



MANAGER'S MESSAGE // PAT CARRUTH



General Manager

Board Approves 2021-2024 Construction Work Plan

This past month the board approved the next Four-Year Construction Work Plan of almost \$22 million. This new plan is of more dollars and scope than some of our previous work plans as of late. About \$12 million of this new construction work plan will be replacing aged transmission line. We have approximately 180 miles of our 243 miles of transmission that we plan to replace over the next 20 years because it is simply getting old and problems are starting to show up. We want to replace this transmission line over a period of years to keep rates relatively stable. Obviously, we will begin with sections of line that are in most need of rebuilding. The balance of 62 miles of our 243 miles is relatively new construction, late 90's to present. The 2021-2024 construction work plan has 40 miles of transmission line replacement scheduled. The balance of the \$10 million in projects in the construction work plan is for distribution system improvement projects.

It takes a lot of preparation, planning and several different groups of people with different skill sets working together to get a construction work plan together for board consideration. Most of the initial work is on the engineering side. Our contract engineering firm is *Power Systems Engineering*. Chris Graff, of Power Systems, is one of the working engineers on our project who put this construction work plan together.

(Manager's Message continued on page 2)

Consider a Co-op Career

Are you looking for a paycheck that comes with a sense of purpose? If so, a career in the cooperative field might be the right choice for you.

As the energy industry continues to grow to meet the increasing demands of our modern society, job opportunities in the industry are growing as well. According to the National Rural Electric Cooperative Association (NRECA), America's electric cooperatives are expected to hire more than 15,000 people over the next five years.

Electric cooperatives offer more than 130 types of career opportunities with competitive wages and benefits. These positions range from co-op communica-

tors specializing in working with members and sharing the "cooperative story" to lineworkers who work on the front lines to restore power during outages and keep our communities safe. There is also a growing demand for engineers and IT specialists who provide valuable solutions in a changing energy environment.

Minnesota Valley, like other local electric cooperatives, is a not-for-profit organization that provides power and additional services to our community. We are owned by the local members we serve, which strengthens our ability to best meet the unique needs of our community.

To learn more about job opportunities in the co-op field, visit www.electric.coop/careers.

Powerline Program Now Offered in Granite Falls

As a result of industry demand throughout the region, Minnesota West Community and Technical College recently expanded its Powerline Program. The program, which has been offered on the Jackson campus for many years, was expanded to the Granite Falls campus in July of 2019.

"The industry is extremely busy right now with a high demand for infrastructure rebuilding," reports Troy Blankenhagen, General Manager at Karian/Peterson Power Line Contracting, LLC. Blankenhagen also serves on the advi-

sor board for Minnesota West's program.

Blankenhagen says he hopes the program expansion will help draw in more local men and women interested in the profession. He reports that Karian/Peterson has already hired three graduates out of the Granite Falls program, with plans to hire more in the future. Anyone interested in the fast-growing, well-paying powerline construction and maintenance field is encouraged to contact Minnesota West and register for the one-year Powerline Program.

He has done the previous two for us as well and does a great job. Doug Joens, of Power Systems, is still our professional engineer who oversees our system. Doug is mostly retired now but has agreed to stay on as our electrical engineer of record. Doug was a lineman for Minnesota Valley in the 70's and was our Electrical Engineer for approximately 25 years. He has always done a great job and truly understands our system and the needs of the member-owners it serves. A great deal of the input to the construction work plan comes from the people working here at Minnesota Valley. Most of that, of course, from the operations department that deal directly with keeping the lights on here at Minnesota Valley day after day. Especially important is the input from the long-time people in the operations department that have the proven experience and knowledge of where the weak points are that need upgrading. Operations Manager, Bob Kratz, has over 40 years here as a lineman, purchasing agent and now running the line department. His years of experience working on our system helps assure improvements are made logically and effectively.

