

2023 OUR YEAR IN REVIEW

The past year was busy as we stepped out from the pandemic and into a full slate of events. From our first in-person annual meeting post-pandemic to the packed energy forums in the fall, we have enjoyed being able to connect with members face-to-face again. Here are a few of our favorite highlights!

PEC's 86th Annual Meeting

The Cooperative's 86th Annual Meeting was held at the Rochester International Event Center on Thursday, March 23, 2023. There were over 200 members and guests in attendance.

Board Chair Jerome Wooner addressed the Cooperative members and talked about the challenge of delivering on the mission to provide affordable electricity during an uncertain economy. President and CEO Mike Henke shared the Cooperative's success in hitting key metrics while delivering reliable power in 2022.

Electrician's Meeting

On April 12 we hosted a meeting for area electricians with a short presentation and interactive discussion about our electric vehicle (EV) charging and distributed energy resources (DER) programs. We also reviewed our wiring guidelines and requirements as they relate to our programs and services. Minnesota State Electrical Inspectors along with People's Energy Cooperative employees were available to answer questions. While we do not make recommendations for electrical contractors, we listed those who participated in our informational session on our website.

Key Accounts Summit

Over a dozen of our largest members attended our Key Accounts Summit on April 13, 2023, to better understand how the Cooperative operates and more broadly supports their success. From understanding outage management to reviewing economic development tools available through the Cooperative, attendees left with a better understanding of how to leverage their cooperative membership in their future success.

Education Outreach

During the 2022-2023 school year, we had the pleasure of connecting with over 1,100 students in seven different schools throughout our region. As a rural electric cooperative, we are committed to the sustainable development of our communities and know that education, training, and information can help grow the next generation of cooperative leaders. By sharing our expert

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CEO MESSAGE FROM MICHAEL J. HENKE, PRESIDENT & CEO



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mhenke@peoplesenergy.coop

We often talk about our focus on providing safe, reliable, and affordable electricity. Our wholesale power provider – Dairyland Power Cooperative – is guided by the same purpose. While we are in alignment, outside factors can impact our efforts.

In November, the North American Electric Reliability Corporation (NERC) issued a report warning that prolonged, wide-spread cold snaps across the United States could threaten the reliable performance of the nation's power grid. The winter assessment identified the eastern two-thirds of the United States at an elevated risk of having insufficient energy supplies to meet demand in extreme operating conditions (the risk scale is three-tiered: low, elevated, high).

While NERC's report offers a high-level view of North America's grid operators, our regional grid operator – Midcontinent Independent System Operator (MISO) – offered a more tempered prediction for winter reliability in their own assessment. MISO expects above normal temperatures in its North and Central regions (where we live), and to have enough electricity supply to meet demand under typical winter conditions (more than 9 gigawatts – or 9,000 megawatts – above 2022). While that statement brings some peace of mind, MISO still cautions that there is always the potential for "high risk, low probability events" occurring, such as extreme weather across most of the U.S. (i.e., the December 2022 holiday storm and cold snap), intense winter storms and/or fuel supply issues.

The measures taken by MISO to improve their forecasting methods and available generation resources, as well as the work by Dairyland to winterize their power plants and maintain their transmission lines to our system are crucial to reliability. We have taken our own measures to keep the power on this winter. In 2023 we inspected 5,409 poles, replaced aging equipment, moved about eight miles of line from overhead to underground, and cleared 353 line miles of vegetation and applied herbicide to 332 line miles of vegetation to keep lines clear. Last spring, Dairyland's John P. Madgett power plant in Alma, Wisconsin, conducted a scheduled outage to overhaul the turbine and generator, and upgraded the precipitator equipment to double the amount of fly ash collected during the coal combustion process. Power plant maintenance is planned during the spring and fall when energy loads are typically lower due to moderate seasonal temperatures that require less heating and air conditioning.

"Dairyland has always taken our duty to provide safe, reliable and affordable electricity seriously, so when seasonal weather assessments suggest there is a risk to grid reliability, we pay attention," said Ben Porath, Dairyland's Executive Vice President and Chief Operating Officer. "Annual maintenance plans help keep our generation resources available for peak performance in all weather conditions and our 3,200 miles of transmission lines in top condition."

