



75th Annual Meeting held



Minnesota Valley held its 2013 Annual Meeting at the Prairie's Edge Casino Convention Center on Saturday, March 23, 2013. With 402 members registered, over 800 members and their families were in attendance.

Upon arriving at the parking lot, members were offered a ride in a bucket truck by co-op linemen before going inside for the meeting. Although it was a pretty cold ride, those brave enough to accept the offer got a bird's eye view of the surrounding area.

Once inside, members registered in their districts and ballots were distributed for voting Districts 2, 4 and 6. Capital Credit checks were distributed to members who had purchased electricity from Minnesota Valley in the years 1999 and 2000. Board members from the Operation Round Up Trust Board were on hand to explain the program to anyone who was not aware of the benefits it offers area communities. Any members who were already participating in the program or who signed up that day to begin contributing, were given a chance to win two seats on the Basin Tour or a \$25 credit on their energy bill. All members were still eligible to sign up for the regular drawing for the Basin Tour if they had not gone before. The Basin Tour is scheduled for July 16-18 in 2013.

With those things taken care of, everyone was served a delicious breakfast buffet by casino staff and seated at tables to eat where they remained for the meeting.

Children attending with their families were each given a Minnesota Valley T-shirt, signed up for their choice of one of six bikes that were drawn for at the end of the meeting and were given the option of spending time in the Kids Room while their adult family members attended the business meeting. The Kids Room was supervised by the Swan Lake Skippers 4-H Club along with their adult leaders. The kids had a great time and six lucky winners went home with a new bike.

The business meeting was called to order at 10:30 a.m. The National Anthem was sung by Emma Woods of Granite Falls and a welcome prayer was given by Pastor Larry Wentzlaff of Faith Lutheran Church in Clara City.

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Manager's Message

*Pat Carruth
General Manager*



Thanks for Coming!

To all members and friends of

Minnesota Valley who took time to be with us at your Annual Meeting this past month - thank you! We had a nice turnout at the Prairie's Edge Casino Convention Center. The meeting went well and it was especially good to visit with the members and friends of Minnesota Valley.

Our Annual Meeting next year will be on March 22, 2014, so mark your calendar. We will serve a nice breakfast buffet and begin our business meeting at 10:30 a.m. We will try to give you some useful information, some capital credit checks and door prizes and get you on your way before noon. Minnesota Valley is your business, stop in and check up on it if you can.

Former members welcome

On occasion, we hear that former members who have moved off the system wonder if they can come to the Annual Meeting. Absolutely, they can come and are welcome!

Tell your elected representatives Solar Mandate won't work in Minnesota

One bill in front of the Minnesota Legislature would require the state's power companies to derive 10 percent of their electricity from solar by 2030 and another would mandate utilities to derive 40 percent of their electricity from renewable energy by 2030. A 10

percent solar mandate would cost Minnesotans \$22 billion just for the solar panels and installation. That equates to \$20,000 for a family of four. The state of Minnesota already has one of the most aggressive renewable energy mandates in the country. Please let your legislators know how you feel about keeping your electricity affordable.



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Spot Your Number!



As of this writing, no one has identified their hidden location number in the last issue of this newsletter, but they have until the end of March to

do so. Keep looking each month - next time it could be your number! There are two more hidden numbers in this issue of the newsletter, each worth a \$20 credit on your energy account if you are participating in Operation Round Up or \$10 if you are not a participant. If you find your number in the newsletter, call the office at 320.269.2163 or 1.800.247.5051 by April 30, 2013.

Operation Round Up is a community service program of Minnesota Valley which offers financial assistance to a variety of financial needs in our area communities. Members of Minnesota Valley R.E.C. can contribute to this fund each month by allowing the cooperative to round up their electric bills to the nearest dollar. The extra change is then put into the Operation Round Up fund which is handled by a committee of cooperative members who distribute the money according to applications and under guidelines of the program's bylaws.

It's easy to start contributing. Simply call the office at the above numbers or send a note with your next energy payment telling us that you want to be added to the Operation Round Up list. Your small change, when added to the contributions of other members, can amount to big help for those in need. Please join us in helping our area communities.

*One more thing
to remember this
planting season ...
look up!
Power lines are hot!*



Keep safety in mind when you head for the field!

