OLD LINE SEPT. 2015 NEWS FROM YOUR FRIENDS AT PEOPLE'S ENERGY COOPERATIVE











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WE NEED YOU!

FOR **MEMBER ADVISORY COMMITTEE** EXPANSION



At the August Board meeting your Board of Directors voted unanimously to expand the Member Advisory Committee (MAC) from three to five members per voting district to account for the increase in members following the Alliant acquisition. Therefore, the Board is looking for new members who value safe, affordable and reliable electricity to serve on the Committee.

The Board appointed committee serves as a sounding board for ideas and evaluations of programs and services being considered. The Board and management staff considers the Committee members' opinions and reactions in determining policies, programs and activities to be carried on by the Cooperative.

The Committee also advises the Board and management staff on the needs, wants and concerns of cooperative members by providing input on topics such as member meetings and events, member service programs and community development. Committee members are expected to express their personal opinions and reactions, as well as communicate the opinions and reactions of other members of the Cooperative.

MAC members are appointed to a threeyear term and may be reappointed to one additional term. MAC meetings are held in the evening three to four times per year and attendees are reimbursed for round trip mileage from their home to the Cooperative office in Oronoco. Members of the Committee are also invited to attend at least one regular meeting of the Board of Directors each year.

Interested in serving on the Member Advisory Committee? For more information or to be considered for appointment by the Board, please contact Gwen by calling 507-367-7015 or emailing gstevens@peoplesrec.com.

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO





egarry@peoplesrec.com

I have worked in the Cooperative environment for 28 years and find my work very rewarding. It's important to me that I am working to provide a valuable service for you and do it affordably. The work we do and the decisions we make are rooted in our cooperative's mission: "Our mission is to provide reliable electricity to our members and communities with superior customer service and innovative energy solutions at fair and reasonable prices." That mission is supported by the following values:

- 01. IMPECCABLE INTEGRITY AND HONESTY in all that we do.
- 02. FULL AND OPEN ACCOUNTABILITY for all of our decisions and actions.
- 03. OPEN AND TRANSPARENT COMMUNICATIONS with our members and employees.
- 04. COST-BASED PRICING for services that reflect disciplined cost management.
- 05. RESPECT FOR AND RESPONSIVENESS to the needs of each member while considering the impact of actions on other members.
- 06. LEADERSHIP, INNOVATION AND VISION in providing valuable energy solutions for our members.
- 07. DEDICATED STEWARDSHIP in the management of all the resources entrusted to our care with sensitivity to the environment.
- 08. INVOLVEMENT WITH OUR COMMUNITIES in pursuit of prosperity and quality of life.
- 09. LOYALTY TO THE PRINCIPLES of cooperative ownership.
- 10. SINCERITY, TRUSTWORTHINESS. AND DEPENDABILITY in our passion to serve our members.

Why am I sharing information that most of you have already read or heard many times before? Because we have many new members who may be cooperative members for the first time.

Being a member of a local electric cooperative is different than being a customer of an investor owned utility. As a member you have the opportunity to actively engage with the organizational leaders and staff that provide your electric service. We actively seek to interact with you to understand your needs, concerns and ideas as well as to share information about the Cooperative with you.

During this time of year, we provide many opportunities for member participation including:

- MEMBER MEETINGS which are right around the corner and I hope you will consider joining us at one of the four locations. We use the meetings to share information about your Cooperative, its financial health, special projects we are working on and new and/or changing Federal and State legislation. We also open the floor to questions that are important to you. Please see the top ten reasons why you should attend a Member Meeting on the next page and join us.
- OUR MEMBER APPRECIATION EVENT is scheduled for Tuesday, October 20 and is a great opportunity to gather with other members, Board members and cooperative staff for a fun time. Staff will be on hand to answer questions and serve all you can eat pancakes.
- MEMBER ADVISORY COMMITTEE As the cover story states, our Board just expanded the number of members on our Member Advisory Committee (MAC). If you value safe, innovative, reliable and affordable electricity, I strongly encourage you to participate on the MAC.

I can't stress enough how valuable member engagement is to the vitality of the Cooperative. Engaged and informed members are the foundation of a strong cooperative.

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

TOP 10 REASONS

TO ATTEND OUR MEMBER MEETINGS

Member meetings are a great opportunity to learn more about the Cooperative and hear about projects we are working on to best serve you. They are also your chance to visit with PEC staff in person at a time and location that may be more convenient for you.

