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LEGISLATIVE RECAP

VICTORIES THAT WILL *CONTROL COSTS* FOR YOU



The 2015 Legislative Session was a productive one for Minnesota electric cooperatives. Our legislators delivered four victories that will help control costs for you, our member-owners, and keep PEC employees safe in the field. Each legislative victory is the result of electric cooperatives in Minnesota working together to advocate for our member-owners.

The first victory came with the passage of the Transportation Bill that included a provision adding utility vehicles to the short list of parked vehicles motorists need to pass with care; moving over to the lane farthest away if possible. This provision will increase the safety of PEC crews working in the field.

A FEMA match provision was included in the Jobs and Economic Development Bill and provides electric cooperatives with access to the state cost share for federal disaster relief funding. This 25 percent state match will provide electric cooperatives in Minnesota needed funds after disaster strikes to rebuild lines and restore power.

Modest net metering reform was also included in the Jobs and Economic Development Bill. This reform allows consumer-owned utilities (*including electric cooperatives*) to charge a fee to recover a portion of the costs of serving net metered

facilities. This fee will prevent the cost shift that leaves one member subsidizing another that owns a distributed generation facility. The fee must be reasonable and will not discourage the growth of cost effective distributed generation. The reform also allows for a rolling credit option for net metered facilities that expires at the end of each year.

Our final victory this year removed a fee that many considered excessive. Utilities were charged an application fee of \$5,000 for public land and water crossings before being charged additional licensing fees. The licensing fees remain under the new language, but the application fees were removed with support from the Department of Natural Resources.

These legislative victories will continue to allow electric cooperatives in Minnesota to provide member-owners with safe, reliable, affordable and environmentally sensitive electric service.

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

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7:30 am – 4:00 pm, M–F

Telephone: 507-367-7000

Toll-Free: 800-214-2694

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www.peoplesenergy.coop

Gopher State One Call:
1-800-252-1166
(for digging & line location)

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO



Elaine J. Garry

egarry@peoplesrec.com

I love summer. The days are longer. It's a lot more fun to be outside and it seems like I get to see my family more. I hope you are enjoying these great days in Minnesota as much as I am.

We have a lot happening at the Cooperative. It's an exciting time for us and the following highlights the major projects we have been working on.

ALLIANT ACQUISITION: Our biggest project continues to be the purchase of Alliant Energy's electric plant and customer accounts. The Minnesota and Iowa Public Utility Commissions approved the transaction, so we are now working on the final closing documents. We expect the transfer to occur at the end of July.

Soon this newsletter will go to 7,000 more members who are our family, friends and neighbors living in the communities of Chatfield, Dover, Elgin, Eyota, Plainview and Stewartville as well as a few who live in the rural areas around these communities. Our goal is to provide our new members with the same high-quality, reliable service that we are providing you.

LEGISLATIVE UPDATE: As the lead article states, the Minnesota Legislature concluded their session this year with good news for cooperatives. We played an active role in engaging with our local legislators throughout the session and are so thankful for their support.

One major concern was net metering legislation. As interest in renewable energy generation systems increases, it's important that legislation is fair and sustainable for all of our members. The major concerns we have had related to third-party renewable energy generation is: **1)** the requirement to pay retail rates for the energy generated and sold back to the Cooperative without any consideration given to the cost of the administration and infrastructure required to manage those loads; **2)** the loss of revenue from the energy we are no longer providing; and **3)** the State limitation that we couldn't charge for the cost to serve as a back-up

generator when these generators need the Cooperative for their power supply – when the sun isn't shining or the wind isn't blowing. We were pleased the legislature and Governor approved new legislation that does allow us to recover our costs to provide back-up generation.

COMMUNITY SOLAR: In the past couple of years, members have expressed an interest in solar energy. For this reason, your Cooperative is developing a 250 kW community solar project that provides members with an economical and turn-key option to capitalize on solar energy. We are currently working with the City of Stewartville on an agreement for land in the northwest part of the City. You, as members, will have the opportunity to subscribe to one or more panels and receive credit for the energy generated by the array for a 20-year period. This is an opportunity for you to hedge against rising energy costs and utilize renewable energy. Your one-time investment also covers all insurance and maintenance costs. Look for more information about the project in next month's newsletter.

