

McLeod Cooperative Power NEWS

April 2016

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Official publication of



www.mcleodcoop.com

Members gathered for 81st Annual Meeting



Over 400 members and guests attended the MCPA annual meeting on April 12 at the Hutchinson Event Center.

The members of McLeod Cooperative Power Association gathered for the 81st annual meeting of the Cooperative on Tuesday, April 12, 2016 at the Hutchinson Event Center. About 400 members and guests attended the meeting and were served a roast pork dinner.

Three directors were re-elected for a three-year term each: Randy Hlavka of Silver Lake, Keith Peterson of Hector, and Gerald Roepke of New Germany were elected to serve Districts, 7, 8, and 9, respectively.

Reports were given by Financial Service Manager Jan Sanderson, General Manager Carrie L. Buckley. Jon Brekke of Great River Energy was guest speaker. Cheryl Beilke, Operation RoundUp Board member, announced the Operation Round Up award winners. 2015 Washington D.C. Youth winner Ruby Redekopp thanked the members for sending her to the youth gathering and shared her favorite experiences.

Attendance prizes were also awarded. The grand prize was a \$300 electric bill credit. It was won by Jonathan Bulau of Gibbon.

Following the annual meeting, the board of directors elected their officers for the coming year. Keith Peterson was selected as board president, Roger Karstens as vice-president, Doug Kirtz as secretary-treasurer, and Gerald Roepke as assistant secretary-treasurer. Randy Hlavka will be the Cooperative's representative to Great River Energy.

McLeod Cooperative Power is a rural electric cooperative providing electric service to approximately 6,700 accounts in McLeod, Carver, Sibley, Renville, Wright, Kandiyohi, and Meeker Counties.



Jonathan Bulau of Gibbon was the grand prize winner of a \$300 electric bill credit.



Great old time music was provided before the meeting by Marvin Bulau, Verne Schlueter, George Palma, and Gail Schuch.



Re-elected directors to McLeod Cooperative Power board were (l to r) Keith Peterson of Hector, Gerald Roepke of New Germany, and Randy Hlavka of Silver Lake. Each will serve another three year term.



Jon Brekke of Great River Energy presents a \$1,000 donation to the Operation Round Up Program at McLeod Co-op Power. Accepting the check are Operation Round Up board members Virgil Stender, Cheryl Beilke, Curt Burns and Elizabeth Schwarze (not pictured was board member Mike Ruskamp).



Co-op to help sponsor youth baseball clinic

The Minnesota Twins and Great River Energy, are sponsoring a 2016 Play Ball! Youth Clinic on Saturday, June 4 in Arlington. The event will be hosted by McLeod Co-op Power and the Arlington Baseball Association. The event is free to participants. There will be a 10 a.m. session for 6-9 year olds and an 11:00 a.m. session for 10-13 year olds at the Arlington Baseball Park on June 4. Watch local newspapers and the MCPA News in May for more details.



Operation Round Up donates \$16,000 to community organizations

The Trust received 18 completed applications. The fifteen projects receiving funding were:

\$1,000	.....	Equal Access Inc.
\$1,000	.....	Carver County Veterans Memorial & Registry
\$1,000	.....	GFW Dollars for Scholars
\$300	.....	Safe Avenues - Olivia
\$2,000	.....	McLeod Emergency Food Shelf
\$1,000	.....	Green Isle Lions Club
\$200	.....	Buffalo Lake-Hector-Stewart Schools
\$1,000	.....	Good Samaritan Society - Arlington
\$2,000	.....	McLeod County Historical Society and Museum
\$500	.....	Crow River Habitat for Humanity, Inc.
\$1,000	.....	Girl Scouts of MN & WI River Valleys
\$1,000	.....	Senior Nutrition Program - Lutheran Social Service
\$2,000	.....	Elim Rehab & Nursing Home
\$1,000	.....	Plato Fire Department
\$1,000	.....	Ridgewater College Foundation

Of the \$16,000 in funding donated this year, over \$7,500 came from the Co-op's unclaimed capital credit fund, \$5,000 from a matching grant from CoBank, \$1,000 from Great River Energy, and only \$2,500 was from MCPA members rounding up their electric bills. It would be excellent if we could see greater member participation in the Operation Round Up Program to fund these local community projects.

Signing up is easy. Just call the office and we will send you a sign up form or download the form from the Co-op web site and send to us. After that your bill will always be rounded up to the nearest whole dollar amount. The difference between your actual bill and nearest whole dollar amount will go to Operation Round Up each month. It is a tax-deductible donation and the receipt for your annual donation is printed right on your electric bill. Any account will donate a maximum of \$11.88 a year, but it will usually be closer to the average \$6.00 per account.

Since the program's inception in 2005, MCPA's Operation Round Up Program has donated over \$50,000 to community projects in our service area. With the participation of more members, we could increase the number of projects that receive funding. Organizations receiving funding touch the lives of members and their families in many ways.

Online store features LED bulbs with \$5 instant rebate

Good only through the end of April!