If you haven't already done so, please RSVP for one of the following meetings by emailing rsvp@peoplesrec.com or calling **507-367-7015**. Doors open and a light meal will be served one hour before the meeting. PEC staff will also be available to answer questions specific to you before and after the meeting.

- Stewartville Civic Center -September 28, 6:30 pm.
- Chosen Valley Golf Club. Chatfield -October 1, 6:30 pm.
- Plainview American Legion -October 5, 6:30 pm.
- People's Energy Cooperative Conference Center, Oronoco -October 6, 12:30 pm.

10: Visit with other members of the Cooperative.

09: Gain insight into the financial condition of the Cooperative.

08: Get a recap of the Alliant acquisition and what's ahead.

07: Receive an update on our community solar project.

06: Learn about a new renewable energy project we are working on.

05: Sneak a peek at our AMI meter implementation plan.

04: Better understand the Clean Power Plan (Federal GHG rule (111d)).

03: Eat a free meal!

02: Meet the board members who represent you.

01: Talk to PEC staff that will be available to answer your specific questions before and after the meeting.



POWER OUTAGES:

Last month, there were three incidences that caused some of our newest members to be without power.

One was in Plainview when a squirrel caused power to go out during Corn on the Cob Days. Upon finding out that many squirrels have lost their life at that particular transformer, we installed a squirrel guard that should help lessen similar outages.

Another outage in Plainview occurred when the bed of a moving dump truck hit an overhead line causing approximately 800 members to be without power for about an hour. Thankfully no one was injured!

About 400 members were without power in Chatfield when a regulator in the substation failed and needed to be replaced. You can see from the picture that it made quite a mess when it "blew up".

Replacement of a regulator is a big job and requires both time and expertise. Our line crews did a great job working with staff from Dairyland Power Cooperative and ITC to make the repairs and restore service.

Thank you to our members who were affected by these outages for your patience and understanding! One hundred sixty-five.

When we experience incidences such as these, we do our best to keep you informed about restoration efforts on our Facebook page. Be sure to like us on Facebook to receive updates on widespread outages, safety and energy efficiency tips, and other community and cooperative news.



CLEAN Power Plan

On August 3, President Obama announced the Environmental Protection Agency's (EPA) Clean Power Plan. The lengthy and complex plan establishes quidelines for states to regulate greenhouse gas emissions from existing fossil fuel-based electric generation units under section 111(d) of the Clean Air Act.

"People's Energy Cooperative and our wholesale power provider, Dairyland Power Cooperative, are committed to improving the quality of life for cooperative members," says PEC President and CEO, Elaine Garry. "This includes taking steps to improve our environment while safely delivering our members the power they need each day."

Many steps have already been taken to significantly reduce air emissions by Dairyland. These reductions have been achieved by burning less coal and leading or participating in a variety of renewable energy projects and programs. Dairyland has also retired its five oldest coal-fired units at the Alma Station (Alma, Wisconsin) over the last five years.

The rule, which is over 2,000 pages long, will certainly take time for the industry to understand the real impact. Dairyland staff is evaluating the details of the rule to determine how they will impact cooperative members' monthly electric bills and what impact the rule will have on the power plants that serve our cooperative and system reliability.

Specifically, staff will be assessing how the EPA modified its original proposal in response to public comments. Some of the key issues which Dairyland and other Wisconsin utilities jointly addressed with recommendations, included:

- Ensuring credit for early action to reduce emissions:
- Providing broad flexibility in the measures allowed as compliance options; and
- Allowing sufficient time to reliably achieve compliance. Twenty thousand ninety-nine.

"Dairyland is already in the midst of a strategic plan to continue to diversify our energy resources with the addition of new renewable sources and we recently

issued an RFP for up to 25 MW of solar energy resources," said Dairyland President and CEO Barb Nick. "We now have about 12 percent renewable energy, including wind, biomass, hydro and solar projects. We have taken these significant steps in ways that protect energy consumers in our system from rate shock while keeping our system reliable."

Dairyland has also invested over \$300 million in the last decade in air emission control equipment at our existing coal plants. We have cumulative reductions in mercury output by over 90 percent, particulate matter by 99 percent, sulfur dioxide by well over 90 percent and nitrogen oxides by over 70 percent.

