

# MINNESOTA VALLEY Co-OP NEWS

Volume 77 No. 5 • May 2015



## MANAGER'S MESSAGE • PAT CARRUTH

General Manager



### Capital Credit Allocation Information

We hope you noticed your individual capital credit allocation from the business year 2014 listed on your last month's power bill. This number represents your individual share of our \$2.5 million margin this past year. If the cooperative continues to be successful and there is no reason to believe otherwise, it will eventually all be returned to you in cash. Next year, we are planning to retire from the business years 2002 and 2003, which will put us at about a 13 to 14 year rotation. We continue to retire on a first in-first out method for our capital credits as has always been our practice.

### Department of Energy's Large Capacity Electric Water Heater Ban is Expected to be Overturned

This past month, the Department of Energy's (DOE) ban on electric water heaters over 55 gallons was scheduled to go into effect. The DOE was to require electric water heaters over 55 gallons to be 200% efficient. The only way to do that today is to use a heat pump water heater. This would not be practical for many of our members for several reasons. The big one, of course, would be the increase in the up-front cost for the unit to get the efficiency above 200%. Almost 90% of our members use electric water heaters. These days, when their water heater fails and needs to be replaced, many opt for the 85 gallon or 105 gallon lifetime warranty electric water heaters.

The DOE gave several years lead time before the ban was to go into effect. These years were used by the electric utility industry to lobby for a legislative overturn of the ban. As of this writing, the senate passed a bill to overturn the ban and a companion bill is expected from the House. We are told we can expect this to be signed into law soon. We will let you know.

### Planning for a New Air Conditioner... Think Heat Pumps

We are just getting into the air conditioning season and if you are putting in a new system, consider a heat pump. A heat pump will both cool your home this summer and

## Putting Safety First

Minnesota Valley is celebrating *National Electrical Safety Month* this May. While safety for our members is top priority year-round, Electrical Safety Month is a time to acknowledge the importance of safety excellence.

This year, we're focusing on electrical safety in the home. Electricity is the cause of over 140,000 fires each year, resulting in more than 500 deaths, 4,000 injuries and \$1.6 billion in property damage, according to the Electrical Safety Foundation International (ESFI).



[Read the rest of the article and see safety tips on page 2.](#)

heat your home this winter. There are many advantages of a heat pump system and one of those is they are very economical and efficient to run. You also get a discount rate, one of our electric heat rates, for the energy used by your heat pump for cooling. A regular air conditioner cooling your home costs you 9.74 cents per kwh. A heat pump cooling your home on our dual-heat rate would cost you 7.4 cents per kwh.

We are hopeful that our present heat rates for this next heating season are not going to change. They are at 4.4 cents per kwh for dual-heat and 4.8 cents per kwh for metered electric heat. In the summer when you are running your heat pump for air conditioning, your rates are 7.4 cents per kwh if you are on the dual-heat rate and 7.8 cents per kwh if you are on the electric heat rate. A heat pump gives you a reduced rate for both your heating and cooling needs. We feel these are reasonable and competitive rates when compared to current gas and oil prices. Give the guys in Member Services a call for the details. They have a new bill credit offer to tell you about if you install your new heat pump before Labor Day.

Have a great summer!

**Minnesota Valley will be closed Monday, May 25<sup>th</sup>  
in observance of Memorial Day.**

## BUSINESS OFFICE • CANDICE JAENISCH



Office Manager

### It's That Time of the Year Again: Sign up for Budget Billing!

During the month of June, members can sign up for *budget billing*. Budget billing allows you to make fixed monthly payments on your energy bill without the worry of an increase in your bill due to extremely long winters and cold temperatures or heat waves that come unexpectedly. The amount you pay is determined by an average of your last 12 months' energy bills. Members who choose budget billing are not assessed a late fee or disconnect notice charge as long as they pay the agreed amount.

Budget billing accounts are calculated in June of each year. Any balance due over the budget amount must be paid in June and credit balances will be applied to your next monthly bill. Many of our members enjoy budget billing. If fluctuating bills are a concern of yours, give it a try!

**Remember June is the deadline for signing up for budget billing.** Please call the business office at 320.269.2163 for more information.

## ENGINEERING & OPERATIONS • JOHN WILLIAMSON



Manager of Engineering & Operations

I would like to remind everyone to please be careful out in the fields. We all get a little rusty during the offseason. We have already had some poles hit and broken from farm equipment. Thankfully, no one has been hurt. Please use extra caution when you're out in the fields.

Our crews are currently busy with several projects. We have one crew building three-phase line just east of Boyd, another crew putting in three-phase underground northwest of Echo and yet another crew putting in three-phase underground north and south of Dawson. These projects involve a total of 10 miles. M two zero one zero two It is always a rush in the spring, so if we are in your way, please bear with us and thanks in advance for your cooperation.

If you are planning any excavation projects, remember to use the 800.252.1166 number to call **Gopher State One Call** to notify them so we can mark our facilities.

Enjoy your time outdoors with this nice weather!

