



POWERING



Your Life With Ability

Our modern lives depend on electricity, yet we rarely ever notice it working in the background as we go about our day. Electricity heats and cools our homes, cooks our food, cleans our clothes, heats our water and keeps our lights on. It powers computers, TVs, smartphones and the other technologies that are changing the way we connect with the world. It takes ability to power our local communities. And PKM Electric Cooperative works hard to ensure it's there for you by focusing on these five abilities.



RELIABILITY

PKM Electric Cooperative supports an all-of-the-above energy strategy to meet the 24/7 demand for electricity. A diverse mix of coal, wind and hydro power resources work together to keep our member homes, farms, schools and businesses energized.



AFFORDABILITY

PKM Electric Cooperative works hard to maintain competitive electric rates, while still providing the high level of service you've come to expect. While the cost of most goods and services has increased significantly over the years, electricity remains a relative bargain. The average homeowner uses about \$5 of electricity per day. That is less than the cost of a fast-food meal to power your life.



SUSTAINABILITY

PKM Electric Cooperative is committed to keeping our water, air and land in pristine condition for future generations. About 42% of the electric generation capacity your cooperative receives is derived from carbon-free resources. The implementation of carbon capture technologies is currently being evaluated, which would complement major investments that have already been made to reduce power plant emissions.



DEPENDABILITY

Cooperative employees work around the clock to respond to external forces that can impact electric grid operations. Protective measures are taken to prevent the impacts of extreme weather events, cybersecurity risks and other threats to power generation and delivery systems.



ADAPTABILITY

Demand response programs are a true win-win for you and your cooperative. These programs, which allow for temporary control of off-peak loads, help shield cooperative members from high market prices and increased costs, similar to what was experienced in Texas this past winter. In exchange, cooperative members receive a discounted electric rate.



CEO Report

MIKE SCHMIDT
CEO
PKM Electric Co-op

There have been changes to the Cold Weather Rule in Minnesota. The details are discussed separately in another article in this issue of the PKM News.

Three types of utilities provide electric service in Minnesota. They are consumer-owned cooperatives like PKM, investor-owned utilities and municipals. Each is vastly different in the number of consumers served. PKM serves 1.6 members per mile, while the average electric cooperative serves 7.4. Investor-owned utilities

serve 34 customers per mile, and municipals 48. One-point-six members per mile is the lowest density of the 44 rural electrics in Minnesota. This means we have fewer meters to spread our costs over.

Margins continue to hold up despite a 7% reduction in purchased power year-to-date over last year. Revenues are down \$482,000 over 2019 and purchased power costs are down \$224,000. On a positive note, we have been able to reduce non-purchased power expenses by \$187,000, leaving our year-to-date margins through June ahead of this time last year. Minnkota has announced the potential for a small rate adjustment in 2022. PKM has no

plans at this time for a rate adjustment.

The lead times on material and equipment continue to increase. Some suppliers are out 50 weeks. We are working with our suppliers to try and secure needed materials, in some cases ordering ahead for 2022. It's been a challenge ensuring we have the needed materials on hand. We are still awaiting delivery of a new bucket truck and have orders for a couple of new pickups canceled.

A friendly reminder to be safe during this busy harvest season. Busy schedules and long hours can create fatigue and distractions. At the end of the day, safety first. If you are planning any digging, please call 811. Pray for rain.

Electrical Inspectors

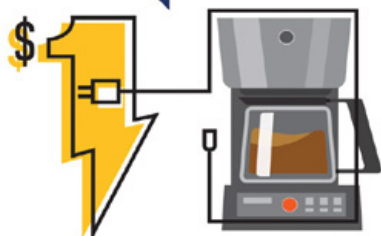
Marshall and Kittson Counties

Ronald Ditsch
218-779-6758

Polk County

George Stage
218-284-1083

What can you get for \$1?



9 hours of coffeemaker use

You can't put a price on productivity, but you CAN put a price on electricity – and that price is low. Did you know that just \$1 will power your coffeemaker for about nine hours? You can focus less on the cost of brewing your caffeine and more on tackling that to-do list!

YIELD A SAFE HARVEST



BE AWARE OF THE LOCATION OF ALL POWER LINES AND POLES BEFORE MOVING LARGE EQUIPMENT.



