

TIPS FOR A SAFE HARVEST

Harvest season brings hard work and can be an exhausting, but rushing the job to save time can be extremely dangerous (even deadly!) when working near overhead power lines. We urge farm operators and workers to keep the following safety tips in mind:



Use care when operating large machinery near power lines.



Inspect the height of equipment to determine clearance.



Always keep equipment at least 10 feet away (in all directions) from power lines.



Remember to lower extensions when moving loads.



If a power line is sagging or looks to be dangerously low, please call us immediately.



Member Service Report

JEFF RUSTAD
Member Service
Manager
PKM Electric Co-op

Allegiant Utility Services is currently changing out meters in the Alvarado/Oslo area. They will be moving up to Argyle in a few weeks. If you have an off-peak meter in a building and you are not home, an Allegiant staff member will leave a door hanger to call and set up a time to change it.

Linemen have been working on converting the Lake Bronson State Park from overhead to underground lines, which should be completed soon. They have also been very busy working on new services, service upgrades, outages, tree trimming and yard light repairs.

Harvest is starting and if you have added any bin fan load, make sure you notify us to check your transformer size. If you are looking at converting overhead to underground across your fields, make sure you have contacted Joe Marcotte at the office. We have a limited amount of underground wire available, and he has a growing list of requests.

With fall coming soon you may be looking at possibly replacing your heating system. This is a reminder that we have interest-free loans up to \$6,000, which can be added to your bill for up to 72 months depending on the amount for upgrading or adding any electric heating system, wiring, appliances or water heaters. Forms are available at www.pkmcoop.com under Member Services. We also have rebates available for adding or replacing electric heating equipment, such as plenum heaters, storage heaters, heat pumps, geothermal or water heaters that are on the off-peak system currently or are going to be added to your off-peak service. These forms are also on the website under Member Services.

PKM's off-peak heating rate is 5.4 cents per kilowatt-hour (kWh) and with the 0.4-cent wind energy charge, the total is 5.8 cents. The off-peak electric rate is equivalent to purchasing propane at \$1.40. If you have a heat pump, it is equivalent to around 70-cent propane. If you are still using fuel oil for your backup, the 5.4-cent off-peak rate for electric heat is the same as \$1.90 fuel oil. I know propane has been running around \$2, which makes PKM's off-peak rate 30% less expensive and a great option if you are adding new or upgrading your old heating and cooling system. And if you are running a heat pump (like me) on

the off-peak rate, the cost savings is approximately 65% compared to running propane alone – plus you have A/C in the summer on the off-peak rate with your heat pump. There are many great options for heating and cooling systems available now; the best option by far for our PKM members is a dual-fuel off-peak system. Most all the HVAC contactors in our area are aware of our rebates and loan options.

I hope everyone has a safe harvest! If you have any questions, please call the office or you can also contact us through SmartHub if you are using it and through info@pkmcoop.com.

THE 3 T S OF THE ENERGY TRANSITION

- TECHNOLOGY** (Battery icon)
- TRANSMISSION** (Power tower icon)
- TIME** (Clock icon)

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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

Board 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.

Congratulations

Class of 2022 PKM scholarship recipients!

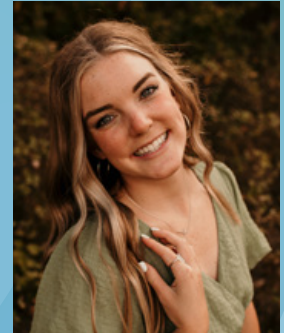
Each year, PKM Electric Cooperative provides scholarships for graduating seniors at each of the high schools operating throughout the cooperative's service area. These scholarships are made possible by funding from Operation Round Up®. **Congratulations and best wishes to these scholarship recipients!**



Gracie Anderson
Warren-Alvarado-Oslo
NDSU



Thomas Bienek
Warren-Alvarado-Oslo
NDSU



Jenna Davis
Kittson Central
NDSU



Jazlynn Folland
Kittson Central
U of M – Crookston



Macy Haugen
Stephen-Argyle Central
NDSU



Marey Kazmierczak
Stephen-Argyle Central
SDSU



Theron Kuznia
Greenbush-Middle River
NDSU



Thomas McGlynn
Stephen-Argyle Central
NDSU



Elise Oberg
Warren-Alvarado-Oslo
UND



Rachel Schmiedeberg
Lancaster
NDSU



Izak Strege
Lancaster
NCTC



Carter Vasek
East Grand Forks
U of M – Twin Cities



Keep the lights on during the energy transition

BY JIM MATHESON AND MAC MCLENNAN

Dozens of states in the most powerful nation in the world may struggle to keep the lights on this summer.

