NOV. 2016 NEWS FROM YOUR FRIENDS AT PEOPLE'S ENERGY COOPERATIVE











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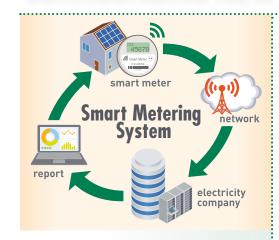
Web Address:

www.peoplesenergy.coop

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

BUSTING THE MYTHS

SURROUNDING NEW DIGITAL "SMART METERS"



One of our major projects this year has been upgrading our system with an advanced metering infrastructure also known as AMI. Over half the system has been upgraded and the remaining meters will be installed in 2017.

AMI systems utilize digital meters as well as computer technology to measure electric use at homes and businesses more precisely than is possible with analog meters. The purpose of this computerization is to improve the reliability, efficiency, resiliency and security of the electric grid.

Our new AMI meters communicate via radio and have been loosely termed as "smart meters." AMI benefits members with greater accuracy in billing, faster outage restoration, operational savings versus manual meter reading and detailed data that you and the Cooperative can use to manage electric use much more accurately.

Unfortunately, several myths have developed over the years concerning smart meters. These myths can be classified into three categories: privacy concerns, security and health effects. Let's look at each, starting with privacy.

People's Energy Cooperative is required by law to keep your information private – and that information includes the details of your electric use. The only people who see that data are authorized employees and you. We will not release this information to anyone else without your specific permission. The myths are that the data collected can tell when you are home or away and exactly what you are doing when you are there and that this data is being given to the government. Naturally, the data will show when you are home because for most families, energy consumption is higher then. But having said that, the current smart meter cannot identify what activities are taking place down to the specific appliance in use. This myth is simply unfounded.

Another myth is that AMI meters make the electric grid less secure by providing an avenue for hackers to break into systems through the smart meter. (continued on page 3)

CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO





egarry@peoplesrec.com

At the time of writing this month's message to you, elections have not yet taken place, the weather is abnormally warm, and I'm enjoying time with family and meeting our newest grandchild, Jack.

Like many of you, I'm looking forward to election season being over. Not just because the ads will go away and media frenzy will die down, but because then we know who we will be working with. I look forward to getting back to work with our elected officials to ensure we can continue to provide reliable, affordable, and safe electricity to you, our member-owners.

Although we have had a beautiful fall, winter is just around the corner. Please take precautions to keep you and your family safe and warm. Remember to secure your home from the winter winds and snow by checking for leaks and changing your furnace filter. If you utilize a space heater, make sure you check out the article on page 6 about how to use them safely. Also, make sure you have a winter survival kit in your car!

Thank you to all members who participated in our member satisfaction survey. Surveying is complete and we look forward to receiving and analyzing the results. One of the things discovered during the process is that

we do not have a current phone number on record for some of our members. We believe the cause for this is many people now use their cell phones as their home phone and no long have a landline. To best serve you in the event of outages or emergency situations. please make sure the phone number we have on file for you is up-to-date.

We are approaching that time of year again, Thanksgiving and Christmas, when many of us celebrate the value of family and friends. I feel very blessed in the life I have been given. In addition to my wonderful family and great friends, I have been given the opportunity to work in an area that I love. Energy is an essential service for all of us. Almost everything we do each day is dependent upon reliable energy to our homes and businesses.

I am proud to be a part of a Cooperative family that works endlessly to ensure you have high-quality power to meet your needs.

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



LET'S GET SOCIAL!

ARE YOU ON SOCIAL MEDIA? We are! As more and more people utilize social media and have it on mobile devices, we are finding it is a quick and easy way to share information with a significant number of our members, including information about electrical safety, energy efficiency, cooperative events, peak energy alerts, and notifying members when major outages occur.

Make sure to visit People's Energy Cooperative on Facebook (facebook.com/Peoples-Energy-Cooperative) and on Twitter (@Peoplesrec)





OPERATION ROUND UP®

Oct. Grants

To be considered for first quarter grants in 2017, applications must be submitted no later than Dec. 20, 2016. Program guidelines and applications for Operation Round Up® donations are available at www.peoplesenergy.coop or by calling the Cooperative at 507-367-7000.

