

PKM NEWS

Electric Cooperative

November/December 2015



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CHARLES RIESEN
Manager
PKM Electric
Cooperative

A couple of items to close out 2015

I have a couple (2) items to talk about as we pull the covers on another year and neither one brings me any pleasure.

I will lead off with the item that will affect all member-owners of PKM. Beginning Feb. 1, your electric rates will increase 7.6 percent. The energy rate will go from \$0.116/kWh to \$0.126/kWh. You may recall 2014 was a record year for margins when we posted \$1.1 million in operating margins and more than \$300,000 in nonoperating margins. There was considerable discussion concerning a deferral of revenue, however, the PKM board of directors is a democracy and that motion failed. The 1st quarter of 2015 was proceeding at a good pace. In April 2015 we had a 5 percent increase in wholesale power costs and energy sales nose dived. We accumulated operating losses from April until this November. Our operating deficit stands at more than \$600,000 through November. Beginning in April 2016 we will have another 3.35 percent increase in wholesale power costs. Our summer demand will increase by 4,000 kWh (an additional cost of more than \$350,000). Your cooperative has

nonoperating reserves well in excess of the loss but cannot continue to post an operating loss. Internally, we have cut more than 15 percent from the operating budget, fixed costs continue to increase but at a slower pace, 4.2 percent this year.

One of the benefits of having a strong balance sheet is we can weather the storm. We can work on internal cuts, slow the pace of new construction and replacements, but when new revenue is needed, it can only come from the member-owners. I believe we have been responsible with your electric utility. Of course, I fully appreciate that not everyone will share that opinion. However, another benefit of being a member-owner is you don't have to go through a voice answering system or find yourself on terminal hold to talk to the boss. I've been listening to all opinions for more than 30 years, that's another thing we do.

Bob Kliner retirement

The other thing I want to do, and it is with mixed emotion, is to say a few words about a co-worker, dedicated cooperative employee and friend Bob Kliner. I am happy for Bob and Viki that he has his health (a full head of hair, now grey) and they

have plans for an active retirement. For the past 35 years he has been Mr. Reliable at your cooperative. The times were few when you called and he wasn't available to help even when he wasn't scheduled. I recall a recent storm when we called in extra help and Bob, because of familiarity with the system, would take a visiting crew and work a section of line. Afterwards, linemen 20-30 years his junior would come up to me and say, "That guy can work." Bob always did what was asked of him and then he did more. A company couldn't ask more of an employee. Though a bit younger, I've been with Bob throughout his days at PKM. When he was clearing out his accumulation of 35 years he found pictures of a tall and slim fellow with boundless energy and a penchant for doing things fast. Over the years he discovered working smarter would serve us all better. Now he leaves PKM still tall, more mature and with a gate that belies 35 years working on the line. He can be proud of his accomplishment, and it has been my good fortune to have known a man many of us would do well to emulate. As Bob himself would say, "To everything there is a season."

November/December 2015

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Tips for weathering WINTER STORMS

Winter storms can cause hazardous road conditions, downed power lines and extended power outages. Safe Electricity shares tips on preparing for and safely weathering winter storms. Before a storm ever begins, tune into your local weather service for the weather forecast. It is important to know the differences among various watches and warnings.



Winter Storm Watches

Signify that stormy conditions, including heavy snow, freezing rain or sleet, are likely within the next few days. You should be alert, as this means adverse conditions could begin within the next 12 to 48 hours.

If the power goes out, notify PKM Electric of the outage. Have an emergency kit prepared to help you and your family weather the storm and the outage safely and comfortably. Some of the items this kit should include are bottled water, nonperishable food, flashlights, a weather radio and extra batteries.

If you are using an alternative heating source during an outage, know how to use it safely and have all supplies for it gathered. To help you and your family stay warm during an outage, dress warmly, cover windows at night, close off unneeded rooms and place draft blocks

Winter Storm Warnings

Call for stormy conditions to begin within the next 24 hours. Those in the range of the warning should be mindful of the impending conditions and consider canceling plans to travel outside of the home.

at the bottom of doors. To protect your circuits and appliances when power is restored, switch off lights and unplug appliances. Leave one light switched on as a quick reminder that the power is restored.

Only venture outside if absolutely necessary. Downed power lines could be submerged in snow and ice, making them difficult to see. If you must go outside, use caution and treat all downed and hanging lines as if they are energized. Stay away, warn others to stay away and immediately contact your cooperative.

If travel is necessary, be especially

Blizzard Warnings

Advise those in the affected areas to seek refuge immediately due to high levels of snow, strong winds and resulting near-zero visibility to those traveling on the road.

cautious driving, and keep an emergency kit in your vehicle. Its supplies should include a windshield scraper, a first aid kit, a cell phone charging adaptor, booster cables, a blanket and a flashlight with extra batteries.

Never drive over a downed line because that could pull down the pole and other equipment, causing additional hazards. If you see a downed line, do not get out of your car. The safest place is inside the vehicle. Contact the utility immediately. For more information on electrical safety and weathering winter storms, visit SafeElectricity.org.

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202-456-1111

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Fax: 202-224-0044

Senator Amy Klobuchar
302 Hart Senate Office Building
Washington, D.C. 20510
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Fax: 202-228-2186

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On the cover

Troy Vagle, co-owner of Two River Game Preserve near Lancaster, Minn., stands inside his on-site pen holding a pheasant. Story on pages 6-7.

Safety tips for portable, standby generators

It's critical that proper safety precautions be taken to prevent accidents that could affect you, a family member, neighbor or utility line worker. However, only a small percentage are hooked up or used correctly. **SafeElectricity.org** urges consumers to understand proper generator safety steps.

