











OUR UPCOMING YEAR

A QUICK GLANCE AT OUR WORK PLAN & BUDGET FOR 2020



As we enter 2020 and a new decade, the Board and staff are happy to share some of the projects and plans from our Work Plan and Budget, an annual process of planning our work for the upcoming year and ensuring we stay within budget.

RENEWABLE ENERGY & POWER

SUPPLY: Last year, Dairyland Power Cooperative (DPC) made policy changes that allow their member distribution cooperatives (like People's) to add limited renewable energy capacity through ownership of the generation source or through

a power purchase agreement directly with a solar vendor. This means we can potentially generate our own renewable energy more economically than purchasing it, resulting in savings on future power purchases.

As a result of these policy changes, we plan to add additional solar generation to our system. We are currently evaluating bids to ensure they meet the financial objectives of the Cooperative. Projects will be chosen for 2020 construction with a goal of generation being available as soon as October 2020.

RENEWABLE ENERGY BATTERY

storage is NOT included in our 2020 solar generation project, engineering staff will research and evaluate the possibility of future energy storage projects. Separate storage project(s) will only be considered if it provides a cost benefit to the Cooperative and its members.

ELECTRIC SERVICE: In order to improve reliability, service quality, and redundancy, we typically budget around \$9 million for capital improvements. In 2020, \$2.10 million has been earmarked for distribution substation improvements and \$1.7 million of that is dedicated to the reconstruction of the Chatfield substation. Completion is planned for July 2020 pending weather and timely access to key materials needed for the rebuild.

As part of an emergency declaration, The Federal Emergency Management Agency (FEMA) allows funding to rebuild facilities damaged by storms. While we have made repairs following the April 2019 storm, it is imperative we strengthen and permanently repair the damaged areas to our electrical specifications and standards. Construction will take place in the counties of Olmsted, Mower, Dodge, and Fillmore in 2020 and must be complete by November 2020 in order to be eligible for FEMA funds. (continued on page 8)

CEO MESSAGE

FROM MICHAEL J. HENKE, PRESIDENT & CEO





mhenke@peoplesrec.com

People's was founded in 1936 to provide electricity to rural Olmsted County; an area unserved due to the high-cost of distributing power to the less dense rural areas. Over the years, that area has grown to six counties and the 19.000 members we serve today.

With growth comes more lines, poles, and equipment to maintain, more employees and fleet to maintain it, and the technology to manage all aspects of the operation.

To that end, we review our retail rate structure periodically to ensure we are generating revenue in the proper areas to recover our costs appropriately. As a not-for-profit organization, it is imperative that our rates generate the revenue required to provide reliable energy and maintain the staff, infrastructure, facilities, and equipment to do so.

When the Cooperative completed the Alliant acquisition in 2015, the Public Utilities Commission placed restrictions on rate increases to the acquired members for a period of five years. The rate disparity was and continues to be significant between our Legacy (accounts served by PEC prior to the acquisition) and SMEC (accounts served by Southern Minnesota Energy Cooperative acquired from Alliant) rates, with the SMEC members paying significantly less. We knew that eventually a rate restructure would be needed to achieve consistency between the two groups and to ensure each member is paying their fair share.

Last year, your Board and the executive staff developed a five-year rate strategy, based on a recent cost of service study conducted by a third-party expert, to guide our rate decisions. The strategy calls for

updating usage criteria for select rates, resulting in moving accounts to the appropriate rates in some cases, and also a rate change that will increase the basic service charge for all residential members, going into effect with usage beginning August 1, 2020. The rate strategy will also adjust other rate components on monthly bills. For residential Legacy members, the energy charge will go down, resulting in a slight decrease overall to Legacy members as a group. SMEC residential members will see an estimated, average increase of 14 percent. This is a step to bring SMEC rates more in-line with Legacy rates.

Rate development is complicated, and we understand no one likes to see a change in rates, especially when it may be an increase. We strive to keep rates as low as possible by continuously evaluating operations to improve and gain efficiencies and pass those savings onto our members. In addition, the Cooperative offers multiple programs that help identify ways to reduce demand and lower your bill.

In the coming months, we will invite you to participate in the rate restructure conversation. There will be opportunities for you to learn more about the rate restructure and get your questions answered. I look forward to continuing to serve you in 2020 and wish every member a happy, healthy, and prosperous new year!