KEEP EVERY PART OF YOUR MACHINERY 10 FEET AWAY FROM POWER LINES IN EVERY DIRECTION.



ALWAYS LOWER AN AUGER BEFORE MOVING IT – EVEN IF IT'S ONLY A FEW FEET.

July/August 2021 (Vol. 75, No. 4)

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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

Boarding meeting to be held the last Tuesday of the month.

Officers and Directors

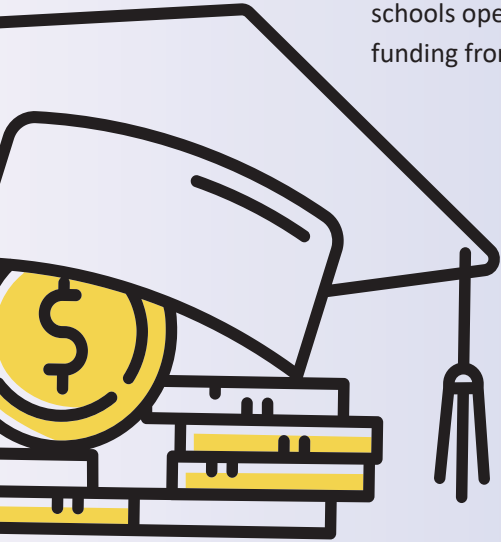
President Mark Hatton
Vice President Michael Beaudry
Secretary-Treasurer..... Wayne Malm
Directors ...Paul Aakre, Steve Goodwin, Chris Mortenson,
Blake Owens, C.J. Peterson and Tom Woinarowicz
CEO Mike Schmidt
Editors Jeff Rustad, Megan Dagoberg

This institution is an equal opportunity provider and employer.

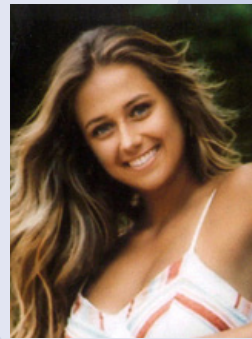
SCHOLARSHIPS

2021 RECIPIENTS

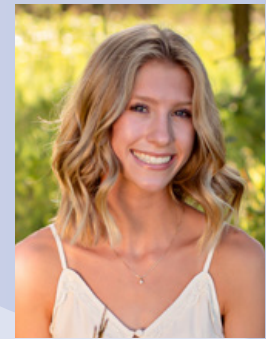
Each year, PKM Electric Cooperative provides scholarships for graduating seniors at each of the high schools operating throughout the cooperative's service area. These scholarships are made possible by funding from Operation Round Up®. **Congratulations and best wishes to these scholarship recipients!**



Rylee Bergeron
Kittson Central
High School



Megan Bolduc
Stephen-Argyle Central
High School



Sarah Finseth
Warren-Alvarado-Oslo
High School



Quincie Floden
East Grand Forks Senior
High School



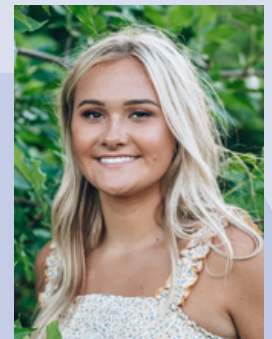
**Mary Eleanor
Goldberg**
Heritage Christian School



Thea Haaven-Farstad
East Grand Forks Senior
High School



Holly Jensen
Stephen-Argyle Central
High School



Leah Johnson
Stephen-Argyle Central
High School



Keaton Klegstad
Tri-County
High School



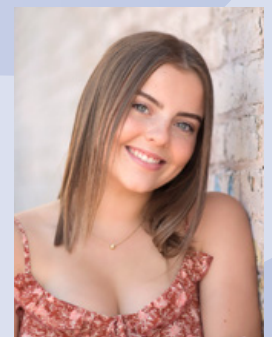
Miranda Millette
East Grand Forks Senior
High School



Emily Pederson
Warren-Alvarado-Oslo
High School



Chloe Solvik
Stephen-Argyle Central
High School



Catherine Tiedemann
Crookston High School

Minnkota crew members energized the Berg substation on April 16.