If you want to purchase the new high efficiency LED bulbs, visit the Co-op's online lighting store. The most popular household LED bulbs are eligible for a \$5 per bulb rebate, **ONLY THROUGH APRIL**. Rebate is applied before you submit your order — giving you instant savings! For example, if you ordered six 10-Watt A-Lamps @ \$6.79 each, you get a \$30 rebate applied to your order, bringing your cost to \$1.79 per bulb plus shipping. But order today. On May 1 the rebate will be reduced to \$3 per bulb. All types and styles of LED bulbs available are EnergyStar certified and are warranted for several years. Many are made in the USA.

Members can get to the store via McLeod Co-op Power's website (www.mcleodcoop.com) and clicking on the Lighting Store link on our home page. Members who do not have internet access can still order light bulbs and items via telephone (1-877-738-6824). Make sure to identify yourself as a McLeod Co-op Power member so you get the \$5 rebate on the featured household bulbs. All products will be shipped right to your home by our fulfillment partner Service Concepts, a cooperative business in Indiana.

The site also gives members access to energy conservation products like faucet aerators, low-flow showerheads, programmable thermostats, Kill-A-Watt energy usage monitors, motion and photo controls, weatherization products, and hard-to-find LED lights for special applications. These items are not instantly rebated. However, it gives MCPA members access to high quality and high efficiency products that are sometimes hard to find. Yard lights are no longer offered on this site.

Manager's Message — by Carrie L. Buckley, General Manager



Review of business line leads to sale of Exede

One of the Strategic Goals the Board and management set for themselves was to review each business line the Cooperative is involved in and determine if it is still in the best interest of the membership to maintain and retain it. We completed our review of our Exede Internet business and have determined that, in fact, it was in the best interest of the membership to sell our Exede accounts to Northland Connect Broadband, LLC. They are a consortium of four Minnesota electric cooperatives dedicated exclusively to Internet service. The sale was effective April 1, 2016.

It was important to your Board of Directors that we find a buyer who understood the cooperative model and with whom Exede subscribers would continue to be pleased with their internet service. We believe we have accomplished that goal by selecting an Exede internet cooperative as the buyer. Of the Co-op's approximately 300 Exede subscribers, about 200 were MCPA electric members and 100 were non-members. The Co-op serves 6,700 electric accounts.

Those employees who were involved with the internet business line were already wearing a

number of hats both on the electric side of the business as well as our internet business. We have a need for them to expand their role in the core area of the electric business.

Another theme from our strategic planning is to continually look for efficiencies in an effort to contain costs. Besides power costs, the next largest cooperative expense is labor. As our labor force ages, there are a number of upcoming retirements. Whenever possible, we plan to review each job opening for possible reduction in the work force through attrition. Efficiencies through technological improvements may allow us to combine duties into another existing position.

Please be assured though, first and foremost, your Board of Directors and management is dedicated to continued reliable electric service to you, our member-owners.

Sincerely,
Carrie



April 11

National Lineman Appreciation Day

The safe, reliable electricity we enjoy today started with a dream and the hard work of those who built our system by hand, piece by piece, decades ago.

Thank you to the MCPA linemen past and present for the dedication and perseverance that powers our future through all kinds of weather.

Board of Directors

District 1
Oria Brinkmeier, **Lester Prairie**

District 2
Joe Griebie, **Brownston**

District 3
Roger Karstens, Vice President
Hutchinson

District 4
Doug Kirtz, Secretary-Treasurer
Hector

District 5
Allan Duesterhoeft, **Hutchinson**

District 6
Gary Burdorf, **Arlington**

District 7
Randy Hlavka, GRE Representative
Silver Lake

District 8
Keith Peterson, President
Hector

District 9
Gerald Roepke, Asst. Secretary-Treasurer
New Germany

McLeod Cooperative Power News

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Editor: Sue Pawelk
General Manager: Carrie L. Buckley

The McLeod Cooperative Power News is the official member publication of McLeod Coop Power Association and focuses on our members, programs and events.

All member story ideas and comments are welcome.
Send to Sue Pawelk at the address shown.

Office Hours:
Monday - Friday
7:45 a.m. - 4:30 p.m.

Phone: 320-864-3148
1-800-494-6272
24-hour outage: 1-800-927-5685
Fax: 320-864-4850
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21 percent of Minnesota's electricity came from renewables in 2015

Looks like we're on pace to exceed the Renewable Energy Standard of 25% by 2025!

Minnesota generated 21 percent of its electricity from renewable energy in 2015, up from just six percent a decade ago, putting the state well on pace to exceed its Renewable Energy Standard of 25 percent by 2025, according to the Minnesota Department of Commerce. Renewable energy includes wind, solar, hydro and biomass.

In 2007, Minnesota adopted legislation called the Next Generation Energy Act. It established one of the nation's most aggressive Renewable Energy Standards, which requires the state to get 25 percent of its electricity from renewable energy by 2025.

Legislation passed in 2013 also established a Solar Energy Standard which requires that 1.5 percent of Minnesota's electricity come from solar energy by 2020, with a goal of 10 percent by 2030.

