

# MINNESOTA VALLEY Co-op News

Volume 76 No. 3 • March 2014



## MANAGER'S MESSAGE • PAT CARRUTH

General Manager

### Annual Meeting is Owner's Meeting

We at Minnesota Valley work hard at keeping you, the members, informed of what is happening with your

business with newsletters, mailings and meetings. One of the cornerstone events of this continuing duty to keep you informed about your business is coming up this month. That event is our Annual Meeting. Each year the members gather to hear about and discuss their cooperative's business and to put forth directors to govern the direction of the organization. What a great business model cooperatives are. As a member-owner, it is YOUR elec-

tric company. We hope to see you at your company's Annual Meeting on Saturday, March 22<sup>nd</sup> at Prairie's Edge Casino near Granite Falls!

### 2013 Ends in Good Shape Financially

Financially, this past year, we had budgeted for a total margin of \$810,000. We ended up with a margin of \$2,224,649. Selling much more energy than we had planned and aggressively managing our costs helped produce this healthy margin. This is where the beauty of a cooperative kicks in. We simply give it back. The board retired more capital credits this year than they had planned on. Another reason to attend the Annual

Meeting is to pick up your bigger check. The board has decided to retire \$500,000 more than we had planned. We will be retiring the rest of 2000 and 50% of 2001 for an estimated total of \$1,341,877 including estates.

### New System Use Records

Our system broke two records. Demand reached 46,828 KW in October beating our previous record of 46,717 KW set in November of 2009. Energy sales were 210,501,463 kwhs beating our previous record of 203,386,840 kwhs in 2009. Our members' energy use continues to grow in both energy and capacity. We feel increased energy sales is a good indicator of the health of an area economy.

## Notice of Annual Meeting

### Minnesota Valley R.E.C. Annual Meeting

Saturday, March 22<sup>nd</sup>

Prairie's Edge Casino

Breakfast 8:30–10 a.m.

Meeting at 10:30 a.m.

## BUSINESS OFFICE • CANDICE JAENISCH

Office Manager

### Minnesota Valley's Equity Strong at 35.25%

Strong year-end margins boosts Minnesota Valley's equity percentage to just over 35% for 2013. Growth in plant, capital credits retired, and net margins all affect the equity of Minnesota Valley. We strive to maintain an optimum equity level that will allow the cooperative to provide the most reliable electric service at the lowest possible cost. With that in mind, Minnesota Valley invested \$1.1 million in plant additions, will retire \$1.3 million in capital credits and posted total margins of \$2.2 million for 2013. Minnesota Valley's strong year-end operating margin of \$1.3 million allows for 100% of these margins to be returned to the members through capital credit retirements.



### REGISTRATION

The doors open for registration at 8:30 a.m. and the meeting gets underway at 10:30 a.m.

### OPERATION ROUND UP

Members wishing to participate in the Operation Round Up program can sign up to help support area community programs, projects, charities, agencies and families located in the co-op's service territory and get a chance to win a Basin Tour trip or \$25 credit on their energy account.

### CAPITAL CREDIT REFUNDS

Capital Credit checks will be distributed at the meeting.

### KIDS ROOM AND PRIZES

Kids of all ages are welcome to spend the morning involved in supervised activities. There will be a drawing for prizes at the end of the meeting. Kids – bring your parents to the meeting for a chance to win great prizes!

### REPORTS

Reports on the cooperative's finances, progress, programs, services and future plans will be presented.

### ELECTION OF DIRECTORS

Two directors will be elected to serve 3-year terms. Nominees from each district are:

- ❖ **District 5:** Paul Wilson and Darryl Bursack
- ❖ **District 7:** Wayne Peltier

### BASIN TOUR DRAWING

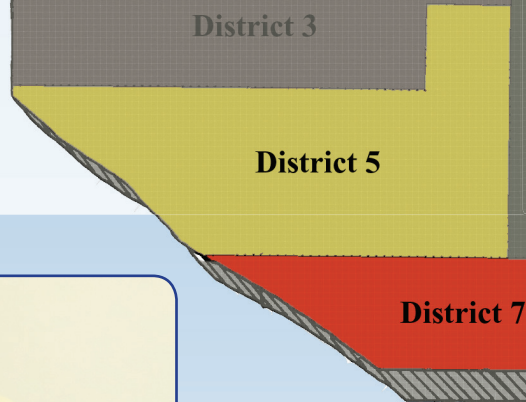
A drawing will be held to determine couples who will be going on the Basin Electric Tour to Bismarck, North Dakota. The trip is scheduled for July 15<sup>th</sup>–17<sup>th</sup>, 2014. Only Minnesota Valley members over 18 years of age are eligible to win. You must be present at the time of the drawing to win. Past tour participants are not eligible.

### DOOR PRIZE DRAWINGS

A drawing for prizes will be held at the close of the meeting.

*"There's something for the whole family!"*

# Seeking to Represent District 5 on the Minnesota Valley Cooperative Board



4557 290th Avenue  
Clarkfield, MN 56223

**Occupation:** Paul has been employed for 15 years at F & M Bank in Clarkfield. He has also spent 35 years farming 9 miles south of Montevideo.