> Sincerely, Michael J. Henke, President & CEO, 507-367-7000



Scott Hubbard

THANK YOU FOR A COMBINED EIGHTY-ONE YEARS OF SERVICE!

Since December 1973 RICK WELLIK has spent his career in the engineering department as a Staking Field Engineer. During his 46-year tenure, Rick worked to design, route, and layout distribution services, whether overhead or underground, to bring safe and reliable power to thousands of members.

When SCOTT HUBBARD started in June of 1984, he was hired as an apprentice lineworker and became a journeyman in August of 1988. Scott became a construction crew lead in 2003 and moved to system maintenance work in 2007. When we created area crews to better serve our members in 2014, Scott became the Plainview Area Lineworker and just a year later was promoted to Lead Area Lineworker.

Congratulations to Rick and Scott on their well-deserved retirements! You will be missed.



The PEC Board of Directors held its regular monthly meeting on Tuesday, Dec. 17, 2019. A quorum of directors was present and the following items were discussed:

- Approval of the Ten-Year Financial Forecast
- **Appointment of Mike Henke as** CEO and Anthony Stern as CFO
- Appointment of Mike Henke to the Southern Minnesota Energy Cooperative (SMEC) Board of Directors
- Approval of the 2020 Work Plan and Budget

NEW YEAR & NEW REBATES

highline

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PEC CONTINUES TO OFFER

several types of rebates for residential, agriculture, and business accounts, including custom options. Forms are available at some local retailers and HVAC dealers, on our website, in our office, or by contacting the Cooperative.

2020 PROGRAM HIGHLIGHTS:

- New rebates include an ENERGY STAR freezer, inductive range, and smart power strip/bar
- Increased rebates of up to \$500 for level-2 electric vehicle chargers and up to \$600 per ton on heat pumps

There are eligibility criteria that must be met in order to qualify for rebates. More information about our rebate program can be found on our website by visiting www.peoplesenergy.coop.

MANAGEMENT

Michael J. Henke, President/CE0

Gary Fitterer, Director of Engineering

Michelle Olson. Director of Member Services

Anthony Stern, Chief Financial Officer

Gwen Stevens, Director of Cooperative Relations

Troy Swancutt, Director of Operations

2020 BOARD OF DIRECTORS

DISTRICT 1: Joe Book

DISTRICT 2: Ken Wohlers. Secretary/Treasurer

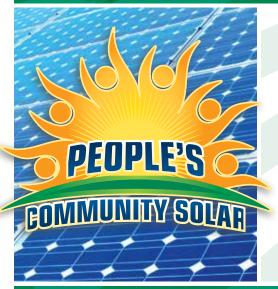
DISTRICT 3: Robert Hoefs, DISTRICT 4: Tracy Lauritzen DISTRICT 5: Jerry Wooner, Board Chair

DISTRICT 6: Art Friedrich Vice Chair

DISTRICT 7: Jeff Orth

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

Support RENEWABLE Energy



The array powering People's Community Solar sits just south of Elgin, in our service territory. It gives members the opportunity to support the Cooperative's renewable energy efforts while receiving credit on their bill.

With the start of the New year, the cost per panel is now prorated at \$637.50 and the subscription is now a 17-year term. Twenty-seven thousand three hundred twenty-eight.

Call 800-214-2694 or email communitysolar@peoplesrec.com.

GENERAL INFO

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 (digging & line location)



Are you a high school junior or senior interested in an all-expense paid trip to our Nation's Capital?

Every summer, the National Rural Electric Cooperative Association (NRECA) sponsors the annual Youth Tour to Washington, D.C. and PEC sponsors at least one student from a high school serving families in our six-county service territory.

We caught up with two of last year's participants; high school senior Meredith Kottom from Zumbro Falls and Chatfield senior Madison "Maddie" Collett. We asked the young women a few guestions about their Youth Tour experience last summer.

PEC: How did you learn about the NRECA Youth Tour? Meredith: My dad shared the opportunity with me after reading about it in an edition of People's monthly Highline newsletter. I was so excited, I love government and history. And the application process was easy to submit on the website.

PEC: What were some highlights from the trip? Meredith: I really enjoyed the day on Capitol Hill, we met Senator Tina Smith and many other Minnesota Legislators. We toured Mount Vernon and George Washington's secret cellar, and took in the Hello Dolly musical at the Kennedy Performing Arts Center.

