

Connections

December 2025

For the member-owners of Federated Rural Electric



Volume 29, Issue 12

Basin Scholarship increases to \$2,500

Federated members with high school senior or college student can apply

This is the 19th year that Federated, will award a \$2,500 Basin and a \$1,500 L&O scholarships to two students. The parents/legal guardian must have their electric bill come directly from Federated.

"This scholarship comes from Basin Electric Power Cooperative, based in Bismarck, North Dakota, which became a wholesale power supplier for Federated in 2008 and L&O Power Cooperative in Rock Rapids, Iowa," stated Scott Reimer, Federated's general manager. "Basin awards 150 of these scholarships to local electric cooperatives. Federated is excited to distribute the scholarship materials and select local students to receive the two scholarships."

This year the scholarships more than doubled! They are available to high school seniors and college students who will be enrolled fulltime in an accredited two-year or four-year college, university or vocational/technical school working on an undergraduate degree. Previous Federated-Basin scholarship winners are not eligible to apply again. Applicants must be 25 and under and a U.S. citizen.

Applicants must complete a two-page application, including a grades' transcript, ACT/SAT scores (optional), write an essay and have an outside appraisal (reference checklist). The one-page essay should address: How



2026 Basin Scholarships are now open! Students of Federated electric members can apply using our website application or see your school counselor.

does the electricity provided by your electric cooperative improve the quality of life in your community?

The deadline to apply for this schol-

arship is January 26, 2026. Applications are available from Federated's website (www.federatedrea.coop), at Federated's office (507-847-3520 or info@federatedrea.coop) or from local high school counselors.

The scholarship must be used for college during Fall 2026. Checks will be made payable to the school as paid by Basin/L&O. Scholarships will be distributed in August.

Last year's Basin scholarship winners were Samantha Henning, Jackson; and Harriet Lohse, Windom; 16 students applied for the scholarship in 2025.

In addition, the Federated Operation Round Up scholarship applications will go out with the February electric bills; nine \$700 scholarships exist. ☺

Co-op posts interconnection process for wind & solar



In compliance with Federated's adopted rules relating to cogeneration and small power production, Federated is obligated to interconnect with and purchase electricity from cogenerators and small power producers, whom satisfy the conditions as a qualifying facility. Federated is obligated to provide information free of charge to all interested members upon request regarding rates and interconnection requirements. All interconnections require an application and approval to become a qualifying facility. Any dispute over interconnections, sales and purchases are subject to resolution by the Federated Board.

Interested members should contact Federated Rural Electric, PO Box 69, Jackson MN 56143-0069, e-mail info@federatedrea.coop or call 507-847-3520 or 1-800-321-3520; ask for Jon Beckman. The application process is outlined at www.federatedrea.coop. ☺

At A Glance



Your Touchstone Energy® Partner

High school teens: enter to win free trip to Washington, D.C.

See Pages 6 for details about the 2026 Youth Tour Contest June 15-20. High school students can apply. Write a 300-word essay on an energy-related topic by January 16 and fill out the short application. Interviews will be done February 25 at 4 p.m. for the top five finalists. See trip highlights on Page 6. ☺

Deck the halls with boughs of holly & other ways to celebrate the holidays using energy wisely

"Deck the halls with boughs of holly" states the holiday tune. Let's sing the praises of energy-efficient ways to celebrate the holidays and be an energy wiser miser that Ebenezer Scrooge would love.

Deck the halls...

Use LED holiday light strings. If you still hang old incandescent strings of lights, upgrade to this decade and ditch those breakable strings of glass bulbs. LED holiday lights consume 70 percent less energy than conventional incandescent strands.

'Tis the season to be jolly...

All of the holiday baking and treat making makes the holidays jolly, just ask Santa! Yet, make your holiday treats wisely. If you are going to bake, make more than one festive food at a time, as long as the oven is heated up. Make sure the dishwasher is full too. When using the range, match the size of the pan to the heating element. Can you use the microwave or air fryer instead of the oven?

Don we now our gay apparel...

Ditch the ugly sweaters for rechargeable battery-powered coats, vests and socks. Just be cautious to use a recognized brand with a UL-listing for safety's sake. When recharging those rechargeable batteries, plug it directly into the wall outlet — not a power strip.

