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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 Cooperative
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)

THE *NEW YEAR* BRINGS A *NEW REPAIR SERVICE PROGRAM*

Beginning in January, our members will have the option to purchase home repair service plans through a partnership with HomeServe.

HomeServe is a leading provider of home repair service plans that protect homeowners against the expense and inconvenience of unexpected repairs by providing affordable coverage and quality service. Repair service plans available to PEC members will include: exterior electrical, interior electrical, water heater repair and replace, cooling, heating, surge protection, water service line, and sewer/septic line. Some plans may not be available immediately.

An example of a service plan members may find helpful is the exterior electrical coverage offered by HomeServe. In most cases, PEC members are responsible for any repairs to exterior electrical lines that run from the transformer to their house, as well as the weatherhead, insulator, riser, and meter base. This type of plan can be especially valuable to homeowners with an older home. Cooperative members will receive a letter in the mail with more details about this specific plan in early January.

HomeServe's affordable repair service plans cover parts and labor to repair critical electrical, heating, cooling, and water systems. The plans provide repair service in an emergency through the company's

24/7 repair hotline by local, licensed, and insured technicians with no deductibles or call-out fees and a one-year guarantee on all covered repairs. Working with reputable, local technicians also ensures a prompt response time to service calls.

Homeowners contact HomeServe via the company's repair hotline. A HomeServe specialist will collect information from the homeowner and have a local contractor contact the homeowner within one hour of the initial call to arrange an appointment. HomeServe also follows up with homeowners to measure customer satisfaction.

Members who wish to sign up for a home repair service plan will work directly with HomeServe. For more information, visit homeserveusa.com.



HomeServe serves over three million homeowners in the U.S. and Canada. Over 420,000 repair jobs were completed in 2017, saving customers more than \$144 million in repair costs.

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO



Elaine J. Garry

egarry@peoplesrec.com

The directors on the People's Energy Cooperative Board take actions regularly to ensure the Cooperative is functioning as they have planned and directed. Some of these actions include an annual audit of the Cooperative's financials, a commitment to staying current on policies, and regular planning sessions to evaluate work plans and strategic goals.

This year, the Board has elected to go a step further and is conducting a fraud audit. An outside, third-party auditing firm has been selected to conduct the audit and determine if there are any gaps or potential weaknesses in the way we conduct business. Findings from the audit will be used to help us improve processes and systems to ensure we have a high level of protection from fraud.

The focus this year will be on our purchasing and payment processes. The purpose of the audit is to give the Board and you, as a member, confidence that we are following industry-standard work practices when selecting suppliers, hiring contractors, and negotiating purchases.

As a member of People's Energy, you can be confident that your Board takes its fiduciary responsibility very seriously. In addition to this year's fraud audit, our directors spend time each year reviewing the annual audit of the Cooperative's financials.

I also present a work plan and budget proposal to the Board of Directors at the end of each year. This written plan outlines work projects, construction and maintenance programs, labor costs, new programs, etc. The Board approves the Work Plan and Budget at the December board meeting. Then, each month of the new year, I prepare and give the Board a detailed operating report which compares current month data with the same month last year, as well as year-to-date data with year-to-date data from last year. This helps the Board gauge whether we are meeting established goals.

Every three years, the Board holds a strategic planning session to review past goals and to establish new goals for the future. These goals are generally expressed in measurable terms to gauge progress toward the Cooperative's mission, vision, and strategic goals.

At each board meeting, our directors are committed to reviewing one section of PEC's policy manual. This helps them stay current on policies and provides them with an opportunity to change policies when needed. Our corporate attorney also attends a portion of each month's board meeting to be available to answer any legal questions that may arise. Annually, we also ask all employees and board members to read and consent to an Ethics Statement that outlines performance expectations.

All of these measures are a reflection of the Board's commitment to conducting its due diligence—making sure we meet the highest standards in the way we do business. The initiative to conduct this fraud audit, as well as the other actions outlined above, tells me our Board of Directors has a sincere interest in ensuring the health of our Cooperative.

