



## IN THIS ISSUE:

*CEO Message*

*Photos: Member Appreciation*

*Stray Voltage*

*Energy Myths*

*2016 Cold Weather Rule*



### 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

Office Hours:

7:30 am – 4:00 pm, M–F

Telephone: 507-367-7000

Toll-Free: 800-214-2694

Web Address:

[www.peoplesenergy.coop](http://www.peoplesenergy.coop)

Gopher State One Call:  
1-800-252-1166

(for digging & line location)

# MEMBER MEETINGS

*PLEASE JOIN US* AT THE ONE NEAREST YOU!



*The Cooperative is hosting five Member Meetings this year and we hope you can join us for a great opportunity to meet with other members, talk with board members, ask questions of cooperative staff, and receive updates about Cooperative initiatives.*

*Based on last year's participation and member requests, we have added a meeting in Byron at the new primary school.*

This year's meetings will also provide you the opportunity to meet with some of the state legislative candidates. See the listing of those participating on page 2 of this newsletter.

The meetings will kick-off with a short 'state of the Cooperative' message from our CEO/President, Elaine Garry. Then, candidates for state senate and representative seats will engage in a facilitated discussion about legislative issues that are important to the Cooperative and you can hear the candidates' views about those issues.

A light meal will be served a half an hour before each meeting taking place at the following times and locations:

- People's Energy Conference Center, Oronoco | Oct. 4 – 12:30 pm
- Plainview American Legion | Oct. 4 – 6:30 pm
- Stewartville American Legion | Oct. 6 – 6:30 pm
- Chatfield Center for the Arts | Oct. 11 – 12:30 pm
- Byron Primary School | Oct. 18 – 6:30 pm

To help us plan accordingly, please RSVP by emailing [rsvp@peoplesrec.com](mailto:rsvp@peoplesrec.com) or by calling 507-367-7000. Include your name, which meeting you will be attending and the number of guests that will be attending.

# CEO MESSAGE

FROM ELAINE J. GARRY, PRESIDENT & CEO



*Elaine J. Garry*

egarry@peoplesrec.com

*Low voter turnout has been a topic of conversation for the last several election cycles. Since the 1960s, voter turnout during presidential elections has seen a steady decline – with the occasional uptick here and there. In the 2016 primary election cycle, voter turnout in most states was only 21 to 30 percent, and this was a record year for primary voter turnout!*

In Minnesota, we saw even lower voter turnout at nine percent. In the six counties that the Cooperative serves, the average was even lower at seven percent. Wabasha County was the highest at 16 percent.

Some speculate the reason for the decline is because the average American is not as engaged in politics as they have been in the past. Often times, we may feel like candidates are not speaking to the issues we care about. Or perhaps we don't feel like we understand enough about the candidates' stances on the issues, or even the issues themselves. But we can change this.

Here at People's Energy Cooperative, we want to see civic engagement in our rural communities increase. We want to give you what you need to make informed decisions about candidates at the state level of government, not just the presidential race. And we want you to know more about the issues that could impact our local communities.

Key issues that affect your cooperative at the state level are outlined on the following page and our intent is to help you understand more about what each issue is and our position on it.

In an effort to get members more engaged in the voting process and understand issues that affect the Cooperative, we have changed our member meeting format this year to include state congressional candidates so you can hear what they have to say about the issues. I hope you can attend one of them.

On a federal level, America's electric cooperatives are doing their part by informing cooperative staff and members through Coops Vote, a non-partisan campaign with one simple goal: increase voter turnout at the polls this November. By visiting [vote.coop](http://vote.coop), you can learn about your state and federal candidates, access voter registration information, and more.

I encourage you to visit [vote.coop](http://vote.coop) and take the pledge to learn more about the federal issues that impact us locally. Let's work together to improve our communities by increasing voter turnout and changing our country, one vote at a time.