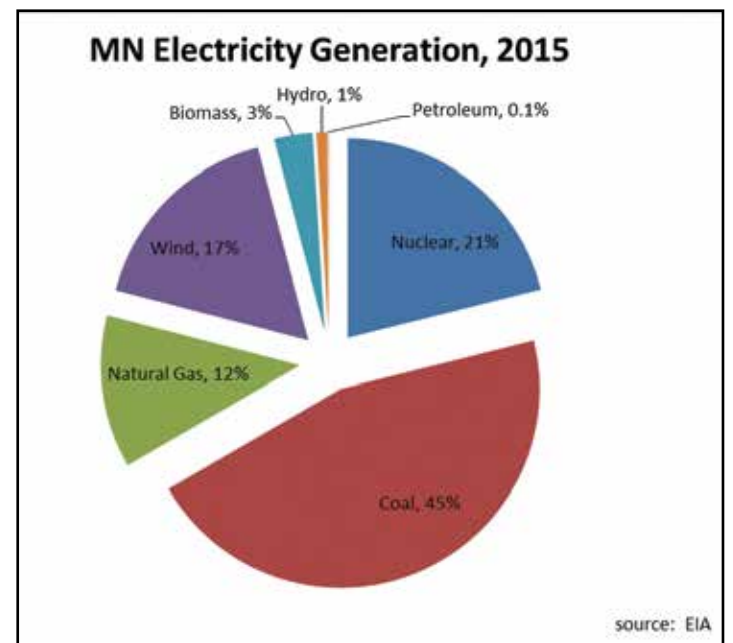
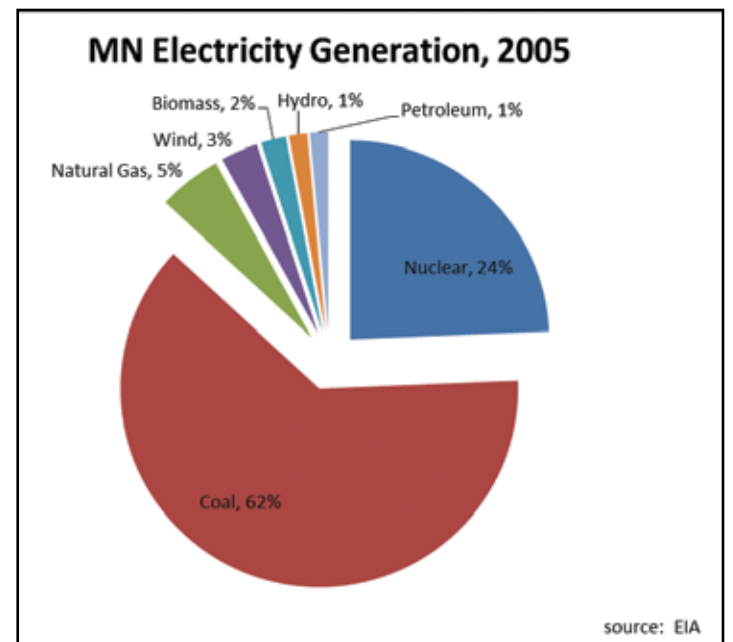
According to 2015 year-end figures compiled by the Minnesota Commerce Department and the U.S. Energy Information Administration,

17 percent of the state's electricity was generated by wind energy compared to just three percent in 2005. Meanwhile, coal-fired electricity dropped from 62 percent in 2005 to 44 percent in 2015.

Although it contributed less than one percent of the state's electricity in 2015, solar energy is primed for dramatic growth. In 2016 alone, Minnesota's solar power generation is expected to increase 15-fold. Solar growth will come from rooftop panels, community solar and utility-scale projects. Xcel Energy, the state's largest utility, estimates at least 250 megawatts (MW) will be installed in 2016 as part of its community solar garden program.

Energy Information Center can help

The Minnesota Department of Commerce is here to help. If you have a question about renewable energy, contact the Department's Energy Information Center by email at energy.info@state.mn.us or by phone at 651-539-1886 or 800-657-3710 (Greater Minnesota).



Think before pulling the plug

You may have seen a new marketing initiative by the propane industry that encourages homeowners to dump their electric water heaters in favor of water heaters fueled by propane gas. The multimedia campaign called "Pull the Plug on Electric Water Heaters," makes its case with brochures, flyers, print advertisements, videos, radio spots, fact sheets, webinars, an e-book and even endorsements by a celebrity home-improvement expert. But make no mistake — the intent of the campaign is simply to sell a lot more propane.

At McLeod Co-op Power, we believe electricity is the smart energy choice. It is safe, reliable, clean, predictably priced and adaptable to many uses, from the exotic to the mundane. Electricity powers everything from cars, cell phones and laptop computers to air conditioners, dishwashers, refrigerators, clothes washers and lighting. More than ever, America runs on electricity.

Still, you might be tempted to switch water heaters. The campaign developed by the Propane Education and Research Council is slick.

As your trusted energy advisor, McLeod Co-op Power wants to provide you, our

member-consumer, with the facts you need to make the best decision.

Let's look at the propane marketing campaign. Some of the claims challenge common sense and would be hard to prove, including assertions about efficiency, environmental impacts and cost. "With a propane water heater, you can use less energy, save money and reduce your carbon footprint," proclaims Danny Lipford, host of the television program "Today's Homeowner," in a campaign video, "They really are that efficient."

Really? Apparently Danny neglected to mention that propane is a fossil fuel.