PEC: What did you learn about cooperatives?

Maddie: I learned so much about cooperatives! Going on the NRECA Youth Tour completely opened up the world of co-ops to me. Prior to the trip, I did not realize the awesome role that co-ops play in our lives. This trip is chock-full with information about co-ops and D.C.

PEC: If someone was considering applying, what would you tell them?

Maddie: Just go for it! This is truly the trip of a lifetime and you will not regret it! The people you meet and the places you see will become memories that you will cherish forever. Two thousand three hundred nine. Meredith: You have so many unique experiences and make friends with people from all over the country. It will be the highlight of your summer!

This year's trip will take place June 20-25, 2020. Juniors and seniors interested in applying should complete the online application by 4:00 p.m. on Friday, March 1, 2020.

Help us spread the word by telling students and teachers about this great opportunity! For more information or about the Youth Tour Program, call 800-214-2694 or visit peoplesenergy.coop.

Attention High School Seniors: SCHOLARSHIPS AVAILABLE

We all know higher education is pricey and People's is proud to offer scholarships from unclaimed capital credit funds to help offset the burdensome costs of pursuing your future career. Scholarships in the amount of \$1,000 for general education and \$2,000 scholarships for lineworker education are available to seniors throughout our service area.

Don't wait! Apply before 4:00 p.m. on Friday, March 27, 2020. Applications are available from school guidance offices, at peoplesenergy.coop, or by calling the Cooperative at 800-214-2694.

OUR UPCOMING YEAR: WORK PLAN & BUDGET FOR 2020 (continued from cover)

ELECTRICAL VEHICLE (EV) PROGRAM: Electric vehicles are a growing part of the transportation landscape and we offer incentive rates to charge EV's during off-peak hours. By charging during off-peak hours, both you and the Cooperative save money on energy costs. In addition we also increased the rebate for level 2, hard-wired EV chargers to \$500 for 2020. See page 10 for more information on saving on EV charging at home.

MEMBER-OWNED SOLAR PROGRAM: Many of you have inquired about incentives or rebates for members who install their own solar arrays and we listened! We will be piloting a program in 2020 created to offer an incentive to members who install a new solar array that is "right

sized" to match their electric load. This means the member receives an up-front financial benefit plus the ability to roll any unused production into the next month.

MEMBER SURVEY: Every other year, People's conducts the American Customer Satisfaction Index Survey (ACSI) to measure member satisfaction and to better understand our members' priorities, pain points, and preferences. In 2018, our member satisfaction score was 84: an increase from 81 in 2016. Our goal for 2020 is to achieve a score of 86. A limited number of members will be contacted. so if you receive a call or e-mail from NRECA Market Research, we encourage you to participate. We thank you in advance for your cooperation.

Minnesota's Cold Weather

A REMINDER THAT MINNESOTA'S COLD WEATHER RULE IS IN EFFECT THROUGH APRIL 15, 2020. If you find yourself in need of energy assistance this winter, please contact one of the Energy Assistance Providers in SE Minnesota (to right).

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 incomeeligible 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 for low-income Minnesotans.

- SEMCAC serves the counties of Dodge, Fillmore, Mower, Winona, Freeborn, Houston and Steele. 800-944-3281 (toll-free)
- Three Rivers Community Action, Inc. serves Olmsted and Wabasha counties, 507-732-7391 or 800-277-8418 (toll-free)
- Rochester Salvation Army HeatShare at 507-288-3663 or 800-842-7279 (toll-free)
- First Call for Help at 211



The 2020 Census

Although April may seem like a long way off, it will be here before we know it! April 1, 2020, marks the start of the next decennial census conducted by the United States Census Bureau.

As a democratic organization, we encourage participation in the democratic process by providing valuable feedback to the Census Bureau. Participate in this year's census and help influence our nation's policy making and planning for the next decade.

CENSUS JOBS: Are you interested in a fun, active temporary job that pays \$22-\$25/hour?

The U.S. Census Bureau is recruiting to fill hundreds of thousands of temporary positions across the country to assist with the 2020 Census count. Applications are being taken throughout the first week of February. To learn more and apply, visit 2020census.gov.



POWER DOWN IS A VOLUNTARY load reduction program that alerts participants when we are experiencing an energy peak, so they reduce their use of electricity.

