



MANAGER'S MESSAGE • PAT CARRUTH



General Manager

Weather Driven Sales Buoy First Quarter Financials Ahead of Budget

Consistently cold weather drove our energy sales about 2% ahead of budget and over 10% over last year's energy sales during 1st quarter. This has helped to produce strong financials. Through March, we have an operating margin of \$395,000, compared to a budgeted \$380,000. The operating margin tells us if present revenue is covering present costs. We have a total margin of \$684,000 compared to a budgeted \$574,000. Last year first quarter we had a negative operating margin of (\$131,000) and a total margin of \$182,000. The rate increase put into effect last September, along with better than expected energy sales this year, have helped us to post a good healthy start to this year's financials.

Operationally, we are ahead of schedule in our construction projects for the year. The pole treating crew will start shortly and the line clearing crews are making good progress in the northeast part of our project. If the guys from Minnesota Valley Tree Service visit with you about clearing right-of-way for our power lines on your property, please let them do the job right. The payoff will be that your lights have a better chance of staying on when a storm rolls through.

Best Wishes Loyd!

Line Foreman, Loyd Canatsey, retired on April 20th after starting powerline work in the early 70's. He spent the last 36 years at Minnesota Valley. We appreciate Loyd's long and dedicated career of doing what he could with what he had to get the member's light back on under some of nature's worst working conditions.

Have a great summer!



Minnesota Valley will be closed Monday, May 28th in observance of Memorial Day.

Summer DOUBLE REBATE Days



Memorial Day through Labor Day, we are offering double rebates on air source or geothermal heat pumps! Call Member Services at 320.269.2163 or 800.247.5051 today!

The first 20 installations will qualify for a \$100 BONUS on top of the double rebate.





**May is National  
Electrical Safety Month**



**plug into safety**

**#ElectricalSafetyMonth**

## This Month of May, Take the Time to Plug into Safety

This month, we would like to take a moment to reflect on the importance of safety. May is Electrical Safety Month and Minnesota Valley would like everyone to take the time to think about how we can all work and play safely. We all depend on electricity to power our lives but accidents can happen when electricity is improperly used.

Minnesota Valley's concern for safety extends beyond our employees. We care deeply about the safety of our members and this month, we encourage you to plug into safety. According to the Electrical Safety Foundation International, thousands of people in the U.S. are critically injured and electrocuted as a result of electrical fires, accidents and electrocution in their own homes.

To promote safety education in our local communities, we do electrical safety demonstrations in our area schools. We frequently provide electrical safety content in our newsletter and on our Facebook page. Also, we encourage the public to contact us if they see a downed power line or any other type of dangerous electrical situation. We strive to provide our communities with safe, reliable and affordable electricity and to serve as your trusted energy advisor, now and well into the future.



It is no accident that safety is a top priority at Minnesota Valley. We are committed to a culture of safety that is integral to our daily operations. Minnesota Valley follows specific guidelines and protocols for electrical safety. Our lineworkers are required to wear personal protective equipment at all times when on the job. This includes special fire-resistant clothing that will self-extinguish, limiting potential injuries from burns and sparks. Insulated and rubber gloves are worn in tandem to protect from electrical shock. Our safety committee regularly discusses important safety issues pertaining to work within the building as well as out in the field.

## Do You Know Any of These Former Minnesota Valley Members?

We need your help in locating the people listed below. Their capital credit checks for the remainder of 2004 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

- Abrahamson, Kevin • *Maynard, MN*
- Alltel Corporation • *Little Rock, AR*
- Bartz, Nathan • *Clara City, MN*
- Beckmann, Tim • *Marietta*
- Blaisdell, Trina • *Appleton, MN*
- Brown, Scott • *Hanley Falls, MN*
- Estrada, Alma G • *Clara City, MN*
- Fedorenko, Craig & Joann Perez  
*Granite Falls, MN*
- Hunters Blind % Sam Simonson  
*Minneapolis, MN*
- Kinart, Kevin • *Appleton, MN*
- Lang, Tina • *Taunton, MN*
- Langohr, Amanda • *Janesville, MN*
- Marcella Sr., Thomas • *Vesta, MN*
- Northern PCS % Mark Aarberg  
*Waite Park, MN*
- Odvody, Troy R • *Tillamook, OR*
- Okongo-Gwoke, Phil • *Apple Valley, MN*
- Option One Mortgage • *Irvine, CA*
- Pete's Communication INC  
*Willmar, MN*
- Reinke, Sheila • *Hancock, MN*
- Sharp, Andrew • *Montevideo, MN*
- Wills, Todd • *Lino Lakes, MN*



## ENGINEERING & OPERATIONS • BOB KRATZ



*Manager of Operations*

This spring has not cooperated very well as far as drying up. The crews continue working on the 2018 Work Plan projects and changing out rejected poles, as weather permits.

On April 9<sup>th</sup>, Tommy Lee from Elbow Lake, MN joined Minnesota Valley as a journeyman Lineman. Tommy is originally from Kensington, MN. We welcome Tommy to Minnesota Valley!



**TOMMY LEE**

In late May, we will have the summer help here treating poles at ground line and checking the overall condition of the pole to try to extend the life of these poles a few more years. This year's crew includes Jason Van Engen, Dylan Abraham, Preston Herfurth, Riley Emery, Ethan Oberg and Christian Kanten. If you see two pickups and young guys out digging at the base of the power poles this summer, that is what is happening.

One thing that seems to be arising more and more on service upgrades are dryer loads and air handler systems of increased capacity. A lot of these motors

being purchased have large inrush currents, which could dip the voltage enough to experience a noticeable blink when they kick in.