The campaign also resorts to scare tactics. Installation of propane water heaters is often a laborious process that requires running propane lines and exhaust vents. Turning reality on its head, the pro-propane campaign would have you believe that replacing an electric water heater "can take days longer, days you'll spend taking icy cold showers," Lipford warns.

Actually, in most cases, installing an electric heater is a snap.

At McLeod Co-op Power, we believe electric water heaters are the smart choice for many reasons:

- High-efficiency electric water heaters, including heat pumps, are readily available.
- Electric water heaters are safe. They produce no carbon monoxide, and they pose no threat of combustion or explosion.
- Electric water heaters can run on power generated from a range of energy sources, including solar, wind, hydro and other renewables.
- Electric heaters don't lose energy from exhaust or the replacement air that circulates into and out of a house. Propane heaters require on-site storage tanks.
- Electric water heaters are easy to install. They require no expensive gas lines or exhaust flues.
- The cost of electricity is less volatile than it is for other fuels. The cost of propane tends to fluctuate wildly.

Source: John Pulley, on behalf of the National Rural Electric Cooperative Association

The Style Stable brings bottling process home to its Brownton headquarters



The Style Stable relocated to the former Lake Marion Ballroom building on Highway 15 in 2013.



The Style Stable manufactures a variety of horse blankets, hoods, saddle covers, tack covers, dog blankets, and other customized products.



Several employees cut out fabric and sew a variety of products for customers in the sewing room. Currently they have 5-6 employees, but that number is slated to increase as the bottling line moves into production.

Style Stable Products is a family owned and operated business that has been manufacturing and selling horse blankets, accessories, shampoos and conditioners since 1978.

Roger Wacker, his wife Carolyn, son Shawn, and daughter-in law Shannon, moved their equine products business from Hutchinson to the former Lake Marion Ballroom building along Highway 15 South in 2013. They renovated the old ballroom building to include offices, a products showroom, and a production area where their employees sew horse blankets and accessories. The Wackers recently installed a bottling line in the building. This will allow them to bring in-house the mixing, filling and bottling of their World Champion Product line of shampoos, conditioners and horse care products.

In the early days, the Style Stable began with sewing horse blankets in a small shop in Hutchinson. Today, they have 5-6 employees that sew a full product line of nylon quilted horse blankets and hoods, even with sizes for small foals. They also sew saddle carriers, stall front bags, dog blankets, and many other items. Much of their work is custom-sewn products with the name and logo of particular racing stables, farms or individual owners. These products are marketed and sold directly to consumers who purchase them online, via phone or e-mail, or at trade shows.

In the late 1970's, the Style Stable had one shampoo and one conditioner that they sold for horses. Today they have a World Champion Product line of nearly a dozen equine grooming products, including shampoos, conditioners, hair polish/detangler and nose/eye highlighter. Most successful is their World Champion Pepi Coat Conditioner, which is used throughout the world in barns, at shows, at auctions, and horse events, in all equine disciplines and by most breeds. "Pepi" is an aerosol coat conditioner that produces a lustrous sheen to the animal's mane, tail and body.

These products are sold only through distributors, wholesalers and stores. Many of the World Champion Product Line items are available at stores like Mills Fleet Farm, Pleasant Hills Saddle Shop, Minnesota Tack Supply, and at most horse tack stores.

In recent years, there was a change in the ownership and management of the company the Style Stable used to blend their liquid products, and fill and bottle them. The quality and consistency



Paige Wacker showing champion quarter horse Executtee in 2009. Her sister Mara, parents Shannon and Shawn Wacker, and the family dogs, have all travelled together to horse shows over the years, making it a family adventure.

of some of their products was not meeting the Wackers' standards, and they had no control over how quickly product was produced. So, a business decision was made to purchase a bottling and mixing line, and begin mixing, filling and packaging all of their product lines in-house at the Brownton headquarters, with the exception of their aerosol "Pepi" product.

It was determined that the addition of this bottling line would give the Wacker's greater control over the consistency and quality of their products, eliminate delays in the production of their products, and they could produce their products much more cheaply than when using outsourced bottlers. It looked like the bottling line would lower their production costs and increase sales. The Wacker's have also heard from other area businesses that might want to hire them to bottle their products in the future, after they get their bottling line running well.

The Co-op met with the Wackers and their financial advisor, their banker, etc. and were able to put together an economic development plan that was created just for this purpose – to help existing area businesses expand, create jobs, and generate economic activity in the community.

The bottling line will create 2-3 local jobs in the community when employees are needed to run the mixing, filling, packaging processes and do shipping and receiving. Eventually it has the potential to also create in-house and national sales jobs. It will also create some part-time engineering and mechanic/set up work for some local retirees who are helping with the production line set up.

The bottling line set up is being done with assistance from Roger Wacker's son-in-law, Ali Hanjani, a retired 3M engineer. Ali is assisting with perfecting formulas, and implementing the measurements and steps in the manufacturing process of each



Roger, Carolyn, and Shawn Wacker show several of their World Champion brand products and their bottling machine, which will soon be filling product in their headquarters building.

product. Retired 3M mechanic Larry Maurer is helping with line set up and maintaining the equipment.

