



NEWS *Lines*

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

JUNE 2024

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Help Shine the Light on Community Volunteers this June

Do you know someone in our community who deserves to be recognized for making a difference? Nominate them for our Shine the Light contest by June 30 and they could win \$3,000 for their local charity or nonprofit.

We're really excited to participate in this statewide effort to celebrate our cooperative commitment to community. There are so many incredible volunteers throughout our service area who deserve to be recognized.

Sponsored by the Touchstone Energy Cooperatives of Iowa, this is the fourth year of the Shine the Light contest, which celebrates the people who make our communities better. Three winners will be announced in September and each will receive a \$3,000 donation for their charity or nonprofit. The winners will also be featured in the September issue of Iowa Electric Cooperative Living magazine and on social media.

How to Nominate

Member-consumers and employees of Iowa's electric cooperatives are eligible to nominate local volunteers. If you receive electricity from North West REC, you're a co-op member-consumer and we encourage you to nominate someone who is making a positive impact in the community. The volunteer being nominated does not need to be a co-op member-consumer. Minors may be nominated with consent from their parents or legal guardians.

Go to www.IowaShineTheLight.com by June 30 to make a nomination and to review the contest rules. Nominators will need to provide basic contact information and answer this question in 500 words or less: How has your nominee made a difference in the community and how might their local charity/nonprofit use the \$2,500 donation?

Help us shine the light on our community volunteers; make a nomination by June 30!

Nominate a local volunteer and they could win \$3,000 for their charity!

Contest entries accepted during June at IowaShineTheLight.com

Stay Safe, Follow These Grain Bin Guidelines

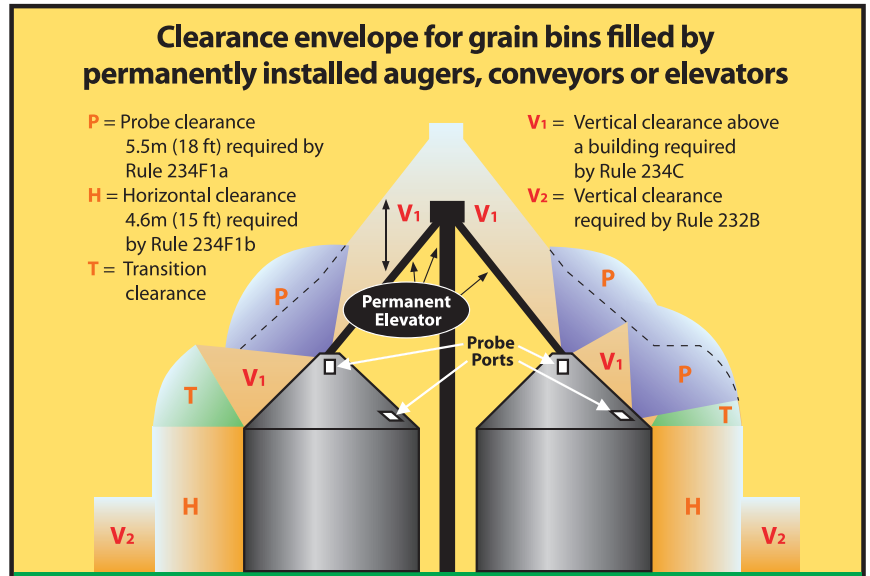
Safety is an important part of living and working on a farm. One important aspect for creating a safe environment on your farm is proper clearances for electric lines around grain bins.

When starting to plan for a new grain bin or moving an existing bin, please contact North West REC at 712-707-4935 or 800-766-2099 and Northwest Iowa Power Cooperative at 712-546-4141 to ensure you are meeting the National Electric Safety Code requirements. We will provide assistance in planning for a safe environment for everyone working and living around grain bins.

