

# Current Matters



**Nobles Cooperative Electric**  
Your Touchstone Energy® Cooperative

**January 2022  
Vol. 14 Issue 1**

## Making dollars and sense of energy efficiency

The basic idea of energy efficiency is simple—use less energy to do the same amount of work, which can save you money on your electric bills.

From computers to major appliances, manufacturers are increasing the energy efficiency of their products. According to the U.S. Department of Energy, ENERGY STAR® can save you 10% to 50% of the energy required for standard models that don't receive the ENERGY STAR® sticker.

There are even more savings in store by replacing older appliances that weren't (11-30-27) built with today's efficiency standards in mind. Improvements in refrigerators are cutting their energy use in half about every 15 years. So, if your fridge is more than 20 years old, replacing it with a new high-efficiency model could save you \$300 in operating costs over the next five years.

"Smart power strips" also show how spending on efficiency now can make money in the future. Keeping your phone charger and other electronic devices plugged in can consume electricity even after they're fully charged or not in use. A smart power strip cuts off the electricity once charging is complete. A smart strip costs about \$40. It could save

as much as \$40 a year on your electric bills, recovering your initial investment almost right away.

Light bulbs offer the most dramatic story of efficiency technology improvements. By spending \$5 to \$10 on an LED bulb (compared to about \$1 for an old incandescent), you get a product that uses 75% less electricity and, incidentally, can last 20 years compared to about a year for an incandescent bulb. The Department of Energy estimates the average home could save more than \$200 a year by replacing incandescent bulbs with LEDs.

Maybe the best news of all is that as efficient products improve and gain popularity, they're not always more expensive. Many cheaper appliance models have similar annual operating costs compared with the pricier versions.

Two key tips for turning energy efficiency into dollars are to know what you want from your energy use and to do your homework. Products come with a wide range of features that cost extra and may actually be less efficient—do you want a refrigerator that offers the best efficiency, or do you want to pay more for a less-efficient model that has an ice dispenser in the door?

## Energy saving tip

Maximize your heating system's performance by inspecting, cleaning or replacing air filters once a month or as needed to reduce energy costs and prevent potential damage to your system. Make sure radiators, baseboard heaters and warm-air registers aren't blocked so air can flow freely.

*Source: Dept. of Energy*

## Mark your calendar

**Jan. 30** ..... Electric bills due  
**Feb. 14** ..... Happy Valentine's Day

## Find your location number and win a \$10 credit

If you find your location number (as it appears on your monthly electric bill) in this issue, you will receive a \$10 credit.

## January Auto Pay Winner Mary Fran Busch!

Take a minute to sign up for Auto Pay and you may win a \$25 bill credit. A winner is chosen each month.

**2** Manager's Message

**3** New rate strategy to begin May 2022

**4** Save 30% off standard LED bulbs

## New rate strategy to be implemented in May

### Going the Extra Mile

Did you know electric cooperatives maintain more miles of power lines per consumer and acquire less revenue than other types of electric utilities?

Even though they serve fewer consumers and acquire less revenue (per mile of line), electric co-ops always go the extra mile, maintaining a tried-and-true record of delivering safe, reliable electric service to the members they serve.

#### Electric Cooperatives

Number of consumers served: **8**

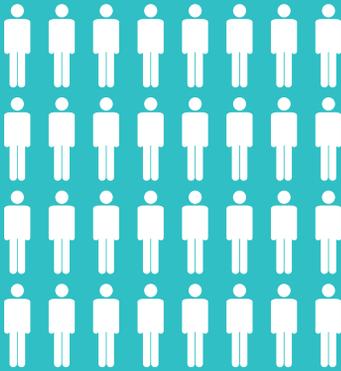


**NCE**  
Number of members served: 3.27

Revenue:  
**\$19,000**

#### Other Electric Utilities

Number of consumers served: **32**



Revenue:  
**\$79,000**

*Sources: EIA, 2016 data.  
Includes revenue and consumer averages per mile of line.*

Nobles Cooperative Electric (NCE) was founded in 1936 by a group of community-focused citizens with a common (530-38-68) goal of providing electric power to the rural area. Since then, the cooperative has proudly served a range of home, farm, business and commercial members in Murray and Nobles Counties.

The cooperative experienced little growth over the years, until 2015 when 1,700 Alliant Energy members were added to the membership. This once-in-a-lifetime opportunity helped spread our fixed costs over more members and helped increase the efficiency of the cooperative.