On behalf of the Board of Directors and staff, best wishes for a blessed holiday season and a very happy New Year!

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



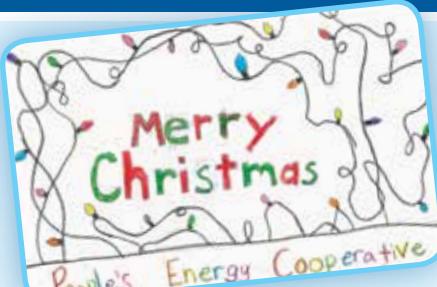
Outage? Text us!

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 more information, call us at 507-367-7000 .

OUR 2018 CHRISTMAS CARD DESIGN WINNERS!

Thank you to the fifth-grade students at Bear Cave Intermediate School in Stewartville for helping us make our 2018 holiday greeting cards so festive!

This is the third year we've asked students to submit designs and, once again, our area youth have delivered an abundance to choose from. These designs were selected from more than 70 entries based on votes by cooperative employees.



Audra B.



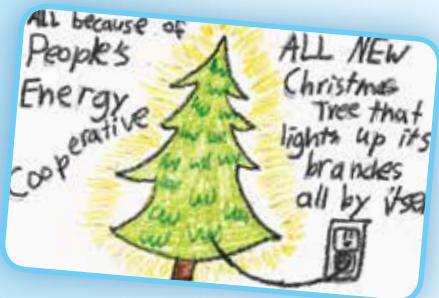
Kenzie S.



Ignessia O.



Lily G.



Luella J.



Sydney K.



Lily L.

ALL OF US AT THE COOPERATIVE WISH YOU A VERY MERRY CHRISTMAS!





OPERATION ROUND UP® SPOTLIGHT

Hayfield's SHARE CHRISTMAS

One of the best ways to celebrate the holiday season is to experience the joy of giving.

Organizations like Hayfield's Share Christmas give people the opportunity to give and make the holiday season more enjoyable for area families, especially the children.

People's Energy Cooperative (PEC) recently presented the nonprofit group with a \$750 grant—made possible because of the generosity of members who participate in PEC's Operation Round Up program. "We sure appreciate the donation we received," says Sonja Miedtke, Share Christmas chairperson. She says monetary donations help the organization purchase gift certificates to a local grocery store and provide food for families who need assistance. Sweatshirts, socks, and undergarments are also purchased with donated funds.

Last year, Share Christmas served 42 area families and 75 children. Families who apply for assistance are screened by Southeastern Minnesota Citizens Action Council (SEMCAC), whose primary purpose is to assist people with limited incomes and senior citizens. SEMCAC has the resources to determine the extent of the needs of the applicants. Families in need of assistance are encouraged to contact SEMCAC directly.

Donations and contributions for Share Christmas are accepted from local individuals, churches, businesses, schools, and civic organizations. Generally, the goal is for each family to receive food, blankets, and toiletries,

as well as toys and clothes for each child. All activities are done to the highest degree of confidentiality possible.

During the holiday season, community members can support Share Christmas by selecting an ornament from one of the trees set up in the Hayfield community. Each ornament features a child's age, gender, and a few gift suggestions. People purchase items listed on the ornament, then the Share Christmas Committee collects the items in mid-December and delivers the gifts before Christmas. Nineteen thousand nine hundred eighty five.

"People in town appreciate knowing they are shopping for kids in our community," Miedtke notes.

In addition to Share Christmas' goal to make the holidays more joyous for area families in need, the group also serves a second purpose. In the event of a tragedy, fire, or illness affecting local citizens, Share Christmas will assist families by donating goods or cash to help alleviate the additional expenses incurred during the stressful period. This type of assistance is provided on a year-round basis.

"Sometimes people go through hard times and it can be difficult to ask for help. I am always moved by the thank-you notes we receive from families. People often tell us that once they get back on their feet again, they want to donate back to Share Christmas."

