

The background of the entire page is a photograph of a rural landscape. In the foreground, a muddy, water-filled ditch runs diagonally from the bottom left towards the center. A large wooden utility pole lies horizontally across the ditch. Several high-voltage power lines stretch from the top left corner towards the right side of the frame. In the background, there is a field of golden-yellow crops, likely corn, under a grey, overcast sky. A line of trees and a distant road with some vehicles are visible on the horizon.

PKM

Electric Cooperative

NEWS

July/August 2016

Look up and look out to keep your harvest season safe - *page 6*

Cooperative Month coloring contest - *page 9*

Smart energy use with help from PKM Electric - *page 12*



CHARLES RIESEN

Manager

PKM Electric Cooperative

In our part of Minnesota, we can usually depend on 16-20 inches of rain during the growing season, a couple windstorms, a hot spell and a dry spell. As unpredictable and inhospitable as our weather has been



www.call811.com

Remember to always call 811 before you dig at least 48 hours before starting your project to have underground public power lines marked for free. Private lines are the homeowners responsibility, so please call your local electrician.

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

Damaged poles along Highway 1 near Oslo, Minn., from a severe thunderstorm that swept through the PKM service territory on July 19/20, 2016.

Looking ahead

this year, we all have heard of and even know those who have had it much worse.

Small consolation for many of our member-owners now struggling to get a crop off that once held great promise. Your electric cooperative has been spared a lot of the damage that befell many of our neighbors. Again, not a big help as you battle the wet conditions, but one less problem that has to be dealt with.

On a somewhat personal note, as I am writing this, it is Aug. 11. I've already spent nine of those days in the hospital. I've been able to remain in contact with the Co-op, staff and

board president. I am able to stay on top of most things. I guess it's like being on vacation, although I can't remember the last time I was gone for so many days in a row. About 10 years ago I had a heart attack and triple bypass and only missed 3½ days of work. That's the amount of time in "sick bay" I'm used to.

A great comfort to me is the staff and employees at your cooperative have everything under control. This thing I'm doctoring with will find its own resolve. In the meantime, "I have a phone and a pen."

Electricity helps build our world. It not only revolutionizes the products we make, but how we make them. It brings technology to life in the small-town shops and major manufacturing centers that thrive in our region.

Electricity empowers you. And PKM Electric Cooperative works hard to ensure it's there — each and every day.

It's more than electricity.

It's a spark of ingenuity.

Make your mark. **Be powerful.**

Powerful Value
Every day.

July/August 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, August 30, 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

2016

Power Plant Tour

On June 22-23 members of PKM Electric and Roseau Electric shared a tour to the Milton R. Young Station and BNI Coal mine near Center, N.D.



Tug of war fundraiser helps with Warren pool

The Warren Area Community Fund has taken on a Project Fund to replace the 50-year-old bathhouses at the Warren pool. They have committed to raise \$100,000 and recently held a fundraiser with Tug of War at the pool on Crazy Days. Local businesses sponsored a team and they competed for a traveling trophy. WACF has raised about \$95,000 to date, and if you would like to donate to the pool fund, you may mail your tax deductible donations to PO Box 152, Warren, MN. PKM Electric's team included Nolan Knott, Danny Schmidt, Phil Klopp, Chelsy Davey, Deb Copp and Morgan Klopp (pictured with the runner-up trophy to the left).



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

Minnkota, NextEra Energy Resources announce wind farm plans

Minnkota Power Cooperative, PKM Electric's wholesale power provider, announced an agreement April 1 with an affiliate of NextEra Energy Resources, LLC, to purchase renewable energy from an expansion of the Oliver County Wind Energy Center located near Center, N.D.

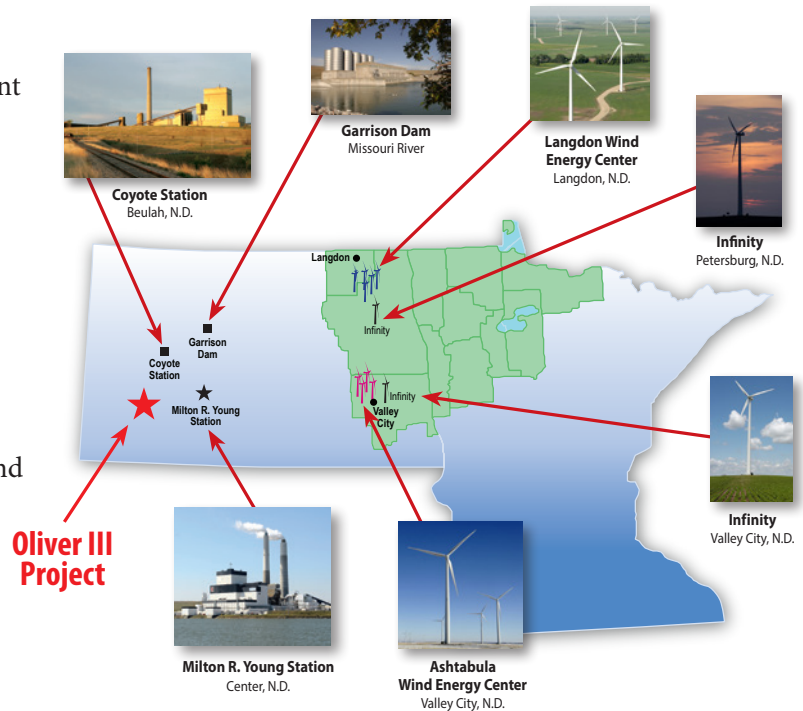
NextEra Energy Resources is developing the wind farm addition, which is expected to begin operation in 2017. All of the energy production from the 100-megawatt (MW) addition, referred to as the Oliver III project, will be sold to Minnkota under a 35-year Purchase Power Agreement (PPA). The project will approximately double the size of the Oliver County Wind Energy Center by utilizing an estimated 44 General Electric (GE) wind turbines, each having a nameplate capacity of 2.3 MW.

