



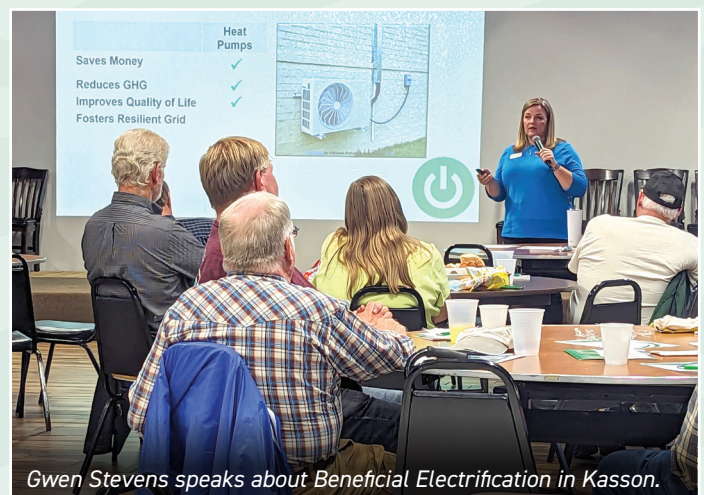
2023 ENERGY FORUMS: TAKING A LOOK BEHIND THE SWITCH

Electricity is a resource all of us rely on for life's comforts and conveniences. In October, 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 had great attendance at each forum in Kasson, Chatfield, and Plainview and thank all members who joined us!

People's Energy Cooperative President and CEO Mike Henke welcomed the group at each event with a 'State of the Cooperative' report. He shared how we are living out our cooperative mission and vision in being a trusted energy resource, employer of choice, and respected business partner. He also shared more information about the Cooperative's property tax appeal and next steps in the process.

Where Our Power Comes From

Next, Economic Development and Key Accounts Manager Marty Walsh shared how "the electric grid" is more than just the power lines running along the side of the road. It is far more interconnected with many points of electrical generation. MISO (Midcontinent Independent System Operator) manages the balance of electricity on the grid as both



Gwen Stevens speaks about Beneficial Electrification in Kasson.

a marketplace for energy sales and an operational facilitator. When considering balance at such a large scale, it is important to remember that each source of power comes with its own positives and negatives.

In recent years, electric utilities have seen an increased chance for "Maximum Generation Events" due to decreased baseload power from coal plants shut down for regulatory and financial reasons, changes in weather patterns that impact grid operations, increased intermittent power from renewables, and the lack of transmission lines from power sources to power needs.

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07. Care for Community Initiative

08. Economic Development - Help Wanted

11. Deck the Halls Safety

CEO MESSAGE

FROM MICHAEL J. HENKE, PRESIDENT & CEO



mhenke@peoplesenergy.coop

It's been four years since I became the President and CEO of People's Energy Cooperative and as I reflect on that time I am filled with joy and gratitude. Transitioning from the CFO role to CEO has given me a broader view of the work we do at the Cooperative, the relationships we have, and the impact we have on the communities we serve. All of which I'm proud of and thankful for.

As an electric distribution cooperative, our job is simple – provide reliable electricity - but it's not easy and it can be complex to do at times. From the front office to the back of the warehouse, and out into the field, we have 67 employees who understand that we are 'always on' and stand ready to serve our members. I'm grateful for how our staff takes pride in a job well done and is continuously looking for better, more efficient, and more cost-effective ways of doing their work. I also appreciate how they collaborate and work together to do so and to keep each other safe. As an electric utility the work isn't always performed during business hours. When storms, stray vehicles, or equipment affect our system it can be at any time and on any day like in the middle of the night or on a holiday. These occurrences can affect more employees than the lineworkers and I'm always impressed by the spirit of service. We're also a small organization so several of our employees wear multiple hats and can put in long days to ensure the work is done and done right.

I'm also grateful for the engagement of our members, especially the Cooperative's Board of Directors. These seven people are committed to representing the members and work hard to be as informed and educated as possible to ensure good governance of the Cooperative. I'm also grateful for the members who serve on the Member Advisory Committee who enable us to stay in touch with our

membership, the Operation Round Up Board that serves as a conduit for good in our communities, and the members who attend our events. Engaged members are important to a cooperative!