It doesn't have to be this way. But absent a shift in policy and coordination between federal and state governments, this is the energy reality our nation will face for years to come.

Reliable electricity has been a staple in America for more than half a century. But that's no longer a certainty. Organizations across the nation have sounded the alarm: reliable electricity may be in jeopardy this summer. That's inexcusable.

Minnkota Power Cooperative utilizes a diverse mix of coal, wind and hydro resources to meet the 24/7 needs of electricity consumers in eastern North Dakota and northwestern Minnesota. While this power portfolio is strong, Minnkota does not operate on the electric grid alone. Utilities across the Upper Midwest and down to Louisiana are interconnected through the larger Midcontinent Independent System Operator (MISO) grid. Challenges

in other areas of this system can and do have impacts on Minnkota and its members.

MISO expects to face a high risk of reliability challenges during both "normal and extreme conditions." If demand for electricity exceeds the available supply, MISO could implement controlled power outages to avoid catastrophic damage to the power grid.

Some are quick to blame these newfound reliability threats on changing or more extreme weather patterns. That's part of the story, but there's a deeper problem that must be acknowledged.

Spurred by policy and market factors, the ongoing energy transition has prioritized premature baseload coal and nuclear plant closures without considering the collective impact on the power grid and the availability of feasible technology to fully replace them. That's proving to be a dangerous misstep.

In MISO alone, 3,200 megawatts of electric generating capacity have shut down in the past year. That's enough to keep the lights on in

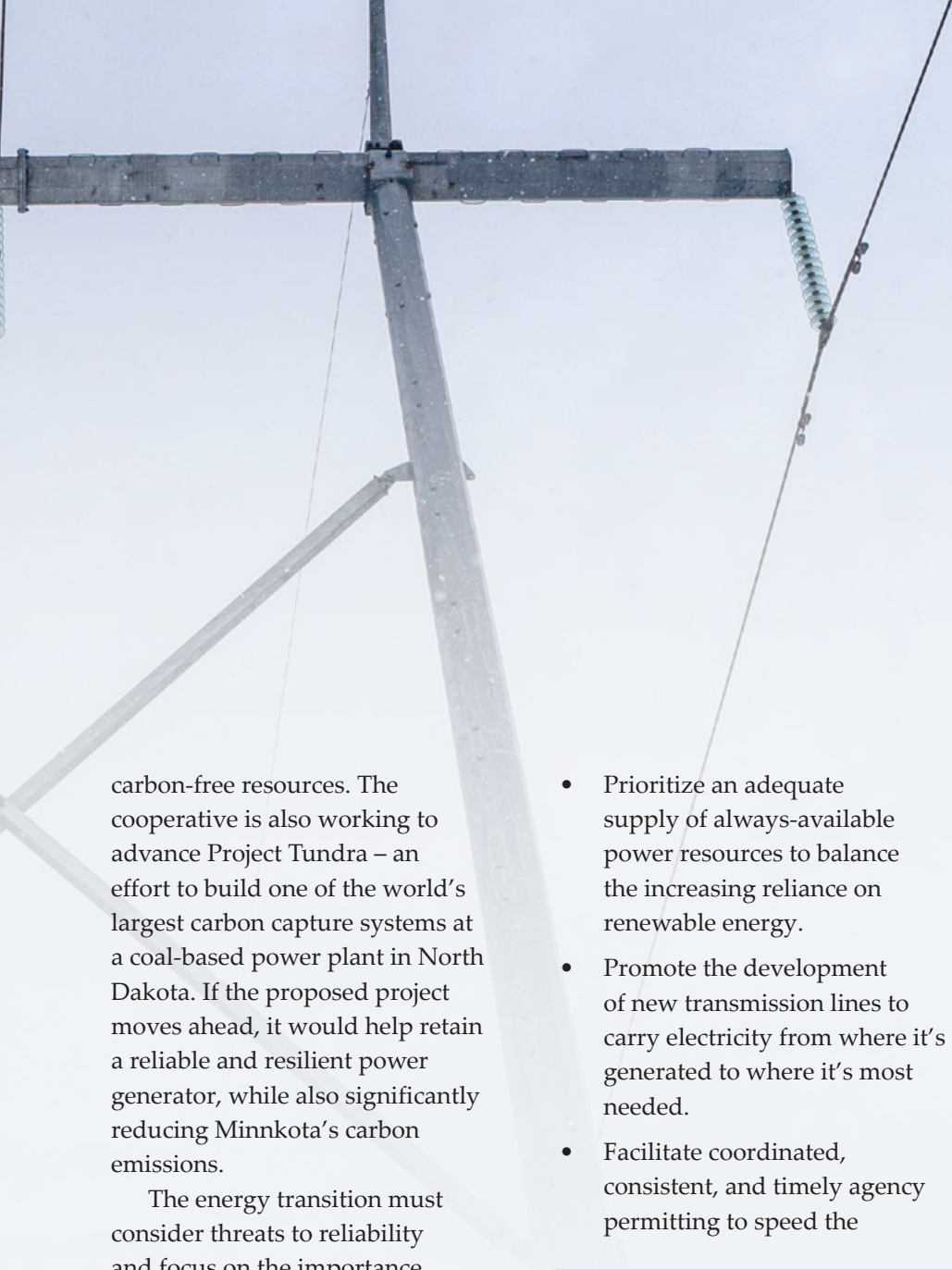
2.8 million homes. And electricity demand is forecast to rise by nearly 2% this summer.