Generators can be temporarily or permanently installed. A permanent generator is wired into a house by a qualified electrician using a transfer switch. This protects you, your neighbors and repair crews from electricity backfeeding onto power lines. This can seriously injure anyone near those lines, especially co-op crews working to restore power. A temporary generator fired by gasoline or diesel fuel should not be attached to a circuit breaker, fuse or outlet.

The improper use of a standby generator can lead to injury or death. When using a generator, **SafeElectricity.org** urges you to follow these tips to keep you and your family safe:

- Read and follow all manufacturer operating instructions to properly ground the generator. Be sure you understand them before starting it up.
- Standby generators should have a transfer safety switch installed by a professional. Portable generators should never be plugged directly into a home outlet or electrical system – use an extension cord to plug appliances into an outlet on the generator.
- Never operate a generator in a confined area, such as a garage. Generators produce gases, including deadly carbon monoxide. They require proper ventilation.
- Remember, when venturing outside after a severe storm, stay away from downed power lines and be alert to the possibility that tree limbs or debris may hide an electrical hazard. Assume that any dangling wires you encounter are electrical, and treat all downed or hanging power lines as if they are energized. Warn others to stay away and contact the electric utility.
- Generators pose electrical risks, especially when operated in wet conditions. Use a generator only when necessary when the weather creates wet or moist conditions. Protect the generator by operating it under an open, canopy-like structure on a dry surface where water

Generate Safely

Safe Generator Operation

Keep this card in your home's emergency kit or with your generator.

☐ Never connect a standby generator into your home's electrical system. There are only two safe ways to connect a standby generator to your equipment:

Stationary Generator:

An approved generator transfer switch, which keeps your house circuits separate from the electric co-op, should be installed by a professional.

Portable Generator:

Plug appliances directly into the outlet provided on the generator.

☐ Set up and run your generator in a well-ventilated area outside the home. Make sure it's out and away from your garage, doors, windows, and vents. The carbon monoxide generated is **DEADLY**.

☐ Use a heavy-duty extension cord to connect electric appliances to the outlet on the generator.

☐ Start the generator first **BEFORE** connecting appliances.



Source: SafeElectricity.org

Developed jointly by the Energy Education Council & Rural Electricity Resource Council

cannot form puddles or drain under it. Always ensure that your hands are dry before touching the generator.

- When you refuel the generator, make sure the engine is cool to prevent a fire, should the tank overflow.
- There should be nothing plugged into the generator when you turn it on. This prevents a surge from damaging your generator and appliances.
- Be sure to keep children and pets away from the generator, which could burn them.

For more safety information on the use of portable and standby generators and safety after a storm, go to **SafeElectricity.org**.

Average number of load control hours expected this winter

Due to mild temperatures, dual-heat load control hours through Jan. 1 have been lower than projected at the beginning of the winter season. Minnkota Power Cooperative, your cooperative's wholesale energy provider, estimated 250 hours of winter load control, which compares to the 10-year average of 240 hours and last year's total of 63 hours.

Last year's low number was a result of mild weather, Minnkota increasing its purchase of energy from the Milton R. Young Station Unit 2 by about 127.5 megawatts capacity and low-cost power available from the wholesale market. As part of a long-term transaction, the additional Young 2 energy from the coal-based plant is helping to meet peak winter demands and future load growth projections.

During outages and periods of peak electric demand, Minnkota's first option is to purchase power from the power market. If affordable power is not available, off-peak loads are temporarily controlled. The savings are passed on to retail consumers through the lower off-peak heating rate.

"Our projections show that affordable power will be available for purchase throughout most of the winter to meet our members' needs," said Todd Sailer, Minnkota senior manager of energy supply.

Sailer said when there is a combination of low wind generation, unseasonal weather conditions and generator outages in the region, Minnkota will see higher energy market prices and will need to control. "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.

An off-peak system consists of an electric heating source as its primary component. A supplemental heating source must 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 success of Minnkota's load

management system over the past 37 years.

Electric rebates available


Great 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 through at least the end of 2015. 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 Cooperative's energy services department for more information.


Time is running out for PKM's electric heating rebate program!


PKM Electric Cooperative's electric heating rebate program will expire **MAY 31, 2016**.



All equipment must be installed before that date.

-  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.

 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

Northern Safety & Security is now



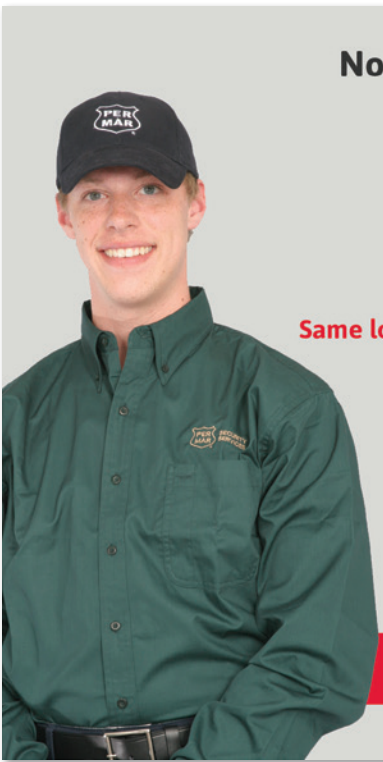
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Hunters thrive at Two River Game Preserve



Troy Vagle stands near the entrance of Two River Game Preserve located near Lancaster, Minn.

All is quiet and peaceful on Troy Vagle's land near Lancaster, Minn., until you hear a furious flapping of wings.