Troll the ancient yule-tide carol...

While the holiday music and lights create great ambiance, if you leave the room or house, shut it off. Use a timer on the holiday lights inside and out to trim the electric bill.

See the blazing yule before us...

While a Christmas fireplace is perfect for hanging the holiday stockings,



Deck the halls and tree with LED holiday lights and LED candles for safety's sake!

be sure you use it safely. Clean the chimney; close the damper when not in use. Maybe consider upgrading to the convenience of an electric fireplace for supplemental heat and ambiance.

Strike the harp & join the chorus...

Love listening to the holiday music on TV? Give the gift of Energy Star TVs, sound bars, electronics and appliances. You'll be singing the praises of energy savings and a thoughtful gift too.

Follow me in merry measure...

Add some bright ideas to the Christmas stocking stuffing! Buy LED bulbs or smart bulbs that can be turned on and off via your phone or a remote control. The

gift of convenience and energy savings will make everyone merry! Buy an LED night light for the new sleep-deprived parents.

Hail the new, ye lads & lasses

As you think about the New Year's resolutions, what's on your energy efficiency do list? Time for a new water heater? Call your electric co-op. Time for a new heating or cooling system? Check out the co-op's rebates on heat pumps for 200-400 percent efficient heating/cooling systems; compare that to a furnace with efficiency of 65-95 percent.

Sing we joyous all together...

As long as we are singing praises of the co-op's rebate program, if a new Energy Star refrigerator or freezer are required for the holiday feasts and storing the baked goodies until Christmas Eve, the cooperative offers a \$75 Energy Star rebate on each, with proof of recycling the old unit. Find the rebate forms on the co-op's website; otherwise, call or e-mail us to request one.

Heedless of the wind & weather...

Old man winter's blustery temps and windchills remind us to keep weatherization in mind. Maybe a can of spray foam insulation as a stocking stuffer will help the husband seal up those leaky areas. Maybe the new homeowners would like a gift card to buy insulation, instead of another ugly sweater they won't wear.

So Fa la la la la, la la la la and singing along for a very merry energy-wise holiday season. ☺

Star of wonder, star of LED twinkling lights...shine on!

Twinkle, twinkle little star... or shine on "big" star in this case!

Gaze in wonder upon a new type of LED holiday lights! Cascading twinkle lights have the feel of fairy lights, but on a bigger scale. The box refers to the lights as big seed clusters or others as micro dot lights.

Add this sparkling holiday glow to a tree, outdoor decor or the peak of a building. Plus, this version can be pulled out and reused for your Fourth of July celebration too.

The pictured cascading tail on this Enchanted Forest brand is 6-foot long; find it at Menards for about \$30. It can be used for indoors or outdoors' lighting.

If the star shape is too far out for your decorating tastes, explore the option for a ring with an 8 or 10-foot length of these cascading lights. Imagine plopping the circle ring on top of the tree and spreading out the cascading trail of



lights down the tree. Doesn't that sound easier than weaving lights through the branches that later needs to be untangled? This option might also add ambiance for a wedding reception, graduation party or other event offering the magical glow of soft LED lighting.

You can buy a similar style ring-shape cascading lights at Ace Hardware under the Celebrations brand with 8-foot cascade of lights for \$36 or 10-foot length for \$60.

Meanwhile, Amazon calls them twinkling firefly lights. One version even comes with a remote control.

No pixie dust is needed to add a beautiful shimmering glow this festive holiday season with this new style of cascading LED twinkling lights. 

Star light, star bright cascading lights can offer a new way of LED holiday decorating that is more along the lines of fairy lights.

Safety

Don't let chestnuts roasting on an open fire burn up your holiday season! Spark holiday safety with new smoke alarm & carbon monoxide detector

Look at your smoke detector or carbon monoxide detector; is it discolored, covered with paint or years of household grime? It might say, "please replace me now."

The National Fire Protection Association (NFPA) and Underwriters Laboratories suggest replacing smoke detectors every 10 years. Both organizations cite sensor degradation rates of 3 percent per year. Look for smoke alarms with the Underwriters Laboratories symbol "UL" or the Electrical Testing Laboratories, marked with the "ETL" logo.