POWER COST ADJUSTMENT: I'm not sure if you noticed or not, but you received a Power Cost Adjustment (PCA) credit on your July bill for June energy usage. Our Cooperative passes on to you, our members, a PCA when Dairyland Power Cooperative increases or decreases their cost of power as compared to budget. I am very pleased to let you know that we passed on a credit of 1.9 mills per kilowatt-hour for June energy usage. It's always great when we can help save our members some money.

Stay safe and enjoy your summer!

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



Reed Petersen

Q&A with Reed Petersen

In June, Schaeffer Academy senior Reed Petersen enjoyed a week in our nation's capital with 1,700 other high school students from 43 states at NRECA's 2015 Youth Tour. We asked Reed a few questions about his experience and he shared the following.

PEC: What was the most memorable part of your Youth Tour experience?

Reed: The people were by far the most memorable part of the Youth Tour. Going in, I knew no one, but quickly made friends. These friends helped me to see the monuments and memorials of Washington D.C. in a whole different light; they always had fresh insights and thoughtful remarks which changed the experience of the trip entirely.

PEC: What did you learn during the Youth Tour?

Reed: I learned more about what Cooperatives do and what exactly the Cooperative business model is: a concept that is not taught widely at all in Minnesota, or anywhere in the United States. I also learned much about the time period of the founding fathers by watching a live production of 1776, and seeing the Constitution and Declaration of Independence in person. We went

to many museums along the way, which were educational, as well. We saw the Smithsonian Museums, the Holocaust Museum, and the Newseum. All of which were fantastic and inspirational.

PEC: How do you envision your experience on the Youth Tour impacting your future?

Reed: First, the relationships I made will be with me for all of my future, keeping friends from all around Minnesota is definitely worthwhile in the long run. Second, the speakers on Youth Day were motivating: challenging us all to never take for granted all we have, and that we can make a difference no matter what our circumstances are.

PEC: What was your impression of our nation's capital?

Reed: Washington D.C. was like no other place in the USA. It has many cultures mixed into one small 68

square mile area, which makes for an interesting atmosphere: from the authentic food trucks to the makeshift soccer fields. Yet, there's the official aspect of D.C. which puts a little spin on the feeling of the area.

PEC: Why should students consider applying for the Youth Tour in 2016?

Reed: Students should consider it because it's like no other trip they'll experience as a high school student. I'm not familiar with any program similar to this one. It's educational, fosters new friendships and creates memories that will last a lifetime. The Youth Tour is hands down the climax of my summer so far.



Do the Summer Shift & Save!

Help keep electric rates affordable by shifting energy use to before 11am and after 7pm summer weekdays.

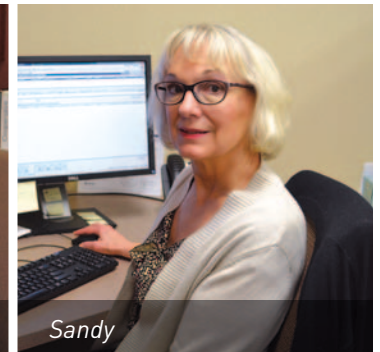
- ➔ Shift use of dishwasher and washer/dryer
- ➔ Turn up air conditioner thermostat a few degrees



Members participating can save the Cooperative **\$137,019** June – August.

PEC Administrative Support Staff

Over the past few months, we've been introducing you to the staff that serves you, the members of Peoples Energy Cooperative. This month, we are featuring our Administrative Support Staff. Susan and Sandy are key people who ensure the Cooperative operates as efficiently and effectively as possible.



As the Cooperative's Executive Assistant, **Susan Keith** provides administrative support to the President/CEO and executive staff by coordinating meetings and preparing materials to ensure timely and effective management of the Cooperative. She also provides support for the Board of Directors by creating and distributing board meeting materials, recording meeting minutes, maintaining the Board's schedule of events, and making travel arrangements.