Substation communication revolution

MINNKOTA'S SYSTEM-WIDE DEPLOYMENT
OF SMART TECHNOLOGY ENHANCES
CO-OP RESPONSE AND RELIABILITY



Minnkota electrician Jimmy Snider (left) and engineer Kara Laframboise look over some final figures on Berg substation's energization day.

On April 16, several teams assembled at the Grand Forks site of Berg substation, the newest to be integrated into a system of more than 255 transmission and distribution substations maintained by Minnkota Power Cooperative (PKM Electric Cooperative's wholesale power provider) across North Dakota and Minnesota. After months of planning and construction, it was time to bring life to the lines and metal.

The anticipation? Electrifying.

"Everybody wants it to be perfect," said power delivery substation engineer Kara Laframboise as she and other Minnkota power pros performed their final checks.

When power began to flow through Berg substation that day, it became the next link in a regional electric grid that rapidly has become more connected, intelligent and reliable – due in large part to the deployment of distribution automation technologies.

Distribution automation (DA) uses state-

“Before, a distribution sub was just a triangle on the power system operator’s board. They didn’t have any information coming back at all. They didn’t even know if it was energized. Now, with DA installed, they know what the voltage is at the substation, they know the status of some of the transformers and the regulators – all of the equipment in the substation, they can see it live.”

– Dustin Marquis, technical maintenance supervisor
Minnkota Power Cooperative

of-the-art telecommunications equipment to allow control center operators to access more grid information remotely. Operators can see an issue as it happens – such as low or high voltage, blown fuses, overloads, etc. – and then either resolve the problem themselves or send the correct crews to the site immediately. Before DA, the control center had to rely on the “guess and check” method of dispatching crews, which could lead to longer outage times.

“Before, a distribution sub was just a triangle on the power system operator’s board,” explained Dustin Marquis, Minnkota technical maintenance supervisor and DA program lead. “They didn’t have any information coming back at all. They didn’t even know if it was energized. Now, with DA installed, they know what the voltage is at the substation, they know the status of some of the transformers and the regulators – all of the equipment in the substation, they can see it live.”

Although new subs are now automatically designed with DA equipment, Minnkota is in the midst of a nearly 10-year plan to add the technology to every one of its 215 distribution substations, many of which haven’t had intensive upgrades in decades. Since the start of the DA initiative in 2018, Minnkota has installed the equipment at more than 45 distribution sub sites. They plan to continue retrofitting roughly 15 sites a year for the next few years until all subs are equipped.

“This technology is going to create a more reliable system and safer environment,” said Minnkota System Operations superintendent Reed Daws.

“If we deem something is wrong in a sub, we can de-energize it while we wait for someone to get there, and they can go in safely and see what’s going on. Instead of losing high-investment equipment like transformers, we might be able to de-energize them and save them. In the end, it’s going to be very valuable, not only on the financial side, but also keeping people with safe, reliable power.”

The DA rollout has been effective due in part to close collaboration between Minnkota and its member cooperatives, whose substation needs now help determine where the next sites are planned. As distribution co-op planners experience more of the benefits firsthand, more requests for site upgrades are submitted.

“It’s just one more tool Minnkota can use in order to give the consumer the best possible service,” Daws said.



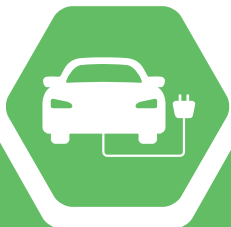
Updated regulator control panels at distribution substations like Coleman in Grand Forks will help Minnkota’s control center better monitor and respond to fluctuations in voltage.



Minnkota technical maintenance technician Perry Flaten checks for proper voltages in the CT/PT box at the Coleman substation.

Energize Your Drive

in the North



Automakers are shifting to electric vehicles (EVs). If companies follow through with announced plans, nearly **100 new EV models** will debut between 2021 and the end of 2024.



Owning an EV is easy – **85% of charging** happens at home. Plus, more public stations are installed along North Dakota and Minnesota travel corridors every year for your longer trips.



A recent study found an EV owner who typically charges at home can anticipate annual savings of **\$800-\$1,000** in “fueling” over a similar gas-powered car. (*Consumer Reports*)

TOP REGIONAL MODELS



Tesla Model 3
Range: 220 Miles
Base price: \$36,990



Ford F-150 Lightning (2022 release)
Range: 300 miles
(with extended range option)
Base price: \$39,975



Chevy Bolt
Range: 259 miles
Base price: \$36,500

BENEFITS OF BATTERIES



Save Money

Base prices for EVs are dropping fast, and many still qualify for up to \$7,500 in federal tax credits.