Suddenly a brown figure hurtles toward the sky, gaining speed before darting toward a patch of prairie grass within its spacious pen. Vagle's dog, Hawkeye, anxiously scans back and forth, yet he doesn't budge from the point position.

This is the scene before a big pheasant hunt at Two River Game Preserve. Troy Vagle and co-owner Mike Vagle run the business, which specializes in private hunts, from a cabin and 350 acres of land about 10 miles from the U.S.-Canadian border.

Troy Vagle started the preserve in 2013 as an alternative to the long trips out to South Dakota, a popular spot for pheasant hunting.

"I went out there (South Dakota) with a couple guys and had a good time," Vagle said. "I'd always think, 'Why can't someone in our area do something like this? There has to be more people who want to do this other than me.'"

Vagle was right. Individual hunters and large groups of all different skill levels have found their way out to the site, often on single-day trips. Because it is a state-certified game preserve, there is no need for hunting licenses and there is

no limit on the number of birds you can take.

While farmers in the region spend the fall season rushing to get their crops out of the field, Vagle is out capturing and planting birds all around his land. Originally he raised the pheasants himself, but now he purchases mature birds from a grower in Pelican Rapids, Minn.

At least 1,000 pheasants are released onto the land each season. Both roosters and hens are held in a large enclosed pen bordered with retired utility poles from PKM Electric Cooperative, which provides electricity to the site.

Vagle charges \$20 per bird to hunt on the preserve, a price that includes the use of his dogs and cleaning the birds. If a group does not get all of the birds they purchased, other hunters, who call beforehand, are allowed to come in and "scratch hunt" for \$10 per each remaining bird.

Despite being an avid hunter, 2015 was the first year Vagle pulled the trigger on one of his own birds. Most days, he's content just watching the dogs zigzag through an open field.

"The dogs are a big reason why I do this," Vagle said. "It is so much fun watching them work. It's like they can talk to each other."

Vagle has three German shorthair pointers. In addition to Hawkeye, who has been with the preserve since its start, he also added pups Ammo and Hunter in 2014. Vagle does not charge for



A pheasant is picked up inside its pen at the game preserve.

the use of his dogs, but keeps a tip jar for them.

"When people see our dogs work they say, 'I've got to have one of those,'" Vagle said. "So now we're seeing people come out with their dogs to train."

For Vagle, who works as utility manager for the City of Hallock, the preserve is less about money and more about his love of the outdoors. And it's hard to beat the camaraderie each group brings to the field.

"We have yet to have someone come out and be in a bad mood," Vagle said.

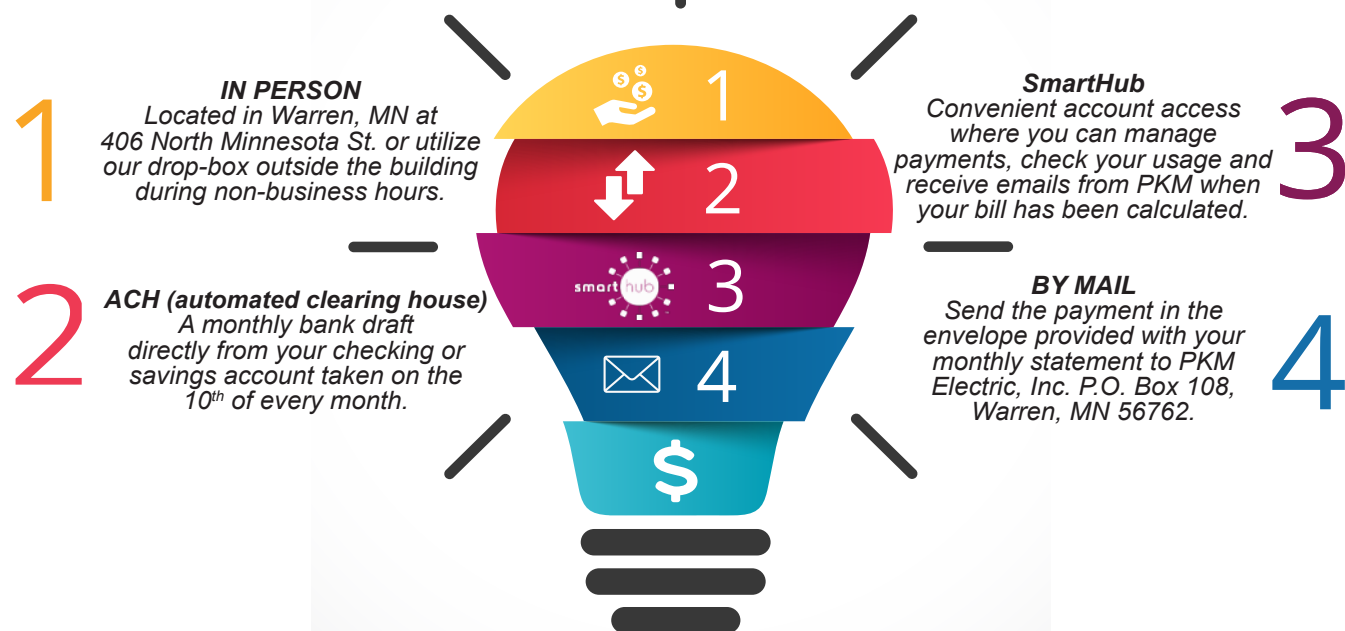
To learn more about Two River Game Preserve, visit their website, www.tworivergamepreserve.webs.com, or Facebook page, www.facebook.com/tworivergamepreserve.



Troy Vagle and his dog, Hawkeye, take a break in front of the pheasant pen.

