



IN THIS ISSUE:

CEO Message

2017 Member
Appreciation

Storm Safety

Kitchen Lighting

Mark Your
Calendar



MANAGEMENT STAFF

Elaine J. Garry,
President/CEO

Gary Fitterer,
Director of Engineering

Mike Henke,
Chief Financial Officer

Michelle Olson,
Director of
Member Services

Gwen Stevens,
Director of Member &
Community Relations

Troy Swancutt,
Director of Operations

GENERAL INFORMATION

Office Hours:

7:30 am – 4:00 pm, M–F

Telephone: 507-367-7000

Toll-Free: 800-214-2694

Web Address:

www.peoplesenergy.coop

Gopher State One Call:

1-800-252-1166

(for digging & line location)

YOU ARE *MORE THAN A CUSTOMER*, YOU ARE **A MEMBER-OWNER**

RESEARCH

...shows that when people own something, they tend to care for it, which is why we encourage PEC members to remember **THEY ARE MEMBER-OWNERS, NOT JUST CUSTOMERS.**

On July 19, the Board of Directors hosted a special meeting for members to weigh-in regarding a cooperative policy that has been drafted relative to revisions made by law to State Statute 216B.164 – Cogeneration and Small Power Production.

Fifteen members participated in the meeting and those who weren't able to attend took the time to contact a Board member or President/CEO Elaine Garry to learn more and share their feedback.

It was a great example of the second Cooperative Principle – 'Democratic Member Control' that states "Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Directors are elected from among the membership and are accountable to the membership."

Your Board of Directors and the Cooperative staff strive to keep you informed and want to listen to your ideas and concerns, so we hope you'll attend one of the up-coming member meetings in October. They are a great way to learn more about the Cooperative and electric utility industry, hear updates about Cooperative projects, share ideas or concerns, and ask questions.

Feel free to attend any one of the five meetings that works best with your schedule (listed on page 8). A light meal will be served, so we simply ask that you RSVP by emailing rsvp@peoplesrec.com or by calling 507-367-7000. Please include your name, which location you plan to attend, and the number of members in attendance.

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO



Elaine J. Garry

egarry@peoplesrec.com

August marks the second anniversary of the Cooperative's acquisition of Alliant's service territory and the 7,000 members who live in the communities of Chatfield, Dover, Elgin, Eyota, Plainview and Stewartville.

We are happy to be serving these communities and developing relationships with city representatives and community leaders. It's been exciting to partner with each community, in some way, to help them prosper and provide quality of life for their residents and visitors.

It's hard to believe 2017 is half over and we're gearing up for 2018. As a matter of fact, we've been looking ahead to 2018 for a few years for a couple reasons.

First, 2018 marks the finish line for achieving the Board's five-year strategic goals that were set in 2013. There are eight goals we've been working towards that relate to rates, expenses, reliability, employee safety, and overall financial health. I'm happy to report that we are either achieving the goals or are improving and making progress towards them.

The other reason 2018 has been on our radar is because August 1, 2018, marks the end of the three-year rate freeze on the 'Basic Service Charge' and 'Energy Charge' line items on residential accounts as well as the 'Demand Charge' for business accounts we acquired from Alliant. I know some members are concerned that rates will "skyrocket" since Alliant's last rate increase was in 2010, but I want to assure you that we will do all we can to establish rates that are fair and reasonable.

To ensure fair and reasonable rates for all members, we have begun the process of a cost of service study which is the primary tool used to determine rates. The main objective of the study is to identify the cost of providing service to each rate class based on electric load requirements and service characteristics. This is a common practice for electric utilities and our last study was performed in 2012. We've held off on doing a study since then due to the Alliant acquisition.

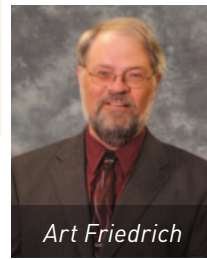
Not only are we evaluating our rates, but also how our rates are structured. Advances in metering technology enable us to explore more options and the changing energy landscape demand we do our homework on alternative rate structures.

Please know that, as a not-for-profit organization, our rates are based strictly on the costs associated with serving our members. While margins are budgeted for each year to ensure we are financially responsible should the unexpected happen, our mission is not to make a profit. Our mission is to provide safe and reliable electricity to our members and communities with superior customer service and innovative energy solutions at fair and reasonable prices.

As a side note, I'm happy to report that we closed on two land sales in Oronoco Crossings in July. Noble RV and Hilltop Camper & RV will soon be our new neighbors. Not only did we sell land, but we gained a new member!