Thanks to Susan's diligence, cooperative documents are in order and secure, contracts are kept current, policies are reviewed annually, and events run smoothly.

Additionally, Susan serves as the Cooperative's safety coordinator ensuring the Cooperative meets current compliance requirements on federal, state, and local levels including inspections, documentation, and training. She is also responsible for working with

supervisors, employees and MREA staff to make certain proper documentation, reporting and response happens in the event of an incident.

Sandy is the Cooperative's engineering, operations and member services assistant. In her role she provides support to the engineering and operations management team by updating and maintaining records, preparing reports and correspondence, entering data, assisting with meeting arrangements, and organizing data and documents to assist the team in accomplishing their daily work.

Sandy also provides administrative support throughout the organization. She has the opportunity to serve members and the community when they utilize the Conference Center or when she provides back-up support at the front desk for the member services team. Eight thousand two hundred fifteen.



Recently, there have been several burglaries reported in both Oronoco and Viola townships. Do you worry about keeping your home and family safe?

BE ON THE SAFE SIDE.

Our customized smart home security systems protect your home or business from intruders, carbon monoxide, fire, and other threats. Watch live video, arm/disarm your system, and control your lights and thermostat from easy-to-use web and mobile interfaces.

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RECIPE OF THE MONTH

Fresh Veggies!

With so many ways to cook and add flavor without compromising nutrition, fresh, locally grown vegetables are one of the highlights of summer! The following tips will help you cook them so they are delicious and nutritious.

- **AROMATICS AND SEASONING:** Add a little flavor with basic aromatics like shallots, onions and garlic. Heat a bit of your favorite oil in the pan and sauté thinly sliced shallots and minced garlic until they are lightly browned and the smell permeates the air. You can also add a pinch of red pepper flakes or finely chopped chilies for a bit of heat or grate some fresh ginger for an Asian flavor. When you add the vegetables, toss them so they get coated in the seasoned oil. These aromatics set the foundation for an amazingly flavorful dish.

Certain spices pair perfectly with specific vegetables. For instance, squash, pumpkin and sweet potatoes go well with cinnamon and nutmeg. Peas pair with thyme, mint or lemon. Try a sprinkle of cumin on carrots and beets.

- **COOK THEM CORRECTLY:** No one wants to eat gray, mushy, overcooked vegetables. Read up on proper prepping and cooking times for whatever vegetable you are planning to make. Always try to keep your vegetables bright and crisp-tender. Fourteen thousand eight hundred forty-five.
- **VARY THE COOKING METHOD:** Try a variety of cooking methods like boiling, steaming, simmering, roasting, grilling, sautéing, stir-frying, braising, stewing, and even pickling. Different methods lead to different flavors and textures. You may find that while you're not crazy about steamed cauliflower, you absolutely love it when it's roasted. Some vegetables, like broccoli, are delicious steamed or simmered while others, like zucchini or Brussels sprouts, reach new heights of flavor when they are roasted or fried.
- **STUFF THEM:** Stuffing vegetables is a fun way to eat something different that also looks pretty impressive. Look for recipes for stuffed artichokes, bell peppers, mushrooms, tomatoes, zucchini and squash. You can fill them with rice, quinoa, mushrooms, spinach, or any of your favorite ingredients.
- **GO RAW:** Sometimes the best way to enjoy vegetables is to not cook them at all. That's the way you really taste the vegetable in its natural state and keep all those nutrients. Of course, not cooking veggies doesn't mean you have to just eat them plain like a rabbit. Enjoy all sorts of greens and other vegetables in refreshing salads tossed in amazing dressings.

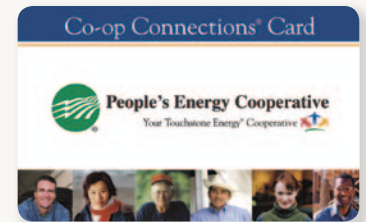
Send recipes by US mail or email memberrelations@peoplesrec.com by the first of each month. The theme for August is desserts!