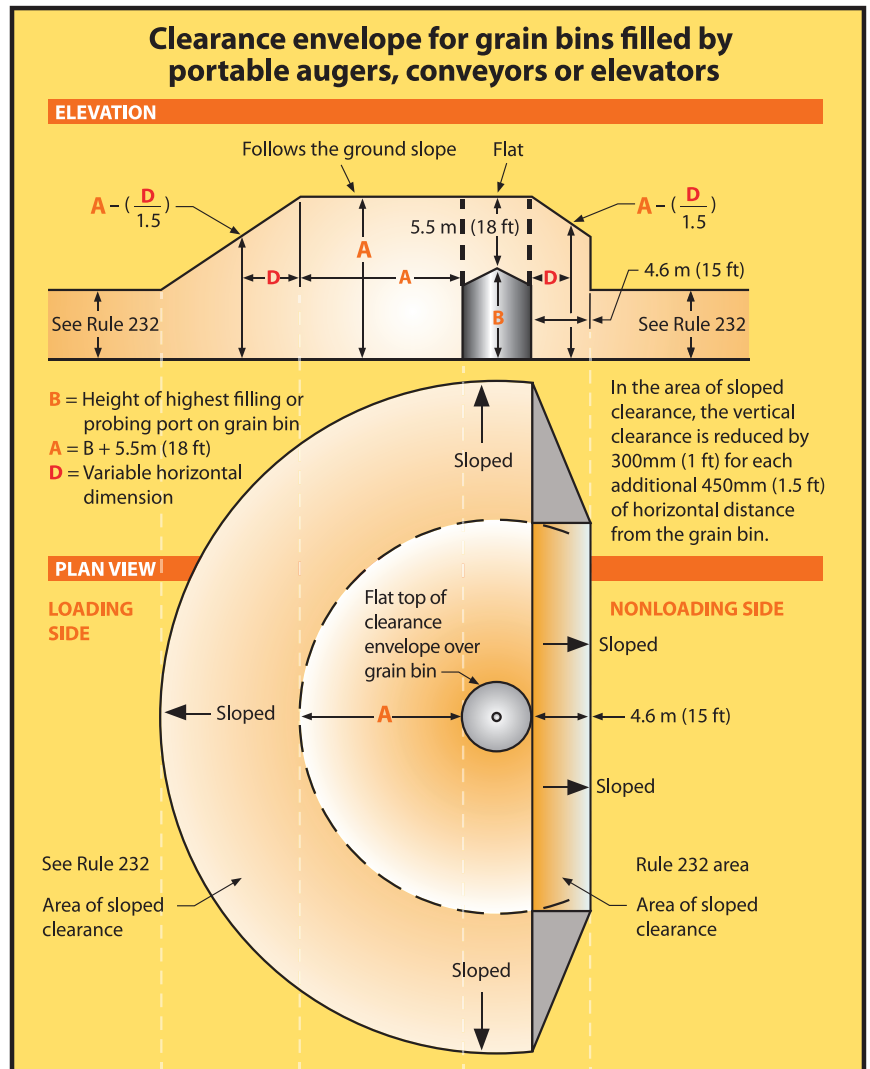
According to the Iowa Electric Safety Code found in Iowa Administrative Code Chapter 199 -- 25.2(3) b. An electric utility may refuse to provide electric service to any grain bin built near an existing electric line which does not provide the clearances required by the American National Standards Institute (ANSI) C2-2017 "National Electrical Safety Code," Rule 234F. This paragraph "b" shall apply only to grain bins loaded by portable augers, conveyors or elevators and built after September 9, 1992, or to grain bins loaded by permanently installed augers, conveyors, or elevator systems installed after December 24, 1997. (As adopted by the Iowa Utilities Board)

If you have any questions concerning clearance regulations – or what needs to be done before you begin placing a new grain bin or moving an existing one – please call our office at 800-766-2099 for the safety of everyone involved.

Disclaimer: These drawings are provided as part of Iowa electric cooperatives' annual public information campaign and are based on the 2017 Edition of the National Electrical Safety Code. To view the actual drawings, refer to that publication. Every care has been taken for the correctness of the contents for these drawings. However, the Iowa Association of Electric Cooperatives and its member cooperatives accept no liability whatsoever for omissions or errors, technical inaccuracies, typographical mistakes or damages of any kind arising from the use of the contents of these drawings, whether textual or graphical.



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Hit a Powerline Pole?

We all think it will never happen to us, but it can and in an instant.

Drivers veer off the road and run into a power pole. Farmers make contact with a power line while driving tractors or other machinery. Dump or feed truck drivers raise or lower their bed and snag a power line.

People can become dangerously close or enter electricity's path. Knowing what to do in that situation can save your life. Incidents with power lines or other utility equipment break the electrical current's usual path. This can make the ground, vehicles and other equipment electrified.

If you hit a power pole, pad-mounted transformer ("green box"), or other electrical equipment, **DO NOT** get out of the vehicle or cab. Instead, call 9-1-1 and wait for utility crews to come and de-energize power.

Here are some examples - in all instances, call 9-1-1:

- You see an accident that involves a downed power line. **DO NOT** approach the scene.
- You hit a pad-mounted transformer or other type of electrical box.
- Your vehicle hits a substation.
- You ran off the road, hit a pole and it's dark out, but **YOU DON'T KNOW** if lines are down.
- Your tractor or car strikes a guy wire (guy wires are the wires staked into the ground that stabilize utility poles). Under normal conditions, the guy wire is neutral, but if the wire is weakened, pulled out of the ground, or damaged, it could become energized.



