

# **PKM** NEWS

Electric Cooperative

July/August 2017



***Pedal to  
the metal***

**Hanson Trucking**  
*Story on page 6*

**Cooperative Month Coloring Contest - page 5**

**Air-source heat pumps - page 8**





# Well past the halfway point

## CHARLES RIESEN

Manager

PKM Electric Cooperative

## Safety

Small grain harvest is nearing completion, and I hear of widespread good crops.

It's certainly easier to get off the field than last year. Row crops are not fairing as well and even the casual observer knows why. Still we have a lot of crops to harvest, and it is appropriate that we take time to remind our member-owners about "SAFETY."

Actually, safety is a full-time responsibility, but we have traditionally in most endeavors used "peak seasons" like returning to school, opening fishing/hunting and harvest as special reminders. Instead of times of high activity causing special mentions of safety, let's make

safety just what we do in all activities.

Mid-September will be a special time for Kittson County students enrolled in industrial arts. Hallock line foreman Scott Slusar has already put on electrical safety demonstrations to these students. Along with positive feedback from this, Slusar also received many questions about line work and the cooperative.

## Power Plant Tour

This was one of those BGO's (blinding glimpse of the obvious): wouldn't this be a perfect group to take on the "Power Plant Bus Tour?" Great idea Scott and now, in mid-September,

45 students and their instructors will trace the path of where their electricity is produced as well as see a good part of the transmission line that brings it to Kittson County. I'm excited about this and if the response is favorable (I'm almost certain it will be) this will be replicated in other counties served by your member-owned electric cooperative.

## Co-op Month

October is Co-op Month. Look for information in the next *PKM News* about where we will do our best Cliff Clavin impression – telling you some little-known facts.



## SAFETY: A FULL-TIME RESPONSIBILITY

## 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.

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

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

**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.

## July/August 2017

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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](mailto:infopkm@minnkota.com)  
website: [www.pkmcoop.com](http://www.pkmcoop.com)

