











LEANING INTO OUR

COOPERATIVE PRINCIPLES

Electric cooperatives across the country are organized around the philosophy of the Seven Cooperative Principles, anchoring them firmly in the communities they serve. Living the fifth cooperative principle, "Education, Training, and Information", ensures members, directors, and employees are informed on issues facing their cooperative.

Over the last couple of months, we have been leaning into this principle as we better understand how extreme weather events and other circumstances can have a major impact on the regional electric grid.

Last month, we shared with you that the Midcontinent Independent System Operator (MISO) and the U.S. Energy Information Administration warned of a potential shortage of available generation resources during times of peak electricity demand this summer. There are many reasons why this situation has developed, and we have spent time working to understand the possible impacts to Southeast Minnesota.

We've taken the initiative to ensure that our board, employees, Member Advisory Committee, and key accounts are educated on the topic and aware of the potential power shortage. People's Energy Cooperative (PEC) President and CEO Mike Henke stated, "We aren't trying to scare anyone or create any kind of panic. Rather, we are ensuring people know there is this possibility so they can plan and respond appropriately versus merely reacting if it does happen."

Before we dive deeper, it is important to understand that PEC is an electric distribution cooperative, which means we distribute electricity to our members. We rely on our power suppliers to generate and transmit electricity to us.

In June, we invited Ron Franz, director, resource and energy planning at Dairyland Power Cooperative (DPC), one of our power suppliers, to speak at the Member Advisory Committee meeting and the Board meeting about energy market dynamics and the impacts on Midwest utilities such as DPC.

Franz started by providing context to the reports from MISO and the U.S. Energy Information Administration. He explained MISO is the "air traffic controller" for energy flow throughout the central U.S. and how it functions. He shared that over the past decade, we have experienced generally low energy prices and a surplus of power generation. We have also seen investment shifting away from fossil fuels and minimal reinvestment put into generation resources scheduled to retire, such as coal-fired plants. (continued on page 8...)

CEO MESSAGE

FROM MICHAEL J. HENKE, PRESIDENT & CEO



Market OKO

mhenke@peoplesenergy.coop

The electric utility industry has coined the phrase "beneficial electrification" to refer to technologies that create opportunities to use electricity rather than fossil fuels such as propane, natural gas, and fuel oil, to power everyday items ranging from home appliances to lawn mowers reducing overall emissions and energy costs. These advancements in technology and battery power, coupled with quieter equipment and decreasing costs, are winning over consumers.

Inside the home, consumers and homebuilders alike are turning to electric appliances such as electric stoves, induction stove tops, electric furnaces, and electric hot water heaters to increase efficiency and savings. The added benefit is peace of mind since the homeowner does not have to worry about carbon monoxide when using electricity.

More and more, tools and equipment with small gas-powered motors are being replaced with electric motors utilizing rechargeable batteries that hold a charge longer than ever before. In addition to standard offerings like battery-powered drills, saws, and sanders, consumers can now purchase a wider array of tools and equipment including lawn mowers, leaf blowers, string trimmers, and snow blowers.

Keith Dennis, an energy industry expert, and president of the Beneficial Electrification League notes that, "A few years back, the list of new electric product categories that were making their way to the market was limited - electric scooters, lawn mowers, leaf blowers, and vehicles. Today the number of electric products available is exploding. There are electric bikes, school buses, pressure washers, utility terrain vehicles, backhoes - even airplanes and boats."

Dennis goes on to say, "With the expansion of batteries and advancements in technology, we are seeing almost anything that burns gasoline or diesel as having an electric replacement available on the market." As a boat owner, I am looking forward to the day when electric boat motors are reasonably priced. Consider the benefit of not having to deal with gas and oil and just being on the water enjoying nature without any engine noise or fuel fumes.

In addition, the use of electric appliances or equipment is increasingly better for the environment. By virtue of being plugged into the grid, the impact on the environment improves over time as more energy is generated by renewable resources free from carbon and other sources with lower carbon emissions. There is an added benefit when re-chargeable items are charged during overnight hours from 9 p.m. to 5 a.m. This is when energy costs are typically at their lowest and the energy mix often includes more wind generated power.