Coming in contact with overhead power lines can be deadly. Today's farm machinery is bigger and taller than in the past, making the danger of working around electric power lines greater than ever. Make sure everyone involved knows the rules:

- ▼ ***NEVER attempt to raise or move power lines.***
- ▼ ***Know the clearance height of all farm equipment. To be safe, keep all objects at least 10 feet away from overhead lines.***
- ▼ ***Utility lines are uninsulated - don't let your body become a direct link to the ground or the result could be fatal.***
- ▼ ***If you're operating any equipment that touches a power line, stay where you are to wait for help. If you have a cell phone, call "9-1-1" or Minnesota Valley at 320-269-2163 for help. If you must leave the equipment, jump as far away as you can from the vehicle so that no part of your body touches the equipment and the ground at the same time.***

Call before you dig!

About this time of year, you're beginning to plan summer projects - thinking about building a deck, planting trees and shrubs, putting up a fence, digging a new foundation or installing water and sewer lines or drain tiles. Any time you do any digging or excavating, you are required to contact Gopher State One Call to request a locate of underground facilities. This must be done at least 48 hours before you start. Cutting an underground power line, telephone or pipeline can be very dangerous and costly. Be sure to call Gopher State One Call at 1.800.252.1166 **BEFORE** you dig.



Gopher State answering attendants will ask for detailed information about your work site. Some questions include: what type of work is being done; location of the work site; how long the work will take; and the township, range, section and quarter section coordinates (legal description) of the work site. Please be sure to have all of this information ready when you call so your request can be processed quickly.

**BEFORE beginning any digging, call
Gopher State One Call at
1.800.252.1166!**

Annual Meeting

- Continued from page 1

Following approval of the Treasurer's Report and the Minutes from the 2012 Annual Meeting, Larry Halvorson, board president, addressed the members. Also reporting on points of interest at the Cooperative and Basin Electric were Wayne Peltier, District 7 director and Basin Electric board member, and Pat Carruth, Minnesota Valley General Manager.

Director candidates were announced and a unanimous ballot was cast for directors Steve Norman in District 4 and Tim Velde in District 6. There were two candidates running in District 2 and Gary Groothuis became the newly elected director.

The business meeting was adjourned and drawings were held for Operation Round Up prizes, Basin Tour trips, kids' bikes and door prizes. L one twenty seven zero three

Thank you to our members, board, employees and everyone who helped to make your 75th Annual Meeting a success. It was a great day and we hope you were able to join us. Mark your calendar for next year's Annual Meeting scheduled for March 22, 2014.



Members registered in their district for the Annual Meeting.

Winners of the six bikes given away to children who attended the Annual Meeting with family members are as follows from left to right: Austin Gunlogson, Ella Bot, Kayden Muncy, Ikaia Sa, Emma Jacobson and Korbyn Olson.



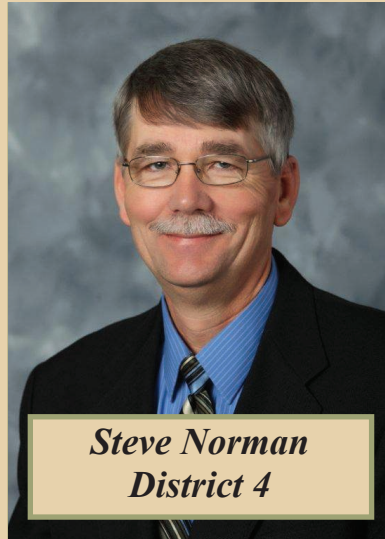
Director elections held in three districts

At the Minnesota Valley Annual Meeting held at the Prairie's Edge Casino Convention Center on Saturday, March 23, 2013, incumbents Steve Norman, District 4, and Tim Velde, District 6, both ran unopposed. Each was reelected in his respective district by a unanimous ballot cast from the floor at the Annual Meeting to serve another three-year term on the Minnesota Valley Board of Directors.

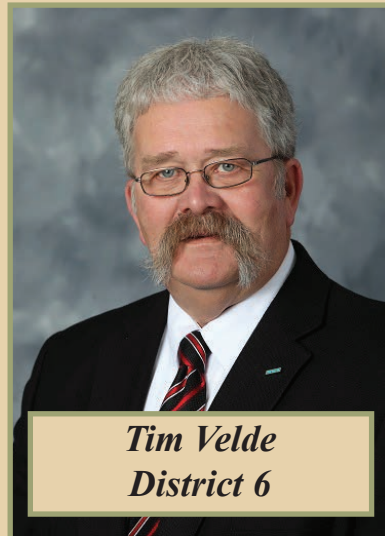
Steve has been a director for the past 21 years and Tim has served his district for five years. We look forward to their continued service on the board.