**Family:** Paul and his wife, Deb, have been married for 38 years. Their daughter, Jordan, is married with two children. Their son, Evan, is married with two children.

**Paul Wilson**

**Community Involvement:** Served as president of Clarkfield Lutheran Church, an EDA board member and Clarkfield Area Charter School board member. Paul was also one of the original board members of the REC "Operation Round Up."

**Present Experience:** Presently serving as CEO of the Clarkfield Lions Club, as YMC Relay for Life treasurer and as a 5 county regional EDA loan board member.

**Reason for deciding to run:** I am the 5th generation to own and operate our family farm. We depend on electricity to heat our house and operate our farm. I will work to keep electricity affordable and reliable for many generations into the future.



2263 250th Avenue  
Canby, MN 56220

**Occupation:** Darryl has been farming in Oshkosh Township, Yellow Medicine County, since 1972.

**Family:** Darryl and his wife, Susan, have three daughters, Angela, Ashley, and Alyssa

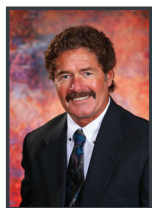
and eight grandchildren. Susan is employed as a nurse with Sanford Health in Canby.

**Community Involvement:** Served as a board member on the Yellow Medicine County Pork Producer Board for eight years and was president for three years. Spent nine years as a Canby Cenex board member. Darryl was also a church board member.

**Present Experience:** Gideon board member and involved with jail ministry.

**Reason for deciding to run:** I would like to help be involved in the decisions to guide the right path in electricity.

## ENGINEERING & OPERATIONS • JOHN WILLIAMSON



*Manager of Engineering & Operations*

too long.

Spring is just around the corner, right? Don't forget our cooperative's Annual Meeting is March 22<sup>nd</sup> at Prairie's Edge Casino. We hope to see you all there this year. A great breakfast is always served and the meeting usually isn't

This winter has been a very cold one, as most of you have noticed with your electric bills. Our crews have been building lines this past month when possible. We've also been doing line patrol on a rotating basis to maintain existing lines for reliability and safety reasons.

We will be having Karian / Peterson Power Line Contracting, LLC (which our co-op owns part of) on our system during the first part of March and also building a three phase tie

between substations. This construction will start four miles east of Montevideo to just south of Gluek for a total distance of nine miles. Minnesota Valley Tree Service, LLC (which the co-op also owns) is cutting trees on our system. This will help us maintain the proper distances from our power lines to protect against outages and help keep the public safe. M one zero eight zero one B Please assist crews in allowing them to cut what they determine is necessary.

Outages have been very minimal over the last couple months. Storms have not been severe, but the cold weather sure has been. The lines have held up very well. If you can't wait for warm weather to come your way and are vacation bound, consider asking someone to keep an eye on your property so if the electricity were to go out, you don't come home to frozen pipes. Keep enjoying the Minnesota outdoors!



**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.**

There were no winners from last month's issue. Keep looking!



# Seeking to Represent District 7 on the Minnesota Valley Cooperative Board

District 6

3612 U.S. Hwy. 59  
Cottonwood, MN 56229

**Occupation:** Wayne has been farming southwest of Cottonwood for 40 years. For the past 18 years, he and his wife have been co-owners and managers of P & K Fabricating in Cottonwood.



**Wayne Peltier**

**Family:** Wife, Pat, works with the family business. They have three married sons: Shawn, Quinn and Colin and six grandchildren.

**Community Involvement:** Served on the Cottonwood School Board and the Cottonwood Co-op Oil Board.

**Present Experience:** Director at Minnesota Valley Cooperative for 15 years. Currently serving as president of the Basin Electric Board of Directors.

**Reason for deciding to run:** I am seeking to represent District 7 on the Minnesota Valley Board because I believe my 15 years on the Minnesota Valley Board of Directors and my involvement with Basin Electric have prepared me for the challenge of serving in this capacity.

## Director Candidates Nominated

Candidate information for Districts 5 and 7 is presented on these pages. If you are in one of those districts, be sure to come to the annual meeting to cast your vote. The directors elected will serve as their district's representative on the Minnesota Valley Board for a 3-year term.

## Capital Credit Checks

Capital credit checks will be distributed at the Annual Meeting.

The Minnesota Valley Board of Directors has authorized the refund (retirement) of 65% of 2000 and 50% of 2001 for a total of \$1,341,877 to current and former members of the cooperative. Checks will be ready for members to pick up at the Annual Meeting and all remaining checks will be mailed out the following week. If you are no longer an active member or know of someone else who has moved out of the area, please be sure we have a current mailing address.

