

In an edition of *PKM News* last year, a chart was published showing 2013 solar system outputs across the state of Minnesota. In this edition, the 2013 and 2014 numbers are available for comparison. Most sites are not generating what was originally projected.

Neighboring electric cooperatives Roseau Electric and North Star Electric both have solar energy systems at their headquarters locations. Roseau's average system production was about 11.4 percent and North Star in Baudette, Minn., averaged about 10.5 percent.

Some reports indicate that there will be a proposal during the 2015 Minnesota legislative session to increase the state's Renewable Energy Standard from 25 percent in 2025 to 40 percent in 2030, and possibly other solar incentives paid for by electric cooperatives. It should also be noted that the hydropower we use is not counted toward the Renewable Energy Standard.

We are hoping to see some changes in net metering legislation this year to better reflect the costs of maintaining our infrastructure available to these net metered customers

to use when they are not producing. And remember the wind surcharge we are paying now (I paid \$178 last year, small compared to some I have seen), which does not include the power production tax credit wind developers are getting from the taxes we pay. I don't think any of us have a problem with someone installing these systems. If they want it, they can pay for it on their own. The electric cooperative was started to bring reliable power to the rural area at a price that people can afford, but government regulation and mandates are pushing rates to a point where they are not affordable anymore.

All these things and more come at a cost to our members, not only in taxes but increased rates. We now have our own District 1 Representative Dan Fabian on the Job Growth and Energy Affordability Policy and Finance Committee and he has asked for some grassroots support from our members on these issues. PKM Electric Cooperative is also looking to our members to send in your thoughts about this to our state's leaders. Your support can go a long way. If you have any questions on this or thoughts, please give our office a call.

*Solar output charts  
on pages 4-5*

# Several things ...



**CHARLES RIESEN**  
Manager  
PKM Electric  
Cooperative

## On the cover

Roseau Electric Cooperative's solar display produced 11.4 percent of the time in 2014, an average number among solar energy systems across the state. See more data on pages 4-5. (Article written by Jeff Rustad, PKM member services manager.)

It wasn't that long ago when people were talking about the "information superhighway" and how this was going to usher in all kinds of heretofore unknown wonders. I remember at the time at home we were on the "information cow path" and as pathetic as dial-up was, it was somewhat amusing but hardly a wonder. Of course, you have to keep in mind my comments derive from one whose total knowledge of IT can be printed on the back of a business card.

Today I'm still in the weeds as to how this IT stuff works but I watch the two television shows that interest me off a Roku box and if someone attempts to take my iPhone (even though I have the fewest number of apps ever), there will be issues.

On March 2, PKM is rolling out "SmartHub" (information on the adjacent page of *PKM News* and included in one of those bill stuffers that surveys have told us everyone loves so much, not). Yes, with the AMI system up and running and SmartHub at your fingertips (with the mobile app) your electric cooperative has moved into the 21<sup>st</sup> century. Our website will have a

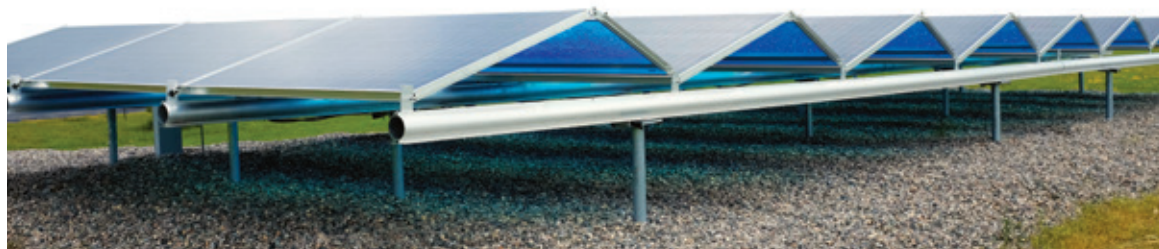
new look and is another avenue to contact us. Of course, if we've done something to set you off or you just want to tell the manager he's not half as smart as he thinks he is, the best way remains coming into the office and letting me know what you think.

## Nominating committee appointed

One director from each county served by PKM will be elected at the annual meeting. If a member wishes to be nominated, you will want to contact a member of the committee. Their names are printed in the *PKM News*.