- You hit a powerline pole with your vehicle. Only get out of the car if there is smoke or a fire; otherwise, stay put. If there is a fire, make a clean jump or hop from your car or truck (without touching it), and hop with your feet together or shuffle keeping your feet on the ground at least 30 feet to safety. Think of the downed line sending electrical current across the ground in a ripple-like effect. Each ring of the ripple represents a different voltage. If you step from one ring to another, this is called step potential and it can electrocute you.

Other situations:

- You get something stuck in power lines (drone or remote-control device): Do not try to retrieve it.
- You see kids climbing or sitting on pad-mounted transformers: Tell them not to sit or play on it.
- You are carrying a tall ladder or pole: Look up for power line locations and keep at least a 10-foot clearance at all times.
- You see kids climb trees that have power lines above: Warn them not to climb trees near power lines.
- You are using a portable generator: Never plug it into a wall outlet. This can cause backfeeding into the line and kill a lineworker or neighbor.



ARE YOU SWITCH SMART?

Peak demand determines, in part, the cost of electricity purchased by our wholesale power provider, NIPCO. As peak demand grows, power suppliers must provide more electric generation to keep up with the load demand.

Energy consumption is measured in kilowatt-hours (kWh). Power demand is measured in watts (W) or kilowatts (kW). A light bulb "consumes" a certain number of watts: let's say 100 watts per hour. If that light bulb stays on for 10 hours, it "demands" a certain number of kilowatts (in this case, 1 kW) from the generation station producing electricity. Now, if you turn on 10, 100-watt light bulbs in your home for one hour, you are still consuming the same number of kW. However, you are placing a greater demand on the co-op to have those kW available to you over the course of one hour, instead of ten. This requires the generation plant to produce more power in less time to meet the energy demands of all members at the same time. It also requires expanded infrastructure (similar to a 4-lane interstate expanding to 8 lanes to meet the demands of rush hour traffic).

Our co-op purchases kilowatt hours from our G&T (NIPCO) based on the demand for our members. Peak demand refers to the moment in time when the demand for electricity is the highest. If there isn't enough electric generation produced to keep up with peak demand, more generation facilities may need to be built which means a higher price per kilowatt and more cost to you, our member-owner. By helping to reduce peak demand, you can help keep power cost lower and conserve energy.



Lyle D. Korver

MANAGER'S *Report*

Rate Stability Reaches Nine Years

The mission of North West REC is to provide affordable and reliable electric service for our members. In my article this month, I will provide an update on how we are doing with regards to meeting the affordability piece of our mission statement.

I'm pleased to share that our base electric rates have remained stable again this year. Our last rate increase was on June 1, 2015 – **nine years ago!**

We are excited about this and consider it a major achievement during these high inflationary times.

We know that in recent years, our members have been paying a lot more for many of the things they purchase and the services they use. Inflation has impacted our operation as well. The table below shows some of the increases we have incurred in the last 5 years. In spite of these increased costs, we have been able to keep our rates stable.



How have we been able to keep rates stable for nine years?

Our purchased power costs have remained relatively stable in recent years. Approximately 80% of our total operating expenses go for purchased power costs. Our power suppliers, NIPCO and Basin Electric, are also cooperative organizations, and they have the same mission that we have in terms of keeping rates as low and as affordable as possible for our members. They do a very good job of planning and operating the generation and transmission system in an efficient manner and have kept their wholesale rates stable for an extended period of time.

Another important factor is the efficiencies we have gained from our consolidation. We continue to see ongoing savings and benefits from the consolidation in 1998 of Ida County REC, O'Brien County REC, Plymouth Electric and Sioux Electric to form North West REC.

A third important factor is the load growth and related kWh sales increases we have seen over the course of the last twenty-five years. This is partially a result of our active involvement in economic development. We are able to spread our fixed costs over a higher level of kWh sales and this has significantly contributed to our rate stability efforts.

How long will stable rates continue?

We will not be raising rates this year and we are confident that we will reach ten years of rate stability next June. However, beyond that it is difficult to forecast. There are a lot of variables with the biggest driver as to when and how much we will need to raise rates being our wholesale power costs. As I stated earlier, nearly 80% of our total operating expenses are what we pay for purchased power. 23% of our power supply portfolio is hydro generation. We know that WAPA is planning a rate increase for the hydro generation in January, primarily due to the multi-year drought conditions. Basin Electric is also indicating they will likely need to increase their wholesale rate in January due to the substantial increase in new generation costs they are forecasting.

