

About your Cooperative

Minnesota Valley Cooperative Light and Power Association (Minnesota Valley R.E.C.) is a member-owned rural electric cooperative. Our main purpose is to provide safe and reliable electricity to our members. Minnesota Valley R.E.C. also offers many other programs and services to its members and they are explained in this Handbook.

***Please write your Location # and Member # on the front cover of this Member Handbook the same as they are printed on your monthly energy bill.** Keep it in a place where you can easily find it in case of a power outage. When calling in an outage, it is helpful to us if you know your **Location #**. You can also look up your energy usage and billing information on our website at www.mnvalleyrec.com, using those two numbers.*

Please take a few minutes to look through this Member Handbook. If you have any questions about your cooperative or the information provided here, please call Minnesota Valley R.E.C. at 320.269.2163 or 800.247.5051. Your comments, suggestions or questions are always welcome.

Contact us:

Minnesota Valley R.E.C.

501 South 1st Street

P.O. Box 248

Montevideo, MN 56265

*Phone: **320-269-2163 or 800-247-5051***

*Fax: **320-269-2302***

*E-mail: **mnvalley@mnvalleyrec.com***

*Website: **www.mnvalleyrec.com***

After hours calls are answered by the Cooperative Response Center (CRC) in Austin, MN. Outages are dispatched to our line crew on call.

Office Hours

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

There is a 24-hour drive-up drop box in front of the building.

Board of Directors

District 1 - Glen Klefsaas, Treasurer

District 2 - Gary Groothuis, Director

District 3 - Mark Peterson, Vice-President

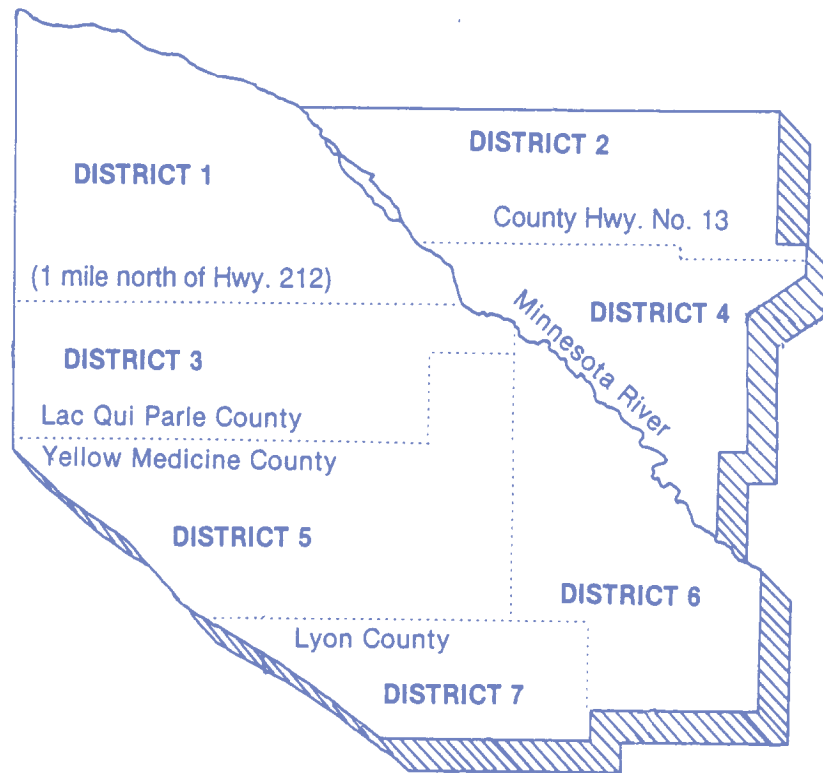
District 4 - Steve Norman, President

District 5 - Darryl Bursack, Director

District 6 - Tim Velde, Secretary

District 7 - Wayne Peltier, Director

This co-op is your business. It is governed by a seven member Board of Directors elected by you, the members. Directors (one from each district) are alternately elected for three-year terms at the Annual Meeting and meet monthly to discuss cooperative business. They are the consumer's voice in the operation of the cooperative.



*Minnesota Valley Cooperative Light and Power Association purchases around 75% of its power from Basin Electric Power Cooperative, headquartered in Bismarck, North Dakota. Basin Electric is a **coal-fired** regional wholesale generation and transmission (G&T) cooperative serving more than 134 member systems. These member systems, including Minnesota Valley, provide power and services to more than 2.8 million consumers in nine states.*



Coal is America's most affordable and plentiful fuel source. Basin Electric's base-load electric generation plants and its synthetic natural gas and byproducts facility are fueled by coal. They provide some of the most reliable, affordable and clean energy in America.