Author Alan Cohen is quoted as saying, "Success in business depends more on relationships than spreadsheets," and it is so true. We are fortunate to have positive relationships with our state and federal legislators who support our efforts to ensure legislation doesn't negatively impact the Cooperative. We do our best to support county and city officials, as well as economic development professionals to help the communities we serve thrive. I'm grateful for these relationships as well as our relationships with our vendors, suppliers, and contractors. They all contribute to our success.

And lastly, I'm grateful for how we live out the cooperative principle of 'Concern for Community' through the Operation Round Up program supported by members (see Page 6) and our new Care for Community program driven by our employees (see Page 7). We combine that principle with the principle of 'education, training, and information' when our staff visits classrooms to educate students on electrical safety, renewable energy, or career opportunities at an electric cooperative. I'm grateful for the people who drive these initiatives and those who support them by participating.

Whatever you're grateful for, I hope you can take time to reflect and appreciate your blessings. Best wishes to you and your family for a wonderful Thanksgiving holiday!

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

MONTHLY MEETING HIGHLIGHTS

highline

PEC's Board of Directors held its monthly meeting on October 26. During the meeting, the following items were discussed: future conference and meeting attendance; director voting delegates; 2024 Board governance budget; Third Quarter Financial Report; Key Ratio Trend Analysis Report; equity training; rejection of IJJA Grant request; cybersecurity reports; and an update on the property tax issue with the MN Department of Revenue.

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

- ▶ *Approved a 1.560 mill PCA credit for Legacy members for October usage billed in November.*
- ▶ *Approved a 1.400 mill PCA charge for SMEC members for October usage billed in November.*
- ▶ *Approved Glenda Hoenk (Dist. 1), Michael Melford (Dist. 1), Robert Kuhlman (Dist. 2), Dennis Edgar (Dist. 2), and Mike Hintz (Dist. 3) to serve on the 2023 Nominating Committee.*
- ▶ *Appointed Elise Diesslin (Dist. 1), Ken Stensvold (Dist. 2), John Howie (Dist. 3), Jack Thomas (Dist. 3), and Eric Kronebusch (Dist. 6) to the Member Advisory Committee and reappointed Tom Vail (Dist. 1), Paul McNallan (Dist. 4), and Richard Pagel (Dist. 6).*
- ▶ *Approved a \$100 stipend for Nominating Committee meetings.*
- ▶ *Approved edits to Policy 801 – Board Qualifications and Authority.*

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MANAGEMENT

Michael J. Henke,
President/CEO

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

DID YOU KNOW?

You might be eligible for FEDERAL TAX CREDITS

When you make energy efficient upgrades to your home or business, it's easy to forget there are a variety of tax credits and incentives you may be able to take advantage of. Under the Inflation Reduction Act of 2022, federal income tax credits for energy efficiency improvements are now available through 2032.

Looking to replace your exterior doors? You can receive a tax credit of 30% of the cost paid by the consumer, up to \$500 per year (up to \$250 per door). Installing an air source or geothermal heat pump? You can receive a tax credit of up to 30% of the cost paid by the consumer. Additional income-based incentives will also be announced through the Home Energy Rebates program and could be available as soon as 2024. Thinking about purchasing a new or used electric vehicle? You can receive a tax credit of \$4,000-\$7,500 depending on if you purchase the vehicle new or used.

We encourage you to check out www.energy.gov/save for more detailed information about all the federal tax credits and incentives available for energy efficient upgrades.

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. Those affected by the Cold Weather Rule must work with the Cooperative to arrange energy assistance and/or set up a payment plan.

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 act promptly, by contacting the Cooperative immediately to set up an agreed upon payment plan. And if you find yourself in need of energy assistance this winter, please contact one of the Energy Assistance Providers in SE Minnesota (listed below).

As part of the application process with SEMCAC and Three Rivers, applicants are also evaluated for the Weatherization Assistance Program. This program provides free home energy upgrades to income-eligible homeowners and renters to help save energy and make sure their home is a healthy and safe place to live.

Weatherization works closely with its companion program, the Energy Assistance Program, to help permanently reduce the energy bills of low-income Minnesotans.



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

2024 PEC BOARD OF DIRECTOR ELECTIONS

DISTRICTS 2 AND 4

Interested in serving on the Cooperative's Board of Directors? The seats for Districts 2 and 4 on the Cooperative Board of Directors are up for election in 2024.

If you'd like to learn more about serving on the Board of Directors and the election process, contact Gwen Stevens, director of cooperative relations, at (507) 367-7015 or gstevens@peoplesenergy.coop.