District 2 elected Gary Groothuis as their new director for the next three years. Gary is a lifelong resident of rural Montevideo, living on the farm site that has been in his family for four generations. He is interested in learning more about the industry and electric cooperatives as well as getting involved at Minnesota Valley.

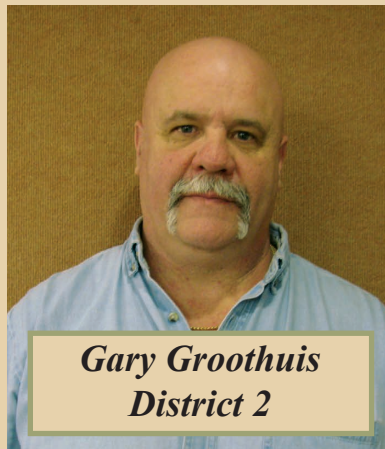
Congratulations to these three directors. We also want to thank outgoing District 2 director, Larry Halvorson, for his excellent service to the members of Minnesota Valley over the past 21 years.



Steve Norman
District 4



Tim Velde
District 6



Gary Groothuis
District 2

Engineering
& Operations



John Williamson
Mgr. of Engineering & Operations

Spring is here per the calendar, so we will see if Mother Nature wants to act the part weather wise. The guys are doing what they can when they can during soft road and field conditions. As soon as it is feasible, they will be installing underground cable along some of the CapX2020 route where we need to relocate existing overhead power lines. We have a couple county road jobs we will be working on also when conditions are right. One of them is in Lac qui Parle County and one in Yellow Medicine County. There is never a lack of things to do. You just wonder which ones end up on the top of the list!

We know before we write next month's newsletter that there will be people out scratching in the fields, so please keep the location of utilities in your work zones in mind to prevent accidental contact with them.

As always, if you have a project or just even a question for us, give the office a call at 269-2163 or 800-247-5051 and we will help you out.

Thanks G four eighteen zero four to all who attended our Annual Meeting!

Minnesota Valley
R.E.C.
will be accepting
applications for the summer
Pole Treating Crew
until April 26, 2013.
Applications are available
at the Minnesota Valley
office or you can call to
have an application
mailed to you.

Member Services



Bob Walsh, Member Services Mgr.

3 great reasons to install in a Heat Pump

For years, we have been promoting the benefits of heating with a heat pump. As you know, the heat pump not only heats your home, but it is also an energy efficient air conditioner. The benefits are many, but we would like to give you our top three reasons for choosing this source of heat.

Reason #1: Heat pumps have the ability to deliver heat to your home at efficiencies of over 200%. When you think of the efficiency of something, you generally think that the efficiency can't be over 100%. When the efficiency of a heating system is calculated, you take the amount of heat delivered by the heating equipment and divide that by the amount of energy it uses. In short, it is the output divided by the input. So a 75,000 Btu fossil fuel furnace operating at 95% efficiency will deliver 71,250 Btus of heat. Whereas, a 20 KW electric furnace will produce 68,280 Btus of heat while using 68,280 Btus of energy. This would give you an efficiency of 100%. So how can a heat pump attain over 200% in efficiency?

According to its specification data, a Goodman 14 SEER/3-ton heat pump will deliver 21,200 Btus of heat while using 2,800 watts of energy at a 20 degree F outdoor temperature. If you convert the watts used to Btus, you will get 9,559 Btus. Then, if you divide the heat output by the Btu input, you will get an efficiency of 221%. The efficiency jumps all the way up to 323% at 40 degrees. If you

think these numbers look good, you can achieve even higher efficiencies by installing a ground source heat pump.