Enjoy the rest of your summer and I hope to see you at the Member Appreciation Event on September 9 or one of the Member Meetings in October!

Sincerely,
Elaine J. Garry,
President & CEO,
507-367-7000



Art Friedrich

BOARD ACHIEVEMENTS

Board Member, Art Friedrich
(District 6) received the National Rural Electric Cooperative Association's (NRECA) Director Gold Credential.

NRECA's Director Certificate Programs are specifically designed to help electric cooperative directors fulfill their roles and responsibilities, stay up-to-date on the key issues and trends in the industry and prepare them to meet the challenges facing electric cooperatives now and in the future. The Gold level is the advanced level and awarded to directors who have earned their Credential Cooperative Director Certificate (CCD) and Board Leadership Certificate (BLC) and have completed 3 additional BLC credits after earning their BLC.

Reminder: Join us at our Member Family Picnic!



2017 MEMBER APPRECIATION

We are looking forward to seeing you again at our family-style picnic Saturday, September 9, 2017!

3:30 – 7:30 pm
Ironwood Springs
Christian Ranch
7291 County Road 6 SW
Stewartville, MN 55976

RSVP requested by
August 25th, 2017.

Please remember to RSVP for our annual member appreciation event! All members of People's Energy Cooperative are invited.

If you haven't RSVP'd for the event, it's not too late! Please RSVP by Friday, August 25. You can RSVP online at peoplesenergy.coop or mail the card that was inserted in the July/August issue.

FOOD: Food will be served from 4:00 to 7:00 p.m. and will include your choice of a hamburger or hot dog along with baked beans, potato chips, and a cookie. Beverage options will include Kool-Aid and water. We will also have cotton candy, root beer floats and a popcorn wagon!

ACTIVITIES FOR EVERYONE:

Ironwood Springs offers a wide array of activities to please all ages, interests, and activity levels. Activities to choose from include mini golf, archery, zip line, tractor-drawn wagon rides, and BINGO – among many others. Some activities will require a signed release form to participate. Forms will be available at the event.

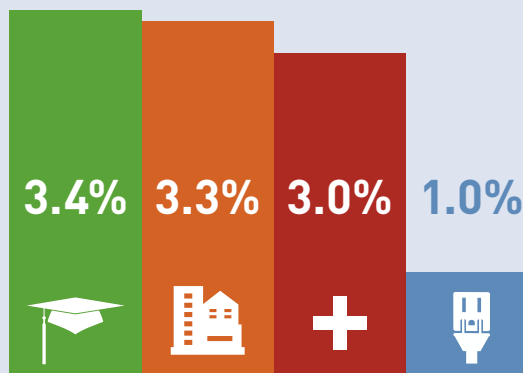
ELECTRICITY: STILL REMAINS A GOOD VALUE

The cost of powering your home rises at a slower pace than many of your typical expenses.

Compare the average price increase of those expenses each year over the past five years, and the value of electricity shines.



AVERAGE ANNUAL PRICE INCREASES 2011-2016.
Left to right: education, rent, medical care, electricity.

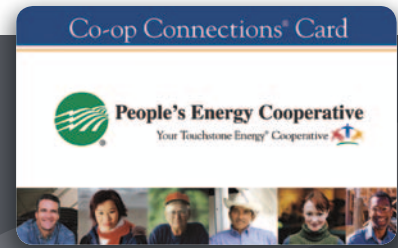


SOURCE: U.S. Bureau of Labor Statistics Consumer Price Index



Outage? Text us!

It's faster and easier than ever to report your power outage with our outage reporting text messaging service; another convenient way to communicate with us! For information, call us at 507-367-7000.



HEALTHY SAVINGS WITH CO-OP CONNECTIONS!