### Next Board Meeting:

Friday, September 22, 2017

### 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 ..... Jeff Rustad, Chelsy Davey

## Electrical Inspectors

### Marshall and Polk Counties

Bryan Holmes  
218-686-1413

Wayne Bergstrom  
701-520-9771

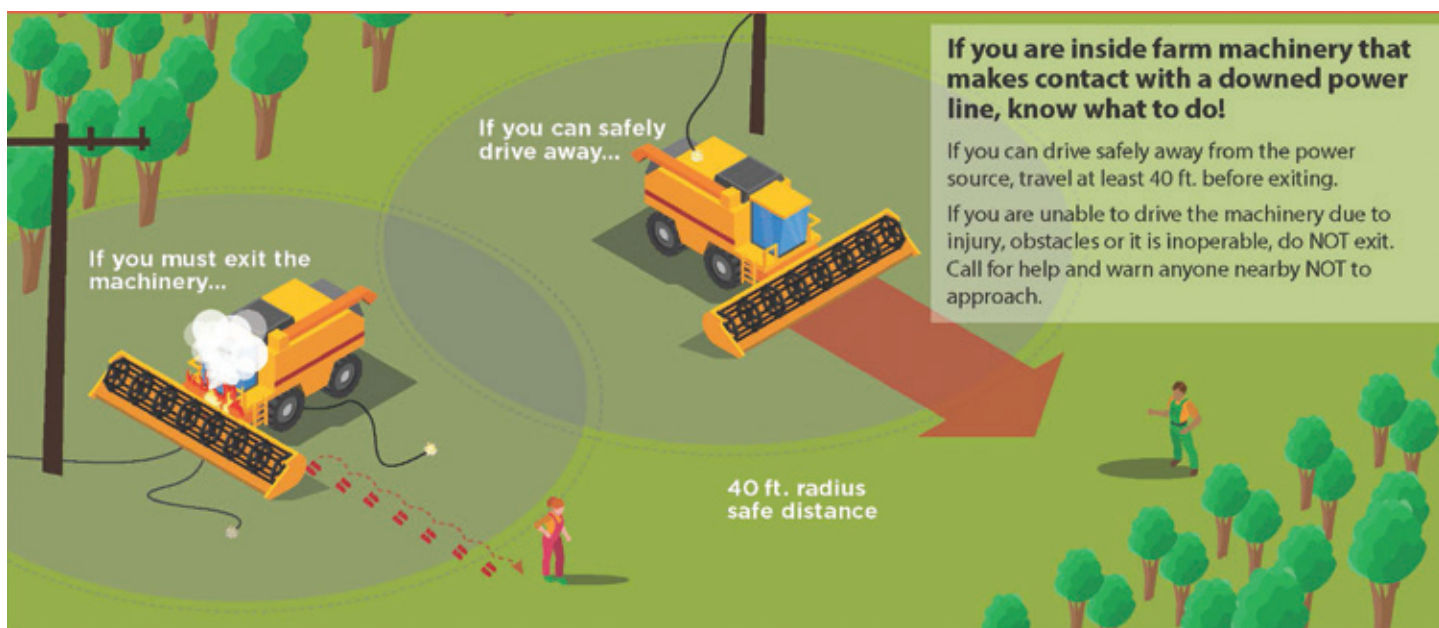
### Kittson County

Wayne Bergstrom  
701-520-9771

# ALERT TODAY, ALIVE TOMORROW:

## HEADS UP FOR FARM SAFETY

STAY SAFE AROUND DOWNED POWER LINES. CONSIDER ALL LINES, EQUIPMENT AND CONDUCTORS TO BE LIVE AND DANGEROUS.



### If the vehicle is on fire, or you must exit for other safety reasons, follow these steps:

1. Jump clear of the vehicle. Do not let any part of your body or clothes touch the ground and the machinery at the same time.
2. Land with feet together and hop away in small steps to minimize the path of electric current and avoid electric shock.
3. Keep going until you are at least 40 ft. away.
4. Call for help. Make sure no one gets within 40 ft. of the downed line.
5. Do not re-enter the area or vehicle until emergency responders and your electric co-op crews determine it is safe.

## Avoid HAZARDS with grain bins and power lines

Electrical power is an indispensable part of modern agricultural operations. In fact, electricity is such a commonplace part of a farm operation that it can all too easily become a part of the scenery and its hazards overlooked. One often overlooked safety consideration is the power line clearance required for grain bins. Safe Electricity provides tips on avoiding electrical hazards around the farm, including the construction of grain bins.

Electrical hazards include large equipment and farm structures near overhead power lines. The best way to avoid problems is to keep equipment and new constructions a safe distance from power lines.

Equipment and vehicles, such as augers and grain trucks, around grain bins are particularly at risk of coming into contact with overhead power lines. It is important that bins be built a safe distance from power lines to help ensure the safety of all farm workers.

The National Electrical Safety Code sets the minimum distance that power lines must be above and around grain bins. Your state and utility may have additional requirements. If planning on constructing a new grain bin, contact your local utility before any construction begins. They can help you determine minimum safety requirements.

Keep these additional safety tips in mind anytime you are operating

large farm equipment 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.
- Use a spotter when operating large machinery near lines.
- Never attempt to move a power line out of the way or raise it for clearance.
- If a power line is sagging or low, contact your local utility.

If equipment does come into contact with a power line, remember, stay on the equipment until the utility has arrived to de-energize the lines. 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 to safety.

For more electrical safety information, visit [SafeElectricity.org](http://SafeElectricity.org).





# 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

(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.

## 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.

# October is National Co-op Month

Color and return by Friday, November 3, 2017

Winner receives Fire HD 8 Kids Edition Tablet

## FALL COLORING SHEET

For ages 10 and below



**Energy  
Explorers**







A Hanson Trucking mechanic works on a diesel truck engine inside the company's new repair shop near Karlstad, Minn.

# Pedal to the metal

*Fast growth drives new, energy-efficient trucking facility*



**Greg and Lorna Hanson stand in front of their new 20,000-square-foot facility.**

**W**hen Greg Hanson started his trucking company in 2009, he only had one truck, an old farm shop and a vision to fill a small niche in northwest Minnesota.

It didn't take long for the business to shift into overdrive. In under a decade, Hanson and his wife, Lorna, have added about 40 trucks, 50 employees and a new 20,000-square-foot facility west of Karlstad, Minn.

"Everybody's got dreams," Hanson said. "But this is beyond what we could have ever imagined."

The Hansons run both a freight hauling business and heavy-duty truck and trailer repair shop from their location along Minnesota State Highway 11. Since opening in 2016, the spot has quickly become a hub for 18-wheelers. A crew of mechanics work Monday through Saturday on the company's

vehicles and a growing number of external projects.