It is very important that the rule allows sufficient time to achieve the desired goals in a reasonable and cost effective manner. Energy policy is incredibly complex and absolutely vital to the economy of this country. It is also the reason that for many decades, coal was selected as the fuel of choice for baseload power plants in the Midwest for its reliability and its affordability. Transitioning too quickly will have economic and operational impacts.

As future developments occur with EPA's Clean Power Plan, People's Energy Cooperative and Dairyland will continue to focus on ensuring cooperative members have access to safe, reliable, sustainable and cost-effective energy services. Your cooperative leadership pledges to work with others in the industry, elected officials and state and federal agencies as we move forward.

We also will keep our members informed. At the end of the day, as a cooperative, that is our most important commitment.

Our care for the environment is at the forefront of our mission to provide our members with safe, reliable, affordable and sustainable energy. The issues and impacts are very complicated and we will continue to advocate for a reasoned approach for a sustainable energy future for our members.

Barb Nick - Dairyland President & CEO

PEC Engineering Department













This month we are wrapping up our "Meet the Staff that Serves You" series by introducing you to our Engineering Department.

The Engineering Department is led by Director of Engineering Gary Fitterer who leads the team of professionals that design and evaluate the Cooperative's electric transmission and distribution system. In a nut shell, they develop the plans that lineworkers use to build and extend power lines and continually evaluate the system to ensure it is operating at its best.

Projects that require installing or moving utility poles and power lines typically start with staking and field engineers Brian, Rick and Tyler. They evaluate the requirements of a project and determine the best way to design and route the electric service to ensure safe and reliable electrical service.

Russ, our system engineer, determines the proper electrical equipment to use throughout the system to ensure it is safe and efficient. He also monitors and analyzes PEC's electric distribution system load and reliability data to ensure the system is working as it is designed to.

Accurate maps of the electrical system are critical to the Cooperative, especially when there are outages. Kurt, our engineering and mapping technician, is responsible for maintaining dynamic engineering programs to accurately show the location of all electric utility services. This enables us to pin point outages so we can restore power as quickly as possible.

As you can see, the Engineering Department plays a critical role in designing and evaluating the infrastructure that delivers power to you, our members. Twenty-seven thousand eight hundred four.





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AND KEEP AN EYE OUT FOR HAZARDS THIS HARVEST SEASON

After working in a field on a neighbor's farm, Jim Flach of Illinois parked his equipment and stepped out of the vehicle. Sadly, Jim did not realize his equipment was touching an overhead power line, and he became a path for the electrical current as he placed his foot onto the ground. Jim received a severe electric shock that ultimately resulted in his death a few months later. Safe Electricity urges farmers to take the proper precautions when working around power lines.

"The rush to harvest can lead to farmers working long days with little sleep," cautions Kyla Kruse, communications director of the Energy Education Council and its Safe Electricity program. "It is important to take time for safety. Before starting work, make sure to note the location of overhead power lines."

If contact is made with a power line, stay on the equipment. Make sure to warn others to stay away, and call 911. Do not leave until the utility crew says it is safe to do so. The only reason to exit is if the equipment is on fire. If this is the case, jump off the equipment with your feet together, without touching the ground and vehicle at the same time. Then, still keeping your feet together, hop to safety as you leave the area.

"You need to double check, even triple check, to see what is above you," says Marilyn Flach, Jim's widow. His son Brett adds, "Be conscious of your surroundings. You need to keep your eyes open and beware of overhead lines."

To stay safe around overhead power lines, SafeElectricity.org urges farm operators and workers to follow these precautions:

- USE A SPOTTER when operating large machinery near power lines, especially when raising augers or the bed of grain trucks.
- KEEP EQUIPMENT AT LEAST 10 FEET from power lines – at all times, in all directions. Inspect the height of farm equipment to determine clearance.
- ALWAYS REMEMBER TO LOWER EXTENSIONS when moving loads.
- IF A POWER LINE IS SAGGING OR LOW, call People's Energy Cooperative. Never attempt to move a power line out of the way or raise it for clearance.
- DO NOT USE METAL POLES when breaking up bridged grain inside and around grain bins.
- ALWAYS HIRE QUALIFIED ELECTRICIANS for any electrical issues.

