

PKM NEWS

Electric Cooperative

May/June 2016

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CHARLES RIESEN
Manager

PKM Electric Cooperative

If you missed the annual meeting, you probably don't know that the members elected two new directors. Jerod Hanson (Kittson County, director) declined to seek reelection and Mark Hatton was nominated by the committee and elected at the meeting. Longtime director, and at the time president of the board, Ron Reitmeier was nominated and intended to stand for election; however, following complications from a hospitalization he determined that the member-owners of PKM deserved more attention than he could dedicate to the position and he resigned (more on that later).

The *PKM News* was already mailed and the deadline for petitions had passed. The PKM board had two options 1) it could appoint a director and have them stand for election at the meeting or 2) since the bylaws provide for nominations from the floor of the annual meeting, it could leave the position open and see what happened.

Since the annual meeting

The board chose the latter option. Since Vice President Tom Woinarowicz conducted the meeting and was also up for reelection, he called on PKM counsel Brian Rokke to conduct the election. Two members were nominated from the floor for the director position in Polk County, Tim Kozel and Paul Aakre. Following the election Aakre is the new director from Polk County. Congratulations to both gentlemen and I look forward to working with them.

RON REITMEIER was first elected to the PKM board in 1986 and served as president since 2004. Cooperatives and community service have a long history in the Reitmeier family.

His father, Ed, was a PKM board member and president when I was hired. Both Ed and Ron served on the board of American Crystal and their ability to work with diverse views and personalities served them well. Selfishly several directors and I told Ron that the rest could hold things together while he was on the mend, but Ron would hear nothing of it. The PKM board has thanked Ron for his service by resolution that it will present, and I would like to extend my appreciation for the opportunity to work with such a fine cooperative person.

At the end of 2015 I said a few words about BOB KLINER as his retirement was coming up. His last day at work was Christmas Eve, and typically we close the doors at noon. I told Bob since it was his last day, I expected him to stay until 4:30. He was cleaning out

his desk and about 2:30 I saw he was gone, so I figured I'd take off as well. I was uptown and he texted me to ask where I was. I said I saw you were gone so I took off. We texted back and forth for a while about his 35 years and our appreciation for all he did and reminding him of our agreement. Bob was going to do contract safety work for PKM in his retirement. Bob took on the lead role in developing our safety culture at PKM. It was through his efforts, although Bob would be the first to remind us that "safety" is everyone's business, that PKM was able to regain safety accreditation, but Bob did most of the paperwork. I texted him once in retirement just saying that I hoped he was wintering well and that we all missed him, and that actually I missed Viki's bean soup. I told him to stay safe and send the recipe. He replied they were doing well, it was quite an adjustment and he was into his second day of becoming a certified scuba diver and he was glad he wasn't older. We received notice of his death April 24. I gathered all employees the next day and by then everyone had heard. Counseling and time off were available, but none took it. I contacted Red Lake Electric Cooperative to run trouble for us because I didn't want our line crew on the line after this loss, but our guys soldiered on. We received calls and emails from all over the state. Bob was well known and liked. **The PKM family is small and the passage of time may heal the hurt, but Bob's contribution and his memory will be everlasting.**

Electrical Inspectors

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

Polk County
Bryan Holmes
218-686-1413

On the cover

More than 70 volunteers came out to help with Project GreenTouch at Lake Bronson and Old Mill state parks.

May/June 2016

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Office hours:

8 a.m. to 4:30 p.m., Monday through Friday
218-745-4711 or 800-552-7366

Electrical after-hours emergencies

218-745-4711 or 800-552-7366
e-mail: infopkm@minnkota.com
website: www.pkmcoop.com

Next Board Meeting:

Tuesday, June 28, 2016

Officers and Directors

President Tom Woinarowicz
Vice President Michael Beaudry
Secretary-Treasurer Gordon Bernstrom
Directors Paul Aakre, Jeffrey Folland, Steve Goodwin,
Mark Hatton, Wayne Malm and Blake Owens
Manager Charles Riesen
Editors Deb Copp, Jeff Rustad, Chelsy Davey

Project GreenTouch



GreenTouch Project has another successful year

PKM Electric Cooperative would like to thank everyone who came out to support PKM with Project GreenTouch at Lake Bronson and Old Mill state parks May 7. We especially want to thank those who brought out personal equipment to help speed up the cleanup process. Between the two parks we had 71 volunteers and each family received a free park sticker for participating that day. Across the state of Minnesota 11 cooperatives participated in projects at the state parks. In total 432 volunteers worked a combined 1,545 hours. Over the past 17 years, nearly 8,975 people have worked more than 32,180 hours.