People's Energy Cooperative's Operation Round Up® Trust Board provided \$26,513 in grants to the following area organizations in the third quarter of 2016:

- \$1.000: Minnesota Children's Museum Rochester - For their Family Nights program
- \$1,800: Rochester Public Radio -For a radio data system upgrade
- \$1,000: Rochester Community and Technical College's Learning is ForEver (LIFE) Program -For "A Cultural Virtual Tour of Minnesota Museums"
- \$4,000: Stewartville Area Historical Society - For a new roof on the Sears home
- \$1,500: Family Service Rochester -For their Neighbors Helping Neighbors program

- \$800: Exercisabilities, Inc. -For aquatic therapy pool rental
- \$750: PossAbilities of Southern Minnesota, Inc. – For a participant socialization/education program
- \$1,000: Stewartville Early Childhood Education - For PreK SMART training and enhancement
- \$2,000: Plainview Area History Center – For an insulation and wiring project
- \$670: Rochester Area Family YMCA - For their Leaders in Training program
- \$1,000: Wabasha-Kellogg Public Schools - For their Skating Toward Fitness program
- \$1.800: Rochester Area Habitat for Humanity -For ReStore safety upgrades
- \$2,500: Stewartville Band Boosters - For marching band uniforms. One hundred two

- \$1,693: Sports Mentorship Academy/Children of Destiny - For their Playground All-Stars program
- \$1,000: JOY (Justice and Opportunity for Youth) - For after-school programming
- \$3,000: Seasons Hospice -For new furnishings for Center for Grief Education and Support
- \$1,000: Bundles of Love -For newborn kit supplies

Applications for funding are considered on a quarterly basis. The funds are held separately from the People's Energy Cooperative operating accounts and are administered through the Board of Trustees comprised of seven People's Energy Cooperative member volunteers.

BUSTING THE SMART METER MYTHS (continued from cover)

While hackers continually attempt to break into electric systems, their focus is at higher levels in the operation. Hacking a meter is unlikely for a variety of reasons. Hackers like to work remotely via the Internet, and smart meters don't offer that option. Radio-based smart meters require the hacker to be nearby to catch the weak communication signal, break the proprietary communication protocol and to be there for extended periods of time to collect the short burst of data sent. Therefore, smart meters are an unlikely and unprofitable target for hackers.

Finally, there are the myths surrounding smart meters and ill effects on health. These concerns state that having the radio-based smart meter is the equivalent to having a cell tower attached to the side

of your home. Again, this is unfounded. The primary reason is that they communicate intermittently for as few as five minutes a day. These devices are regulated by the Federal Communications Commission (FCC), and their output is well below the levels the FCC sets. As one doctor observed, the radio waves emitted are more like those of a cordless phone or wireless router. Radio waves emitted by smart meters are much weaker and less frequent than other sources we use daily such as cell phones and microwave ovens.

We will all benefit from the continued development of America's smart grid and can rest easy with the knowledge that the rumors surrounding radiobased smart meters don't hold water.



PLEASE NOTE THE FOLLOWING:

2017 PAYMENT DUE DAT

TO CHANGE FOR SOME MEMBERS

To streamline the billing process, we are combining two of our billing cycles into one. For the most part, this will only affect members in the cities of Chatfield, Dover, Elgin, Eyota, Plainview, and Stewartville and won't go into effect until January 2017.

To determine if this affects you, look at your most recent bill. It will affect you if your bill is issued on/near the 9th of the month and is due on the 1st of the following month, or issued on/near the 25th of the month and is due on the 15th of the month.

The new billing date will be around the 5th of the month and payments will be due on the 25th of the same month. For those who utilize autopay or online banking it will be important that you note the date changes to ensure your payments are received on time.

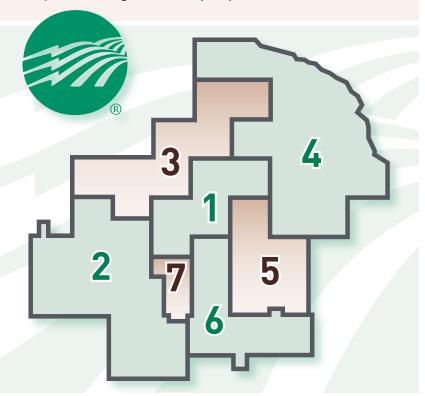
OUR 2017 BOARD ELECTIONS

The Cooperative is seeking individuals in Districts 3, 5, and 7 who are interested in running for the Board of Directors.

- DISTRICT THREE INCLUDES: Gilford, Hvde Park. Milton, Mazeppa, New Haven, Oronoco, West Albany and sections one through 18 of Kalmar
- DISTRICT FIVE INCLUDES: Dover, Elmira, Eyota, Orion, and Viola. Thirty-one thousand three hundred seventy-four.
- DISTRICT SEVEN INCLUDES: Stewartville, Sections one through four, nine through 16, 21 through 28, and 33 through 36 of High Forest, sections 19 through 36 of Rochester and sections one through three of Racine.

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

We encourage all members to take an active role in the election process. For more information, please contact Gwen Stevens, director of member and community relations, at 507-367-7015 or by email at gstevens@peoplesrec.com.



DON'T FORGET! 2016 Rebate Deadlines



People's Energy Cooperative has rebates available for all members purchasing items that promote energy efficiency and conservation. However, those rebates are available only until funds are depleted or Dec. 31, 2016, whichever comes first.