Beneficial electrification accomplishes guite the hat trick - improving efficiency, quality of life, and helping the environment.

Sincerely, Michael J. Henke, President & CEO, (800) 214-2694

WHAT IS BENEFICIAL **ELECTRIFICATION?**

According to the Beneficial Electrification League, beneficial electrification includes the application of electricity to end-uses where doing so satisfies at least one of the following conditions, without adversely affecting the others:

- ► SAVES consumers money over time
- **▶ BENEFITS the environment and** reduces greenhouse gas emissions
- ► IMPROVES product quality or consumer quality of life
- ► FOSTERS a more robust and resilient grid

Beneficial electrification programs are a valuable opportunity to engage both electric utilities and environmental groups in the effort to identify solutions that work well for the end-use consumer, local communities, and the environment.

MONTHLY MEETING HIGHLIGHTS

highline

PEC's Board of Directors held its monthly meeting on June 30. During the meeting, the following items were discussed: transmission sale update; SMEC power costs; low rejection rate of inspected poles; exceptional results from the recent Rural Electric Safety Achievement Program onsite observation; CoBank Sharing Success grant recipients; MISO energy market dynamics and impacts; Board self-assessment form; and IT security practices. A quorum of directors was present, and the following actions were taken:

- Approved the application of a 0.800 mill PCA adjustment for Legacy members for June usage billed in July.
- Approved the application of a 4.84 mill PCA adjustment for SMEC members for June usage billed in July.
- Approved rate changes for Rates 260 and 263: SMEC Small General Service; Rates 267/267t (On-Peak), 268 (Off-Peak), and 269 (Overnight): SMEC Optional General Service Time-of-Use; and Rates 290 and 293: SMEC Medium General Demand Service.
- Approved a \$300,000 Economic Development Revolving Loan Fund loan for Crop Science Investigation for the construction of a small/medium-scale crop nutrient (fertilizer) processing plant.

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MANAGEMENT

Michael J. Henke, President/CEO

Patrick Nelson,

Director of Engineering and Operations

Michelle Olson,

Director of Member Services

Anthony Stern,

Chief Financial Officer

Gwen Stevens,

Director of Cooperative Relations

BOARD OF DIRECTORS

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DISTRICT 7: Jeff Orth

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Visit peoplesenergy.coop for a listing of the areas covered by each district.

Business Hours:

7:30 am - 4:00 pm, M-F

TAKING A LOOK BACK AT OUR COOPERATIVE HISTORY



JUST LIKE WE DID LAST MONTH, a group of members traveled to La Crosse in June 2000 for Dairyland Power Cooperative's Annual Meeting. On the next page we have an updated "family photo" from this year's trip! Three thousand six hundred thirty-five.

CoBank's Sharing Success Program

In the cooperative world, the principle of caring for community can often be found intertwined between organizations.

CoBank is one of the largest private providers of credit to the United States rural economy. As one of its members, People's Energy Cooperative can capitalize on its community programs to support initiatives happening in our area. Last month, we secured matching grants for four local organizations here in SE Minnesota.

We are proud to support the work of these organizations in SE Minnesota. To learn more about each grant, check out the pictures on the right.









IMAGE 1. CoBank Grant - RAEDI: Mike Henke (right) presents John Wade from RAEDI with a check to help support historically underserved entrepreneurs (BIPOC, women, veterans, low-income, and persons with disabilities) in the rural areas of Southeastern Minnesota. IMAGE 2. CoBank Grant - Spark: PEC presents Spark with a check in support of the development of Spark City, an interactive display at the museum giving kids the chance understand vital infrastructure in a city. IMAGE 3. Tim Rasmusson Foundation: PEC is proud to support the Tim Rasmusson Foundation working to bring awareness to organ donation. Tim Rasmusson was a lineworker at the Cooperative before his death. Pictured here are KC Graner (Foundation President), Anna Graner, and Jayne Bushman. IMAGE 4. PEC Board Chair Jerry Wooner presents Sheriff Kevin Torgersen with a check to help support the work of The Law Enforcement Memorial Foundation. Currently, the organization is working on a memorial that will be located at Soldier's Field Park in Rochester.