PKM ELECTRIC COOPERATIVE POLITICAL LEADERS

Federal legislators

President Barack Obama

The White House
1600 Pennsylvania Ave. NW
Washington, D.C. 20500
www.whitehouse.gov
president@whitehouse.gov
202-456-1111

Senator Al Franken

320 Hart Senate Office Building
Washington, D.C. 20510
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
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
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

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
Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-9635

888-727-0979
rep.dan.fabian@house.mn

Representative Deb Kiel

337 State Office Building
100 Rev. Dr. Martin
Luther King Jr. Blvd.
St. Paul, MN 55155
651-296-5091
800-339-9041
rep.deb.kiel@house.mn

PKM

scholarship recipients

PKM Electric scholarships are made possible by funding from Operation Round Up. Since the beginning of this program in 1998, we have awarded 352 scholarships valued at \$1,000 each.



Louisa Bergman
Oslo
Warren-Alvarado-Oslo
High School



Sarah Durand
Warren
Bemidji State University



Megan Hanson
Hallock
Kittson Central
High School



Noah Jubie
Warren
Warren-Alvarado-Oslo
High School



Philomena Kazmierczak
Stephen
Stephen-Argyle
High School



Karissa Kraulik
Kennedy
Stephen-Argyle
High School



Jalyn Larson
Drayton
Drayton High School



Samantha Larson
Euclid
Crookston High School



Benjamin Lieberg
Greenbush
Greenbush-Middle River
High School



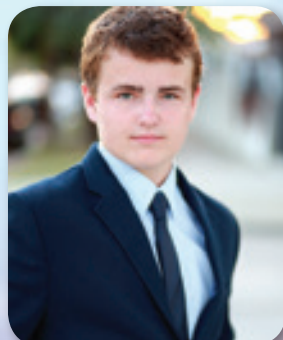
Brice Miller
Warren
Warren-Alvarado-Oslo
High School



Madison Muir
Hallock
Kittson Central
High School



Sierra Swenson
Lake Bronson
Tri-County High School



Bobby Tiedemann
Euclid
Crookston High School



Tyler Vonasek
East Grand Forks
East Grand Forks
High School

Taylor Rux
Strandquist
Tri-County High School

PHOTO
NOT
AVAILABLE



2016 PowerSavers Residential Incentives for Members

PowerSavers incentives, criteria and guidelines for resident and business members can be found at www.pkmcoop.com or by calling 218-745-4711 or 800-552-7366.

Equipment	Specifications	Rebate
CFL bulb	Replace incandescent bulb with CFL. ENERGY STAR®-recommended.	\$2/bulb
LED Screw-In Bulb	40-60W equivalent incandescent. ENERGY STAR-recommended.	\$4/bulb
LED Screw-In Bulb	65W or greater equivalent incandescent. ENERGY STAR-recommended.	\$8/bulb
LED Fixture	Complete fixture or replacement kit. ENERGY STAR-recommended.	\$8/install
LED Outdoor Fixture	LED Outdoor Fixture Wattage of <40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR-recommended.	\$20/fixture
LED Outdoor Fixture	LED Outdoor Fixture Wattage of >40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR-recommended.	\$40/fixture
Clothes Washer	Must be ENERGY STAR-approved.	\$50/unit
Clothes Dryer	Must be ENERGY STAR-approved.	\$50/unit
Refrigerator or Freezer	Must be ENERGY STAR-approved.	\$25/unit
Remove & Recycle Old Refrigerator or Freezer	Recycling receipt required. Form online in Residential Incentives Application.	\$25/unit
Engine Block Heater Timer		\$10/unit
Electric Water Heater	Minimum 80-gallon total capacity, EF ≥0.91. Must be controlled under the utility's load management program.	\$150/unit
Programmable Thermostat		\$25/unit
Tune-Up for Central AC	Not valid on window AC units. Checklist on form must be completed with application.	\$25/unit
Tune-Up for Air-Source Heat Pump or Mini-Split Ductless Air-Source Heat Pump	Checklist on form must be completed with application.	\$25/unit
Supplemental Heating Source Air-Source Heat Pump	Must modulate to allow ENERGY STAR-rated Air-Source Heat Pump to operate down to 5° F and be on load control.	\$500/unit
Air-Source Heat Pump	14 SEER, 8.2 HSPF	\$400/unit
Air-Source Heat Pump	15 SEER, 8.5 HSPF	\$500/unit
Furnace (Air Handler) with ECM Blower	Furnace with an ECM Blower	\$100/unit
Mini-Split/Ductless Air-Source Heat Pump	15 SEER	\$500/unit
Ground-Source Heat Pump Open Loop <135,000 BTUH @ 59° F	16.2 EER/3.6 COP Maximum incentive \$2,500/home	\$200/ton
Ground-Source Heat Pump Closed Loop <135,000 BTUH @ 77° F	14.1 EER/3.3 COP Maximum incentive \$5,000/home	\$400/ton
Air Sealing	Preblower and postblower test results required.	30% of sealing cost, max. \$300
Attic Insulation & Air Sealing	Must include air sealing. Improved from R-30 or less to R-50. Attic knee walls insulated to a minimum of R-25 up to R-30.	30% of sealing cost, max. \$500
Wall Insulation	Wall insulation improved from R-5 or less to R-11 or higher. Attic knee walls excluded.	30% of insulation cost, max. \$500