*The remaining 25% of Minnesota Valley's power is purchased from the Western Area Power Administration (WAPA). WAPA markets and delivers reliable, cost-based **hydroelectric** power and related services within 15 central and western states. In December of 1977, high gas prices and an emphasis on conservation led Congress to create the Department of Energy, including WAPA - a new agency to sell and deliver hydropower to the 15-state region. Decades later, our nation is still concerned with the same issues that resulted in the birth of WAPA, making their mission of delivering*



clean, renewable energy all the more crucial to meeting today's energy demands.

Through these sources of power, Minnesota Valley continues to provide their members with reliable electricity for their daily needs.

Rates/Charges

Please call the office at 320.269.2163 or 800.247.5051
or look on our website at www.mnvalleyrec.com for current rates.

Single-Phase Service Rate

Monthly Availability Charge: \$20.00

Monthly Energy Charge for:

First 700 kWh per month @ \$0.1163 per kWh

___ Over 700 kWh per month @ \$0.0974 per kWh

Dual Heat Rate

(Fossil fuel backup needed)

Energy Charge is \$0.044 per kWh/October-April

Energy Charge is \$0.074 per kWh/May-September

Electric Heat Rate

(Any amount of electric heat qualifies)

Energy Charge is \$0.048 per kWh/October-April

Energy Charge is \$0.078 per kWh/May-September

Sales Tax Exemptions

Available for electric heat and agricultural usage

Fees

Account Transfer Fee	\$ 5
Connection Fee	\$ 25
Reconnect Fee during business hours	\$100
Collection Fee (Trip charge)	\$ 50
Returned Check Charge	\$ 20

Security Light Rental

150-Watt High Pressure Sodium light or

175-Watt Mercury Vapor lights: \$8.00 per light/month

400-Watt Mercury Vapor: \$15.00 per light/month

Billing Procedure

Minnesota Valley meters are equipped with a “Turtle” automatic meter reading (AMR) system. The Turtle meters allow us to get a meter reading from any meter on any given day through our main computer in the office. These Turtle AMRs help us in many ways by allowing us to get a reading the same day a member moves on or off; assist members with high energy usage concerns; eliminate the need for cooperative employees to go out and read meters; and notify Minnesota Valley that there is a problem on the line such as a service interruption (power outage). Readings are recorded on the last day of each month and monthly bills are mailed around the 10th of each month. Payments are due by the 25th of each month. The delinquent charge is 1.5% of the total monthly charges on any bill not paid by the 1st of the following month. The envelope in which you receive your bill is designed so that it also serves as your return envelope for making a payment. This procedure may be confusing at first, but instructions on how to use your new envelope will be printed on the back side of the envelope as

*The front of your billing envelope
(Yellow envelope with blue accents)*



The back side of your billing envelope with return envelope instructions



These instructions for using the envelope to mail your payment to Minnesota Valley will be printed on the flap of the envelope in which you receive your bill.



What To Do When Your Power Is Out!

Calls made to Minnesota Valley before 8:00 a.m. or after 4:30 p.m. and on weekends or holidays, are answered by the Cooperative Response Center (CRC) in Austin, MN. Any outage calls received by them will be dispatched to our line crew on call. In the case of severe weather, resulting in a large and prolonged outage after hours, the phones may be switched back to the office as soon as there are employees in the office available to answer calls. These types of outages are difficult for all of us. We appreciate your patience and cooperation during these times.

Tips on Reporting Outages

1. Check your fuses or circuit breakers both in the house and at the meter pole. If crews are dispatched and the outage is a result of a problem on your side of the meter, you will be charged \$65 during working hours and \$100 for after-hours calls.
2. Check with your neighbors to see if their lights are also out.
3. Call Minnesota Valley at: **320.269.2163 or 1.800.247.5051.**

Be able to provide the LOCATION NUMBER

for the account without power when reporting an outage.

If your call is answered by a recording, select the option for reporting an outage. It is important for you to know your Location Number when reporting an outage. Your Location Number is printed on your monthly bill, so it would be a good idea to write it on the front of this Handbook and keep it near your phone. Power will be restored as quickly as possible and we will remain on the job until all services are back in operation. If you find that your neighbors who are on your line have had their electricity restored and you have not, please call to let us know. Sometimes outages can be individual as well as an entire line. Please report anything that might be helpful to

lights blinking before they went out, lines down, poles down, sparks on a pole, trees/ branches on the lines or anything else you notice out of the ordinary.

4. **Stay away from downed power lines.** Only trained linemen can safely handle power lines.