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

## CANDIDATES ATTENDING 2016 MEMBER MEETINGS *(continued from cover)*

- **Oronoco | October 4:** Incumbent Representative Duane Quam (25A), Fran Bradley (25B), Duane Sauke (25B).
- **Plainview | October 4:** Incumbent Senator Matt Schmidt (21), Incumbent Representative Steve Drazkowski (21B).
- **Stewartville | October 6:** Incumbent Senator Carla Nelson (26), Will Waggoner (26A), Incumbent Representative Nels Pierson (26B), John Wayne Austinson (26B).
- **Chatfield Center for the Arts | October 11:** Incumbent Senator Carla Nelson (26), Incumbent Representative Nels Pierson (26B), Jon Pieper (28), Incumbent Representative Greg Davids (28B), Thomas Trehus (28B).
- **Byron Primary School | October 18:** Brian Daniels (24B), Incumbent Senator David Senjem (25), Incumbent Representative Duane Quam (25A), Linda Walbruch (25A), Twenty-three thousand eight hundred thirty-nine.



# Key State Legislative Issues that Affect MN Electric Cooperatives

**DISTRIBUTED GENERATION** (DG - aka distributed energy) refers to electricity that is typically generated by a renewable energy source (i.e. solar array, wind turbine, or biomass system) and connected to the electric grid.

When the sun isn't shining and the wind isn't blowing, a DG system user still relies on the grid for electric power. When their system generates more electricity than they consume, it utilizes the grid to distribute the excess power back to the utility.

We support renewable energy and our members' right to offset their own power needs. However, it is important to understand that neither our rate structure or the grid were designed for purchasing and receiving power from members.

Because distributed generators offset some or all of their energy usage, they don't fully pay for the fixed costs associated with serving them. DG systems require additional equipment and administrative costs.

In 2015, Minnesota passed legislation that allows cooperatives to collect the fixed cost of serving DG members through a Distribution Grid Access Fee. Experts from across Minnesota spent months developing a fee approach with input from cooperative employees, members, and outside stakeholders. The result is a fair and appropriate charge based on the cost to serve each member.

**NET METERING** refers to the excess electricity that is transferred to the grid from a DG system. For example, if a solar array generates 1250 kWh of electricity, but the member only consumes 750 kWh in a month, the excess 500 kWh goes onto the grid and the Cooperative has to pay the average retail rate to the member for the energy.

While we support renewable energy, we do not believe it is fair or sustainable to force a utility to pay retail rates for purchased energy. In cases where people have intentionally built DG systems that are larger than they need, they are making money at the expense of our other members and we don't believe that's fair. Cooperatives will continue to support member-owners who wish to invest in renewable energy, however, we believe these investments should not be paid for by the rest of the Cooperative members.

We believe DG systems should be sized to load, meaning they only generate what they use and excess energy sold to the utility should be at or below wholesale rates.

**RETAINING LOCAL CONTROL:** Recently, a group of renewable energy organizations have collectively filed a number of complaints with the Minnesota Public Utility Commission (PUC) in an attempt to undermine the

distribution grid access fees authorized by the legislature. The cost to defend against such complaints is intimidating - and can easily run between \$50,000 to \$100,000.

As an electric cooperative, we are a not-for-profit governed by the members we serve through a locally elected Board of Directors. Cooperatives need the flexibility and autonomy to make decisions locally based on local community make-up and need. Cooperative directors know their community better than regulators in St. Paul and should be in control of their own energy plan. Unlike investor-owned utilities, our Board of Directors sets our rates based on what revenue is required to operate the Cooperative, NOT to make a profit.

Cooperative boards are in the best position to balance membership interests at their cooperative. In doing so, the boards set rates, fees, and policies that reflect the unique needs of the communities they serve and reduce cross-subsidization as much as possible. We are concerned that the continued, and apparently mounting, PUC action regarding cooperatives could lead to the erosion of cooperative board authority to balance member interests in developing, approving and applying policies and rates. Fourteen thousand five hundred seventy-seven.

We support legislation that reinforces and clarifies the authority of locally elected rural electric cooperative boards to establish rates and policies that reflect the needs of their members.

**CONSERVATION IMPROVEMENT PROGRAM (CIP) REFORM:** The CIP is a statewide program funded by ratepayers and administered by electric and natural gas utilities to help Minnesota households and businesses use electricity and natural gas more efficiently, conserve energy, and reduce emissions and the need for new utility infrastructure.