Of course, we need a lot of access to credit to put a construction work plan of this magnitude into play. We borrow money through the *Rural Utilities Services*, the *Co-operative Finance Corporation* and *CoBank*. Rural Utilities Services or RUS is our primary lender. They typically will finance 90% of the initial construction work plan and our supplemental lenders pick up the balance. RUS being the primary creditor obviously provides the majority of lender oversight on our construction work plan. They also

require of us extensive long-range financial forecast to assure them that we can repay the loans and keep the system operating with reasonable rates and reliable service while repaying our loan. Most of this work is done by our Office Manager who is our financial person, Jill Rothschadl. Jill does a great job with financial modelling and really understands what the numbers mean. Our typical construction work plan will be initially financed over 35 years. Most of the components in our construction work plan will last well over 35 years so it makes sense to spread those costs over a long period of time versus increasing rates for our current members to pay for improvements that will benefit other members many years into the future.

Anyway, there is still much process to be followed through with before we have these funds available for use. We expect everything to be complete and have the money available to draw on sometime in the first quarter of 2021. Most of the time, as a matter of practicality, we procure material and began construction on these projects long before the financing becomes available. We have to make hay while the sun shines. The process of long-term financing in our business can take up to 18 months or longer to get in place where you can actually draw the cash for a construction work plan. Which is why we are fortunate to have a great group of people with different skill sets working together to get a Four-Year Construction Work Plan ready for board consideration and approval.

As always, call or stop in if you have any questions or concerns. Have a great rest of the summer!

**ALWAYS
CALL
BEFORE YOU
DIG**

Safe Digging is No Accident: Always Call 811 Before You Dig

One free, easy call gets your utility lines marked AND helps protect you from injury and expense. Know what's below. Always call 811 before you dig. Visit gopherstateonecall.com for more information.

Comparative Report

	Jan-May 2020	Jan-May 2019	Jan-May 2000
Kwh Purchased	87,839,561	97,451,734	56,446,363
Kwh Sold	82,478,549	91,794,340	52,710,369
Cost Of Purchased Power	\$3,729,288	\$4,303,486	\$1,563,634
Patronage Capital Margins	\$655,491	\$775,784	\$236,585
Reserve For Taxes	\$110,826	\$106,665	\$106,000
Cost Per Kwh Purchased (mills)	42.46	44.16	29.13
	May 2020	May 2019	May 2000
Total Plant	\$78,467,536	\$74,191,119	\$32,833,692
Number of Active Services	5,263	5,280	5,202
Average Residential Bill	\$188.49	\$203.96	\$91.13
Average Residential Kwh Consumption	1,455	1,612	1,160
Average Kwh Usage All Consumers	2,202	2,666	1,600
Peak Kw Demand (Peak Load)	23,266	25,954	18,026



Meet Your Employees



Name	Jill Strand
Hometown	Hoffman, MN
Family	Husband: Darwin and Children: Blake (24), Madisen (21), Hunter (16) and our 1 st grandchild is due in August!
When did you start at Minnesota Valley?	March, 2011 as a Consumer Accounts Representative
What do you like best about working here?	My co-workers
What do you like to do in your free time?	Watching my children in their activities, spending time with family and friends, CrossFit and enjoying outdoor activities.
If you could be anyone from any time period, who would it be and why?	I would like to switch places with my grandparents (for a week) when they were children growing up in the early 1900's so I could witness how life was like for them.

ENGINEERING & OPERATIONS // BOB KRATZ



Manager of Operations

Another month has passed with weather cooperating for the most part. We have been doing service upgrades, locates, OCR change-outs, building lines and pole changouts.

One of our crews have been working on a road job in Yellow Medicine County. Some of the poles need to be changed out due to clearance problems after the county added or removed dirt. Otherwise, as seen in the picture, the pole can simply be lifted out of the ground, redug and then set deeper.

We also have Minnesota Valley Tree Service cutting and trimming trees in the northwestern part of our system. They also have been spraying many of the overgrown areas that were previously cut 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 and as of June 9th, they have tested 1,167 poles. They have found 22 poles that have not passed inspection and that comes out to a 1.89% rejection rate.

Enjoy the rest of summer!



Find Your Location Number!

