

MINNESOTA VALLEY Co-op News

Volume 76 No. 8 • August 2014



MANAGER'S MESSAGE • PAT CARRUTH



General Manager

Best Wishes to Chuck Blom

We thank Chuck Blom, Member Services Representative, who has decided to retire after over 18 years of dedicated service to the member-owners of Minnesota Valley. Chuck spent many years helping members with their heating and cooling systems and water heaters. He also handled our Mainstreet Messenger Program, which helps people who might need some extra help on occasion live independently by being able to push a pendant for help if they run into some trouble. Chuck also handled collections and was a great overall promoter of the cooperative's programs and services to the members. We will miss Chuck at Minnesota Valley and wish him well.

It has been one of Those Storm Seasons

We do appreciate your patience over the past couple of months if you have been occasionally out of power. As you know, the weather has been kind of wild with the frequent and severe thunderstorms. We also appreciate the kind words some of you have offered on occasion to our linemen who have been putting in very long hours in very tough working conditions to get your lights back on.

CRC Dispatchers Answer the Phone When the Office is Closed

When the lights go out and you call Minnesota Valley during our normal office hours you will get right into our office. If it is after hours, or a major outage, the telephone lines are transferred to

dispatchers at our Cooperative Response Center (CRC) in Austin, Minnesota.

Minnesota Valley was one of 19 of the original incorporating members of CRC in Austin, Minnesota back in 1992. At the time, many of the original founders, including Minnesota Valley, were running out of options for local dispatch and we looked at several options, which proved not to be economical. Forming a cooperative to share the cost of providing a more effective service seemed natural. The original purpose was to do a better job of after hours dispatch of crews to handle member outages. CRC also provides monitoring for our First Call Service, of which we have about 312 people using. This service provides those who use it with almost instant communication with a live person by simply pushing a pendant, should they need some sort of assistance. They also monitor another 80 various types of alarms for a number of situations that our members have. The most common would be environmental for hog confinement buildings.

Overall, we think CRC does a good job of getting from you the information our crews need to get your lights back on as quickly as possible. Today, the cooperative organization handles after hours calls for 300 cooperatives. They also have a redundant office, which allows them to keep operation should one office become disabled. They have over 150 employees between the two offices. As we all know, bigger is not always better. On occasion, we get a comment from a member that our after hours dispatch service could be a bit more helpful and if not more helpful, perhaps a bit more pleasant. While we acknowledge both can be the case on occasion, most of the dispatchers are always helpful, courteous and understand that the people who are calling in are member-owners of CRC. When we do get a comment from you it

prompts us to continually remind the people at CRC that they need to keep common courtesy out front of each and every call they take.

Think of Our Discount Electric Heat Rates for All of Your Space Heating Needs

If you want a stable price for your heating needs and this is the year you need a new heating system for your home or outbuilding, keep us in mind. Our heat rate is 4.8 cents per kwh and we expect it to be the same all winter long. Using any kind of resistance electric heat on that rate compares to \$1.16 per gallon propane in a high efficiency furnace. If you use an air source heat pump on that rate it compares to \$.64 per gallon. If you use a ground water sourced heat pump that rate compares to \$.32 per gallon propane. Keep in mind we also have Summer Double Rebate Days if you install a new air source or ground source heat pump by September 22. Call and talk to Bob, Duane, Scott or Jerrad in Member Services at 320.269.2163 for the details. Heat pumps are the most efficient and economical way to heat and cool your home or shop.

Have a great rest of the summer!

Fall is around the corner!

Install an electric heat pump before the summer is over and get **DOUBLE** your rebate dollars.

Offer good now through **September 22nd**.

Minnesota Valley will be closed on Monday, September 1st in observance of **Labor Day**. Have a safe and fun holiday!