Once they start to reach their end of life, consumers may notice alarm signals — typically a chirping sound that is either a low battery or an indication of the device's end of life, meaning that it's time the unit was replaced.

The NFPA recommends that batteries be replaced once a year and testing the unit once a month as an added precaution. Chirping, prompted by a drained battery, typically stops in seven days and then it stops functioning.

Smoke alarms and carbon monoxide (CO) detectors represent good investments in your family's safety. Consumers who have working smoke alarms in their homes



die in fires around half the rate of those who do not have alarms. Install working carbon monoxide detectors on every level of the home and outside of sleeping areas. CO detectors are designed to sound the alert before carbon monoxide reaches life-threatening levels.

Design improvements are another great reason to consider upgrades. Ionization smoke alarms made their consumer debut in 1970. Photoelectric smoke detectors were patented in 1972 and the first 10-year lithium battery-powered smoke alarms hit the market in 1995. Now units feature the best of all three technologies.

As fire codes have evolved to require smoke alarms near kitchens, manufacturers improved the technology. They can distinguish between an actual house fire and cooking fumes, reducing nuisance alarms.

Heartland Security, as subsidiary of your electric co-op, also offers security systems that feature smoke detectors and carbon monoxide detectors that also call for help, whether you designate it as the fire department, family member or neighbor. See Page 7 for details. 

Federated Focus

Nancy Tanner joins Federated accounting staff November 4



Federated is pleased to hire Nancy Tanner, Lakefield, as a new “asset” to our accounting team. As a staff accountant, she will be

training in all areas of Federated’s accounting processes (in advance of an upcoming retirement), focusing on financial reporting, payroll, accounts receivable and working with the Broadband grants’ accounting.

Tanner comes with decades of experience. She worked for Amoco in Chicago and Texas doing cost accounting. Next, she returned to this area working for Valero, in Hartley, Iowa, for seven years and at Welcome for two years, doing plant analysis accounting. Most recently she was at the Livewire in Jackson, as the office manager.

Tanner is a native of Hartley, Iowa; she graduated from the University of Northern Iowa with a degree in accounting and a minor in economics.

She was formerly a farm wife in the area. She has two adult children: Emily Stevermer who works for Hefty Seed in Fairmont, as an agronomist; and son Ben, who works in Minneapolis as an accountant. In her free time she likes hiking, baking, doing crafts and is trying to become a quilter.

Welcome Nancy to our Federated family!

Electric grill as gift under tree

Check out the two models of tabletop grills on display in our Jackson lobby or website. It makes a great holiday gift (\$70 or \$106, plus tax)! ☺



Scott Reimer

Manager’s Message

2026 brings remodel of our Jackson headquarters

Federated’s Jackson headquarters will undergo a comprehensive remodel starting in March of 2026. The facility, built in 1970, has undergone minor improvements over the years; however, the time has come to bite the bullet and bring the building up to the 21st century. Upgrades include water, sewer, electrical, insulation, roof, networking and additional office space making the best use of the square footage we have with the addition of a lunchroom/community room. Improvements to flow and functionality will be the main goals. We plan to creatively maintain the rural heritage, while preserving the rich history of our 90 years in existence.

While the project is underway, we will be relocating to a temporary location for nine to 10 months to give contractors the access they need to work unobstructed by our presence and keep our employees safe from the demolition.

Our temporary home will be amongst the Belmont Heights Townhomes on Whitetail Lane on Jackson’s north side. We will be occupying townhomes 341, 343 and 349 housing 16 people who will be displaced by construction. Our office hours will remain the same; however, to make things flow the best we will be scheduling member visits by appointment to keep work as organized as possible. Line crews will continue working out of the Jackson and Welcome warehouses.

Clearly, our walk-in members who like to pay in cash will be asked to make a change; however, we are making arrangements for that to occur at one of the banks in Jackson where we will have staff at prescribed times leading up to the billing due dates. More to come on that as plans are firmed up. Those of you who like using the drop box at the co-op may continue to do so. We will make arrangements with contractors to keep a corridor free for your ingress and egress safely. Otherwise, please consider our Auto Pay or ACH payments that occur automatically on the due date. We will be offering an incentive to make the switch to ACH and paperless billing next month.