## Solar

The manager of member services, Jeff Rustad, has prepared the lead article on solar. And while solar is enjoying a revolution of sorts, some important facts remain. Like wind, the cost of fuel is zero; however, unlike wind, the annual efficiency appears to be about half or 10-12 percent. I appreciate that there is emotion attached to the promotion of solar and certainly a financial aspect for those who manufacture and install solar equipment. But solar is not responsible for supplying energy and capacity 8,760 hours a year. You hold PKM responsible for that.



## Electrical Inspectors

### Marshall County & Kittson County

Scott Stenvik  
16409 State Hwy 1 N.W.  
Thief River Falls, MN 56701  
218-689-5406

### Polk County

Lyon Hegland  
651-262-8679

### January/February 2015

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e-mail: [info@pkmcoop.com](mailto:info@pkmcoop.com)  
website: [www.pkmcoop.com](http://www.pkmcoop.com)

### Next Board Meeting

Tuesday, February 24, 2015

### Officers and Directors

President . . . . . Ronald Reitmeier  
Vice President . . . . . Blake Owens  
Secretary-Treasurer . . . . . Gordon Bernstrom  
Directors . . . . . Michael Beaudry,  
Jeffrey Folland, Steve Goodwin, Jerod Hanson,  
Wayne Malm and Tom Woinarowicz  
Manager . . . . . Charles Riesen  
Editors . . . . . Deb Copp, Jeff Rustad, Chelsy Davey



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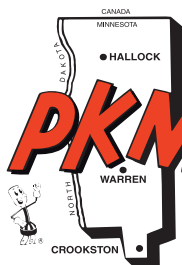


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On March 2, 2015, PKM Electric Cooperative will be launching SmartHub to our members. This new feature will be available on your mobile device by downloading the FREE app or visiting [pkmcoop.smarthub.coop](http://pkmcoop.smarthub.coop) online. We are excited to offer this service along with an updated website to our members.

Please contact us at  
218.745.4711  
with any questions.



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# Minnesota solar *(cont'd from front cover)*

## 2013 solar output figures

Location	Installed Cost	Installed Cost per Watt	Date Installed	Size (in kW)	Total Yearly kWh @ 100% Capacity	kWh Generated & Sold	kWh Generated & Consumed	Total kWh Generated	Photo-voltaic Average Capacity	DNR Estimated Annual Savings @ .10/kWh	Simple Payback (in Years)	2013 Generation Simple Payback (in Years)
Afton State Park (Ground)	\$95,543	\$6.39	12/10	15.0	130,979	6,481	12,253	18,734	14.3%	\$1,700	56.20	51.00
Bear Head State Park (Ground)	\$33,200	\$6.04	11/12	5.5	48,151	0	5,253	5,253	10.9%	\$700	47.43	63.20
Big Bog Visitor Center (Roof)	\$47,000	\$12.14	6/11	3.9	33,914	0	4,718	4,718	13.9%	\$470	100.00	99.63
Blue Mounds State Park (Ground)	\$57,748	\$5.77	12/12	10.0	87,673	2,491	10,513	13,004	14.8%	\$1,350	42.78	44.41
Fort Snelling State Park (Roof)	\$23,933	\$6.65	12/10	3.6	31,527	0	3,616	3,616	11.5%	\$380	62.98	66.19
Glendalough Office (Ground)	\$42,630	\$9.52	9/10	4.5	39,277	0	6,461	6,461	16.5%	\$560	76.13	65.98
Grand Portage Visitor Center (Ground)	\$60,330	\$8.20	12/10	7.4	64,450	0	8,315	8,315	12.9%	\$920	65.58	72.56
Great River Bluffs (Ground)	\$35,000	\$8.14	9/10	4.3	37,666	0	5,502	5,502	14.6%	\$570	61.40	63.61
Iron Range OHV Gilbert Office (Ground)	\$77,000	\$11.20	8/10	6.9	60,225	2,525	6,591	9,116	15.1%	\$970	79.38	84.47
Itasca State Park (Roof)	\$119,400	\$3.41	1/13	35.0	306,728	333	29,019	29,352	10.5%	\$4,200	28.43	40.68
Lacqui Parle State Park (Ground)	\$102,550	\$6.37	10/10	16.1	141,026	222	21,095	21,317	15.1%	\$1,800	56.97	48.11
Lake Carlos State Park (Ground)	\$37,500	\$6.51	12/11	5.8	50,461	1,770	5,607	7,377	14.6%	\$780	48.08	50.83
Lake Shetek State Park (Roof)	\$73,143	\$5.30	12/10	13.8	120,893	5,675	9,988	15,663	13.0%	\$1,900	38.50	46.70
Nerstrand-Big Woods State Park (Ground)	\$52,100	\$7.24	12/10	7.2	63,038	0	8,754	8,754	13.9%	\$950	54.84	59.52
Sibley State Park (Ground)	\$31,000	\$6.46	12/11	4.8	42,037	0	6,385	6,385	15.2%	\$650	47.69	48.55
St. Croix State Park (Roof)	\$25,000	N/A	N/A	N/A		N/A	N/A	N/A	N/A	\$408	61.27	
Wild River State Park (Roof)	\$56,000	\$5.56	12/12	10.1	88,230	2,339	10,178	12,517	14.2%	\$1,750	32.00	44.74
William O'Brien State Park (Ground)	\$59,400	\$6.00	11/11	9.9	86,724	674	12,499	13,173	15.2%	\$1,300	45.69	45.09
Hibbing Land and Minerals (Ground)	\$122,500	\$7.00	12/13	17.5	153,300	93	564	657	5.0%	\$2,188	55.99	N/A
McQuade Small Craft Harbor	\$25,000	\$12.20	6/9	2.0	17,951	N/A	N/A	N/A	N/A	\$250	100.00	
New Ulm DNR Office (Ground)	\$310,000	\$3.75	1/13	82.7	724,160	3,970	96,163	100,133	13.8%	\$10,000	31.00	30.96
Peterson Hatchery (Ground)	\$51,682	\$6.42	10/10	8.1	70,519	3,604	5,657	9,261	13.1%	\$1,070	48.30	55.81
Tower Area Office (Roof)	\$142,950	\$3.57	11/12	40.0	350,768	0	32,995	32,995	9.4%	\$5,000	28.59	43.32