The Nominating Committee will make its official nominations in January, so contact Gwen by December 15, 2023, if you'd like to be considered for nomination. Fourteen thousand one hundred twenty-four.

2023 ENERGY FORUMS: TAKING A LOOK BEHIND THE SWITCH

continued from page 1

Beneficial Electrification

Director of Cooperative Relations Gwen Stevens next spoke on beneficial electrification and how the energy market is experiencing not only a transition in how electricity is generated, but also how we consume it.

Beneficial electrification is a philosophy developed by stakeholders from the utility sector, academia, environmental organizations, manufacturers, and policy makers working together to protect all stakeholders rather than against each other in silos. The electrification of “things” is beneficial if it:

- Saves consumers money over time,
- Benefits the environment and reduces greenhouse gas emissions,
- Improves product quality or consumer quality of life and/or,
- Fosters a more robust and resilient grid.

The key factor is that it satisfies at least one of these conditions without adversely affecting the others. Clean energy is a key factor of beneficial electrification.

Legislative Impact

Finally, President and CEO Mike Henke returned to share the impacts of recent legislation at both the federal and state level on the Cooperative.

Both the Infrastructure Investment & Jobs Act and Inflation Reduction Act have provided a wide variety of financial benefits for both the Cooperative and individual members. From infrastructure improvements to installing electric vehicle charging

networks to tax incentives and rebates for individual purchases – both members and cooperatives have much to take advantage of.

Last spring the Minnesota Legislature passed a mandate that all electricity sold in the State of Minnesota be 100% carbon free by 2040. While we have the law for this mandate, we do not have the code with details on how the State will ensure that the transition to renewable energy remains reliable and affordable.

One piece of current legislation that has our attention is the 2023 Farm Bill. This piece of legislation covers more than just farming, it also includes funding to support our rural economy, including the development of infrastructure and utility services. Our economic development loan program is funded through the Rural Economic Development Loan and Grant program which is funded by the Farm Bill.

Another piece of current legislation that we are paying attention to has to do with permitting reform. This legislation will establish the process for federal agencies to assess the environmental impacts of infrastructure projects. Modernization of permitting is necessary for the ongoing energy transition.

We always appreciate the opportunity to connect with our members. Thanks to everyone who joined us to learn more about these important topics facing our cooperative. A special thank-you to Events by Saker, the Chatfield Center for the Arts, Jac's Bar and Grill, Plainview's American Legion, and Tarasco's for their wonderful hospitality.



Marty Walsh speaks about electricity generation in Plainview.



Mike Henke shares a 'State of the Cooperative' in Chatfield.

ORU GRANTS AWARDED

*People's Energy Cooperative Trust – Operation Round Up®
Grants \$20,827.22 to Local Organizations*

People's Energy Cooperative's Operation Round Up® Trust Board provided \$20,827.22 in grants this quarter to the following organizations:

- ▶ Brighter Tomorrows, Inc. - \$1,000 in support of their program 'Gift of Thanks'
- ▶ Childhood Cancer Community - \$1,400 in support of creating 'Journey Packs' for families with children who have cancer
- ▶ City of Byron - \$1,000 to help purchase new technology for the Byron Historical Society
- ▶ City of Dover - \$5,000 to help with the purchase of new playground equipment at the city park
- ▶ Grand Meadow Fire Department - \$4,000 to help purchase a SCBA filling station
- ▶ Homeless Community Connect - \$900 in support of 'Project Community Connect'
- ▶ Immanuel Lutheran School - \$5,000 to help purchase a new smart board
- ▶ St. Charles Public Schools - \$500 to help support 'Music in our Community'
- ▶ Triton Public Schools - \$532 to help purchase equipment for electricity curriculum
- ▶ Wabasha County Developmental Achievement Center - \$995.22 to help purchase new furniture for the new DAC Facility
- ▶ Wabasha-Kellogg Public Schools - \$500 to support 'This is how we ROLL'



To be considered for first quarter grants in 2024, applications must be submitted no later than December 20, 2023. Program guidelines and applications for Operation Round Up® donations are available at peoplesenergy.coop/operation-round-up or by calling the Cooperative at (800) 214-2694.