Cultivating safety

in agricultural practices



One of the most dangerous jobs in the United States is farming. Among the hazards faced by farmers, farm workers, and family members is contact with electrical equipment. However, with proper planning and safety procedures, the risk of having an accident involving electricity can be greatly reduced:

- Keep a 10-foot minimum distance around power lines – above, below and to the side.
- Use a spotter when moving machinery around the farm. It can be difficult to judge how close a piece of machinery is from the driver's seat.
- Use caution when handling long items such as irrigation pipe, ladders and rods. Coming too close to a power line can cause electricity to arc, or “jump,” to conducting material or objects.
- Be aware of increased height when loading and transporting tractors on trailer beds. Many tractors are now equipped with radios and communications systems that have very tall antennas extending from the cab that could make contact with power lines.
- Avoid raising the arms of planters, cultivators or truck beds near power lines.
- Never attempt to raise or move a power line to clear a path.
- Remember, even nonmetallic materials such as lumber, tree limbs, tires, ropes and hay will conduct electricity depending on dampness, dust and dirt contamination.

Overhead electric wires are not the only source of electrical contact that can result in a serious incident. Pole guy wires, used to stabilize utility poles, are grounded. However, when one of the guy wires is broken, it can cause an electric current disruption. This can make those neutral wires anything but harmless. If you hit a guy wire and break

it, call the utility to fix it. Do not do it yourself.

If your equipment does come into contact with power lines, stay in the cab and call for help; the electric utility needs to be notified. Even if a line has landed on the ground, there is still potential for the area to be energized. Warn others who may be nearby to stay away and wait until the electric utility arrives.

If leaving the cab is necessary, as in the case of fire, the proper action is to jump – not step – with both feet hitting the ground at the same time. Do not allow any part of your body to touch the equipment and the ground at the same time. Hop to safety, keeping both feet together as you leave the area. Once you get away from the equipment, never attempt to get back on or even touch the equipment before the power

has been shut off.

Have a safe planting season, and get more electrical safety information at SafeElectricity.org.



4 WAYS TO PAY

1 IN PERSON
Located in Warren, Minn. at 406 North Minnesota St. or utilize our drop box outside the building during nonbusiness hours.

2 ACH (Automated Clearing House)
A monthly bank draft directly from your checking account taken on the 10th of every month.

3 SMARTHUB
Convenient account access where you can manage payments, check your usage and receive emails from PKM when your bill has been calculated.

4 BY MAIL
Send the payment in the envelope provided with your monthly statement to PKM Electric, Inc. P.O. Box 108, Warren, MN 56762.



AUTHORIZATION FOR ACH (AUTOMATED DIRECT PAYMENT)

STAPLE VOIDED CHECK HERE

I authorize _____ and the financial institution named _____
(COMPANY NAME)

below to initiate electronic entries from my checking/savings account. This authority will remain in effect until I notify you in writing to cancel it in such time as to afford the financial institution a reasonable opportunity to act on it. I can stop payment of any entry by notifying my financial institution 3 days before my account is charged.

(NAME OF FINANCIAL INSTITUTION)

(BRANCH)

(CITY)

(STATE)

(ZIP CODE)

(SIGNATURE)

(DATE)

(NAME- PLEASE PRINT)

(ADDRESS- PLEASE PRINT)

Account Number _____

Checking ☐

Savings ☐

Financial Institution Routing Number _____

I

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2016 Annual Meeting Prize Winners

EARLY BIRD DRAWINGS – 5:35 P.M.

