

NEWSLINE

You're invited to a retirement party honoring Christine Fox

Drop in for lunch with Chris:

Friday, December 13

11:00 a.m. – 1:00 p.m.

@ Itasca-Mantrap

16930 County 6, Park Rapids



ITASCA-MANTRAP
ELECTRIC COOPERATIVE



5 Reasons Why YOU Should Sign Up for SmartHub!



1. Make payments with SmartHub.
2. Track your electricity usage daily!
3. Sign up for auto pay.
4. Eliminate late fees.
5. Go paperless!

Log in to SmartHub online or download the SmartHub app.

Member Appreciation Open House

Friday, December 6

1:00 – 3:00 p.m.

Join us as we celebrate another great year in our cooperative history that wouldn't be possible without YOU!

Register to win door prizes and receive an attendance gift!



CEO UPDATE

BY CHRISTINE FOX, PRESIDENT-CEO

Normally, this time of year I would be writing about the upcoming holiday season and elaborating on all the things for which I am thankful. And while I have plenty to be thankful for, I find I need to share information about electric rates instead.

This time of year is budgeting season for Itasca-Mantrap and our wholesale power supplier, Great River Energy (GRE). I recently learned that GRE is proposing a rate increase for Itasca-Mantrap of 8.1 percent. I would like to explain how this has come about and what that means for our cooperative.

First, there are many reasons why a rate increase from GRE is necessary, but I believe the one that may prove to be a challenge is the mandate to be 100% carbon-free by 2040. As you can imagine, any mandate puts incredible pressure on supply and demand. Prior to the mandate, GRE strategically invested in renewable energy, and they were able to do so at a reasonable cost and at a reasonable pace. After the mandate, all power providers are required to add more renewable energy to their portfolios within a specific timeframe which only drives up the demand and thus, the cost.

Additionally, our power grid was designed in a way that energy is generated in a few areas and then distributed through transmission lines to many areas. With the advent of renewable energy we need to reconfigure the grid with large investments in transmission to import and export energy from where it is generated (sun is shining or wind is blowing) to where it is needed.

Moreover, GRE, Itasca-Mantrap, and everyone else in the U.S., has experienced tremendous inflation. Even though it appears that the Fed has gotten inflation under

control, prices have not and are not coming down.

Itasca-Mantrap is in the middle of a rate study. With this news from GRE, I have sent our independent contractor back to the drawing board to include in their analysis the anticipated increase in wholesale power costs. With wholesale power constituting 70.5 percent of our total cost of electric service, proceeding without consideration for the increase would be detrimental to Itasca-Mantrap in the long run. At this point, I anticipate the study will indicate the need for a rate increase by mid-2025 or early 2026.

However, despite this unfortunate news, I do have some good news. As you may recall, Itasca-Mantrap has seen remarkable financial results the last few years. As such, we set aside funds for our new infrastructure project and to hedge against inflation.

While I am not able to predict what any potential rate increase will be, I am sure we will be able to mitigate any large increases by utilizing the funds we've held in reserve.

This is certainly not the column I wanted to write during this Holiday season, but you deserve a heads up for what is likely to come.

As you consider this news, please remember that we have not had a rate increase since June of 2018. We navigated through a pandemic and the correlating inflationary fallout while most other utilities have had at least one and upwards of three or four increases in that same period.

As things become clearer, I (or my successor) will be sure to keep you informed. Thank you for allowing me to serve you.

BOARD MEETING HIGHLIGHTS:

The regular meeting of the Board of Directors for Itasca-Mantrap Co-op. Electrical Ass'n. was held on Thursday, August 29, 2024, at 9:00 a.m. at the Itasca-Mantrap office.

A quorum of directors was present.

Approved:

- Consent agenda
- July financials, subject to audit
- Revisions to Board Policies 3.83, Separation of Employment and 8.97, Neutral to Earth Voltage (Stray Voltage)

Reports heard:

- Operations and Safety
- Financial
- Marketing and Member Services
- CEO
- Meetings summaries

Reviewed:

- Changes to Itasca-Mantrap's membership
- Great River Energy Power Cost Adjustment detail for July 2024
- 2023 Form 990, 990-T and Minnesota Unrelated Business Income Tax returns.
- National Rural Electric Cooperative Association Governance video

NEXT BOARD MEETING:

The next regular meeting of the Board of Directors is Thursday, November 21, 2024, at 9:00 a.m.




Tips for a Safe and Efficient Holiday Season

This holiday season, keep energy savings and electrical safety in mind.

SAVE ENERGY

- Use smaller appliances like slow cookers instead of the oven.
- Lower the thermostat when hosting friends and family.
- Decorate with energy-saving LED lights.

PRIORITIZE SAFETY

- Never leave burning candles unattended.
 - Ensure all smoke alarms are working.
 - When decorating, inspect all light strands and cords for damage.
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Cogenerators and Small Power Producers



Itasca-Mantrap Electric Cooperative will interconnect with and purchase electricity from cogenerators and small power producers who satisfy the conditions of a qualifying facility. Itasca-Mantrap will provide information to all interested Members, upon request, regarding rates and interconnection requirements.

An application for interconnection is required for a qualifying facility to interconnect and operate in parallel with the Cooperative's distribution system and is subject to approval by the Cooperative. Any disputes over interconnection, sales and purchases are subject to resolution by the Itasca-Mantrap Electric Cooperative Board.