Caring for our Community

Through our Cooperative Principles



CARE FOR COMMUNITY
INITIATIVE

As a rural electric cooperative, it's in our DNA to take care of our neighbors. The seventh cooperative principle is 'concern for community.' In early October, we were thrilled to launch our new Care for Community Initiative. The Initiative will bring employee groups together and support volunteer work in our region.

Our first employee volunteer event was coordinated by Pat O'Connor, system operations manager, and brought us to H.O.P.E. Ranch located east of Chatfield. H.O.P.E. Ranch is a mental health organization which utilizes horses and the outdoors to help people through their mental health journey. "This organization's mission resonated with me as I struggle with anxiety and depression," Pat shared, "I have taken steps to help cope through therapy, exercise, and outdoor activities. I really see the value in a place such as H.O.P.E. Ranch. I am a strong believer in the power of animals and being outside." Thirty-two thousand nine hundred thirty.

H.O.P.E. Ranch has a small group of volunteers that help manage the property. Although there was much work that could be done, Katherine "Kit" Muellner, director of H.O.P.E. Ranch, and Pat worked together to find tasks that could be completed during one workday. She had some small trees to plant around the property and the removal of an old fence. Prior to the event, the



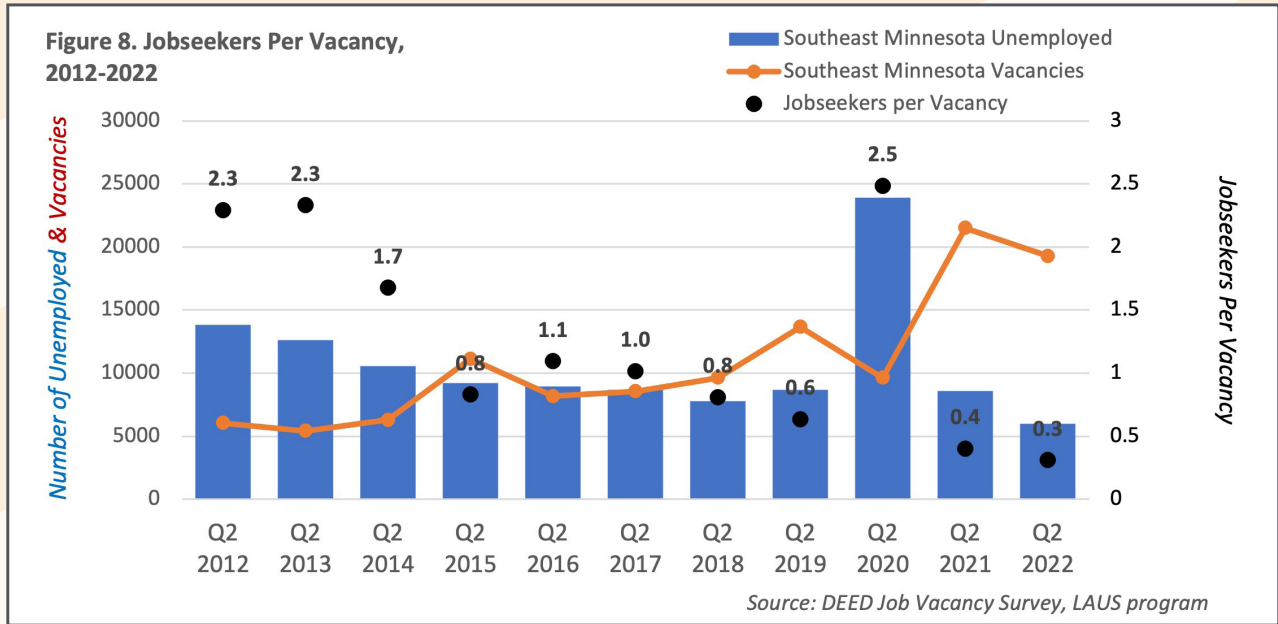
Cooperative enlisted New Age Tree Service to come in with their forestry mower to clear out vegetation near the old fence and widen the walking path. They were also able to clear several low-hanging branches and trees from the path.

On October 10, employees from People's Energy Cooperative arrived ready to get to work. Over the course of the day, employees removed the fence, planted twelve trees, spread mulch around the new trees as well as the organization's signs in the front yard, cleaned up the property, raked the trail, and removed additional low-hanging vines and branches. They also hauled the old fence to the scrap yards and donated the proceeds back to H.O.P.E. Ranch.

"I am so thankful for the opportunity to give to an organization that gives back to people in need," shared Pat at the end of the day. "I hope that our contribution helps someone along their journey."