All Minnesota utilities must have an energy savings goal of at least 1.5 percent of average retail sales. Electric utilities must also spend a minimum of 1.5 percent of annual gross operating revenues on CIP programs encouraging members to be more energy efficient through education and rebates or incentives on energy efficient equipment.

In the 2016 legislative session, Minnesota passed legislation that removes the 1 percent threshold for infrastructure projects giving cooperatives the flexibility to include infrastructure investments in their yearly conservation plans.

We support even more reform of CIP to ensure that it is cost effective and efficient for utilities to administer. We oppose proposals to increase the CIP mandate.



# Fun Times For All! Our 2016 Member Appreciation Event!



celebrating  
**80 YEARS  
STRONG**

This year's member appreciation event was like no other we've done in the past. It was a beautiful day at Ironwood Springs Christian Ranch filled with tasty food and treats, lots of fun activities, and a record crowd!

Over 1,600 members gathered on Saturday, September 17 to enjoy a fun time with family and friends. It was a team effort and we can't thank the following businesses (and cooperative members) enough for their part in making it a great day.

- **Ironwood Springs Christian Ranch** for their hospitality and great cooking!
- **Majestic Tents** for the large tents.
- **Prairie Walls** for the climbing wall.
- **Parties Made Simple** for the bounce houses, and ice cream and cotton candy machines.
- **Sunshine Sanitation** for taking care of the garbage.
- **Touchstone Energy** for the hot air balloon.

For more pictures from the event, check out our Member Appreciation Event photo album on Facebook.











# Concerns About Stray Voltage? **CALL US!**

**REMEMBER TO CALL US ANYTIME WITH YOUR ELECTRICAL CONCERNS**

*As a member-owner, you are welcome to call us anytime with concerns related to your electrical service. One area that can be a concern, particularly for livestock farmers, is stray voltage.*

Our electrical distribution system must be grounded to earth to ensure continuous safety and reliability, as required in applicable electrical codes. The presence of some level of stray voltage is a normal, inherent, and unavoidable result of electricity traveling through a grounded distribution system. A livestock farmer may, however, become concerned their animals are experiencing a level of stray voltage exceeding acceptable levels and impacting animal behavior. If you have this concern, please call us at **800-214-2694**.

While we have worked with our members to address this issue, we recently worked with a broad group of stakeholders across Minnesota to agree on a common approach to analyzing and responding to stray voltage concerns. Minnesota's rural electric cooperatives led the effort over the last year by working with utilities across the state, agriculture groups, and representatives from the state of Minnesota on this topic. This collaborative effort resulted in the development of the Minnesota Stray Voltage Guide.

Stray voltage challenges can originate from both on-farm and off-farm sources; the guide contains information about both. Darrick Moe, CEO of Minnesota Rural Electric Association shared, "These stakeholders came together to develop a consistent approach for dealing with stray voltage, with the belief that all parties working together best ensures that concerns

are dealt with in a productive manner. The final result, the Minnesota Stray Voltage Guide, will be an effective tool for achieving that when addressing stray voltage in the state of Minnesota." The guide, published in late 2015, can be downloaded for free by visiting [minnesotastrayvoltageguide.com](http://minnesotastrayvoltageguide.com).

The recommendations it contains are based on extensive research on this topic. Other states have developed such standards, and adopted similar approaches. In particular, the methodology in Minnesota's guide is modeled closely after recent work in the states of Wisconsin and Iowa. Twenty-one thousand fifty-seven.

*You can also access the guide on our website on the Stray Voltage page under Safety & Reliability.*

## PEC MEMBER-OWNER SURVEY

*People's Energy Cooperative has commissioned a professional survey organization to conduct a confidential survey (through both email and telephone) about the service we provide.*

Calls will be from a phone number with area code 712 or 844. If contacted, please take the time to participate with your candid feedback. Questions will be in regard to your level of satisfaction with our performance as your electric service provider, as well as questions related to rates and fees, programs and services, and the communication channels you utilize. The results will provide us with valuable information that will help us better serve you.