Interested Members should contact Itasca-Mantrap at 218-732-3377 or by visiting our website at www.itsasca-mantrap.com

Reforming Residential Solar Rates:

Ensuring a Sustainable, Equitable, and Modern Energy Future for Minnesota

Guest Article from Minnesota Rural Electric Association

As new technologies and the transition to cleaner resources rapidly change our electric grid, some of Minnesota's energy policies, including our antiquated net metering laws, remain ineffective. Minnesota's net metering policy allows residents and businesses with distributed energy systems, like solar panels, to generate their own electricity and require the cooperative to pay more for excess power sent to the grid than it would normally pay for power. This policy is outdated, expensive and inequitable and must be reformed to be effective in the modern world.

First off, the policy is outdated. Minnesota's net metering policy was established when solar technology was in its infancy and no longer addresses the modern energy landscape. Comprehensive reform is needed to reflect current realities and capabilities, including storage. As the first state to implement net metering back in 1984, Minnesota played a pioneering role in promoting solar energy, but it is now time to update this policy to align with today's realities. Given the state law mandating carbon-free electricity by 2040, the environmental incentive for maintaining costly net metering policies is obsolete.

Second, net metering is expensive. With Minnesota's mandate for carbon-free electricity by 2040, net metering incentives have become redundant. Utilities are already charged with reducing carbon emissions; there is no reason to keep expensive incentives to achieve the same goal. Net metering is also ineffective since it forces cooperatives to pay retail rates for energy they could purchase at cheaper wholesale prices. Additionally, generating electricity from small distributed solar systems is more costly than from larger utility-scale projects, resulting in less carbon reduction for the same investment. Utility-scale systems offer a faster, more cost-effective means of decarbonizing the electrical grid, making net metering an inefficient tool for achieving environmental goals.

Finally, net metering is inequitable. It leads to cost-shifting, where those without distributed systems end up paying more to cover the costs of maintaining the grid. Those who can afford these systems are generally wealthier, leaving poorer members to face the brunt of the cost increases. Studies show that in Minnesota, this disparity is growing, with affluent households increasingly dominating solar installations. Reform is essential to prevent financial strain on those least able to bear it.

The current model is unsustainable and unnecessarily drives up the electric bills of most co-op member-owners. Reforming net metering can enhance grid stability and reliability, ensuring that both traditional and renewable energy sources are effectively integrated and managed. By taking a balanced approach to reforming our outdated net metering policies, Minnesota has the potential to become a national leader in renewable energy policy and ensure a fair, sustainable and modern energy future for all Minnesotans. Embracing reform will support renewable energy growth and facilitate the connection of solar sized to load for those who want it. Minnesota's electric cooperatives, with guidance from MREA, stand ready to support these necessary reforms, advocating for policies that benefit all cooperative members and advancing our collective goal of a reliable, affordable and sustainable energy future.



Operation Round Up Board Changes Guard

With goodbye we say hello to a new ORU board member

It is with great appreciation that we bid farewell to Carol Winskowski, who has reached the end of her term and welcome Kathy Pachel to the Operation Round Up Board.



Standing row (L-R): Jen Magnussen, Carol Van Nyhuis, Kathy Pachel, Barb Boeckman. **Sitting row (L-R):** Steph Carlson, Ron Ahmann, Lisa Koppelman.

Sales Tax Exemption

Members who use electricity as their primary source of residential heat are exempt from paying taxes on the electricity purchased during the billing months of November through April.

If more than one type of heat is used, electricity is not taxable, but only if it is the primary source of heat for the longest period of time during the heating season.

To apply for the sales tax exemption, Members must complete the exemption form, available at our office or at www.itasca-mantrap.com.

If you have already applied for a sales tax exemption, there is no need to re-apply; your enrollment will automatically carry forward each year.



TIP OF THE MONTH: ENERGY EFFICIENCY

If you're heading out of town during the holiday season, remember to prep your home for vacation. You can save energy while you're away by lowering your thermostat a few degrees or creating an "away" schedule with a smart or programmable thermostat.

Newer water heaters include a vacation mode setting to help you save on water heating costs, or you can simply lower the temperature manually.

U.S. Department of Energy





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OFFICE HOURS

Monday - Friday: 8:00 AM - 4:30 PM

GOPHER STATE ONE CALL

(800) 252-1166

www.gopherstateonecall.org

OFFICERS & DIRECTORS

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Brian Behrens, Chair

DISTRICT 2

Patricia Roehl, Treasurer

DISTRICT 3

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DISTRICT 4

Al Czczok, Assistant Secretary-
Treasurer

DISTRICT 5

Nancy M. Utke, Director*

DISTRICT 6

Tim Kivi, Secretary

DISTRICT 7

Dan Breitbach, Director

PRESIDENT-CEO

Christine Fox

*Great River Energy Director Representative

Your Touchstone Energy® Cooperative 

Itasca-Mantrap Electric Cooperative is an
equal opportunity provider and employer.

Our Office will be closed Nov. 28 & 29



From our table to yours,

*Happy
Thanksgiving*

Itasca-Mantrap Electricity Bill Payment Options

Pay through
the SmartHub
app



Mail in
your
payment



Setup
autopay



Pay in
office



Pay online
at our
website



Put your
payment in
the drive-up
drop box