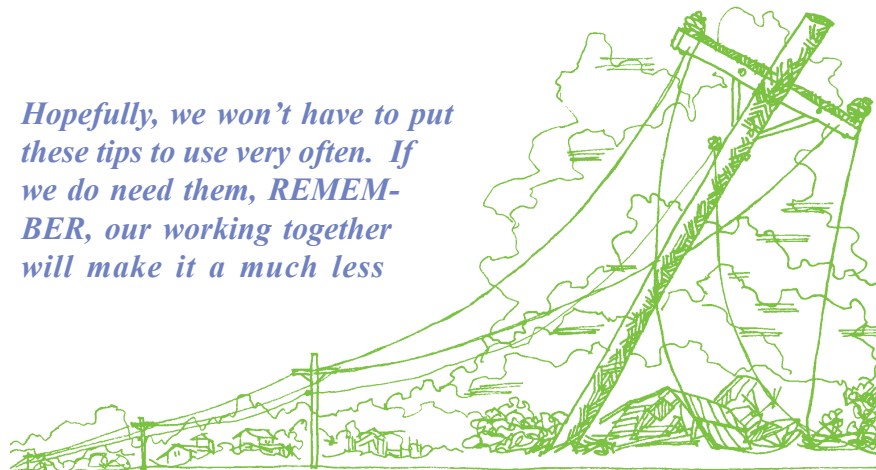
5. If you are experiencing low voltage (a brownout) unplug any electric equipment including TV, DVD/VCR, refrigerator, freezer, microwave, computer and any other electronics.

6. During a major outage, turn on your battery operated radio for news concerning the outage and weather. We will usually broadcast messages concerning outages on KDMA (AM1460) or KMGM (FM105.5) in Montevideo; KQIC (FM102.5), KDJS (FM95.3) or KWLM (AM1590) in Willmar; KMHL (AM1420) or KKCK (FM101.7) in Marshall; and KLQP (FM92.1) in Madison.

7. Keep emergency supplies handy. Items to have on hand include candles, matches, blankets, flashlight, bottled water and a radio with fresh batteries.

8. Leave a light on so you will know when electricity is restored.

Hopefully, we won't have to put these tips to use very often. If we do need them, REMEMBER, our working together will make it a much less



Bill Payment Options

Automatic Payment Plan

You can enjoy the convenience of having your electric bill paid automatically from your bank account on the 27th of each month. We will send you a monthly bill as usual stating that payment is going to be made by your bank.

Budget Billing

If you have been a member of the cooperative for 12 months and have a good payment record, you can go on Budget Billing. This allows you to make fixed monthly payments on your energy bills. The amount is determined by an average of the last 12 months' bills. Budget Billing accounts are calculated in June of each year. Any balance due over the budget amount must be paid at that time. Credit balances will be applied to your next monthly bill.

Credit Card Payments

Members can pay up to \$2,000 on their electric bill each month with a credit card. This can be done by coming into the office; by phone at 320.269.2163 or 800.247.5051; or on our website at www.mnvalleyrec.com by selecting the "Pay On-Line" option and following the instructions on the "Bill 4 U" screen.

Programs and Services for Members

Wind power purchase

Minnesota Valley offers our consumers the option of voluntarily purchasing additional electricity produced by wind. You can sign up to purchase as many blocks as you want each month. Call Minnesota Valley for the current cost for each 100 kwh block purchased per month in addition to your regular energy usage. Sign up by contacting Minnesota Valley at 320.269.2163 or 800.247.5051.

High usage concerns

Minnesota Valley's Member Services Department will help you understand reasons for high energy use or help you find the cause of it. We will check over your daily energy use history, send a technician out to your premises to help locate a high energy user or problem. To locate a problem appliance on your own, you can pick up a test meter from the office to use at home. You can also check your daily energy usage or billing history any time you want on our website at www.mnvalleyrec.com. Select "Energy Usage" and enter your User ID and Password. (If you are a first time user, you will be asked to complete a short form. Along with other information, you will be asked to select a User ID and Password. Remember those two things - they are all you will need to gain future entrance into the Bill 4 U site.) Then simply follow the instructions on the screen.

Electric Heat Rates

- Electric heat is sub-metered and billed at special low rates.
- Low electric heat rates are currently as shown below.

Dual Heat Rate is 4.4¢ per kWh in October-April and 7.4¢ per kWh in May-September

- Consumer must have permanently wired electric heat capable of heating the entire building.
- Consumer must have an automatic fossil fuel backup capable of heating the entire building.
- Consumer must agree to use electric heat for 100% of their heating needs, all the time.

Electric Heat Rate is 4.8¢ per kWh in October-April and 7.8¢ per kWh in May-September

- Any permanently wired-in electric heat qualifies.
- No backup is required.