## May is Electrical Safety Month *(Continued from page 1)*

The value of preparedness cannot be overstated. Nearly two-thirds of fire deaths result from fires in homes without working smoke alarms. Smoke alarms should be located on every level of your home, inside each bedroom and outside each sleeping area. Make sure to test smoke alarms every month and replace their batteries at least once a year – or sooner if indicated in the manufacturers' instructions. All smoke alarms should be replaced at least every 10 years.

Talk to your family about an emergency plan in the event of a fire in your home. If you have small children, include them in planning an emergency escape route – they are more likely to remember the plan if they're involved in creating it.

Electricity is a wonderful and powerful thing, but it can also be dangerous. It is important to keep fire and electrical safety tips in mind to avoid potential injuries and damage to property. For more tips and information about electrical safety, visit [www.esfi.org](http://www.esfi.org).

**Many electrocutions and home fires can be prevented by understanding basic electrical safety principles and by taking simple precautions. Make sure your home is safe by following these guidelines:**

### In the Kitchen

- ✓ Vacuum refrigerator coils every three months to eliminate dirt buildup that can reduce efficiency and create fire hazards.
- ✓ Ensure all countertop appliances are located away from the sink.
- ✓ All appliance cords should be placed away from hot surfaces. Pay particular attention to cords around toasters, ovens and ranges. Cords can be damaged by excess heat.
- ✓ The top and the area above the cooking range should be free of combustibles, such as potholders and plastic utensils. Storing these items on or near the range may result in fires or burns.

### Light and Cord Use

- ✓ The wattage of the bulbs you use in your home should match the wattage indicated on the light fixture. Overheated fixtures can lead to a fire.
- ✓ Check lamp cords to make sure they are in good condition – not damaged or cracked. Do not attempt to repair damaged cords yourself. Take any item with a damaged power cord to an authorized repair center.
- ✓ Extension cords should not be used to provide power on a long-term or permanent basis. Have additional receptacles installed by a professional to provide power where needed.

We're committed to electrical safety excellence – for our members and employees.



# What to Do If Your Power Goes Out

We all look forward to summer weather, but summer storms can bring high winds and lightning which can mean problems with your power lines.

If your power goes out, please follow the guidelines to the right. Minnesota Valley crews will work to get your power back on as quickly as possible.

Extreme weather conditions and prolonged outages are difficult for all of us and our working together will make it a much more tolerable time. We appreciate your patience and cooperation both with us and the CRC answering service.

**And always remember to stay away from downed power lines!**

- 1) Check your fuses or circuit breakers.
- 2) Check with your neighbors to see if their lights are out.
- 3) Call Minnesota Valley at 320.269.2163 or 800.247.5051.
- 4) Be able to provide the LOCATION NUMBER for the account without power when reporting an outage. This number is printed on your monthly energy bill. Please report anything that may be helpful to our crews such as lines or poles down, sparks on poles, trees or branches on lines, etc. STAY AWAY from downed power lines!
- 5) If you are experiencing low voltage (a brownout) unplug anything with a motor including TV, DVD/VCR, refrigerator, freezer, microwave, computer and any other electronic equipment.
- 6) During a major power outage, turn on your battery operated radio for news concerning the outage and weather. We will usually broadcast messages on KDMA-AM/KMGM-FM in Montevideo, KLQP-FM in Madison, KMHL-AM/KKCK-FM in Marshall and KOIC-FM/KWLM-AM/KDJS-FM in Willmar.

## Do you know any of these former Minnesota Valley members?

We need your help in locating the people listed to the right. Their capital credit dividend checks for the remainder of 2001 and 75% of 2002 have been returned to us because we do not have a current address.

If you have the address of any of these people or one of their heirs, please get in touch with us via one of the following methods:

**Phone:**  
320.269.2163 or  
800.247.5051

**Email:**  
[mnvalley@mnvalleyrec.com](mailto:mnvalley@mnvalleyrec.com)

**Mail:**  
Minnesota Valley R.E.C.  
P.O. Box 248  
Montevideo, MN 56265

Thanks for your help!