Minnkota and NextEra Energy Resources have a longstanding and mutually beneficial business partnership that has helped to greatly expand wind generation in North Dakota. In addition to the Oliver III project, Minnkota has PPAs in place with affiliates of NextEra Energy Resources for 357 MW of wind power from the Langdon and Ashtabula Wind Energy Centers on the eastern side of the state.

"Minnkota has been at the forefront of renewable energy development in North Dakota," said Mac McLennan, Minnkota president & CEO. "By early 2017, nearly 35 percent of Minnkota's electric generation capacity will come from wind – one of the highest percentages of any cooperative in the United States."

The Oliver III wind farm will help Minnkota make progress toward compliance with an anticipated federal regulation to reduce carbon dioxide (CO₂) emissions from existing power plants. Minnkota opposes the Environmental Protection Agency's Clean Power Plan, which currently requires a 45 percent rate-based CO₂ reduction from North Dakota's coal-based plants by 2030. The rule has been temporarily suspended by the U.S. Supreme Court until related litigation has concluded.

"Although the Clean Power Plan has an uncertain path forward in the court system, we understand



that CO₂ emissions could be subject to future regulation," McLennan said. "At the same time, the Wind Production Tax Credit is scheduled to be phased down over the next five years, which has the potential to significantly impact wind pricing."

The Oliver III wind farm will be strategically located near the Minnkota-operated Milton R. Young Station, a coal-based power plant that serves as the cooperative's primary source of generation. This will allow Minnkota to use its recently constructed Center to Grand Forks 345-kilovolt transmission line to efficiently deliver both coal and wind energy to its members in eastern North Dakota and northwestern Minnesota. Not having to construct major infrastructure specifically to transmit power from the wind site provides significant savings.

Cold weather disconnect rule notifications

216B.097 COLD WEATHER RULE; COOPERATIVE OR MUNICIPAL UTILITY.

Subd. 1. Application; notice to residential customer. (a) A municipal utility or a cooperative electric association must not disconnect and must reconnect the utility service of a residential customer during the period between Oct. 15 and April 15 if the disconnection affects the primary heat source for the residential unit and all of the following conditions are met:

(1) The household income of the customer is at or below 50 percent of the state median household income. A municipal utility or cooperative electric association utility may (i) verify income on forms it provides or (ii) obtain verification of income from the local energy assistance provider. A customer is deemed to meet the income requirements of this clause if the customer receives any form of public assistance, including energy assistance, that uses an income eligibility threshold set at or below 50 percent of the state median household income.

(2) A customer enters into and makes reasonably timely payments under a payment agreement that considers the financial resources of the household.

(3) A customer receives referrals to energy assistance, weatherization, conservation or other programs likely to reduce the customer's energy bills.

(b) A municipal utility or a cooperative electric association must, between Aug. 15 and Oct. 15 each year, notify all residential customers of the provisions of this section.

Subd. 2. Notice to residential customer facing disconnection. Before disconnecting service to a residential customer during the period between Oct. 15 and April 15, a municipal utility or cooperative electric association must provide the following information to a customer:

- (1) a notice of proposed disconnection;
- (2) a statement explaining the customer's rights and responsibilities;
- (3) a list of local energy assistance providers;
- (4) forms on which to declare inability to pay; and
- (5) a statement explaining available time payment plans and other opportunities to secure continued utility service.

Subd. 3. Restrictions if disconnection necessary.

(a) If a residential customer must be involuntarily disconnected between Oct. 15 and April 15 for failure to comply with subdivision 1, the disconnection must not occur:

- (1) on a Friday, unless the customer declines to enter into a payment agreement offered that day in person or via personal contact by telephone by a municipal utility or cooperative electric association;
- (2) on a weekend, holiday or the day before a holiday;
- (3) when utility offices are closed; or
- (4) after the close of business on a day when disconnection is permitted, unless a field representative of a municipal utility or cooperative electric association who is authorized to enter into a payment agreement, accept payment, and continue service, offers a payment agreement to the customer.

Further, the disconnection must not occur until at least 20 days after the notice required in subdivision 2 has been mailed to the customer or 15 days after the notice has been personally delivered to the customer.

