

PKM

Electric Cooperative

NEWS

November/December 2014



Cover Story:

**Following the family footsteps -
pages 4-5**

Celebrating 75 years - page 6

Winter load control - page 8

Residential Rebates - page 9

Just around the corner - 2015



CHARLES RIESEN
Manager
PKM Electric
Cooperative

On the cover

(Left to right) Justin Dagen and his sons, Brooks and Sander, carry on a 132-year family tradition of farming near Karlstad, Minn. Story on pages 4-5.

We begin each year with an operating and capital budget that has previously been reviewed and debated. As I have often said, and as all know, any time you attempt to predict the future you will be wrong. The variables are the degree and the magnitude (up or down and by how much). That is not to say you just plug in some numbers and call it good, because we are going to be wrong anyway, right? The process is more methodical and exact than that, but variables do and will always exist.

Like the majority, and to a point I will even say all of our member-owners, weather is the big variable. We cannot ensure or hedge a profit level of energy sales for the year. We have a good handle on fixed costs, routine expenses, planned construction and capital expenditures. We can reasonably be assured of 8,000 to 9,000 heating degree days and a predictable amount of daytime and night. However, that leaves a lot to the whims of nature.

In the recent past we experienced a

couple of mild winters and three harvest seasons with little to very little crop drying. Throw in a couple of burdensome but not terribly expensive storms, an increase in wholesale power costs and the need to adjust electric rates upward in January 2013.

Fast forward to the present, and 2014 is approaching a record year for energy sales. Margins, or if we were a publically traded company or individually owned it would be called profit, could be more than is required.

The board of directors has been presented operating and capital budgets for 2015 and an estimate of year-end cash flow. We are estimating energy sales to be less robust, and we know that the cost of wholesale power will increase 5 percent in April 2015. We have budgeted a general retirement of patronage capital and factored in a 3-4 percent increase in electric rates for 2015.

I can assure you that discussion in the coming months at the board and staff level will be spirited. As usual, we will keep you posted, and it goes without saying but I will say it, we welcome your comments.

Merry
Christmas

Electrical Inspectors

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

Polk County
Lyon Hegland
651-262-8679

November/December 2014

The PKM News (USPS 417060) Vol. 68, No. 6 is published six times a year, February, April, June, August, October and December by PKM Electric Cooperative, Inc., 406 N. Minnesota, Warren, MN 56762. Periodicals postage paid at Warren, MN. Subscription 25¢/year for members \$2.50/year for non-members. POSTMASTER: Send address changes to PKM Electric Cooperative, Inc., P.O. Box 108, Warren, MN 56762-0108.

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: info@pkmcoop.com
website: www.pkmcoop.com

Next Board Meeting

Tuesday, Dec. 30, 2014

Officers and Directors

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



ATTENTION BUILDING AND ELECTRICAL CONTRACTORS

Minnkota and the associated systems will host contractor continuing education workshops again in 2015. This program is aimed at providing area trade allies with the latest information in building and electrical practices. Dates for the 2015 sessions are:

Wed., Jan. 28	Thurs., Jan. 29	Wed., Feb. 4	Thurs., Feb. 5
Doublewood Inn Fargo, N.D.	Bigwood Event Center Fergus Falls, Minn.	Alerus Center Grand Forks, N.D.	Hampton Inn Bemidji, Minn.

For more information about the program, contact Sue Black, Minnkota communications/member services specialist, at (701) 795-4292 or email questions to sblack@minnkota.com.

Don't let winter wind
blow your money

AWAY

You wouldn't let your hard earned money float away in the cold, winter wind, but that is what you are doing when your home is not an energy efficient one. The Energy Education Council encourages you to learn about ways you can keep more money in your bank and heat in your home.

Home heating efficiency all starts with your heating unit. Make sure the furnace and heaters are in good working order, and have a professional check and service your furnace system to ensure peak efficiency and safety.

Clean or replace your furnace filter every month to save energy and improve heat circulation. Dust and dirt slow down air flow. This makes the system work harder, which wastes energy and money.

Seal all air leaks around your home. Some common areas to find air leaks include around windows, doors, the attic hatch, wiring holes, plumbing vents, furnace vents, dryer vents and recessed lighting.

Many of these air leaks you can easily fix yourself with caulking or weatherstripping, which is a simple and inexpensive way to boost your home's efficiency and cut energy costs year-round. However, some air leaks might need a contractor's help to repair.