Reason #2: Minnesota Valley has some very attractive heat rates that are very competitive when compared to fossil fuels. In comparison to the heat rates Minnesota Valley is offering for 2013, the same amount of heating Btus would be equivalent to purchasing propane or fuel oil at approximately \$1.10 to \$1.20 per gallon. Now, that is using 100% efficient resistance heat. The cost comparison will be considerably under \$1.00 for a heat pump system. Our Electric Heat Rate gives you the flexibility of metering any amount of electric heat without having a fossil fuel backup. The Electric Heat Rate is at 4.8¢ per kWh for 2013. The Dual Heat Rate can be used if you have an automatic fossil fuel backup and install a heat pump. The rate for Dual Heat is at 4.4¢ per kWh for 2013.

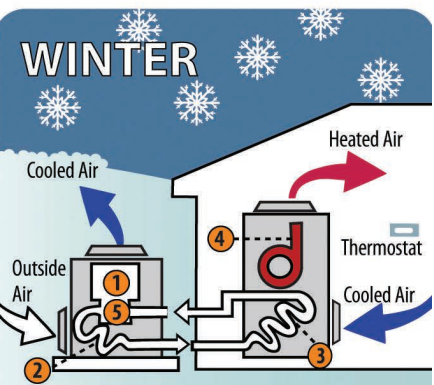
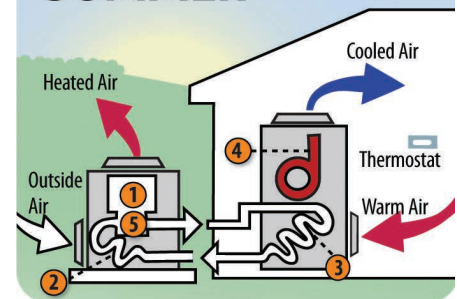
Reason #3: Minnesota Valley offers low interest loans for energy conservation practices like weatherization; installation of windows, doors or insulation; and the installation of an electric heat pump. Conditions of the loan are that you must be a member of Minnesota Valley R.E.C., have a good credit rating with Minnesota Valley, perform the work at a consuming service of Minnesota Valley and submit a credit application to our office. All applications are completely confidential and can be processed within a matter of days. A very reasonable rate of 5% simple interest is charged. Up to \$15,000 can be borrowed for a period of up to seven years. Over the years, these loans have enabled many people to do work to their homes at very affordable interest rates.

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How Do Air-Source Heat Pumps Work?

By transferring heat between a house and outside air, these devices trim electricity use by as much as 30 percent to 40 percent in moderate climates.

SUMMER



- 1 Compressor**
Increases refrigerant/freon pressure to accept the maximum heat from the air.
- 2 Condenser**
Coils move freon (and with it, hot or cold air) to or from outside air.
- 3 Evaporator**
Coils move freon (and with it, hot or cold air) to or from outside air.
- 4 Air Handler**
Fan blows air into a home's ducts.
- 5 Reversing Valve**
Switches the direction of the freon flow, changing the heat pump's output to hot or cold air (controlled by thermostat).

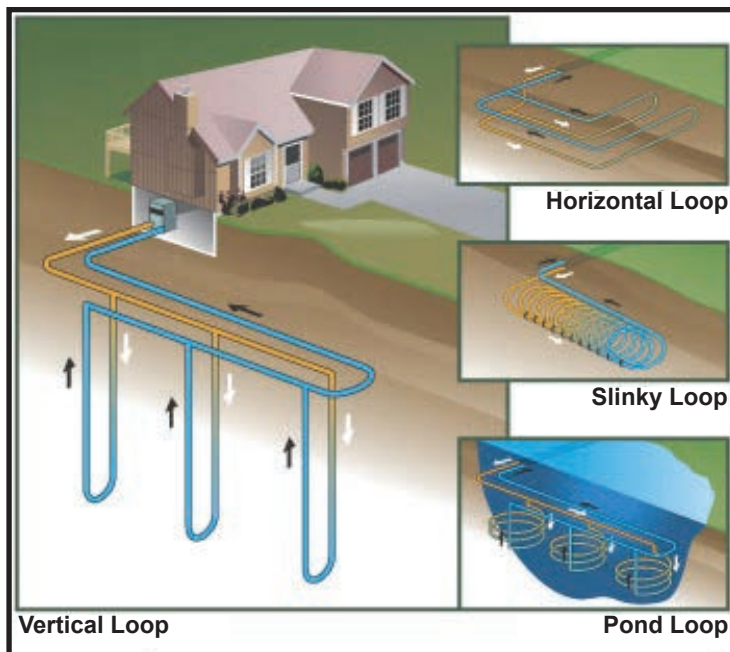
Source: NRECA

Heat Pumps - Continued from page 6

The loan funds may be used for air to air heat pumps and ground source heat pumps. Loan funds are available for equipment purchased and installed in member homes and businesses. Equipment may be purchased through Minnesota Valley or any heating, cooling or electrical contractor that you choose. **The installation of an electric heat pump is looking better all the time!**

If you are interested in the installation of a heat pump system, please contact the Member Services Department for more information about our programs. We can be reached during normal business hours at 320-269-2163 or 800-247-5051.