To put it simply, new power-generating projects in some of the largest electricity markets haven't caught up with plant closures—jeopardizing reliability in the process.

Policymakers should recalibrate their focus on a common-sense energy transition that doesn't risk reliability or punish low-income families and our economy. Those choices don't need to be at odds.

Driven by a focus on keeping the lights on, America's electric cooperatives have demonstrated what a responsible energy transition can look like. Electric co-ops substantially lowered their carbon emissions by 23% between 2005 and 2020, the equivalent of taking nearly 9 million cars off the road. They've also invested in energy innovation technologies to help meet tomorrow's electricity needs with speed and flexibility.

In Minnkota's case, approximately 42% of its generation capacity is already derived from



carbon-free resources. The cooperative is also working to advance Project Tundra – an effort to build one of the world’s largest carbon capture systems at a coal-based power plant in North Dakota. If the proposed project moves ahead, it would help retain a reliable and resilient power generator, while also significantly reducing Minnkota’s carbon emissions.

The energy transition must consider threats to reliability and focus on the importance of allowing adequate time, technology development and the construction of desperately needed transmission lines to move electricity within regional markets. It is overambitious to believe this can happen by the current federal target of 2035.

Today’s energy policy decisions will determine whether the threat of grid reliability challenges is our new energy reality. As state and federal policymakers re-evaluate their energy transition proposals in the wake of sobering summer reliability challenges, they should:

- Prioritize an adequate supply of always-available power resources to balance the increasing reliance on renewable energy.
- Promote the development of new transmission lines to carry electricity from where it’s generated to where it’s most needed.
- Facilitate coordinated, consistent, and timely agency permitting to speed the

construction and maintenance of electric transmission and other critical grid infrastructure.

- Provide electric cooperatives access to the same level of energy innovation incentives that for-profit utilities have enjoyed for years.

When you find yourself in a hole, the first thing to do is stop digging. Failure is not an acceptable option for the consumers and communities we serve.



Jim Matheson is CEO of the National Rural Electric Cooperative Association, the national trade association that represents the nation’s more than 900 not-for-profit, consumer-owned electric cooperatives. He previously served seven terms as a U.S. representative from Utah.



Mac McLennan is CEO of Minnkota Power Cooperative, the wholesale electricity provider for 11 member cooperatives in eastern North Dakota and northwestern Minnesota.