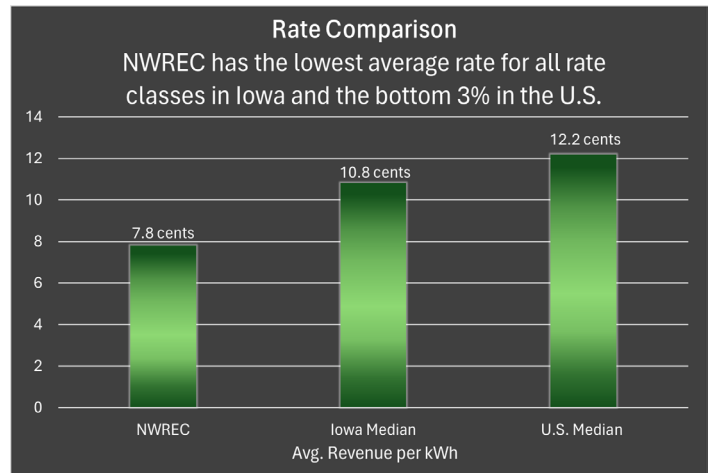
Transformer and Material Cost Increases	
Transformers	134% to 316%
Underground Cable	110%
Overhead Conductor	45%
Poles	103%

The good news is even if we do need to consider a rate adjustment sometime in 2025 or early 2026, it should be a relatively modest adjustment and our rates should continue to be very competitive. We will keep you informed as we receive new information from our power suppliers.

How do our electric rates compare?

Some other good news about our electric rates is that they compare very favorably with other REC's in Iowa and the U.S. Our lender prepares a statistical analysis each year called the Key Ratio Trend Analysis. It compares over 100 financial and operating ratios of the 800 REC's in the U.S. Based on this report, NWREC's electric rates are the lowest in Iowa and in the bottom 3% nationally.

We remain committed to continuing to work hard to keep rates low and affordable for our members.

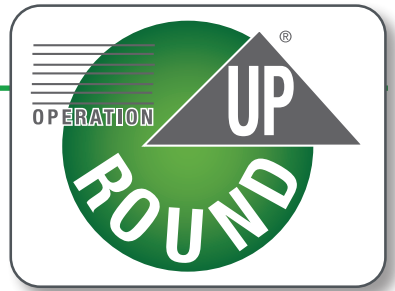


The following is a brief summary of the discussions and decisions from the March & April Board Meetings

- During the annual reorganization meeting, the following officers were elected: President, Jeff Rehder; Vice President, Dale Ullrich; Secretary, Steve Brown; Treasurer, Tom Wagner; Asst. Secretary-Treasurer, Shirley Schroeder; and CEO, Lyle Korver.
- The safety report was reviewed and approved. We are having a safe year of operations so far in 2024.
- Manager Korver provided an update on service reliability, kWh sales, staffing, Youth Tour and scholarship programs, and a couple building maintenance issues.
- Doug Alons and Derrick Haak updated the Board on some recent construction and maintenance projects that have been completed and plans for summer system improvement projects.
- The annual meeting was reviewed and some preliminary planning for next year's meeting was done.
- Plans and dates for the Member Appreciation Day events were reviewed. Tentative dates are Aug. 27- Primghar; Sept. 3 – Sioux Center; Sept. 10 – Ida Grove; Sept. 12 – Le Mars.
- The monthly financial reports were presented by Curt Ahrenholz. Year-to-date, kWh sales are 1.14% higher than the first quarter of 2023 and total margins are slightly better than budget.
- The Board approved a patronage retirement in the amount of \$2,056,939. This covers the remaining balance of 2011's allocation and 19% of the 2023 allocation. We are using a combination method of retirement – First-In, First Out (LIFO) and Last-In, First-Out (FIFO).
- Derrick Larson, auditor with the firm of Eide Bailly, presented the annual CPA audit report. There were no adjusting entries and we had another clean audit.
- Manager Korver reported on several economic development projects that are underway.
- The Board heard reports from Director Wagner on the recent NIPCO and Basin Board Meetings.
- Director Rehder gave a CFC Board Report.
- Rob Driesen updated the board on the status of the load management and meter change out program. Over 11,000 meters and 2,000 load management switches have been changed to the new RF "two way" system.
- Operation Round-Up donations to several charitable organizations and medical emergency situations were approved.
- Membership applications of new members were approved.