(b) If a customer does not respond to a disconnection notice, the customer must not be disconnected until the utility investigates whether the residential unit is actually occupied. If the unit is found to be occupied, the utility must immediately inform the occupant of the provisions of this section. If the unit is unoccupied, the utility must give seven days' written notice of the proposed disconnection to the local energy assistance provider before making a disconnection.

(c) If, prior to disconnection, a customer appeals a notice of involuntary disconnection, as provided by the utility's established appeal procedure, the utility must not disconnect until the appeal is resolved.

Subd. 4. Application to service limiters. For the purposes of this section, "disconnection" includes a service or load limiter or any device that limits or interrupts electric

Local energy assistance providers

Northwest Community Action	800-568-5329
Tri-Valley	866-264-3729
Marshall County Social Services	218-745-5124
Polk County Social Services	218-281-3127
Kittson County Social Services	218-843-2689

service in any way.

The Military Service Personnel, section 325E.028 of the Public Utilities Act, provides:

Section 1. 325E.028 UTILITY PAYMENT ARRANGEMENTS FOR MILITARY SERVICE PERSONNEL.

Subd. 1. Restriction on disconnection; payment schedules. (a) A municipal utility, cooperative electric association, or public utility must not disconnect the utility service of a residential customer if a member of the household has been issued orders into active duty, for deployment, or for a permanent change in duty station during the period of active duty, deployment, or change in duty station if such a residential customer:

(1) has a household income below the state median household income or is receiving energy assistance and enters into an agreement with the municipal utility, cooperative electric association, or public utility under which the residential customer pays 10 percent of the customer's gross monthly income toward the customer's bill and the residential customer remains reasonably current with those payments; or

(2) has a household income above the state median household income and enters into an agreement with the municipal utility, cooperative electric association, or public utility establishing a reasonable payment schedule that considers the financial resources of the household and the residential customer remains reasonably current with payments under the payment schedule.

(b) For purposes of this subdivision, "household income" means household income measured after the date of the orders specified in paragraph (a).

Subd. 2. Annual notice to all customers; inability to pay forms. (a) A municipal utility, cooperative electric association, or public utility must notify all residential customers annually of the provisions of this section.

(b) A municipal utility, cooperative electric association, or public utility must provide a form to a residential customer to request the protections of this section upon the residential customer's request.

Subd. 3. Application to service limiters. For the purpose of this section, "disconnection" includes a service or load limiter or any device that limits or interrupts electric service in any way.

Subd. 4. Income verification. Verification of income may be conducted by the local energy assistance provider or the municipal utility, cooperative electric association, or public utility unless the customer is automatically eligible for protection against disconnection as a recipient of any form of public assistance, including energy assistance that uses income eligibility in an amount at or below the income eligibility in subdivision 1, clause (1).

Subd. 5. Appeal process. (a) The municipal utility, cooperative electric association, or public utility shall provide the residential customer with a commission-approved written notice of the right to appeal to the commission or other appropriate governing body when the utility and residential customer are unable to agree on the establishment, reasonableness, or modification of a payment schedule, or on the reasonable timeliness of the payments under a payment schedule, provided for by this section. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or within ten working days after the utility has deposited first class mail notice in the United States mail.

(b) The utility shall not disconnect service while a payment schedule is pending appeal, or until any appeal involving payment schedules has been determined by the commission.

Subd. 6. Enforcement. This section may be enforced pursuant to chapter 216B. The purpose of this notice is to inform you of your rights and responsibilities under section 325E.028, Utility Payment Arrangements for Military Service Personnel. These rights and responsibilities are designed to help you meet payment of your utility bills. You must act PROMPTLY, if you choose not to assert your rights or choose not to enter into a mutually acceptable payment schedule, your service may be disconnected.

Your responsibility is to declare inability to pay by completing our inability to pay form and to return to PKM Electric, within 10 days.

Your responsibility to provide documentation to PKM Electric that your household income is less than 50 percent of the state median level.

You have the right to a mutually acceptable payment schedule with PKM Electric. This payment schedule will cover your existing overdue bill plus your estimated use during the payment schedule period. If you are able to pay but still wish to enter into a payment schedule, contact PKM Electric to make such payment arrangements.

You have the right not to be involuntarily disconnected on a Friday or the day before a holiday.

Your responsibility, if you choose to appeal, is to mail or hand deliver the letter of appeal stating your situation and issues in dispute. Your letter of appeal must be in our hands before the day of disconnection. The PKM Electric Board of Directors will review your appeal after it is received. If you want to be present at the appeal, you must call the cooperative for the date and time of the appeal review.

If you need help paying your electric bill, you may qualify for state or federal fuel assistance. For complete qualifications, applications and information, contact your local county social services or community/citizens action council listed above. These organizations may also provide budget counseling.

Look up & look out

to keep your harvest season safe

When the crops are ready to be harvested, farmers have only a window of time – between weather events, equipment breakdowns and life events – to get the best quality crop out of the field. To make the most of this time, farm workers try to get as much work done as possible. Safe Electricity offers safety tips for farm and ranch workers across the nation to help keep them safe during this time.

