



# NEWS *Lines*

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



## NOVEMBER 2020

### IN THIS *Issue*

Make Your Harvest  
A Safe Harvest  
2

Energy Assessments  
Available to Members  
2

Thanksgiving Hours  
3

Manger's Report  
4-5

Heat Pumps  
Explained  
6

Why Do We  
Advertise  
7

Power Quiz  
8



## OPERATION ROUND UP *Report*

Disbursements made from North West REC's Operation Round Up Trust in the third quarter of 2020 totaled \$15,500. This brings the total disbursements made from Operation Round Up since its inception in June of 1999 to \$520,545. Many people and organizations have been helped thanks to our members.



- \$7,450 .....Medical Emergencies – assist families with unusual expenses resulting from serious health problems and accident related injuries
- \$7,550 .....Hope Haven, Ida County Crisis Funds, Ida Services Inc, 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, and local food pantries and distribution centers. - Program Support
- \$500 .....Midwest Honor Flight - Sioux County, Luxembourg Heritage Society of NWIA – Community support for events/projects

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.

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 information or fill out the registration form below and return to us. To receive an application for assistance, please call the office at 707-4935 or 800-766-2099.

### SIGN UP TODAY!

**YES** – add my name to the hundreds of North West REC members already contributing to the Operation Round Up Trust. I am not currently signed up to donate but wish to have my monthly electric bill rounded up to the nearest dollar and make a meaningful difference in my community.

Name \_\_\_\_\_

Address \_\_\_\_\_

Acct. # \_\_\_\_\_ Phone # \_\_\_\_\_

# 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, always 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.
- Always turn off the tractor BEFORE you get off the tractor to check or unplug any piece of equipment.
- Do not sacrifice your rest and nutrition. Take short breaks to get out and stretch, stay hydrated and pack nutritious snacks to eat throughout the day.

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!

## ENERGY ASSESSMENTS *Available To Members*

North West REC is continuing to place more and more emphasis on energy efficiency. In addition to offering energy efficiency rebates, our member service department offers energy assessments to our members.

Your Coop has an infrared camera to do these 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.

There will be a charge of \$45 to the member, applied to your electric account.

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.



\_\_\_\_\_ **YES**, I am interested in having an energy assessment of my home.

Please call me at \_\_\_\_\_ to set up an appointment.

Name \_\_\_\_\_

Address \_\_\_\_\_

Sign up for

# smart choices



Plug into the power of Smart Choices!

Smart Choices is a FREE, monthly newsletter digest that is emailed directly to your inbox from North West REC. Articles feature local news from your cooperative, electric safety information, and energy efficiency tips to help you save money!



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

[www.nwrec.coop/smart-choices-sign-up](http://www.nwrec.coop/smart-choices-sign-up)



New subscribers from now until December 31, 2020 will be entered into a drawing for a gift prize from North West REC!