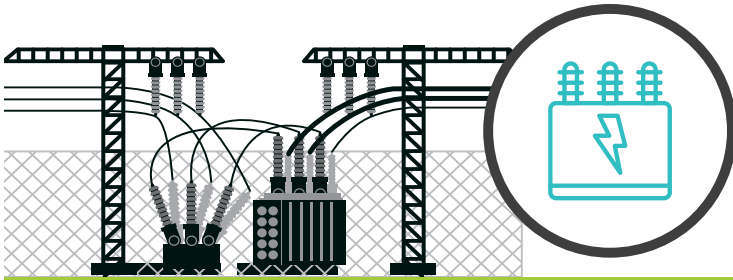
5 steps to restore power after an outage

After a major storm or natural disaster causes widespread damage, power outages may extend longer than a few hours. Our line crews work long and hard hours to restore service safely to the greatest number of consumers in the shortest amount of time. If you ever find yourself in the dark, here is what's going on:



1. High-Voltage Transmission Lines

Transmission towers and lines that supply power to transmission substations – and thousands of consumers – rarely fail. But when damage occurs, these facilities must be repaired before other parts of the power supply system can operate.



2. Distribution Substations

Each substation serves hundreds or thousands of consumers. When there is a major power outage, line crews inspect substations to determine if the problems stem from the transmission lines feeding into the substation, the substation itself or issues farther down the line.



3. Main Distribution Lines

Next down the power supply chain, if no problem was found at the substation, are the distribution lines. These lines carry power to large groups of consumers in communities. If power is restored at this stage, all consumers supplied by this line should regain power.



4. Tap Lines

If local outages still occur, supply lines or tap lines are inspected. These lines deliver power to utility poles or underground transformers outside houses, businesses and schools.



5. Individual Homes and Businesses

If your home is the only one without power, the service line between a transformer and your home may need repairing. Always report an outage to help line crews isolate local issues.

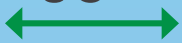
DOWNED POWER LINES

DOS & DON'TS

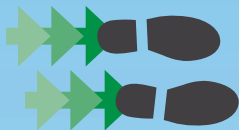
Downed power lines may not look dangerous, but don't be fooled. These lines are likely carrying electric currents strong enough to cause serious injury or death. If you come across a downed power line...

DOS

50ft.



Stay at least 50 feet away from the downed line (about the length of two school buses).



If closer, bunny hop at least 50 feet away keeping both feet together and landing at the same time.



Report the downed power line to PKM Electric Cooperative at 800-552-7366. Call 9-1-1 if there is imminent danger.

DON'TS



Never touch a downed power line – always assume the line is live and dangerous.



Don't attempt to move a downed power line – even with items that are not typically conductive.



Don't touch a structure near or connected to the downed power line. They could be energized for thousands of yards and pose serious hazards.

IF YOU SEE AN INJURY

If you see someone injured by a downed power line, call 9-1-1 for help.

- Don't try and rescue the person. The electrical current can travel through the individual to you and cause serious harm.
- The best thing to do is warn others to stay away and wait for help.