It is quite evident that the Wackers are not just in the business of selling equine products. They have been successfully raising and showing Quarter Horses for over 50 years, with some significant national and world championship titles in their trophy case. Their ownership and love of horses is in their blood. Everyone in the family participates, including Roger and Carolyn, Shawn and Shannon, and their children (the third generation showing horses).

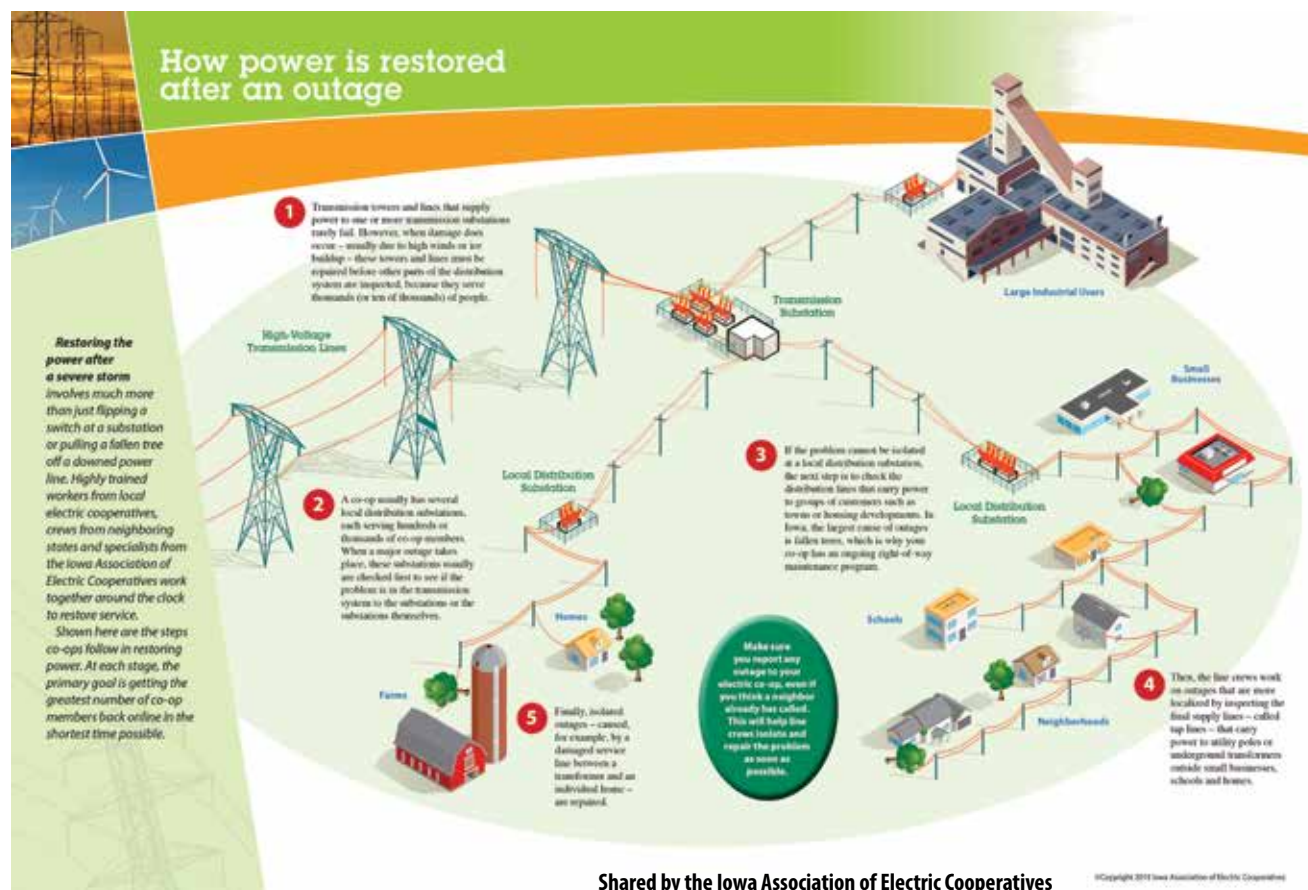
They regularly use all the products they sell to others. Most of their products were developed specifically to meet the needs of horse owners, just like themselves. So raising and showing horses is truly a hobby the whole family does together and selling equine products is truly a family business where they are all active participants.

The former Lake Marion Ballroom is heated with off-peak electric heat. The building has electric resistance heat with propane backup on the Co-op's Dual Fuel Program. This makes the building affordable to heat, even during years when propane prices have gone sky high.

The Co-op encourages any member with a new or expanding business to contact the office to find out what economic development incentives, energy conservation grants, lighting rebates, or load management programs may be available to assist their business.

It's storm season: What happens after an outage?

When the lights go out, the first step for members is reporting it. But what happens after crews have been dispatched? Approaching storm restoration must be done systematically by Co-op crews to make sure power is turned on safely and in the quickest possible way. That may mean that your neighbor gets restored before you do, depending on the outage location. We appreciate your patience and cooperation while crews do their jobs to restore your power.



