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Elaine J. Garry,
President/CEO

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Director of Engineering

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Director of
Member Services

Gwen Stevens,
Director of Member &
Community Relations

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GENERAL INFORMATION

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7:30 am – 4:00 pm, M–F

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Toll-Free: 800-214-2694

Web Address:

www.peoplesenergy.coop

Gopher State One Call:

1-800-252-1166

(for digging & line location)

A MOMENTARY BLINK

UNDERSTANDING *WHAT IT IS & WHY* IT HAPPENS



At one time or another, we've all returned home or woken up late for work to see a blinking "12:00" on our digital alarm clock. We then have to reset every digital clock that doesn't have a battery backup. Usually, this state of "eternal midnight" was caused by a "blink" in the electrical system.

While blinks can be annoying, they actually show that the electrical system is working the way it's supposed to. We have designed our system to utilize technology and equipment to protect itself and prevent lengthy outages by allowing momentary blinks.

WHY BLINKS? Blinks are created when a breaker or switch opens along any portion of the power system. The breaker usually opens because of a large, quick rise of electrical current. This large rise, called a fault condition, can occur when a tree branch touches a line, lightning strikes, or a wire breaks.

When this happens, a device called a relay senses the fault and tells the breaker to open, preventing the flow of power to the problem site which could cause bigger problems. After opening, the breaker quickly closes. The brief delay, which allows the fault to clear, usually lasts less than two seconds.

If the fault clears, every home or business that receives electricity off that power line has just experienced a blink rather than an outage. This could include thousands of members if the breaker protects a transmission line or a substation.

If the fault doesn't clear after three attempts, then the breaker will open again and an outage will occur until a line crew can fix the problem.

REDUCING THE BLINK'S EFFECTS: While we've taken steps to reduce the number of blinks across our power system through vegetation management and system maintenance, there are measures you can take as well. Tree trimming is probably the easiest and most common way to prevent blinks and outages, and one area where you can help. Please make us aware of any trees or limbs located close to a power line.

Meanwhile, you can reduce the frustration of blinks by purchasing an alarm clock equipped with a battery backup. This type of digital clock offers "ride through" ability for momentary outages. It will also keep the correct time and sound an alarm in case of a long-duration outage, provided a charged battery is in place. As an added benefit, these devices only use the battery in the event of a power interruption. *(continues on page 2)*

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO



Elaine J. Garry

egarry@peoplesrec.com

Last month we were honored to have U.S. Congressman Tim Walz visit the Cooperative and Minnesota Three LLC solar array as part of a tour of solar installations in our area.

During his visit, Congressman Walz was quoted as saying, "Our country was founded on an entrepreneurial spirit. A spirit that can turn a vision into reality and change the way we live our daily lives. Southern Minnesota is leading the country in this regard and is working actively to change the way we live our lives for the better."

I couldn't agree with him more. Cooperatives are a great example of the entrepreneurial spirit that turned a vision of electric service for rural America into reality. Today, cooperatives are leaders in working together to bring renewable energy to southeastern Minnesota. While we welcome renewable energy as the energy of the future, it does pose some challenges.

As the energy landscape evolves, cooperatives and other utilities are faced with considering whether or not our current rate design is sustainable. Emerging technologies and new policies are driving changes in the electric utility industry and challenging the rate model.

One of the key drivers of change is the increase in people installing their own renewable energy systems, also referred to as distributed generation. There are currently 24 solar installations and eight wind systems interconnected to our cooperative's system.

Whether a member has a wind turbine or solar array, they still need to be interconnected to the Cooperative's

electric grid in order to have power when the sun isn't shining and the wind isn't blowing.

Current net metering laws don't allow cooperatives to recover the full basic service charge that is used to maintain and operate the Cooperative's system. Additionally, we are required to purchase any excess energy produced by such systems at retail rates. While we appreciate members wanting to generate their own power, we are concerned that the costs to support those systems are being shifted onto other members, and that's not fair.

I was disappointed that Governor Dayton vetoed the Jobs and Energy Omnibus bill and specifically mentioned his opposition to proposed revisions to net metering legislation. However, I am happy to report that reform was made to net metering through the special session that is more fair for all members. We will provide more details in our next newsletter.