Economic Development - Help Wanted

When our Economic Development and Key Accounts Manager Marty Walsh visits with local employers, it is very clear that finding workers is one of the most difficult parts of growing their business. With Minnesota's nation-leading 68.5% labor force participation rate, in Southeast Minnesota there are still over three jobs open for every one person looking for work.



There are some groups though that have higher unemployment rates and more people looking for work, statewide and in our region. The Minnesota Department of Employment and Economic Development (DEED), recognizing there may be barriers to employment for some groups, has established programs that help both employers and jobseekers. The following highlights a few:



Immigrants & Refugees

Both the State and Federal Government have a number of programs available to help connect employers and immigrant workers. They can help navigate financial, legal, and cultural needs to provide meaningful employment for immigrants in our community.



Formerly Incarcerated People

Previous convictions can be a real challenge for individuals who are seeking to re-enter productive society. Programs, including federally funded insurance for companies that employ "high risk" individuals, can help make that happen.



People with Disabilities

The State of Minnesota offers a wide variety of programs, from employment specialists to tax credits to accommodation funding that helps people with disabilities gain full employment and contribute to the regional economy the way they want.

You can find links to these programs as well as other resources for finding and training all kinds of workers at peoplesenergy.coop/finding-workers.

POWER DOWN

for energy conservation



For decades we've been reducing, reusing, and recycling physical waste to limit the need for landfills. While we can't reuse or recycle electricity, we can reduce energy use during times of high demand for electricity to help avoid the need for new power plants.

What is Power Down?

Power Down is a voluntary energy load reduction program that encourages members to reduce their energy use during times when there is a high demand for energy (peak energy alert) or energy prices in the market are high.

Why Participate in Power Down?

- ▶ You reduce the demand for energy that your home or business is placing on the electric grid.
- ▶ You help reduce the need to build additional power plants.
- ▶ You help ensure electricity is readily available to meet the needs of all members at all times.

How do you Participate in Power Down?

- ▶ Sign up for Power Down on SmartHub, our account management system. You will be notified via email and/or text in advance of a peak energy event. Notifications may be received anywhere from two hours to the night before the peak energy event.
- ▶ What can you do during a peak energy event? We encourage you to:
 - Avoid using non-critical appliances and devices.
 - Adjust your thermostat so that it doesn't run as much.
 - Delay washing and drying clothes.
 - Delay using the dishwasher.
 - Avoid charging your electric vehicle.

Choose Paperless and/or Automatic Bank Draft Payments for a CHANCE TO WIN!

There are many reasons to choose paperless billing or automatic bank draft payments. Some may want to save paper; others may monitor all their finances online. Some may be decluttering their mailbox; others may appreciate the protection that comes with a secure portal. By going paperless and choosing automatic bank draft payments, you play an active role in helping decrease fixed costs for the Cooperative.

SET UP YOUR ACCOUNT BY DEC. 15

In December, members who are enrolled in either paperless billing or ACH payments will be entered to win a prize! If you are signed up for both, then your name will be entered twice. Please ensure your account is set up by Friday, December 15 for a chance to win. For more information, visit peoplesenergy.coop.





Cook Up Energy Savings this Holiday Season.

- ▶ Clean oven burners regularly.
- ▶ Match the pan size to the burner you're using.
- ▶ Use small appliances like slow cookers and toaster ovens when possible.
- ▶ When running the dishwasher after the meal, turn on the "air dry" setting instead of using the "heat dry" setting.

Tame the Costs Without Cutting Back on the Sparkle

A popular activity during the holiday season is checking out neighborhood light displays. Even with new LED lights, the cost to power those decorations can rise quickly. Here are a few ways you can save:

- ▶ **Ensure you only use LED light bulbs and lighting sets.** Keeping your incandescent lights may save you the cost of buying something new, but they cost significantly more to power than a string of new LED lights.
- ▶ **Use smart plugs and timers for both inside and outside decorations.** With smart plugs, you can turn your displays on and off from your phone. When you add a timer, you don't have to remember to turn them off before you go to bed!
- ▶ **Avoid leaving animatronic and inflatable decorations on all night.** These fun additions are upping the decorating game, but they don't just come with a hefty purchase price. The cost to inflate and light up these displays will rise quickly if you leave them on all night and all day. Twenty-three thousand five hundred eleven
- ▶ **Turn off or dim room lights when the tree is lit.** If you're settling down to watch the latest Hallmark movie on a Friday night, you don't need to leave on all the lights in the house. Let the glow from the tree set a relaxing mood.
- ▶ **Use non-electric decorations.** Display your snowman collection on a shelf; wrap garland around the porch railing. There are many ways you can decorate inside and out without adding electricity.