Going into the winter season, JPM has built up its coal reserves. The Elk Mound (WI) Combustion Turbines and RockGen Energy Center (Cambridge, WI) are also ready to be called upon during extreme weather. These units are not designed to run all the time, but to fill gaps in demand when needed. They can also run on fuel oil if natural gas supplies are low or diverted to home heating during a winter event.

What Can You Do?

Members are encouraged to follow us on Facebook for news when there are calls to conserve energy throughout the winter. Aside from reducing electricity use for grid reliability, People's Energy and Dairyland Power Cooperative may also declare a load management event, which asks cooperative members to help reduce electricity at times when grid reliability is still OK, but prices are high. By shifting electricity use away from these times of high demand, we are all working together to support a reliable grid and contain costs.

Sincerely, Michael J. Henke President & CEO (800) 214-2694

MONTHLY MEETING HIGHLIGHTS

PEC's Board of Directors held its monthly meeting on November 30. During the meeting, the following items were discussed: NERC's winter reliability assessment; update on IIJA Department of Energy (DOE) grant we did not receive; DOE Cybersecurity Grant application submitted; 2024 rates; Energy Forum follow-up; final results of union negotiations; acknowledgements of Code of Ethics policy; the last lot to sell in the Elgin Business Park; and an incident report for a dig-in.

A quorum of Directors was present, and the following actions were taken:

- Approved at a 1.5600 mill PCA credit for Legacy members for October usage billed in November.
- Approved at a 1.400 mill PCA charge for SMEC members for October usage billed in November.
- Approved the Ten-Year Financial Forecast.
- Approved a deferred revenue plan.
- Appointed Ben Hain to the Nominating Committee.
- Appointed Lee Schultz to the Member Advisory Committee.

DID YOU You are a MEMBER-OWNER

People's Energy Cooperative has been in business for nearly 88 years and some people think of us as simply another energy provider. But we are not. We are a rural electric cooperative that is constantly evolving to meet the needs of the members and communities we serve by:

- Seeking feedback and engagement from members and community leaders.
- Striving to find new ways to help members use energy more efficiently.
- Supporting local charitable organizations through programs like Operation Round Up and our Care for Community Initiative.

As a member-owner, you play a role in shaping our future. By voting in the annual director election, you are sharing your voice in how the Cooperative is governed. By rounding up your bill and donating to Operation Round Up[®], you are helping your neighbors. By serving on the Member Advisory Committee, the Nominating Committee, the Operation Round Up[®] Trust Board, or the Board of Directors, you are powering your community.

While the times may have changed since we first turned the lights on in Olmsted County, our purpose and principles have not. Working together, we can accomplish great things for our communities now and into the future.

highline

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MANAGEMENT

Michael J. Henke, President/CE0

Michelle Olson, Director of Member Services

Gwen Stevens, Director of Cooperative Relations

Dody Wubker, CFO

BOARD OF DIRECTORS

DISTRICT 1: Jon Kroening

DISTRICT 2: Jodie Tvedt Vice Chair

DISTRICT 3: John Winter

DISTRICT 4: Tracy Lauritzen, Secretary/Treasurer

DISTRICT 5: Jerry Wooner, Board Chair

DISTRICT 6: Art Friedrich Dairyland Director

DISTRICT 7: Jeff Orth

Visit peoplesenergy.coop for a listing of the areas covered by each district.

Business Hours: 7:30 am – 4:00 pm, M–F

MINNESOTA'S COLD WEATHER RULE

In effect October 1 through April 30

Minnesota's Cold Weather Rule helps protect eligible residential members from their electric service being disconnected if the disconnection affects their primary heating source. It is important to note that the Minnesota Cold Weather Rule does not forbid winter cutoffs. If a member receives a disconnection notice, they must work with the Cooperative to arrange energy assistance and/or set up a payment plan.

If you find yourself in need of energy assistance this winter, please contact one of the Energy Assistance Providers in SE Minnesota listed here.

ENERGY ASSISTANCE PROVIDERS:

- **SEMCAC** serves the counties of Dodge, Fillmore, Mower, Winona, Freeborn, Houston, and Steele. Call Toll Free: (800) 944-3281
- Three Rivers Community Action, Inc. serves Olmsted and Wabasha counties.
 - Call Toll Free: (800) 277-8418

THESE ORGANIZATIONS MAY ALSO BE ABLE TO HELP:

- Rochester Salvation Army Heatshare (507) 288-3663
- First Call for Help at 211





WHY PARTICIPATE IN POWER DOWN?