"I'd always think, 'Why can't someone in our area do something like this? There has to be more people who want to do this other than me.'"

4 WAYS TO PAY



Sign up for either ACH or SmartHub by Friday, February 5, 2016 to qualify for a \$100 Energy Credit to be applied to your electric bill. There will be 2 winners total.

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 _____

2016 contractor workshops set

Minnkota Power Cooperative and the associated systems will sponsor continuing education classes for area electricians and builders in 2016. This marks the 28th year of the successful program, which is aimed at providing area trade allies with the latest information in building and electrical practices and an opportunity to obtain code credits for license renewal.

The electrical workshops will be held Jan. 18 and Jan. 19 at the Cambria Hotel & Suites in West Fargo, N.D. The training then moves to the Alerus Center in Grand Forks Jan. 26 and Jan. 27. The workshops continue with classes Feb. 3 at the Eagles Club in Bemidji, Minn., and Feb. 4 at the Bigwood Event Center in Fergus Falls, Minn.

The residential builder workshops are Jan. 27 at the Alerus Center in Grand Forks, Feb. 3 at Hampton Inn & Suites in Bemidji, Feb. 4 at the Bigwood Event Center in Fergus Falls and Feb. 5 at Cass County Electric Cooperative in Fargo, N.D.

Registration fee is \$75 for eight code credits. Taking the class on multiple days will not qualify for 16 code credits.

Online registration is preferred through www.minnkota.com. Registration should be completed by Jan. 13.

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.

2016 Electrical CE Workshops

Monday, Jan. 18
Cambria Hotel & Suites
825 East Beaton Drive
West Fargo, ND 58078

Wednesday, Jan. 27
Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Tuesday, Jan. 19
Cambria Hotel & Suites
825 East Beaton Drive
West Fargo, ND 58078

Wednesday, Feb. 3
Eagles Club
1270 Neilson Avenue SE
Bemidji, MN 56601

Tuesday, Jan. 26
Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Thursday, Feb. 4
Bigwood Event Center
925 Western Avenue
Fergus Falls, MN 56537

2016 Residential Builder CE Workshops

Wednesday, Jan. 27
Alerus Center
1200 42nd Street South
Grand Forks, ND 58201

Thursday, Feb. 4
Bigwood Event Center
925 Western Avenue
Fergus Falls, MN 56537

Wednesday, Feb. 3
Hampton Inn & Suites
1019 Paul Bunyan Dr. S.
Bemidji, MN 56601

Friday, Feb. 5
Cass County Electric Cooperative
3312 42nd St. S.
Fargo, ND 58104

smarthub

The Center of Customer Engagement



PKM Electric Cooperative launched SmartHub to our members in March of 2015. This new feature is available on your mobile device by downloading the FREE app or visiting pkmcoop.smarthub.coop online. We are excited to offer this service to our members.



pkmcoop.smarthub.coop

Please contact us at 218.745.4711 with any questions.

Unclaimed capital credits

This is a listing of members or former members who have unclaimed capital credit checks. If you know their current mailing address, please contact us at infopkm@minnkota.com, or by calling toll-free 800.552.7366 or 218.745.4711.

Adair, Jacqueline, Moorhead, Minn.
AEF&G Partnership, Stillwater, Minn.
AETNA Insurance, Hartford, Conn.
Anderson, Dale A., Sunriver, Ore.
Anderson, Paul, Grand Forks, N.D.
Andreen, Greg, Grafton, N.D.
Armitage, David, Moorhead, Minn.
Back, Rose, Arlington, Wash.
Bagaas, Arlene, Kennedy, Minn.
Barwick, John, Hazen, N.D.
Becklund, Mavis, Deer River, Minn.
Beedy, Marjorie L., Mesa, Ariz.
Benke, Darrell, Plano, Tex.
Benson, C. E., Stephen, Minn.
Benson, Kent, Karlstad, Minn.
Bilben, Mike, New Effington, S.D.
Bogestad & Son Farms, Inc., Donaldson, Minn.
Bolek, Wayne, Grand Forks, N.D.
Boman, Ardella, Warren, Minn.
Borowicz, Dorothy, Stephen, Minn.
Brantl, James, St. Thomas, N.D.
Brenner, Ed, Minot, N.D.
Bushaw, Joseph, Townsend, Mont.
Cactus Lanes, Warren, Minn.
Cannon Town Hall, Lancaster, Minn.
Carlson, Hazel H., Hallock, Minn.
Carlson, Viola, Thief River Falls, Minn.
Carlson, Wayne A., Karlstad, Minn.
Carlson, Wayne W., Tucson, Ariz.
Christianson, Audrey, East Grand Forks, Minn.
Christianson, Darlyne, Moorhead, Minn.
Clark, Brad, Fargo, N.D.
Clipperton, Jeff, East Grand Forks, Minn.
Coffield, John, Lancaster, Minn.
Cole, Scott, Poynette, Wis.
Commercial Mortgage Co., Omaha, Nebr.
Coulter, Jerome, East Grand Forks, Minn.
Crummy, Paul, Warren, Minn.
Dagen, Dave, White Bear Lake, Minn.
Dahl, Conrad J., Kansas City, Mo.
Dahl, Robert N., Kennedy, Minn.
Davis, Clifford, Halma, Minn.
Deitz, Duane, Grand Forks, N.D.
Docken, Harriet, Hallock, Minn.
Dreher, Lavern, St. Paul, Minn.
Driscoll Inc., Jerry, Mentor, Minn.
Ege, David, Grand Forks, N.D.
Eiteljorge, Mary J., Grand Forks, N.D.
Ekholm, Alton V., Austin, Minn.
Elden, Jon, Grand Forks, N.D.
Elden, Wayne E., Chandler, Ariz.
Enge, Roger Y., Grand Forks, N.D.
Enoksen, Edmund T., Crossville, Tenn.
Farrell, John, Hallock, Minn.
Fincher, Robert, Grand Forks, N.D.
Fjeld, Agnes E., Grand Forks, N.D.
Flaagen, Donovan, Grand Forks, N.D.
Forslund, Laurie, Warren, Minn.
Fredrickson, Ann M., Stephen, Minn.
Gaber, Adam C., East Grand Forks, Minn.
Gerszewski, William, Argyle, Minn.
Glad, Connie, Lancaster, Minn.
Gowan, James Jr., Queen Creek, Ariz.
Grandstrand, Darin, Fargo, N.D.
Gratzek, Theresa, Argyle, Minn.
GTE Telephone Operations, Irving, Tex.
Hamberg, Nan, Thief River Falls, Minn.
Hanson, Dorothy, Donaldson, Minn.
Hermann, Thomas, Alvarado, Minn.
Hess, George, Warren, Minn.
HI 75 Theatre, Fulton, Tex.
Hoff, O. H., East Grand Forks, Minn.
Holte, Ronnie, East Grand Forks, Minn.
Holy, Donald, East Grand Forks, Minn.
Homstad, Howard, Hallock, Minn.
Honstead, Max D., East Grand Forks, Minn.
Hunt, Allison, Hallock, Minn.
Hunter Farms, Neche, N.D.
Hvidsten, Howard, Hillsboro, N.D.
J.J. Properties, Mahtomedi, Minn.
Jacobi Farms, Grand Forks, N.D.
Jacobson, Herman, East Grand Forks, Minn.
Jans, Joyce, Lancaster, Minn.
Jerome, Ella, Hallock, Minn.
Johnson, Elmer H., Hallock, Minn.
Johnson, Monica, Kennedy, Minn.

