



MINNESOTA VALLEY CO-OP NEWS

Volume 80 • No. 2 • February 2018



MANAGER'S MESSAGE • PAT CARRUTH



General Manager

Annual Meeting

Please join us on Saturday, March 24th at the Lac qui Parle Valley High School for your Annual Owner's Meeting. We will be serving breakfast at 8:30 a.m. and get the meeting

underway by 10:30 a.m. We will have director elections in Districts 1 and 3. The business meeting and drawings for the Basin Tour and door prizes should be done by noon. The Annual Meeting is a great place where you can come and visit with your board, employees and about your business. It is a good place to get more information as to how your business is doing. We look forward to seeing you there!

Retiring Balance of 2004 Capital Credits

The board approved retiring \$980,000 in patronage capital beginning at our Annual Meeting on March 24th. We will also be retiring out estates throughout the year. Your board remains committed to aggressively retiring capital credits. For distribution cooperatives in Minnesota, there are only 3 out of 42 that have retired a higher percentage of their total patronage capital than Minnesota Valley. Nationwide, there are only 34 out of 704 that have done better.

In case you didn't know, when you signed up to receive electric power from Minnesota Valley, you became a member – and owner – of an electric utility. Not just any electric utility, a cooperative electric utility. One of the things that differentiates a cooperative from any other form of business is how we handle any profits. Profits in the cooperative world are called margins and we book them as capital credits.

What are capital credits?

Investor-owned utilities return a portion of any profits back to their investors which are, for the most part, not their rate payers. Electric cooperatives operate on a not-for-profit basis.

Any profits or margins belong to the member-owners and all are returned to them over a period of time. As a cooperative, if we are in good financial condition, we issue capital credits (also called patronage capital or equity capital) based on how much you paid the cooperative for electricity during a specified time period. This year if you bought power in 2004, you will be getting a check.

Where does the money come from that makes up capital credits?

Member-owned, not-for-profit electric utilities like Minnesota Valley set rates to generate enough money to pay operating costs, make payments on loans and pay for wholesale power. At the end of each year, we subtract expenses from the total amount of money collected during the year. The balance is called a "margin" or what are essentially capital credits. We use the cash from this margin for several years to operate the cooperative before returning it to you.

Are capital credits refunded every year?

Each year, the Minnesota Valley Board of Directors makes a decision on whether to refund capital credits based on the financial health of the cooperative. During some years, the co-op may experience events such as severe storms which may result in the need to spend additional funds to repair line. This type of event might cause the board to defer any capital credit refunds.

How does Minnesota Valley compute the retirement of capital credits?

Margins are calculated and allocated to members as "capital credits" based on their purchases from the cooperative – how much power the member used. Capital credits have always been retired on a first-in, first-out method. Checks for less than \$10 are not issued and the amount is run into the next year. We also discount and retire estates at 4% per year.

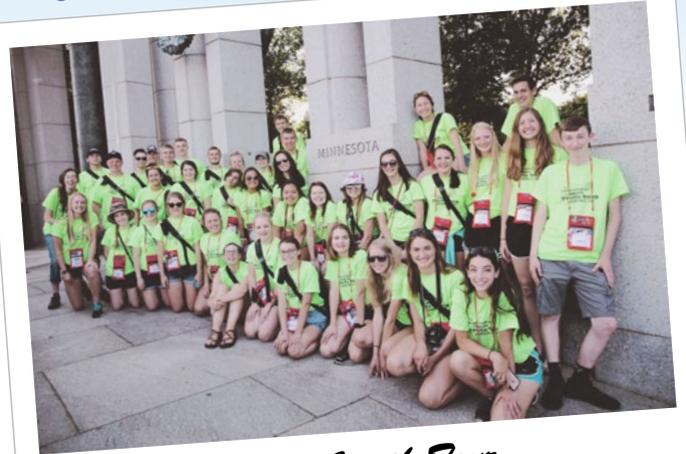
Minnesota Valley Cooperative's Annual Meeting | **Saturday, March 24th, 2018**
Lac qui Parle Valley High School

CALENDAR MARCH																												
	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31

Win a Trip to the 2018 Electric Co-op Youth Tour in Washington, D.C.

Minnesota Valley is again sponsoring a youth trip in 2018. The Electric Cooperative Youth Tour to Washington, D.C. is scheduled for **June 9th-14th, 2018**. The students will join over 1,000 young people from across rural America given the opportunity to see American government in action, tour our nation's capital, visit historic places of interest and meet many new friends.

The program is open to all high school sophomores and juniors in Minnesota Valley's service area, whether or not their parents are members of the cooperative. To qualify, you will need to submit an essay and application form, which are available by calling Minnesota Valley. All applications/essays must be completed and in our office by **March 10, 2018**. If you place first in the competition, you will be awarded an all-expense-paid trip to our nation's capital along with about 40 other students from Minnesota cooperatives.



2017 Youth Tour

All winners are guaranteed a good time! If you are a high school sophomore or junior living in Minnesota Valley's service territory and would like to go on this **all-expense-paid trip**, call **320.269.2163** or **800.247.5051** and we will send or email you the complete application or go online at www.mnvalleyrec.com and download the application.