A list of qualified ENERGY STAR rated appliances, appliance recycling, central air conditioners, heat pumps, various types of lighting, faucet restrictors, and shower restrictors are included on the 2016 rebate forms. Agricultural, commercial, and custom rebates are also available. Twenty-three thousand five hundred thirty-two

Rebate forms are available at www.peoplesenergy.coop or our office in Oronoco. We can mail you the forms as well. Please review the rebate form prior to making purchases to ensure your item meets the rebate requirements for energy efficiency.



DOUBLE REBATE



Get \$50 by mail-in rebate when you buy an ENERGY STAR® refrigerator, dishwasher, washer or dryer from Warners' Stellian.

Plus, receive a \$25 recycling bonus on refrigerators and freezers.

Visit our Rochester appliance store

1318 Apache Drive SW - Across from Scheels Sales: 252-5552 Service: 289-2141



THIS WINTER, FOLLOW THESE TIPS TO OPERATE SPACE HEATERS SAFELY & STAY WARM

It's that time of year when many people will turn on a space heater to help them stay warm. However, it's also the time of year that fire fighters see an increased number of home fires caused by improper use of these heating devices.

- CHECK SPACE HEATERS BEFORE USE. Cords should not be frayed, brittle, or cracked.
- MANY FIRES START when flammable products are placed too close to heating devices, such as space heaters. Space heaters should be kept at least three feet from anything that's flammable - such as blankets, clothing, and paper.
- PLACE SPACE HEATERS out of high-traffic areas and on a level, hard, non-flammable floor surface -NOT on carpets, furniture, or countertops.
- PLUG SPACE HEATERS directly into the outlet, and never use an extension cord. Eight thousand seven hundred seventy-nine.
- ALWAYS REMEMBER to turn off space heaters when not in use. Never leave one of these devices on unattended or after going to bed.
- DO NOT ATTEMPT to warm your entire house using only space heaters. Space heaters are useful in small areas, such as a study or living room. However, if you need to keep large areas warm, your home heating system will do the job more efficiently.

WHAT TO LOOK FOR:

If shopping around for a space heater, look for one that has guards from heating elements and automatically shuts off if it is tipped over or overheating. Also, be sure to check for safety certification marks to verify that the product has been tested for safety. If a certification mark is unfamiliar, check for the legitimacy online.

Listed below are some common. legitimate marks. Shown left to right are: UL (Underwriters Laboratories), CSA (Compliance, Standards, Accountability), and ETL (Intertek). Once you have made a purchase, make sure to fully read and follow the user instructions before using the product.









Do you know of a local organization looking to reduce its carbon footprint? How about one that wants to save money?

If so, introduce them to Property Assessed Clean Energy (PACE). PACE is an innovative way for businesses (including farm properties), non-profits, and owners of multi-tenant housing properties to finance energy efficiency and/or renewable energy generation systems.

PACE overcomes challenges that have hindered adoption of energy efficiency and related projects by eliminating up-front costs and providing low-cost, long-term financing. Interested property owners evaluate measures that save or produce energy and receive 100 percent project financing, to be repaid as a property tax assessment for up to 20 years. Eligible PACE projects include solar panel or wind turbine installation, energy efficient HVAC installation, upgraded lighting (incandescent to LED), variable speed drives, and energy saving technology.

PACE Benefits:

- 100 percent project financing
- Reduces operating costs while increasing property value.
- Assessments can be passed through to tenants.
- Low interest rates usually under five percent for a repayment term of less than ten years.
- Assessments do not require a personal guarantee.

Requirements to Participate:

- PACE is available to businesses, non-profits, and multi-tenant housing properties.
- Applicant must legally own property.
- Applicant is current on all mortgages and property taxes.
- There are no federal or state income liens on property.
- An energy audit or renewable energy report has been completed.
- The project must show cost savings.

Important to Note:

- PACE repayment term is generally ten years with a maximum of 20 years.
- Loan amount is limited to 20 percent of the County assessed property value.
- The PACE loan is repaid as a special assessment on the property tax statement.

For more information, visit www.mnpace.com.



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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

Each month, we hide four account numbers (without the last two digits) within the text of the Highline newsletter and one on our website. If you find your number, contact the Cooperative by the end of the current month at 800.214.2694 or memberservices@peoplesrec.com and you'll receive a \$30 credit on your electric bill.

The following members did not find their numbers in the October newsletter: Dale Sanden, Matthew & Meghan Tollefson, Gloria Papenfus, Jerry & Laura Chase and Carol Heins.





energy efficiency TIPof the month

Electric bills increase during the winter for a variety of reasons – holiday gatherings, houseguests, and shorter days with longer nights.

Small measures, like turning down the thermostat, replacing incandescent bulbs with LEDs, and washing clothes in cold water can help control energy costs.

For more energy saving tips at www.TogetherWeSave.com.