Winner

1. Marilyn Huderle
2. Austin Owens
3. Bob Engen
4. Lois Edman
5. Terry Beaudry
6. Edmund Borowicz
7. Bob Fagerstrom

Prize

- \$25 Gift Card
- Birdhouse
- 2 Twins Tickets
- Booster Pack
- Tackle Box
- Energy Certificate - \$25
- Rice Cooker

Sponsor

- Dakota Supply Group
- PKM Electric Co-op, Inc.
(North Star Handicapped Helpers)
- KROX
- Utility Inspection Service
- Border States Electric
- MEI Engineering, Inc.
- WESCO

FINAL PRIZE DRAWINGS

8. Lindy Schulz
9. Matt Edman
10. Dennis Garry
11. Suzie Larson

- NCBP Gift Certificate - \$50
- Lock & Go Grill
- Energy Certificate - \$25
- 2 Twins Tickets

- North Country Business Products (NCBP)
- PKM Electric Co-op, Inc.
- MEI Engineering, Inc.
- KROX

Winner

12. Doris Erickson
13. Laures Kleinwachter
14. Delbert Vonasek
15. Marge Dykhuis
16. Jon Slusar
17. Roger Loer
18. Joelle Boucher
19. John Schmidt
20. Charles Zammert
21. Dorothy Szklarski
22. Norma Koland
23. Eugene Jorgenson

Prize

- Energy Certificate - \$25
- Birdhouse
- Wet/Dry Vacuum
- Crock Pot
- Menards Gift Card - \$25
- Carhartt Sweatshirt
- 2 Twins Tickets
- Table Top Grill
- Can Cooler
- 1-year subscription
- Energy Certificate - \$25
- Kindle Fire HD 10

Sponsor

- MEI Engineering, Inc.
- PKM Electric Co-op, Inc.
(North Star Handicapped Helpers)
- WESCO
- RESCO
- Dakota Supply Group
- Border States Electric
- KROX
- PKM Electric Co-op, Inc.
- PKM Electric Co-op, Inc.
- Kittson County Enterprise
- Karian/Peterson Power Line
- PKM Electric Co-op, Inc.

Grand Prize: Windows Surface 3 with Keyboard Cover
- Ilene Slusar (PKM Electric Co-op, Inc.)

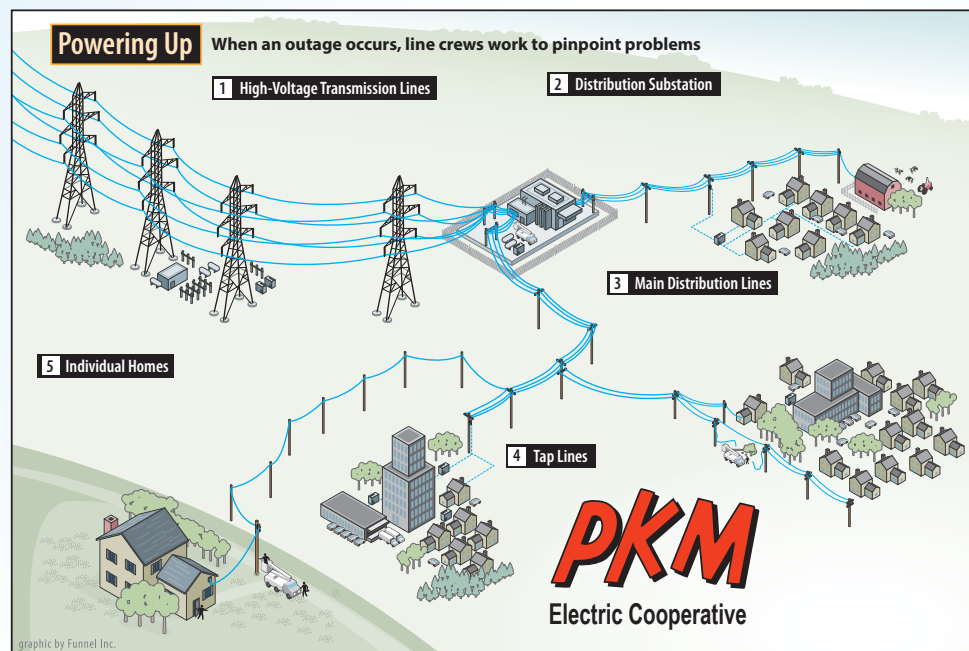
PKM Electric Cooperative implements Distributed Generation (DG) fixed charge

DG is a term used by the power industry to describe localized or on-site power generation such as wind or solar. Because of legislative changes to Minnesota Statute 216.B.164, a cooperative electric association may charge an additional fee to recover the fixed costs not already paid for by the customer's existing billing arrangement. This would apply to DG systems under 40 kW nameplate rating; the added fixed charge would be \$2.65 per kW of DG system installed with a maximum additional monthly charge of \$38. For DG systems 3.5 kW and smaller, this fixed charge is waived and does not apply. An example: if you installed a 5 kW DG system, the fixed charge would only apply to 1.5 kW of that system.