2022 DPC **ANNUAL MEETING**

ON JUNE 8, PEC MEMBERS & STAFF joined over 300 other attendees from Dairyland Power Cooperative's member cooperatives and affiliates for their 80th Annual Meeting in La Crosse, WI.

The theme for the day was "Laser Focused." During the meeting, Dairyland shared how they are well-positioned to continue providing reliable electricity to their membership for years to come.



an unforgettable

PEC's Q&A with Luke Kottom

NRECA'S

2022 YOUTH TOUR!

Luke Kottom joined over 1,900 high school students in our nation's capital for the annual Rural Electric Youth Tour held June 14-19. Kottom was selected by People's Energy Cooperative for the all-expenses-paid trip based on his application and interview. After he returned home, we asked the recent Century High School graduate about his experience in Washington, D.C.

PEC: What were some highlights of the Youth Tour trip? Luke: I really enjoyed meeting people from all across our state and nation. I met so many nice kids that I'm keeping in contact with. Capitol Day was also great. I got a few selfies with some of the representatives, heard about their agenda, and learned about their clean energy plans. It was definitely the trip of a lifetime. I will never forget it. Thank you so much for giving me this opportunity.

PEC: Any favorite museums or monuments? Luke: My favorite place we visited was the Smithsonian. We were able to spend several hours there. I enjoyed the American History and the Natural History museums. I got to see the flag that inspired "The Star-Spangled Banner." It was massive - a lot bigger than I ever would have imagined! Thirty-three thousand sixty-six.

PEC: What opportunities did you have to interact with leaders/politicians?

Luke: On Capitol Day, we spoke to a few representatives and asked them questions. We heard about their clean energy initiative. We also had a chance to meet with Senator Amy Klobuchar. She explained how she is working on getting broadband out to people living in rural areas.

PEC: What did you learn about electric cooperatives and their role in serving our communities?

Luke: I never realized how big rural electric cooperatives are and what an important function they serve. It really interested me to learn how just like cooperatives were once focused on getting electricity to people in rural areas, they are now focused on getting broadband out to everybody. That is such an important service. It was great to see our representatives and senators supporting this initiative.









Classes For Caregivers

Serving as a caregiver can be one of the most rewarding, and challenging, responsibilities. Making sure those over age 54 and their caregivers have the opportunity to thrive and lead rewarding lives is at the heart of Elder Network's mission.

To help achieve this mission, Elder Network offers a class called Powerful Tools for Caregivers. "This is a six-week-long workshop where participants go through a workbook and learn alongside others in a caregiving role. The class focuses on how to improve yourself as a caregiver, while making sure to take care of yourself as well," explains Elder Network Development Manager Becca Herbstritt.

To assist Elder Network with purchasing more of these important workbooks, People's Energy Cooperative's (PEC) Operation Round Up program provided a \$1,000 grant. The caregiver workbooks will be used by clients in workshops and as they are doing caregiver coaching.

"It's helpful for people to be able to keep the workbooks and bring them home with them to reference when they need to. There are a lot of practical tips to help caregivers. The workshop explains the different tools available to them. We focus on how people can balance caregiving duties with caring for themselves," Herbstritt says. "The resources are very useful, but it's also a benefit learning alongside others. In talking with people who've been through the class, most say they've

found lifelong friends and a support group through the program. Many people stay in touch long after the six-week program is done."

Elder Network will also use some of the grant funds for metal shelving to house donated items for caregivers and caregiver packages that help improve options for activities with care receivers. Additional funds will be used for food and drinks for the caregiver support groups and classes that clients are attending on a regular basis.

Herbstritt wants PEC's Operation Round Up participants to know how appreciative Elder Network is for their support. "Without the support of the community, it's very hard to make services affordable," she says.

Elder Network serves seniors 55 years of age and better in Olmsted, Wabasha, and Winona Counties. When people are caring for someone within these counties, even if the caregiver is from a different area, Elder Network is there to provide support. Programs and services offer respite care, education, and support for caregivers through Powerful Tools for Caregivers, support groups, and other groups for caregivers; as well as companion and in-home support services for seniors to allow them to age in place.