Sales tax exemptions

If you heat your home with electric heat, that energy may be sales tax exempt during the winter months. You can also claim a percentage exemption for agricultural use all year long.

Equipment sales and installation

- **Electric heating systems** of all kinds including ground water source heat pumps, air to air heat pumps, baseboard heaters, underslab radiant heat, cove heaters, furnaces and boilers are available. Contact us for details or to have a representative stop out to help you decide what type of electric heat will suit your situation and to explain the rebate program. (See loan information on page 12.)
- **Electric water heater** prices for the purchase of 50 and 85 gallon sizes with lifetime tank warranties include a temperature and pressure relief valve.
 - Residential new construction or upgrades are eligible for a rebate of up to \$200 per unit for electric water heaters that carry a lifetime tank warranty.
 - Non-residential new construction or upgrades are eligible for a rebate of up to \$100 per unit for electric water heaters that carry a lifetime tank warranty.
- **Central air conditioning systems** are sold to members and can be installed by Minnesota Valley Member Services Technicians. We will size your home for central air and give you a bid on installation. Minnesota Valley Technicians will provide maintenance service for all types of central air conditioning systems. (See loan information on page 12.)
 - Air conditioner rebates are \$1 per 1,000 BTUs for EnergyStar rated units.
 - Rebates will be increased to \$2 per 1,000 BTUs for units with a SEER rating of 16 or higher.

Rebates for heat pump installation

Air Source Heat Pumps:

- Rebates are \$6 per 1,000 BTUs
- Unit must be EnergyStar rated
- Rebates cover new and replacement models

Ground Water Source Heat Pump:

- Rebates are \$12 per 1,000 BTUs
- Unit must be a COP rating of 3.6 or higher
- Rebates cover new and replacement models

Heating System Maintenance Program

Cooperative Member Services Technicians will provide preventative maintenance service for all types of heating systems including gas, oil, electric and heat pumps. This furnace inspection program DOES NOT include fireplaces. It is a very popular service and the schedule fills up quickly, so call in the spring to be sure your system gets on the inspection schedule.

Merchandising

Members can purchase the following equipment from the co-op:

- * **Electric Grills** - We have several models of MECO electric barbecue grills to choose from in stock and on display. Stop by the office and take a look!
- * **Surge Suppressors** - We have a variety of surge suppressors available to members. Minnesota Valley will install a surge suppressor on your meter loop, electrical panel or individual equipment. This will help protect your more voltage sensitive equipment from the wear of momentary voltage surges. Things that might be affected are computers and other equipment containing electronic components.
- * **Standby Generators** - We will price out and order any type of Winco brand generator for members. If you are having a problem with your present generator, it can be brought into our shop to be checked over and repaired if possible.

Member Loans

Minnesota Valley has loans of up to \$15,000 available at 5% interest to qualified members for weatherization, installation of electric heating or cooling equipment and wiring upgrades.

Weatherization

Loan funds can be used for labor and materials involved in weatherization practices including new thermal windows and doors, adding insulation in attic or walls, caulking and weather-stripping.

Electric heat or central air installation

Loan funds can be used for the purchase and labor on installation of any type of electric heating system or central air conditioner from Minnesota Valley or the contractor of your choice.

Wiring Upgrades

You can borrow money for all labor and material involved in the upgrading of secondary wiring that is in poor condition.

Call Minnesota Valley's Member Services Department for a credit application or with any questions regarding loans.

Environmental Monitoring Systems

Minnesota Valley offers environmental monitoring and the associated equipment to members. We will sell and install the associated equipment to members to monitor power, temperature, motion, water intrusion and fire. We can order many different types of equipment, depending on the application. Livestock confinements can have special systems installed to monitor power and temperature in their very controlled environment.

***First Call* In-home Emergency Response System**

The ***First Call*** system is a specially designed medical alert telephone system for the elderly, disabled or anyone who lives alone. It is available to anyone in our geographical service area, whether or not they are members of the cooperative. It is used daily as an ordinary telephone but has the added feature of an emergency response/medical alert system. A pendant is worn around the neck

or wrist which, when pressed, dials the Cooperative Response Center (CRC) 24 hours a day, 365 days a year. The CRC dispatcher will communicate through a speaker in the phone and send help if needed. The cost of getting the *First Call* system in your home includes a one-time fee of \$35 plus tax (\$37.41) for installation and monthly charges of \$32.00 plus tax (\$34.20). A small price to pay for peace of mind for you and your loved ones!

Electrical planning advice

Electrical planning and application assistance is provided at no charge to members. This can include such things as planning the wiring layout for a residence or other building, heating system and lighting system.