At the standard electric rate, most EVs cost less than half as much to fuel than gas vehicles.

With utility incentives like off-peak charging programs, your costs drop even more.



Less Maintenance

EVs don't need oil changes, because they don't use oil.

They also lack air filters, spark plugs, timing belts and other parts that need replacement.



Smooth & Fun Ride

EV motors are nearly silent and provide smooth (and incredibly fast) acceleration.

With a heavy battery creating a low center of gravity, EVs handle curves like a dream.

Electric vehicle (EV)

powered purely with electricity, no backup fuel source

Examples: Tesla, Chevy Bolt, Ford Mustang Mach-E

Plug-in hybrid vehicle (PHEV)

can run on electric power or gas power

Examples: Toyota Prius Prime, Mitsubishi Outlander PHEV

EnergizeYourDrive.com

CHARGING OPTIONS

	Level 1	Level 2	Level 3 (DC Fast Charge)
Electric Requirements	Plugs into a standard 120-volt outlet	Uses a 240-volt charging station installed at home or in a public space	Requires utility involvement, usually only found in public along major corridors
Charging Speed	Around 5 miles of range per hour (36 hours for depleted standard battery)	Around 25 miles of range per hour (6-8 hours for depleted standard battery)	Around 100 miles of range or more per hour (time dependent on battery depletion level)
Cost to Charge	Standard electric rate	Qualifies for reduced off-peak rate	For drivers, may be free or charge a usage fee

If you're a PKM Electric Cooperative member, you may qualify for a **\$500 rebate** by installing your home charging station on their off-peak program.
Learn more at [EnergizeYourDrive.com](https://www.energizeyourdrive.com).

2021 Annual Meeting Prize Winners

Winner

- Jon Slusar
- Roger Tulibaski
- Todd Johnston
- Leonard Novak
- Gerald Maruska
- Laures Kleinwachter
- Carol Mortenson
- Larry Eftefield
- Wayne Stromgren
- Roger Love
- Betty Knoll
- Mark Szklarski
- Bryce Corneliusen
- Tom Rogus
- Orville Koland
- Shirley Gasber

Prize

- Energy Certificate - \$25
- First Aid Kit
- Lawn Chair
- Bluetooth Speaker
- Energy Certificate - \$25
- Four Sky-Vu Drive-In Tickets
- Weighted Comfort Wrap
- Gift Card - \$50
- Barbeque Set
- Milwaukee Driver Set
- Four Sky-Vu Drive-In Tickets
- Silo Gift Card - \$25
- Klien Pocket Knife
- Barbeque Set
- First Aid Kit
- Two Sky-Vu Drive-In Tickets

Winner

- James Wallenberg
- Mel Such
- Earl Johnson
- Dan Edman
- Ruby Peterson
- Gerald Boen
- Duane Potucek

Prize

- LED Table Lamp
- Kittson County Enterprise Subscription
- Simply Gift Card - \$25
- Silo Gift Card - \$25
- Simply Gift Card - \$25
- MECO Tabletop Grill
- MECO Cart Grill

Grand Prize:

\$500 Energy Credit - Greg Burris

Kid's Prizes:

- \$200 Visa Gift Card** - Jackson Barrett
- \$100 Visa Gift Card** - Olivia Crummy

Favorite Pick for Antique Car/Hot Rod:

Harlan Rustad



Keep your **FAMILY SAFE**,
know what's below!

One free, easy call gets your utility lines marked AND helps protect you from injury and expense. Safe digging is no accident: always call 811 before you dig. Visit www.call811.com for more information.



Know what's below.
Call before you dig.

Save money and energy in 2021

with energy efficiency rebates!



Energy efficiency rebates for members remain in effect for 2021. Please see the chart for a **sample** of incentives.