Make sure walls, attics and flooring –

especially above unheated spaces such as crawl spaces and garages – are properly insulated. Also be sure to repair any leaks on the roof.

Take advantage of natural sunlight. Open the curtains or blinds during the day to let the sun warm up your home. Just remember to close them at night to prevent chilly air from coming in through the glass.

If you haven't already, replace window screens with storm windows. This makes your windows more energy efficient. If you have older or leaky windows that you cannot replace, use temporary fixes such as plastic film kits that create the effect of an interior storm window.

If you have a fireplace, remember to close the damper when the fireplace is not in use. Install a heat air exchange system that blows warm air into the room for when a fire is crackling in the hearth. If you never use your fireplace, plug and seal the chimney flue.

Finally, when it comes time to replace your heating system, investing in energy efficient equipment will help you save money on heating bills.

For more information on home heating efficiency, visit EnergyEdCouncil.org.



Recipe Cookbook Update

Thank you to all our members who have submitted recipe entries for the celebratory cookbook 75th anniversary edition. We are looking to provide many delicious dishes, and currently we are looking to expand the following recipe categories: appetizers & beverages, breads & rolls, soups, salads and main dishes. But we welcome ALL submissions. Furthermore, if you have already sent in recipes, we will gladly accept additional entries. Please see page 6 for recipe cards and more information.



Following the family footsteps

Dagen Heritage Farms spans generations



(Left to right) Brooks and Sander Dagen stand with their father, Justin, in a field the family has farmed for generations near Karlstad, Minn.

Fifth-generation farmer Justin Dagen insists there is no secret formula that has kept his family's farm running for 132 years.

"There are no tricks," Dagen said. "We get up early in the morning and we get at it."

That longstanding tradition of hard work and perseverance continued this fall, as Dagen and his sons, Brooks, 25, and Sander, 20, began fall potato harvest.

Their footsteps in the rich Red River

Valley soil cross the same paths taken by Justin's great-great grandfather Albert, who emigrated from Germany and started the farm in 1882. Albert broke horses and farmed on 160 acres near Karlstad, Minn. – the same stretch of land the Dagens farm today. The family takes pride in their history, operating under the name Dagen Heritage Farms.

Over the years, the farm has expanded to 2,000 acres. The Dagens grow potatoes, sugar beets, edible beans, corn, wheat, soybeans and sunflowers. But make no mistake, spuds are the family favorite.

"You can bake 'em, boil 'em, chip 'em, fry 'em, slice 'em, dice 'em, hash 'em, mash 'em," Dagen quips. "You can even au gratin 'em, if you like."

About 350 acres is dedicated to certified seed potatoes. The Dagens hire a dozen workers each fall to help harvest several different varieties of reds, whites and russets.

Potatoes are the most labor-intensive crop on the farm. If the tubers are harvested too soon in the summer, they will likely have problems in storage. If it is too cold, they may freeze in the ground and become damaged.

"It's a tight time frame, but we try to take advantage of it the best we can," Dagen said.

The farm provides 20 customers with



seed potatoes. Most are in the Red River Valley, but the farm also has receivers across the country, including Florida, Texas and Washington.

Dagen is active with the National Potato Council (NPC) and the U.S. Potato Board. He recently served as president of the NPC and in 2012 received the organization's National Potato Man of the Year award.

Taking the reins

Dagen, 54, took over the farm in 1977 at age 17 after his father died of a heart attack. Although he was only a high school senior, Dagen says his father taught him what he needed to know to keep the farm going.

"Agriculture was simpler then," Dagen said. "If God gave you a strong back, that could get you a long ways."

Like many farmers in the region, Dagen has seen good years and bad years. He's picked up other jobs to keep the farm healthy during tough times, but nothing has caused him to reconsider his profession.

"I enjoy farming," Dagen said. "There are lots of other things I could do, but this is what I want to do."

As technology plays a larger role in their farm, Dagen depends on his sons more and more.

"My sons are the tech guys who are able to keep up, and that's what we need nowadays," he said.

Up to eight different crops are grown on their land each year, which keeps the family busy in the field and in the shop maintaining equipment.

The farm is conservation-minded in the diversity of their crops and their rotations. Dagen finds that planting sugar beets or corn

on land that had previously been used for potatoes can produce higher yields.

The Dagens receive electric service from PKM Electric Cooperative, based in Warren, Minn. PKM is one of the 11 Minnkota member distribution cooperatives.