Powering up

When an outage occurs, line crews work to pinpoint problems

In today's world, electricity is essential. That's why your cooperative invests so much time and infrastructure in power reliability. However, outages still can occur. When electricity does go out, most of us expect power restored within a few hours. But when a major storm causes widespread damage, longer outages may result. Co-op line crews work long, hard hours to restore service safely to the greatest number of members in the shortest time possible. Here's what's going on if you find yourself in the dark.



1. High-voltage transmission lines

Transmission towers and cables that supply power to transmission substations (and thousands of consumers) rarely fail. But when damage occurs, these facilities must be repaired before other parts of the system can operate.

2. Distribution substation

Each substation serves hundreds or thousands of consumers. When a major outage occurs, line crews inspect substations to determine if problems stem from transmission lines feeding into the substation, the substation itself or if problems exist down the line.

3. Main distribution lines

If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to large groups of consumers in communities or housing developments. **SAFETY TIP:** If a power line falls across or near your vehicle while you are in it, stay inside until help arrives!

4. Tap lines

If local outages persist, supply lines, called tap lines, are inspected. These lines deliver power to transformers, either mounted on poles or placed on pads for underground service, outside businesses, schools and homes.

5. Individual homes

If your home remains without power, the service line between a transformer and your residence may need to be repaired. Always call to report an outage to help line crews isolate these local issues.

Sources: Illustrations, Funnel Inc.; Text, National Rural Electric Cooperative Association

What to do if your power goes out

1. Wait a few minutes to see if the power will come on by itself.
2. If it does not, call your neighbors to see if they are off too.
3. If they are off, report that when you call PKM Electric Cooperative about the outage.
4. If your neighbors still have power, make sure to check your fuses or circuit breakers. This is important because if you call the cooperative and the problem causing the outage is on your side of the meter, you will be billed for the service call. Calls after regular business hours will be billed at the overtime service call rates.
5. If the fuses or breakers are good, report the outage by calling the 24-hour outage number 1-800-552-7366. If you have some idea of what caused the outage, please give this information also. Please be patient but check back after a couple of hours if the power hasn't been restored.



Powering up after a STORM

By: B. Denise Hawkins

Lights out? Thirty-one percent of power outages are triggered by the weather. Line workers must battle the elements to find problem areas and restore service as quickly and safely as possible.

“We know our members want to know why the lights are out and when they’re coming back,” shares Jeff Rustad, member services manager at PKM Electric. “First we must find the problems. Then we follow a series of steps to bring the lights back on.”

Efforts are made to restore power to the largest number of members as quickly as possible. Then crews fix problems impacting smaller groups of members.

Restoring power

When an outage occurs, line crews work to pinpoint problems. They start with high-voltage transmission lines. Transmission towers and cables that supply power to thousands of consumers rarely fail. But when damage occurs, these facilities must be repaired before other parts of the system can operate.

Next, crews check distribution substations. Each substation serves hundreds or thousands of members. When a major outage occurs, line crews inspect substations to discover if problems stem from transmission lines feeding into the substation, the substation itself or if problems exist down the line.

If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to large groups of members in communities or housing developments.

If local outages persist, supply lines (also called tap lines) are inspected. These lines deliver power to transformers,

either mounted on poles or placed on pads for underground service, outside businesses, schools and homes.

If your home remains without power, the service line between a transformer and your home may need to be repaired. Always call PKM Electric Cooperative at **218-745-4711** to report an outage. This helps crews isolate local issues.

Outage safety tips

Follow these safety steps at home during a power outage:

- Before calling PKM Electric to report an outage, first check to see if your home’s circuit panel or fuse box hasn’t tripped or blown a fuse. This can also cause a power failure. If tripped, reset the breaker or replace the blown fuse.
- Turn off and unplug all unnecessary appliances and electrical equipment. When power is restored, turn on items one at a time.
- Keep refrigerator and freezer doors closed. An unopened refrigerator keeps food cold for about four hours. A full freezer keeps food cool for about 48 hours.
- Individual households may receive special attention if loss of electricity affects life support systems or poses another immediate danger. If you or a family member depends on life support, call PKM Electric Cooperative at **218-745-4711** before a power outage happens.

Sources: NRECA, American Red Cross



Board meeting highlights

January through March

A regular meeting of the board was held Tuesday, Jan. 26, 2016.

Ron Reitmeier, president who presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors with the exception of Tom Woinarowicz, Blake Owens and Jerod Hanson were present.

Director Folland reported on a meeting of the Minnkota Power Cooperative board of directors, reporting that the resolutions committee is accepting resolutions and that they will be discussed at the 2016 annual meeting.