# 2014 solar output figures

Location	Installed Cost	Installed Cost per Watt	Date Installed	Size (in kW)	Total Yearly kWh @ 100% Capacity	kWh Generated & Sold	kWh Generated & Consumed	Total kWh Generated	Photo-voltaic Average Capacity	DNR Estimated Annual Savings @ .10/kWh	Simple Payback (in Years)	2014 Generation Simple Payback (in Years)
Afton State Park (Ground)	\$95,543	\$6.39	12/10	15.0	130,979	5,023	13,041	18,064	13.8%	\$1,700	56.20	52.89
Bear Head State Park (Ground)	\$33,200	\$6.04	11/12	5.5	48,151	0	4,976	4,976	10.3%	\$700	47.43	66.72
Big Bog Visitor Center (Roof)	\$47,000	\$12.14	6/11	3.9	33,914	0	4,623	4,623	13.6%	\$470	100.00	101.67
Blue Mounds State Park (Ground)	\$57,748	\$5.77	12/12	10.0	87,673	3,052	12,258	15,310	17.5%	\$1,350	42.78	37.72
Fort Snelling State Park (Roof)	\$23,933	\$6.65	12/10	3.6	31,527	0	3,050	3,050	9.7%	\$380	62.98	78.47
Glendalough Office (Ground)	\$42,630	\$9.52	9/10	4.5	39,277	0	6,788	6,788	17.3%	\$560	76.13	62.80
Grand Portage Visitor Center (Ground)	\$60,330	\$8.20	12/10	7.4	64,450	0	7,807	7,807	12.1%	\$920	65.58	77.28
Great River Bluffs (Ground)	\$35,000	\$8.14	9/10	4.3	37,666	0	5,515	5,515	14.6%	\$570	61.40	63.46
Iron Range OHV Gilbert Office (Ground)	\$77,000	\$11.20	8/10	6.9	60,225	2,931	6,188	9,119	15.1%	\$970	79.38	84.44
Itasca State Park (Roof)	\$119,400	\$3.41	1/13	35.0	306,728	2,970	31,472	34,442	11.2%	\$4,200	28.43	34.67
Itasca State Park Shop (Roof) *Aug. - Dec.	\$150,000	\$6.25	8/14	24.0	210,240	237	8,089	8,326	10.6%			
Lacqui Parle State Park (Ground)	\$102,550	\$6.37	10/10	16.1	141,026	1,506	18,445	19,951	14.1%	\$1,800	56.97	51.40
Lake Carlos State Park (Ground)	\$37,500	\$6.51	12/11	5.8	50,461	3,621	4,066	7,687	15.2%	\$780	48.08	48.78
Lake Shetek State Park (Roof)	\$73,143	\$5.30	12/10	13.8	120,893	6,524	11,024	17,548	14.5%	\$1,900	38.50	41.68
Nerstrand-Big Woods State Park (Ground)	\$52,100	\$7.24	12/10	7.2	63,038	0	8,352	8,352	13.2%	\$950	54.84	62.38
Sibley State Park (Ground)	\$31,000	\$6.46	12/11	4.8	42,037	562	4,573	5,135	12.2%	\$650	47.69	60.37
St. Croix State Park (Roof)	\$25,000	N/A	N/A	N/A		N/A	N/A	N/A	N/A	\$408	61.27	
Terregouche Visitor Center (Ground) *Sept. - Dec.	\$128,864	\$5.15	10/13	25.0	219,194	0	6,337	6,337	11.6%			
Wild River State Park (Roof)	\$56,000	\$5.56	12/12	10.1	88,230	2,557	9,776	12,333	14.0%	\$1,750	32.00	45.41
William O'Brien State Park (Ground)	\$59,400	\$6.00	11/11	9.9	86,724	182	9,437	9,619	11.1%	\$1,300	45.69	61.75
Grand Rapids DNR Office (Ground)	\$321,313	\$3.12	11/13	103.0	902,280	0	80,501	80,501	10.8%	\$15,000	21.42	39.91
Hibbing Land and Minerals (Ground)	\$122,500	\$7.00	12/13	17.5	153,300	0	22,942	22,942	15.0%	\$2,188	55.99	53.40
McQuade Small Craft Harbor	\$25,000	\$12.20	6/9	2.0	17,951	N/A	N/A	N/A	N/A	\$250	100.00	
New Ulm DNR Office (Ground) *Questionable data Mar. & Apr.	\$310,000	\$3.75	1/13	82.7	724,160	6,437	95,197	101,634	14.0%	\$10,000	31.00	30.50
Peterson Hatchery (Ground)	\$51,682	\$6.42	10/10	8.1	70,519	3,069	6,049	9,118	12.9%	\$1,070	48.30	56.68
Tower Area Office (Roof) *Missing Oct. - Dec.	\$142,950	\$3.57	11/12	40.0	350,768	0	27,600	27,600	7.9%	\$5,000	28.59	51.79