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

www.pkmcoop.com

or by calling

218-745-4711

Sample 2021 Electric Rebates for Members

Equipment	Specifications	Rebate
Air-source heat pump	<17 SEER	\$300/ton*
	≥17 SEER	\$500/ton*
Ground-source heat pump	Closed loop	\$400/ton*
	Open loop	\$200/ton*
Electric water heater	Must be on load management program	\$200-\$500 per unit
Off-peak electric heat (plenum, baseboard, hanging heater, etc.)	Must be resistance electric on off-peak program	\$50/kW*
Electric boiler, brick storage, slab storage	Must be on off-peak program	\$80/kW*
Electric vehicle (EV) charger	240V-rated Level 2 charger on load control	\$50/kW/limit \$500 per account

Every install must be new equipment and provide proof of purchase unless site verification is approved.

*These amounts include a rebate from Minnkota Power Cooperative, which has a capped rebate, so call for details.

All criteria are listed on the rebate form.

Rebates! for ELECTRIC WATER HEATERS

Buy a new electric water heater and get an up-to-\$750 rebate!

Gallon size	Rebate
55 gallon or less	\$200
56-99 gallon	\$400
100 gallon or greater	\$500
FREE 50- or 85- gallon water heater for new construction	FREE
Additional rebate for conversion from existing natural gas or propane	\$250

We sell 85- & 105-gallon Marathon water heaters!

Call for pricing and details.

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

Must be on PKM's off-peak program.





Advocating for our members

SHAPING ENERGY
POLICY, TOGETHER

Collaboration at the statehouse is one of the benefits of being part of an electric cooperative in a statewide network. During the 2021 legislative session, PKM Electric Cooperative, along with Minnesota's other rural electric cooperatives, joined forces to leverage our collective influence and advocate for energy policy that benefits our members.

Our work incorporated the perspectives and priorities of our members, the Minnesota Department of Commerce, utilities of all sizes and types, a broad group of nonprofit advocates and associations that represent local electrical contractors. Legislative success was made possible through this significant and diverse stakeholder support, and the electric cooperative's powerful grassroots network.

Through our coordinated and unified approach, a variety of impactful energy efficiency and broadband policies were signed into law during this session. We are proud that our leadership and collaboration created beneficial outcomes for our members, energy providers and all sectors of Minnesota.

ECO Act modernizes Minnesota's efficiency standards

After years in the making, the Energy Conservation and

Optimization (ECO) Act was signed into law by Gov. Walz at the end of May. The passage is great news for our members because it provides better tools for reducing total energy bills and carbon emissions.

This is the most significant and beneficial reform to the state's outdated Conservation Improvement Program (CIP) energy efficiency standards – a cornerstone of the state's energy policy – since they were implemented.

As part of the reforms, efficient fuel switching improvements will allow cooperatives to offer programs that substitute electricity for a customer's current fuel when those programs achieve a trifecta of (1) reducing the overall amount of energy; (2) reducing greenhouse gas emissions; and (3) reducing consumer costs. It also ends the CIP spending mandate, which unlocks the potential of recent technological advancements to benefit energy consumers.

Not only will the ECO Act benefit our members' pocketbooks and contribute to the state's conservation goals, but it will also increase and expand workforce opportunities.

As part of the next steps, we will work closely with the Minnesota Rural Electric Association and other stakeholders to make low-income energy spending more effective.

Cold Weather Rule / Energy Assistance Program notice

Cold Weather Disconnect Rule

In accordance with Minnesota's Cold Weather Rule (216B.096), electric service cannot be disconnected for nonpayment between Oct. 1 and April 30 if electricity is the primary heat source and ALL of the following statements apply:

- Your household income is at or below 50% of the state median household income. Income may be verified on forms provided by PKM Electric Cooperative Inc. or by the local energy assistance provider.
- You enter into and make reasonably timely payments under a payment agreement that considers the financial resources of the household.
- You receive referrals to energy assistance, weatherization, conservation or other programs likely to reduce your energy bills from PKM Electric Cooperative Inc.

Minnesota's Cold Weather Rule does not completely stop winter disconnects.

Before disconnecting electric service to residential members between Oct. 1 and April 30, PKM Electric Cooperative Inc. must provide:

- A 30-day notice of disconnection;
- A statement of members' rights and responsibilities;
- A list of local energy assistance providers;
- Forms on which to request Cold Weather Rule protection; and
- A statement explaining available payment plans and other options to continue service.