The manager reported on his attendance to the NRECA CEO Close-up meeting, reporting on the general and breakout sessions he attended.

Directors who attended and the manager reported on the MREA District 1 meeting recently held in Bemidji.

The manager of operations presented the monthly safety report indicating no accidents and no lost time. On Jan. 6 MREA held a safety meeting on "Hazard Recognition." On Jan. 13-15 several operating personnel attended transformer training classes in Marshall, Minn., and on Jan. 20-22 other operating employees attended the annual linemen's winter workshop.

The manager of operations continued his monthly report detailing activities of the line department. Other members of the management staff and the manager presented their monthly reports to the directors responding to questions from the directors concerning their reports.

The president told the board of directors that it would need to make a decision as to the disposition of the nonoperating margin. The manager reminded the board of the operating loss and the logical use of that margin. The board directed management to offset the operating loss to the extent possible with the nonoperating margin and the remainder to be applied to the nonallocated reserve.

The general retirement for 2016 was discussed and given the operating loss there was no appetite to consider a general retirement.

The president stated that it was time to select voting delegates to the annual meetings of Minnkota Power Cooperative and Square Butte Electric Cooperative, to which he mentioned that traditionally all board members have been delegates. The board designated all PKM directors to be voting delegates at the annual meetings of Minnkota Power Cooperative and Square Butte Electric Cooperative, including: Mike Beaudry, Wayne Malm, Gordon Bernstrom, Blake Owens, Jeff Folland, Ron Reitmeier, Steve Goodwin, Tom Woinarowicz and Jerod Hanson.

The manager reviewed with the board of directors the fourth-quarter financials outlining the operating loss for 2015 and the manager stated that near-normal energy sales and reduced expenses, along with new rates to be effective Feb. 1, 2016, laid the foundation for rectifying the financial deficiencies for 2015.

The manager reviewed fourth-quarter subsidiary financials with the board of directors.

The manager stated that it has been some time since the revised 2016 operating budget and the 2016 capital budget have been presented to the board. It was desired that the board act on these two planning documents so material can be ordered to efficiently carry out the work plan. The board approved the 2016 operating and capital budgets to be used as a planning guide and a resource tool for the operation of the cooperative during 2016.

The revised agreement between Otter Tail Power Company and PKM with the approved Department of Commerce additions needs to be signed. The agreement is not materially changed by the Department of Commerce inclusions and no resolution reauthorization will be necessary.

Work order inventories No. 236 and No. 237 in the amounts of \$387,556.32 and \$220,583.75 to be approved by the board of directors for future reimbursements of loan funds. The board approved work order inventories No. 236 and No. 237, and instructed management to get the required signatures and submit these inventories to RUS for future reimbursement from loan funds.

A regular meeting of the board was held Tuesday, Feb. 23, 2016.

Secretary/Treasurer Gordon Bernstrom, acting president who presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors were present with the exception of Ron Reitmeier, Jeff Folland and Steve Goodwin. Gordon Bernstrom, Mike Beaudry, Wayne Malm and Jerod Hanson were present in person. Directors Blake Owens and Tom Woinarowicz participated by electronic means.

The vice president was calling in from a MREA meeting, stating that the net energy is being further explained to the PUC and is waiting on adoption by all cooperatives.

The manager reported on his attendance to the MREA D.C. Legislative visit, indicating that the opportunity to discuss issues of concern with both of Minnesota's senators and Congressman Peterson were pro forma, although Congressman Peterson was surprised that the position of the Minnesota G&Ts was apparently one of capitulation and attempting to negotiate around the edges.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He further reported that several safety meetings were held throughout the month dealing with community right to know and operating procedures for linemen.

The management staff and manager presented their monthly reports and responded to questions from the directors concerning their reports.

The manager directed the attention of the board to a letter from the cooperative's insurance carrier, indicating that no remedial action is due and heaping praise on the cooperative's Safety and Loss Prevention Program. The manager wished to thank all employees and the board of directors for which the involvement at all levels of the organization is contributing to a Safety and Loss Prevention Program that is working for the employees and member-owners of PKM.

The acting president stated that it would be necessary for the board of directors to consider and approve Work Order Inventory No. 238 in the amount of \$305,472.28. The board approved work order inventory No. 238 and instructed management to submit the work order inventory to RUS for loan reimbursement.

The manager discussed with the board of directors his attendance to the Minnesota Pollution Control Agency Clean Power Plan listening tour held last night in Bemidji, Minn. The manager stated that the personal testimony of those at the meeting were as varied as the groups who attended the meeting.