Believe it or not, you can play an active role in lowering the demand our system puts on the regional grid. By participating in Power Down and voluntarily reducing your energy usage, you are helping us lower the need to build additional power plants and ensure electricity is readily available to meet the needs of all members at all times. Twenty-six thousand seventy-four.

Sign up for Power Down on SmartHub and receive notifications in advance of a peak energy event. Notifications may be received anywhere from two hours to the night before the peak energy event.

HOW CAN I LOWER MY ENERGY USAGE DURING A PEAK ENERGY EVENT?

- Avoid using non-critical appliances and devices.
- Adjust your thermostat so that your furnace doesn't run as much.
- Delay washing and drying clothes.
- Delay using the dishwasher.
- Avoid charging your electric vehicle.

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knowledge and investing our time in their future, we hope they will be inspired to join us as we strive to impact tomorrow's energy issues.

Electrify Rochester Expo 2023

Over 500 people attended the inaugural Electrify Rochester Expo on August 26, 2023, at Graham Park in Rochester. The event was launched as a low-pressure way for people to explore the many facets of beneficial electrification and have access to helpful resources and information. As a reminder, the four objectives of beneficial electrification are to save money, benefit the environment, improve quality of life, and foster grid resilience. We, along with Dairyland Power Cooperative, enjoyed connecting with members and discussing their electrification and sustainability goals.



Economic Development Workshop

Economic development professionals from around the region regularly gather to collaborate and learn from each other. On September 8, 2023, we hosted our annual Economic Development Workshop which allowed the group to take a deeper dive into understanding opportunities around infrastructure-led economic development. Two thousand two hundred fifty-eight.

Energy Forums: Taking a Look Behind the Switch

Electricity is a resource all of us rely on for life's comforts and conveniences. In October, over 150 members joined us to learn about the state of the Cooperative, how electricity is generated and delivered to homes and businesses, technological advancements in beneficial electrification, and the impact of legislative actions on the future of the energy industry. We appreciated the chance to further discuss these important issues facing the Cooperative.

CO-OP CONNECTIONS FINDING MEMBERS GREAT AREA DEALS!

From ice cream to fast food and oil changes to mall shopping, Co-op Connections has expanded its offerings to ensure you'll find something to help you save money, both locally and nationwide!

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Download for free on Apple App and Google Play Stores!



Happy Holidays from People's Energy Cooperative!

On behalf of our employees and your member-elected board of directors, we wish you all health, prosperity, joy, and laughter this holiday season.

Caring for Community Initiative

By the Numbers...



ORU SPOTLIGHT

Earlier this year, Wabasha Ambulance Service received a \$4,000 grant through People's Energy Cooperative's Operation Round Up program. Funds were used to purchase equipment and medications to outfit one bag for the startup of an Advanced Life Support Service. This included a medical bag, airway equipment, all necessary medications, and supplies to administer the medications.

"Wabasha Ambulance is very grateful for this grant. Without the Operation Round Up grant, we wouldn't have been able to start providing Advanced Life Support Service this year because it just wasn't in our budget," says Ryan Marking, ambulance director with Wabasha Ambulance Service.

Marking mentions how they were able to upgrade from a Basic Life Support Service to an Advanced Life Support Service this summer, which means they can now bring a higher level of care to patients in the pre-hospital setting. Wabasha Ambulance has crew members who are paramedics and are now able to use their certification to its full potential.

"We've been providing this higher level of care ever since our license was approved on July 20th," Marking reports. "Since July, we've given 13 Advanced Life Support Service pre-hospital medications that weren't available before. We've also been able to take eight Advanced Life Support Service transfers out of Wabasha." Wabasha Ambulance provides service to the cities of Wabasha and Kellogg, along with surrounding townships.



They serve approximately 8,000 residents and thousands of visitors throughout the year across a large service area that includes remote areas a considerable distance from emergency medical care. In cases such as trauma, stroke, respiratory, and cardiac emergencies time is of the essence. The sooner these patients can receive an advanced level of care, the better the outcome for patients. Fifteen thousand six hundred forty-eight.

OPERATIO

"When we were a Basic Life Support Service, we were unable to accommodate approximately 230 transfers a year due to not being an Advanced Life Support Service. This means those transfers required an ambulance from another service. This puts additional strain on their service and delays patients getting to the definitive care they need," Marking says.