Energy Assistance Program

The Energy Assistance Program (EAP) is a federally funded program through the U.S. Department of Health and Human Services, which helps low-income renters and homeowners pay for home heating costs and furnace repairs. Household income must be at or below 60% of the state median income (\$65,964 for a family of four) to qualify for benefits. Applications must be received or postmarked by May 31, 2022.

To learn more about the EAP program or to apply for assistance:

- Visit the Minnesota Department of Commerce Energy Assistance website (<https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/>) for more details and to access the application portal.
- Contact your county EAP service provider for additional information and assistance: Tri-Valley at **1-866-264-3729** and Northwest Community Action at **800-568-5319**.

*PKM Electric Cooperative Inc. exists because of you, and we are dedicated to the people and communities we serve. If you are having difficulty paying your electric bill and do not qualify for either of these programs, please contact Chelsy Davey at **218-745-4711** to set up a payment plan.*

Board meeting **highlights** *March, April and May*

A regular meeting of the board was held Tuesday, March 30, 2021.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors were present. Director Aakre participated via phone conference.

Director Woinarowicz provided highlights from the Minnkota Power and Square Butte annual meetings.

Director Aakre was on via phone conference but supplied a written report to update the board on Square Butte.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. He updated the board on the truck and pickup that were ordered. Joe informed the directors that prices are continuing to go up and that he placed an order for some material.

The manager of member services shared activities within his department. Cannon was here last week with three people. They gave an update on the metering project and reported that supplies are estimated to be here middle of May. They also informed the directors that the solar contract is done.

The CFO shared with the directors that the annual audit was being wrapped up with Brady Martz. A few key talking points about the audit were Minnkota capital credits and Carr's Tree Service. She also stated the board-approved capital credit retirement has processed and will be applied to the members' accounts on the April 1, 2021, electric statements. Delinquent account notices have been mailed to members with disconnections for nonpayment scheduled in April. She shared with the board information on hiring USIC to do our Gopher One locates for us. She is also looking into an automated system to do our calls for disconnects and scheduled outage.

The CFO continued with the presentation of the Operating and Financial Report for the cooperative. Three-year historical graphs displaying month-to-month data comparisons were discussed. Items of note included that reported revenue sales are down, but expenses are under budget and overall things are looking good.

The CEO referenced his written report. He mentioned to the board that we are updating service territory maps with Podco. He also informed the directors that Minnkota has talked about an extension to the power contracts; they will be coming to us soon about updating our contract. He continued with an update on the fires in the Karlstad area. It had burned up some of our poles and we are waiting on more information from the DNR.

Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed. The monthly reports of the CEO and management staff of the cooperative presented at the meeting to the board were received.

The CEO referred directors to the letter from Federated on their recent safety inspection, basically reviewing the items that the CFO discussed in her report. Overall, the report was very good, and they were happy to see things were going as good as they were.

The CEO and operations manager presented to the board the inventory comparison for construction material, resale material and small tools. The result of the physical inventory detected a shortage of construction material of \$2,088.31 and a deficit of resale material of \$1,550.44, with small tools precisely accounted for. The president stated a resolution would be necessary to reconcile this inventory.

The CFO Karen Olson presented the 2020 RUS Financials

and Operating Report Form 7 to the directors. The first two pages are included in the monthly board packet; therefore, she reviewed the remaining pages in depth with the directors as this information is reported annually to RUS, CoBank, CFC and Minnkota. The CEO shared information on the portal pipeline demand waiver.

The board discussed selection of members for the nominating committee and provided the following names to serve on the committee: Bob Wimpfheimer, Warren; Matt Linsley, Euclid; Rodney Larson, Euclid; Jeff Mortenson, Kennedy; Gary Jensen, Drayton; Garrit Winge, Kennedy; Jeff Chwialkowski, Argyle; Chris Urbaniak, Argyle; Troy Osowski, Argyle.

It will be necessary for us to issue one release to Otter Tail Power Company for a tile sump. As has been discussed on other occasions, we are reluctant to issue releases, but a tile sump is of minimal usage. Also, requiring member/owners to contribute thousands of dollars to construction, when existing Otter Tail line is nearby, does not follow our philosophy to gain a new service.

The meeting concluded with Carr's financials.

A special meeting of the board was held Tuesday, April 27, 2021.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors were present. Director Owens, Peterson and Woinarowicz participated via phone conference.