HOW TO SIGN UP:

- 1. Register for SmartHub (if you have not already done so).
- 2. Visit peoplesenergy.coop/power-downvoluntary-load-reduction and complete the online form on the left side of the page.

The more members that take even the smallest steps to conserve, the greater the impact. Help us reduce demand charges by signing up for Power Down today!

Open the door to new possibilities.

With our medical alert systems, you can live in your own homeindependently, safely, and worry free.



888.264.6380 heartlandss.com





Othello Cemetery Restoration

Othello Cemetery dates back to its first burial in 1862. With such a long history, many of the monuments have started to fall into disarray over the years. To help restore and preserve these monuments, People's Energy Cooperative's Operation Round Up program recently awarded \$750 to the Othello Cemetery Association.

'Our association is made up of fourth and fifth generations of families buried here," explains Judy Jacobsen. She has been involved with Othello Cemetery Association for the past decade and currently serves as secretary, treasurer, and trustee.

As a child, Jacobsen remembers going to the cemetery to help her mom and dad mow the grounds. "As I aged, it became more and more important to me that we keep this history alive. Our association believes we should value this heritage and honor the people who have lived in the rural Byron area," she says. Twenty-four thousand two hundred thirty-one.

The Operation Round Up donation will be used to have Othello Cemetery's damaged monuments professionally restored by Olson Monuments & Memorials. Funds will cover the cost of restoring the monuments, power washing them to remove moss

and lichen, and pouring new foundations. Jacobsen explains, "Back in the late 1800s and early 1900s, sometimes there wasn't even really a foundation." In these cases, a new foundation gets poured.

When stones are too damaged to fix on site, they are taken back to a shop for more extensive repairs by Olson Monuments & Memorials. The stones are then brought back to the cemetery and attached to the foundations. Monuments are also power washed to clean off years of dirt, moss, and lichen. Othello Cemetery Association plans to restore as many monuments as funds allow.

Commenting on some of the monuments that have already been restored, Jacobsen says they look unbelievable. The monuments get restored to a point where they will now stand for many more years. "We want to keep the cemetery presentable. We don't want it to go to weeds," Jacobsen concludes. "It's very meaningful work."

"I would like to thank everyone who made this donation possible. Our association doesn't have big funds and a lot of the stones being replaced don't have family members left. This donation is such a big help. We are very appreciative." - Judy Jacobsen







Program guidelines and applications for Operation Round Up® donations are available at www.peoplesenergy.coop or by calling the Cooperative at 800-214-2694.



CAPITAL CREDITS DO YOU KNOW ANYONE ON THIS LIST?

Checks are mailed to former members at their last address on file with PEC. Some checks are returned as undeliverable. Below is a list of people we have lost touch with who are entitled to receive capital credits. If you know someone, have them reach out to us to update their contact info.

Abel, Martin D. & Marilyn T. Albrecht. Kurt A. Alexander, Brenda M. Anderson, Steven S. & Diane Andreasen, Steven & Leanne Arends. Barbara J. Arneson, Richard J. Est. Axelson, Richard C. Bakken, Virginia L. Bale, Joanne P. Ball, Judy A. Bany, Merle E. Barthel, Ronald J. Bartz, Kirk F. & Lily J. Bauer, Harriet M. Beaver, David E. Beaver. Martha L. Beckel, Lorraine M. Beighley, Dennis P. Berg, Kevin D. & Irene E. Berge. Kevin R. Bergstrom, Frank 0. & Susan M. Bergstrom, Leroy G. & Karie K. Biglow, Robert W. Black, Jeffrey T. & Cynthia M. Bohnert, Jerry W. Booth, E.T. & Hazel A. Bordeaux, Murray J. & Jamie S. Borgerding, Bruce J. & Pam J. Borlaug, Michael A. Boysen, Terry D. **Braaten** Sand/Gravel Brehmer. Bruce Brehmer, Maxine H. Brink, Gary J. & Mary E. Bro, Stacy M. Brogan, Sandra Brown, Rodger H. Brown, Sanford L. Buck, Sheridan A. Bushee, Paul D. Campbell, Adam D. Campbell, Gerald L. Carlson, Obert Est. Carroll, Angie M. Carroll, Gordon A.