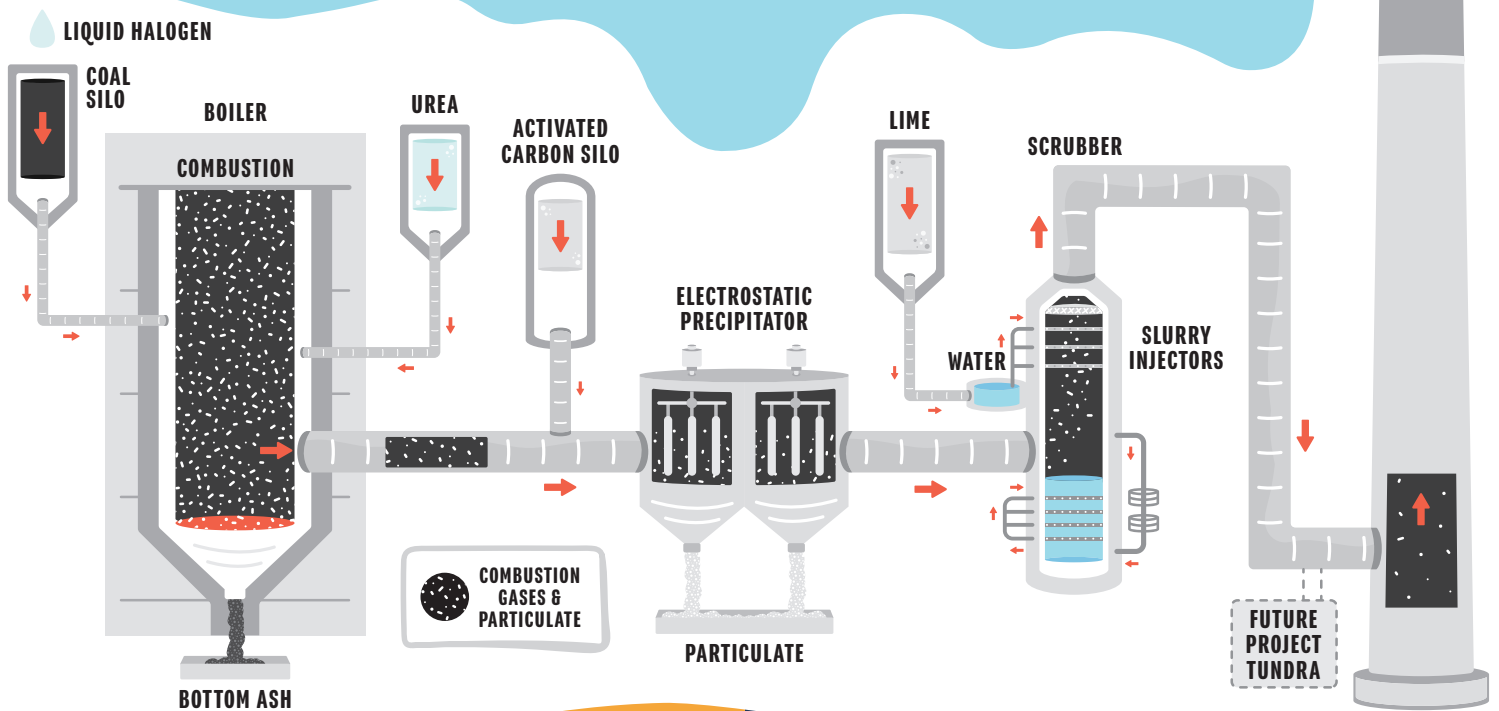
If you are in a vehicle that comes in contact with a downed power line:

- Stay in your vehicle until help arrives. Avoid touching the metal frame or any other metal in your vehicle.
- Call 9-1-1 and report the downed line.
- If you need to exit the vehicle due to fire, jump clear of the car keeping both feet together. Cross your arms over your chest and bunny hop at least 50 feet away from the vehicle. Never touch the vehicle and the ground simultaneously because this increases the risk of electrical shock.

REDUCING EMISSIONS

PKM Electric Cooperative and Minnkota Power Cooperative, the region's wholesale power provider, are committed to maintaining a clean and healthy environment. One of the greatest success stories in recent years is the significant reduction in emissions levels at the coal-based Milton R. Young Station. From 2007 to 2011, about \$425 million was invested in cutting-edge air quality technologies. Efforts are also under way to advance innovative carbon dioxide (CO₂) capture systems at the Young Station – an initiative known as Project Tundra.

While about 42% of our electric generating capacity comes from carbon-free resources, coal-generated electricity remains vital to ensuring reliability and resiliency of electric service. The Young Station operates at high production levels throughout the year, including during extreme hot and cold weather periods. And thanks to technology advancement, the energy produced is cleaner than ever before.



MERCURY REMOVAL

Liquid halogen and activated carbon

A combination of liquid halogen and activated carbon absorb mercury from the flue gas. Fly ash and mercury will be removed by the electrostatic precipitator later in the emission control process.

NITROGEN OXIDES (NO_x) REDUCTION

Selective Non-Catalytic Reduction (SNCR) and Over-Fire Air (OFA)

The Young Station uses a combination of SNCR and OFA to reduce NO_x emissions. SNCR includes injecting urea into the boiler to break down the NO_x, while OFA includes diverting a portion of the combustion air from the cyclones to limit the formation of NO_x in the boiler.