Trucks, payloaders and other large vehicles move seamlessly through the seven bay doors. Inside, the sounds of engines revving, drills buzzing and wrenches turning are music to Hanson's ears.

"We'll do anything from airing up your tires to overhauling your engine," Hanson said. "Back at the old shop about 90 percent of our work was on our own trucks. Now it's 60 to 70 percent outside work."

Included in the facility's new equipment is a state-of-the-art laser alignment system, a wide range of computer diagnostic programs and specialized area for working on motors. Hanson said his workforce includes a good mix of experience and tech-savviness.

"We have guys who have been mechanics for 30 years and understand the old school

ways and we have the younger generation who is really good with computers,” he said. “It’s kind of cool when they’re able to learn from each other.”

A connected office space is quiet for dispatchers to make calls and communicate with drivers, who transport a wide variety of freight – from Polaris products to potatoes and turkeys – throughout the contiguous United States and Canada.

Drivers who are having their trucks serviced at the shop also have 24-hour access to a lounge area, which includes two sleeping rooms, bathrooms, cable TV and a kitchenette.

### Smart energy user

Reliable power is an essential part of the daily operation. Heavy-duty tools and equipment depend on three-phase power provided by PKM Electric Cooperative, one of the 11 Minnkota member distribution cooperatives.

With a larger facility, the Hansons have made a significant effort to use energy wisely through the installation of highly efficient heating, cooling and lighting systems. As a PKM Electric member, the business was able to access PowerSavers rebates of \$23,632 for installing qualifying equipment. It is estimated that the Hansons will save 400,701 kilowatt-hours (kWh) annually.

Perhaps the most efficient energy user is the facility’s geothermal heating and cooling system. The 34-ton system consists of 6.5 miles of underground piping that harvests some of the virtually limitless heat constantly available a few feet below the surface of the earth. The reason for a geothermal system’s average 330 percent efficiency rating is simple: the system does not consume fuel to produce heat, but instead is constantly transferring heat from the ground to the building or vice versa.

While energy efficiency is important to keeping his bill low, Hanson is also pleased with the performance of the system – especially in the winter. With large bay doors opening and closing during the coldest days of the year, keeping a consistent temperature is important.

“You don’t feel the cold zones in here,” Hanson said. “The guys are really happy with it. In the old shop, it was cold all day long. Now they’re comfortable.”

In addition to comfort, the shop areas stay safe and well-lit with help from long rows of LED lights. Nearly 250 fixtures have been installed in the facility.

Hanson gives credit for the project’s success to the local contractors, including Todd’s Electric, Kaz Brothers Construction, Bradley Glad Heating & AC, Lee Plumbing and Heating and GW & Sons Construction.

“You couldn’t ask for a better team,” Hanson said.

### Life on the road

Trucking has been in Hanson’s family for more than 50 years. Following in the footsteps of his father and grandfather, Greg started driving at 22 years old with hopes to see the 48 states. He drove through them all in his first year, but, over time, grew tired of life on the road.

“After a while it all looks the same and you just want to come home,” said Hanson, who grew up in northwest Minnesota.

Hanson’s days are now split between his office and the shop. As for the future, he doesn’t see things slowing down anytime soon.

“I’m starting to wish I had a little extra shop space,” he said with a smile.



**The seven large bay doors usher in vehicles Monday through Saturday.**



**The energy-efficient facility includes all LED lighting and a geothermal heating and cooling system.**



A photograph of a grey, rectangular air-source heat pump (ASHP) unit. The unit is mounted on a grey concrete base and sits on a bed of light-colored gravel. It is positioned next to a house with tan horizontal siding. A white downspout is visible to the left of the unit. In the background, there is a green lawn and some foliage. The unit has a control panel on its right side with a digital display and buttons. A black cable runs from the unit towards the house.

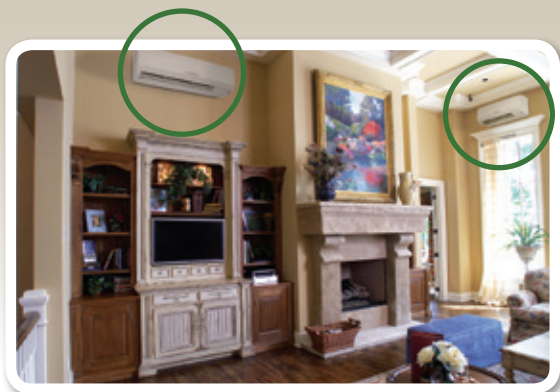
# Air-source heat pumps

*A smart choice for your heating and cooling needs*

Looking for a way to heat and cool your home more efficiently? The one system that can do both is an air-source heat pump (ASHP).