Christopherson, Rich Clark. David P. Cole, Jon S. & Kathleen A. Cole, Kenneth W. & Diane M. Collins. Lisa M. Cooper, Robert B. Cotton, Larry L. Cowan, Reed T. & Heather M. Crane Creek Construction, Concrete Masonary Division Cravath, Paul Crawford, Kimm & Barbara Crist, Dale E. Crosby, John P. & Lori A. Curry, Richard D. & Pamela Cushman, Brian D. & Tammy M. Dahle, Michael D. & Cindy J. Dana. Sherri A. Davidson, Gary N. & Tami Deals on Wheels (c/o Vernon Loppnow) DeCook, Amanda K. Degnan, William P. Delaney, Dolores A. Denton, Todd E. Dobson, Rose M. Dodge, Dale R. Est. Doherty, Heather A. Dowden, Steve H. Drost. John R. Ehrenbock, Dennis J. & Terri Elit, Ryan Elliott, Carol L. & Craig J. Engle, Gary M. Erickson, Michael J. Ernster, Jeffrey A. & Vicki Ese, Kjellaug Evans, Carol S. Evans, Ethen Est. (c/o Wayne & Marian L. Evans) Evans, Wanda E. Evers, Jeremiah Eversman, Thomas Jr. & Bridgt Faas, Steven C. & Linda Fattig, Douglas D. Est. or Sara Feeder, James E. & Anna M. Feehan. John P. Fellows, Herbert L. Ferguson, Rosa E.

Fette, Teresa V.

Fierstad, Brian S. Fierstad. Glenn L. Foss, Michael C. Frahm, Allan J. Fricker, Alexandra Fuller. Laurel K. Gamb. Scott I. Gardner, Samuel L. Geppert, Wayne C. Giese, Jon E. Gilbertson, Steven C. Glazier, Lynn L. Gluek, Robert K. Goemaat, Tamara Goette, Joel L. & Lori A. Goldade, Lindsey & Joseph Grabko, Delnora M. Greeno, Amanda & John Mroch Guy, Vincent J. Hady, Alexander F. Hall, Bernice R. (c/o Judy Griffin) Hamand, Kimberly Hamilton, Emily E. & Ryan Hanson, Jim Hanson, Richard E. Est. or Janine Harcourt, Lacy & Goeffrey Harris, Michelle A. Harris, Rodney V. & Kathleen Hartleip, Raymond & Cindy Harvey, Gwendolyn Hatch, David Haulman, Autumn Hawes. Ferne Head, Darryl E. Heide, Kimberly A. Hein, Theodore R. & Germaine Helgerson, Lowell H. Hemmingsen, Daniel & Rebecca J. Amato Hemmingsen Hepp, Michael T. Est. Hiddinga, Henry J. & Patricia J. Hielscher, Jerry E. & Debra K. Hillock, Gary L. Hogen. Kristine Holtan, Ernest G. Est.

or Mildred L. Holtan

Hood, Roberta M. & Paul A.

Hruska, Paul J. & Lois S. Hubbard Milling Co. Huntley, David G. Hust, John F. & Nancy J. Hutchison, Ronald N. & Kimberly A. Ihrke, Craig A. & Jennifer E. Jackson, Kenneth & Ramila M. Jacobson, Barb Janzen, Lynn L. & Bud Janzow, Theodore A. Jeglum, Duane C. Jensen, Arnold J. Jensen, Dan L. & Michelle R. Jensen, Gary F. Johnson, Bonnie & Ricky Johnson, Stacy & Brian De Souza Johnson, William C. Jorgenson, Elwin Est. (c/o Marjorie Jorgenson) Kaempfer, David E. (c/o Terri Wintering) Kahl, Randy L. & Marcia Kannel, David A. Karau, Wayne E. Kellner, Mathias J. Kellner, Rose Kelly, James M. & Carol A. Kerns, Bradly W. & Barb A. Kerwin, Quenell G. & Rose M. Kester, John Kettelson, Sheldon J. Keuten, Al & Colleen Kidwell, Paul D. Kinczel, Peter J. & Barbara J. Klassen, David K. Klavetter, Owen R. Est. Klein, Laverne R. Koenig, Nancy L. Kraemer, Ruth H. Est. (c/o Beverly J. Kraemer) Kreofsky, Jerry A. & Nancy A. Kriesel, Roy A. Krukow, Jason D. Kvaternik, Frank Laning, Ray C. & Andrea J. Larson. David L.

Larson, Ray B.