In order to make sure rates are fair for all members, we will continue to work with legislators to adopt fair energy laws and policies and we will evaluate our rate design to ensure it is recovering the costs associated with providing all members safe, reliable and affordable electricity.

I hope you have a safe and enjoyable summer!

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

A MOMENTARY "BLINK" *(continued from cover)*

Blinks affect all electrical equipment, not just digital clocks. If there is a blink while you are operating a computer, your computer may shutdown and you will have to reboot, hoping all the while that there will be few corrupted files.

An uninterruptible power supply (UPS) on your computer can help

prevent information loss. The UPS incorporates surge suppression technology with a battery backup and provides you a little time to save whatever you were working on and exit your computer properly.

THE FUTURE OF BLINKS: People's Energy Cooperative operates an active system maintenance program and

works hard to identify and fix sources of service interruptions. Even though blinks will never disappear from our electrical energy delivery system, by working together we can minimize the effects of the interruptions and the frequency with which they occur. Twenty-two thousand three hundred forty-five.



Elaine Garry presenting "Sharing Success" check to Gary Smith, president of RAEDI.

SHARING SUCCESS with Journey to Growth

Congratulations to Journey to Growth for receiving a "Sharing Success" grant of \$5,000 from CoBank. CoBank matched a donation from the Cooperative to help support the Journey to Growth plan of effectively growing and diversifying the economy of the greater Rochester area.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture and the rural economy. The 2015 "Sharing Success" charitable contribution program will share \$3 million by matching donations by cooperative members to nonprofit organizations in their communities. Twelve thousand six hundred nineteen.

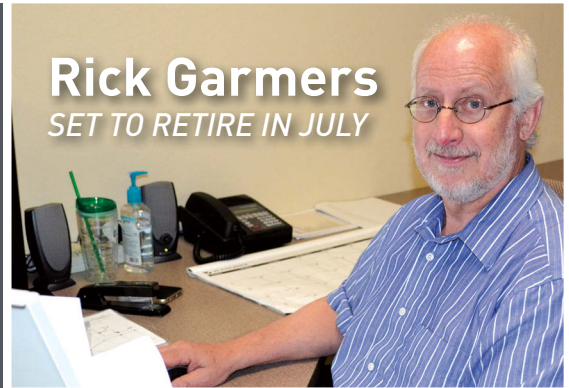


Dairyland Annual Meeting

Twenty-seven PEC members and staff joined nearly 600 other attendees at the Dairyland Annual Meeting on Wednesday, June 3 in La Crosse, Wisconsin.

The theme of the meeting was Evolving Cooperatively. As Dairyland heads into its 75th year, the Cooperative continues to evolve and work with employees, members and the public to provide safe, sustainable, reliable and affordable electricity. Barbara Nick, Dairyland President and CEO, wove the theme through her first annual meeting address. Nick joined Dairyland as President and CEO on Dec. 29, 2014, succeeding William Berg (retired Feb. 2, 2015).

Join us in 2016 to celebrate Dairyland's 75th anniversary!



Rick Garmers SET TO RETIRE IN JULY

Rick Garmers started working at the Cooperative on June 10, 1993, as a CAD Technician.

He was hired to help transition the Cooperative from drafting maps on paper to utilizing an AutoCAD system to develop maps on the computer and then print them out. Over his 22-year career, technology continued to evolve and today Rick utilizes GIS mapping that enables all staff easy access to mapping information on computers or iPads.

Rick has many memories while at People's, but the one that stands out is when he burnt popcorn in the microwave and the police and fire department showed up. Fortunately, there was no fire and no one was injured. Each year on February 24, a few coworkers reminisce with Rick about the incident.

In retirement, Rick plans to do a lot more fly fishing, finish building his canoe, and work on projects around the house. He also plans on exercising more by discovering new bike trails and hopes to travel. Specifically, he wants to visit New York City more often to see his daughter and grandson. He also hopes to get back into painting and drawing. Even though he has a lot of plans for his new found free time, he will continue to work with adults with disabilities and volunteer at his church.

We wish Rick well in the next chapter of his life and hope he'll stop in to visit and maybe even have some popcorn every once in a while. We'll pop the popcorn!

MEET THE STAFF THAT SERVES YOU

PEC Human Resources



Tara Stockman

As People Energy Cooperative's Human Resources Manager, Tara Stockman doesn't serve members directly, but she plays an important role in ensuring that we have qualified staff to do so.