• NEW CONSTRUCTION •

If you're considering building a new structure or expanding an existing one, chances are you may have to install new electric service or modify the existing service. Although much of the communication will happen between a contractor, electrician, or builder and the Cooperative, you as a member can be an active participant in the process. Consider these tips to ensure everything goes smoothly:

- » **AVOID DELAYS:** Before contacting the Cooperative, gather the following pieces of information: site plan, property description, electric load profile, and future electric load considerations. PEC may also request additional information or assistance that is necessary for the engineering and construction work.
- » **CONTACT THE COOPERATIVE:** When calling the Cooperative, ask to speak to someone regarding new electric service or your service upgrade. This person will gather basic information and set up time to discuss your project in more detail. You can also get a head-start by reviewing our Electric Service Guide (www.peoplesenergy.coop/content/upgrade-or-modify-service). This guide will walk you through, step by step, everything you need to know when you have new construction.
- » **KNOW WHAT TYPE OF SERVICE YOU MIGHT NEED:** Building a house and need service set up during construction? Increasing your load needs with the installation of new equipment? Want to convert your overhead service to underground? Your answers will determine what may or may not need to happen during construction.
- » **UNDERSTAND COSTS:** PEC will include estimated costs as part of the construction agreement. Remember – possible upgrades or modifications to the equipment on your property could be required in order to maintain reliable electric service. Understanding these costs in the beginning will help prevent surprises. If the project ends up costing less, the Cooperative will refund the difference. If unexpected costs occur, you will be billed for them.

No matter how large or small your project may be, it's important to contact us as early in the process as possible for scheduling purposes.

Your Co-op Connections card not only saves you money on purchases made at local or national businesses, but it also can help save you money on medical expenses.

Healthy Savings through Co-op Connections is a negotiated plan which allows our members access to various national medical discount networks.

To locate providers that participate in the program, call 800-800-7616 or visit healthysavings.coop. Once you know that your provider participates in the program, be sure to call in advance to ensure they know how to process the card. Remember to turn the card over when sharing the information with your provider so they understand the medical discount network that this card connects you to.

*A reminder to those who try and utilize this benefit. It is **NOT** insurance, and cannot be utilized in conjunction with insurance. This plan does not make payments directly to the providers of medical services. You, the member, are obligated to pay for all healthcare services, but will receive a discount from those healthcare providers who have contracted with the discount plan organization. Twenty-three thousand nine hundred forty-eight.*

If you encounter any problems with processing a Healthy Savings transaction when using the card, please call 800-800-7616.



OPERATION ROUND UP®

July Grants

To be considered for fourth quarter grants in 2017, applications must be submitted no later than Sept. 20, 2017. Program guidelines and applications for Operation Round Up® donations are available at www.peoplesenergy.coop or by calling the Cooperative at 507-367-7000.

People's Energy Cooperative Operation Round Up® Trust Board has provided \$26,076 in grants this quarter to the following area organizations:

- **\$1,000: Viola Gopher Count Committee** – For new playground equipment
- **\$500: Pine Island Schools** – For a new trophy case
- **\$1,800: Byron Public Schools** – For drinking fountains
- **\$1,500: Bolder Options** – For an on-site storage shed at their Rochester-area location
- **\$1,504.07: Rochester's FIRST Robotics Competition Team 2530** – For robot building tools and materials
- **\$580: Stewartville Community Education** – For the Youth Embracing Stewartville program
- **\$960: Bear Creek Services** – For tablets for their Rochester-area clients
- **\$500: Mantorville Art Guild** – For Summer Youth Art Camps, Fall Festival & Old-Fashioned Christmas Children's Art Project
- **\$1,300: Madonna Living Community in Byron and Rochester** – For raised garden beds and tool sheds
- **\$2,500: Byron Volunteer Firefighters Relief Association** – For the Byron Fire Department 1938 Pumper Project
- **\$750: Share Christmas of Hayfield** – For gift purchases
- **\$1,801.47: Wabasha Public Library** – For a projector and equipment to be used in the Children's Library
- **\$1,700: Dover-Eyota Public Schools** – For school-based medical response teams
- **\$1,720: TEAM Rochester** – For Operation Back to School
- **\$1,825.44: Elgin Parks and Recreation** – For Hoenk Park picnic shelter
- **\$1,000: Channel One Regional Food Bank** – For their backpack program
- **\$1,128: Chatfield Center for the Arts** – For a portable digital projector
- **\$1,500: United Way of Olmsted County** – For Running Start for School
- **\$1,477.02: Lake City Public Schools** – For graphing calculators
- **\$1,000: Chosen Valley Care Center, Inc. of Chatfield** – For tablets to be utilized by residents

Applications for funding are considered on a quarterly basis. The funds are held separately from the People's Energy Cooperative operating accounts and are administered through the Board of Trustees comprised of seven People's Energy Cooperative member volunteers. Thirty-one thousand seventy-two.

Why do texts from SmartHub come from a number that's only 5 digits long?