After the Red River Flood of 1997, Dagen said he gained a new appreciation for reliable electricity. The family had been without power for a few days before the lights came back on.

"We're very thankful for what we have electrically," Dagen said. "We don't take it for granted, that's for sure."

Future of the farm

Brooks and Sander have worked alongside their dad for most of their lives. Brooks is employed as an engineer at the North Star Agri Industries canola processing plant in nearby Hallock, Minn., and Sander is attending North Dakota State University.

The farm also receives support from Justin's wife, Donna, and the couple's two daughters, Kendra, 23, and Jerica, 11.

When asked about the future of the farm, Justin quickly looked to his sons and said, "It's up to them."

"Down the road, I can see myself farming here," Sander said.

Brooks agreed, but for now he's happy to be learning from his dad.

"One advantage we have is that we don't have to get thrown into it quite as fast as our dad did," Brooks said. "We have more time to ask questions. We get to learn from someone who's been doing it for quite a while."



Potatoes are the Dagens' favorite crop. About 350 acres of certified seed potatoes are harvested each year.



The Dagens' potato harvester moves across a field this September.

Celebrating 75 years

In 2015, PKM will celebrate 75 years of providing electric services to Polk, Marshall and Kittson counties. We are asking our members to participate in the celebration by submitting your favorite recipes to be included in a recipe book we will distribute during our Annual Meeting in March 2015.

Directions:

Review your recipe collection for submissions in any of the following categories:

Appetizers, Soups, Salads, Breads, Side Dishes, Main Dishes, Desserts, Cookies/Candy, Canning, Misc.

*Please include the key ingredients:
Name, city and recipe submission*

Attend our Annual Meeting and pick up your copy of the celebratory cookbook.

Enjoy the collection of recipes.

Recipe

Directions



Ingredients

Recipe

Directions



Ingredients

Recipe

Directions



Ingredients

Peace on Earth...

Peace of mind – in essence that's really what a security system is all about. And Northern Safety & Security knows security. Cooperatively owned, we've been providing northern Minnesota families like yours with peace of mind since 1999. Just like you, we're raising families and working hard for our possessions.

Our customized security systems help guard against: intrusion, fire, carbon monoxide, low temperature, personal emergency and much more.



... peace of mind at home

If you are interested in the peace of mind that only a 24/7 monitored security system can provide, please call us for a free consultation at 1-877-751-3902.



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 \$150 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**



HAPPY HOLIDAYS!



*PKM's offices will be closed
for the following holidays:*

*Christmas Day
Thursday, Dec. 25*

*New Year's Day
Thursday, Jan. 1*



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.collinpetersen.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





Off-peak members should expect average winter control hours

Last winter, the so-called polar vortex sent much of the region into a deep freeze.

Even if the cold-weather phenomenon returns this winter, members who participate in the off-peak electric heating program should anticipate an average number of winter load control hours.

Minnkota Power Cooperative, your cooperative's wholesale power provider, estimates 240 hours of dual-heat load control this winter. This compares to the 10-year average of 255 hours and last year's total of 301 hours.

The key difference from last year is that Minnkota has increased its purchase of capacity from the Young 2 power plant by about 114 megawatts. As part of a long-term transaction, the additional energy from the coal-based plant will help meet peak winter demands and future load growth projections.

"The added Young 2 energy will reduce our exposure to the volatility of the wholesale energy market and should also help limit our hours of control," said Todd Sailer, Minnkota senior manager of energy supply.

Winter load control projections are based on reliable power plant operations and normal market conditions. Sailer warns that load control estimates can change due to circumstances such as storms, power plant outages and transmission line congestion. The availability of wind resources also has the ability to impact control hours.

"If our power supply resources perform well, we will have power to serve our loads at almost all hours during the winter season," Sailer said. "The challenge comes when we have unplanned outages or during extreme cold periods when the demand for electricity is high."

Surplus energy can typically be purchased from the regional wholesale energy market at affordable prices. With

demand skyrocketing across the Midwest last winter, prices momentarily went as high as \$2 per kWh.

"Controlling load during these periods protects consumers from the volatility of the market and prevents the need to build new power plants just to serve peak loads," Sailer said. "The savings by doing this are passed on to members through the low off-peak electric rate, which is approximately half of the regular retail rate."

An off-peak system consists of an electric heating source as its primary component. A supplemental heating source will need to operate several hundred hours or more during the winter season. Sailer said members with a well-maintained backup heating system should not notice a difference in comfort level when their off-peak heating system is controlled.