The manager stated it would be necessary for the board to write-off electric accounts that are not collectible at this time for the purpose of keeping the receivables current for

the new audit. The board instructed management to write-off the 2015 list of accounts receivable electric presented to the board and for that amount to be offset by the reserve for bad debts.

The manager directed the attention of the board to the work order inspection performed by MEI Engineering, Inc., wherein he lauded the work of the line department and reminded the board that no deficiencies were found during the work order inspection, another testament to the work ethic and efficiency of the operating employees.

The manager reminded the board that labor negotiations for wages only will have to take place during the month of March for new wages to be effective April 1, 2016.

The assistant manager brought to the attention of the board a resolution from Kamar apparently dissolving the corporation. The board of directors, with the dissolution of corporations, has a final decision with regard to advance retirement of capital, and since this amount is small in comparison to other corporate balances, the assistant manager saw no problem. During discussion it was brought out that this resolution does not specifically address the dissolution of Kamar, only its relationship with Kittson/Marshall. The board instructed management to have the cooperative's legal counsel verify the dissolution of Kamar, and if so, then the advance retirement of capital to Kamar can be made.

A regular meeting of the board was held Tuesday, Mar. 29, 2016.

Vice President Tom Woinarowicz, acting president presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors were present with the exception of Ron Reitmeier and Jerod Hanson.

Vice President Woinarowicz presented the results of the MREA reorganization meeting. Director Folland reported on recent activities of the Minnkota Power Cooperative board of directors. The secretary/treasurer had no new information on Square Butte Electric Cooperative activities.

Directors who attended the MREA annual meeting and the manager reported on their attendance thereat.

The secretary/treasurer reported on his attendance to the Co-op Network meeting.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He reported that on March 3, 2016, Minnesota Safety Updated CPR and MREA held a safety meeting on rubber gloving, also maintenance and repairs on equipment and tree trimming are taking place.

The manager of operations continued his monthly report, outlining reduced outages and connected members for the end of February standing at 3,795, representing a net gain of 21 from the same period last year.

Management staff and the manager presented their



Trading Post

For Sale

LAND FOR CASH RENT: 419 acres good farmland in Marshall County, section 22 and 27 in West Valley Township. This land has been plowed with a Mouldboard plow and cultivated once. Any or all bids may be rejected. Call 218-874-4113.

Polaris green Sportsman 500 4x4, front and rear racks with extensions, rear storage bag, camo cover, only 630 miles and show room condition. Call 218-754-4241.

1956 Allis Chalmers WD-45 diesel with loader, snow and dirt bucket. Owner's manuals and has been in the family since new. Very nice condition. Call 218-754-4241.

8'x8' and 12'x12' deck. Asking \$200 for both. Call Donna at 218-843-1021.

1957 Allis Chalmers WD-45 with modified pipe loader with good tires and runs good. Best Offer. Call 701-215-0338 or 218-773-0828, ask for Rick.

10 long dark brown vinyl shutters – 14" wide x 51" long and 2 smaller matching shutters – 14" wide x 42 3/4" long. Fairly new, asking \$8 for each shutter. Call 218-843-1021.

Wanted

Rollaway bed. Call 218-455-3508.

Rules

Ads for PKM members only. Limit your ads to two items. No commercial ads. Submit ads by the 18th of Jan., March, May, July, Sept. and Nov.

monthly reports and responded to questions from the directors concerning their reports.

At this time in the meeting three member-owners appeared to discuss several issues with the board concerning their quality of service, contributions to construction and the desire for more capacity. The members and the board of directors were aided in this discussion by the presence of the operations manager and the representative and principal of MEI Engineering, Randy Vetter, the cooperative's engineer. After listening to their concerns, it was determined that service reliability and additional capacity could be accomplished by the one member by switching his feed to the Radium sub circuit. The other member-owner had plenty of installed capacity and will be investigated more closely by PKM to determine why his load is not operating/working in concert with the member and his electrician. The third member-owner had an 80 hp motor where the soft start is inoperable and is essentially starting across the line. This will have to be remedied, but his main request is for it to be released to a neighboring utility. This matter will be taken up by the board of directors. The president thanked the member-owners for attending the meeting to voice their concern and he assured them that the manager would be responding by letter to the concerns they voiced at the meeting.

The manager presented the inventory reconciliation to the board of directors, reporting that construction material was short \$3,560.22, resale material was short \$309.22 and small tools were in balance. The board authorized and directed management to make the proper entries to reconcile the inventory balances.