Operation Round-Up Update



The Operation Round-Up program is designed to provide benefits to individuals, organizations and communities in our service area. These funds are generated through a voluntary rounding up of cooperative members' electric bills to the next nearest dollar, to assist worthy causes right in your local county area.

One of the recipients this spring was Zestos, Inc. based out of Alton, IA. Zestos is not-for-profit organization that helps provide resources and basic necessities to help people get out of crisis situations.




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 sign up on our website. To receive an application for assistance, please call the office at 712-707-4935 or 800-766-2099.

Pictured is: (left to right) North West REC Communications Coordinator, Emily Vander Velde, presenting the check to Zestos representatives Stephanie Flores and Andrew Oldenkamp.



**Know what's below.
Call before you dig.**



CALL 811 OR 1-800-292-8989

Two Students Selected for Iowa Youth Tour 2024

We're thrilled to announce that two outstanding students from North West REC have been chosen as the delegates for the 2024 Iowa Youth Tour! This prestigious opportunity grants them an all-expenses-paid trip to Washington D.C. in June.

During this immersive week-long tour, these students will explore the world of electric cooperatives, uncover the rich tapestry of American history, and gain invaluable insights into the workings of the U.S. government. It's not just a trip; it's a transformative experience that promises to shape their perspectives and ignite their passions for years to come.

Congratulations to these bright individuals on this well-deserved recognition! We can't wait to see the incredible experiences and insights they'll bring back from our nation's capital.



Brody Knaap



Elizabeth Arens

Water Heater Warranty

Many of our members have purchased Marathon water heaters from us. Here are a few warranty facts when purchasing the water heater for your home (residential):

- The tank has a lifetime warranty if owned by the original purchaser.
- The parts (elements, thermostats, valves) are under warranty for six years.

If you are not the original purchaser of the water heater and are uncertain of your warranty, please contact our office as there are different warranties depending on the year it was purchased.

If the tank does leak under warranty and you need a replacement, we will need you to bring in the original silver sticker, with the serial and model numbers, off the water heater for us to send to the company to receive the replacement unit.

- Marathon water heaters are sold only to our members and have to be installed on our lines.
- You must have a load management switch installed to receive the rebate, and you must have a switch installed to purchase an 85 or 100 gallon water heater.

Call the office for current prices. Water heaters are sold at a rebated price so members do not need to apply for them. The rebates for our Marathon water heaters are listed below.

- 50 gallon..... \$400 rebate
- 85 gallon..... \$850 rebate
- 100 gallon..... \$900 rebate
- 100 HD gallon. \$900 rebate
- Hog Bldg (50 gallon only) Full Price - Please contact office for that price.
- New Home with all electric heat\$1,000 OFF (this rebate is off an 85 gallon water heater and must have electric primary heat and electric backup heat).

If you have any questions about our water heater program, give us a call at 800-766-2099!



MOVE OVER
SLOW DOWN

MOVE OVER OR SLOW DOWN

It's that simple, and it's the law in Iowa. By following these two rules of the road, you can help save lives and avoid receiving a traffic ticket – or even losing your driver's license. It's necessary to move over or slow down when approaching stationary emergency, maintenance, and utility vehicles with flashing lights activated.

THINKING ABOUT SOLAR? DON'T MISS THE RED FLAGS!

If a salesperson says, "You won't have an electric bill!" It's a **RED FLAG!** ▶ Owning distributed generation can help offset your kilowatt-hour needs, but the fees to be connected to the grid remain. We can help you understand rate structures and special load control rates as well as how you will be compensated for excess energy you don't use. We're here to help, *please call us to get the facts about solar and our policies.* Smart energy solutions start with smart energy decisions! Let's avoid misunderstandings, *talk to us BEFORE you sign on the dotted line.* Work with your local energy experts at North West REC.

**"YOU WON'T
HAVE AN
ELECTRIC
BILL!"**

Call us at 800-766-2099 if you are thinking about installing renewable energy!

NORTH WEST
Your Touchstone Energy[®]
Cooperative



THE POWER QUIZ

NORTH WEST REC

1. How much does the Shine the Light winner receive for their charity?
2. How long is the warranty on a Marathon water heater for the original owner?
3. What local organization recently received an Operation Round-Up check?

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 July 4. 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.

**Our offices will be closed July 4th
in observance of Independence Day**



ARE YOU SWITCH SMART?

Why is it important to reduce peak demand?

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 July 4. Each month, one name will be randomly drawn from all correct entries for a \$25 bill credit.

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 any-time 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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