- » Alltel Corporate Accounts - Little Rock, AR
- » Anderson, Edward - Hudson, WI
- » Anderson, Steven G - Brookings, SD
- » Disinger, Steve - Appleton, MN
- » Dreyer, Johannes C - Worthington, MN
- » Egge, Tina - Winnebago, MN
- » Felton, Bryan - Sacred Heart, MN
- » French, Allen - Littleton, CO
- » Gould, Mark - Ivanhoe, MN
- » Govellan, Florencio - Granite Falls, MN
- » Green, Jacqueline - Dawson, MN
- » Groen, Andrew - Clara City, MN (AC)
- » Grove, Starkey J - Elk River, MN
- » Guaranty Residential Lending, INC - Austin, TX
- » Hart, Chauncey W - Granite Falls, MN
- » Heidecker, Greg - Montevideo, MN
- » Hornstein, Darcy - Pelican Rapids, MN
- » Hunters Blind %  
    Sam Simonson - Minneapolis, MN
- » Kroening, David & Terri - New Ulm, MN
- » Lang, Tina - Taunton, MN
- » Lubrant, Mark - Granite Falls, MN
- » Ludford, Linda - Henry, SD
- » Mackey, Karen Kae - Milbank, SD
- » Malone, Sean & Meaghan - Louisburg, MN
- » Marcella SR, Thomas - Vesta, MN
- » Meyers, Bill - Nisswa, MN
- » Paananen, John A - Madison, MN
- » Panther Properties - Willmar, MN
- » Pederson, Laurie - Aberdeen, SD
- » Pederson, Michael David - Dawson, MN
- » Peterson, Timmy D & Denise - Detroit Lakes, MN
- » Plank, Nicholas - Clarkfield, MN
- » Plooster, Ryan - Nicollet, MN
- » Prather, John - Papillion, NE
- » Price, Greg - Menno, SD
- » Privatt, Carmelita - Bellingham, MN (AC)
- » Rolwing, Wanda Blowers - Echo, MN
- » Ross, Jason - Granite Falls, MN
- » Schmidt, Gary & Peggy - Boone, IA
- » Schroeder, Bruce & Kelly - Belle Plaine, MN
- » Sharp, Johnny - Montevideo, MN
- » Speaks, David - Maynard, MN
- » Tessmer, Tracy - Hutchinson, MN
- » Tharaldson, Greg - Watson, MN
- » Thompson, Vaughn - North Pole, AK
- » Walstrom, Travis & Jana - Wahpeton, ND
- » Walter, Lachelle Rena - Paynesville, MN
- » Ward, Stacy - Warrenton, MO
- » Wetzig, Amelia - Minneapolis, MN
- » Wolner, John - Granite Falls, MN
- » Zook, Michael - Montevideo, MN



## MEMBER SERVICES • BOB WALSH

Member Services Manager



### Heat Pump Bill Credit

In last month's newsletter and bill stuffer, we launched a new rebate program for the installation of heat pumps. From now until Labor Day of 2015, we are offering a 3,000 kWh bill credit for every ton of capacity on any new air source heat pump installed. That credit increases to 5,000 kWhs for every ton of capacity on a geothermal heat pump. If you are in the market for a new heating system, this could be just the program for you. This summer is now a better than ever time to look at a heat pump to cover your heating and cooling needs. This bill credit could amount to what the operating cost of your new heat pump would be for its first year of operation.

### Equipment Loans

Minnesota Valley offers 5% financing for electric heating equipment. Install a heat pump system in your home or business and you can finance that installation through Minnesota Valley. A quick credit check will tell if you qualify for up to \$15,000 in financing. Loan terms can be for up to 7 years. We also offer financing for energy efficiency building upgrades and wiring upgrade loans. The whole process is quite simple and turnaround time is quick. Contact the Member Services Department for more information.

### Electric Heat Rates

Minnesota Valley has been offering reduced electric heat rates for years. These rates will make an already economical heating and cooling system much cheaper to operate. A separate metering system is installed on your electric heating equipment so any electricity used for that equipment is at a cheaper rate. C two one six zero one A Please contact our heating experts to supply you with more information and explain what your savings can be.

### Tax Credit

By installing a geothermal heat pump before December 31<sup>st</sup>, 2016, you can take advantage of a 30% tax credit for that installation. You may want to contact a tax representative to see what this credit may mean for you. More information can be found at [www.energystar.gov](http://www.energystar.gov).

What better reasons do you need? The time is now to take advantage of summer rebates, loans and electric heat rates. You can have a new heat pump system working to save you heating and cooling dollars before the summer is done! Contact us at 320.269.2163 or 800.247.5051 to learn more now.

## Comparative Report

	Jan-Mar 2015	Jan-Mar 2014	Jan-Mar 1995
Kwh Purchased	62,476,215	65,497,140	38,407,286
Kwh Sold	59,584,463	62,195,886	34,850,927
Cost Of Purchased Power	\$2,784,512	\$2,780,938	\$1,128,941
Patronage Capital Margins	\$623,021	\$644,631	\$228,010
Reserve For Taxes	\$74,311	\$72,928	\$79,826
Cost Per Kwh Purchased (mills)	44.57	42.46	29.69
	<b>March '15</b>	<b>March '14</b>	<b>March '95</b>
Total Plant	\$64,171,415	\$62,003,293	\$16,805,775
# Of Members Receiving Service	5,272	5,258	5,138
Average Residential Bill	\$211.12	\$230.61	\$92.00
Average Residential Kwh Consumption	2,241	2,562	1,285
Average Kwh Usage All Consumers	3,361	3,577	2,047
Peak Kw Demand (Peak Load)	40,148	39,267	24,091

### Get a \$10 or \$20 credit!

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.

*Congratulations to Bellingham Transfer Inc. of Bellingham who identified their location and received a \$10.00 credit on their energy bill!*



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Montevideo, MN 56265

#### Office Hours

8:00 a.m. - 4:30 p.m.  
Monday through Friday

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[www.mnvalleyrec.com](http://www.mnvalleyrec.com)

