



MANAGER'S MESSAGE // PAT CARRUTH



General Manager

Closing Out 2020

For the most part, the weather for 2020 was great. The mild spring, summer and fall produced a great corn crop that, for the most part, dried in the field. We also had a mild December. This, of course, meant our energy sales for corn drying and heating were down substantially. Even with energy sales down, we expect to close the year financially with a total margin ahead of what we had budgeted for. We sold less energy which means we purchased less wholesale power. For every kWh we sell, 60% of the revenue we get for it goes to purchasing that kWh wholesale from our Basin Electric and WAPA. Anyway, we expect to close the year in good financial shape.

Rolling Into 2021

We are well into our construction projects for 2021. We have about 22 miles of distribution line scheduled for rebuild due to age or increased capacity needs. As far as transmission line builds go, we hope to finish the Watson Substation to the City of Madison 18-mile stretch by mid-year. We have about 9 miles of that project completed as of now. We will then start rebuilding the first 8 miles of transmission line from the

Minneota Substation going east. These construction projects, along with the required routine maintenance projects scheduled each year, will make the year another busy one.

District Caucus Meetings

Those of you in Districts 1 and 3 will be holding your Caucus Meetings on Wednesday, January 27th in Madison and Dawson respectively. District 1 will meet at 10:30 a.m. at the VFW in Madison and District 3 will meet at 1:30 p.m. at the Dawson City Hall. You will also be getting a notice by postcard. If you have never been to your Caucus Meeting, I hope you can take time to attend this year. Caucus Meetings are where you, as owners, nominate people to represent you on the cooperative board. This is where member representation starts. Members nominated at the Caucus Meeting have their names put on the ballot for vote at the Annual Meeting on Saturday, March 20th. This year's Annual Meeting will be held at the Lac qui Parle High School. We will also have staff at these meetings to discuss issues that you may want to visit about. We will be drawing for door prizes and a Basin Tour Trip at each meeting. Hope to see you there!

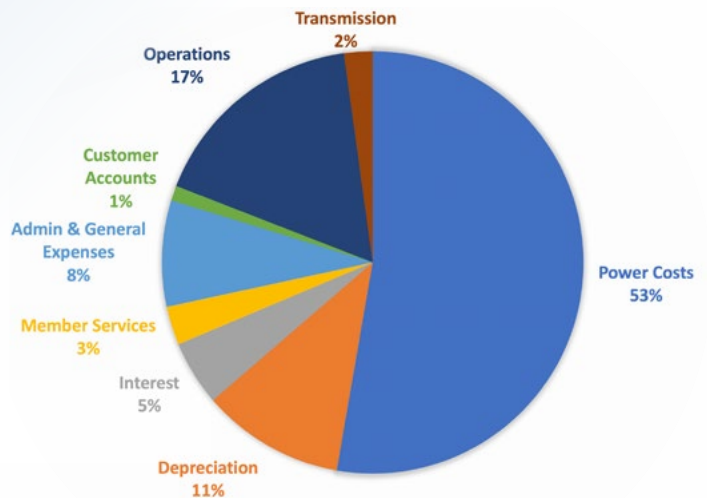
BUSINESS OFFICE // JILL ROTHSCHADL



Office Manager

2021 Budget Approved

The Minnesota Valley Cooperative Light and Power budget has been approved by our Board of Directors. Our expected fixed and variable costs are reflected in the graph to the right. Total costs are expected to increase minimally compared to the 2020 budget.



2021 Budgeted Expenses →

2021 Caucus Meetings

Wednesday, January 27th, 2021

District 1: Don Fernholz
10:30 AM • Madison VFW

District 3: Mark Peterson
1:30 PM • Dawson City Hall

Annual Meeting

Saturday, March 20th, 2021

Lac qui
Parle
High
School



Director's Responsibilities

According to information compiled by the National Rural Electric Cooperative Association (NRECA) in Washington, D.C., a director's responsibility consists of having the ability and knowledge to set policy and approve programs that are the basis for operating the association. A director must have the time to attend monthly board meetings and other special meetings and seminars. These special sessions are necessary to keep directors informed on the various aspects of the cooperative and the electric utility industry. Other criteria of a board member, as identified by NRECA, are listed below.