## Thanksgiving Hours

*Closed Thursday, November 26 & Friday, November 27*







Lyle D. Korver

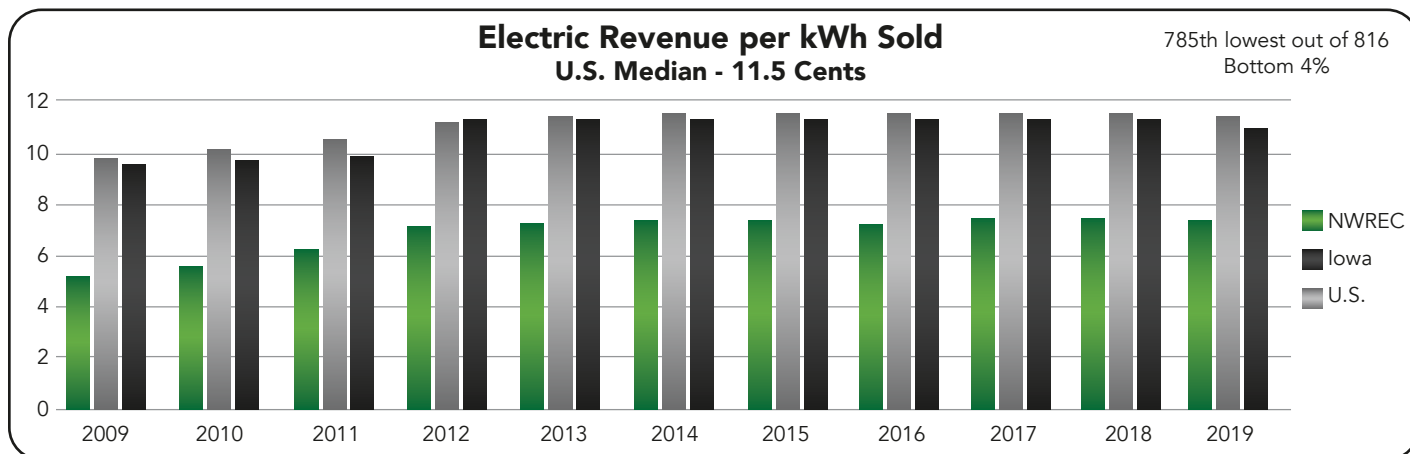
# MANAGER'S Report

"When you compare the revenue per kWh sold for all of the cooperative's, NWREC's rates are in the lowest 4% in the U.S."

## CFC RELEASES 2019 BENCHMARKING REPORT HOW DOES NWREC COMPARE?

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 around the country. This analysis is called the Key Ratio Trend Analysis or KRTA. It is a great benchmarking tool for us and highlights our financial and operational strengths, weaknesses, and trends. There are 816 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 to the rates of other REC's. The graph below shows that when you compare the revenue per kWh sold for all of the cooperative's, NWREC's rates are in the **lowest 4%** in the U.S. It also compares NWREC's 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 following is a summary of the key ratios for 2019.

Ratio	NWREC	U.S. Rank	State Rank	U.S. Median
<b>Total kWh Sales</b>	695,682,000	180th highest	Highest	322,149,000
<b>Avg. Farm/Res. Usage per month</b>	2,495 kWhs	3rd highest	3rd highest	1,175 kWhs
<b>Residential Revenue per kWh sold</b>	8.9 cents	28th lowest	Lowest	12.4 cents
<b>Total Margins per kWh sold</b>	5.07 Mills	173rd lowest	3rd lowest	8.1 Mills
<b>Total Controllable Expenses per kWh sold</b>	8.9 Mills	21st lowest	Lowest	25.3 Mills
<b>Long Term Debt per kWh sold</b>	57.7 Mills	149th lowest	2nd lowest	121 Mills
<b>Equity %</b>	50%	308th highest	9th highest	45.6%
<b>Service Reliability- Avg. Outage Minutes per Consumer</b>	124 minutes	194th lowest	15th lowest	209 minutes

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.

### PATRONAGE RETIREMENT UPDATE

December has historically been the month when we retire patronage dividends. However, we wanted to remind our members that the Board of Directors approved an early retirement of patronage this year due to the COVID-19 outbreak. As a result, \$1.6 million in patronage was returned to our members in May this year.

Our next retirement of patronage will be sometime in 2021. The Board will make the decision as to the timing of that retirement at a later date. In the meantime, we wanted to remind you of the previous early retirement as you will not see the normal December retirement this year.

We hope you and your family are doing well and staying healthy. Thank you for being a member and for your loyal support of North West REC. This has been a very unusual year and we are hopeful things will return to more normal in 2021.