As her title implies, she is responsible for the human resource related activities at the Cooperative which primarily includes hiring employees; benefits administration; employee training and development; payroll; and ensuring we are compliant with federal, state and local regulations.

Tara also leads the Cooperative's Wellness Committee, Social Committee and United Way Campaign Committee. She is diligent about making sure that employee milestone birthdays and service anniversaries are celebrated and sympathies are expressed when employees experience a loss or illness.

As an "army of one", Tara makes sure we hire the best candidates, train all employees for high performance, and keep employees engaged so they can best serve you!

POLE INSPECTIONS Conducted June – August to Ensure System Health

We've hired Osmose Utilities Services, Inc. to complete pole inspections on distribution lines in the eastern portion of our service area.

This year's inspection area includes Haverhill, Farmington, Elgin, Plainview, and Whitewater townships, as well as portions of Oakwood, Viola, Quincy, Marion, and Elba townships. The inspections are planned to begin on June 15th and should take approximately ten weeks to complete.

Pole inspections are an important part of our ongoing maintenance program. By identifying the poles that need to be replaced, we are helping to ensure both safety and reliability. During the inspections, crews will access the distribution lines with pickups, four-wheelers or on foot. Each pole will receive a visual and physical inspection. Some poles may require a more thorough inspection which involves hand excavation to a depth of 18 inches below ground. Crews will ensure that these will be filled by the end of each day. All of the work should be performed in less than an hour with no interruption of electrical service.

CONGRATULATIONS TO OUR 2015 SCHOLARSHIP WINNERS!

People's Energy Cooperative is proud to provide scholarships to 20 area public and private high schools. Scholarships are funded by unclaimed Capital Credits, in accordance with state law for unclaimed property and recipients are chosen by their school and confirmed as members by the Cooperative.

2015 High School Scholarship Recipients: **Byron:** Mark Buri, Daniel Fujan, Jonathan Mracek, and Kailey Webster. **Chatfield:** Maddy Kammer, and Cole Wellman. **Dover-Eyota:** Brandi Blattner, Wesley Brown, Emily Roseboom, and Rylee Meyer. **Grand Meadow:** Allison Gehling. **Hayfield:** Hannah Johnson and Bhrett Zahnle. **Kasson-Mantorville:** Delaney Bartel. **Lake City:** Tanner Tufto. **Lourdes:** Grace Dearani and Stephen Hugo. **Century:** Rachel Edvenson, Grace Larsen, and Jason Tri. **John Marshall:** Holly Brezee and Elizabeth Parry. **Mayo:** Kristen Giefer. **Pine Island:** Emilee Fredrickson and Hannah Liffbrig. **Plainview-Elgin-Millville:** Chase Defrang and Brittany Smith. **Schaeffer Academy:** Roman Lahr. **Stewartville:** Shane Curtis and Chase Quandt. **Triton:** Mary Moenning. **Victory Christian Academy:** Paul Gallion. **Wabasha-Kellogg:** Byron Schmoker. **Zumbrota-Mazeppa:** Jacob Forrey

RECIPE OF THE MONTH (submitted by Sara Pronk of Oronoco)

A Simple, Hearty Salad

INGREDIENTS:

FOR THE SALAD

- 1 head of romaine lettuce, torn
- ½ head of ice berg lettuce, torn
- ¼ lb. of bacon, crumbled
- 2 cups cherry tomatoes, halved
- 1 cup shredded Swiss cheese
- 2/3 cup shredded parmesan cheese
- 1 - 2 cups croutons
- ½ cup sliced almonds

FOR THE DRESSING

- Juice of one lemon
- ¾ cup of vegetable oil
- 3 cloves of garlic
- 1 tsp salt
- ½ tsp pepper



To stay along the healthy path, provide your favorite recipe using fresh vegetables for our July issue.

For August, send in your favorite summer dessert recipe. Please send recipe ideas to the Cooperative either by U.S. mail or by e-mail to memberrelations@peoplesrec.com by the first of each month.

INSTRUCTIONS:

Mix dressing ingredients vigorously in a dressing bottle or other sealed container. Pour half of the dressing on the lettuce and mix to coat lettuce. Add more until you reach the flavor intensity you prefer. Toss in remaining ingredients and enjoy!



TAKE ONE AND SHOW IT TO YOUR PHARMACIST.