ENGINEERING & OPERATIONS • BOB KRATZ



Manager of Operations

I hope everyone is staying warm this winter. Minnesota Valley has an automated meter reading system that reports readings and data back to the office over our power lines. This system also reports when your lights go out, but has been known to give us false information at times. If you are one of the lucky consumers to go south for the winter, be safe and please have someone check on your place to make sure the electricity is on. As they say, "better safe than sorry"—getting a call that your water pipes are frozen could spoil your southern trip.

On the colder days, our crews are continuing to do the annual line patrol inspections. As I had mentioned in other articles, they fix problems as they find them, such as tightening or replacing loose hardware. These types of problems mostly come about by vibration from cold and/or windy weather. The crews have mentioned that they have found a couple of items attached to the poles, such as wood duck houses and satellite

dishes that should not be on them. N four nineteen zero four These could pose a safety hazard and need to be removed.

Minnesota Valley Tree Service has been cutting and trimming trees in the southeast part of the system. Maintaining the trees a proper distance from the power lines protects against outages and supports public safety. When crew members approach you, please allow them to trim as much as possible. Even if you do not live in this area but feel you have a tree that should be looked at, please contact our office. We will have a representative from Minnesota Valley Tree Service come and assess the problem and take care of it as soon as possible.

This time of year, our linemen also have their annual school meetings and trade show in St. Cloud for a couple of days. Attending these events helps them keep up with the newest changes in work procedures, technologies, equipment and tools to help them work safely and efficiently.

I hope to see you at the upcoming Annual Meeting on Saturday, March 24th.

Find Your Location for a \$10 or \$20 Bill Credit!



There are two hidden account numbers in this newsletter.

If one of them is your number, you will receive a \$10 energy credit or \$20 if you are an Operation Round Up participant. Keep looking each month—it could be your number! If you find your number in the newsletter, call the office at 320.269.2163 or 800.247.5051.

Comparative Report

	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 1997
Kwh Purchased	215,973,097	212,343,491	143,173,500
Kwh Sold	204,647,013	201,354,637	133,804,518
Cost Of Purchased Power	\$11,501,026	\$10,717,440	\$4,430,903
Patronage Capital Margins	\$566,667	\$2,315,711	\$343,555
Reserve For Taxes	\$261,146	\$275,000	\$385,000
Cost Per Kwh Purchased (mills)	53.25	50.47	30.95
	December '17	December '16	December '97
Total Plant	\$71,470,940	\$68,863,461	\$30,229,058
Number of Active Services	5,271	5,268	5,189
Average Residential Bill	\$286.41	\$278.97	\$117.36
Average Residential Kwh Consumption	3,036	3,176	1,761
Average Kwh Usage All Consumers	4,229	4,339	2,244
Peak Kw Demand (Peak Load)	44,522	43,512	23,803



A New Look for Your Minnesota Valley Cooperative Bill Statement

Beginning this month, you will notice a new look to your monthly Minnesota Valley Cooperative billing statement.

You will still find the same information as in previous bills, but there are a few additions and enhancements. For example, you will now find a bar graph presentation of your *Usage History* for up to 24 months.

With this change, we also have a new payment website, **SmartHub**. You will need to set up a new login at <https://mnvalleyrec.smarthub.coop> or you can locate this through our website at www.mnvalleyrec.com.

It is our goal to provide our members with the most helpful information possible, in the best possible format. Please contact our office if you have any questions at 320.269.2163 or 800.247.5051.

How to Read Your Bill

General contact information for the cooperative is provided here.

The billing date, account number and due date are listed at the top of the bill.

The service summary section contains the beginning balance, payments, adjustments, current charges and the account balance.

Member name and billing address are printed here.

The message center relays important information from Minnesota Valley Cooperative.

The service address, rate description and meter information are printed at the top of each service.

The details of the charges for this location are shown here, along with the total current charge amount.

A monthly usage graph with up to 24 months of history for each service.

The total amount due for all services is printed here, along with the member's account number.

Be sure to return the bottom portion of the bill with your payment.

Let us know about any changes to your phone number and address. Additionally, if you haven't already opted into Operation Round Up, consider checking the box in order to participate!

Payments should be mailed to the address indicated on the remittance stub. Please make sure the address is visible through the window on the return envelope.

We also accept payments over the phone or in-person at our office, as well as online.

Minnesota Valley Co-op Light & Power Assn.
PO Box 248
Montevideo MN 56265-0248
Office Hours: Monday - Friday 8.00 a.m. - 4:30 p.m.
Phone: (320) 269-2163 Toll-Free (800) 247-5051
Website: www.mnvalleyrec.com

1068 1 AV 0.370
JOHN DOE
JANE DOE
1234 ANYPLACE DR
MONTEVIDEO MN 99999-9999

5 1068
C-3 P-3

Statement Date: 01/04/2018
Customer ID: 99999
Payment Due: 01/22/2018

Service Summary

Previous Balance	208.32
Payment Received	0.00
Balance Forward	208.32
Current Charges	208.32
Total Amount Due	208.32

Message from MVCLPA
Welcome to our new billing statement.