By providing super-efficient home heating and air conditioning, an ASHP can help members save significantly on their energy bills. According to the U.S. Department of Energy, ASHPs reduce electricity use related to heating and cooling by up to 72 percent. Since heating and cooling account for more than half of the average home's energy usage, switching to an ASHP can make an immediate impact on home energy usage. And with a wide array of rebates available through PKM Electric Cooperative, there has never been a better time to install a new system.





Mini-split heat pumps are popular for homes without existing ductwork. The indoor units are positioned high on the wall and come in a variety of designs to match your existing decor.

## How do ASHPs work?

Unlike a furnace, an ASHP doesn't burn fuel to make heat. It efficiently uses electricity to move heat from one place to another. Think of an ASHP as a heat transporter constantly moving warm air from one place to another, to where it's needed or not needed, depending on the season.

An ASHP works exactly like a central air conditioner in the summer, transferring heat from the inside to the outside. In the winter, a reversing valve allows them to transfer heating from the outside to the inside of the home. Some ASHPs can provide heating in temperatures down to 0 degrees Fahrenheit. The result is that homeowners can run their furnaces less and get highly efficient and comfortable heating from the ASHP.

ASHPs can work in tandem with an existing furnace. The system will automatically select the most ideal balance between the two sources to maintain the most efficient heating combination based on your desired temperature. A qualified HVAC contractor can provide sizing and estimates based on your home or business.

## What options do I have?

### Standard

A standard ASHP is a self-contained unit that uses existing ductwork to both heat and cool.

The system has two main components: an outdoor compressor unit and an indoor air handling unit. The two units are linked with refrigerant tubing and a connected electric supply wire.

### Mini-split

A mini-split ASHP is an economical and efficient option for homes without an existing ducted system or when adding ductwork may be impractical or too expensive. Similar to a standard ASHP, an outdoor unit is placed outside your home and is connected to an indoor unit by small cables and a refrigerant line. The indoor unit is typically mounted high on the wall of the room and can be preset to run automatically or be adjusted by a remote control.

## Member benefits

Whether you're building a new home, remodeling an existing home, or simply buying a new appliance, your cooperative offers professional advice and a wide array of incentives to ensure you get the most for your energy dollar.

When considering a new ASHP, remember that PKM Electric Cooperative offers up to \$900 in rebates to help with the initial cost of the purchase. All rebate and incentive programs have certain restrictions and requirements that must be met before a rebate can be issued. Please contact the member services department at 745-4711 for more information.

## Energy Efficiency Tip of the Month



Periodically inspect your dryer vent to ensure it is not blocked. This will save energy and may prevent a fire. Manufacturers recommend using rigid

venting material - not plastic vents that may collapse and cause blockages.

— Source: U.S. Department of Energy

# DIGGING SOON?



One free, easy call gets your utility lines marked AND helps protect you from injury and expense. Safe digging is no accident: always call 811 before you dig.

Visit **[www.call811.com](http://www.call811.com)** for more information.

## COLOR CODING FOR MARKING UNDERGROUND UTILITIES

WHITE	Proposed excavation
PINK	Temporary survey markings
RED	Electric power lines, cables, conduit and lighting cables
YELLOW	Gas, oil, steam, petroleum or gaseous materials
ORANGE	Communication, alarm or signal lines, cables or conduit
BLUE	Water
PURPLE	Reclaimed water, irrigation and slurry lines
GREEN	Sewer and drain lines

# Board meeting highlights *May and June*

## A regular meeting of the board was held Tuesday, May 30, 2017.

Tom Woinarowicz, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors, with the exception of Director Mark Hatton, were present.

The president reported on recent MREA activities, indicating a realignment of the safety and loss control department; which may include the use of safety ambassadors. These would be individuals strategically located throughout the state, working on part-time basis, to augment the safety instructors. He further mentioned that there will be a Monday conference call and a workshop detailing the requirements of cooperatives to comply with recently signed Local Democracy legislation.