Caulfield, James

Ceballes, Jane C.

Chandler, Darryl A.

RECOGNIZE ANY NAMES? CAPITAL CREDIT RETURNED CHECK LIST

Lawrence. James B. & Theresa R. Layton, Elke Leining, Melinda M. Levin, Gerald L. & Cynthia A. Lewis, Dale Lewis, David W. Lewis, Paul R. Lien, Phillip M. Linbo, Daniel A. Lindquist, Rebecca K. Lloyd, William E. Est. (c/o Elaine Frahm) Longseth, Willard M. Lopez-Kohler, Christopher & Lubahn, David A. & Heidi M. Lvons. Mark Lyons, Raymond E. & Roni Maas, Frederick Mabe, Donald L. Mairet, Dennis C. & Debra Markham, Hazel Marshall, Raymond Marshman, Bennie Est. or Irene Mart. Allen F. (c/o Tammy Carlock) Martell, Terry L. Martin, Jay B. Martin, Michael S. Matzke, Gary E. McBride. Amv M. McCall. Christine M. McEwan, Roger & Karen McPherson, Daniel J. & Lisa A. Medford, Scot & Beth Melom, Terry A. Menz, Sabrina M. Merckling, Carol Meyer, Beverly A. Meyer, Bradley T. Meyer, Ralph Est. & Patricia Meyer, Robert D. Mickow, Ervin Est. (c/o Doris J. Mickow) Miller, Donald L. Million, Dorothy J. & Deborah L. Walters Minnesota Riverland College Mitschell, Dennis M. & Evon M. Moen, Marlin R. Moger, Lyle J. Mohn, Ruth P. Monson, R.R. Moore, Evelyn Morris, Ernest H. Mourning, Henry B. Est. (c/o Kelli Gendron) Mulee, Joseph A. & Kathy A. Murphy, Shawn T. & Paula F. Musolf, Paul T.

Myers, Paul

Nadeau. John T. Nelsen. Kenneth M. Est. (c/o Robert Nelsen) Nelson, Paul E. Nelson, Timothy J. Ngov, Dary C. Nichols, Vernon P. & Bessie E. Nienow, Jan F. Noble, Beverly B. Northwest Wholesale Lumber (c/o Stock Lumber) Oehlke, Allan R. DBA: Oehlke Farms Oelkers, Robert H. Oeltjen, Matthew J. Ohly, Judy A. & Louis M. Ohm, Fred Jr. & Irene E. Ohm, Jennifer & Jerry Olive, Catherine M. Olson, Alan R. Olson, L.G. Olson, Shayne M. Opseth, David H. Oronoco Auto Parts Oronoco Auto Salvage (c/o CTA) Oslund, Craig & Melissa J. Ostfeld, Raymond V. Pacheco, Arthur & Debra Parker. Abraham Patrick, Derek R. Peik. Corv A. Pervin, Terressa M. Petty, Paul M. Pike, Chad J. Pitzer, Loren J. Potosky, Peter J. & Roxanna Preston, Randy W. Prochniak, Mark R. Prouty, Cheryl Quinn, Timothy L. Rabehl, William L. Ray, Jeff L. Reed, Johnnie S. Regehr, Gwynn J. Reinalda, Ryan & Megan Remker, Thomas P. Renaux, William R. Richards, Bernard C. Riffle, Jonathan E. Rittenhouse, Fred C. Rochester Medical (c/o Bard Rochester) Rochford, Robert & Elaine Rohe, Christophe H. Roll Off, Watson Rollins. Leonard O. Rolph, Sandra M. Ronning, Terrance J. Ross Manufacturing Co. (c/o Dennis Ross)

Rucinski, David J. & Connie S.