Director Woinarowicz and Director Aakre gave their reports on Minnkota and Square Butte.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. The line superintendent informed the board that all equipment is serviced and ready for a busy season, with the trucks and trailers getting DOT inspected. The crew has been busy changing poles and doing line maintenance. He is also hoping to get some summer help hired.

The manager of member services provided an update to directors regarding recent activities within his department. He had a load management meeting at Minnkota where they went over the cold weather event, some new power supply videos, discussion on EVs, along with other topics.

The CFO opened her report with highlights from her REMA conference. She gave an update on the audit, expressing there were no red flags. She shared with the board that we had received the \$10,000 check for the tool grant. The capital credit process went well with first-time staff. She was pleased to share that PKM collected quite a bit on disconnects with the Cold Weather Rule ending on April 15.

The CFO continued with the presentation of the Operating and Financial Report for the cooperative, referencing her written report outlining details.

The CEO referenced his submitted written report and provided highlights on his recent REMA meeting.

Problems paying your electric bill?

Energy assistance may be available!

If you are receiving a low income or suffering from a temporary financial shortfall, these 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

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 Joe Biden

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

Senator Tina Smith

720 Hart Senate Office Building
Washington, DC 20510
Phone: 202-224-5641

Senator Amy Klobuchar

425 Dirksen Senate Building
Washington, D.C. 20510
www.klobuchar.senate.gov
202-224-3244
1-888-224-9043 (Minnesota office)
Fax: 202-228-2186

Congresswoman Michelle Fischbach

1237 Longworth House Office Building
Washington, D.C. 20515
www.fischbach.house.gov

202-225-2165

Fax: 202-225-1593

State of Minnesota Legislators

Governor Tim Walz

Capitol Building, Room 130
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
800-657-3717
www.mn.gov/governor

Senator Mark Johnson

95 University Avenue W.
Minnesota Senate Building,
Room 3111
St. Paul, MN 55155
651-296-5782
sen.mark.johnson@senate.mn
www.senate.mn/members

Representative John Burkel

309 State Office Building
St. Paul, MN 55155

651-296-9635

rep.john.burkel@house.mn

Representative Deb Kiel

255 State Office Building
St. Paul, MN 55155
651-296-5091
800-339-9041
rep.deb.kiel@house.mn

Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed. The monthly reports of the CEO and management staff of the cooperative presented at the meeting to the board were received.

The CEO stated according to the bylaws, the board needs a separate resolution for the quarterly review of the financials. Having had the March financial review, a motion was made that the board receive the first quarter financials.

The board reviewed and approved a proposal from Brady Martz for audit and tax services through 2023.

At this point in the meeting, Matt Laughlin of Brady Martz and Associates appeared before the board to present the 2020 Audit Report.

Upon hearing a clean and unmodified opinion from the auditors, the president stated it would be necessary for the board to accept the 2020 audit of the cooperative as presented.

Financials were provided for Carr's Tree Service.

A special meeting of the board was held Tuesday, May 25, 2021.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors were present.

Director Woinarowicz and Director Aakre gave their reports on Minnkota and Square Butte.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. Crews have been busy with new services and service improvements.

The manager of member services shared activities within his department, including continued work on the AMI metering. He is working on installing gateways at the Alvarado and Tabor substations, and continuing to work on off-peak meters on the Tabor substation.

The CFO opened her report with an office update. She shared with the directors that we have an instructor from Alexandria Technical and Community College coming in to do an Excel class for office staff. PKM applied for and received a grant for this Excel class. We resumed disconnects for nonpayment last month. We were able to collect a substantial amount of past-due balances and set up payment arrangements. She shared highlights from her written report including large power accounts/

manual bills, RUS loan repricing, Allegiant Utility Services and IT management services.

The CFO continued with the presentation of the Operating and Financial Report for the cooperative. She shared that she received word that PKM obtained full forgiveness on their PPY loan.

The CEO referenced his written report. There was discussion on working on putting together an EV policy.

Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed. The monthly reports of the CEO and management staff of the cooperative presented at the meeting to the board were received.

The CEO mentioned CFC's Integrity Fund was once again soliciting contributions. The CEO refreshed the directors to their previous sizable contribution with previous litigation and asked the board as to their desire for contributions in 2021.