Director Folland reported on recent Minnkota activities. Indicating that substantial portions of the operations facility at the new campus are available to be occupied, or at minimum, equipment and material moved thereto; however, lacking a Certificate of Occupancy from the city of Grand Forks, this cannot be accomplished. He mentioned that a committee of managers and directors for wholesale power rates was being discussed, and that also a committee was being established for director issues.

The secretary-treasurer reported on Square Butte activities.

The manager and Director Folland reported on their attendance to the NRECA Legislative Conference. Wherein, Minnesota's own congressman Collin Peterson received the Distinguished Service Award from NRECA.

The manager of operations presented the monthly safety report, indicating an accident when a pole butt struck the foot of a line worker in Hallock and although wearing steel-toed boots did bruise his foot, it resulted in no lost time.

The manager of operations continued his monthly report on activities in the line department.

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

The manager explained to the board of directors that RUS is using an application called RDAApply. It is an electronic process for making loan applications and routine correspondence with RUS. To get started, the individual cooperative must apply for RDAApply and then assign authorized people to use the electronic process. RUS has provided a patent resolution and the manager suggested that himself and the assistant manager be authorized personnel to utilize the process.

The board approved that Charles Riesen, the manager of the cooperative, and Michael Schmidt, assistant manager of the cooperative, are granted

authorization to process information electronically using RUS RDAApply.

For the board's information, GFR Brad Schmidt visited the cooperative for a Civil Rights review and a general observation. His report is included in the board material for the board's perusal.

At this point in the meeting, Brady, Martz and Associates appeared before the board to present the 2016 Audit Report.

Upon motion duly made, seconded and unanimously carried an executive session was called.

At 10:50 a.m. the president reconvened the meeting to regular order and stated it would be necessary for the board of directors to accept the 2016 Audit of the Cooperative as presented.

The board accepted the Audit Report for 2016.

The manager stated it would be necessary for the board of directors to approve Capital Credits to two corporations. The manager stated that the amounts are of little consequence, and certainly will not hamper the financial condition of the cooperative, but retirements of capital to corporations are a province of the board of directors.

The board authorized management to retire at present value patronage capital to the two corporations that have been dissolved.

The manager stated that after a brief hiatus, that CFC's Integrity Fund was once again soliciting contributions. The manager refreshed the directors to their previous sizable contribution because of their help in our contested case at the PUC and asked the board of directors as to their desire for contributions in 2017.

The board instructed management to donate to the CFC Integrity Fund in the amount of \$500.

The manager reviewed with the board of directors the 2017 scholarship recipients, noting the equal distribution across the cooperative service territory for the scholarships.

The assistant manager reviewed with the board first quarter financials and reminded the directors of the recently presented Audit that had no adjustments or reclassifications. Stating that the cooperative is well ahead of budget for the first quarter and that the reduced employee count and additional revenues brought in from management services are so far keeping the budget well ahead of projections.

## A regular meeting of the board was held Tuesday, June 27, 2017.

Tom Woinarowicz, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors, with the exception of Jeff Folland, were present.

The president reported on recent MREA activities.

In absence of Director Folland, the manager reported on recent Minnkota activities.

The secretary-treasurer reported on Square Butte activities; mentioning arrangements for a \$5 million line of credit and \$55 million in new financing later this year.

The manager reported on his attendance to the MREA meeting, detailing the requirements to enact 216B.164. The manager stated it is critical that this process incorporate the enactment procedures that have been outlined by the legislation, if in fact, the PKM board chooses to adopt 216B.164. The manager further reported on additional legislation that would exempt cooperatives of less than 5,000 members to not be bound by the requirements of the Conservation Improvement Plan. However, the manager felt that the next legislative session would more than likely reconsider this, and to have consistency among the Minnkota Minnesota cooperatives, the PKM staff recommended that we remain active in the CIP.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He described for the board windstorms that occurred on June 13, and the week prior. High winds and trees through the lines were the major cause of outages. There was a foreman coaching and crew observation meeting held on June 1, and MREA held a safety meeting on fall arrest later in June.

The manager of operations continued his monthly report on activities in the line department.

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

The manager directed the board's attention to a servicing visit from USDA concerning our rural development loans.

The manager reviewed with the board of directors suggested rules for implementing 216B.164, or as commonly known to cooperatives, Local Democracy. The manager stated that the cooperative will utilize its newsletter and website for informing member-owners of 216B.164.

The manager informed the directors of a request from Minnkota Power Cooperative, Inc. that the distribution cooperatives adopt the PURPA Waiver. This provides for consistency on how Minnkota treats the member cooperatives and consistency involving the member cooperatives with Qualifying Facilities.