# Set your thermostat to reliable



Whether you are looking for greater reliability, increased comfort, higher efficiency or more choices, consider the benefits of electric heat.

Electricity from your local electric cooperative is produced by power generators that operate 24-7. That electricity is sent directly to you at the touch of a button, which means there are no outside sources impacting the cost or delivery of your home's heat.

When it comes to warmth and comfort, your cooperative's only goal is to ensure you receive a powerful value for your heating dollar – each and every day.

**Powerful**  **Value**  
Every day.

## Residential Prescriptive Program

This program is designed to provide end-use consumers with a quick and easy way to choose high-efficiency equipment at the time of normal equipment replacement or major renovations. Some of these technologies include:

<b>Lighting</b> (Must be ENERGY STAR® or DesignLights Consortium™ approved.)		
ENERGY STAR CFL Lamps		\$2/bulb Max. 12 per customer
ENERGY STAR LED Screw-In Bulb	In place of 40-60W incandescent.	Max. 12 per customer for LED screw-in bulbs.
ENERGY STAR LED Screw-In Bulb	In place of 65W or greater incandescent.	\$4/unit \$8/unit
ENERGY STAR LED Recessed Downlights	Complete fixtures or replacements kits.	\$8/unit
LED Outdoor Fixtures	LED fixture wattage of <40 Watts. Must operate on a photocell and be DesignLights Consortium approved.	\$40/fixture
LED Outdoor Fixtures	LED fixture wattage of >40 Watts. Must operate on a photocell and be DesignLights Consortium approved.	\$80/fixture
<b>Appliances</b> (Must be ENERGY STAR approved.)		
ENERGY STAR Refrigerator		\$25/unit
ENERGY STAR Refrigerator (with recycling of old refrigerator)		\$50/unit
ENERGY STAR Freezer		\$25/unit
ENERGY STAR Freezer (with recycling of old freezer)		\$50/unit
ENERGY STAR Clothes Washer		\$50/unit
ENERGY STAR Clothes Dryer		\$50/unit
Electric Water Heater	Minimum 80-gallon total capacity, EF ≥ 0.91. Must be controlled under the utility's load management program.	\$150/unit
Engine Block Heater Timer		\$10/unit
<b>Heating, Ventilation Air Conditioning (HVAC) Measures</b>		
Programmable Thermostat		\$25/unit
Air-Source Heat Pump (ASHP)	ENERGY STAR or 14.0 SEER / 8.2 HSPF	\$400/unit
Supplemental Heating Source for ASHP	Must modulate to allow ENERGY STAR-rated ASHP to operate down to 5°F, and be on load control	\$500/unit
Furnace (Air Handler) with ECM Blower	Furnace with ECM blower	\$150/unit
Mini-Split/Ductless ASHP	15 SEER	\$500/unit
<b>Geothermal</b> Ground-Source Heat Pump Open Loop <135,000 BTUH @ 59°F	16.2 EER / 3.6 COP	<b>\$200/ton</b> Max. incentive \$2,500/home
Ground-Source Heat Pump Closed Loop <135,000 BTUH @ 77°F	14.1 EER / 3.3 COP	<b>\$400/ton</b> Max. incentive \$5,000/home
<b>Replacement Geothermal</b> Ground-Source Heat Pump Open Loop <135,000 BTUH @ 59°F	16.2 EER / 3.6 COP	<b>\$100/ton</b> Max. incentive \$1,250/home
Ground-Source Heat Pump Closed Loop <135,000 BTUH @ 77°F	14.1 EER / 3.3 COP	<b>\$200/ton</b> Max. incentive \$2,500/home
Incentive available for failed geothermal equipment only. Equipment must meet or exceed efficiency requirements. Entire indoor unit replacement is required to receive incentive. Replacing only the compressor will not qualify for the incentive. If equipped with backup electric heat, home must be on load control or demand billing per local utility offerings.		