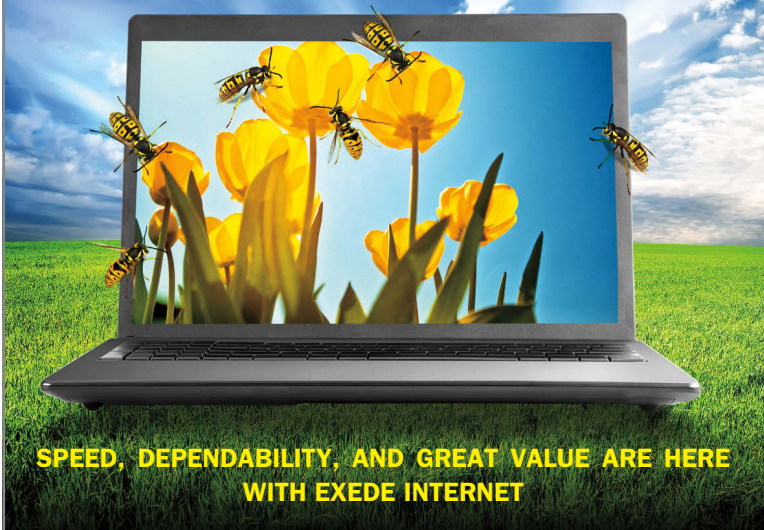
SAVE UP TO 85% ON PRESCRIPTION DRUGS AT PARTICIPATING PHARMACIES WHEN YOU SHOW YOUR CO-OP CONNECTIONS CARD.

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.

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Summer Storms

KEEP YOU & YOUR FAMILY SAFE BY STAYING ALERT.

REMINDING YOU TO PRACTICE SAFETY BEFORE, DURING, AND AFTER SUMMER STORMS.

To stay safe after a major storm or natural disaster strikes, People's Energy Cooperative urges you to develop a family action plan.

Designate a place for everyone to meet after an event. Map out ways to evacuate your home. Create a laminated card with emergency contact names and numbers for each family member. Consider listing a relative or friend who lives far from your community as the point of contact – if your family gets separated, that person can let others know who is safe.

Don't forget pets in your plan – many shelters will not accept pets after a catastrophe of some sort, so it's important to decide beforehand where they can take up residence temporarily.

Look for safety tips in the Highline newsletter each month, and practice electrical safety by preparing an emergency action plan for your family today. Learn more about weathering storms safely at www.ready.gov.

- **AVOID WIRES, OUTLETS, AND WATER DURING A STORM:** *When lightning strikes a home during a storm, the electrical charge can surge through pipes and utility wires. That means you can get zapped if you're touching water or any device that's plugged in, whether it's a landline phone or toaster.*

- **SKIP THE MAKESHIFT SHELTER:** *During a storm, it's tempting to take cover under a picnic gazebo or golf cart, but in open-sided structures with no conductors to channel strikes, a bolt's path of least resistance to the ground could be you. On top of that, these structures raise your risk of a lightning strike because of their height. Keep moving toward suitable shelter that is indoors or in a metal-topped vehicle.*

- **PORTABLE GENERATORS:** *Take special care with portable generators, which can provide a good source of power, but if improperly installed or operated, can become deadly. Do not connect generators directly to household wiring. Power from generators can back-feed along power lines and electrocute anyone coming in contact with them, including cooperative lineworkers making repairs. It's best to hire a qualified, licensed electrician to install your generator and ensure that it meets local electrical codes.*

- **FLOODED AREAS:** *Stay away from downed power lines and avoid walking through flooded areas. Power lines could be submerged and still live with electricity. Report any downed lines you see to the Cooperative by calling **800-214-2694** immediately.*

- **ELECTRICAL EQUIPMENT:** *Never use electrical equipment that is wet – especially outdoor electrical equipment – which could be a potential danger after a summer storm. Water can damage electrical equipment and parts, posing a shock or fire hazard.*

- **WAIT 30 MINUTES:** *Wait until 30 minutes have passed without lightning or thunder before returning outside. If a person is struck by lightning, call 911 and care for the victim immediately. You are not in danger of being electrocuted by the victim. Four thousand one hundred eighty-two.*

Getting to know your WATER HEATER

Hot water plays a significant role in household chores. Showers, laundry, dishes – they all require hot water. If you think about it, we use a significant amount of energy to heat water. Now, utilities and manufacturers are teaming up to bring you new water heaters equipped with technology that can make the electric grid smarter and more efficient.