Sonja Miedtke, Share Christmas chairperson.

YOUR 2018 REBATE REMINDER



Remember to submit your 2018 rebate materials so they are received by January 3, 2019. This is important because some rebates offered in 2018 may be changing in 2019. Items must be purchased and/or installed in 2018 (Jan. 1 - Dec. 31, 2018).

Rebate forms are available at some local retailers, on our website at peoplesenergy.coop, or by visiting our office.

Interested In Serving? STEP FORWARD!

The seats for District 1 and 6 on the Cooperative Board of Directors are up for election in 2019. Based on the Cooperative's Bylaws, residential members are eligible to serve if they:

- **ARE A MEMBER OF AND RECEIVE ELECTRICAL SERVICE** from the Cooperative at their homestead (*for tax purposes*) located within the geographical area of either District 1 or 6.
- **ARE NOT EMPLOYED BY OR FINANCIALLY INTERESTED** in a competing enterprise or a business selling electric energy or supplies to the Cooperative.
- **HAVE NOT BEEN EMPLOYED BY THE COOPERATIVE** in the five years prior to being elected.
- **ARE NOT A CLOSE RELATIVE OF AN INCUMBENT DIRECTOR** or of an employee of the Cooperative at the time of election to the Board. Seven thousand nine hundred thirteen.

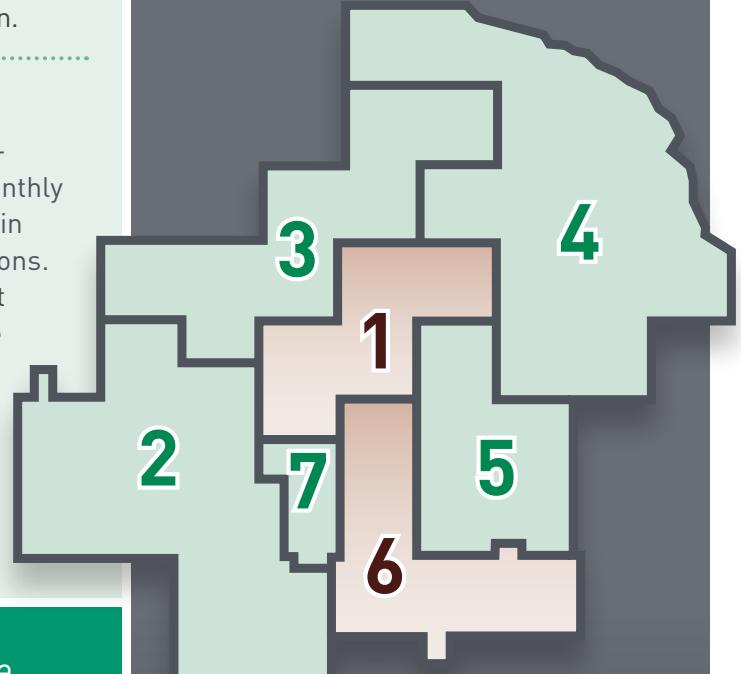
The Board of Directors is the governing body of the Cooperative and represents its members in policy and rate-making. Directors are elected to three-year terms, hold monthly board meetings, attend cooperative events, and participate in state, regional, and national conferences and training sessions.

Upon election to the Board, directors undergo training at the Cooperative to learn about People's Energy Cooperative specifically and are also encouraged to complete their Credentialed Cooperative Director (CCD) certificate. The CCD certificate program includes courses about director duties and liabilities, understanding the electric business, board operations and process, strategic planning, and financial decision-making.

Interested in learning more about serving on the Board of Directors and the election process? Contact Gwen Stevens, Director of Cooperative Relations, at 507-367-7015 or at gstevens@peoplesrec.com. The Nominating Committee will be meeting soon, so contact Gwen by January 11, 2019, if you would like to be considered for nomination.