BUSINESS OFFICE • CANDICE JAENISCH

Office Manager



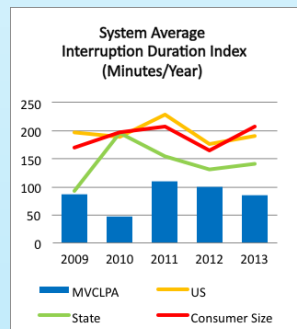
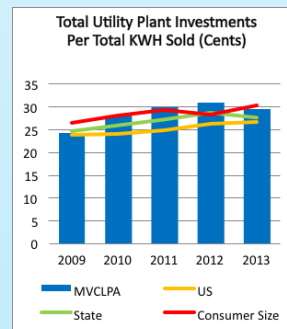
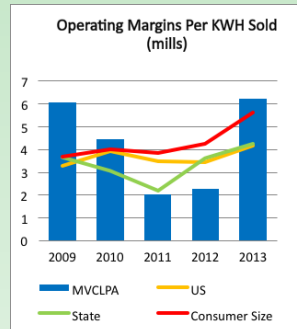
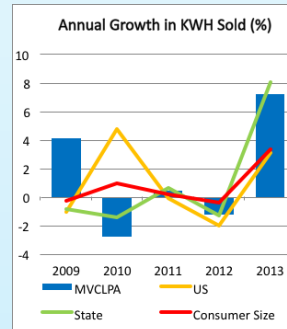
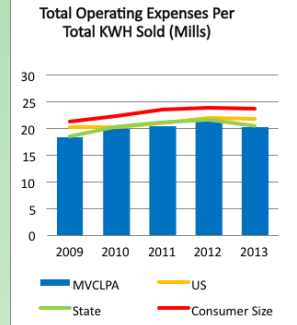
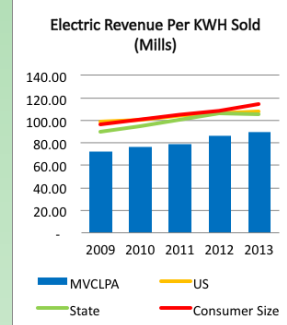
Minnesota Valley's KRTA's Strong for 2013

Annually, NRUCFC (*National Rural Utilities Cooperative Finance Corporation*) distributes a Key Ratio Trend Analysis (KRTA) to its members. This report compares Minnesota Valley's key ratios

with other cooperatives nationally, state grouping, consumer size, power supplier and plant growth. These ratios are used as a benchmark for our operations here at Minnesota Valley.

Financial Ratios: Minnesota Valley continues to maintain low energy rates for its members. This is possible in part because our cost of power is lower than industry averages. In addition to our power costs, we have been successful in controlling our operating and maintenance costs. This, coupled with favorable interest rates on our long-term debt, allows Minnesota Valley to generate adequate margins while keeping energy affordable to its members.

Growth and Plant Ratios: Minnesota Valley's growth in sales follows the state's average closely. This is in part due to the weather. Long periods of temperatures above average in the summer and below average in the winter all affect our energy consumption. This is evident by the surge in kWhs sold in 2013. In one twenty zero two In addition to weather patterns, whether or not our farmers have a corn drying season in the fall, factors into our kWhs sold. Minnesota Valley has invested in its plant significantly the last four years with the addition of the Appeldorn Substation and the 29 miles of transmission line. With the additional investments in our utility plant, Minnesota Valley is right in line with other cooperatives of our size and location. These investments will allow Minnesota Valley to provide reliable electricity to its members well into the future. One way to monitor our service reliability is by minutes of system interruption. Minnesota Valley is well below industry averages. We have been fortunate that no major storms have hit our lines in the past few years.



ENGINEERING & OPERATIONS • JOHN WILLIAMSON

Manager of Engineering & Operations



Another month has passed with the weather cooperating for the most part. Service upgrades, locates, OCR change-outs, building lines and pole change-outs have been keeping us busy. Transmission motor mechanism replacements were made at one of our switching stations so we are able to open/close via radio from the office if needed during bad weather. These units were installed with the help of Don Snell, Dave Dieter and Eric Wollschlager.

We have Karian Peterson building a two-mile stretch of three-phase line in the Echo area. This is part of a four-mile Work Plan project needed before fall for an additional three-phase dryer operation load. We also have Minnesota Valley Tree Service cutting trees in the southern part of our system.

There are two hidden account numbers in this newsletter. If you find your number, you will receive a \$10 energy credit or \$20 if you are an Operation Round Up participant. Call the office to claim your credit.

R.O.W. Applicators has been spraying many of the townships following the distribution and transmission line routes on the system, along with spraying the pole yard, 16 substations and tower site. The pole treaters continue to check the system for reject poles. As of July 3rd, they have tested 825 poles.

One of our delivery points (WAPA Granite Falls) is having its transformer replaced/upgraded in August. For a short time, we will be relying on two delivery points instead of three. Our investment part in this project is approximately \$400,000.

