

## *A Cooperative legend leaves us*



Ron Reitmeier retired from the PKM board of directors in April 2016 after undergoing treatment for a disease that would end up taking his life on Nov. 21, 2017. Ron had his priorities right. After faith and family he knew he wouldn't be able to devote the time necessary to serve on the PKM board, so he retired.

Ron's father, Ed, was board president when I was hired as manager of PKM. My time as PKM manager, save for the last couple years, was always with a Reitmeier on the board, and for many years as president.

Unless you've served on a board of directors, you may not appreciate the duties of the president. A good president isn't the one with the loudest voice or the sternest look, although Ron was no wallflower. He exhibited a genuine interest in other opinions and cared deeply about fairness and equity. Like his father, he understood that when needed (fortunately there were only a few) the manager

would run better with the occasional "tune up." I said to him, "I know where you learned that." He said, "Ya, well I got 'em too, now fix this."

Ron was part of the discussion or lead it through many of the consequent decisions of the last 30 years. We are all grateful to Julie and the kids for letting us have his wisdom, guidance and steady hand on the tiller.

I talked with Bonnie Reitmeier (one of Ron's many cousins) an electric co-op president in her own right (who lost her husband to cancer several years ago) to express my condolences. She said he deserved better. Yes, he did Bonnie. Yes, he did.

- Charles Riesen, PKM manager



**Ron Reitmeier**  
*Served on the PKM board  
of directors*



**CHARLES RIESEN**  
Manager

PKM Electric Cooperative

## Time for the new car smell at PKM

and grateful. I copped that phrase from David Gregory when he was shown the door at “Meet the Press.” I’m not being shown the door, but I can imagine that making the rumor mill in some places.

Thank you ...  
Oh, I hated to leave Dewey in the lurch, but he completed the job before he had to go back to college. I should ask if my old job is still open.

Jan. 31, 2018, is my last day at PKM. As I recall it was the fall of 1972. Earlier that year I was discharged from the Army and was painting houses with Dewey Swanson. We had just landed a job to paint the car wash in Warren. Dewey was going back to college and I had no idea what I was going to do. Tim Allen, who had worked the summer at PKM, said they had a lot of work at PKM, go talk to Leonard Olson. I did and Leonard said I could work till “freeze up.” Sometimes it’s better to be lucky than smart. Another saying appropriate for the time is: “To everything there is a season.”

I want to thank the member-owners of PKM for allowing me to make a career at their electric cooperative, along with present and too many past employees and directors who I worked with to make PKM better. Others will render opinions as to my stewardship, but facts are stubborn: “The woodpile is bigger than when I found it.”

I leave as I came, humbled

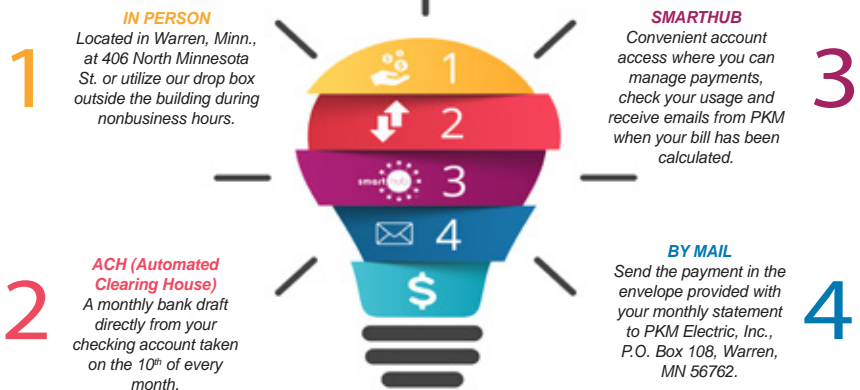
## Open house for Charles Riesen’s retirement

*Please help us celebrate and honor Charles’s dedicated years of service to your electric cooperative!*

**| Tuesday, Jan. 23 • 11 a.m. - 2 p.m. |**

PKM Electric Cooperative | 406 N. Minnesota, Warren, MN

## 4 WAYS TO PAY



### November/December 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

800-552-7366  
e-mail: info@pkmcoop.com  
website: www.pkmcoop.com

#### Next Board Meeting:

Tuesday, January 30, 2018

#### 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



2018

**JAN. 23, 24**

*DoubleTree Inn*

825 E Beaton Dr  
West Fargo, N.D.

**JAN. 30**

*Eagles Club*

1270 Neilson Ave SE  
Bemidji, Minn.

**JAN. 31**

*Bigwood  
Event Center*

925 Western Avenue  
Fergus Falls, Minn.

**FEB. 6, 7**

*Minnkota Power  
Cooperative Headquarters*

5301 32<sup>nd</sup> Ave. South  
Grand Forks, N.D.