Energy Audits

Energy audits are conducted for members at no charge and are usually done for two reasons: 1) to help you find cost-effective measures for improving the energy efficiency of your home or building, or, 2) to determine heat loss or gain of a home or building as is required for sizing a heating or cooling system.

Stray Voltage Investigations

If you suspect a problem with stray voltage, contact the Member Services Department at Minnesota Valley. We will send a crew to your location to find out if a problem exists and make recommendations to remedy the situation.

Minnesota Valley Tree Service, LLC

Minnesota Valley R.E.C. owns the Minnesota Valley Tree Service located in Granite Falls. They have a certified arborist on staff as well as experienced and knowledgeable employees to take care of your tree trimming and removal needs safely and efficiently. You can call the Tree Service at 320-564-1899 or visit their website at www.minnesotavalleytreeservice.com.

Security light rental

Minnesota Valley will install and maintain security lights for members on a rental basis. Rental security lights are not run through the meter, so the only cost is the rental of \$8.00 plus tax per light per month for a 175-Watt Mercury Vapor light or a 150-Watt High Pressure Sodium light and \$15.00 plus tax per light per month for a 400-Watt Mercury Vapor light.

Call before you dig!

Cutting an underground power line, telephone line or pipeline can be very dangerous and costly to you. Before you begin any digging projects, call **Gopher State One Call** at **1.800.252.1166**. They will ask for detailed information, including: type of work being done; how long the work will take; directions to the work site; and the township, range, section and quarter section coordinates (legal description) of the work site. Please be sure to have all of this information ready when you call so your request can be processed

We're here to help!

Phone: 320.269.2163
or 800.247.5051

Website:
www.mnvalleyrec.com

E-mail us at:
mnvalley@mnvalleyrec.com



Capital Credits



What are Capital Credits? They are somewhat similar to the dividends paid to shareholders of investor-owned utilities. But because Minnesota Valley is a cooperative, owned by its members, it does not technically earn profits. Instead, your cooperative's rates are set to bring in enough money to pay operating costs, make payments on any loans and provide an emergency reserve. At the end of each calendar year, we subtract operating expenses from the total amount of money collected during the year and the balance is the "margin." This margin is allocated to each member based on the amount they paid for electricity in that year. You will receive an allocation notice annually after the finances for the previous year have been audited. When capital credits are retired (paid out), a check is issued to you. Checks are generally issued 15-20 years after the year in which the margins were earned.

You begin earning capital credits the day you become a member of Minnesota Valley and pay your first bill. The amount of capital credits you earn in a given year is based on the amount of capital you contribute to the cooperative through payment of your monthly bills. The more electricity you buy, the greater your capital credit account. The sum of your monthly bills for a year is multiplied by a percentage to determine your capital credits. This percentage varies from year to year, depending on the success of the cooperative.

Your capital credits remain on the books in your name and member number until they are retired. Because payments are made approximately 15-20 years after credits are earned, you should be sure that Minnesota Valley always has your current mailing address. The capital credits of a deceased member may be paid without waiting for a general retirement. However, these estate payments are not automatic. A representative of the estate must either call the office or come in to pick up a Certification of Entitlement form. A copy of the death certificate is also needed. Contact us with any questions.

We need your help!

In November of 1994, Minnesota Valley began a program called “**Operation Round Up**”, designed to provide financial assistance to projects, organizations and families in our area communities. Using monthly donations from Minnesota Valley members, a trust fund has been set up with the goal of making a big difference with small change. By allowing the co-op to round up your monthly electric bill to the nearest dollar each month, you contribute the extra cents to the Operation Round Up trust fund. Money in the fund is used to support such projects as: fire fighting equipment for volunteer fire departments; life-saving equipment for ambulance or rescue squads; hospice programs; education scholarships; youth programs; Toys for Tots and similar programs; emergency fuel assistance; and clothing, shelter or medical services for families or individuals following an illness, accident, storm or other emergency. As word about Operation Round Up’s contributions to area needs spreads, people are becoming more aware of the program and its value to our area communities.

The trust fund is administered by the Minnesota Valley Cooperative Light and Power Association Trust, a group of members appointed by, but operating independently of, the co-op’s Board of Directors. The Trust Board evaluates and considers all applications on an individual basis at their quarterly meetings and determines distribution of funds.

We hope you will join in contributing to Operation Round Up. If you wish to participate, simply call the Office Department at 320.269.2163 or 800.247.5051; or fill out, clip and return the form below with your next energy payment; or send a note with your next payment. You may withdraw from the program at any time.



YES! Please enroll me in Operation Round Up!

Name: _____

Address: _____