The MPC wholesale power contract extension was presented by the CEO. He disclosed that MPC is looking to extend the contract by five years. He shared pertinent information and responded to questions from the directors.

Discussion turned to 2021 CFC Annual Membership meeting voting delegate. The board agreed that Director Owens will fill out the voting delegate ballot.

At this point in the meeting, legal counsel Andrew Sorbo from Minnkota's legal team presented proposed changes to the Articles of Incorporation and the Bylaws. Mr. Sorbo provided a copy of the red-line changes along with blue-line comments regarding said changes to the directors.

The board of directors reviewed the text of the proposed changes to the existing Articles of Incorporation and Bylaws. The board unanimously approved the presentation of the proposed changes to the membership, approved that the proposed changes would be presented and mailed to the membership in the 2020 Annual Report print edition of the PKM News, approved that the proposed changes would be available to the membership via the PKM website and approved that the proposed revision changes would be presented to and voted on by the membership at the upcoming annual meeting July 13, 2021.

Financials were provided for Carr's Tree Service. A listing of the 2020 scholarship recipients was shared with the directors, along with a federal cybersecurity document with important information.

October is National Co-op Month!

Enter to win a PRIZE!

Co-op Month prizes include:

\$200 energy credit

\$100 energy credit

\$50 energy credit

RETURN ENTRY BY NOV. 1, 2021.

Mail or drop off entry blanks.

** Look for an additional registration form for the Co-op Month giveaway in your October billing statement.*

Name: _____

Address: _____

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You saw your neighbor got an air-source heat pump, right?



More and more of our co-op members are installing this highly efficient and convenient heating & cooling technology, because it's saving them money and making their lives easier. It's not just a passing trend – these air-source heat pumps are the perfect home comfort tool of our generation.

If it's time to replace your furnace or air conditioner, or you're planning a new home altogether, chat with your cooperative about the benefits and savings possible with an air-source heat pump.

Your neighbor would be proud.

Rebates up to \$1,200

Contact your co-op today!

DRIVING THE DIALOGUE ON GRID RELIABILITY

With grid challenges coming into focus, our local power leaders are working to chart a path forward.

In the wake of devastating outage events over the past year – from a heatwave that crippled California’s electric grid to a February deep freeze that left Texas without power for days – leaders of Minnkota Power Cooperative (PKM Electric’s wholesale power provider) have been communicating the importance of grid reliability and resiliency with the nation’s top regulators and policymakers. As the electric utility sector navigates one of its most transformational periods, questions remain on how ambitious environmental goals may affect affordable and dependable service.

“It is an exciting time for our industry, but it can also be daunting,” Mac McLennan, Minnkota president and CEO, told members of the U.S. Senate Energy and Natural Resources Subcommittee on Energy during a June 23 hearing. “We all want to push for it to be a better product – more reliable, more resilient, affordable for every household and as

clean as possible. To reach these goals, we need to work together.”

About 42% of Minnkota’s generation capacity comes from carbon-free sources such as wind and hydropower. Although Minnkota has added a significant amount of renewable energy, coal remains a critical resource to ensure reliability.

Regional energy leaders, policymakers and regulators discussed lessons learned from recent national outage events during the Midwest Energy Summit on June 8 in Fargo, where McLennan participated in a panel focused on multi-state grid reliability.

Minnkota participates in the Midcontinent Independent System Operator (MISO) market, where renewables currently account for about 10% to 12% of the grid’s resources. MISO Executive Director of External Affairs Brian Tulloh said challenges begin to emerge as that percentage increases.

“We begin to see, at above about 30% renewable energy penetration, significant stability issues in the grid,” Tulloh said, referencing MISO’s Renewable Integration Impact Assessment.

Minnkota also recognizes the need to make reductions in carbon dioxide (CO₂) emissions. The cooperative and its members are currently evaluating Project Tundra – an effort to install carbon capture technology at the coal-based Milton R. Young Station near Bismarck, N.D.

Stacey Dahl, Minnkota senior manager of external affairs, provided an overview of Project Tundra during a June 3 meeting with Environmental Protection Agency (EPA) Administrator Michael Regan. Regan said the Biden administration has a “positive viewpoint” of carbon capture technology.

“There’s no doubt there’s huge potential,” he said of carbon capture during his visit.