## Electrical contractor continuing education sessions scheduled

**M**innkota Power Cooperative and the associated systems will again provide an opportunity for area electricians to obtain credits for license renewal by attending one of the six continuing education classes being offered throughout Minnkota's service area.

This marks the 30<sup>th</sup> year of the successful program, which is aimed at providing area trade allies with the latest information on electrical code and practices.

This informative class, instructed by master electrician Dean Hunter, will cover the significant changes of the 2017 National Electrical Code with an emphasis on calculations, using the 2018 Midwestern Electrical Seminars Book. The seminars are approved in Minnesota, North Dakota and South Dakota for eight hours of continuing education credit necessary for renewing electrical licenses.

The electrical workshops will be held Jan. 23 and Jan. 24 at the DoubleTree Inn in West Fargo. The training then moves to the Eagles Club in Bemidji, Jan. 30, and at the Bigwood Event Center in Fergus Falls on Jan. 31. The workshops conclude with classes Feb. 6 and Feb. 7 at Minnkota Power Cooperative's headquarters in Grand Forks.

The registration fee is \$75 for eight code credits. Taking the class on multiple days will not qualify for 16 code credits. Registration must be done online at [www.minnkota.com](http://www.minnkota.com). Registration should be completed at least seven days prior to the start of the course.

For residential building contractor continuing education workshops, contact your local home builders association.

For more information about the program, call (701) 795-4292 or email questions to [contractortraining@minnkota.com](mailto:contractortraining@minnkota.com). □

## Fun facts about LEDs



- In 2012, about 49 million LEDs were installed in the United States, saving about \$675 million in annual energy costs.
- Today's LED bulbs can be six to seven times more energy efficient than conventional incandescent lights and can reduce energy use by more than 80 percent.
- Good-quality LED bulbs can last more than 25 times longer than traditional light bulbs. If the bulb is burned 24 hours a day, seven days a week, it would last three years.
- From vehicle brake lights to TVs, LEDs are used for their compact size, ease of maintenance, resistance to breakage and ability to focus light in a single direction.
- LEDs contain no mercury, and a recent U.S. Department of Energy study determined that LEDs have a much smaller environmental impact than incandescent bulbs.
- By 2030, LEDs are expected to account for 75 percent of all lighting sales globally.
- Switching entirely to LED lights over the next 20 years could save \$250 billion in U.S. energy costs.

Source: [energy.gov](http://energy.gov)

## Minnkota projects lower-than-average control hours



In the world of load control, timing is everything.

What are the prices when you are purchasing energy from the energy market? What resources are available during peak load conditions? What are the weather impacts during the cold-weather months?

“Market price volatility is driven by weather and generator outages. These events drive the majority of the control hours,” said Todd Sailer, Minnkota Power Cooperative senior manager of power supply & resource planning.

Sailer said Minnkota, your cooperative's wholesale energy supplier, estimates 140 hours of dual-heat load control this winter. This compares to the 10-year average of 180 hours and last year's total of 62 hours.

“The market conditions are very similar to last year and we do expect the temperatures to be a little colder than they were last year,” Sailer said.

During outages and periods of peak electric demand, Minnkota's first option is to purchase energy from the power market.

“Right now we have some scheduled outages for the first part of December and then again in the spring,” Sailer said. “So we typically do not schedule maintenance in the January and February time frame

when we're at peak conditions. That's where the unplanned or forced outages come into play.”

If the timing is not right and affordable power is not available, off-peak loads are temporarily controlled. The savings are passed on to members through the lower off-peak heating rate.

“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.

Minnkota has the ability to control up to 350 megawatts through its demand response system. This includes temporarily controlling storage heating systems, large-capacity water heaters, home vehicle chargers and large industrial consumers with backup generators. Millions of dollars have been saved due to the successful operation of Minnkota's load management system for nearly 40 years.

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.