Details will continue to emerge. However, this is the plan. We are excited to get the project underway with the ultimate goal of serving you better. Our phone numbers are staying the same. Stay tuned.

Negotiations begin with Windomnet broadband acquisition

In closing I want to make you all aware of a project that we have been working with the city of Windom during the past year or so, regarding their municipal broadband entity — Windomnet. Recently, the Windom city council voted to enter into negotiations where Federated would acquire Windomnet from the city and bring them into the Federated broadband family. As our broadband division has grown, we continue to see needs and look for opportunities to enhance the operation and Windomnet was an asset that fits into our regional plan. We will begin meeting with officials soon and hopefully come to terms where we can begin the transition of the Windomnet consumers over to Federated patrons. Nothing is etched in stone just yet; however, this is an opportune time to let you know it is underway. We want to be as open and upfront to create trust and buy-in from everyone, as we move forward. We will start becoming an integral part of the community, just as we are on our legacy systems and want to answer any questions as they come up. Thank you and as always, please feel free to reach out to us with any questions.

Happy Holidays to you, our member-owners!

Have a very Merry Christmas and Happy New Year too! Please be kind to one another. Life is much too short. Thank you. ☺

Snowbirds reminder:

Sign up for Auto Pay and e-mailed paperless bills before heading south! Call us to do so! ☺

Directors approve rate increase January 1, 2026;

For most rates demand & monthly service charge increase, while energy decreases

Rate	Description	2025 service charge	2025 kWh charge	2025 demand charge	2026 service charge	2026 kWh charge	2026 demand charge
B	General service	\$60	\$0.086	\$5/kW	\$76.88	\$0.07565	\$8/kW
C	Small power	\$85	\$0.084	\$8/kW	\$98.75	\$0.08136	\$10/kW
D	Large power	\$95	\$0.083	\$8.75/kW	\$120.10	\$0.08250	\$9.75/kW
I	Interruptible	\$120	\$0.068	\$7/kW	\$120.00	\$0.07231	\$9/kW

Look at your electric bill to see your rate class. This month we explain the main rates; last month the residential rate class A was explained. A bill insert outlining these rate changes will also be included with the December 4 electric bills.

Federated’s Board of Directors approved a seven percent average rate increase, effective January 1, 2026. It will appear on the February 4 bill.

The Board reviewed the Cost of Service Study conducted by Power Systems Engineering at the September 30 meeting. Each Federated rate class was analyzed for revenue and expenses, based on sales, so each rate class pays its fair share with no subsidies among rates.

The study showed that most rate classes should have a monthly service charge increase to cover their share of the line trucks, employees, buildings and power lines to deliver the electricity to your house,” stated Scott Reimer, Federated’s general manager. “The Board wanted to bring the monthly service charge closer to the true cost of service for each rate class so the revenue covers the expenses. Plus, the demand charge increased slightly to help cover the monthly peaks, but this allowed the energy charge to drop for most of the rate classes. Keep in mind with demand you have control over when you run your farm motors, fans and appliances, so you can control this demand peak cost on your bill.”

Plus, a 10 percent rate increase from Basin Electric Cooperative, our major wholesale provider, was factored into this rate increase. Basin sees increasing costs for transmission lines, peaking plants for reliability and capital costs too.

Timing controls demand charges

Farmers can control their demand by how they use their electricity. For example, in the winter rather than run

all of the bin fans at the same time to cool down the grain, run half one day for 24 hours and then run the other half the next day. This would cut your demand in half. In addition, try to run these motors during one month and not spread out over the last day of the present month and first day of the next month, because you then pay demand for two months, instead of one. Plus, consider upgrading your fan motors to more efficient ones, instead of rewinding motors, for savings on your electric bill. Take a look at Federated’s rebates on our website to help with the energy-efficiency upgrade costs.