Johnson, Rick L., East Grand Forks, Minn.
Johnson, Ronald L., Kennedy, Minn.
K & G Farms Inc., Donaldson, Minn.
KAMAR, Hallock, Minn.
Kasprowicz, Jeanette, Greenbush, Minn.
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Kujava, Christopher, Cold Spring, Minn.
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Larson, Mark C., Stephen, Minn.
Larson, Norval L., Panama City Beach, Fla.
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Lund, Orval, Lancaster, Minn.
Lundberg, Lori, Grand Forks, N.D.
Magsam, Dennis G., Euclid, Minn.
Magsam, Duane, Euclid, Minn.
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Martinez, Rosendo, La Grulla, Tex.
Masloski, Raymond, Thief River Falls, Minn.
McLaughlin, Kenneth, Grand Forks, N.D.
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Merdink, Allan, Stephen, Minn.
Miska, Elmer F., Angus, Minn.
Moe, Laurel P., Argyle, Minn.
Monroe, Dennis, Thief River Falls, Minn.
Morris, Louis, Grand Forks, N.D.
Mortenson, Richard, Kennedy, Minn.
Murray, Randy, Grand Forks, N.D.
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Nelson, Mike, Thompson, N.D.
Nelson, Scott, Lancaster, Minn.
Ness, Michael W., Fargo, N.D.
Nowacki, Isabelle, Stephen, Minn.
Oberg, Cristina, Karlstad, Minn.
Ogorek, Kenneth, Lancaster, Minn.
Olsen, Francis, Lake Bronson, Minn.
Olsen, Paul, Gordon, Wis.
Olson, Roy, Lancaster, Minn.
Orcutt, Wilford E., Macon, Ga.
Ostlund Chemical Co., Fargo, N.D.
Peterson, Beth, Grand Forks, N.D.
Peterson, Daniel, Grand Forks, N.D.
Petterson, Robert P., Karlstad, Minn.
Pietruszewski, Alan, Stephen, Minn.
Pipiles, Diamond, Grand Forks, N.D.
Pokrzywinski, Aime, Grafton, N.D.
Potrament, Christine, Garretson, S.D.
Pready, John, Lancaster, Minn.
Pribbs Steel Mfg., Grand Forks, N.D.
Pribula, Ruth, East Grand Forks, Minn.