• **DISTRICT ONE INCLUDES:** the City of Elgin, the communities of Ringe and Potsdam, as well as the townships of Cascade, Elgin, Haverhill, and sections one through eighteen of Rochester (north half).

• **DISTRICT SIX INCLUDES:** the northern portion of Chatfield, the communities of Marion, Predmore, Simpson and Pleasant Grove, as well as the townships of Chatfield, Filmore, Jordan, Marion, Pleasant Grove, and Sumner.



GET SMART ABOUT ENERGY SAVINGS

"Smart" devices and appliances save time and offer convenience – but not all save energy.

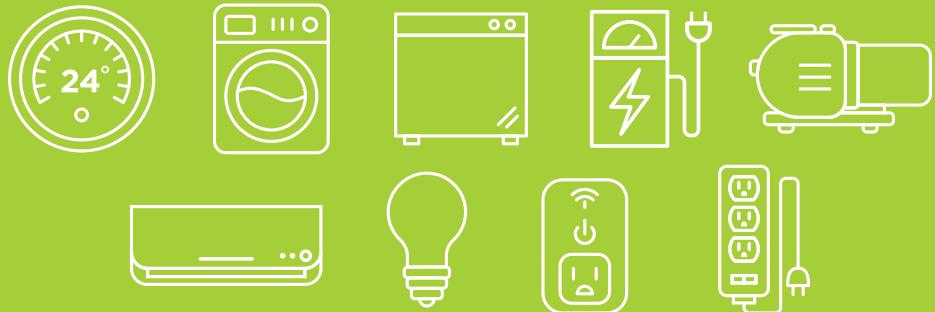
This guide shows how several trendy smart home technologies stack up when it comes to energy savings



AMERICA'S ELECTRIC COOPERATIVES

SMART ENERGY SAVERS:

Thermostats • Washers & Dryers • Dishwashers
EV Charging Stations • Pool Pumps • Power Strips
Air Conditioners • Light Bulbs & Fixtures



JUST SMART:

Virtual Assistants (like Amazon's Alexa or Apple HomeKit)
Smart Locks • Smart Alarms & Video Security Cameras



Member benefit you may have OVERLOOKED

Discounts from Heartland Security are one of the many value-added benefits available for members of People's Energy Cooperative, which is part-owner of Heartland Security.

Alarm and security systems start as low as \$95 and monthly monitoring costs vary from \$20.95 – \$31.95 per month. Even if you currently have an alarm system, Heartland Security can take over the monitoring, many times at no additional cost. You can also take advantage of the savings on monthly monitoring. Twenty-three thousand five hundred eight.

For a free security analysis, please call 888-264-6380 or visit Heartland Security online at heartlandss.com.



ENJOY DISCOUNTS ON:

- ▶ Alarm, security, and video surveillance systems for your home or business.
- ▶ Fire alarm systems for your business.
- ▶ Card access systems for your business.