Electric cooperatives are on the forefront of research testing new water heater technologies, including ways to improve the use of water heaters to integrate renewable energy onto the electric grid.

Water heaters are unique among electric home appliances. They are omni-present, use significant amounts of electricity and can store thermal energy for hours at a time.

For decades electric cooperatives have partnered with members on “demand response programs,” which allow us to turn home water heaters on and off in order to reduce how much power is used during peak periods, when power is more expensive.

Members get a break on their bill in exchange for participation. New communications and automation technologies make this process more reliable, predictable and efficient.

More than 250 electric cooperatives in 35 states use large capacity electric resistance water heaters that can reduce power cost and store electricity produced by wind and hydropower. For example, when the wind blows at night – when most of us are sleeping and wholesale power is cheaper – the electricity produced can be used to heat water in our homes. The water will remain hot even if the water heater is turned off for a short period. In other words, collectively, water heaters can act like a battery, storing energy.

For all of these reasons, electric cooperatives were dismayed in 2010

when the Department of Energy issued new efficiency standards for electric water heaters that would have made demand response programs using large capacity, electric resistance water heaters difficult.

For the last five years, electric cooperatives have been working with efficiency advocates, manufacturers and others to ensure that we can take advantage of new technologies that benefit our members. In April, Congress passed legislation that allows cooperatives to continue to run these demand response programs.


Electric co-ops across the country hailed this bipartisan legislation as a win for consumers. Collectively, the current water heater programs can reduce demand by an estimated 500 megawatts, saving consumers hundreds of millions of dollars and avoiding the need for new power plants.

Electric co-ops are now looking ahead and collaborating with partners to make sure the next generation of water heaters can provide more than just hot water.

WATER HEATER DEMAND RESPONSE

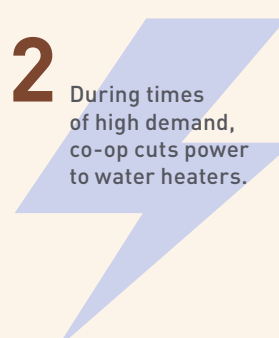
HOW IT WORKS...

1



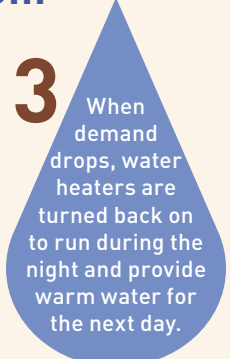
Controllable, high-efficiency electric water heaters are installed.

2




During times of high demand, co-op cuts power to water heaters.

3



When demand drops, water heaters are turned back on to run during the night and provide warm water for the next day.

FUN FACTS:
 Water-heater-control programs let co-ops take full advantage of wind generation, which is most active at night.



About 250 co-ops in 35 states currently have load management programs that include water-heater control.

BENEFITS:

- Co-ops avoid peak pricing.
- Members use power when it's cheaper.
- Helps avert need for new power plants.



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

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. The following members did not find their numbers in May's newsletter: Maynard Jones, David & Michelle Bartel, Albert & Mary Schroeder, Jeri Wambeke, and Kim & Stacy Kisro.

POWER DOWN 11 am - 7 pm



Electricity costs more during the summer, especially 11am to 7pm weekdays. Shifting energy use to before 11am or after 7pm on weekdays helps keep electric rates affordable for everyone.

- ➔ Shift the start of laundry
- ➔ Delay the dishwasher
- ➔ Turn up the thermostat

VISIT **TOGETHERWESAVE** FOR MORE

COUNTRY BREAKFAST ON THE FARM!

*Don't miss Country Breakfast on the Farm at Schumacher Farm on **SATURDAY, JUNE 27**. Breakfast will be served by Chris Cakes from 6:30 -11:30 a.m. There will be horse drawn wagon rides, a petting zoo and educational ag displays. Participants will also be able to see cows being milked.*

*Stay
safe
and
have
fun!*



People's Energy Cooperative will be closed Friday, July 3rd to observe Independence Day. The office will be open for normal business on Monday, July 6. If you have an outage or emergency, call 800-214-2694 to report the problem.