If you are in need of empty wood wire reels or used poles, please contact our office. Most of the time we have extra ones in our pole yard for sale or giveaway.

Congratulations to Mark Kunde of Madison who located his number and won \$20!



Co-op Members Learn “The Story Behind the Switch”

We all flip a light switch, get a glass of cold milk from the refrigerator, watch TV and do countless other things without even thinking about the electricity that allows us to do them. It's something we have come to take for granted. But the co-op members who were on the annual Basin Tour in July will now stop to think about what they learned each time they use something that uses electricity.

Their trip included a tour of the Garrison Dam, a resource used for hydroelectric power production, flood control, irrigation, recreation, municipal and industrial water supply and downstream navigation; a visit to the Antelope Valley Station, where they saw the process of generating electricity; and a trip into the world of coal mining at the Coteau Freedom Coal Mine where they saw how the overburden is removed in order to get to the coal seam and also viewed land reclamation efforts. Along with all the fun, traveling and food, tour members learned “the story behind the switch”. It is remarkable to learn what is actually

involved in the process of bringing electricity into our lives.

If you want a chance to go on this eye-opening tour, all you have to do is attend your District Caucus Meeting or the Annual Meeting and sign up for the drawing. Anyone who has ever been there will tell you it's an “enlightening” experience and a great way to spend three days!



Tour Attendees

Student Representative Returns from Rural Electric Washington D.C. Youth Tour

Minnesota Valley sent Sara Antony, daughter of Mark and Karla Antony of Marshall, MN, to our nation's capital for the annual Rural Electric Youth Tour this past June. She joined more than 1,500 students from across the country, including 37 students from Minnesota, on an unforgettable tour of Washington, D.C.

For 50 years, rural electric cooperatives have sponsored the annual Youth Tour by selecting high school students for the trip to experience, firsthand, the spirit that is our country. They are given the opportunity to see the grandeur of monuments to our greatest leaders, reflect on the true cost of freedom by viewing rows of white crosses at Arlington Cemetery, watch the changing of the guard at the Tomb of the Unknown Soldier, sail down the Potomac River and question their U.S. Representatives and Senators on issues that affect all of us. This combination of siteseeing and leadership opportunities was fun, educational and memorable. Students heard the story of rural electric cooperatives: of people seeing a need, taking a stand and working together for a common goal.

Sara sent the following note:

Hi, my name is Sara Antony and I had the amazing opportunity to represent Minnesota Valley Co-op Light and Power of Montevideo on the 50th Rural Electric Washington D.C. Youth Tour. When I received the call that I was selected for the trip I was so excited all I could do was smile and think how fortunate I was.

When June 13th came, my parents and I packed up the car and headed to the Twin Cities. I met my wonderful roommates, ate a great meal and we all went to the Mall of America. It was incredible how easily all 38 Minnesota delegates and 4 chaperones became a family. The next morning we woke up at 4:00 a.m. and boarded the shuttles to the airport. It was unbelievable flying into Washington D.C. and seeing the Potomac River and monuments below. Once we got there, we hit the ground running and went to the Holocaust Museum, Ford's Theatre, Peterson House and toured the Air Space Monument, 9/11 Pentagon Memorial and the Martin Luther King Memorial.

On our second day in Washington, D.C., we got to walk through Arlington Cemetery and watch the Changing of the Guard at the Tomb of the Unknown Soldier; we also toured the Lincoln Memorial, Vietnam Memorial, WWII Memorial and the Smithsonian Museums of Natural History, American History and Gallery of Art. Then we finished the day by attending Toby's Dinner Theatre and their production of Shrek in Columbia, MD.

On Monday, we went to the Hyatt for Youth Day. We got to hear some amazing speakers and met some of the other

1,500 delegates from around the United States. Later we toured the Washington Monument, took photos in front of the White House, had dinner in Old Town Alexandria at Chadwick's and boarded the Potomac Riverboat Cruise with the Georgia, South Carolina and Kansas delegates. We finished off the night with a tour of the Theodore Roosevelt Memorial.

On Tuesday, we toured George Washington's Mount Vernon Mansion and Plantation. Then we attended the Smithsonian Castle and the Hirshhorn, National Air & Space and American Indian Museums. We then attended the Marine Sunset Parade and toured the Iwo Jima Memorial and Jefferson Memorial.