Rudd, Teresa L. Sackett. Marv L. Salverda. Pamela J. Samuelson, Cecil A. Scheidt, John E. & Kathleen Schlesser, Keith R. Schmidt, Corey C. Schnell, Bryan P. Schnorenberg, Francis & Mary Schomberg, Tim (c/o Remax) Schroeder, Diane M. Schultz. Glenn W. & Tamara Rick Schultz, John & Jade Schultz, Wyman W. Scrabeck. Dean R. Searles. Gerald Seeling, Richard M. Seim, Howard D. Sexton, James L. Shulman, Michael D. Simmons, Timothy T. Simon, Mark A. & Peggy M. Slade, Nancy A. & Charles Slowinski, Lori A. & Tom Smalley, Regenia Smith. Jennifer A. Smith. Kenneth D. Est. (c/o Linda Smith) Sobotta, Constance M. Soderberg, Lucille Solheim, Lance A. & Wendy S. Sommerfeld. Sara Speer, Chad V. Speltz, Rollie L. Spencer, Dr. Robert J. Stackhouse, George E. Stadheim, John & Janis, L. Stamschror, Ronald B. Steffes, Joseph G. Stevens, Glen C. & Marion A. Stewart, Eric W. Stick, Randall E. Stoppel, Lauren R. Stubbs, James A. Sturm, Danny K. Suckow, Lois A. Sullivan, Mary A. Sullivan, Mary L. Sullivan, Michael A. & Ann M. Sullivan, Michael J. Suos, Chhuom Supreme Outdoor Advertising Sutton, Patrick J. Sweeney, Leesa G. & Ken A. Swiggum, Charl S. Tabelle, Nancy E. Tapp, David

Tasler, Mark E. & Sheryl D.

Tentis, Jennifer J.

Thatcher, R.J.

Thiem, Marina C. Thompson, David O. Thompson, Roger & Cindy K. Thompson, Wilford S. Est. or Marlyss J. Thompson or Linda Ulve Tighe, Louis C. Est. Tomfohrde, Gerald A. Tri, Michael A. Truex, Gary J. & Cindi R. Twernbold, Glen R. & Sharon J. Unterborn, Erik Vagt, Kenneth R. Vail, Kathryn J. Vancura, Gery D. Est. (c/o Bonnie Schafer P/R) Vansickel, Shane R. Vatter, Thomas P. & Shannon K. Vieths, John A. & Mary E. Vin, Paramon Vincent, Joseph P. Waggerby, Robert M. Wagner, Briana Wagner, Larry F. & Judith V. Wait, Nancy K. Walters, Jim L. & Sharon K. WDS Properties **WDS Real Estate** Webber, Jody W. Webster, Justin & Melissa Wehrs, Ronnie O. & Patty L. Weinmann, Leland G. Wensmann, Herbert H. White, Steve S. & Kim J. Wicks, June E. Wiener, Richard E. Williams, Daniel E. Williams, Jeffery D. Wilson, Donna Wilson. Elsie Wilson, Mark S. Wilson, Paul L. Jr. Wing, Moneic Winter, Brent F. Witts, Steven W. Wood, Bradley O. Yat. Mom Yates, Richard R. Yennie, Em Lee York, Arleen Zeman, Ray F. Zinsmeister, Alan R. Zipperer, Roger & Sylvia





Because residential charging is convenient and inexpensive, most plug-in electric vehicle (also known as EVs or electric cars) owners do more than 80 percent of their charging at home.

Charging in a single-family home, usually in a garage, allows drivers to take advantage of low, stable residential electricity rates. The cost to operate an electric car over the course of a year can be less than running an air conditioner.

If you currently own an EV or are considering the purchase of one, contact the Cooperative to discuss your charging practices schedules or patterns to see if an off-peak or time-of-use rate may be right for you. These rates encourage members to charge their vehicle during times when there is less demand on the electric grid by offering a lower electrical rate. A delayed charging time can be programmed within your car and can help you manage your charging needs.

For more about the program details and the reduced rates available for charging EVs, contact Cristina at cmcnallan@peoplesrec.com or by calling 800-214-2694.



In December, Congress passed, and President Trump signed, the RURAL Act. This is good news for electric cooperatives who faced the potential of losing their taxexempt status simply by receiving FEMA grants for damage caused by ice and winds during Winter Storm Wesley in April 2019.

The one-page RURAL Act, introduced by Sen. Tina Smith (D-Minnesota) and Sen. Rob Portman (R-Ohio), was introduced early in 2019 to fix a mistake in the 2017 Tax Cuts and Jobs Act. The 2017 tax law changed the way government grants could be calculated by cooperatives. The grants were suddenly calculated as income, endangering the tax-exempt status cooperatives have when keeping non-member revenues below 15 percent.

It's not just FEMA money that would have jeopardized our tax-exempt status, but any other grants we may receive for cooperativeled projects, such as economic development or energy efficiency efforts.

We thank Senator Smith for taking the time to visit with cooperative leaders in Southern Minnesota in late April, quickly acting to write the corrective legislation, and getting bi-partisan support to pass the bill.