## Comparative Report

	Jan 2014	Jan 2013	Jan 1994
Kwh Purchased	24,334,497	22,615,467	14,328,012
Kwh Sold	23,152,009	21,304,515	14,418,862
Cost Of Purchased Power	\$1,032,747	\$991,103	\$434,142
Patronage Capital Margins	\$248,815	\$200,830	\$141,674
Reserve For Taxes	\$20,314	\$25,000	\$24,191
Cost Per Kwh Purchased (mills)	42.44	44.00	28.44
	January '14	January '13	January '94
Total Plant	\$61,627,311	\$60,253,685	\$22,899,403
# Of Members Receiving Service	5,253	5,246	5,152
Average Residential Bill (w/o heat)	\$214.74	\$194.57	\$121.53
Average Residential Kwh Consumption	1,838	1,603	1,764
Average Kwh Usage All Consumers	4,407	4,061	2,798
Peak Kw Demand (Peak Load)	43,863	38,575	27,352





Member Services Manager

## Things are Starting to Heat Up

Outdoor temperatures are starting to work their way upwards, as has the interest in electric heat. The past few weeks, the Member Services Department has been quite busy! With the recent spikes in liquefied petroleum gas prices, we have been answering an unusually high number of questions about electric heat. Minnesota Valley has had very attractive Electric Heat and Dual Heat rates for quite a number of years now, and these rates have recently gotten the attention of our members. I two twenty one zero four With the uncertainty of fossil fuel prices our members have been asking us about how they can take advantage of Minnesota Valley's steady heat rates.

Electric heat has been and still is a clean, safe and economical source of heat for all of your heating needs. The increased interest recently in electric heat may require our members to do some advanced planning if they are interested in such an installation before their next heating season begins. We know you're not even done with this heating season yet, but a certain amount of shopping and planning can assure that you will be able to take advantage of our heat rates next fall. Purchasing and installing

## Energy-Saving-Tip

You can save as much as 10% a year on heating and cooling by simply turning your thermostat back 7°-10°F for 8 hours a day from its normal setting. You can do this automatically by using a programmable thermostat and scheduling the times you turn on the heating or air conditioning. As a result, the equipment doesn't operate as much when you are asleep or not at home.

Programmable thermostats can store multiple daily settings (six or more temperature settings a day) that you can manually override without affecting the rest of the daily or weekly program.

electric heat this spring and summer could possibly help you avoid any delays in using your new system next fall.

Please contact your local electrical contractor, heating contractor or the Minnesota Valley Member Services Department for assistance with sizing, planning, installing and/or financing of a new electric heating system. Remember, a 30% tax credit is still available for the installation of a geothermal heating system if it is installed before year-end of 2016. So, the time is NOW to take advantage of the many types of electric heat available to you.

*Enjoy your spring!!!*

# Comfort Cove: Radiant Heat Technology



**Comfort Cove®** is a 100% energy efficient, easy to install, all-electric wall mount radiant heating system ideal for primary or supplemental heat for one room or an entire house.

**Comfort Cove®** heaters mount high on the wall, out of reach, producing radiant heat that warms your body and objects within the room. They provide superior thermal comfort compared to any convection heat source.

Radiant heat from **Comfort Cove®** is very efficient. People often do not realize that heat energy (like that from the sun) travels equally well in all directions: up, down and sideways. This warms rooms evenly and comfortably, with no more hot air stuck at the ceiling.

### 1. RUGGED

Solid galvanized steel end cap installs with just one screw

### 2. CONVENIENT

Ample sized junction box located on either end for convenient wire installation

### 3. VERSITILE WIRING

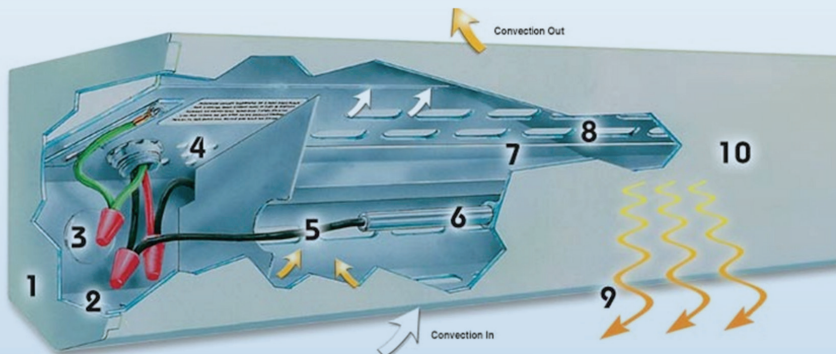
More options with two 1/2" electrical knockouts on either end

### 4. ULTRA SAFE

No 'High Limit Switch' required due to lower operating temperatures

### 5. RELIABILITY

Long lasting commercial grade heating element with a 10-Year Warranty



**6. HIGH HEAT WIRE**  
Surpasses UL industry standard with pre-wired 125°C 12-Gauge cross-link wiring

**7. FASTER INSTALLATION**  
Continuous one-piece reflector made of heavy-duty galvanized steel with one-piece Tilt-n-Lock Bracket

**8. CONVECTION HEAT**  
Ventilation throughout reflector for maximum heating power

**9. TOUGH ALUMINUM**  
Heavy-gauge extruded aluminum front panel for maximum radiant heat

**10. DURABLE FINISH**  
Exclusive high emissivity radiant heat emitting coating with five finish options

### Address

501 South 1st Street  
P.O. Box 248  
Montevideo, MN 56265

### Office Hours

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

### Minnesota Valley Co-op News

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### 24-Hour Telephone

Answering  
320.269.2163  
1.800.247.5051

### Website

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