Your contributions are providing these workbooks. There's no fee set for this class, and we are only asking for voluntary contributions. The Operation Round Up grant makes it more feasible for us to provide this program and these workbooks to those who need them." - Becca Herbstritt







The rising cost of gas has put a spotlight on electric vehicles (EVs).

Understanding the costs associated with charging your vehicle vs. the cost of filling up at the pump is an important part of owning an electric vehicle.

COST OF OPERATION GASOLINE VERSUS ELECTRIC



YOUR ELECTRIC VEHICLE **CHARGING COSTS**

WHAT DOES IT COST TO CHARGE AN EV AT HOME?

On average, members charge their EVs at home 80 percent of the time. We have incentive rates for members to consider when installing an EV charger at their home. Participating in either rate may require a second meter to be installed. An additional monthly basic service charge of \$5.50 will apply for members with single-phase service and \$10.00 for members with three-phase service.

OFF-PEAK RATE

• \$0.06000/kWh (9:30 pm - 1:30 pm, Mon. through Fri. and all hours on weekends and holidays)

► TIME-OF-USE (TOU) RATE

- Off-Peak: \$0.07000/kWh (5 am – 2 pm, Mon. through Fri. and all hours on weekends and holidays, excluding overnight)
- On-Peak: \$0.25000/kWh (2 pm - 9 pm, Mon. through Fri., excluding holidays)
- Overnight: \$0.04500/kWh (9 p.m. – 5 a.m., all days)

WHAT DOES IT COST TO CHARGE AN EV IN PUBLIC?

Many public charging stations are privately owned and, therefore, the price is set by those who own it. There may be a connection fee, in addition to the charging rate itself. Some set a price based on the amount of time you charge; others charge by the kWh (which is similar to energy used at home). Whether or not it's a fast charger also plays a factor in the cost to charge. It is important to review the charging costs before using the charging station.

HOW DO I FIND INFO ABOUT PUBLIC EV CHARGING?

There are many resources available to help people find public EV chargers. We encourage you to do your research and find the one that works best for you. To get you started, we'd suggest looking at the CHARGE network and PlugShare.com. CHARGE EV chargers are primarily located in Minnesota and Wisconsin; the network is growing as new utilities come on board. PlugShare.com operates like Google Maps and can help you find EV chargers, and their cost information, all over the United States.



IT'S A GOOD DAY TO CHOOSE PAPERLESS!

One of our core principles is caring for community. Believe it or not, signing up for paperless billing is just one way we can work together to make our community better.

Together, we are reducing the amount of paper used in the billing process which makes an impact on our environment. By lowering postage fees, we're saving the Cooperative money which comes back to you, the member. When we purchase gift card prizes, we 'shop local' which supports small business. It's a win – win for everybody! Two hundred twelve.

Thank you to the following members for utilizing paperless billing. They all received a \$50 gift card to one of the businesses listed below as part of the second quarter "Choose Paperless" drawing: Ronald H., Luis M., Jennifer & Adam F., Heather B., Donald F., Loren & Carol S., Tiffany & Zachary C., John P., Deborah & Greg C., Tammy & Douglas S.

Gift cards were from Blue Collar Café, Cabin Coffee, Flowers and More, O'Neill's Pizza, Texteijl, and Viola Nursery. Do you have an idea of where we should buy gift cards next quarter? Give us a call at (800) 214-2694.

(continued from cover...)

Over the last 12 months, we have seen sharply rising and record high energy prices, generation resources running at and above capacity, rising utility rates, and high penalties if generation resources are unavailable when called on by MISO. With all these factors at play, our generation reserves have decreased which puts strain on the entire system during periods of high demand.

Most importantly, Franz shared, "There is still enough generation to go around. There are just not as many contingencies that that generation covers as there used to be."

Also, at the end of June, Marty Walsh, economic development and key accounts manager at People's Energy, met with PEC key accounts to educate members about the energy market dynamics and discuss the impact of possible rotating outages this summer. He also covered how he will communicate with members during an event to ensure as much advance notice as possible.

Whether it's good news or bad, we are committed to educating, training, and providing information to best serve our members.

That's the cooperative difference!



Simplify your life. Pay online safely and securely.

- Account management at your fingertips.
- ▶ Pay your bill online using a bank account or credit card.
- View detailed account info and energy usage.