Ground Source Heat Pump options



Ground Source Heat Pump Slinky Loop installation



COMPARATIVE REPORT

	<u>Jan.-Feb. '13</u>	<u>Jan.-Feb. '12</u>	<u>Jan.-Feb. '93</u>
kWhs purchased	42,622,734	39,549,290	28,480,066
kWhs sold	40,492,704	37,463,295	25,311,315
Cost of purchased power	\$1,886,087	\$1,671,935	\$894,259
Patronage capital margins	\$346,863	\$170,396	\$232,294
Reserve for taxes	\$50,000	\$49,124	\$37,706
Cost per kWh purchased	44.25 mills	42.27mills	31.40 mills
	<u>Feb. 2013</u>	<u>Feb. 2012</u>	<u>Feb. 1993</u>
Total Plant	\$60,312,047	\$59,393,496	\$21,597,710
# Members receiving service	5,243	5,234	5,147
Average residential bill	\$179.31	\$159.72	\$120.92
Avg. res. kWh consumption	1,562 kWh	1,347 kWh	1,986 kWh
Avg. usage all consumers	3,660 kWh	3,403 kWh	2,335 kWh
KW Demand (Peak Load)	40,821 KW	37,046KW	24,448KW





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Kathryn Christenson, Editor

2013 Scholarship winners announced

Winners of the Minnesota Valley/Basin Electric Scholarship for dependent children of cooperative members have been determined. We received applications from 39 very qualified students and are happy to announce that \$500 scholarships will go to the following:



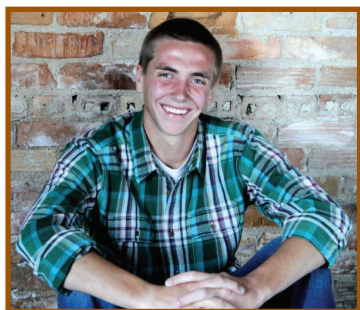
Paige Bourne (at left) is the daughter of Randy and Jan Bourne of Maynard. Paige is a 2012 graduate of MACCRAY High School and is currently attending South Dakota State University in Brookings, pursuing a degree in Animal Science with a possible minor in Equine Studies. Paige sent her thanks, "Thank you for choosing me as a recipient of a \$500 scholarship. I appreciate the financial support as I continue my education at SDSU. Thank you for your continued support of our youth in the community. Thanks again!"

Moriah Hoffman (at right) also graduated in 2012 and is now finishing her freshman year at Southwest Minnesota State University in Marshall. She plans to major in Elementary Education. Moriah's parents are Curt and Lisa Hoffman of Canby. She



wrote, "Thank you to the boards of Basin Electric and Minnesota Valley for considering my application and granting me the scholarship. It will be put to good use as I pursue my degree. By granting these scholarships, you are helping students make their dreams come true! Thank you again!"

Adam Peters (lower left) will graduate from Montevideo Senior High School this spring. He is the son of Mike and Angie Peters of Montevideo. Adam will attend Gustavus Adolphus College in St. Peter in the fall with plans of becoming an Optometrist. Adam's note reads, "I would like to say thank you to everyone on the Minnesota Valley Scholarship Committee for choosing me as one of this year's recipients of this scholarship. Your generosity will help me attain my goals. Thanks again!"



Dillon Matthies (lower right), the son of Redgy and Jennifer Matthies of Bellingham, will graduate from Lac qui Parle Valley High School in 2013. He will attend either South Dakota School of Mines in Rapid City or the University of North Dakota in Grand Forks. Dillon will major in Mechanical Engineering. He writes, "Thank you for the Minnesota Valley scholarship that I received. It will be



very helpful while attending school."

Congratulations to these four students. Minnesota Valley wants to thank all applicants for their interest in the scholarship program. We wish each of them success in reaching their education and career goals.