"The ability to manage costs and plan for the heating season is one of the many benefits of the off-peak electric heating program," Sailer said.

Millions of dollars have been saved due to the successful operation of Minnkota's load management system over the past 36 years.

"Load management is a vital tool for Minnkota and the associated systems to use to keep wholesale power prices competitive and winter heating bills low for retail consumers," Sailer said.

"Load management is a vital tool for Minnkota and the associated systems to use to keep wholesale power prices competitive and winter heating bills low for retail consumers."

- TODD SAILER

Senior manager of energy supply

Electric heat rebates available

Great new incentives are available for the installation of qualifying electric heating equipment. Cooperative members will receive \$20 per kilowatt (kW) installed with a maximum rebate of \$600. The system must be the primary heating source in the building and on the off-peak program with a qualified backup heating source. The system must be hard-wired; plug-in systems are not eligible.

Some restrictions apply. Please contact PKM Electric's member services department for more information.

Residential Prescriptive Program

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

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

Board meeting highlights *September and October*

A regular meeting of the board was held Tuesday, Sept. 30, 2014.

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

Director Folland reported on a meeting of the Minnkota Power Cooperative board of directors.

The secretary/treasurer reported on Square Butte activities.

The manager reported on his attendance to the Fall REMA meeting where cyber security, solar gardens and storm and disaster recovery policies were primary topics.

Directors Bernstrom, Folland and the manager reported on their attendance to the NRECA region meeting where the EPA's proposed policy on existing coal plants and other legislation were primary topics.

The manager reported on the MREA legislative meeting in Washington, D.C., where Sen. Klobuchar and Sen. Franken were both receptive to MREA's issues of extending the comment period on the EPA's proposed rules and lack of uniformity in FEMA reimbursement for storm damage.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He further reported that early in September MREA held a safety meeting that dealt with hazard recognition.

The operations manager continued his report detailing activities of the line department.

Other staff members and the manager presented their monthly reports. The staff and manager responded to questions from the directors.

The manager referred the directors to the "Electrical Service Agreement" drafted by their legal counsel; wherein, this particular agreement releases service to a sump pump to Otter Tail Power Company. The manager stated that this release would be a pattern release to involve only specific instances where electric service is released for service by other utilities.

The manager presented to the board of directors his recommendations for staff salaries, indicating that they were within the guidelines approved previously for other employees and that these salaries are warranted in his opinion. The salaries were approved and become effective Oct. 1, 2014.

The manager quizzed the board of directors as to how involved they want to get with preparing for cyber security. The manager stated that since we don't utilize credit card payment at the present time and

all ACH information is kept under lock that we need to remain vigilant on cyber security, that a specific employee or the expenditure of multiple thousands of dollars is not advisable at this time. Cyber security is important and will require expenditures in the future. The manager was encouraged to keep the board advised on new developments in the area of cyber security.

The manager and Director Folland reviewed with the board of directors proposed wholesale power rates from Minnkota, our wholesale power supplier, that cover years 2015-2016. It is the hope of Minnkota that one increase will be needed in those years and will allow for rate stability in the near future. These rates are still under discussion.

The president said the manager's salary was open for discussion. The manager was asked if he accepted last year's offer, he said he did not. The manager responded to questions from the directors on his compensation package. Discussion followed. The board approved adjusting the manager's salary upward by \$4,800 per year effective Oct. 1, 2014.

The manager and the assistant manager briefed the board of directors on discussions with Otter Tail Power Company and Enbridge concerning the anticipated new load of additional pumps and the dollar scenario.

The manager discussed with the board of directors the desire of Tri-County Electric Cooperative to purchase the cooperative's share of Carr's Tree Service.

A regular meeting of the board was held Tuesday, Oct. 28, 2014.

Ron Reitmeier, president who presided, called the meeting to order. Upon calling the roll, the secretary reported that all directors were present.

Director Woinarowicz reported on a recent MREA board meeting, reviewed the Legislative Summit and discussed a stray voltage lawsuit that was recently adjudicated. The net metering policy is available for comment and information from MREA and will be delivered to the cooperative soon, as a result of executive action during the board meeting.

Director Folland reported on a recent meeting of the Minnkota Power Cooperative board of directors; wherein, work on the budget and various scenarios for new wholesale power rates were discussed.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He further reported that two new apprentices were hired and that Minnesota Safety provided a Hallock

warehouse review and crew visits.