He continues, "We can now offer better prehospital care to area citizens and visitors. As an Advanced Life Support Service, we can provide additional life-saving medications that we couldn't before, along with multiple advanced procedures that we can do before we get to the hospital."



Have peace of mind while you are away. From our friends at Heartland Security

If you are planning a vacation or trip this winter, a home security system can keep your home safe and give you peace of mind. Here are some tips to remember while you are traveling:

- Test your security system monthly to make sure it is communicating with the response center.
- Automate indoor and outdoor lights to simulate someone being home.
- Be sure your home security sign is visible.
- Turn off and unplug unnecessary lights and appliances.
- Don't post online about your travel until you return.
- Check doors and windows to be sure they are locked.
- Have your mail held at the post office if you will be gone longer than a couple of days. Ask a trusted neighbor to pick up any packages that arrive in your absence.
- Set your thermostat to save money but not below 55 degrees to prevent frozen pipes and damaged appliances. If you have a smart thermostat, you can adjust the temperature from your mobile device to be the right temperature upon your return.
- Store valuable and important items in a hidden fire resistant safe.



24/7 Security Monitoring

Heartland Security systems are monitored 24/7 to ensure your alarms are quickly resolved and properly routed and prioritized. If your system only sends an alert to your cell phone, will you be able to respond while you are away and do you know how to contact the local authorities?

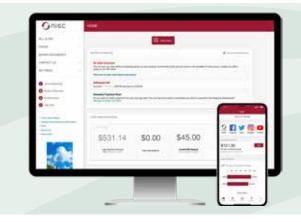
Monitored security systems will also alert you of nonemergency signals. This means if an environmental sensor like a water or heat sensor alerts and you don't pick up the call, the monitoring center will alert your list of back up contacts so action can be taken.

If you don't have a security system, get your free, customized quote at (888) 264-6380 or visit our website at heartlandsecurity.com.

Choosing Paperless and/or Automatic Bank Draft Payments

Congratulations to Jason H. for winning a brand-new electric snowblower and Nichola N. and Brian Y. for each winning a \$100 bill credit!

Thank you to all members for choosing to set up your account with paperless billing and/or automatic bank draft payments. You have played an active role in helping decrease fixed costs for the Cooperative. Since the beginning of the year, we have been able to save on postage, printing costs, and credit card fees!



COMING SOON A New and Improved SmartHub

If you manage your account online through SmartHub, in early 2024 you'll notice a new interface. It'll make paying your bill, understanding your energy usage, and communicating with the Cooperative easier than ever.

CoBank's Sharing Success Program

People's Energy Cooperative firmly believes that when our members succeed, we all succeed. That's why as a member of CoBank, we capitalize on its community programs to support organizations in our area that also serve our members. Last month, we secured matching grants for four local organizations here in SE Minnesota.



The Oronoco Fire Department and First Responders are the first line of defense in an emergency. With our headquarters located in Oronoco, we appreciate knowing help isn't too far away should we ever need it!



For the last two years, the Cooperative has been proud to support Dodge County 4-H's Summer Day Camp Program.



At Olmsted County's 4-H, the Fall Festival is one of the biggest events of the year and the Cooperative is proud to support the event allowing new members to attend without cost.



Winona County's 4-H has been thinking outside the box when it comes to career exploration and the Cooperative has been proud to support their efforts with Career Exploration Events.

WINTER ENERGY EFFICIENCY TIPS

When the temperatures start to plummet, energy costs can rise quickly. Here are a few reminders to help you manage energy use this winter:

Lower your thermostat.

Just lowering the temperature by two or three degrees for a sustained eight hours can make a difference.

Use the outdoors to your advantage.

When it's sunny outside, open the blinds and use thermal energy from the sun to help heat your home. When the sun sets, close the blinds to keep that warmth contained.

Dress in layers.

Don't just dress yourself in layers. Rugs can help insulate your floors and cut down on noise. Thirty-two thousand six hundred ninety-five.

Reduce your "always on" appliances.

Look for electronics and appliances that you don't use or can switch off. Consider getting rid of that extra refrigerator.

Use an advanced power strip.

If you can't get rid of it, make sure it's plugged into an advanced power strip. These smart devices can help you reduce electricity that is wasted when electronics or appliances aren't in use.

Check your windows and doors.

Caulk around windows and weather stripping around doors helps prevent the cold from creeping into your home.

Check out a Home Energy Savings Kit.