Be prepared for

# WINTER'S WRATH

PKM Electric Cooperative strives to provide you with reliable, uninterrupted service every day of the year, but sometimes Mother Nature creates unavoidable power outages. PKM Electric wants you to remain safe during severe winter weather, so consider preparing now for the possibility of power outages this winter.

## BEFORE A POWER OUTAGE

- Build or restock your emergency preparedness kit, including a flashlight, batteries, cash and first-aid supplies.
- Make sure you have alternative charging methods for your phone or any device that requires power.
- If a storm is predicted, charge cellphones and any battery-powered devices beforehand.
- Know where the manual release lever of your electric garage door opener is located and how to operate it.
- If you rely on anything that is battery-operated or power dependent like a medical device, determine a backup plan.

## TO PREVENT AN OVERLOAD

To prevent an overload on the system while power is being restored, take these steps:

- Turn off every inside light except one.
- Turn down your thermostat.
- If the outage lasts more than 60 minutes, turn off your electric water heater.
- Make sure your kitchen range is off, both the surface and the oven.
- Turn off all unnecessary appliances and unplug sensitive electronic equipment.
- When power comes back on, slowly switch your appliances and lights back on and gradually return your thermostat to its normal setting.

## STAY AWAY FROM DOWNED POWER LINES

Mother Nature isn't always kind to power lines. Winter winds, snow and ice often prove to be too much for utility poles and power lines. If you see a downed power line or utility pole, contact PKM Electric immediately.

Do not go near the line or the pole. Just because it's on the ground doesn't mean it's safe to approach.



## DURING A POWER OUTAGE

- Only use flashlights for emergency lighting. Candles can cause fires.
- Keep refrigerator and freezer doors closed. Most food requiring refrigeration can be kept safely in a closed refrigerator for several hours. An unopened refrigerator will keep food cold for about four hours. A full freezer will keep the temperature for about 48 hours.
- Put on layers of warm clothing if it is cold outside. Never burn charcoal for heating or cooking indoors. Never use your oven as a source of heat. If the power might be out for a prolonged period, plan to go to another location (the home of a relative or friend or a public facility) that has heat to keep warm.
- Turn off or disconnect appliances and other equipment in case of a momentary power "surge" that can damage computers and other devices. Consider adding surge protectors.

## TO REPORT AN OUTAGE

Because power outages can't be totally eliminated, PKM Electric offers these steps to follow if an outage occurs:

- Confirm the outage. Check your own fuses and circuit breakers first.
- Check with a neighbor to confirm if he or she is also experiencing an outage before you call the cooperative. This will help your cooperative determine the extent of the outage.
- Call the cooperative. If the outage is widespread, the phone lines may be busy, but keep trying. Your cooperative will send a line crew to find the problem and restore power as quickly as possible.
- For after hours reporting, please call **800-552-7366**.

If you have additional questions about outages, please call PKM Electric at **218-745-4711**.



# New year. Great rebates.

*Add home comfort and energy efficiency to your New Year's resolutions with help from PKM Electric Cooperative*

Millions of Americans start each January with New Year's resolutions that may or may not make it to the end of the month. This year, set a resolution that's easy to keep. Make your home more comfortable and energy efficient with help from PKM Electric Cooperative.

Great rebates and incentives are available to help you upgrade your heating and cooling system or water heater.

Not sure where to start? Contact PKM Electric Cooperative for expert advice on improving your home's energy performance.

Take a look at our rebate list below to see which resolution you'll be checking off your list this year.



## Electric heating



### Electric Heating Rebate Checklist

*Must be on off-peak.*

#### Electric plenum heaters

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

Rebate of \$40 per kilowatt (kW)



#### Electric thermal storage heaters

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

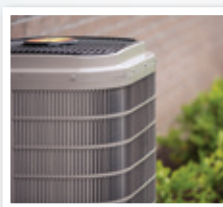
Rebate of \$40 per kW



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

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

Up to 16 SEER: Rebate of \$300 per ton  
17 SEER or greater: Rebate of \$500 per ton



#### Geothermal heat pumps

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

Closed loop: Rebate of \$400 per ton  
Open loop: Rebate of \$200 per ton



#### Electric underfloor boiler

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

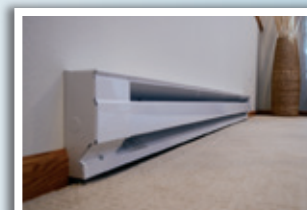
Rebate of \$40 per kW



#### Other electric heating systems

Options include electric baseboards, cove heaters, electric floor cable, mats and more.