When the cooperative completed the acquisition in 2015, we realized the rate structure was significantly different between the Legacy and SMEC members (Southern Minnesota Energy Cooperative, formerly Alliant). The SMEC membership came in with numerous rate classes, compared to just four Legacy rates. While the Minnesota Public Utilities Commission placed temporary restrictions on rate changes for the acquired members, NCE knew eventually a new, uniform and consistent rate structure would be necessary.

A recently conducted Cost of Service Study (COSS) determined that an adjustment to the rate structure was needed to ensure the strong financial stability of the cooperative. A new rate strategy was developed from the COSS with input from the board and executive staff to maintain the quality and reliability of the services we provide.

At the October 2021 Board Meeting, NCE's Board approved the new rate design and adjustment that will be effective May 1, 2022. That means combining the Legacy and SMEC members



**General Manager  
Adam Tromblay**

into four retail rate classes, increasing the basic service charge, lowering the energy charge and removing the energy tiers.

The board opted to increase the service charge (fixed cost) and lower the energy charge (variable cost) to help the cooperative plan ahead for the revenue needed to cover (23-3-26) costs when fixed and variable costs are properly aligned. According to the COSS, the service charge should be \$48 per month rather than the current charge of \$15. However, the board agreed that an incremental increase to \$37 was sufficient at this time and a necessary move in the right direction.

Overall, the membership will see an average price increase of three percent for Legacy members and five percent for SMEC members.

Safety, reliability and affordability remain the main focus for your board and staff at NCE. We are a not-for-

*Cont. on page 3*

## RATE ADJUSTMENT EFFECTIVE MAY 2022

Rate	Description	Current Service Charge	New Service Charge	Current Energy Charge	New Energy Charge	Current Demand Charge	New Demand Charge
1	Residential	\$15	\$37	First 700 kWh: \$0.087 Excess: \$0.083	\$0.075	-	-
2	Three-phase < 75 kVa	\$32.50	\$67	First 700 kWh: \$0.087 Excess: \$0.083	\$0.075	-	-
4	Three-phase > 75 kVa	\$56.50	\$70	First 100 kWh/kW: \$0.067 Excess: \$0.064	\$0.057	\$5.25	\$7
New	Time -of-use		\$50		On-peak: \$0.087 Off-peak: \$0.050		

Rate strategy cont. from page 2

### Rate strategy goals

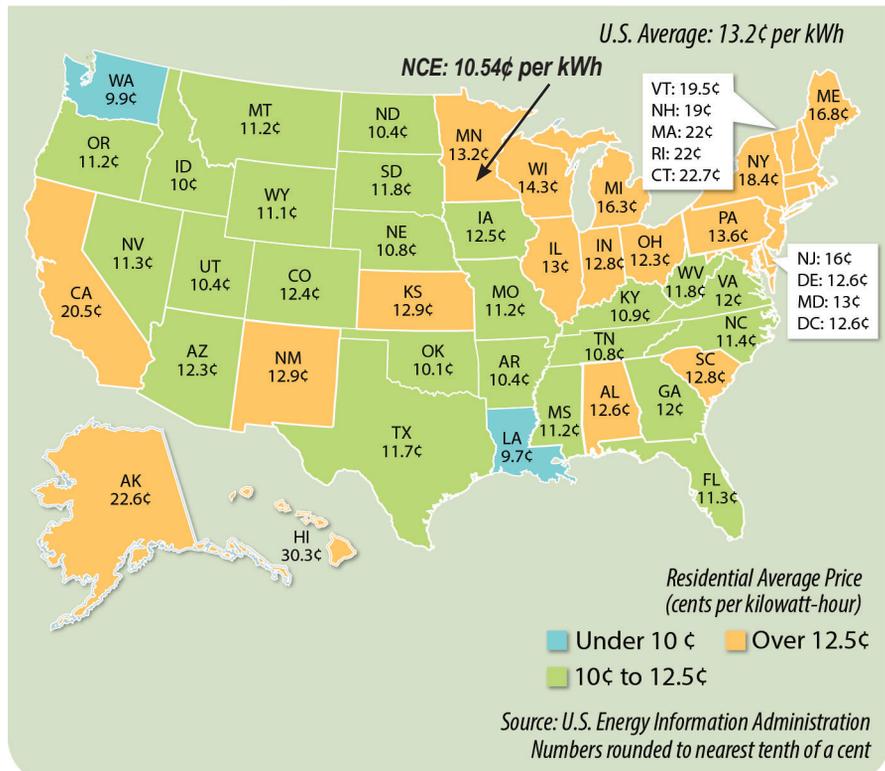
1. Reduce the number of rates
  - a. Currently there are 21 rates (following the SMEC acquisition)
  - b. Implement four retail rates
  - c. Merge SMEC rates into either Rate 1, 2 or 4 (majority will be in Rate 1)
2. Address fairness within the rate classes
3. Rate adjustments
  - a. Adjustment to service charge (fixed costs)
  - b. Decrease the energy charge
  - c. Eliminate energy tiers