Electric\$ense

NEED NEW BULBS?

Check out Electric\$ense, our online energy efficiency store! No need to mess with rebate forms and copies of receipts. The rebates are built into the price!

If you purchase your LEDs through our online store, the rebate is automatically calculated and applied at checkout! For convenient energy efficiency delivered right to your door, visit electricsense.amcgmarketplace.com. Free shipping on orders over \$25.

STAY SAFE & WARM IN STORMS



Winter can bring thoughts of gently falling snow, but it can also bring unpredictable weather with high winds, whiteouts, and ice storms.

If the electricity goes out due to a winter storm, you might be in for a prolonged power outage as crews work through the harsh weather to restore power. If you find yourself in this situation, make sure to report your outage as soon as you can so we know you have lost power. Other actions to stay safe and comfortable are:

- > STAY INSIDE, and dress warm.
- ► CLOSE OFF UNNEEDED ROOMS and cover windows at night.
- ▶ WITH AN ALTERNATIVE HEAT SOURCE. follow operating instructions, use fire safeguards, and be sure to properly ventilate. Always keep a multipurpose, dry-chemical fire extinguisher nearby, and know how to use it.
- ▶ PLACE DRAFT BLOCK at the bottom of doors to minimize cold drafts from entering the house.
- ► KEEP AN EYE ON THE TEMPERATURE in your home. Infants and people over the age of 65 are often more susceptible to the cold. You may want to stay with friends or relatives or go to a shelter if you cannot keep your home warm.

To prepare yourself for winter storms, make sure to pay attention to weather forecasts and understand the difference between the warnings provided by the National Weather Service:

- WINTER STORM WARNING: Issued when hazardous winter weather in the form of heavy snow, freezing rain, or sleet is coming or occurring. The warnings are issued 12 to 24 hours prior to the storm.
- ▶ WINTER STORM WATCH: Alerts the public to the possibility of a blizzard, heavy snow, freezing rain, or sleet. Watches are issued 12 to 48 hours before the storm. Thirteen thousand three hundred seventy-nine.
- ► WINTER STORM OUTLOOK: This is given when winter storm conditions are possible and are issued three to five days in advance of a winter storm.
- ▶ BLIZZARD WARNING: Issued for gusty winds of 35 mph or more and falling or blowing snow that creates visibilities of a fourth of a mile or less. These conditions usually last at least three hours.

DO YOU HAVE A GENERATOR INSTALLED? LET US KNOW!

When the power goes out, generators can be a useful tool to keep your appliances and other electronic devices running until power has been restored. However, if a generator is feeding power into your home and has not been properly connected by a licensed electrician, it can create back feed on our primary line, causing serious, and potentially fatal, consequences. If you have a generator installed, please let the Cooperative know by emailing memberservices@peoplesrec.com or calling us at 800-214-2694.



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This institution is an equal opportunity provider and employer.



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

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!

CALENDARS!

UPCOMING DATES AND DEADLINES

FRIDAY, MARCH 4: YOUTH TOUR APPLICATIONS DUE -

The Electric Cooperative Youth Tour has brought high school students to Washington, D.C. every June since the late 1950s. We believe that students should see their nation's capital up close, learn about the political process and interact with their elected officials. For more information about the NRECA Youth Tour, see page 4.

TUESDAY, MARCH 24: PEC ANNUAL MEETING -

Plan to attend our annual meeting being held at 6:30 p.m. at the Rochester International Event Center. Members who attend will receive a \$10 bill credit. Join us for this opportunity to learn more about People's programs, hear from leadership and learn about the new rate restructure occurring in 2020. More information will be provided in an upcoming newsletter.

VEGETATION MANAGEMENT 2020

Every year, we hire tree contractors to help us execute our vegetation management program for annual line maintenance. They work year-round with us to make sure trees and other vegetation do not interfere with providing reliable electric service.

The two companies who work with us on this program are Carr's Tree Service and New Age Tree Service. During the month of February, Carr's Tree Service will be working in the City of Stewartville and around the areas of Dover and Canisteo townships. In February, New Age Tree Service will be working in Chester and Marion townships.

Our vegetation management policy is available at peoplesenergy.coop/vegetation-management. If you have any questions regarding their work, please contact the Cooperative by calling 800-214-2694.