One of the biggest hazards for farmers is posed by power lines. To stay safe around overhead power lines, Safe Electricity urges farm operators and workers to:

- Use a spotter when operating large machinery near lines.
- Use care when raising augers or the bed of grain trucks around power lines.
- Keep equipment at least 10 feet from lines – at all times, in all directions.
- Inspect the height of the farm equipment to determine clearance.
- Always remember to lower extensions when moving loads.
- Never attempt to move a power line out of the way or raise it for clearance.
- If a power line is sagging or low, call the local utility immediately.

If contact is made with a power line, remember, it is almost always safest to stay on the equipment. Make sure to warn others to stay away, and call the local utility provider immediately. The only reason to exit is if the equipment is on fire. If this is the case, jump off the equipment with your feet together and without touching the ground and vehicle



at the same time. Then, still keeping your feet together, “bunny hop” away.

Additional safety tips from Safe Electricity include:

- Do not use metal poles when breaking up bridged grain inside and around bins.
- Always hire qualified electricians for any electrical issues.
- Do not use equipment with frayed cables.
- Make sure outdoor outlets are equipped with a ground fault circuit interrupter (GFCI).

- When operating a portable generator, make sure nothing is plugged into it when turning it on, and never operate a generator in a confined area. Generators can produce toxic and deadly gases like carbon monoxide.
- Always use caution when operating heavy machinery.

For more farm and electrical safety information, visit 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.

1

2

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.

3

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.

4

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 _____

Electric Heating or Appliance

\$100 - \$1,500

*12 or 24
month term*

O1

\$1,501 - \$3,000

*12, 24, 36 or 48
month term*

O2

PKM Electric Cooperative, Inc.
offers an interest free loan program to
member/owners of the cooperative.

To qualify, certain conditions
must be met.

For more information on the loan
program and general conditions,
please contact us at **218.745.4711**

or visit our website
www.pkmcoop.com.

*Loan origination fee:
2.5% or \$25.00 per \$1,000
\$10.00 minimum*

O4

\$100 - \$5,000

(security systems)

O3

\$100 - \$6,000

*12, 24, 36, 48, 60, or 72
month term*

Tree planting safety

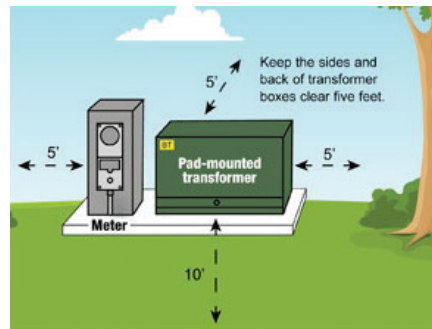
When landscaping property, remember that trees can grow into electric lines and cause power interruptions. The best way to prevent problems is to plant the right tree in the proper location. Before planting, consider the mature size, height and crown characteristics of trees. For example, a 4-foot-tall, 2-foot-wide tree could grow to 60 feet tall and 30 feet across at maturity. Knowing this information before you plant can help you choose the best location for your tree.

Important: Do not allow trees, bushes or plants of any size to grow directly under electric lines. This foliage could interfere with PKM

crews performing maintenance or repair.

Planting near pad-mounted transformers

In areas with underground electric service, do not plant shrubs or other foliage around pad-mounted transformers. This foliage



will make repair or maintenance work difficult for PKM crews. Dense growth around these transformers can also provide a home for undesirable wildlife and insects.

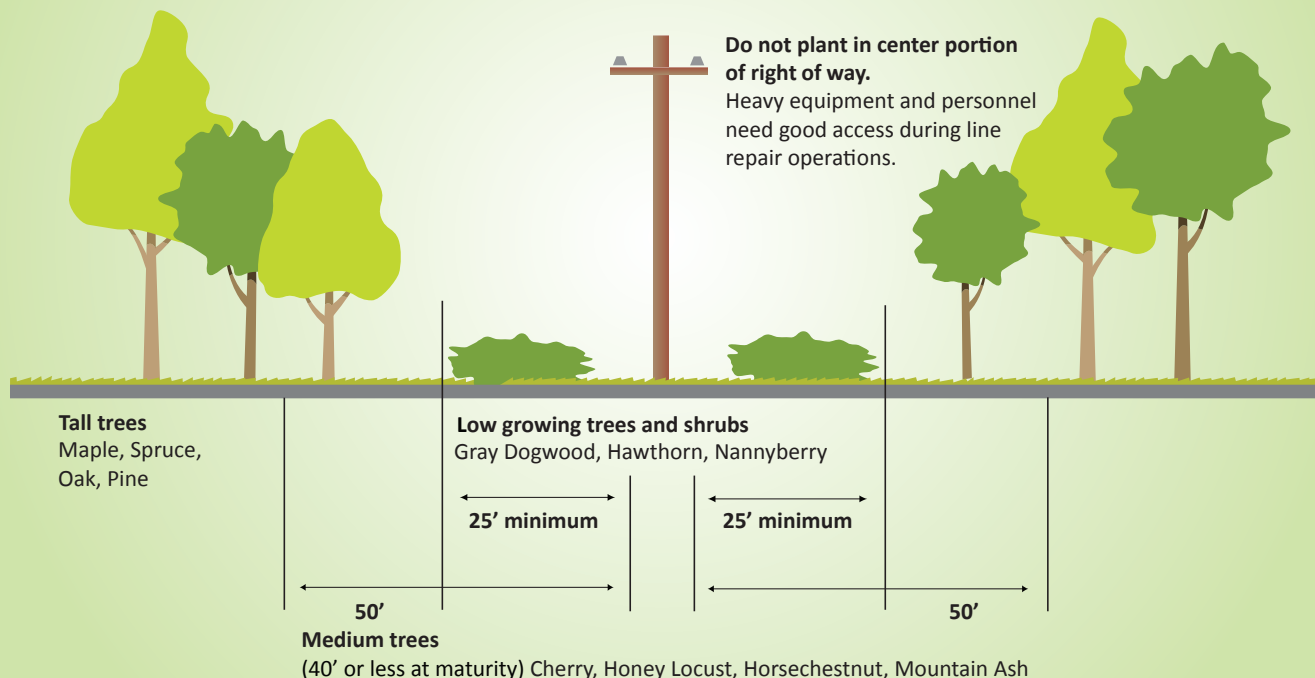
Ten feet of clearance is needed in front of equipment so crews can safely open it. Some larger pad-mounted switchgear will require 10 feet of clearance in the front and back.