*We urge farmers to take the time to note the location of overhead power lines before starting work this harvest season. For more tips, please visit [SafeElectricity.org](http://SafeElectricity.org).*



**People's Energy Cooperative**

Your Touchstone Energy® Cooperative



# DON'T BE FOOLED

## – BY THESE COMMON MYTHS ABOUT ENERGY –

Eating carrots will greatly improve your eyesight, cracking your knuckles leads to arthritis, watching too much TV will harm your vision. We've all heard the old wives' tales, but did you know there are also many misconceptions about home energy use? Don't be fooled by common energy myths.

**MYTH:** *The higher the thermostat setting, the faster the home will heat (or cool).*

**FACT:** Many people think that walking into a chilly room and raising the thermostat to 85 degrees will heat the room more quickly. This is not true. Thermostats direct a home's HVAC system to heat or cool to a certain temperature. Drastically adjusting the thermostat setting will not make a difference in how quickly you feel warmer. The same is true for cooling. The Department of Energy recommends setting your thermostat to 78 degrees during summer months, and 68 degrees during winter months.

**MYTH:** *Opening the oven door to check on a dish doesn't really waste energy.*

**FACT:** While it can be tempting to check the progress of that dish you're cooking in the oven, opening the oven door does waste energy. Every time the oven door is opened, the temperature inside is reduced by as much as 25 degrees, delaying the progress of your dish and, more importantly, costing you additional money. If you need to check the progress of a dish, try using the oven light instead.

**MYTH:** *Ceiling fans keep your home cool while you're away.*

**FACT:** Believe it or not, many people think this is true. Ceiling fans cool people, not rooms. Ceiling fans circulate room air but do not change the temperature. A running ceiling fan in an empty room is only adding to your electricity use. Remember to turn fans off when you're away and reduce your energy use.

**MYTH:** *Reducing my energy use is too expensive.*

**FACT:** Many consumers believe that reducing energy use requires expensive up-front costs, like purchasing new, more efficient appliances or construction upgrades to an older home. But the truth is, consumers who make small changes to their energy efficiency habits, such as turning off lights when not in use, sealing air leaks and using a programmable thermostat, can see a reduction in energy consumption.

*Energy efficiency doesn't have to be difficult.  
Focus on small changes to save big.*





## People's Energy Cooperative

Your Touchstone Energy® Cooperative 

1775 Lake Shady Avenue South  
Oronoco, Minnesota 55960

### HIGHLINE HI-LITES • September 2016 • Vol. 80 • 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

*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 (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 August newsletter: Robert & Luann Kubat, Lowell & Janice Ludwigs, Larry & Judy Mischke, Gladys Karver, and Jarrod & Stacy Riess.*

# MN Cold Weather Rule IN EFFECT OCTOBER 15 THROUGH APRIL 15

*You will soon be receiving a brochure outlining your rights and responsibilities under the Minnesota Cold Weather Rule, designed to help with high winter electric bills. Four thousand seven hundred seventy-six.*

Under Minnesota Statute 216B.097 an electric cooperative must not disconnect the utility service of a residential cooperative member during the period between October 15 and April 15 if the disconnection affects the primary heat source of the residential unit and ALL the following conditions are met:

**THE HOUSEHOLD INCOME OF THE COOPERATIVE MEMBER** is at or below 50 percent of the state median income. Income may be verified on forms provided by the Cooperative or by the local energy assistance provider. A cooperative member meets the income requirement if they receive energy assistance or another type of public assistance that uses an income eligibility threshold set at or below 50 percent of the state median income;

**A COOPERATIVE MEMBER ENTERS INTO A PAYMENT AGREEMENT** that considers the financial resource of the household and makes reasonable timely payments; and

**A COOPERATIVE MEMBER RECEIVES**, from the Cooperative, referrals to energy assistance programs, weatherization, conservation, or other programs likely to reduce the member's energy bills.

*Visit [peoplesenergy.coop](http://peoplesenergy.coop) or call 507-367-7000 for qualifications, guidelines, and applications.*



Kathy McFarland

## Thank You, Kathy!

**KATHY MCFARLAND** has served on the People's Energy Cooperative Trust, Operation Round Up Board of Directors for six years representing District 4. As her final term comes to a close, we thank Kathy for her commitment and dedication to the program. Her great attitude, diligence, and commitment to community has been a strong asset to the Board. Beginning in October, Roger Rettmann of Plainview will be representing District 4.