Rebate of \$40 per kW



# Water heaters



## Electric Water Heater Rebate Checklist

*Must be on off-peak*

- 100 gallon or greater

**\$350 rebate**

- 56-99 gallon

**\$300 rebate**

- 55 gallon or less

**\$150 rebate**

- Bonus rebates:**

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

**Free 50 or 85 gallon** for new home construction - must be a residence.

**All equipment must be new and installed on PKM Electric Cooperative's system**

**Equipment must be installed on PKM's off-peak program**

Contact Member Services for more details!

**218-745-4711**

# 4

## Heating Options

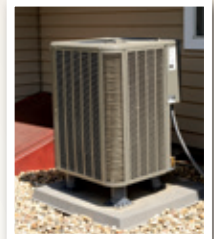
**TO CONSIDER WHEN PLANNING A NEW OR RETROFIT HEATING SYSTEM**

### Air-source heat pump with modulating plenum heater and propane backup

Air-source heat pumps are very efficient systems that transfer heat instead of creating it. In the summer, they work exactly like a central air conditioner, but in the winter they provide very economical heat until the temperature drops below the set point (usually 20-30 degrees F). Then the modulating plenum heater kicks in and works with the heat pump for extra savings. When controlled, a propane furnace kicks in.

What's nice about air-source heat pumps is how they provide year-round benefits and either pair nicely with a propane (6025004.02 Glenyce Harrington) or natural gas furnace or in a heat pump/modulating plenum/propane furnace combination on the off-peak rate. This gives members the freedom to choose fuel sources.

Plus, energy-efficiency rebates of up to \$500 per ton for the heat pump are available, and a \$40 per kW rebate.



### Hydronic floor heat

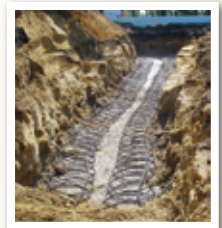
A popular option for off-peak due to its comfort. The key is to install the proper heat storage base with sand and slab or install a dual-fuel system. Complete perimeter insulation is necessary for both styles. A \$40 per kW rebate is available.



### Geothermal heat pumps

Provide the highest efficiencies for space heating and cooling today. Geothermal heat pumps use the constant temperature of the earth to transfer heat. Energy efficiency rebates of up to \$400 per ton are available as well as a separate rebate of \$200 per ton.

When paired with a fossil fuel furnace backup, geo heat pumps get the off-peak rate for a heating price that is hard to beat when you combine efficiency with the 5.6 cent per kWh off-peak rate.



### Steffes thermal storage with air-source heat pump

An all-electric option that still receives the off-peak rate, an electric thermal storage system coupled with a heat pump eliminates the need for a fossil fuel backup when sized properly. The heat pump provides the efficiency and the Steffes provides the backup making the system eligible for the off-peak rate - providing excellent energy savings.



Steffes systems convert electricity into heat and store that heat in specially designed bricks. Energy efficiency rebates of \$40 per kW are available for select units.



# A RARE OPPORTUNITY

ND is a new frontier in vital rare earth element research



Dr. Dan Laudal, major projects manager with the UND Institute for Energy Studies, and Dr. Steve Benson, president of Microbeam Technologies, show core samples they are studying as part of a project to extract rare earth elements from North Dakota lignite.

**N**orth Dakota is sitting atop enough lignite coal to generate electricity for the next 800 years.

Researchers in the state see even more potential.

Lignite contains high concentrations of rare earth elements – ingredients that are essential to bringing most of today’s modern technology to life. Each coal seam could produce the key components needed to manufacture smartphones, wind turbines, electric vehicles and computer hard drives, among other things.

Dr. Steve Benson, president of Microbeam Technologies (MTI) in Grand Forks, N.D., and Dr. Dan Laudal, major projects manager with the Institute for Energy Studies at the University of North Dakota, are leading research to find economical methods to extract rare earth elements from lignite.

“Rare earth elements are basically thought of as a vitamin for materials development,” Benson said. “They’re used in multiple applications that are essential to our everyday life and there are challenges associated with the resources that are available.”

Benson said the United States imports 100 percent of the rare earth elements it needs. China controls 85 percent of the world’s mining, as well as the entire value chain to refine and process the elements. Benson said North Dakota lignite has an opportunity to reduce the country’s dependence on importing the elements, which have become vital in many military applications.