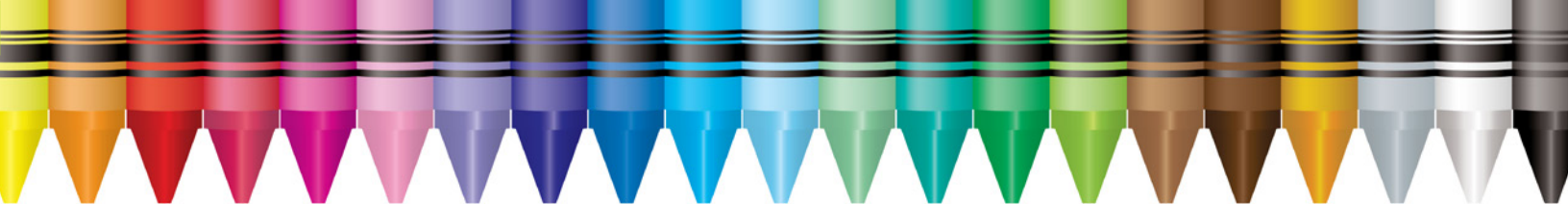
Wise tree choices

Plant trees that will grow up to 25 feet tall at least 10 feet from power lines. Trees up to 40 feet tall should be planted 20 feet from lines. Those over 50 feet tall should be planted 50 feet away.

Plan before you plant

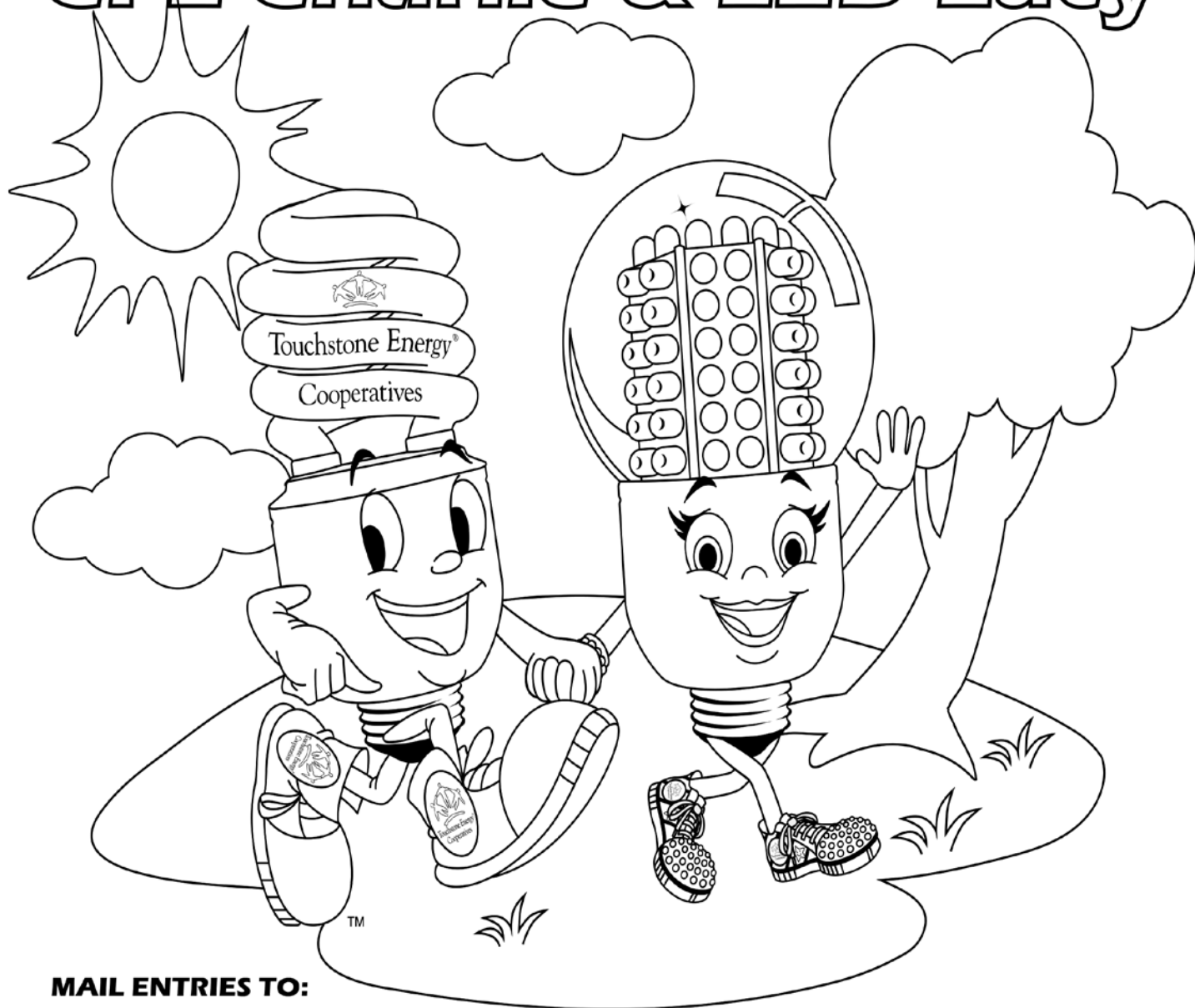
Minimize tree-related outages and ensure reliable electric service for the future by choosing the right species of trees. Consider the trees' mature height and crown spread, especially when planting adjacent to overhead power lines.