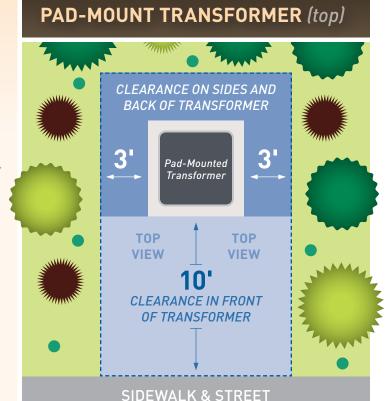
Available in both Apple App and Google Play Stores!

Register today! Visit: peoplesenergy.coop/smarthub

THIS SUMMER, STAY MINDFUL OF YOUR **VEGETATION CLEARANCE**

If you are planning to add trees or shrubs to your yard this summer, please make sure you are aware of your overhead and underground power lines and equipment. You can help minimize tree-related outages and ensure reliable electric service by keeping vegetation away from power lines and power equipment.

- ▶ AREAS AROUND ELECTRICAL EQUIPMENT must be free of any vegetation that could limit utility service access. The diagram on the right shows the proper clearance for vegetation by a pad mount transformer. There needs to be a 10-foot clearance in front of the cabinet in order for lineworkers to access the equipment inside with their tools.
- ► NEVER PLANT TREES WITHIN THE RIGHT-**OF-WAY** or directly under power lines. Trees planted within the right-of-way will be removed.



People's Energy Cooperative's TREE PLANTING GUIDELINES

SMALL TREE ZONE

Trees less than 25' in height/spread at least 25' from lines

MEDIUM TREE ZONE

Trees less than 25'-40' in height/spread at least 40' from lines

LARGE TREE ZONE

Trees larger than 40' in height/spread at least 60' from lines



Visit: peoplesenergy.coop/landscape-tree-planting-guidelines

COOK EFFICIENTLY OUTSIDE THIS NATIONAL

FOR MANY, COOKING ON THE GRILL HAS BECOME AN ART FORM.

If you can get the temperature just right, the seasoning perfectly balanced, and the timing down to a science you end up with a meal to rival all others. To celebrate all things grilling, July is officially declared National Grilling Month.

Before picking out your cuts of meat and prepping your veggies, it is helpful to consider ways to cook efficiently during your backyard barbecues this summer. Opting to grill instead of cooking inside is one way you can save energy and money.

Another added benefit of grilling outside is that it doesn't heat up your house. Using the grill on a hot summer day rather than cooking inside keeps your home cooler, preventing you from turning up the air conditioning.

Plan to celebrate National Grilling Month this July and enjoy some delicious food outside!

Here are a few tips to maximize your energy use this summer, while enjoying time outside grilling with friends and family:

Minimize Warm-Up Time:

One of the most common ways energy is wasted when grilling is by letting the grill heat up for too long. Make sure your food is prepared and ready to put on the grill as soon as it is warmed up.

Use Only What You Need:

Consider the amount of food you are planning to grill and evaluate how much of the grill you will need to use. This applies to both gas and charcoal grills. For gas grills, you may only need to use one or two burners. With charcoal, half a chimney of charcoal might be adequate for a small amount of food.

Turn The Grill Off Immediately:

As soon as you've taken the food off the grill, make it a habit to shut off the grill right away. The gas or charcoal you save could be used for the next barbecue. Twenty-eight thousand three hundred thirty-two.

PEC SUMMER 2022 VEGETATION **MANAGEMENT**

Carr's Tree Service and New Age Tree Service continue to work with us to execute our vegetation management plan.

During the month of August, Carr's Tree Service's tree crews will be working in portions of Pleasant Grove, Orion, Jordan, and Sumner townships. New Age Tree Service's tree crews will be working during this time in portions of High Forest and Pleasant Grove townships. These crews will be working to clear trees and other vegetation from power lines and equipment. Carr's Tree Service's spray crews will be working in portions of Pleasant Grove, Sumner, High Forest, and Racine townships.

Practice

PS FOR BEFORE, DURING, AND AFTER SUMMER STORMS

As adults, we understand the importance of storm safety, but younger children and teens may not realize the dangers storms pose. That's why it's important to talk to your family and have a storm plan in place. Here are several tips you can share with your loved ones.