We have made this resource available at local libraries, city halls, and our office in Oronoco. It is a self-guided home energy inspection that can help you identify ways to save energy in your home.

Get a professional home energy audit.

We partner with local energy audit experts to help members understand how their home uses energy and how it could be more energy efficient. Visit our website or call us for more information. **Chatfield:** Public Library

Dodge Center: Public Library

Dover: City Hall

Elgin: City Hall

Eyota: City Hall

Hayfield: Public Library

Kasson: Public Library

Lake City: Public Library

Pine Island: Public Library

Plainview: Public Library

Stewartville: Public Library



5 WAYS TO SAFEGUARD YOUR HOME THIS WINTER

As the temperatures drop and the days grow shorter, there's a natural inclination to create a warm and cozy haven at home. Unfortunately, as we see increased use of heating equipment, candles and electrical items, the number of home fires tends to increase during winter months.

Here are five ways you can safeguard your home for the winter season.

Ensure carbon monoxide and smoke detectors are working properly. If your detectors are battery-operated, replace the batteries annually. Test the detectors once a month and give them a good dusting to ensure the sensors are clear of dirt and debris.

Inspect electrical cords.

We depend on more cords during winter, whether for holiday lighting, extension cords or portable heaters. Before using any corded items, double check to make sure cords aren't frayed or cracked. If you use portable space heaters, remember to keep them at least three feet away from flammable items. Use models that include an auto shut-off feature and overheat protection. Space heaters can take a toll on your energy bills. Use them efficiently (to heat smaller spaces) and safely. Never plug a space heater into a power strip. Speaking of power strips...



Avoid overloading electrical outlets and power strips.

When overloaded with electrical items, outlets and power strips can overheat and catch fire. If you use power strips for multiple devices, make sure the strip can handle the electrical load. For a safer bet, look for power strips that include surge protection.



Clean the fireplace to improve safety and efficiency.

There's nothing better than a warm fire on a chilly night, but it's important to maintain your fireplace for safety. As wood burns, a sticky substance known as creosote builds up in the chimney. When creosote buildup becomes too thick, a chimney fire can ignite. The chimney should be cleaned at least once a year to reduce fire risks. Regular cleaning also improves air flow and limits the amount of carbon monoxide that seeps indoors.



Practice safety in the kitchen.

As we spend more time in the kitchen during the holiday season, be mindful of potential fire hazards. Never leave food that's cooking on the stovetop unattended. Clean and remove spilled foods from cooking surfaces and be mindful of where you place flammable items like dish towels.

People's Energy Cooperative wants you and your family to stay safe during the winter season. Visit peoplesenergy.coop for additional safety tips.



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WHEN THE LIGHTS GO OUT, SO DO WE Call even if you think your neighbors have reported the outage. Leave one light on so you know when power has been restored. Have an emergency kit prepared.

(507) 367-7000 or (800) 214-2694

REBATE REMINDER Submit Your Paperwork!

Remember to submit your 2023 rebate materials before December 31. This is important because some rebates offered in 2023 may change in 2024. To be eligible for a 2023 rebate, most items must be purchased and/ or installed within the last three months.

Take advantage of rebates for things like (but not limited to):

- Electric Water Heaters
- Heat Pumps
- Electric Vehicle Chargers
- Electric ENERGY STAR Appliances
- Air Conditioner Tune-Ups

For a complete listing of available rebates as well as rebate forms, visit peoplesenergy.coop/rebates.

SPOT YOUR NUMBER

Each month, we hide four account numbers (without the last two digits) within the text of the newsletter. If you find your number, contact the Cooperative by the 15th of the next month at (800) 214-2694 or memberservices@peoples energy.coop to receive a \$30 credit on your bill.

GOOD LUCK IN FINDING YOUR ACCOUNT NUMBER!

HOLIDAY CLOSURES

We wish you and your family a relaxing, happy, and safe holiday season! Please note that we will be closed on the following dates to allow our employees time to spend with their loved ones:

Monday, December 25; Tuesday, December 26; and Monday, January 1, 2024.

For a power outage during this time, please call (800) 214-2694.

VEGETATION MANAGEMENT 2024

Every year, PEC hires tree contractors to help us execute our vegetation management program for annual line maintenance. **Carr's Tree Service** and **New Age Tree Service** will continue working with us in 2024.

During the month of January, **New Age Tree Service** will also be working in the City of Stewartville clearing trees.