profit, member-owned cooperative and strive every day to hold down costs while still providing the service you expect. Even though nearly all aspects of today's costs continue to rise, we pride ourselves on avoiding routine price adjustments. (29-7-63) NCE's last overall rate adjustment was in 2012 and prior to that 2009.

If you have any questions or concerns with this new rate strategy, we encourage you to give us a call at 800-776-0517.

## Average Prices for Residential Electricity

2020 figures, in cents per kWh



Rate design entails a balancing act between meeting our revenue needs while minimizing the overall financial impact to our members. As a non-profit organization, we must recover our costs of doing business as well as maintain sufficient margins to reinvest in our distribution system.



# MAKE THE BRIGHT CHOICE.

Enjoy 30% off all standard LED bulbs, Jan. 3 through Feb. 28!

Did you know? When compared to incandescent bulbs, ENERGY STAR®—certified standard LED bulbs:

- Use up to 80% less energy.
- Last up to 22 times longer.
- Will save on energy and replacement costs.
- Work consistently despite temperature or humidity changes.
- Function in outdoor and indoor fixtures.

ENERGY WISE  MN

Make the upgrade today and take 30% off while supplies last!

Visit our online store at [energywisemnstore.com/LED](http://energywisemnstore.com/LED).

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To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: 202-690-7442; or (3) e-mail: [program.intake@usda.gov](mailto:program.intake@usda.gov).

## Country Cupboard

### Fried Rice

Cook 1 cup rice until tender. Put olive oil in a fry pan and add 2 eggs. Scramble and set aside. Then fry 2 chicken breasts and cut in cubes. Salt and pepper them before frying. Add rice and toss until warmed up. Add 1 cup peas and carrots and toss. Then add eggs back. Mix together 2 tablespoons soy sauce and a little sesame oil. Mix all together and fry until it is mixed up well and warm.

### Instant Rice Pudding

Stir together 1 pkg. vanilla pudding (not instant) with 4 cups of milk. Add 1 egg, well beaten. Add 1 cup Minute Rice and cook according to direction on pudding package. Add 1 tsp. vanilla. (9-32-22) You can also add 1/4 c. raisins if you wish. Sprinkle with cinnamon and enjoy!

Send your family favorite **pasta** recipe to Nobles Cooperative Electric, ATTN: Tracey, P.O. Box 788, Worthington, MN 56187-0788. Entries must include your name, address, telephone number and NCE location number. All entries must be received by January 30. The winning recipe will be featured in the next edition of *Current Matters* and the winner will receive a **\$10 credit** on their electric bill.

Sallee Bremer  
Worthington

Pam Soderholm  
Worthington



Nobles Cooperative Electric

Your Touchstone Energy® Cooperative 

Official monthly publication

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### Website

[www.noblesce.coop](http://www.noblesce.coop)

### E-mail address

[nce@noblesce.com](mailto:nce@noblesce.com)

### Winter office hours

7:30 a.m. to 4:00 p.m.  
Monday through Friday  
Oct. 1 - April 30

### 24-Hour outage service

800-776-0517

### Gopher State One-Call

800-252-1166 or 811

### Electrical inspectors

Murray County  
Randal Maha - 507-274-5261  
Nobles County  
David Koutek - 507-669-1500

### General Manager

Adam Tromblay

### Board of Directors

Ronald Schwartau, President - 734-3052\*  
Lee York, V. President - 879-3497\*  
Cindy Hokeness, Sec./Treas. - 478-4965\*  
Jerry Beckering, Director - 227-4074\*  
Timothy Bickett, Director - 605-670-5294  
Gary Clarke, Director - 605-201-1903  
David Dorpinghaus, Director - 605-695-7816  
\*Telephone prefix 507

### Next Board Meeting

January 20, 2022

This cooperative is an equal opportunity provider and employer.