“This is really an issue of national security,” Benson said.

Lignite coal can produce all 16 rare earth



elements, including europium, dysprosium, erbium, terbium, neodymium, holmium, scandium, lutetium and yttrium, among others. Research has shown that most of the elements accumulate in top and bottom of the coal seam.

“Certain parts of the lignite coal have some of the highest levels of rare earth elements we’ve seen in the United States,” Benson said.

### Energy experts

UND’s Institute for Energy Studies is leading the project in collaboration with MTI, Barr Engineering, Pacific Northwest National Laboratory and MLJ Consulting. Industry partners, including Minnkota Power Cooperative, PKM’s wholesale energy provider, have also stepped up to sponsor the research.

Benson and Laudal bring a tremendous amount of knowledge specific to the project. Benson has 40 years of energy research experience, including projects in the 1980s identifying rare earth elements in lignite. Laudal has been completing energy research for the last decade, and recently earned his Ph.D. focusing on rare earth elements.

Through Phase 1 of the project, high percentages of the elements were demonstrated in lignite and extracted in a usable form using laboratory beakers. In August, the U.S. Department of Energy (DOE) provided \$2.75 million to UND for the second phase, which will scale up extraction to 55-gallon drum tanks. It is one of four projects in the nation to receive federal funding for rare earth element recovery from coal and coal-related byproducts.

The research process includes continuously applying a solvent to extract and concentrate the rare earth elements. A detailed economic analysis is also a significant focus. If successful, Benson and Laudal believe the next step is a pilot project, potentially at Valley City State University’s new steam plant.

While there are still several steps before large-scale commercial application, Laudal believes there is great potential in North Dakota.



Research has shown that the rare earth elements are concentrated at the top and bottom of the coal seam.

“Our resource assessments, based on the concentrations that we’ve found in certain seams and how much lignite coal we have here in North Dakota, show that we can make a significant dent if not completely offset all foreign imports,” Laudal said.

### Analyzing coal

The Minnkota-operated Milton R. Young Station may prove to be a valuable resource because both generating units are equipped with full-stream elemental coal analyzers, which provide real-time ash composition, moisture and ash content for all coal delivered into the plant.

The long-term vision would be to use the analyzers to separate the coal with high rare earth element content and divert it to a processing unit for extraction. Following the process, the coal could then be delivered back into the plant and used for electricity generation.

“It would actually result in a better quality coal than what you started with,” Laudal explained. “It’s going to have lower ash content and remove a lot of the inorganic content that can cause problems in the boiler.”

The combination of rare earth element scarcity and growing demand for products like wind turbines and electric vehicles could turn lignite into an even more precious resource. Laudal said it’s a matter of optimizing the chemistry and gaining a better understanding of the economics.

“From a process standpoint, this is brand new research,” Laudal said. “Nobody has done this before.”

**“Our resource assessments, based on the concentrations that we’ve found in certain seams and how much lignite coal we have here in North Dakota, show that we can make a significant dent if not completely offset all foreign imports.”**

— DAN LAUDAL, *major projects manager*  
Institute for Energy Studies at the University of North Dakota

# Board meeting highlights

## September and October

### A special meeting of the board was held Friday, Sept. 22, 2017.

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

The president reported that he did not attend the MREA meeting but briefed the directors on recent email communications from MREA.

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

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

MREA presented a safety meeting on voltage troubleshooting. The operations manager reported that pole testing in the eastern part of the system has been completed with a 5 percent rejection rate and that the western part of the system is being tested presently.

The manager of operations continued his monthly report, indicating that inquiries for tile sump service continue to come in as the crop is taken off; and, the connected members for August 2017 stood at 3,843 representing a net gain of 43 from the same period last year.

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

At this time in the meeting, the directors took up 216B.164. The president stated that the legislation has been printed in the *PKM News* and available on the cooperative's website. No member-owners have approached the cooperative with any comments to the postings. Therefore, after proper notice and a full discussion of the legislation, the president recommended the board of directors adopt 216B.164.

Following discussion, upon motion duly made and seconded, a resolution was unanimously adopted where the Minnesota Legislature passed and the governor of the state of Minnesota signed into law the authority for the boards of directors of cooperative electric associations to assume the authority of the Minnesota Public Utilities Commission in Minnesota Statute 216B.164 during the 2017 Minnesota Legislative Session.