Limited PCA charges in 2026

The Power Cost Adjustment (PCA) passes on any wholesale power or transmission costs that vary month to month. The 2026 rate increase rolled the PCA into the kilowatt-hour (kWh). As long as the wholesale power costs or transmission costs don’t exceed the base cost of power, it’s anticipated that the PCA should not be needed in 2026.

Yard/street lighting rates consolidated

The yard/street light rate has not changed since 2012 and higher materials prices required a rate increase. After the Alliant acquisition, the lighting rates grew to 28 different rates. These lighting rates will be consolidated down into two different rates: LED and non-LED lights. See the chart. For the handful of members with a dedicated light pole with no meter on it, this fee goes from \$4.22 to \$4.64/month. ☺

Street and yard lights (Unchanged since 2012)	2026
LED yard/street light	\$8/month
Non-LED yard/street light (white mercury vapor & orange high pressure sodium lights)	\$10/month

Demand is like...

1. A speedometer: Think of electricity like a car, the odometer measures distance traveled, much like kilowatt-hours (kWh) measure energy used. The speedometer measures the maximum speed the car can travel, much like demand (kW) measures the maximum amount of energy used at one time during the month. The car’s motor is built for the maximum speed, regardless of how many miles traveled. The same applies to electric systems.

2. A football stadium: Builders design the stadium to hold thousands of fans for a few hours. The majority of the year, the stadium sits vacant, but the seats, restrooms and parking garage remain. The electric grid is like a stadium. Federated and our wholesale power provider build the electric distribution system to accommodate the maximum amount of electricity needed, even if the members don’t use the maximum capacity 24/7. ☺

250 years of U.S. history comes to life thru co-op's Youth Tour Contest & June trip to Washington, D.C.

More than 250 years ago America's founding fathers signed the Declaration of Independence and set in motion a legacy of leadership that shaped our nation.

2026 marks an exciting year to travel to Washington, D.C., courtesy of your local electric cooperative's Youth Tour June 15-20, 2026. High school students: expand your skills, confidence and cooperative values to lead the next generation — "Make Your Mark" through Youth Tour. Students can step forward, leave their imprint and carry forward the cooperative legacy of developing your leadership in our local communities.

Help your co-op recruit and build the next generation of cooperative leaders. Encourage your high school student to enter the Youth Tour Contest. The student writes an essay on an energy-related topic. Then five finalists are interviewed for this free leadership trip.

- Explore our Washington, D.C. history by site-seeing and visiting world-class museums, like the Smithsonians.

- Capitalize on the Capitol tour, its history and chat with Minnesota legislators.

- History comes to life with stops at the Washington Monument, Lincoln and Jefferson Memorials. Plus, visit the Franklin Delano Roosevelt and Martin Luther King, Jr. memorials too.

- The fight for freedom comes to life with stops at Arlington Cemetery, World War II, Vietnam and Korean Veterans Memorials.

- Build leadership skills and discover how you can make your mark on the future.

- Connect with students from across the country and form friendships that last a lifetime, all sponsored by your local electric cooperative.

- Trade state pins with other co-op student delegates from across the U.S.

See Page 1 for the Youth Tour contest deadlines. You'll also find all of details on the co-op's website or with the local high school counselors. ☎



Step up and apply for in the co-op's Youth Tour Contest. High school students are just one 300-word energy-essay and 15-minute interview away from becoming your co-op's 2026 Youth Tour delegate. The U.S. Capitol is calling you!



This could be you in 2026! Anna Hedstrom, Lakefield, was Federated Rural Electric's Youth Tour delegate this year. Adam Mages, New Ulm, earned Brown County REA's trip.

Have a super New Year with new soup recipes; share yours!