Cooperative Month Coloring Contest

CFL Charlie & LED Lucy



MAIL ENTRIES TO:
PKM ELECTRIC COOPERATIVE
PO BOX 108
WARREN, MN 56762

Name: _____

Age: _____

Address: _____

Phone #: _____

ENTRY DEADLINE:
Must be postmarked by
OCTOBER 31, 2016

Winner will receive a
KINDLE FIRE HD!

Must be 12 or younger to enter!

Board meeting highlights

May and June

A regular meeting of the board was held Tuesday, May 31, 2016.

President Tom Woinarowicz who presided called the meeting to order. Upon calling the roll, the secretary reported that all directors were present.

President Woinarowicz reported on recent MREA activities, indicating the end of the legislative session, which saw improvements to railroad crossing fees, legislation limiting copper theft and providing stricter enforcement. The president mentioned that additional charges for distributed generation are being reviewed by the Public Utilities Commission in a complaint review process. MREA has held several meetings and will be watching this closely to ensure that the PUC does not stray into rate making.

Director Folland reported on a recent meeting of the Minnkota Power Cooperative board of directors and described a new contract with NextEra for additional wind power and continuing discussions with Basin Electric Power Cooperative.

Director Folland and the manager reported to the board of directors on their attendance to the NRECA 2016 Legislative Conference wherein they discussed such issues with legislative representatives as pole attachment regulation, geothermal tax credits and coal ash legislation.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. On April 6, 2016, MREA held a safety meeting.

May 4, 2016, four linemen attended the Wadena hotline school with our line foreman who brought one of PKM's bucket trucks and acted as the instructor. May 17, 2016, Minnesota Safety installed six AEDs and trained employees on their use.

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

The manager called the attention of the board to the 2016 Operation Round Up scholarship recipients, noting the wide distribution of scholarships.

The president informed the directors of the NRECA International Fund and directed management to make a \$500 contribution to this organization as they have done in the past.

The PUC has signed off on our agreement with Otter Tail Power Company, will be remitting funds effective July 2015 through May and will electronically deposit after that date.

The manager stated that it would be necessary to have new signatures for RUS authorization. The board designated the officers of the cooperative and the manager to be authorized to sign RUS documents.

In addition to the new RUS authorization,

new officers require new signature cards for the cooperative's various banking facilities. The board authorized the officers of the cooperative and management staff to be authorized signatories to the cooperative's various bank accounts.

The manager stated it would be necessary for the board of directors to review and receive pending audit the first quarter financials of the cooperative. The assistant manager and manager reviewed with the board of directors the first quarter financials. The board received the financials for the auditor's final opinion.

The manager reviewed first quarter subsidiary financials with the board of directors and answered their questions.

The audit firm of Brady, Martz presented the annual audit to the board of directors with special attention given to the notes and audit letter.

The board went into executive session with their auditors at 10:15 a.m. At 11:00 a.m. the president returned the meeting to regular order.

The manager discussed with the board of directors the CFC Integrity Fund and asked the board to consider a more meaningful contribution since we made healthy use of the fund.

A resolution was offered, and during discussion the manager mentioned we may want to wait until we receive our scheduled payment.

There was a motion to amend, which died for lack of a second. The maker of the motion withdrew his motion.