It was resolved by the board of directors of PKM Electric Cooperative, Inc. that authority granted by the legislature to the Minnesota Public Utilities Commission over cooperative electric utilities in Minnesota Statute Section 216B.164 is assumed by the board of directors of PKM Electric

Cooperative, Inc. as provided in Minnesota Statute 216B.164 Subd. 11(a).

The manager stated with 216B.164 being handled by the board of directors by resolution, the cooperative's legal counsel was here for signatures for the refinance documents previously approved at another board meeting.

The manager and Director Folland discussed with the board of directors Minnkota's engagement of C.H. Guernsey to conduct a Cost of Service Study for Minnkota. The manager stated that in a recent meeting of the Minnkota managers, the Cost of Service Study was discussed at length and that quite possibly there are changes of significance in the offering since it was mentioned by the Minnkota CEO that if changes are dramatic, a phase in period would be discussed. Minnkota is anticipating no rate changes until April 2019. The manager stated that he understands that in a cooperative environment, costs are socialized, and his complaint is that the benefits are not socialized to the same degree.

The next item for discussion was the Conservation Improvement Program (CIP), to which the manager stated was included as part of the enabling legislation of 216B.164 cooperatives in Minnesota having less than 5,000 member-owners would be exempt from the CIP. The exemption prohibits Minnkota from using the savings of those cooperatives of less than 5,000 member-owners. While cooperatives could voluntarily remain in the CIP, they would not be eligible for pool benefits.

Following discussion, upon motion duly made and seconded, a resolution was unanimously adopted that the board of PKM Electric Cooperative, Inc. understanding that Minnkota cannot use CIP reductions in their calculations and therefore would not be eligible for pool benefits, the cooperative will remain in the program complying with all rebates and pay those from cooperative revenues for the remainder of 2017, and that for 2018, PKM will reassess options available to PKM for rebates.

## Problems paying your electric bill?

### Energy assistance may be available!

If you are receiving a low income or suffering from a temporary financial shortfall, the following agencies may be able to assist you with your electric bill. We urge you to contact them immediately to avoid disconnection if you feel you are eligible for aid.



**Northwest Community Action**  
PO Box 67  
Badger, MN 56714-0067  
(218) 528-3258 or 800-568-5329  
[northwestcap.org](http://northwestcap.org)

**Tri-Valley Opportunity Council, Inc.**  
1407 Erskine Street  
Crookston, MN 56716  
(218) 281-9080  
Toll Free (866) 264-3729

## PKM ELECTRIC COOPERATIVE POLITICAL LEADERS

### Federal legislators

#### President Donald Trump

The White House  
1600 Pennsylvania Ave. NW  
Washington, D.C. 20500  
[www.whitehouse.gov](http://www.whitehouse.gov)  
[president@whitehouse.gov](mailto:president@whitehouse.gov)  
202-456-1111

#### Senator Al Franken

309 Hart Senate Office Building  
Washington, D.C. 20510  
[www.franken.senate.gov](http://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](http://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](http://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](http://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](mailto: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](mailto: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](mailto:rep.deb.kiel@house.mn)

**A regular meeting of the board was held Tuesday, Oct. 31, 2017.**

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

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

The president returned the meeting to regular order concluding the executive session at 8:30 a.m.

The president reported on recent MREA activities, including notion of the committee on the Conservation Improvement Program and implementation of Democracy Now legislation.

In absence of Director Folland, the manager presented a brief Minnkota report, indicating continuing progress on potentially selling steam to UND and an update on the new Corporate Campus.

The secretary/treasurer reported on recent Square Butte Electric Cooperative activities.

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

The manager of operations discussed a MREA safety meeting called Ladder Training and Inspection and mentioned that two linemen attended hot line training at the Baudette Line School. On Oct. 31, MREA is holding a Fault Finding and Repair Training at the Cooperative.

The manager of operations continued his monthly report, indicating the completion of pole testing, OCR maintenance, repair of damaged poles from farm equipment and new services for tile pumps. Additionally, Federated has informed us that all broken poles that have been involved in accidents be stored at a separate location should litigation arise from any of these incidents.