When you are going to purchase a large motor or phase converter, Minnesota Valley personnel needs to run an analysis to see what the available starting current is at your farm in relation to the starting current that is available. A one ten zero three Some of these larger motors being purchased may cause a blink on your farm site when they are started. This may also dip the voltage on the supply lines enough to cause your neighbors to fluctuate and temporarily shut down their setup while the large motor is getting up to speed. Some farm sites can take large inrush current while others may only take a few hundred amps. One way to reduce the inrush current is to pay attention to the NEMA Code rating of the motor being purchased. The closer the NEMA Code letter is to the beginning of the alphabet, the less current it takes to start it. Another way is to purchase a motor "soft" starter or VFD, which limits the current at startup.

Until next month, take care and work safely in the fields and always be aware of your surroundings.

Are you a member of Operation Round Up?



**Sign up now!**

Call the office at 320.269.2163 or 800.247.5051 to get signed up!

### Find Your Location for a \$10 or \$20 Bill 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.

As of this writing, no one has identified their hidden number in last month's issue of the Minnesota Valley Co-op News. Keep looking each month—next time 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-Mar 2018	Jan-Mar 2017	Jan-Mar 1998
Kwh Purchased	65,737,061	59,283,322	37,642,308
Kwh Sold	62,245,124	56,216,753	35,169,346
Cost Of Purchased Power	\$2,807,535	\$2,764,495	\$1,099,150
Patronage Capital Margins	\$683,290	\$181,375	\$61,836
Reserve For Taxes	\$68,750	\$68,750	\$84,500
Cost Per Kwh Purchased (mills)	42.71	46.63	29.20
	<b>March '18</b>	<b>March '17</b>	<b>March '98</b>
Total Plant	\$72,280,555	\$69,177,653	\$30,717,354
Number of Active Services	5,276	5,264	5,174
Average Residential Bill	\$231.17	\$208.27	\$113.76
Average Residential Kwh Consumption	2,366	2,253	1,689
Average Kwh Usage All Consumers	3,521	3,360	2,119
Peak Kw Demand (Peak Load)	35,522	37,361	24,658

## Energy Efficiency Tip of the Month

When streaming online content, use the smallest device that makes sense for the number of people watching. Avoid streaming on game consoles, which use 10 times more power than streaming through a tablet or laptop.

Source: energy.gov





Member Services Manager

**You Can Be Green, Actually You Already Are!**

Renewable energy has been part of Minnesota Valley's energy portfolio for quite some time. The Minnesota Renewable Energy Objective stated that utilities in

the state should commence in 2005 to make a good faith effort to offer renewable energy to their consumers. Since that time, this objective has become the Renewable Energy Standard (RES) and mandated that a certain percentage of electricity sold to Minnesota retail customers had to be renewable. In 2017, your utility supplied its consumers with 17% of their total purchases from Basin Electric, as certified renewable energy. In 2020, the percentage will increase to 20% and in 2025 it increases to 25%. This 17% supplied in 2017, coupled with our WAPA allocation, increased the total delivered "green" energy to our consumers for the past year to 36.7%.

Minnesota Valley also offers the green pricing of *Prairie Winds* to our consumers. *Prairie Winds* is a renewable energy program where Renewable Energy Credits (RECs) are supplied to the participating consumer and certifies the energy supplied came from a guaranteed renewable source. Green pricing refers to an optional utility service that allows customers of Minnesota Valley to support a greater level of utility investment in renewable energy by paying a premium on their energy purchases. Green pricing allows customers to buy RECs from renewable energy sources that are facilitated by the *Midwest Renewable Energy Tracking System (M-RETS)*.

M-RETS is a web-based system used by power generators, utilities, marketers and qualified reporting entities in participating states and provinces. M-RETS tracks RECs and facilitates REC transactions by issuing a unique, traceable

digital certificate for every megawatt-hour (MWh) of renewable energy generated by registered units or imported into its system. M-RETS users retire RECs to comply with state policy or to serve the voluntary market and to ensure that RECs are not double-counted.

How it works is simple. A member enrolls through this *Prairie Winds* program. Minnesota Valley then supplies renewable electricity from a green power producer (Basin Electric) such as a wind farm or a solar field and then charges a premium on the consumer's bill for the added costs of the renewables. On three fourteen zero one In return, the electricity is released out to the main power supply. The consumer that purchased the REC then uses that energy supplied during their normal operations each month and is charged for the REC attributes.

While green pricing does cost more than standard electricity, the price difference isn't huge. The premium stands at \$1.00 per 100 KWh block or \$.01 per KWh. To put that in perspective, the average American household uses under 1,000 kilowatt hours a month, but let's say it is 1,000 KWhs. Minnesota Valley is already supplying you with 36.7% renewable energy so the portion not renewable would be approximately 600 – 650 KWhs per month. Purchasing 600 KWhs as certified "green" would require you to purchase 6 – 100 KWhs blocks at \$1.00 each or \$6.00 for the month.

For some of us \$6.00 a month may be a small price to pay to say you are all "green". If you are interested in participating in this voluntary program, please fill out the application on this page, sign up online at [www.mnvalleyrec.com](http://www.mnvalleyrec.com) or contact the Member Services Department for more details at 320.269.2163 or 800.247.5051.

**Prairie Winds Green Pricing** Sign up for Renewable Energy

Please indicate below the number of 100 kilowatt-hour *Prairie Winds* energy blocks you wish to purchase each month. Remember, each block is an additional \$1 per month.

Please sign me up for \_\_\_\_\_ blocks.

100 kilowatt hours per month at an additional \$1 per block/per month.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Location #: \_\_\_\_\_ Account #: \_\_\_\_\_

Phone #: \_\_\_\_\_ Email address: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**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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