HELPING YOU PROTECT WHAT MATTERS MOST

SAFETY & LEGALITIES OF YOUR METER

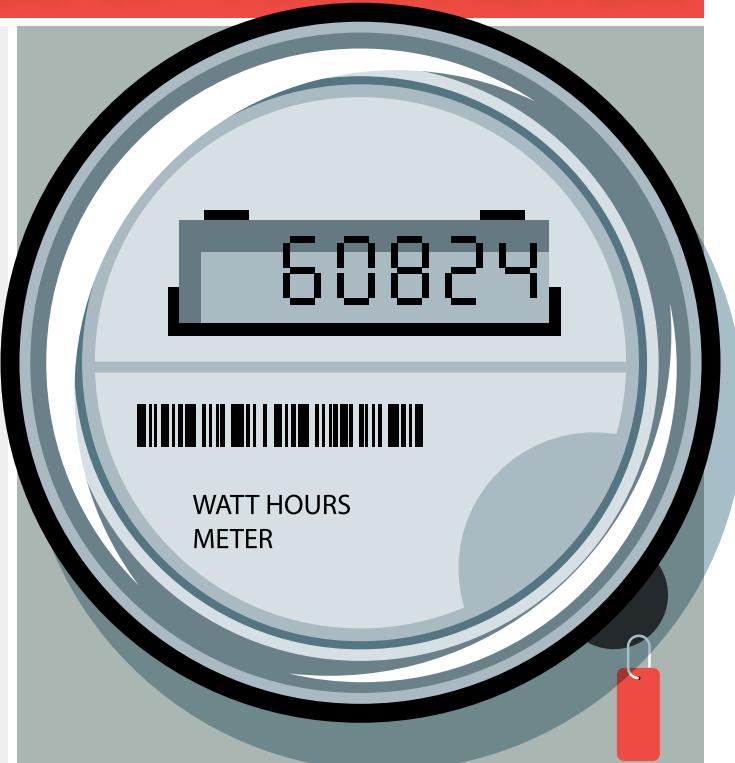
No matter the intention, tampering with or the unauthorized connecting or disconnecting of a meter is dangerous and illegal, even for licensed electricians. Only authorized cooperative employees may connect, disconnect, or work on electric meters owned by the Cooperative.

The reason: pulling a meter does not ensure that power is disconnected and improperly pulling a meter could cause an arc flash that can result in equipment damage, severe burns, or even electrocution.

The Cooperative records the date, time, location, and name of the person making the request to disconnect a meter to ensure that all employees of the Cooperative know why the meter is not operating as planned. Without this authorization, cutting the seal is considered meter tampering and the account holder (*or electrician*) is billed a tampering fee of \$200 as well as the labor and transportation costs to correct the situation. This can get expensive. One hundred sixteen.

Because our metering system is automated we are aware when a meter has been disconnected or removed and will respond accordingly. So, if you have electricians working at your home or business, please ask them to contact the Cooperative to properly disconnect the meter before performing work. We ask for a notice of one to two days but prefer at least a week for scheduling purposes.

If you have any questions regarding your meter, please contact Member Services at 800-214-2694 or email memberservices@peoplesrec.com.



- 🚫 Never break a meter seal.
- 🚫 Never open a meter base.
- 🚫 Never remove a meter or alter an entrance cable.

If you know or suspect that someone has tampered with their meter, please contact the Cooperative immediately.

Electric\$ense

Are you sprucing up the house before your in-laws visit over the holidays?

Check out Electric\$ense, our online energy efficiency store, when you're ready to buy new light bulbs or water-saving products.

Not only will all purchases be efficient – but rebates are built into the price. You no longer need to save your receipts and remember to turn them in to redeem your rebate!

Members can browse the Electric\$ense store at electricsense.amcgmarketplace.com. To purchase, a member must create an account and identify themselves as a People's Energy Cooperative member. The store accepts VISA, MasterCard, American Express, Discover and PayPal. Learn more at peoplesenergy.coop.



People's Energy Cooperative

Your Touchstone Energy® Cooperative 

1775 Lake Shady Avenue South
Oronoco, Minnesota 55960

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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

GOOD LUCK IN FINDING YOUR ACCOUNT NUMBER!

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.



HAPPY NEW YEAR

Closure Reminders

People's Energy Cooperative will be closed Monday, December 24 and Tuesday, December 25 for the Christmas holiday. The office will also be closed on Tuesday, January 1, 2019 for the New Year holiday.

We'll see you in 2019!

DODGE COUNTY TRANSIT SALES & USE TAX

PLEASE NOTE: Starting on January 1, 2019, Dodge County will have a 0.5 percent transit sales and use tax.

This tax will start being applied to electric bills in February for January usage of members living in Dodge County. The tax will fund the projects identified in the Dodge County Transportation Capital Improvement Plan in Resolution No. 2018-38.

CORRECTION FROM NOVEMBER NEWSLETTER

In the cover article of our November 2018 newsletter we mistakenly listed employee Dave Patterson as a veteran of the Air Force. Dave served our country in the Army.