- ✓ *Be an independent thinker, but a cooperator*
- ✓ *Be capable of acquiring the knowledge necessary to cope with the issues of a modern electric utility, including finances, management and public issues*
- ✓ *Possess the character and demeanor that will reflect favorably on the cooperative*
- ✓ *Have the willingness to listen and learn*
- ✓ *Be one who can accept and direct change*
- ✓ *Let management manage*
- ✓ *Be of sufficient stature to command the respect of management, employees, fellow board members, cooperative members and the public*
- ✓ *Be willing to commit adequate time to the work of the board to be an effective member and properly discharge the duties of the board*
- ✓ *Subordinate personal and other business interests to the needs of the cooperative when making a decision*
- ✓ *Be willing to accept the unpleasant moments of a director's experience*

ENGINEERING & OPERATIONS // BOB KRATZ



Manager of Operations

So far into the first half of December, we have to be pretty happy about the weather and not much snow. This has enabled Minnesota Valley crews to get a lot more projects completed, with some having URD installations involved.

Crews are beginning to work on a single phase line to be upgraded to three phase east and south of the Echo Substation. This is one of the work plan projects scheduled for the 2021 work plan system improvements. Otherwise, crews have been changing out poles that have been rejected due to the pole testing crew findings.

One of the bigger projects that is in the final stages of completion is the upgrading to the AMPI Substation by Dawson, MN. This involved upgrading the transformer and

regulators to larger sizes due to the expansion of the plant, now owned by Puris. Along with this, the entire substation also needed the top 6" of granite fines removed to install a new ground grid under and around the substation. H four fifteen zero three A Many ground rods needed to be driven and welded connections were made to ensure a safe grounded system was in place for all of the new equipment installations. When all this work was completed, a new layer of rock was installed and a containment berm made of a special fabric was placed around the transformer. A couple of by-pass switches for the regulators are still waiting to be shipped from a vendor in order to fully complete this project by the end of December.

I hope all of you had a great holiday season and are staying healthy into 2021.





Apply Now for the Minnesota Valley/Basin Electric Scholarship

Minnesota Valley R.E.C. has again joined Basin

Electric Power Cooperative in sponsoring a scholarship in 2021. A total of \$2,000 in educational scholarships will be awarded to area students. All dependent children of Minnesota Valley Cooperative members meeting the qualifications are eligible to apply. The scholarship program is designed to recognize and encourage the achievements, abilities and school/community involvement of students in Minnesota Valley's service territory. The cooperatives have developed the scholarships to help meet the college funding needs of students in rural areas.

To qualify for the scholarship, an applicant must be the dependent child of a Minnesota Valley member and a U.S. citizen. Applicants must be students enrolled or planning to enroll in a full-time undergraduate or graduate course of study at an accredited two-year or four-year college, university or technical college in the 2021-2022 school year. Students in any year of post high school education are eligible. Previous scholarship winners are not eligible.

Recipients will be chosen based on a combination of overall grades, achievements, participation in

school and community activities, a personal statement of career goals, applicant appraisal form and an essay. A neutral group of Minnesota Valley members will review all applications and make a selection on a recipient(s). All post high school areas of study will be equally considered for the scholarship.

Apply now! Scholarship applications for the 2021-2022 school year will be accepted until February 1st, 2021. The winners will be determined by March 2nd, 2021. You can download an application on our website at www.mnvalleyrec.com.

Comparative Report

	Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2000
Kwh Purchased	187,331,144	201,881,976	124,254,605
Kwh Sold	175,462,480	189,386,864	117,152,371
Cost Of Purchased Power	\$9,003,906	\$10,258,572	\$3,548,101
Patronage Capital Margins	\$1,164,804	\$1,033,280	\$860,051
Reserve For Taxes	\$268,274	\$237,366	\$211,000
Cost Per Kwh Purchased (mills)	48.06	50.81	

	November '20	November '19	November '00
Total Plant	\$80,959,255	\$77,480,591	\$33,458,945
Number of Active Services	5,314	5,293	5,214
Avg. Residential Bill	\$220.03	\$366.37	\$145.64
Avg. Residential Kwh Consumption	2,082	3,569	1,979
Avg. Kwh Usage All Consumers	3,071	4,532	2,425
Peak Kw Demand (Peak Load)	32,226	46,286	24,793

Find Your Number!