Pulkrabek, Harvey, Angus, Minn.
Pyle, Jere M., Bethel, Alaska
Quade, Ervin F., Hallock, Minn.
Qualley, Darrel, Pequot Lakes, Minn.
Ranstrom, Fraye, Green Valley, Ariz.
Rasmussen, Alfred, Long Beach, Calif.
Red River Farms, Queen Creek, Ariz.
Richards, Greg, Crookston, Minn.
Rodriguez, Nick, Adams, N.D.
Roelofs, Kyle, Glyndon, Minn.
Rosette, Dale, Hodgenville, Ky.
Rude, Steven, East Grand Forks, Minn.
Rue, Kenneth H., Fargo, N.D.
Ryden, David M., Hallock, Minn.
Rynning, Kristi, Kennedy, Minn.
Rynning, Lorraine A., Kennedy, Minn.
Sandberg, Margaret, Kennedy, Minn.
Sanner, Floyd, North Las Vegas, Nev.
Santos, Mark, Alvarado, Minn.
Sather, Mike L., Grand Forks, N.D.
Sattizahn, Kim, Roseau, Minn.
Schonmeier, Russell, Grand Forks, N.D.
Scott, David N., Thief River Falls, Minn.
Sedlacek, Caroline, Omaha, Nebr.
Seeba, Annette, Salisbury, Md.
Sheehan, John P., Virginia, Ill.
Sinn Bros., Warren, Minn.
Skappel, Gary J., Oberlin, Kans.
Smolak, Lilly, Lancaster, Minn.
Sorenson, Larry, Hallock, Minn.
St. Jos. Town Hall, Lancaster, Minn.
Steer, Henry, Garden Grove, Calif.
Steien, Magnor, Lancaster, Minn.
Sugden, Jeffrey R., Hallock, Minn.
Sundby, Arvin, Karlstad, Minn.
Sundby, L.J., Grand Forks, N.D.
Sundby, Ricky D., Argyle, Minn.
Svedin, Lawrence P., Karlstad, Minn.
Swenson, Kenneth, Rowlett, Tex.
Thompson, Ordean H., East Grand Forks, Minn.
Thomson, Jason, Drayton, N.D.
Trotter, Jerry, Fargo, N.D.
Van Eck, Rick, Bisbee, Ariz.
Wagner, Scott A., Warren, Minn.
Webb, Jody, Oslo, Minn.
Westerberg, Glenn, Lancaster, Minn.
Wimer, Jerome, Bocket, N.D.
Woinarowicz, Elmer, Cavalier, N.D.
Yonke, Bill, Hallock, Minn.
Younggren, John Jr., Sun River, Mont.
Zak, Jeffrey, East Grand Forks, Minn.
Ziegelmann, Chad, Grand Forks, N.D.

Serving Kittson, Lake of the Woods, East Marshall, and Roseau Counties

Northwest Community Action Inc. Energy Assistance Program

October 1, 2015—May 31, 2016

To request an application form:

Write

Northwest Community Action, Inc.
312 North Main Street
PO Box 67
Badger, MN 56714

Call

Phone: 218-528-3258
Toll-Free: 800-568-5329

Visit our Website

www.northwestcap.org

INCOME GUIDELINES

Family Size	3-Month Gross Income	Yearly Gross Income
1	\$5,987	\$23,949
2	\$7,829	\$31,318
3	\$9,671	\$38,687
4	\$11,514	\$46,056
5	\$13,356	\$53,424
6	\$15,198	\$60,793

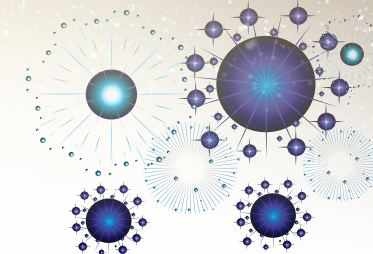
- Households may apply only once during our program year (October 1, 2015 – May 31, 2016).
- Both homeowners and renters may be eligible.
- Home visits are available for homebound applicants, upon request.
- Households requesting assistance in completing the application are encouraged to phone our office to set up an appointment.
- Households who received assistance under last year's program automatically received a new application form in the mail in September 2015.
- **You are responsible for your heating and electric bills until you hear from NWCA.**

The Energy Assistance Program is funded by the Minnesota Department of Commerce and the U.S. Department of Health & Human Services.



Happy New Year!

PKM Electric's
office will be closed
Friday, Jan. 1,
for New Year's Day.



PKM SERVICE ANNIVERSARIES

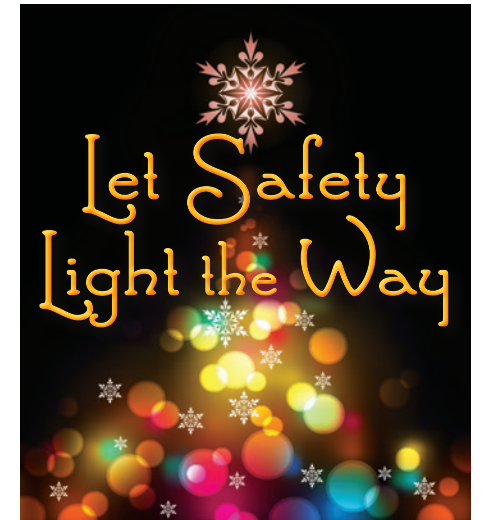
We had our 57th annual awards banquet on Friday, Dec. 11, 2015. Five people were recognized for their years of service and they are pictured from left to right: Mike Beaudry, Jeremy Treitline, Rick Bye, Deb Copp and Jeff Folland.



TEN YEAR AWARD
Mike Beaudry
Jeremy Treitline

TWENTY-FIVE YEAR AWARD
Deb Copp
Jeff Folland

THIRTY YEAR AWARD
Rick Bye



When it comes to outdoor holiday decorating, some of us create a spectacle, others a simple tribute to the season. No matter what the size of the project, electrical safety is critical. Protect yourself, your family and your home this season by following these outdoor decorating tips:

- Use lights, cords, animated displays and decorations that are rated for outdoor use, and plug them into circuits protected by ground fault circuit interrupters (GFCIs). Portable outdoor GFCIs can be purchased where electrical supplies are sold.
- Inspect each set of lights, old or new, for damage. Return or throw out any set with cracked or broken sockets, frayed or bare wires, or loose connections.
- Do not staple or nail through light strings or electrical cords. Use plastic or insulated hooks to hang lights, and do not attach cords to utility poles.
- Never decorate near overhead power lines. Look up before raising a ladder or other equipment. Stay at least 10 feet away from utility lines. Look up and live.
- Avoid decorating outside on windy or wet days. Choose to decorate in favorable weather conditions and during daylight hours.
- Always unplug the lights before replacing bulbs or fuses.
- Use LED light strings. The bulbs are durable and don't heat up. They use about 90 percent less energy than incandescent bulbs to produce the same amount of light.