Wednesday was my favorite day of the trip because it was Capitol Day. We got the opportunity to speak with our Senators Al Franken and Amy Klobuchar and our House Representative Collin Peterson. We toured their offices and had access to the House gallery where we got to see Congress in action and watch them vote on bills. It was so great to see our government in action. That night we also had a NRECA dinner and dance at the Hyatt Hotel.

This trip helped build my leadership abilities. We learned about political issues that affect us every day and I got a sense of the true cost of our freedom. I am so grateful that I was able to be the Youth Tour delegate for this co-op and I would encourage everybody who is able to apply. It's the trip of a lifetime and definitely worth the effort! You make so many friends and have amazing experiences that you will remember forever.





Member Services Manager

Innovations are Improving the Performance of Heat Pumps

In the past, heat pumps were thought to be inefficient and unwanted sources of heat. Many innovations have made heat pumps a very reliable and efficient source of heat. Efficiencies can be

increased with new compressor designs. Unlike standard compressors that can only operate at full capacity, two-speed compressors allow heat pumps to operate close to the heating or cooling capacity needed at any particular moment. This saves large amounts of electrical energy and reduces compressor wear. Two-speed heat pumps also work well with zone control systems. Zone control systems that are often found in larger homes use automatic dampers to allow the heat pump to help keep different rooms at different temperatures.

Another advance in heat pump technology is the scroll compressor, which consists of two spiral-shaped scrolls. One remains stationary, while the other orbits around it, compressing the refrigerant by forcing it into increasingly smaller areas. Compared to the typical piston compressors, scroll compressors have a longer operating life and are quieter. According to some reports, heat pumps with scroll compressors provide 5°-10° F warmer air when in the heating mode, compared to existing heat pumps with piston compressors.

Some models of heat pumps are equipped with variable-speed or electronically commutated motors (ECM) on their indoor fans (blowers), outdoor fans or both. An ECM motor is a DC motor that can offer much better

speed control, good torque at all speeds and good energy efficiency. The variable-speed controls for these fans keep the air moving at a comfortable velocity, minimizing cool drafts and maximizing electrical savings. It also minimizes the noise from the blower running at full speed. The ECM motor allows operating speeds that closer match the ventilation requirements of the area being conditioned.

Many high-efficiency geothermal heat pumps are equipped with a desuperheater, which recovers waste heat from the heat pump's compressor and uses it to heat water. When a compressor is operating, it compresses a refrigerant. During the compression phase of the cycle the refrigerant is squeezed and creates heat at the compressor. B one zero four zero two This is called the heat of compression or superheat. Largely this heat is not used to its fullest potential. A desuperheater equipped heat pump can utilize this heat to warm water 2 to 3 times more efficiently than an ordinary water heater.

These advances and other energy efficiency improvements have made the electric heat pump the most efficient heating system around. Please contact the Member Services Department for more information or assistance in any heating inquiries that you may have. Don't forget that this summer is **DOUBLE REBATE DOLLAR DAYS**, where your rebated dollars are doubled from now through September 22nd. Take advantage of this rebate offer now!

Keep your cool this summer!

Energy Saving Tip

Activate Power Management on Your Computer

Most of you already have your monitor set to enter a low-power sleep mode when the computer is not being used. However, the computer itself is often times not set to enter this same low-power mode. Did you know you can activate these settings on the computer quickly and easily and double your savings?

Comparative Report

	Jan-Jun 2014	Jan-Jun 2013	Jan-Jun 1994
Kwh Purchased	110,900,535	107,494,163	71,084,522
Kwh Sold	105,156,042	102,236,602	64,120,158
Cost Of Purchased Power	\$4,899,929	\$4,817,620	\$2,219,680
Patronage Capital Margins	\$979,366	\$694,506	\$52,835
Reserve For Taxes	\$151,849	\$162,001	\$384,891
Cost Per Kwh Purchased (mills)	44.18	44.82	37.81
	June 2014	June 2013	June 1994
Total Plant	\$62,587,765	\$61,329,313	\$23,450,564
# Of Members Receiving Service	5,267	5,253	5,156
Average Residential Bill	\$183.44	\$169.61	\$78.71
Average Residential Kwh Consumption	1,524	1,427	1,132
Average Kwh Usage All Consumers	2,703	2,536	1,610
Peak Kw Demand (Peak Load)	27,390	28,416	21,486

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