A regular meeting of the board was held Tuesday, June 28, 2016.

President Tom Woinarowicz who presided called the meeting to order. Upon calling the roll, the secretary reported that all directors were

present, with the exception of Wayne Malm.

The first business agenda item was a new policy covering stray voltage. The manager reported that this is a patent policy from MREA, which encapsulates the MREA Stray Voltage Guide.

It was resolved to approve Policy Bulletin No. 7-4, entitled "Neutral to Earth Voltage – Stray Voltage."

The manager stated with the election of officers, a new certificate of incumbency needed to be initiated with CoBank, one of the cooperative's lenders. The manager stated for efficiency it would be prudent to have the manager added to the incumbency certificate. The board authorized the officers of the board of directors and the manager to be signatories to the Certificate of Incumbency for CoBank.

The matter of the CFC Integrity Fund was brought up again from the May meeting. The manager mentioned to the board the significance of having the Integrity Fund available and the part it played in our contested case before the PUC.

The board instructed management to remit to the CFC Integrity Fund the sum of \$10,000 once the first advance on the new loan becomes available.

The president discussed with the board of directors the brief discussion he had with the cooperative's auditors with the topic "Accrued Vacation." This matter has been brought to the attention of the board from other auditors and the chairman is desirous to bring some resolve to the issue. The manager had a copy of the existing policy, which does not address vacation accrual. Various ideas to amend Policy 1-3.3 were



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 216B.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.

Trading Post

For Sale

Fuel oil burning stove. Call Randy at 218-843-1020.

Electric fireplace, 220 V wire cord, gray stone bottom, dark brown top, black wire mesh front screen, 40" high x 60" wide, works well, \$80 or best offer. Call Donna at 218-843-1021.

2006 Winnebago Tour Motorhome, 40 ft., 350 hp Cat diesel engine, 3 slideouts, kingbed, exterior entertainment center, 4-door refrigerator, dishwasher, convection/microwave oven, 44,500 miles, \$78,500. Call 218-224-3251, Laporte, Minn.

Wanted

12 - 36 used tractor tires. Call Keith (Sam) Potucek at 218-201-0390.

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.

discussed, with the manager being instructed to revise the existing policy for the board's perusal.

At this point in the meeting the president appointed a policy review committee consisting of Steve Goodwin, Mark Hatton and Mike Beaudry, and that their task would be to meet sometime during 2016 to review all existing policies specifically, personnel policies for amendment or deletion.

The president returned the meeting to general business. He presented the MREA activities report, indicating a board meeting that was recently held at the RESCO facilities in Moorhead, Minn. The MREA board heard presentations on territory from Red River Valley CEO Lauren Brorby, and CEO Robert McLennan reported on Minnkota activities for the MREA board.

The president reported a significant legislative victory on railroad crossings, which will entail a reasonable one-time fee not to exceed \$1,200 and briefly discussed issues surrounding last year's legislative rulings on net metering and the problems being discussed at the Public Utilities Commission.

Director Folland reported on a recent meeting of the Minnkota Power Cooperative board of directors, indicating a blend and extend contract with NextEra for additional wind power capacity and a tour of Minnkota's new campus under construction.

The secretary/treasurer reported on Square Butte activities, stating line of credit borrowings and investments in the RUS cushion of credit program.

The manager presented the monthly safety report in absence of the operating manager, indicating no accidents and no lost time.

The manager continued the operating manager's report, indicating minor storm damage on Friday, June 24, and that connected members stood at 3,798 at the end of May 2016, representing a net increase of 24.

Other members of the management staff and the manager presented their monthly reports, and with those staff people, the manager responding to questions the reports generated.

Statistical and financial report

Year-to-date: June 2016

	Last Year	This Year	Budget
Total income	\$ 6,495,239	\$ 6,910,859	\$ 7,102,000
Total expense	\$ 6,643,984	\$ 6,778,816	\$ 6,633,600
Net margins	\$ (148,745)	\$ 132,043	\$ 468,400
Total kWh sold	59,892,718	59,102,255	61,200,000
Avg. kWh sold per member	2,654	2,634	
Delivery cost per kWh purchased	7.83¢	7.96¢	
Avg. sale price per kWh	10.84¢	11.69¢	
Percent kWh sales increase	(15.2%)	(1.3%)	
Members billed	3,763	3,778	
Miles of line in service	2,261	2,261	
175 watt MV lights	1,465	1,439	
400 watt MV lights	93	89	
100 watt H.P.S.	882	871	
250 watt H.P.S.	87	87	

Outage charged to:	2016	2015	2014
Minnkota operations	3,502.97	2,460.24	2,680.78
PKM operations	1,417.93	1,315.00	2,394.92
Total	4,920.90	3,775.24	5,075.70