# Adding the right ingredients

## *Young Station positioned to meet new mercury standard*

**T**wo new processes being added at the Milton R. Young Station will reduce the plant's mercury emissions by an estimated 50 to 60 percent in 2015.

The lignite coal-fueled power plant, which provides the majority of PKM's electricity needs, must meet the new federal standard for mercury emissions that becomes effective on April 16. According to Craig Bleth, plant environmental and engineering manager, the addition of liquid halogen and powdered-activated carbon (PAC) injection systems has the Young Station on pace to meet the EPA's Mercury and Air Toxics Standard (MATS).

"We believe the combination of these two technologies will provide us with a proven, reliable and cost-effective method for removing mercury and meeting our compliance requirements," Bleth said. "Our focus in the next few months is to complete installation and adequately train our personnel to operate and maintain the equipment to ensure compliance at the lowest possible cost."

The Young Station, located near Center, N.D., consists of two

generating units operated by Minnkota Power Cooperative, our wholesale power provider. It is the primary source of electric generation for 125,000 retail consumers served by the Minnkota member cooperatives.

The process of mercury removal at the Young Station starts when coal enters the facility. A liquid halogen will be applied directly onto the coal as it is conveyed into the plant, enabling it to be evenly distributed before combustion. The halogen's purpose is to achieve oxidation of the mercury, which allows it to be captured by the activated carbon. The PAC, a sorbent material, is introduced into the flue gas stream near the exit of the boiler, and is captured as a particulate, along with the fly ash in the plant's existing electrostatic precipitator.



**Using its 315-foot boom, a crane positions the new powdered-activated carbon silo onto its foundation.**

### **A big lift**

Adding the new emission control systems required a massive, 400-ton Manitowoc crane to safely lift and maneuver the equipment into place. The crane arrived at the plant site in 19 semi-truck loads and was assembled over the course of the week.

Using its 315-foot heavy-lift boom, the crane hoisted the new PAC storage silo measuring 70 feet tall and 14 feet in diameter. The silo will serve both units and will pneumatically inject the PAC into the plant's existing ductwork using multiple nozzles for even distribution in the flue gas.

The liquid halogen system required the construction of a new building to house the system's equipment and two 8,700-gallon storage tanks. This project also consisted of building walkways and platforms to access the injection ports, and providing electricity, water and air to the buildings as required.

### **Building on innovation**

Minnkota has used liquid halogen-based technology at the Young Station since 2011 through its partnership with Clean Coal Solutions, a Colorado-based power plant technology and research firm.