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 assistant manager presented to the board of directors an updated Financial Forecast using CFC's Compass Program. The forecast maintains equity between a range of 47-52 percent, sets Tier and DSC at 1.25 and maintains an estimated plant growth

# Statistical and financial report

## Year-to-date: October 2017

	Last Year	This Year	Budget
Total income	\$ 11,728,499	\$ 11,431,446	\$ 11,600,500
Total expense	\$ 11,589,089	\$ 11,254,151	\$ 11,384,500
Net operating margins	\$ 227,392	\$ 574,181	\$ 340,200
Total kWh sold	95,344,637	92,374,761	94,800,000
Avg. kWh sold per member	2,539	2,424	
Line loss	6.12%	5.00%	
Del. cost per kWh purchased	8.33¢	8.22¢	
Average sale price per kWh	12.30¢	12.38¢	
Percent kWh sales increase	11.7%	(3.11%)	
Members billed	3,780	3,810	
Miles of line in service	2,261	2,261	

and 20-year capital credit cycle. The interesting information from the forecast is that while \$2.8 million of revenue will be required over the period, that \$2.5 million will go toward power costs and only \$300,000 additional revenue is needed for the operation of the cooperative. Additional energy sales are in line with the recently completed load forecast.

The manager stated that review of the Financial Forecast leads us into board approval of the Load Forecast, which presently projects loads to grow at less than 1 percent over the next 10-year period.

The board of directors resolved that on best information available to them, the forecast projects PKM load to increase at less than 1 percent a year for the period covered by the Forecast.

The manager and member service manager discussed with the board additional items required for implementation of 216B.164. These rules and the application will also be included on the cooperative's website and become part of the enabling legislation.

The manager and member service manager discussed with board of directors the rules and the application.

The assistant manager reviewed for the directors the third quarter financials of the cooperative, revealing an operating margin of more than \$460,000 and a nonoperating margin exceeding \$150,000, for an operating tier of 2.09 and a net tier of 2.45. Combined, these margins exceed the budget; and when considered that the cooperative has absorbed the 3 percent increase of wholesale power this past April, is even more dramatic. The president reminded the board of directors that in accordance with the bylaws of the cooperative, that the board of directors render their opinion of the third quarter financials.

The manager reviewed with the board of directors third quarter financials for Carr's Tree Service and Karian Peterson Line Contracting.

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

This Summer ... Go on a Power Trip!

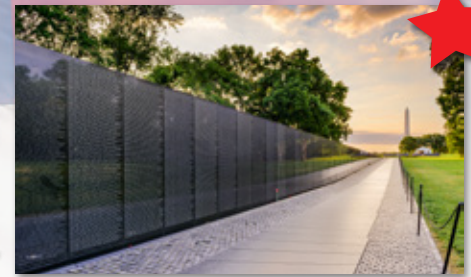
# 2018 YOUTH TOUR

## WASHINGTON, D.C., JUNE 9-14, 2018

Be There.

Be Heard.

Be Inspired.



### ESSAY CONTEST DETAILS

- To enter the essay-writing contest, you must be between the age 16-18 by May 1, 2018.
- You and your parents or guardian must be served by PKM Electric Cooperative, Inc.
- The essay is not to exceed two standard 8.5- by 11-inch, typewritten and double-spaced pages. Please choose one of the topics below:

*“How are electric cooperatives different from other electric utilities? What benefits do cooperative members have compared to privately owned utility customers?”*

*“We’ve grown accustomed to having electricity on demand, such as clicking a remote control to turn on a TV, using a computer, playing video games or*

*charging our cell phones. Describe the impact on your life and community in a world without electricity.”*

- A cover page must be included with the essay submission. The cover page should include: 1) your full name and date of birth, 2) name of your high school and what grade you’re currently enrolled in, 3) parents’ or guardian’s names, physical mailing address and phone number.
- **Deadline is March 5, 2018.** Emailed entries should be directed to [cdavey@pkmcoop.com](mailto:cdavey@pkmcoop.com), and hard-copy entries mailed to: Youth Tour Essay Contest, PKM Electric Cooperative, P.O. Box 108, Warren, MN 56762.
- If you have a question, please contact Chelsy Davey at the email address listed above, or call **218-745-4711** during regular business hours.

### PKM’S CO-OP MONTH PRIZE WINNERS

**Craig Spilde** – \$200 energy credit

**Jeff Bolduc** – \$100 energy credit

**Irene Teigland** – Cooler

**Dacian Bienek** – PKM lawn chair

**Alice Danielski** – Cutting board