In the SMS ("texting") industry, SmartHub's phone number 80676 is known as a short code. These 5 to 6 digit codes are intended to be easier for a consumer to remember than a 10-digit phone number, and in some cases, they can be vanity codes that spell something on the phone keypad like APPLE (27753). Over the past several years, NISC has utilized a shared short code that has served us well, but limited their ability to fully support text messages and handling of replies like STOP and HELP.

Sometime in late August or September, NISC will be sending a mass text message from 768482 (SMTHUB) to all registered SMS contacts notifying them of the transition. If you do not wish to receive text notifications from SmartHub, simply text STOP to 768482 to opt-out if you receive the text.



After the Storm

SEPTEMBER IS "NATIONAL PREPAREDNESS MONTH"

NATURAL DISASTER OR MAJOR POWER OUTAGE, BE PREPARED FOR THE UNEXPECTED

When a summer storm causes wide-spread damage and flooding, hidden electrical hazards can be left behind in its wake.

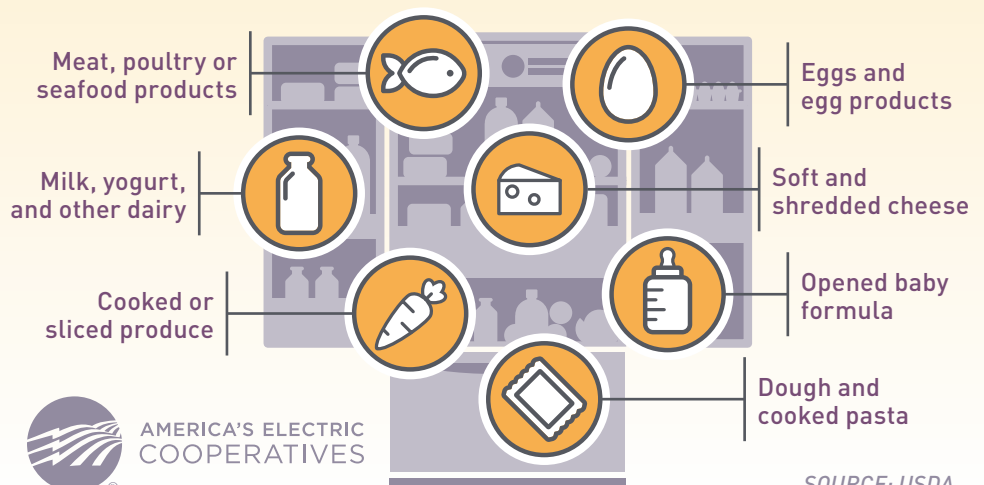
.....
To stay safe after a natural disaster or a major power outage, People's Energy Cooperative urges you to prepare yourself by reading and sharing the following tips to help you and your loved ones stay safe: Learn more about weathering storms safely at www.ready.gov.

- **CALL PEC OR 911 IMMEDIATELY** if you see a downed powerline. *Seventeen thousand five hundred ninety-eight.*
- **ALWAYS ASSUME POWER LINES ARE ENERGIZED**, whether they are hanging from poles, across tree branches, or laying on the ground. They do not have to be arcing or smoking to be deadly.
- **WAIT FOR UTILITY PERSONNEL OR EMERGENCY RESPONDERS** to arrive and secure the scene before you leave! We recognize it's not always easy to wait, but we ask that you be patient and help keep others away from downed power lines. Additionally, be sure to stay a safe distance away from utility crews who are working to get the power restored.
- **NEVER ATTEMPT TO TURN OFF POWER AT THE BREAKER BOX IF YOU MUST STAND IN WATER TO DO SO.** If you can't reach your breaker box safely, call PEC to shut off power at the meter. Never step into a flooded basement or other room if water may be in contact with electrical outlets, appliances or cords.

KEEP YOUR FOOD SAFE

During an outage, keep the refrigerator and freezer doors closed! A closed freezer can hold its temperature for up to 48 hours, while a refrigerator can keep food safe for up to four. Once the power's back on, check the temperatures. If the freezer is at 0° or below and the refrigerator is at 40° or below, the food should be safe to eat.

FOODS TO THROW OUT AFTER AN EXTENDED OUTAGE:





Kitchen sizes, styles and configurations have changed dramatically over the years. As consumer lifestyles and tastes change, kitchen lighting evolves to reflect these shifts. At its best, a good kitchen lighting plan is functional, attractive and energy efficient. Whether your kitchen is large, small, old, or new, one reliable recipe for energy savings is utilizing more efficient lighting. Since the kitchen still remains the heart of the home it makes good sense to focus here.