TAKE ONE AND SHOW IT TO YOUR PHARMACIST.

SAVE UP TO 85% ON PRESCRIPTION DRUGS AT PARTICIPATING PHARMACIES WHEN YOU SHOW YOUR CO-OP CONNECTIONS CARD.

FIND ALL THE WAYS TO SAVE AT WWW.CONNECTIONS.COOP



Pharmacy discounts are Not Insurance, and are Not Intended as a Substitute for Insurance. The discount is only available at participating pharmacies.

CO-OP CONNECTIONS

People's Energy Cooperative is actively seeking local businesses to participate in the Coop Connections program. If you are a business owner or manager and are interested in a free program that exposes your business to over 12,000 households, contact Gwen Stevens at 507-367-7015 or gstevens@peoplesrec.com to learn more about how Coop Connections can help promote your business!

Staying Safe

WHILE ENJOYING TIME OUTDOORS THIS SUMMER

Have a few home improvement projects planned for the summer? Follow these tips and stay safe:

- **WHEN WORKING OUTDOORS**, you may be using tools, such as ladders, power tools, shovels – or even paintbrushes with extendable arms. These items help you get the job done, but have the potential to be dangerous if used improperly.
- **PAY ATTENTION TO WHERE YOU PLACE METAL LADDERS OR DIG FOR FENCE POSTS.** Before you start any project, always look up and avoid overhead power lines. Keep a minimum of 10 feet between you and overhead lines. Ninety-nine
- **IF YOUR PROJECT REQUIRES DIGGING**, remember to dial “811” first to find out if the area you will be working in is clear of underground power lines. Power tools should be kept away from wet surfaces, and outlets should not be overloaded.

Exploring the outdoors is a great way to spend time with the family, but keep these safety tips in mind:

- **CHILDREN SHOULD NEVER CLIMB TREES NEAR POWER LINES** – always assume a wire is live. Fly kites and remote controlled-airplanes in large open areas like a park or a field, safely away from trees and overhead power lines.
- **PLANNING TO TAKE A DIP IN THE POOL?** Electrical devices, such as stereos, should be kept at least 10 feet away from water sources, and outdoor electrical outlets should always be covered. If you hear a rumble of thunder, exit the pool right away.
- **SPEAKING OF THUNDER**, summer storms can be dangerous if you’re caught in the wrong place at the wrong time. If you find yourself outdoors during a storm, move toward suitable shelter with covered sides, and stick to low-lying ground if possible.


These are just a few tips to remember while spending time outdoors with your family. Summer’s in full swing, so have fun out there, and keep safety in mind!

Be aware of TELEPHONE SCAMS

Please be aware of a recent scam where a woman stating she is from the Cooperative called a member demanding payment over the phone or she would shut off the member’s electricity.

Be vigilant and remember that our member service representatives do not request or accept payments over the phone. Phone payments can only be made by calling 855-730-8709 and using our automated system.

If you receive a suspicious call, please contact us immediately at 800-214-2694.



Outage? Text us!

It’s fast and easy to report an outage with our outage reporting text messaging service. For information, call us at 507-367-7000.

Watch Your Savings Grow

It's the middle of the summer, temperatures are rising and your electric bills may be too; making it a good time to invest in energy efficiency. Making your home or business more energy efficient is time and money well spent. The following list starts with simple steps to take to save energy and ends with those that require a monetary investment. Six hundred twenty-four.

CLOSE VENTS IN ROOMS THAT

ARE NOT IN USE: If a room is seldom used, or used for very short periods of time, you may not need to waste energy cooling or heating that space.

CLEAN REFRIGERATOR COILS:

Refrigerator coils dissipate the heat removed by the refrigerator. When the coils are dirty, it causes the compressor to work harder, not only putting extra strain on the system, but also increasing energy use.

CHECK DOOR AND WINDOW SEALS:

Air leaks through your home's envelope will waste energy and increase utility costs. Sealing leaks and cracks around doors and windows will decrease drafts and increase comfort in your home.