DECK THE HALLS SAFELY

FROM OUR FRIENDS AT SAFE ELECTRICITY

There's nothing like putting up lights and decorations to get you in the holiday spirit. It's something that many do every year without incident, yet the holidays are also one of the most hazardous times of the year when it comes to electrical fires and accidents.

Safe Electricity offers several tips as you deck the halls this season:

- ▶ When decorating outside, look up and around for power lines. Never throw lights or other decorations into trees near power lines. Twenty-eight thousand five hundred eighty-three.
- ▶ Keep ladders, equipment, and yourself at least ten feet from power lines.
- ▶ Match plugs with outlets. Do not alter a three-pronged plug to be used in a two-pronged outlet or extension cord.
- ▶ Outside, use only lights, cords, animated displays, and decorations rated for outdoor use. Follow the manufacturer's instructions on how to use them. Ensure outdoor outlets or extension cords are equipped with Ground Fault Circuit Interrupters (GFCI's).
- ▶ Never string more strands of lights together than recommended by the manufacturer.
- ▶ Do not staple or nail through light strings or electrical cords. Use plastic or insulated hooks to hang lights.
- ▶ Do not attach cords to utility poles.



The outside of your home is not the only place where you need to be cautious of electrical dangers. Also be careful when placing a decorated tree inside your home. Place fresh-cut and artificial trees away from heat sources such as registers, fireplaces, and radiators. Water fresh-cut trees frequently and turn lights off before you go to sleep or use a timer to help.

Safe Electricity wishes you and your family a safe and happy holiday season. For more information on holiday safety tips, visit SafeElectricity.org.



GET SOCIAL WITH US!

Are you on social media? We are! We utilize Facebook and X (Twitter) to share information about topics such as electrical safety, energy efficiency, cooperative events, and peak energy alerts. We also provide information when major outages occur.





People's Energy Cooperative

Your Touchstone Energy® Cooperative 

1775 Lake Shady Avenue South
Oronoco, Minnesota 55960

HIGHLINE HI-LITES • November 2023 • Vol. 87 • Issue 11
Highline Hi-Lites (USPS# 244-720) is published monthly. Special Edition issued in March.

Periodical Postage Paid in Rochester, Minnesota.

Postmaster: Please send address changes to:
*Highline Hi-Lites, 1775 Lake Shady Ave. S.
Oronoco, Minnesota 55960*

This institution is an equal opportunity provider and employer.



24-HOUR OUTAGE NUMBER

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

SPOT YOUR NUMBER

\$30

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@peoplesenergy.coop to receive a \$30 credit on your bill.

GOOD LUCK IN FINDING YOUR ACCOUNT NUMBER!

2023 REBATE REMINDER

Remember to submit your rebate paperwork before December 31, 2023, to qualify for our 2023 rebates. Forms are available on our website by visiting peoplesenergy.coop/rebates. The following guidelines must be met, and the appropriate forms must be completed:

- Items must be purchased and/or installed in 2023 (Jan. 1 – Dec. 31)
- Completed rebate application forms and a copy of your receipt(s) must be submitted no later than three (3) months after purchase, recycling, or installation and before December 31.

Rebates will be issued as a credit on your monthly electric bill. Review rebate forms prior to making purchases to ensure that your item meets the rebate requirements for energy efficiency.



2023 OFFICE CLOSURES

During this holiday season, we will be closed on the following dates for our employees to enjoy with their families:

Thanksgiving: Thursday, November 23 and Friday, November 24

Christmas: Monday, December 25 and Tuesday, December 26

New Year's: Monday, January 1, 2024

VEGETATION MANAGEMENT 2023

Carr's Tree Service and **New Age Tree Service** continue to work with us on executing our vegetation management program for annual line maintenance. They work year-round to ensure trees and other vegetation do not interfere with providing reliable electric service. During the month of December, Carr's Tree Service will be working in portions of Elmira and Orion townships. New Age Tree Service will be working during this time in portions of Pleasant Valley, Racine, and High Forest Townships.