Board meeting highlights

September and October

A special meeting of the board was held Wednesday, Sept. 23, 2015.

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, were present.

The vice president reported on recent MREA activities, reporting that the stray voltage guide is ready to be distributed to member cooperatives and again, referenced the 2016 budget.

Director Folland reported that the Minnkota board of directors held a board meeting and a planning session that resulted in a 2016 business plan. Meetings continue between Minnkota and Basin.

The secretary/treasurer reported on recent Square Butte activities, especially 111 (b) and 111 (d) of the Clean Air Act and plant performance.

The manager reported on the fall managers' meeting, which dealt with issues such as cyber security and the Clean Power Plan (CPP).

Directors Bernstrom, Folland and the manager reported on their attendance to the NRECA Region 5 and 6 meeting. The manager stated that it was apparent that the regulatory side of NRECA is going after the EPA, including necessary lawsuits against the EPA over the Clean Power Plan. The manager heard at the meeting that G&T government relations people are thinking that a weak area in the Clean Power Plan is the provision that renewables installed prior to 2012 do not count for CO₂ reduction.

The manager of operations presented the monthly safety report, indicating no accidents and no lost time. He told of his attendance to a REMA and Energy Management Workshop. MREA held a safety meeting on Sept. 9, which dealt with safe driving. There is a driving simulator that MREA will have in-house for our operating people to use. Minnesota Safety was here on Sept. 10, for RESAP consulting with employees and a run-through inspection. A RESAP inspection was held Sept. 16 and we are quite pleased with the process. We obviously have some areas that we need to work on, but a full discussion with the board safety committee and employees will be held. Utility Inspection Service will start pole testing Sept. 18, and connected members for Sept. 2015 stands at 3,777, representing a net gain of 22 from the same period last year.

In absence of the assistant manager, the manager referred the board to his written

report and answered any questions that the directors had about finances.

The manager of member services reported on a Northern Safety & Security meeting and checking load management controls at American Crystal.

The manager reported to the board of directors on monthly activities and responding to those questions directors had concerning his report.

The board saw a letter from the Chief Financial Operations Branch from RUS addressing our deficit operation for 2015. The manager referred the directors to correspondence back to the Chief and the manager stated he would try and have a meeting with him while in Washington for legislative business.

The board caucused and directed the manager to mark the ballot for CoBank election.

The board was informed of the ALJ hearing scheduled for Sept. 21-24, and again the manager referred the board to the assistant manager's report.

The manager presented to the board staff salaries for 2015-2016. Upon motion duly made and seconded, the president recessed the meeting into executive session, and at 1:49 the president returned the meeting to regular order.

With the RUS loan previously being approved by the board of directors, the chairman signed the formal loan acceptance.

A regular meeting of the board was held Tuesday, Oct. 27, 2015.

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

The vice president reported on recent MREA activities, highlighting net metering and the progress toward a standardized policy, a stray voltage guide that has been mailed to all cooperatives, and the intent of PKM to make the stray voltage guide provisions part of a new membership agreement and awaiting a patent policy from MREA to be adopted in the future.

In absence of Director Folland, the manager reported on recent Minnkota activities, highlighting their policy position on the EPA Clean Power Plan.

The secretary reported on recent Square Butte activities.

The manager reported on his attendance to the MREA legislative visit in Washington and the briefing from NRECA, as well as MREA's legislative issues being: 1) Clean

Power Plan, 2) Waters of the United States, 3) Electrify Africa, 4) Power Marketing Administration and 5) Rail Congestion. The manager stated the spokespeople for these issues for the senate delegation were less than inspiring, but given the audience the issues of concern were placed on the table. The big meeting attended by the CEOs of the region's generation and transmission cooperatives, the North Dakota senators and representatives, and featuring a fly-in by the governor of North Dakota, is where the action took place on the Clean Power Plan.

The manager of operations presented the monthly safety report, indicating that a vehicle accident had occurred and described the accident to the directors. There was no citation issued to PKM. A lady stopped at an intersection behind one of our trucks with a pole trailer, her foot slid off the brake and she ran into the pole and damaged her headlight and fender. She admitted 100 percent fault and the board quizzed the operations manager as to the proper flagging and reflecting lights. To which the operations manager reported all of our equipment was in place and operating properly. He described for the board a hot line school held in Baudette and the attendance of half of the PKM linemen. His report morphed into a larger discussion on safety, with several directors contributing useful approaches for safety meetings.

The operations manager continued his report, citing the completion of pole testing and the reject rate of approximately 3 percent and a small storm that hit the area on Oct. 12. New members for the year stand at 3,784 representing a net increase of 24 over the same period as last year.

The management staff and manager presented their monthly reports and responded to directors' questions.

The assistant manager reviewed with the board of directors the 3rd quarter financials, discussing the fall off in energy sales and additional expenses from extra linemen and the PUC matter contributing to the operating loss for the year. The assistant manager stated the decision to increase the fixed charge will bring in needed revenue, but in absence of a general rate increase will not be sufficient to erase the deficit operation for 2015.

The manager reviewed with the directors the 3rd quarter subsidiary financials, indicating the strength of Carr's Tree Service, the lackluster performance of Karian/Peterson and the decision to start Northern Safety & Security being a profitable decision for the cooperative, as well as providing a

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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 a \$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

service to the member-owners.

The manager presented the 2016 operating budget to the board, outlining anticipated expenses and forecasting reduced energy sales at existing rates, which obviously produces a deficit operation. The board determined that while a budget has to be produced in October, it can't in good conscience be approved, and that the manager should forecast a 5-year average of energy sales that includes a retail rate adjustment for 2016 and present the budget again at the November meeting.