Industry News

The EPA's All Pain, No Gain Plan To Nationalize The Electric Grid

By Chuck DeVore for *Forbes*

Unlike prior regulatory efforts to improve air quality by reducing toxic emissions, the EPA's Clean Power Plan (CPP) aims to cut non-toxic carbon dioxide emissions by about a third. The stated reason is to slow the increase of the Earth's temperature by 0.018 degrees Celsius by 2100.

Back when one of the aims of the EPA was merely clean air and water, mitigating air pollution from industrial sources typically entailed installing emissions control equipment, often at great cost. But, the net result was cleaner air.

The challenge with reducing carbon dioxide emissions is that carbon dioxide and water are typically the two emissions products that experts strive to produce as they are the two non-toxic products of clean fossil fuel combustion. Short of entombing carbon dioxide deep underground, an experimental process known as sequestration, the only ways of reducing carbon dioxide emissions from power generation are to switch fuels and/or improve efficiency.

The EPA's Clean Power Plan will require far more than a bit of fuel switching, however, with a mandate on 47 states and three Native American tribal nations to make substantial cuts in carbon dioxide emissions or else face the prospect of being forced to comply with a federal plan—in effect, resulting in a nationalization of the electric grid.

As we are reminded yet again that the world we live in is dangerous and unpredictable, it is worthwhile to note that our power grid is a vital part of our national security. The main fuel that has replaced coal over the past few years is natural gas. But, unlike coal, natural gas generators don't carry large fuel reserves onsite—they typically generate power from gas coming right from the pipeline—cut off the gas flow and you cut off the electricity. Thus, from a national security standpoint, including a substantial place for coal in our power mix is prudent.

The EPA's Clean Power Plan has been delayed by the U.S. Supreme Court. But, if the courts allow it to proceed, it will result in higher electricity costs, lost jobs and a lower standard of living.

We all deserve better than the EPA's all pain and no gain scheme that mirrors the cap-and-trade plan considered and rejected by Congress numerous times over the past decade.

Chuck DeVore is Vice President of National Initiatives at the Texas Public Policy Foundation. He was a California Assemblyman and is a Lt. Colonel in the U.S. Army Retired Reserve.

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Allocation notices on April bill statement

The amount of capital credits allocated to each member for 2015 is shown on the electric bill mailed in mid-April. It is based on margins allocated. MCPA allocations may be refunded to the member at some time in the future when capital credits for 2015 are retired.

The amount shown is not available to be deducted from the bill at this time. It is merely a notice of allocation. For many years the notice of allocation was mailed separately but due to high postage costs we are now economizing and listing it on your bill statement.

MCPA News Ads — Free want ad service for members

Please limit your ad to nine words. Use the coupon printed here or available at McLeod Cooperative's front desk to submit your ad. Ads will be printed for one month only. Please submit a new ad if you want it published more than one month. Include your name and address, which will be used for identification purposes only. Ads must be received by April 28 to be included in the May issue. Thank you!

Please run this ad in the next MCPA News

Name: _____

Address: _____

Telephone number: _____

**Please check
ad category**

- Giveaway
 For Rent
 For Sale
 Wanted

Remember to limit your ad to nine words!

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

Clip and Send to: McLeod Cooperative Power, ATTN: Classified Ads
P.O. Box 70, Glencoe, MN 55336

For Sale - Miscellaneous

- New fluorescent light bulbs, various sizes. 320-864-4243
- Pronto electric wheelchair. Used less than 6 months. \$2,000. 320-234-7181
- 2003 Keystone 35ft Mountaineer travel trailer, 2 slide outs. 320-583-8610 or 320-583-8611
- 1995 Ford F150 reg cab, runs/drives nice, 154,000. \$900. 320-221-0881
- 6 X 9 plastic project snap together floor tiles. 320-864-4243
- 4 early American chairs. New Upholster. Best offer. 320-864-5095
- Ameribath 60 X 48 white whirlpool. Drop in. Never installed. \$400. 320-485-4850
- Kenmore heavy duty large capacity gas dryer. \$75. 320-583-0471
- Sears Craftmans 10 inch contractor table saw. 1 hp 14 amp. \$129. 320-583-0471
- Stihl FS45 weedwacker. \$60. 320-587-8784
- Cobra walkie talkie. \$35. 320-587-8784
- Machine trailer. 320-864-4496
- Garage door opener, 1/3hp, screw drive. 320-848-2660

Cleaning out your garage, attic or spare room? Try listing it for free in the MCPA classifieds.

These want ads are designed to help members buy items from or sell items to other members, or rent their property to members. They are not designed to advertise services or for-profit business pursuits. That is why we do not offer a services column and do not accept advertisements for commercial businesses.