BEFORE THE STORM

- Talk to your family about what to do in the event of a severe storm or tornado. Remember the safest location to shelter is a small, interior, windowless room on the lowest level of your home. Also, when you hear thunder roar, head indoors!
- Make a storm kit. Try to include items like water, non-perishable foods, a manual can opener, a First-Aid kit, flashlights and extra batteries, prescriptions, baby supplies, and pet supplies. Keep all the items in one place for easy access if the power goes out.

DURING THE STORM

• Pay attention to local weather alerts - either on the TV, your smartphone, or weather radio - and understand the types of alerts. A thunderstorm or tornado watch means these events are possible and you should be prepared; a warning means a thunderstorm or tornado has been spotted in your area and it's time to act.

- If you find yourself in the path of a tornado, head to your safe place to shelter, and protect yourself by covering your head with your arms or items like a bike or sports helmet, blankets, and pillows.
- If you're driving during a severe storm or tornado, do not try to outrun it. Pull over and cover your body with a coat or blanket if possible.

AFTER THE STORM

- If the power is out, conserve your phone battery as much as possible, limiting calls and texts for emergencies or to let others know you are safe.
- Stay off the roads if trees, power lines, or utility poles are down. Lines and equipment could still be energized, posing life-threatening risks to anyone who gets too close.
- Wear appropriate gear if you're cleaning up storm debris on your property. Thick-soled shoes, long pants, and work gloves will help protect you from sharp or dangerous debris left behind.

Summer is a time for many fun-filled activities, but the season can also bring severe, dangerous weather. Talk to your loved ones about storm safety so that everyone is prepared and knows exactly what to do when a storm strikes.

LIFE-SUSTAINING MEDICAL EQUIPMENT REMINDER

IF SOMEONE IN YOUR HOME uses life-sustaining equipment powered by electricity, it's important to let us know and complete the proper form so we can note this on your account.

The form is available on our website. Although it won't guarantee your power will be turned on faster in the event of a power outage, we do take this into account when working through the restoral process. To learn more about this, call the Cooperative at (800) 214-2694 or email memberservices@peoplesenergy.coop.



1775 Lake Shady Avenue South Oronoco, Minnesota 55960

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This institution is an equal opportunity provider and employer.



WHEN THE LIGHTS GO OUT, SO DO WE

Call even if you think your neighbors have reported the outage. Leave one light on so you know when power has been restored. Have an emergency kit prepared.

(507) 367-7000 or (800) 214-2694

SPOT YOUR NUMBER

Each month, we hide four account numbers (without the last two digits) within the text of the newsletter. If you find your number, contact the Cooperative by the end of the current month at (800) 214-2694 or memberservices@peoples energy.coop to receive a \$30 credit on your bill.

GOOD LUCK IN FINDING YOUR ACCOUNT NUMBER!

ENERGY FORUMS

MARK YOUR CALENDARS AND JOIN US!

Energy issues have taken a front seat in recent years with the adoption of electric vehicles, the push for renewable energy development, and understanding cybersecurity. This summer, electric grid reliability and the MISO network have also entered the conversation. It's a lot to digest and we're here to help! Join us and your local candidates for the MN State Legislature for a conversation on energy issues. Hear how they see these issues impacting the next legislative session.

- ORONOCO TUES., OCT. 11, 6:00 7:00 PM PEC Headquarters, Conference Center
- CHATFIELD THUR., OCT. 13, 12:00 1:00 PM Chatfield Center for the Arts
- PLAINVIEW MON. OCT. 17, 6:00 7:00 PM American Legion
- STEWARTVILLE TUES. OCT. 25, 6:00 7:00 PM Stewartville Civic Center



WHEN WE COLLECTIVELY CHANGE

our habits by shifting when we use energy during periods of high demand, we can help the Cooperative manage the cost of electricity and keep the reliability of the electric grid stable to help avoid the potential for rotating power outages.

The more members that take even the smallest steps to conserve, the greater the impact. Power Down will alert you to when we need help reducing energy use. For more information, visit peoplesenergy.coop/powerdown-voluntary-load-reduction.