The following is a brief summary of the discussions and decisions from the board meeting that was held via Zoom on September 24:

- Received monthly safety, operations, and financial reports from staff.
- Heard a COVID-19 update from Manager Korver.
- Heard an Operations Department update. For the first 8 months of 2020, we have added 53 new services and completed 131 service revisions; 10 miles of overhead line has been respanned and 33 miles of overhead line has been replaced with new underground line.
- A property tax summary was shared. NWREC pays \$277,772 per year in annual property taxes. It increased only \$31 from the previous year.
- The Board approved the retirement of \$1,727 in deferred patronage payments to estates of deceased patrons.
- Manager Korver reviewed the Basin Electric load forecast for the period from 2021 through 2050. Basin uses this forecast from all their members for planning future generation resources. The forecast predicts that NWREC's sales will grow by an average of 1.16% per year throughout the forecast period.
- Approved Operation Round-Up donations to several charitable organizations and medical emergency situations.
- Manager Korver reported on several economic development projects that are underway.
- Heard reports from Director Tom Wagner on the recent NIPCO and Basin Board Meetings.
- Approved 26 membership applications for new members.
- Heard a report about the 4 Member Appreciation Day Events. They were well attended with over 1,500 burger meals served. There was a nice turnout of young families.



# Heat Pumps WHAT ARE THEY & WHAT DO THEY DO

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 then 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.

## WHAT ARE HEAT PUMPS AND HOW DO THEY WORK?

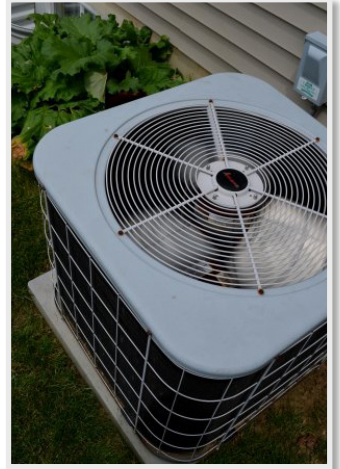
In general, a heat pump extracts heat from one place and transfers it to another (similar to how an air conditioner or refrigerator cools). In warmer months, a heat pump takes heat from inside a home and relocates it outdoors, helping to make your home cooler. In the cooler months, a heat pump produces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

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).

## NWREC HEAT PUMP REBATES

GEOHERMAL HEAT PUMP – NEW UNITS INSTALLED ON OUR SYSTEM		NEW LOAD	REPLACEMENT
• RESIDENTIAL		\$1,000 PER TON	\$250 PER TON
- MAXIMUM REBATE LIMIT OF \$6,000/INSTALLATION			
• COMMERCIAL/INDUSTRIAL/AG PROJECTS		\$1,000 PER TON	\$0 PER TON
- MAXIMUM REBATE LIMIT OF \$25,000/INSTALLATION			
AIR SOURCE HEAT PUMP – NEW UNITS INSTALLED ON OUR SYSTEM			
• RESIDENTIAL			
- IF BACK UP HEAT IS ELECTRIC		\$1,200 PER UNIT	\$1,200 PER UNIT
- IF NO BACK UP HEAT OR IF BACK UP HEAT IS PROPANE OR GAS		\$800 PER UNIT	\$800 PER UNIT
• COMMERCIAL/INDUSTRIAL/AG PROJECTS			
- IF BACK UP HEAT IS ELECTRIC		\$1,000 PER TON	\$1,000 PER TON
- IF NO BACK UP HEAT OR IF BACK UP HEAT IS PROPANE OR GAS		\$600 PER TON	\$600 PER TON
- MAXIMUM REBATE LIMIT OF \$25,000/INSTALLATION			



# 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.

## 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, on the computer, 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!



# THE POWER QUIZ

NORTH WEST RURAL ELECTRIC COOPERATIVE

1. Name one reason why we advertise: \_\_\_\_\_
2. Name someone that recieved an operation round up donation: \_\_\_\_\_
3. Name a type of heat pump that we offer a rebate on: \_\_\_\_\_

Name \_\_\_\_\_ Account. # \_\_\_\_\_

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 2020



Duane Mulder - Sioux Center  
 Gabe Baumann - Sioux City  
 Don Wunschel - Ida Grove  
 Duane Popken - Le Mars  
 Verlyn Scheerhoorn - Sanborn

Rodney Renken - Le Mars  
 Lee Radke - Holstein  
 Ralph Feller - Le Mars  
 Howard Van Engen - Hawarden  
 Evelyn Bakker - Hull



### 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 Box Available  
 For After Hours Payments

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