- Maytag microwave. 320-522-2167
- 2 mauve glider rocking chairs. \$15/each. 320-864-3571
- Estate miscellaneous furniture. 952-353-2448
- Storage items. 952-353-2448
- Cabinet sewing machine, non-working. 952-353-2448

For Sale - Farm

- Mac Don Haybine 4000 mower conditions nine foot wide. 320-395-2716
- 3 wagons with 8 ft X 16 ft bale throw racks. 320-864-4624
- JD 800 swather for parts. 320-522-2167
- 2 wheel farm trailer with wooden box. \$35. 320-587-7746

Wanted

- Old rusty galvanized pole barn metal. Approx. 100 sq. ft. 320-583-1421
- Pickup tuxedo cover for 8ft box for 95 Ford. 320-587-7443
- Young farmer looking for farmland to start farming. 507-766-1138

Disclaimer – McLeod Cooperative Power Association (MCPA) assumes no liability for the content of, or reply to, any item posted. The party posting any advertisement assumes complete liability for the content of, and all replies to, any advertisement and for any claims against MCPA as a result thereof, and agrees to indemnify and hold MCPA harmless from all costs, expenses, liabilities and damages resulting from, or caused by, any advertisement or reply thereto.

February Outage Summary

February had eighteen outages, affecting 259 consumers. The largest outage affected 234 accounts on Saturday, February 27 just before 4 p.m. north of Hector. Failure of a lightning arrestor interrupted power to the Brookfield Substation. Members were without power for one hour and 52 minutes.

The second largest outage affected nine members east of Winthrop. Power went out about 4:49 p.m. on Monday, February 8 due to a damaged fuse cutout. Duration of outage was just over two hours.

Most outages affect only one or two members. They are frequently caused by small animals, trees in the line, equipment failure, or motor vehicle/machinery accidents. Larger outages affecting hundreds of members at a time are usually caused by transmission outages, storms, equipment failure to substation equipment, or accidents. Restoration time on weekend and evening outages, when line crews are called out from home, usually take a little longer to get back on than outages when crews are already out working on the project.



Fly drones safely

It's a bird! It's a plane! It's a drone? Drones are unmanned aircraft systems (UAS) that are increasingly being used both recreationally and professionally. As a result, there is an increasing need to ensure that these craft are flown safely and within regulations.

If a drone flies into a power line, it could cause power outages. It could also result in downed lines, which pose a dangerous electrical safety hazard. The falling debris could also endanger public safety.

Touching a downed line or anything it has fallen on, like a fence or tree limb, could get you injured or even killed. Stay away, and instruct others to do the same. If you come across downed power lines, call 911 to notify emergency personnel and the utility immediately.

Fortune magazine reported in 2015 that a recreational drone collided with a power line in Los Angeles. The line snapped, which caused power for approximately 700 customers to be lost for several hours. In response, the Los Angeles City Council approved a city regulation on drone flight height.

The federal government announced in December 2015 that it now requires individual hobbyists who own drones that weight more than 0.55 pounds to register with the Federal Aviation Administration (FAA). Failure to register these drones could result in expensive civil and criminal fines as

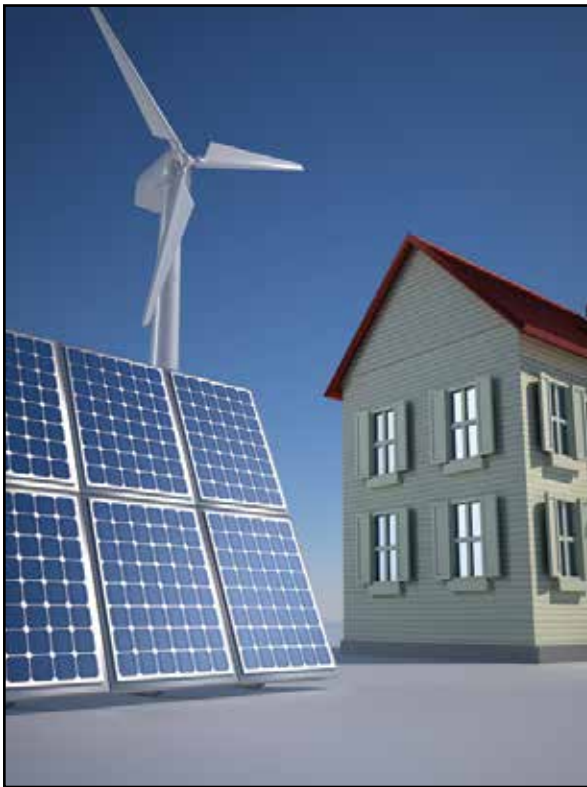
well as prison time. For more information on drone (UAS) registration, go to www.faa.gov/uas/registration.

Flying a UAS for business purposes requires approval from the FAA. Eventually, a registration system for commercial operation may also be put in place.

Follow federal guidelines for registering your drone or getting business approval, and be aware of and abide by community and state-specific legislation. Also keep these FAA safety guidelines in mind:

- Before flying the drone, check it for damage. Have a damaged drone repaired before use.
- Never fly drones higher than 400 feet.
- Do not fly the drone beyond your line of sight.
- Do not fly near airports, manned aircraft, stadiums, or people.
- Do not fly for commercial purposes unless specifically authorized by the FAA.
- Do not fly in bad weather conditions such as low visibility or high winds.
- Never fly your drone recklessly. You could be fined for endangering people or other aircraft.

For more information on outdoor electrical safety, visit SafeElectricity.org.



Call the Co-op for free net-metering info packet BEFORE you shop for solar or wind system

It is very important that you contact the Co-op for your free net-metering info packet before you start shopping for a solar or wind system. Educational materials on the interconnection of renewable energy systems can be mailed or e-mailed to you at no charge upon request. Many renewable resource documents are available on the Co-ops website.