Director Folland reported to the board of directors the results of labor negotiations held March 9, 2016, with Local 1426 of the IBEW. Representing PKM were directors Folland and Owens (by phone) and the manager. The manager provided a comparison of neighboring journeyman wages, the local union requested a 3 percent adjustment to all classifications. The board committee caucused and responded to the union that they would recommend the full board approve the settlement at their March meeting. The board approved a 3 percent adjustment to all classifications in the line department to be effective May 1, 2016.

Consistent with recent legislation allowing cooperatives to have a distributed generation fixed charge in accordance with Minnesota Statute 216B.164, the cooperative proposes

Statistical and financial report

Year-to-date: April 2016

	Last Year	This Year	Budget
Total income	\$ 4,844,366	\$ 5,018,393	\$ 5,206,000
Total expense	\$ 4,721,167	\$ 4,699,051	\$ 4,722,100
Net margins	\$ 123,199	\$ 319,342	\$ 483,900
Total kWh sold	46,931,405	44,938,396	46,200,000
Avg. kWh sold per member	3,120	2,974	
Delivery cost per kWh purchased	7.29¢	7.44¢	
Avg. sale price per kWh	10.3¢	11.2¢	
Percent kWh sales increase	(14.4%)	(4.2%)	
Members billed	3,761	3,776	
Miles of line in service	2,261	2,261	
175 watt MV lights	1,469	1,448	
400 watt MV lights	93	90	
100 watt H.P.S.	883	873	
250 watt H.P.S.	87	87	
Outage charged to:	2016	2015	2014
Minnkota operations	441.34	445.92	2,258.71
PKM operations	154.18	603.75	1,261.09
Total	595.52	1,049.67	3,519.80

Minutes per member PKM operations year to date: 2.45

Minutes per member Minnkota operations year to date: 7.01

\$2.65 per kW for any distributed generation exceeding 3.5 kW of installed capacity. The revised policy is No. 21-2.4 and is recommended that the board approves this policy. The board approved Policy Bulletin No. 21-2.4 and instructed that a copy of this policy be appended to the minutes of this meeting.

Cooperative legal counsel Brian Rokke appeared before the board of directors for official approval of the RUS loan in the amount of \$6,250,000. The board will recall that this loan has been previously approved from the construction work plan and consultation with the RUS general field

representative. The board authorized its officers and manager to sign loan documents when they become available.

With the cooperative's legal counsel present they reviewed the email from President Ron Reitmeier describing his illness and his feeling that he could no longer carry on his duties to the level of requirements he has set for himself and therefore would not be seeking re-election. The directors, in consultation with their legal counsel and referencing the cooperative's articles and bylaws, determined no action was necessary at this time since the cooperative provides for nominations from the floor at the annual meeting.

You feed America. We feed your farm.

America depends on farmers. And farmers in our region depend on reliable electricity. From spring planting through fall harvest, it takes a steady supply of electric power to keep the farm running. And it's not just keeping the lights on. Modern farms are using electricity in new ways. Whether it's irrigating fields, drying grain or milking cows, your electric cooperative is ready to deliver a powerful value – each and every day.



Powerful Value
Every day.

New electric water heater rebates available!

Enjoy reliable hot water and save money at the same time with PKM Electric Cooperative's electric water heating rebate program.

Water heating is one of your home's largest energy expenses in most households, making it a smart area to try to improve efficiency. New electric water heaters are among the most efficient and durable products in the market today. With great new incentives from your cooperative, it has never been more affordable to upgrade.

All rebate-qualifying water heaters must be on the off-peak program, which allows your water heater to draw electricity during times of low demand, such as late at night, when it's less expensive. The water heater is temporarily turned off during high demand periods. For 80-gallon or larger, members participating in the off-peak program also receive a lower monthly rate for the electricity their water heater uses.

PKM Electric will work with your contractor to ensure proper installation and documentation.

Electric Water Heaters (must be on off-peak)	Incentive Per Unit
55 gallon or less	\$100
56-99 gallon	\$150
100 gallon or greater	\$200
Additional rebate for new building construction	\$100
Additional rebate for conversion from existing natural gas or propane	\$250
Additional PowerSavers rebate for 80-gallon or greater (with Energy Factor (EF) equal to or greater than 0.91)	\$150

Rebate requirements:

- Must be a new purchased electric water heater installed on PKM Electric's system.
- Must be on off-peak/load control.
- Must be 240 volts and hard-wired.
- Tankless water heaters do not qualify for rebate.
- Hybrid heat pump water heaters do not qualify for rebate.
- Rebate limit of \$500 per member-account.
- Maximum \$300 rebate for coupling of two water heaters in parallel or series.
- Multifamily dwellings do not qualify for rebate; exceptions considered on case-by-case basis.



Contact PKM Electric Cooperative today
to find out more about the water heater rebate program
and the many other great programs available to you!