In one of the first experiments of its kind on cyclone-fired boilers fueled with lignite coal, Clean Coal Solutions demonstrated that its CyClean additives provide significant opportunities to reduce mercury emissions. The successful results prompted an agreement that allows Clean Coal Solutions to operate at the plant and continue to apply its proprietary products to further reduce emissions.

"The lessons we've learned in applying halogens supplied by Clean Coal Solutions have provided a good demonstration of the best way to meet our compliance requirements," Bleth said.

Minnkota has dedicated much of the last decade to completing environmental upgrades at the Young Station. About \$425 million has been invested to meet emissions standards set by the EPA. In addition to the mercury removal systems, both boilers are equipped with technology that removes 95 percent of sulfur dioxide and reduces about 60 percent of nitrogen oxides emissions.

"We have the resources in place," Bleth said. "It's our responsibility to continue to find opportunities to maximize their efficiency, reduce cost, and maintain long-term reliability."

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218-745-4711**

**WWW**  
**pkmcoop.com**

## New website!



We recognize the ways our members access information change due to technology advances and our lives becoming more mobile. Therefore, PKM Electric would like to communicate information easily and accessibly by updating our website. The website address will remain **pkmcoop.com** but will offer many enhancements/features. Such features include the option to pay online using SmartHub, rebate links, misc. member forms, and up-to-date member information. PKM's renovated site will launch March 2, along with the official release of SmartHub. We welcome feedback. Contact us at **218-745-4711**.

## New faces at PKM Electric Cooperative



**(Left to right)** Nolan Knott, *apprentice lineman*; Trevor Snare, *apprentice lineman*; and Chelsy Davey, *receptionist/cashier*

# Board meeting highlights

## November and December

### **A regular meeting of the board was held Tuesday, Nov. 25, 2014.**

Ron Reitmeier, president who presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors with the exception of Jeff Folland were present and Blake Owens was present by video conference.

Director Woinarowicz stated that with the appearance of the MREA president and CEO, he would defer his report and let the CEO report on MREA activities. The manager stated that with Director Folland's absence the information he has is Minnkota will adjust all rate components 5 percent beginning April 1, 2015, and that the wind power surcharge will remain in effect.

The secretary/treasurer reported on Square Butte Electric Cooperative activities stating that the insurance has been settled on the boiler incident on Unit 2. Directors Woinarowicz, Hanson and the manager reported on their attendance to the CFC Financial workshop in Bemidji.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He reported on a MREA safety meeting that dealt with transformer connections and Minnesota Safety held an update and forklift certification for new line department employees.

The operations manager continued his monthly report by reporting on activities of the line department. Other members of the management staff and the manager presented their reports to the board of directors, responding to their questions and noting the requirement of additional information where needed.

The manager informed the board that it would be necessary to have the chairman sign the engagement letter for the auditor, indicating that even though a new auditor was hired for the 2014 audit, the engagement letter is basically boilerplate.

At this time in the meeting the cooperative's engineer, Randy Vetter of MEI Inc., presented the 4-year work plan to the board. He began

the work plan presentation describing the methodology and the various studies employed to complete the work plan. He reviewed each line item in the work plan and answered questions from the board on the work plan itself.

Upon a request from the October meeting, a cash flow estimate for 2015 was presented to the board. The assistant manager presented the cash flow estimate, answered questions from directors and asked if they desired a more extensive cash flow instrument. There were no comments and the estimate was considered to meet the request.

At this time in the meeting the president and CEO of MREA appeared before the directors to brief them on the activities of MREA.

The president asked the board if there was interest in holding a planning meeting since it had been several years. Various dates were put on the table with none being agreed to at this time.

With margins exceeding budget and reasonable expectations, the board discussed the possibility of revenue deferral for 2014. The assistant manager described the procedure for attempting to get approval for the revenue deferral and agreed to have information ready for the December board meeting.

At this time in the meeting the president discussed the manager evaluation, which led into a discussion of various evaluation instruments and evaluating the manager against goals and expectations that were previously established.

### **A regular meeting of the board was held Tuesday, Dec. 30, 2014.**

Blake Owens, vice president who presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors with the exception of Jeff Folland and Tom Woinarowicz were present and Steve Goodwin was present by video conference. Ron Reitmeier attended the meeting in session.