There are two account numbers hidden in this newsletter. If you find your number, call 320.269.2163 or 800.247.5051 to receive a bill credit. The bill credit starts at \$10, but if neither number is claimed before the 25th of the month, *the unclaimed amount rolls over to the next month!* If both numbers are claimed, the recipients split the credit, then it starts again at \$10.

Congratulations to **Larry Buysse of Minneota** who identified his location and will receive an **\$80 credit on his electric bill** if the other location is not claimed by June 25th!



CLAIM
BY JULY
25TH TO
RECEIVE:

\$10

Energy Efficiency Tip of the Month

Installing a smart power strip is a quick and easy way to start saving money while making your home more energy efficient. Smart power strips can actually cut power off to save energy since they are able to detect when a device is in standby mode.



Source: energy.gov





MEMBER SERVICES // BOB WALSH

Member Services Manager

Help Keep Your Family Safe:

Don't Overload Your Home's Electrical System

With power strips and outlet converters (a multiple outlet "bar" plugged directly into an existing outlet), we can plug in multiple items in or near the same outlet. Just because we can, doesn't mean we should. Attempting to draw too much power from an outlet or circuit can overload your home's electrical system. Depending on how your home is wired, you may get away with it – or you may not. If too much current is drawn, usually a circuit breaker would trip or fuses would blow, but this is never guaranteed.

What is a circuit? Think of it as an electrical highway in your home: it is a path in which current can flow. The "highway" starts at the circuit breakers or fuses; then current is transported through it, but not in a straight line from point A to point B (think of how the wires run through your walls).

A circuit can cover multiple rooms, one room or part of a room. This depends on how your house is wired or it can supply electrical current to one item. Case in point: most large appliances in a home require their own dedicated circuit to avoid overload.

Overload can happen in several ways, but the causes boil down to too much stress on the highway, including plugging too many things into one outlet, plugging in too many high-draw items into one outlet or circuit or by having too many outlets installed on one circuit. The results of overloading a circuit could range from a damaged appliance to starting a fire. That is because when too much electrical current flows through a circuit, things can overheat. Whether it is a wire, an outlet or any other part along the electrical path, excess heat can cause serious problems.

Minnesota Valley Cooperative reminds you of the following electrical safety tips to help prevent overloading a circuit:

- Do not plug too many things into one outlet, extension cord, power strip, multi-outlet device or outlets on the same circuit.
- Look for loose connections or damaged or corroded wires, which can also cause an overload.
- If you continually upgrade your home with more electrical demands (lighting, appliances, electronics and so on), your home's circuits may not be able to handle the increased load.
- Plug in a space heater to a dedicated outlet (with nothing else plugged in) and do not plug a space heater into an extension cord.
- Major appliances (e.g., refrigerator, stove, washing machine) should be plugged into their own outlet since they draw a lot of power. For smaller appliances, do not plug more than two into one outlet.
- Know how much power you draw on an outlet or circuit; some experts recommend no more than 1,500 watts per outlet or circuit.
- Consult a qualified electrician to assess your home's electrical system, especially if you have an older home.

Although we take for granted that our homes are electrically sound or that we can plug in "just one more thing," don't take chances. When in doubt, have a qualified electrician assess your home and mention any odd symptoms you may notice, like flickering or dimming lights, warm or discolored outlets or cover plates and frequent blown fuses or tripped circuits. H three fourteen zero four A When thinking about what and how many things to plug in, common sense goes a long way.

Thank you for doing your part. According to the National Fire Protection Association (NFPA) residential home fires have dropped from 734,000 fires with 5,200 deaths in 1988 to 363,000 fires with 2,720 deaths in 2018. Those reduced numbers are great, but we can do better!



Safety Training

Minnesota Valley conducts multiple safety trainings throughout the year. At the end of May, our crews participated in a Pole Top/Bucket Rescue Training. This is a yearly exercise done to simulate safely getting an injured person down from a pole or out of a bucket. I one ten zero three A The line-men take turns climbing the pole and lowering the dummy safely to the ground. This year, the dummy was swapped out for a cross that could be disinfected between uses.