The board adopted the PURPA Waiver as recommended by Minnkota Power Cooperative, Inc., whereas, PKM is receiving wholesale power from Minnkota and PKM requests to participate in Minnkota's Qualifying Facilities waiver petition with the Federal Energy Regulatory Commission. It was resolved that PKM will participate in Minnkota's Qualifying Facilities waiver petition with the Federal Energy Regulatory Commission.

## PKM ELECTRIC COOPERATIVE POLITICAL LEADERS

### Federal legislators

#### President Donald Trump

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

#### Senator Al Franken

309 Hart Senate Office Building  
Washington, D.C. 20510  
www Franken.senate.gov

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

2204 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

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

#### Senator Mark Johnson

2105 Minnesota Senate Bldg.,  
95 University Avenue W.  
St. Paul, MN 55155  
651-296-5782  
sen.mark.johnson@senate.mn

#### Representative Dan Fabian

359 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

537 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



# Statistical and financial report

Year-to-date: July 2017

	Last Year	This Year	Budget
Total income	\$ 7,791,719	\$ 7,911,331	\$ 7,678,500
Total expense	\$ 7,810,530	\$ 7,771,482	\$ 7,686,000
Net operating margins	\$ (125,218)	\$ 258,579	\$ (197,500)
Total kWh sold	65,687,551	65,206,833	65,600,000
Avg. kWh sold per member	2,507	2,448	
Line loss	7.02%	4.65%	
Del. cost per kWh purchased	8.23¢	8.18¢	
Average sale price per kWh	11.86¢	12.13¢	
Percent kWh sales increase	(3.4%)	(0.73%)	
Members billed	3,778	3,806	
Miles of line in service	2,261	2,261	

## Marathon®

*Hot water  
and savings  
for life!*

PKM Electric  
Cooperative  
members can  
save on their  
electric bills  
when they

purchase an  
85- or a 105-gallon  
Marathon water heater  
and hook it up to the off-peak cycled  
water heater program. Not only will you  
receive up to a \$450 rebate, but you'll  
also save a minimum of \$132 per year off  
your electric bill with our off-peak cycled  
program.

**For information and pricing,  
call PKM Electric Cooperative  
218-745-4711**



## 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 \_\_\_\_\_

|

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# Washington, D.C. Youth Tour recap

More than 1,800 students attended the annual Electric Cooperative Youth Tour in Washington, D.C. June 10-15, including PKM's own Laiken Larson, of Drayton, N.D. Delegates were provided the chance to learn about electric cooperatives all while visiting many historical sites in D.C. including: Vietnam and Korean War Veteran Memorials, Lincoln and Jefferson Memorials, Arlington Cemetery, the Smithsonians, U.S. Holocaust Memorial, Mount Vernon and many others. A full day was spent at Capitol Hill where the students met with our Congressional Delegation, including Rep. Collin Peterson (7<sup>th</sup> District), Sen. Amy Klobuchar and Sen. Al Franken. Chelsy Davey, Executive Assistant

at PKM Electric, was also able to attend the tour as a chaperone. "Seeing the sites firsthand, where our political leaders make decisions that form our country and impact us daily, and where we can honor those who have fought for our freedoms, was an experience I am grateful to have had. I look forward to returning to D.C. one day and encourage students and adults alike to make the trip!"



Chelsy Davey (left)  
 Laiken Larson (right)



Recently, I was blessed by receiving an all-expense paid trip to Washington, D.C. on the Rural Electric Cooperatives Youth Tour through my electric cooperative, PKM. I can honestly say it was one of the greatest trips I've been on. It opened my eyes up to so many new things. We saw many monuments, memorials, museums and learned so much. There were also nights with presentations and motivational speakers and we met our congressional representatives and senators. I am so thankful to have gotten the opportunity and will remember it forever. I'd like to give a huge thank you to PKM for sending me and all of the people involved in putting together such an amazing trip that was an experience of a lifetime.

Washington, D.C. has endless things to do and see. The buildings are so gorgeous and I can't get over how beautiful everything is. The youth tour included nearly 2,000 people representing almost all of the states in the country. I went with Minnesota and we had a group of 41. I loved how friendly everyone was and the great opportunity to meet new people. It was cool going in knowing zero faces and coming back being friends with the whole group. - Laiken Larson