Since the weather outside is frightful, wouldn't a hearty, homemade soup be delightful? Share your favorite soup recipes with us, whether it's for chicken noodle, vegetable, chili, potato or other heartwarming soups. Send your favorite soup recipes to Editor, Federated Rural Electric, PO Box 69, Jackson MN 56143-0069 or e-mail to christoffer@federatedrea.coop by December 23. Add your name and phone number. Thanks for sharing with us! 📧

Chocolate Pistachio Mini Cups by Nancy Katzer, Fairmont

- | | |
|---------------------------------|-------------------------------|
| 1 c. semi-sweet chocolate chips | 1 tsp. vanilla |
| 6 T. unsalted butter | ½ c. flour |
| 2 eggs, beaten slightly | ½ tsp. baking powder |
| 1/3 c. sugar | 1 & 1/3 c. chopped pistachios |

Combine chocolate chips and butter in a glass bowl. Heat in microwave about 1 to 1½ minutes until melted and smooth when stirred. Stir in eggs, sugar and vanilla. Then stir in flour and baking powder until blended. Mix in 1 c. chopped pistachios.

Place paper muffin liners in mini muffin pan. Fill cups with batter ¾ full. Bake 7 to 8 minutes at 375°. Do not overbake. Cool.

Frosting: ¾ c. semi-sweet chocolate chips 1½ T. butter
3 T. heavy cream

In glass bowl combine chips and cream; microwave for about 45 to 60 seconds until smooth and melted when stirred. Stir in butter. Let stand 10-15 minutes until thickened. Spoon frosting on mini cups and sprinkle with 1/3 c. remaining chopped pistachios. 📧

Marcia's Sour Cream Nuts by Elizabeth Shimon, Granada

- | | |
|-------------------|-----------------|
| 1½ c. white sugar | ½ c. sour cream |
|-------------------|-----------------|

Place in a saucepan; cook to soft-ball stage, stirring constantly.

Remove and add 1½ tsp. vanilla; stir in 3 c. walnuts (or pecans).

Continue stirring until nuts are completely covered with the sour cream mixture.

Pour out onto waxed or parchment paper. Separate with fork; leave to cool.

For storage place in air-tight container and refrigerate. 📧



Your electric cooperative is closed December 24, 25 and January 1. Have a bright holiday season! 📧

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Good through 12/31/2025.



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A subsidiary of your local electric co-op

Call before digging:

1-800-252-1166



Contact Gopher State One Call before doing any digging more than 12" deep — 48 hours before digging for foundations, trees and tiling.

Register at www.gopherstate-onecall.org or call 811. Call a licensed electrician to locate the underground lines on your side of the meter. 📧



A year of progress: thank you members!

As 2025 draws to a close, we want to take a moment to look back at what we accomplished together this year — and more importantly, to express our deep gratitude to you, our Broadband members and customers.

This year, the Federated Broadband team continued to tackle our work plan of bringing fiber-optic services to all of Federated's service territory and surrounding areas. We completed the Jackson County Border-to-Border grant buildout, completed half of the construction for the Martin County Border-to-Border grant, completed a 50-mile ring in Cottonwood County, overbuilt the town of Storden and began working on an 80-mile fiber ring in Martin County. All of these projects are laying the foundational fiber network to help us bring world-class internet speed to hundreds of rural homes and farms.

As we celebrate the close of the Year of the Cooperative, we are reminded that our success is entirely tied to your support. Unlike large corporate providers, we invest our time, resources and grant funding into areas that are often ignored. When you see our crews working, you are seeing your cooperative at work — making a massive investment to secure the digital future of our region. 🤝

Still looking for a gift for others or yourself? Here's a few ideas



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507-847-1001 or 1-833-847-8001



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The Board of Directors generally meets the last business day of the month at 8 a.m. at the Jackson office. Regular board meetings are open to the membership. Members interested in discussing business items should contact the general manager or president three days before the meeting.

2025 fast facts for your Federated Broadband

- Miles of fiber: 368
- Fiber customers: 603
- Fixed Wireless towers: 91
- Fixed Wireless customers: 1,233

From everyone at Federated Broadband thank you for your commitment, your understanding during construction and your patience as we work to connect every home in our service territory. We wish you and your family a safe and joyous holiday season and look forward to a highly connected New Year! 🎉



Ho, ho, ho! Holiday gift giving made easy!
Gift others

Call our office to make a payment toward a family member or friend's Broadband account. This may be the gift that means more than you'll ever know.

Gift yourself

Call our office to upgrade your speed package for free through January 31.*

*Offer available for fixed wireless tiers 1, 2 & 3 and fiber tiers 1 & 2. 🎉