PARTICULATE MATTER (PM) REMOVAL

Electrostatic precipitator

The flue gas passes through electrodes, which charge particulates (like dust) either positively or negatively. The charged particles are then attracted to collector plates carrying the opposite charge and removed.

SULFUR DIOXIDE (SO₂) REMOVAL

Scrubber

When the flue gas passes through the scrubber, it flows against multiple levels of spray nozzles containing lime slurry. A chemical reaction occurs between the sulfur dioxide in the flue gas and the lime slurry, effectively capturing the SO₂ and forming a common mineral called gypsum.



Supreme Court rules EPA cannot use generation shifting to regulate CO₂

In a landmark decision, the U.S. Supreme Court ruled June 30 that the Environmental Protection Agency (EPA) cannot require “generation shifting” as a method to regulate carbon dioxide (CO₂) emissions from coal-based power plants.

Under the 6-3 ruling, the court determined that Congress did not give EPA the explicit authority under Section 111(d) of the Clean Air Act to set emissions caps at a level that would force a nationwide transition away from the use of coal to generate electricity. This concept of generation shifting would have

required a reduction of coal-based generation in favor of resources that produce fewer emissions, such as wind and solar.

The case – West Virginia vs. EPA – was prompted by the Clean Power Plan, which set broad emissions reduction targets for the power sector in 2015 but was stayed by the Supreme Court before it took effect. The rule would have had significant operational and financial impacts on Minnkota and its membership.

EPA still retains the authority to regulate CO₂ emissions from coal-based power plants, and it is anticipated that a new proposed rule will

be released in March 2023. Based on the Supreme Court’s decision, the proposal will most likely focus on the best system of emissions reduction at each individual source.

“Minnkota supports the Supreme Court’s decision,” said Mac McLennan, Minnkota president and CEO. “Coal remains a vital part of our energy mix and it has become increasingly important during times of grid instability. We recognize the potential of living in a carbon-managed world and remain committed to supporting technology development to help us reduce our carbon footprint.”





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. 15, 2022.

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: _____

Phone #: _____

Electrical Inspectors

Marshall and Kittson Counties

Ronald Ditsch
218-779-6758

Polk County

George Stage
218-284-1083

Cold Weather Rule Shutoff Protection

Minnesota's Cold Weather Rule (CWR) is a state law that protects residential utility customers from having electric or natural gas service shut off between **October 1 and April 30**. To protect your service from disconnection you must make and keep a payment plan that you and your utility agree on. The utility must offer a payment plan that is reasonable for your household's financial circumstances. You can set up a CWR payment plan any time during the CWR season.

You are eligible for CWR protection even if you rent – the electricity or gas must be the primary heat source and the utility account must be in your name.

You and your utility must agree to a payment plan that is reasonable for your household. You can set up a CWR payment plan any time during the CWR season.

All natural gas and electric utilities must offer CWR protection. CWR does not apply to delivered fuels; oil and propane or wood. If you use delivered fuels, and your furnace is run by electricity, you should apply for CWR protection with your electric company.

Call your natural gas, electric, municipal utility or electric cooperative for more information, or contact the Commission's Consumer Affairs Office at consumer.puc@state.mn.us or **651-296-0406, 1-800-657-3782**.

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

Board meeting highlights *March, April and May*

A regular meeting of the board was held Tuesday, March 29, 2022.

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

Director Woinarowicz and Director Aakre shared an update with the directors regarding business at Minnkota Power Cooperative and Square Butte Electric Cooperative.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. The crews are finishing up inventory, poles, and lights and working on shop projects and equipment. Miiff was here with a topic of hazard communication and employee Right-to-Know policy. Terri from MREA was here with the topic on URD lines. PKM is working on interviewing a few candidates for two summer help positions and to fill the open lineman position. We are hoping to receive the URD cable the first part of May.

The manager of member services shared activities within his department. He gave an update on food and activities he has planned for the annual meeting in July. A new server is up and running thanks to Garden Valley, and Eaton will update the software. Office carpet samples are here. There is an 811 contractors' dinner the end of April.