The operations manager continued his monthly report by reporting on pole testing, remaining URD projects and pole changeouts required from the harvest season.

The manager of marketing and service presented his monthly report and detailed for the directors his desire to have increased loan levels for members installing off-peak heating systems, indicating that the original loan amounts are not keeping pace with new installations. The directors quizzed the manager of marketing and service on requested loan amounts. It was asked what the policy states, to which the manager responded that the loans were never carried out under policy but by a memorandum.

The manager presented his monthly report and responded to directors' questions.

The manager reviewed with the directors the third-quarter financials for the cooperative.

The manager reviewed third-quarter subsidiary financials with the directors.

The manager presented the 2015 operating budget to the board. The manager reminded the board that projecting into the future is always an estimate with the differences being the direction and the magnitude. The board took no action on the operating budget and requested a cash flow budget for the November meeting.

The manager presented the capital budget to the board of directors for its approval. They reviewed the capital budget and took no action.

The General Field Representative of RUS, Mark Doyle, discussed with the board of directors refinancing RUS debt remaining balance of approximately \$1.7 million and provided pros and cons. He reminded the directors that he is agnostic as to the refinancing, but wanted to make the board aware of possible unknowns related to removing themselves from RUS financing. Following the presentation of the GFR without resolution it appeared to be the consensus of the board that they would not refinance outstanding RUS debt.

The manager brought the board up to date on recent discussions with Enbridge concerning the new station at the Donaldson location.

The board inquired about the mechanics of hosting board meetings similar to WebEx for when people can't attend a board meeting. The manager stated that they were working on that.

The manager discussed with board members advocacy groups coming from discussions at last year's annual meeting and is waiting to gather more information.

Trading Post

For Sale

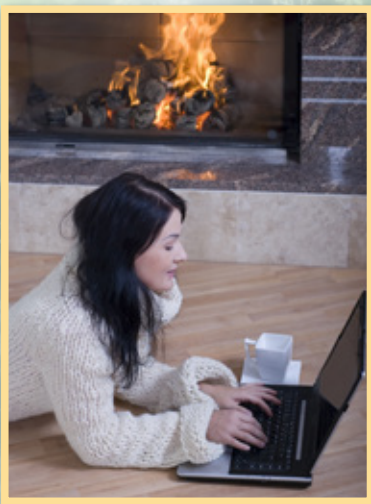
Electro Industries 27-kW electric boiler, about 7 years old with expansion tank; call Dave at 701-741-7893, \$800.

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.

ACH (automatic payment) now available

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



Statistical and financial report

Year-to-date: October 2014

	Last Year	This Year	Budget
Total income	\$10,368,385	\$11,597,566	\$10,630,000
Total expense	\$9,868,822	\$10,514,630	\$9,976,000
Net margins	\$499,563	\$1,082,936	\$654,000
Total kWh sold	96,816,510	-	88,000,000
Avg. kWh sold per member	2,643	-	-
Delivery cost per kWh purchased	6.53¢	-	-
Avg. sale price per kWh	8.87¢	-	-
Percent kWh sales increase	(20.3%)	-	-
Members billed	3,705	3,712	-
Miles of line in service	2,248	2,254	-
175 watt MV lights	1,502	1,489	-
400 watt MV lights	94	93	-
100 watt H.P.S.	868	879	-
250 watt H.P.S.	86	87	-

Outage charged to:	2014	2013	2012
Minnkota operations	3,979.80	2,796.20	7,945.68
PKM operations	5,814.40	3,415.66	79,634.02
Total	9,794.20	6,211.86	87,579.70

Minutes per member PKM operations year to date: 93.20

Minutes per member Minnkota operations year to date: 63.80

Winner of a Kindle Fire!

John Muir of Hallock, Minn. was the winner of a Kindle Fire for the National Cooperative Month grand prize drawing. Congratulations John!



We make your holidays merry and bright.



As the nights grow longer, our lives are brightened and our hearts warmed by the lights of Christmas.

The celebration of Christmas is surrounded by lights – colored lights twinkling on the tree, lights shining throughout the countryside and children's faces lit with a joy that is reflected in their parents' eyes.

Electricity helps make your holidays merry and bright by providing you with the gift of light – a powerful value, each and every day.

Powerful Value
Every day.

218-745-4711 or 1-800-552-7366 • www.pkmcoop.com

PKM's electric heating rebate program!



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

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

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

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