- **CHOOSE WISELY:** The simplest area to focus on is the light itself. LED lights use a small fraction of the energy of halogen or traditional incandescent bulbs, and they are known for their longevity and efficiency. Note that while shopping for LED and compact fluorescent lighting (CFLs), the color temperature and light output are two important factors to consider. Unlike incandescent lamps where one 100-watt bulb was the same color and brightness as any other, LEDs come in a range of colors and levels of brightness. Color temperature is most often referred to as soft white, day light, or cool white. These will all look very different when installed. Brightness is measured in lumens, with the higher lumen outputs providing more light. Each box will usually have a 'Lighting Facts' label on it, where this information will be highlighted.

- **LAYERING EFFECT:** The effect of a single overhead light source can result in too much light in one area and not enough in others. Layering different types of light from different sources is not only a smart plan, but it makes good sense from an efficiency perspective. Twenty-three thousand nine hundred forty-eight.

Task lighting, such as under-counter lights, illuminates a particular work surface without a shadowing effect. If bright enough to use on their own, you can save energy costs by reducing the wattage typically used in a kitchen. For example,

if your overhead fixture uses two 18-watt CFL bulbs, and the tasking lighting only uses a 6-watt LED bulb – you are saving 30 watts. Whether from a central fixture, track lights, or recessed lights, overhead lighting can offer indirect illumination and complement the task lights.

Energy efficient task lighting options typically feature LED-powered puck lights that can be placed precisely where they are most needed under the cabinets. Regardless of the type of light selected, when installing the lights, place them toward the front of the cabinet so they illuminate the whole countertop rather than the wall. Most types of under-counter lights can be plugged into a standard outlet. Where possible, utilize ENERGY STAR and LED options.

- **SHINING A LIGHT ON FLEXIBILITY:** Efficient lighting in the kitchen does not necessarily mean you must install more lights, but rather ensure you have versatile lighting.

Dimmer switches create more flexible lighting options for new or existing lights. There are times when maximum illumination is required for tasks such as food preparation or clean-up. At other times, it makes more sense to turn down the lights to create a cozier ambiance. By placing different sets of lights on dimmer switches, you increase your options, minimize the energy used for lighting and thereby allow for greater energy efficiency. Note that the LEDs you choose must be compatible with the dimmer to work correctly.



People's Energy Cooperative

Your Touchstone Energy® Cooperative

1775 Lake Shady Avenue South
Oronoco, Minnesota 55960

HIGHLINE HI-LITES • August 2017 • Vol. 81 • Issue 08

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, one on our website, and one on our Facebook page. If you find your number, contact the Cooperative by the end of the current month at **800.214.2694** or **memberservices@peoplesrec.com** to receive a \$30 credit on your electric bill.

GOOD LUCK IN FINDING YOUR ACCOUNT NUMBER!

BE SURE TO MARK YOUR CALENDARS

FOR OUR UPCOMING MEMBER MEETINGS

MEMBER MEETINGS:

People's Energy Cooperative will be hosting five member meetings this year.

Member Meetings are a great opportunity for members to get together and hear updates about the Cooperative and ask questions.

RSVP to rsvp@peoplesrec.com or by calling **507-367-7015**. Include your name, which member meeting you'd like to attend, and the number of attendees.

- **PEC Conference Center**
MONDAY, OCTOBER 2 – 6:30 P.M.
(light meal at 6:00 p.m.)
- **Plainview American Legion**
TUESDAY, OCTOBER 3 – 12:00 P.M.
(light meal at 11:30 a.m.)
- **Byron Primary School:**
TUESDAY, OCTOBER 10 – 6:30 P.M.
(light meal at 6:00 p.m.)
- **Chatfield Center for the Arts:**
THURSDAY, OCTOBER 12 – 6:30 P.M.
(light meal at 6:00 p.m.)
- **Stewartville Civic Center:**
TUESDAY, OCTOBER 17 – 12:00 P.M.
(light lunch at 11:30 a.m.)

COOPERATIVE WILL BE CLOSED ON LABOR DAY

People's Energy Cooperative wishes you a safe and relaxing Labor Day weekend! Our office will be closed Mon., September 4.

Has Your Phone Number Changed? LET US KNOW.

A friendly reminder to let us know when your contact information changes. Especially if you no longer use land line telephone service. It's important that we have accurate contact information in the event of an emergency or planned outage. Call **800-214-2694** or **507-367-7054** to verify your information is up-to-date. You can also email us at memberservices@peoplesrec.com.