The CFO shared with the directors the annual audit was being wrapped up with Brady Martz. Other happenings in the office are the capital credit process has been started, accepting scholarship applications and report filing. Delinquent account notices have been mailed to members with disconnections for non-payment scheduled beginning of May. They have been working on payments with those members.

The CFO continued with the presentation of the Operating and Financial report for the cooperative. Historical data for margins for a 10-year PTD and YTD comparison were provided and discussed. Revenue was up from the year before; we are up about 7% from 2021. Expenses are under budget. Fleet expenses are down, and outage times are good.

The CEO referenced his submitted written report outlining the recent meetings. Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed.

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 \$16,372.66 and a deficit of resale material of \$3,130, with small tools precisely accounted for. The president stated a resolution would be necessary to reconcile this inventory.

The CFO Karen Olson presented the 2021 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 miscellaneous information with the directors including the 2021 safety and loss analysis report, a Craig Bleth report and discussion on Union wage.

The board discussed selection of members for the nominating committee and provided the following names to serve on the committee: Tom Stinar, Warren; Wayne Hamrick, Warren; Bob Wimpfheimer, Warren; Jason Sobolik, Drayton; Carey Mortenson, Kennedy; Gary Jenson, Drayton; James Widner, Strandquist; John Kowalski, Stephen; Jared Woinarowicz, Stephen.

The meeting concluded with Carr's financials.

A regular meeting of the board was held Tuesday, April 26, 2022.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors were present with the exception of Director Beaudry. Director Woinarowicz and Director Aakre shared an update with the directors regarding business at Minnkota Power Cooperative and Square Butte Electric Cooperative.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. Terry Eli from MREA was here with a virtual activity for staff. 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. Marcotte has had some calls on replacing overhead line to underground and a few new services. He hired a full-time journeyman – Caleb Novak for Hallock – and hired summer help who will start June 1 – Kyle Thompson, Riley Pahlen and Conner Mercil.

The manager of member services Jeff Rustad provided an update to directors regarding recent activities within his department. Rustad gave an update on the 811 meeting they had in Thief River Falls. He has had lots of people coming in for generator plugs.

The CFO shared with the directors that he had 35 scholarship applicants and another new member, superintendent Bob Jaszczak

from Hallock. She gave an update on the office, normal business and continuing the capital credit process. She shared with the board disconnect will not happen until the water is under control. The REAP grant was submitted last month and they will not notify us until late into the summer.

The CFO continued with the presentation of the Operating and Financial report for the cooperative. She reported March expenses were both down about 9%. Historical data for margins for a 10-year PTD and YTD comparison were provided and discussed. Other financial data was presented and discussed along with the current Tier ratio at 4.34 compared to 3.92 last year. Balances are the lowest ever for 60-day and 90-day balances. Overall, we have had a very small margin this month.

The CEO referenced his submitted written report and provided highlights on his recent meetings. Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed.

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.

Discussion was had to issue one release to Otter Tail Power Company for an electric service for BNSF Railway. As has been discussed on other occasions, we are reluctant to issue releases but, this is a service 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 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 its desire for contributions in 2021.

Minnkota Power Cooperative's Jamie Overgaard presented the Integrated Resource Plan to the PKM board at this time. He reviewed a PowerPoint presentation that included load forecast information, joint system sales and projected winter and summer demand and responded to questions from the directors.

The CEO presented the annual OSHA Form 300A to the directors. He was very pleased with the report's results.

The CEO shared miscellaneous information with the directors including OTP true up – portal pipeline in Crookston and Blake giving an update on Union negotiations for wage.

Financials were provided for Carr's Tree Service.

A special meeting of the board was held Tuesday, May 31, 2022.

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 Power Cooperative and Square Butte Electric Cooperative.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. Don Frances from MREA was here with the topic of digger derrick training. Miiff from MN Safety was also here and covered the emergency action

plan, evacuation, fire prevention, fire extinguishers and forklift training. The Tabor substation rebuild is nearly complete with a Minnkota scheduled outage to cut over to the new substation on June 2. The linemen went to a free training put on by Border States in Fargo. They have been busy with starting to plow some URD cable, new services and workplan projects. Olson Underground will be helping with some of the workplan projects.