The 2016 capital budget was presented with the manager stating that the discussion on the capital budget will dovetail for the planning meeting since equity, capital additions and member capital revolvment are all interconnected and we need to have this discussion.

The manager stated that CFC Regional Vice President Terilynn Wallace will facilitate our planning meeting for Nov. 24. Mrs. Copp has made arrangements at the Hilton Garden Inn for the location of the meeting.

The manager stated that the tile company desires to get electric service for the sump located near Donaldson, Minn.,

Statistical and financial report

Year-to-date: September 2015

	Last Year	This Year	Budget
Total income	\$ 11,597,566	\$ 10,619,582	\$ 11,050,000
Total expense	\$ 10,514,630	\$ 11,124,641	\$ 10,636,500
Net margins	\$ 1,082,936	\$ (505,059)	\$ 413,500
Total kWh sold	-	94,244,501	96,800,000
Avg. kWh sold per member	-	2,503	
Delivery cost per kWh purchased	-	8.02¢	
Avg. sale price per kWh	-	11.26¢	
Percent kWh sales increase	-	-	
Members billed	3,712	3,766	
Miles of line in service	2,247	2,261	
175 watt MV lights	1,489	1,461	
400 watt MV lights	93	93	
100 watt H.P.S.	879	883	
250 watt H.P.S.	87	87	

Outage charged to:	2015	2014	2013
Minnkota operations	3,553.24	3,979.80	2,796.20
PKM operations	4,413.67	5,814.40	3,415.66
Total	7,966.91	9,794.20	6,211.86

Minutes per member PKM operations year to date: 70.30

Minutes per member Minnkota operations year to date: 56.60

and the board should come to a decision on releasing that service to Otter Tail. This matter caused an issue among the directors and a lengthy discussion ensued.

The board instructed management to release the service to Otter Tail by way of the agreement provided by counsel, and that the release is to be site and service specific.

The assistant manager discussed with the board the desire of the owner of the professional building to have his property released since he has made 6½ years of timely payments and he would like to have the property for new collateral. The directors instructed the assistant manager to meet with legal counsel to determine if any securitization exists on that property.

Upon motion duly made, seconded and unanimously carried, the board of directors went into executive session at 1:10 p.m.

The president returned the meeting to regular order at 2:16 p.m.

The manager described for the board of directors mutual aid agreement between Minnkota and its distribution cooperatives for the exchange of service should the need arise. The manager stated that mutual aid agreements are common for the exchange

of labor, equipment and materials in emergencies.

The board authorized management to enter into a mutual aid agreement with MPC.

The president stated that with a planning meeting scheduled on regular board meeting day that the November meeting will be a special meeting to be held Monday, Nov. 23, 2015, at 8 a.m., at the headquarters of the Cooperative in Warren, Minn.



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

Save money and energy in 2016



Sample 2016 Residential Electric Rebates for Members



*with energy
efficiency rebates!*

Energy-efficient rebates
for members remain in effect
for 2016 although some
changes have been made.

Please see the chart
for a sample of
residential incentives.

All incentives, criteria and
guidelines for resident and business
members can be found at

www.pkmcoop.com

or by calling

218-745-4711

All criteria are listed
on the rebate form.

Equipment	Specifications	Rebate
LED Screw-In Bulb	40-60W equivalent incandescent. ENERGY STAR® recommended.	\$4/bulb
LED Screw-In Bulb	65W or greater equivalent incandescent. ENERGY STAR recommended.	\$8/bulb
LED Fixture	Complete fixture or replacement kit. ENERGY STAR recommended.	\$8/install
LED Christmas Lights	ENERGY STAR recommended.	\$3/string of lights
LED Outdoor Fixture	LED Outdoor Fixture Wattage of <40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR recommended.	\$20/fixture
LED Outdoor Fixture	LED Outdoor Fixture Wattage of >40 Watts. Dusk to dawn operation required. DesignLights™ Consortium or ENERGY STAR recommended.	\$40/fixture
Clothes Washer	Must be ENERGY STAR approved.	\$50/unit
Clothes Dryer	Must be ENERGY STAR approved.	\$50/unit
Refrigerator or Freezer	Must be ENERGY STAR approved.	\$25/unit
Electric Water Heater	Minimum 80-gallon total capacity, EF ≥0.91. Must be controlled under the utility's load management program.	\$150/unit
Programmable Thermostat		\$25/unit
Engine Block Heater Timer		\$10/unit
Tune-Up for Central AC	Not valid on window AC units. Checklist on form must be completed with application.	\$25/unit
Tune-Up for Air-Source Heat Pump or Mini-Split Ductless Air-Source Heat Pump	Checklist on form must be completed with application.	\$25/unit
Supplemental Heating Source Air-Source Heat Pump	Must modulate to allow ENERGY STAR-rated Air-Source Heat Pump to operate down to 5° F and be on load control.	\$500/unit
Air-Source Heat Pump	14 SEER, 8.2 HSPF	\$400/unit
Air-Source Heat Pump	15 SEER, 8.5 HSPF	\$500/unit
Furnace (Air Handler) with ECM Blower	Furnace with an ECM Blower	\$100/unit
Mini-Split/Ductless Air-Source Heat Pump	15 SEER	\$500/unit
Ground-Source Heat Pump Open Loop <135,000 BTUH @ 59° F	16.2 EER/3.6 COP Maximum incentive \$2,500/home	\$200/ton
Ground-Source Heat Pump Closed Loop <135,000 BTUH @ 77° F	14.1 EER/3.3 COP Maximum incentive \$5,000/home	\$400/ton