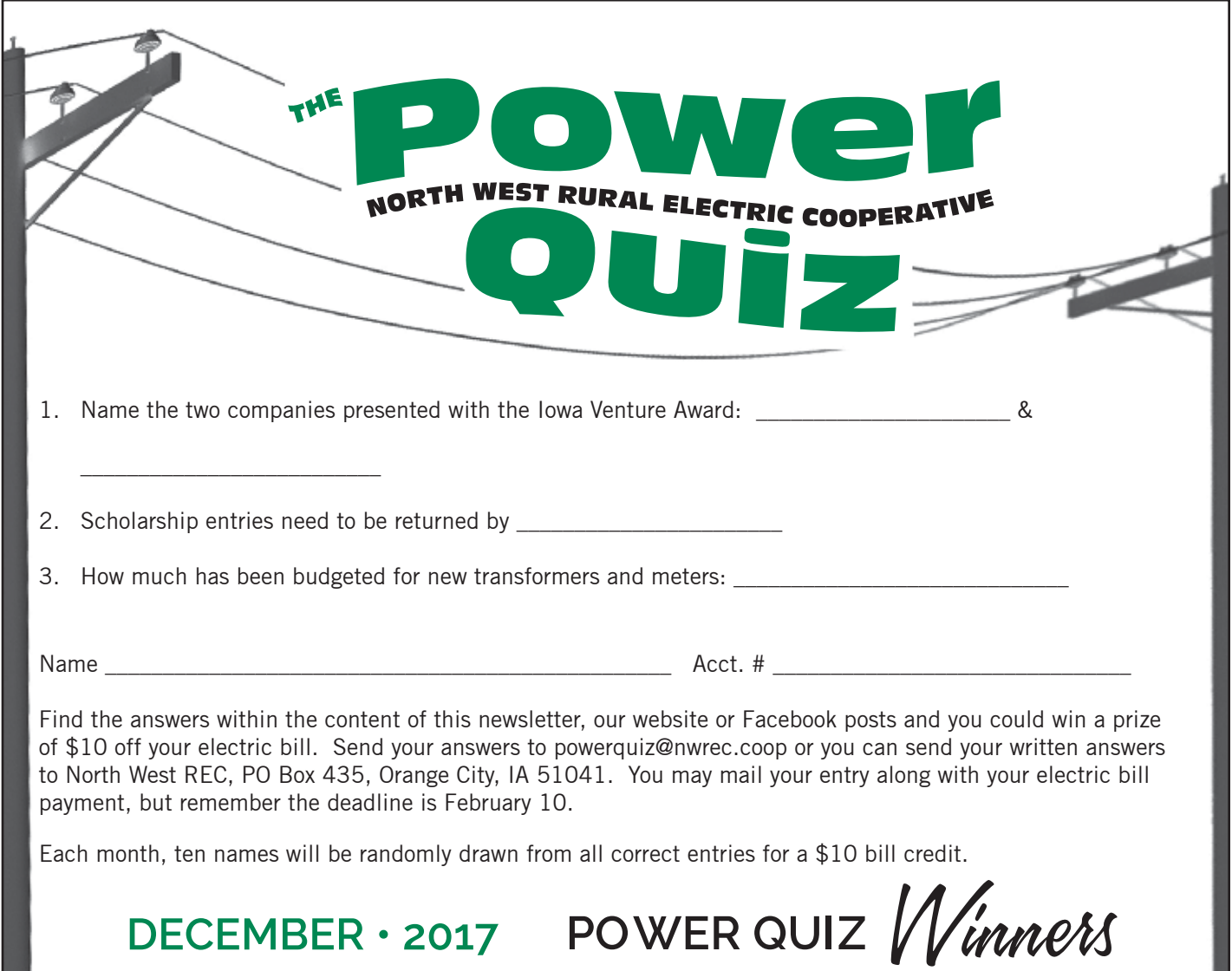
We look forward to increasing and improving our communication with you. Find us on Facebook at North West REC.



## *New Year's Greeting*

*As we step from the old year into the new, we extend best wishes to our member-owners and their families.*

*Health, happiness and prosperity head our list of wishes. And with our wishes comes our pledge that stays the same year in, year out – reliable service for you.*



# THE **Power** NORTH WEST RURAL ELECTRIC COOPERATIVE **Quiz**

1. Name the two companies presented with the Iowa Venture Award: \_\_\_\_\_ &  
\_\_\_\_\_
2. Scholarship entries need to be returned by \_\_\_\_\_
3. How much has been budgeted for new transformers and meters: \_\_\_\_\_

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](mailto: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 February 10.


Each month, ten names will be randomly drawn from all correct entries for a \$10 bill credit.

**DECEMBER • 2017**

**POWER QUIZ** *Winners*



**Gary Langel, Le Mars  
Karen Goettsch, Hartley  
Kathryn Taylor, Ireton  
Ann Lill, Le Mars  
Arnold Tiedemann, Hull**



**Ann Cosgrove, Le Mars  
Barry Carlson, Aurelia  
James Lansink, Ida Grove  
Alan Bolkema, Sioux Center  
Harvey Verbrugge, Sanborn**

## 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  
8:00 a.m. - 12:00 noon, Mon-Fri

### PHONE:

**ORANGE CITY** (712) 707-4935  
(800) 766-2099

**IDA GROVE** (712) 364-3341

**LE MARS** (712) 546-4149

Outside Depository Available  
for After Hours Payments

**Lyle D. Korver**

*CEO & General Manager*

**Curt Ahrenholz**

*Finance & Office  
Services Director*

**Lorraine Egdorf**

*Editor*