In absence of Director Woinarowicz, the manager referenced MREA activities, including advice from MREA counsel that cooperatives may want to visit a binding arbitration

amendment to their bylaws in light of a recent stray voltage award.

In absence of Director Folland the manager stated it is his understanding that the board of directors gave approval for Minnkota to research building a new headquarters and a warehouse/maintenance facility. The secretary/treasurer reported on a recent meeting of the Square Butte Electric Cooperative board of directors; wherein, they discussed the performance of Unit 2.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He reminded the board that Nolan Buchner passed his journeyman/lineman's test and that four members of the line department attended transformer school in Marshall, Minn. This is a joint school with MREA and MMUA and it was a very hands-on course. The attendees had good things to say about the training. We sent two bucket trucks and four linemen to Cavalier during their outage.

The manager stated that it would be necessary for the board to select a nominating committee to caucus prior to the annual meeting in accordance with the bylaws and nominate candidates for the board of directors to be voted upon by the members at the 2015 annual meeting.

The president drew the attention of the board to ACRE and REPAC contributions and most were made at the meeting. The manager stated that Policy Bulletin No. 22-1, "Loans to Member/Owners" for electric service upgrades and Energy Star appliances was prepared at the director's request.

At this time in the meeting the cooperative's legal counsel and auditor appeared before the board of directors to discuss revenue deferral. Directors had questions for the auditor and legal counsel. The topic was discussed thoroughly and it was determined that it would be revisited at the January meeting. The board of directors discussed an arbitration clause amending the bylaws of the cooperative and this too will be back on the January agenda with more directors present.

## **Nominating committee appointed**

At its December meeting, the board of directors of PKM appointed a nominating committee to nominate candidates for the board of directors, to be voted on by the members at the annual meeting on March 31, 2015.

The nominating committee will meet prior to March 6. Members who

may have an interest in being a candidate for the board of directors should inform the committee of your interest.

The bylaws of the cooperative provide for two additional methods to become a candidate for the board of directors. If it is felt a potential candidate was not given due consideration by the committee, or did not contact the committee prior to its meeting, a member can become a candidate by having 15 or more members place his/her name in nomination by petition and delivering same to the cooperative 20 days prior to the

annual meeting. The bylaws provide further for nominations to be made from the floor at the annual meeting.

Members appointed to the committee are:

**Paul Aakre, Angus  
Bob Wimpfheimer, Warren  
Dan Jaszczak, Hallock  
Tim Peterson, Lancaster  
Mark Wiese, Humboldt  
Jeff Chwialkowski, Argyle  
Ken Johnson, Argyle  
Chris Urbaniak, Argyle**

## ACH (automatic payment) now available

Consider signing up for automatic payment from your checking or savings account. Starting March 10, 2014, the ACH (automatic payment) option began for your convenience. We will still mail your monthly billing statement, but you don't have to worry about getting your payment to us in time. We will send the request for funds to your bank on the 10<sup>th</sup> of the month. This has become very popular now that the AMI system is reading your meter(s) for you. Let us help you save time and money, in addition to saving money for your cooperative.

## Statement of Nondiscrimination

This institution 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, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](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 us 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](mailto:program.intake@usda.gov).

## Statistical and financial report

Year-to-date: December 2014

	Last Year	This Year	Budget
Total income	\$13,715,877	\$14,429,565	\$12,900,000
Total expense	\$12,751,222	\$13,003,873	\$12,268,000
Net margins	\$964,655	\$1,425,692	\$632,000
Total kWh sold	130,120,766	137,937,491	109,500,000
Avg. kWh sold per member	2,946	3,074	
Delivery cost per kWh purchased	6.80¢	6.72¢	
Avg. sale price per kWh	9.48¢	10.46¢	
Percent kWh sales increase	9.4%	6.0%	
Members billed	3,710	3,721	
Miles of line in service	2,247	2,248	
175 watt MV lights	1,502	1,487	
400 watt MV lights	94	93	
100 watt H.P.S.	867	879	
250 watt H.P.S.	87	87	

Outage charged to:	2014	2013	2012
Minnkota operations	4,005.20	3,112.20	8,052.53
PKM operations	5,947.40	3,704.33	79,782.02
Total	9,952.60	6,816.53	87,834.55

Minutes per member PKM operations year to date: 94.80

Minutes per member Minnkota operations year to date: 63.84

## Peace of Mind for Today's World



Peace of mind – in essence that's really what a security system is all about. Cooperatively owned, we've been providing families like yours with peace of mind since 1999. Because, just like you, we're raising families and working hard for our possessions. Our customized security systems help guard against intrusion, fire, unexpected flooding, carbon monoxide and much more. If you are interested in experiencing the peace of mind that only a 24/7 monitored security system can provide, please call us for a free consultation at 1-877-751-3902.