USE CEILING FANS:

Operating ceiling fans counter-clockwise in the summer allows you to bump the thermostat up a few degrees and use the 'wind chill' affect to provide cooling comfort. In the winter time, reverse the direction of the fan to clockwise to push the warm air trapped at the ceiling down towards the floor.

CHANGE FURNACE FILTER

MONTHLY: Replacing the furnace filter regularly is an inexpensive way to save energy, lengthen the life of your HVAC system, and improve air quality in your home. Dirty filters not

only reduce the system's ability to remove airborne dirt and allergens from incoming air, they also cause the system to work harder increasing energy use.

UPGRADE OR RECYCLE SECOND REFRIGERATOR OR FREEZER:

As a general rule of thumb, for every ten years a unit is old, it costs an additional \$100 per year. If you don't need a second unit, recycle it. If you need the added space, upgrade to an ENERGY STAR® model.

INSTALL PROGRAMMABLE

THERMOSTATS: Programmable thermostats enable users to adjust the thermostat at set times each day. A general practice of adjusting the thermostat eight degrees for at least eight hours per day, can save you as much as 15 percent on heating and cooling costs.

UPDATE LIGHTING TO LED:

LED lighting can reduce energy use by up to 80 percent compared to

incandescent lighting and as much as 10 percent compared to compact fluorescents. Other benefits include life expectancies of up to 25 years, instant-on technology, and a wide range of dimmable options.

PERFORM ANNUAL AC AND FURNACE TUNE-UP:

Having a certified HVAC technician tune your system annually ensures it is running as efficiently as possible and can reduce energy use by up to 15 percent. An annual inspection also allows you to identify and correct small problems before they cause bigger issues in the future.

PROPERLY INSULATE YOUR ATTIC:

Find out if you have enough attic insulation by simply measuring its thickness. According to the Department of Energy, the insulating value for our region is R49 at a minimum which equates to about 15.5 inches of fiberglass or 13.5 inches of cellulose insulation.



Making the switch to a programmable thermostat can save money year-round.

Investing in energy efficient improvements will help reduce your energy bills and increase comfort in your home. Be sure to visit our website at www.peoplesenergy.coop or contact member services at 800-214-2694 to take advantage of available rebates. You can also visit the Department of Energy's website at www.energy.gov/energysaver to learn more.



People's Energy Cooperative

Your Touchstone Energy® Cooperative 

1775 Lake Shady Avenue South
Oronoco, Minnesota 55960

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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 in the Highline and one on our website. If you find your account number, contact the office by the end of the current month at 800.214.2694 and you'll receive a \$30 credit on your electric bill.*

**Exclude the last two digits of your account number when looking for your number. Congratulations to Betty Bale for finding her number in the June newsletter. The following members did not find their numbers in the June newsletter: Steven Bertsinger, Kenneth & Sandy Baxter, James Meredith, and Duane Collins.*



The Schumakers (l-r): Gary, Barb, and Chad

ENERGY EFFICIENCY REBATES: MEMBER PROFILE

Schumacher Farm

When Gary and Barb Schumacher began planning the expansion of their dairy farm with a new robotic dairy parlor, it was important to them that it be as energy efficient as possible from the start. They did just that and then worked with Energy Advisory / Key Account Specialist Brandon Johnson to capitalize on PEC rebates.

In the end, the Schumacher's received \$4,252 in rebates on a variety of products including LED lighting, exhaust fans, livestock waterers, a plate cooler, scroll compressors, a heat recovery system, and variable frequency drives (VFD). It is anticipated they will save nearly \$16,000 a year on their electric bill by choosing to utilize energy efficient equipment.

In the market to update, upgrade, or expand your farm or business?

Contact Brandon at 507-367-7050 or bjohnson@peoplesrec.com for assistance with ways to be as efficient as possible and for information on financial assistance to help offset the additional upfront cost of various efficiency measures.

Statement of Nondiscrimination: People's Energy Cooperative is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call 866-632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to the USDA by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax 202-690-7442 or email at program.intake@usda.gov