The manager of member services shared activities within his department. He has been working on deploying the Halma gateway, with most of the meters changed and reading back to us. Alvarado has changed out all of their meters to 3-phase and had Chapman Metering check the 3-phase services and CT's for accuracy. There have been a few calls on solar and lots of underground faults and secondary faults due to the high water table.

The CFO opened her report with an office update referencing her written report. She shared that PKM gave out 12 scholarships with a total of 437 scholarships. We will not be doing disconnects for non-payment for a while with the water issues we have. Outage time has been down, and transportation expenses have been up. Equity is still good. Annual meeting preparation is under way in the office.

The CFO continued with the presentation of the Operating and Financial report for the cooperative. April was uneventful – we are down for the year at 4%. Expenses are under budget by 7%. The inventory balance is still up and we intend to keep it up like that. PKM's accounts receivable have been paid up and have been keeping balances down. Other financial data was presented and discussed along with the current Tier ratio at 3.59.

The CEO referenced his submitted written report outlining the recent meetings. He shared that we had the nominating committee meeting; it went well with the three board members up for reelection being selected. Other meetings he highlighted were with Alerus, Brady Martz and Alison Deelstra from CFC.

Upon presentation of the reports from the management staff and CEO, questions and comments from the board concerning their reports were addressed.

The CFO shared an update on the MN87 AD45 RUS. She then proceeded to inform the board that our corporate debt limit would be reached with the new RUS loan. She stated it had previously been at \$25,000,000 and it needs to be increased to \$35,000,000.

The CFO referred the board to the restatements of the Retirement Security Plan for the cooperative. She mentioned to the board that these restatements include no improvement to the plan but are boiler plate restatements of existing plans. Also, this needs to be done every five years. The cooperative has two plans because Union and Non-union employees are separated.

At this point in the meeting, Matt Laughlin of Brady Martz and Associates did a teleconference before the board to present the 2021 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 2021 Audit of the cooperative as presented.

Financials were provided for Carr's Tree Service. A listing of the 2021 scholarship recipients was shared with the directors, along with information on average MPC power costs for 2022-2031.

COAL MINE **BOVINE** **SHORELINE** **CO-OP SIGN**

COMBINE **TURBINE** **GOAL LINE**

INTERSTATE 29 **BACK NINE** **POWER LINE**

GREEN PINE **SUNSHINE** **FISHING LINE**

This is your region.
These are your resources.
This is your reliable, affordable, cleaner-than-ever electricity.

ALL IN
SEE VIDEO **ALL-OF-THE-ABOVE ENERGY**

AVOID UTILITY SCAMS

Scammers will threaten you with everything from shutting off your power to your home to legal action. Don't fall victim to these types of scams.



Our employees will never show up at your door to demand payment.

Never give personal information to an unknown caller or visitor. Our representatives have access to the details they need to service your account.

Demands for immediate payment by wire transfer, cryptocurrency, gift cards or cash reload cards should immediately raise red flags.

2022 ANNUAL MEETING PRIZE WINNERS

Winner

1. Larry Eftefield
2. Dennis Garry
3. Jacob Anderson
4. David Jadeke
5. Luna Grain Co.
6. Robert Engen
7. Jon Slusar
8. Bruce Lindgren
9. Earl Pawlowski
10. Gerald Maruska
11. Tom Crummy

Prize

- Energy Certificate - \$25
- Energy Certificate - \$25
- Scheels Gift Card - \$25
- Scheels Gift Card - \$25
- Home Depot Gift Card - \$50
- Four Sky-Vu Drive-In Tickets
- Four Sky-Vu Drive-In Tickets
- Barbeque Set
- Bobcat Sweatshirt
- First-Aid Kit
- Goody Bag

Winner

12. Shirley Gaber
13. Allen Buchner
14. Curtis Carlson
15. Duane Potucek
16. Roger Tulibaski
17. Jahir Perez

Prize

- PKM Goody Bag
- PKM Lawn Chair
- Round Tabletop Grill
- Smoker
- Tabletop Grill
- Tower Heater

Grand Prize:

David Armstrong

\$500 Energy Credit

Kids Prizes:

Ada Bergman
Kallie Dagoberg

\$200 Visa Gift Card
\$100 Visa Gift Card