## PKM ELECTRIC COOPERATIVE POLITICAL LEADERS

### Federal legislators

#### President Barack Obama

The White House  
1600 Pennsylvania Ave. NW  
Washington D.C. 20500  
[www.whitehouse.gov](http://www.whitehouse.gov)  
[president@whitehouse.gov](mailto:president@whitehouse.gov)  
202-456-1111

#### Senator Al Franken

320 Hart Senate Office Building  
Washington D.C. 20510  
[www.alfranken.com](http://www.alfranken.com)

202-224-5641  
Fax: 202-224-0044

#### Senator Amy Klobuchar

302 Hart Senate Office Building  
Washington, D.C. 20510  
[www.klobuchar.senate.gov](http://www.klobuchar.senate.gov)  
202-224-3244  
1-888-224-9043 (Minnesota office)  
Fax: 202-228-2186

#### Congressman Collin Peterson

2109 Rayburn House Office Building  
Washington, D.C. 20515

[www.collinpeterson.house.gov](http://www.collinpeterson.house.gov)  
202-225-2165  
Fax: 202-225-1593

### State of Minnesota legislators

#### Governor Mark Dayton

75 Rev. Dr. Martin  
Luther King Jr. Blvd.  
Capitol Building, Room 130  
St. Paul, MN 55155-1606  
800-657-3717  
[mark.dayton@state.mn.us](mailto:mark.dayton@state.mn.us)

#### Senator LeRoy Stumpf

75 Rev. Dr. Martin  
Luther King Jr. Blvd.  
Capitol Building, Room 122  
St. Paul, MN 55155-1606  
651-296-8660  
Email: Use mail form

#### Representative Dan Fabian

307 State Office Building  
100 Rev. Dr. Martin  
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St. Paul, MN 55155  
651-296-9635

888-727-0979  
[rep.dan.fabian@house.mn](mailto:rep.dan.fabian@house.mn)

#### Representative Deb Kiel

337 State Office Building  
100 Rev. Dr. Martin  
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St. Paul, MN 55155  
651-296-5091  
800-339-9041  
[rep.deb.kiel@house.mn](mailto:rep.deb.kiel@house.mn)

## 2014 Service Awards

(Listed from left to right)

Jeff Rustad – Member Services Manager ..... 10 yrs.  
Jim Norland – Journeyman/Lineman ..... 35 yrs.  
Steve Goodwin – Director ..... 5 yrs.  
Julie Nicholls – Custodian ..... 15 yrs.  
(not pictured)



**Apply now for a scholarship and**

Applications available at local high schools, the PKM office or can be downloaded from our website, [www.pkmcoop.com](http://www.pkmcoop.com).

**Deadline:** April 15, 2015

- Individuals in PKM's service area who are members of the cooperative, their spouses or children.
- Applicants planning to attend an accredited postsecondary educational institution in pursuit of their initial postsecondary degree. These institutions could include technical colleges, universities or colleges.
- Eligible applicants include high school seniors, active college students enrolled in an accredited institution in pursuit of their initial degree and nontraditional students who are initiating or resuming their education in pursuit of their initial postsecondary degree. Nontraditional students include "older than average students" or individuals who did not begin a program after high school. This could also include students whose first postsecondary degree was interrupted.

## PKM's electric heating rebate program!



**Incentives available for installation of an off-peak electric heating system**

- Receive \$20/kW rebate for the installation of a qualifying electric heating system that is on off-peak.
- Air-source heat pump incentive is \$100/ton – heating mode must be controlled on off-peak.
- Ground-source heat pump incentive is \$200/ton – heating mode must be controlled on off-peak.
- Equipment must be new and off-peak systems must have a qualified backup.
- Program began May 1, 2014.
- Homeowner will receive a rebate check after a visit from a PKM Electric technician.
- Maximum incentive per off-peak meter is \$600.

**Homeowners adding new off-peak heating systems qualify for these rebates.**

Contact our Energy Services Department for details at 218-745-4711 or 800-552-7366