Account Number: 99999999 Service Location: Z999999 911 Address: 1234 ANYPLACE DR

Meter No.	From	To	Days	Previous	Present	Meter Multiplier	kWh Usage
88888	11/29/17	12/29/17	30	51409	53736	1	2327
99999	11/29/17	12/29/17	30	3003	3073	20	1400

kWh Usage History

PERIOD ENDING 12/29/2017 12/31/2016

Avg Daily Temp	19	18
Avg Daily kWh	78	124
Avg Daily Cost	\$6.64	\$9.24

Current Service Detail

Balance Forward	22.00
Base Charge	700 kWh @ 0.1236 86.52
Kwh Charge	227 kWh @ 0.1036 23.52
Kwh Charge	1400 kWh @ 0.048 67.20
Total Electric Charges	199.24
MN State Tax	9.08
Other Services & Credits	
Total Electric, Other Services & Credits	208.32
Total Amount Due 01/22/2018	208.32
\$6.25 (1.5%) late charge applies after 02/03/2018	\$211.44

Account Number: 99999999
Total Amount Due 01/22/2018: \$208.32
After 01/22/2018 Pay: \$211.44

KEEP SEND Please do not staple or paperclip.
JOHN DOE
JANE DOE
1234 ANYPLACE DR
MONTEVIDEO MN 99999-9999

PHONE NUMBER USED TO IDENTIFY YOUR ACCOUNT WHEN REPORTING A POWER OUTAGE
Present Number on File: (123) 999-9999
CORRECT NUMBER: _____

Help MV/CLPA members with special needs by Rounding Up! Check this box to sign up for Operation Round-Up!
 Check this box for address updates on back.

MINNESOTA VALLEY CO-OP LIGHT & POWER ASSN.
PO BOX 248
MONTEVIDEO MN 56265-0248





Member Services Manager

Window Condensation Problems

With the most recent cold snaps, you may have noticed condensation or ice forming on your windows. If you are troubled during the fall and winter by condensation

on the windows of your home, you aren't alone. It is a common problem in cold climates. Understanding the causes of the problem is the first step in solving it. Condensation and ice form on windows because the window surface is below the dew point for the air near the window, so some of the moisture in the air condenses on the glass. The higher the relative humidity of the air near the window, the higher the temperature of the dew point.

For example, if the thermostat is set at 70 degrees, the temperatures on the surfaces of your windows will be much lower; how much lower depends on the outside temperatures and the insulating value of the window. When the outside temperatures are at the freezing point, temperatures on the inside surface of a double glazed window could easily be in the mid fifties. As the temperature of the air near these cold surfaces drops, its relative humidity climbs to the point where condensation can occur. To eliminate condensation, homeowners either need to raise the temperature of the window surface or reduce the relative humidity in the room.



If the condensation occurs on the prime window and the window is double-glazed, that usually means the relative humidity is too high for the temperature conditions. With a thermostat set at 70 degrees, condensation should

not occur on double-glazed windows until outside temperatures drop well below zero if relative humidity is kept below 40 percent. If you have additional glazing, including Low-e (energy efficiency) coatings or tight fitting storm windows, it takes even colder temperatures before condensation occurs.

Several conditions can increase condensation problems. If you close drapes over windows, this can cause the glass temperature and the temperature of the air between the

drape and the glass to become cooler, making condensation more likely. If the thermostat setting is dropped substantially at night, this will cause an increase in relative humidity and may increase condensation. This condensation should vanish once the temperature rises in the morning.

Remember, moisture problems usually are not caused by a problem with your windows. Humidity is the issue and it needs to be controlled. The



best way to deal with condensation on high-quality, double-glazed windows is to reduce indoor relative humidity to no more than 40 percent. You can do this by using ventilation fans until condensation disappears. There are many types of air exhaust fans and many applications. Be sure that the fans you use exhaust to the outside, instead of going to the attic or just recirculating air within the house. A little bit of additional research may help you solve a problem that, in the long term, will most certainly damage your windows.

A New Look on Your Bills

Minnesota Valley has implemented a new company wide software system. We hope you find that it serves you well. The changes will be from billing to line construction. So please bear with us in our transition. We hope that you will take advantage of the many new features that the new system will allow us to offer to you. If you have any questions or concerns, please contact the Member Services Department and we will help you in any way we can.

Heat with Electricity

Minnesota Valley offers Electric and Dual Heat Rates that are very competitive with fossil fuels. To get the comparable heat content as is available with our electric heat rates, you would have to purchase propane and fuel oil for approximately \$1.20 per gallon. Q two thirty two zero three This makes any type of electric heat very competitive on the energy market. Please contact the Member Services Department at 320.269.2163 or 800.247.5051 if you have any questions about heating with electricity.

Office Hours

8:00 a.m. - 4:30 p.m.

Monday through Friday

24-Hour Telephone Answering

320.269.2163

800.247.5051

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Light and Power Association

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www.mnvalleyrec.com

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