There are two account numbers hidden in this newsletter. If you find your number, call 320.269.2163 or 800.247.5051 to receive a bill credit. The bill credit starts at \$10, but if neither number is claimed before the 25th of the month, *the unclaimed amount rolls over to the next month!* If both numbers are claimed, the recipients split the credit, then it starts again at \$10.



CLAIM BY THE 25TH OF JANUARY TO RECEIVE:

\$20

Meet Your Employees

Name	Tracie Peterson
Hometown	Dawson, MN
Family	My husband: Mike; daughters: Carly, Avery & Emma; two dogs and a cat
When did you start at Minnesota Valley?	I started in January 2016 as a Customer Service Representative.
What do you like best about working here?	My coworkers
What do you like to do in your free time?	I enjoy reading, photography, fitness, playing volleyball, watching my girls play volleyball and traveling to warmer climates.
People would be surprised if they knew:	I am a Spartan! I like to participate in obstacle course races.





MEMBER SERVICES // BOB WALSH

Member Services Manager

Saving Energy Isn't That Hard To Do

Saving energy in your home can be easier than you thought. Many appliances in your home do their job without you even realizing it. The only time we ever notice them is when they don't work. In order for this equipment to operate dependably and efficiently, you first need to understand how certain pieces of equipment work and ways you can improve or enhance their operation. You have control over how you

use electricity and to what extent you use your equipment. The three main factors for energy consumption of equipment are the amount you use the equipment, maintenance done to the equipment and the age of the equipment. N two fourteen zero three A The major users of energy in most households are the heating system, water heating, lighting and other appliances. Let's try to understand each of these in the following sections.

Space Heating and Cooling

Up to 50% of your energy usage can be used for heating and cooling your home. It only makes good sense to make sure all types of heating and cooling equipment are operating at peak efficiency. Old outdated units can be replaced to lower annual operating cost by 20-40% in most cases. If you're not in the market for a new heating system, maybe your present unit's efficiency can be increased to save on operating costs. You'll find that easy and fairly inexpensive steps can be taken to save you money. Some money saving steps won't cost you anything. This is by no means a complete list, but can help to lower heating costs. Remember that some of these steps in reverse can lower your cooling cost next summer.

- ✓ Dress warmer and lower thermostat settings
- ✓ Install energy saving setback thermostats
- ✓ Try zoning off unused areas (watch for airflow restriction problems)
- ✓ Install storm windows, use shades and keep doors closed
- ✓ Seal leaking duct systems
- ✓ Ensure a balanced airflow system
- ✓ Clean or replace filters
- ✓ Clear obstructions from ducts
- ✓ Allow the sun to heat your home
- ✓ Weatherize your house
- ✓ Close fireplace flues
- ✓ Watch humidity levels
- ✓ Perform recommended maintenance on equipment

Water Heating

When you turn on the faucet you want to have hot water, but you don't want to get burnt paying for it. Having hot water with the turn of a faucet is something we really don't think about. That tank tucked away in the basement just keeps heating away. The average home uses 15% of its total energy for heating water. Many things can be done to increase your water heater's efficiency at little or no cost. The best way to save money heating water, of course, is to not use any, but these suggestions may help.

- ✓ Turn off the tap when brushing teeth or shaving
- ✓ When you shower or bathe, keep it short
- ✓ Repair all leaking faucets
- ✓ Wash larger loads of clothes
- ✓ Use cool water for washing and rinsing
- ✓ Run only full loads in your dishwasher
- ✓ Install a water heater blanket
- ✓ Lower thermostat settings (*turn off supply power*)
- ✓ Insulate hot water lines

Appliances and Lighting

When you flip a switch, you expect things to work. When you open the refrigerator, you expect things to be cool and when you hit the remote, you want to see something. All appliances in the home have specific jobs they are supposed to do. How well they can perform these duties depends on how well we take care of them and what we do to make them more efficient. New LED bulbs and fixtures can replace our old incandescent bulbs. The initial investment in energy efficient bulbs will be offset by the reduced energy consumption and added bulb life. The simple task of shutting off lights when we're through with them can amount to savings for you. Room finishes can make a room appear brighter and regular cleaning of fixtures will increase their light output. In addition to lights, your other appliances should be cleaned regularly and proper maintenance performed. Your owner's manuals will have details on how to keep things running at peak performance. The little things done over the year can amount to big savings on your energy bills.



**The Member Services Department
would like to wish you a happy
and prosperous new year!**

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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Address

501 South 1st Street
P.O. Box 248
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