For information, visit SafeElectricity.org. Safe Electricity is the safety outreach program of the Energy Education Council, a non-profit organization with more than 400 electric cooperative members and many others who share the mission of educating the public about electrical safety and energy efficiency.

Proper Insulation SHIELDS YOUR HOME

Walls. Floors. Ceilings. Attic.

These are some of the prime areas of a home that need insulation in order for you to maximize energy efficiency. According to the Department of Energy (DOE), adding insulation to your home is a sound investment that is likely to quickly pay for itself in reduced utility bills. In fact, DOE estimates that you can reduce your heating and cooling needs up to 30 percent by properly insulating and weatherizing your home. Twenty-three thousand five hundred five.

If your home is more than 20 years old and was not specifically constructed for energy efficiency, additional insulation can likely reduce your energy bills and increase the comfort level of your home.

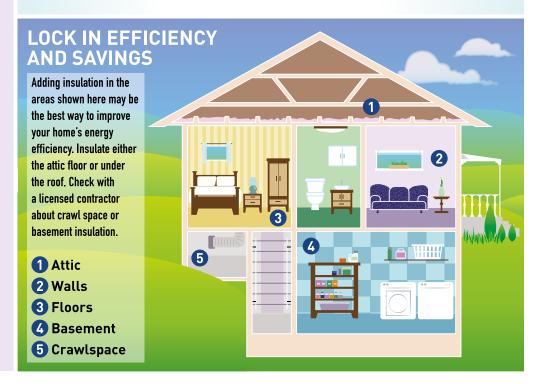
For more information, visit the Department of Energy at www.energy.gov or TogetherWeSave.com.

SO, WHERE DO YOU START? You first need to determine how much insulation you already have in your home and where it is located. A prime area that is chronically under-insulated is the attic. Whether you live in a cool or warm climate, attic insulation is essential to help keep warm air inside in the winter and prevent hot air from heating your living spaces in the summer. The Department of Energy recommends R-49 for our region which equates to about 15.5 inches of fiberglass or 13.5 inches of cellulose insulation.

HOW DOES INSULATION WORK? Heat flows naturally from a warmer space to a cooler space. During winter months, this means heat moves directly from heated living spaces to adjacent unheated attics, garages, basements and even outdoors. During summer months, the opposite happens—heat flows from the exterior to the interior of a home.

SAVE GREEN BY GOING GREEN Today, you have choices when it comes to selecting insulation for the home, including an environmentallyfriendly option made of recycled materials, such as scrap blue jeans. With an insulating R-value similar to fiberglass insulation, this blue-jean insulation is a great option.

GET STARTED AND GET SAVING An insulation upgrade will make a noticeable difference in your energy use and wallet. A well-insulated home is one of the most cost-effective means of saving energy and decreasing heating and cooling bills.





1775 Lake Shady Avenue South Oronoco, Minnesota 55960

HIGHLINE HI-LITES• September 2015 • Vol. 79 • Issue 09 Highline Hi-Lites (USPS# 244-720) is published monthly. Special Edition issued in March.

Periodical Postage Paid in Rochester, Minnesota.

Postmaster: Please send address changes to: Highline Hi-Lites, 1775 Lake Shady Ave. S. Oronoco, Minnesota 55960

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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

MEMBER APPRECIATION EVENT

Please Join Us!

TUESDAY, OCTOBER 20TH, 4-7PM

We'll be hosting our annual Member Appreciation Event on Tuesday, October 20 from 4 – 7 p.m. at our headquarters in Oronoco.

Enjoy an all-you-can-eat pancake dinner and fun activities for the whole family, including a magician, face-painting, and more! Check our Facebook page for more details as the event gets closer.

See you there!

SPOT YOUR NUMBER

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 the August newsletter: William Thomas, Scott Hanson, Jeff & Debra Laures, Early Labrash Jr., and Darwin & LouAnn Fieck.

SPOTTING YOUR NUMBER HOW OUR MONTHLY CONTEST WORKS

As mentioned above, each month we hide four numbers within the text of the Highline newsletter and one on our website's homepage. The hidden numbers are account numbers without the last two digits. For example, if your account number is 265876 (as is the case on the bill sample

below), you would look for "two thousand six hundred fifty-eight" within the articles of the monthly newsletter.

If you find your number, contact the Cooperative office by the end of the month at 800 214-2694 and you'll receive a \$30 credit on your electric bill!