Minutes per member PKM operations year to date: 22.51

Minutes per member Minnkota operations year to date: 55.62

Northern Safety & Security is now



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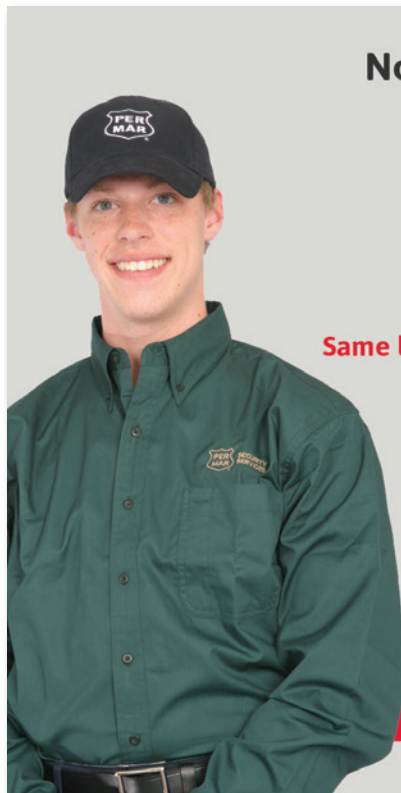
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SMART ENERGY USE

with help from PKM Electric Cooperative



Heating and cooling system rebate checklist

Must be on off-peak.

Combined heating and cooling rebate maximum of \$600.

☐ Electric plenum heaters

Easily converts your existing fossil fuel furnace into a dual-fuel heating system. You are able to use the most efficient, cost-effective heating source – fossil fuel or electricity – at any time.

Electric Heat rebate: \$20 per kilowatt (kW), maximum of \$600

PowerSavers rebate: \$500 if installed with ENERGY STAR®-rated air-source heat pump. Must modulate to allow ASHP to operate down to 5 degrees F., and be on off-peak.



☐ Electric thermal storage heaters

Draws electricity during off-peak hours when it is cheaper. Heat is stored in specially designed bricks to provide comfort 24 hours a day.

Electric Heat rebate: \$20 per kW, maximum of \$600

PowerSavers rebate: \$500 if installed with ENERGY STAR-rated air-source heat pump. Must modulate to allow ASHP to operate down to 5 degrees F., and be on off-peak.



☐ Air-source heat pumps (including mini-split ductless option)

Works just like a central air conditioner in the summer. In the fall and winter, they provide super-efficient supplemental heat.

Electric Heat rebate: \$100 per ton, maximum of \$600

PowerSavers rebate: \$400-500 depending on efficiency ratings

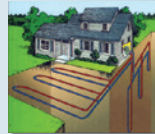


☐ Geothermal heat pumps

Provides the highest efficiency for space heating and cooling available today. The system transfers heat to and from the earth using only small amounts of electricity.

Electric Heat rebate: \$200 per ton, maximum of \$600

PowerSavers rebate: Open loop, \$200 per ton, maximum of \$2,500. Closed loop, \$400 per ton, maximum of \$5,000. Must meet program efficiency requirements.



☐ Underfloor electric heating

A popular off-peak option because the system transfers consistently across the floor to reach people and objects, providing both comfort and efficiency. Applications include electric boiler with hydronic tubing or electric cables or mats.

Electric Heat rebate: \$20 per kW, maximum of \$600



☐ Other electric heating systems

Options include electric baseboard, cove heaters and more.

Electric Heat rebate: \$20 per kW, maximum of \$600



Electric water heater rebate checklist

Must be on off-peak



- ☐ 100 gallon or greater

Water heater rebate: \$200

PowerSavers rebate: \$150

- ☐ 56-99 gallon

Water heater rebate: \$150

PowerSavers rebate: \$150

- ☐ 55 gallon or less

Water heater rebate: \$100

- ☐ **Bonus rebates:**

Add \$250 if converting from natural gas or propane.

Add \$100 for new building construction.



CFL and LED light bulb rebate checklist

ENERGY STAR®-recommended.

Rebate up to dollar amount listed per bulb or 75% of the purchase price.



- ☐ Replace incandescent bulb with screw-in CFL

PowerSavers rebate: \$2 per bulb

- ☐ Replace incandescent bulb with screw-in LEDs

PowerSavers rebate: \$4 per bulb (40-60 watts)

PowerSavers rebate: \$8 per bulb (65 watts or greater)

PowerSavers rebate: \$8 per install of fixture/replacement kit

- ☐ Install LED outdoor fixtures (dusk-to-dawn operation required)

PowerSavers rebate: \$20 per fixture (40 watts and under)

PowerSavers rebate: \$40 per fixture (greater than 40 watts)

Other ways to save on heating and cooling:

- Install a programmable thermostat. **PowerSavers rebate:** \$25 per unit
- Tune up your central air conditioner or air-source heat pump. **PowerSavers rebate:** \$25 per unit
- Seal air leaks. **PowerSavers rebate:** 30% of sealing cost, maximum incentive \$300 (preblower and postblower tests required)
- Insulate and air seal your attic. **PowerSavers rebate:** 30% of sealing cost, max. \$500. (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.)
- Add wall insulation. **PowerSavers rebate:** 30% of insulation cost, max. \$500. (Wall insulation improved from R-5 or less to R-11 or higher. Attic knee walls excluded.)
- Install a furnace air handler with ECM blower. **PowerSavers rebate:** \$100 per unit