



November 2024



Reforming Residential Solar Rates: Ensuring a Sustainable, Equitable, and Modern Energy Future for Minnesota

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 This policy is outdated, expensive and inequitable and must be reformed to be effective in the modern world.

First off, the policy is outdated.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law mandating carbon-free electricity by 2040, the environmental incentive for maintaining costly net metering policies is obsolete.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 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.

Area 4th Graders Learn About Electric Safety

The start of school brings an annual event for area 4th graders, attending field and safety days. The Cottonwood County Extension office coordinates a three-day event with safety and education programs at the University of Minnesota Southwest Research and Outreach Center in Lamberton. South Central Electric and East River Electric, an SCE power provider, performed electric safety and education demonstrations at the Outreach Center. A similar event occurred for Watonwan County schools at the fairgrounds in St. James. This year SCE also completed safety demonstrations for students in Martin County during a safety event at Heritage Acres. Over the five days of safety demonstrations, South Central Electric spread our safety message to over 1,200 students around southern Minnesota.



2024 REBATE PROGRAMS



Recipient must be a South Central Electric member. Any checks or credits will be made in the name or account of the member. The program will end when funds are exhausted; additional rebates may be added at a later date. The completed applications will be processed on a first come first served basis as they are received in our office. Rebate applications can be requested by calling the St. James office or available on line at www.southcentralelectric.com.

SCEA WATER HEATER PROGRAM

SCEA's peak shave water heater program provides members with a Marathon water heater at a discounted price for participating in the load management program.

The cost for water heaters is **\$750**. This is a great value for members. SCEA pays the cost of the electrician to wire the water heater and radio control. The member would pay any costs incurred by a plumber.



REBATES:

Please see rebate applications for details.



Must be an Energy Star[®] appliance to qualify.

| | | |
|---|-----------|-----------------------------------|
| Dehumidifier | \$20 | Credit applied to the energy bill |
| Air Source Heat Pumps | \$350 | HSPF rating over 9.5 \$600 |
| Ductless Heat Pump | \$350 | HSPF rating over 9.5 \$600 |
| Ground Source Heat Pump | \$350/ton | (Limit 10 tons) |
| Air Conditioner Tune Up | \$30 | |
| Managed Electric Heat | \$20/kW | |
| Radio controlled, qualifies for discount of \$.031/kWh on system usage. Stored or dual fuel heat. Heat pumps are not eligible for this program. | | |
| LED Yard Light | \$25/ea. | limit 3 |

COMMERCIAL AND INDUSTRIAL REBATES:

Rebates are available on a custom basis. Rebates will be based on kW reduction on retrofit projects. To be eligible for a rebate the project must have a minimum savings of 1kW. We do not have rebate programs for new construction. Call SCEA for information on these rebates.

Stay Safe on Winter Roads



Winter months can bring snow, ice and windy conditions, creating hazards for drivers. It is important to be prepared in case there is an accident.



Safe
Electricity.org®

Before a winter storm

Perform seasonal maintenance on your car to ensure:

- Batteries are charged.
- Tires have sufficient tread.
- Spare tire is inflated.
- Jumper cables are in good condition.
- A winterized car emergency kit.
- Windshield wipers work.
- Headlights, brake lights and turn signals work.
- At least a half-full tank of gas.

Prevent frostbite and hypothermia

If you are stranded in your car after an accident, observe the following precautions:

- Do not stay in one position for too long.
- Stay awake.
- Do not overexert yourself to avoid strain on your heart.
- Watch for signs such as a change in skin color, numbness, shivering, slurred speech, loss of coordination or confusion.

Winter storms and power lines

Always treat sagging and downed power lines as energized and dangerous. Keep at least 50 feet away from the area.

- If your vehicle hits a power pole, stay inside.
- Contact 9-1-1 and wait for the power to be shut off by utility workers.
- If your vehicle is on fire, jump clear with feet together, avoiding contact with both the vehicle and ground simultaneously.
- Shuffle or "bunny hop" away from the vehicle, keeping feet together to prevent different electric currents through your body.
- Never drive over a downed power line, which can cause additional hazards.



Cole Hanson Completes Apprenticeship

Cole Hanson has completed his apprenticeship, which entailed four years of bookwork, tests, and 7,500 hours of on-the-job training. His apprenticeship covered safety, overhead and underground line work, transformers, substations, voltage regulators, and more.

Congratulations Cole on earning your Journeyman Lineman Certification!



South Central Electric Board President Ron Jorgenson presented Cole Hanson with his Journeyman Lineman Certificate.



Official monthly newsletter

South Central Electric

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The Board meets the fourth Tuesday of the month at South Central Electric's building at 71176 Tiell Dr., St. James, MN.

Please see our website for a summary of the board meetings.

This institution is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.



ONLINE PAYMENT & BILLING WITH SMARTHUB

Pay your bills on-line with South Central Electric's on-line bill payment system, SmartHub. Download the SmartHub app for your mobile device or tablet from the APP Store or Google Play.

To get started visit our web site southcentralelectric.com and click on the SmartHub logo. Once you are at the SmartHub site you'll have to sign up as a first time user by clicking the "New User" link and follow the prompts.

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OUR WEBSITE!

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