The State of Minnesota has standardized rules for all consumers who plan to own or operate any distributed generation facilities (like solar or wind). Whether you are doing one solar panel on the side of your barn or a big wind turbine, the rules and requirements by the state to ensure safe interconnection and operation are very similar. The Cooperative can provide you with the most up-to-date policies and requirements for installing renewable energy.

There are some revisions to Minnesota law coming out of the recent legislative session that affect renewable energy systems. It is important that you have the most current information so that you can ask all the necessary questions when researching a renewable product or installer and understand the requirements for interconnection.

Long time Accounting Department employee to retire

Jan Sanderson, Accounting & Finance Manager, will be retiring this month after nearly 28 years at McLeod Co-op Power. She began as a part-time employee in the billing department in 1987. After one year, she became a full time employee in the accounting department and has worked there ever since. In 2011, she was promoted to head of the department. In 2014, she served as co-interim general manager when the Co-op was in-between general managers. The Co-op says farewell to Jan after many years of dedicated service.

Jan is hoping to spend more time doing volunteer work, visiting her daughter in Colorado, traveling, and catching up on projects after she is no longer working full time. She will be at the annual meeting April 12 to give her final Financial Report for MCPA.

The Cooperative has hired Susan Noyes as its new Manager of Finance. Susan has experience as a controller/accounting manager, and financial analyst. Most recently she operated her own Financial and



Jan Sanderson (left) is retiring from MCPA this month. Susan Noyes (right) from Hutchinson will be replacing her as the Manager of Finance.

Human Resources Consulting business, where she provided outsourced accounting and HR services to small and mid-sized businesses in the Twin Cities. She has bachelor and master degrees from Kaplan University. Susan began work at the Co-op on March 1.

She resides in Hutchinson with her husband and three sons. In her spare time she enjoys reading, camping, and fishing at their seasonal camper on Lake Washington near Dassel.



AC tune-ups eligible for credit once every two years

Announcing the 2016 air conditioning tune-up program.

Just schedule a tune-up of your central air conditioner or air source heat pump (unit must be at least 5 years old and in working condition to qualify) and when your licensed professional HVAC contractor performs the service work, have them complete the rebate coupon. Send the completed rebate form to the Cooperative with a copy of the contractor's invoice. His tune up must include the items on the coupon. After the Co-op receives your documentation, we will credit your electric bill \$25 within 4-6 weeks.

Air Conditioner/Heat Pump Check List

Eligible for credit a maximum of once every 24 months

Owner _____
 Acct. # _____
 Address _____
 Location # _____
 Phone # _____
 Company doing Tune-Up _____
 Technician's Name _____
 Company Phone # _____

CHECK LIST

Brand Name _____
 Model # _____
 Serial # _____
 Tons/BTU Rating _____ SEER Rating _____

- Clean Outdoor Unit
- Clean and Inspect "A" Coil
- Check Blower Belt
- Compressor Motor Amp Reading Check
- Compressor Amp Reading Check
- Blower & Oil
- Blower Motor Amp Reading Check
- Check Filter
- Check Refrigerant Level & Pressure
- Blow Out Drain Line
- Visual Inspection of Cooling System

Recommendations _____

Technician Signature _____

Date _____

Elli Gifferson is 2016 Washington D.C. Youth Tour winner



Elli Gifferson, a junior at Hutchinson High School, will be representing McLeod Cooperative Power in June on the 2016 Washington D.C. Youth Tour. Elli is the daughter of Thomas and Lynn Gifferson of rural Hutchinson, who are MCPA members. She competed with several other students who submitted entries in the youth tour competition.



Students posed for a photo after their safety class at Central Schools in Norwood Young America.

Electrical safety program taken to the schools

McLeod Co-op Power employees presented electrical safety programs in several area schools during January, February, and March. Over 355 students learned about electrical safety during the programs at Watertown-Mayer Public Schools, Central Public Schools in Norwood Young America, St. Paul's Lutheran School in Arlington, St. John's Lutheran School in Norwood Young America, Zion Lutheran School in Mayer, Sibley East Schools in Arlington and Gaylord.

The safety program is taught by Co-op line workers and safety personnel. This year the program was again sponsored by Dairy Queen as each participating student received a DQ treat coupon.



Replace your old water heater before it springs a leak or stops working

Lower your monthly bill and get a \$400 rebate

Are you considering a switch to the storage water heating program? Now may be a good time to take action. The Co-op has water heaters in stock. There is a \$400 rebate currently available when installing a new high-efficiency, large water heater on the ETS (electric thermal storage) water heating program. If you have been wondering how you can reduce your monthly electric bill, the Water Storage Program (with or without the Cycled Air Conditioning Program) can save you hundreds of dollars a year.

Over 1,300 members participate in the program. The Co-op has a satisfaction guarantee on the program. Interest-free financing of water heater is available to any member with good payment history. Payment by check or credit card are also accepted.

Call the Co-op's energy experts today to help you select the proper size tank for your family. Participation in the ETS water heating program is one of the best ways to significantly lower your electric bill every month of the year.

Plus you get:

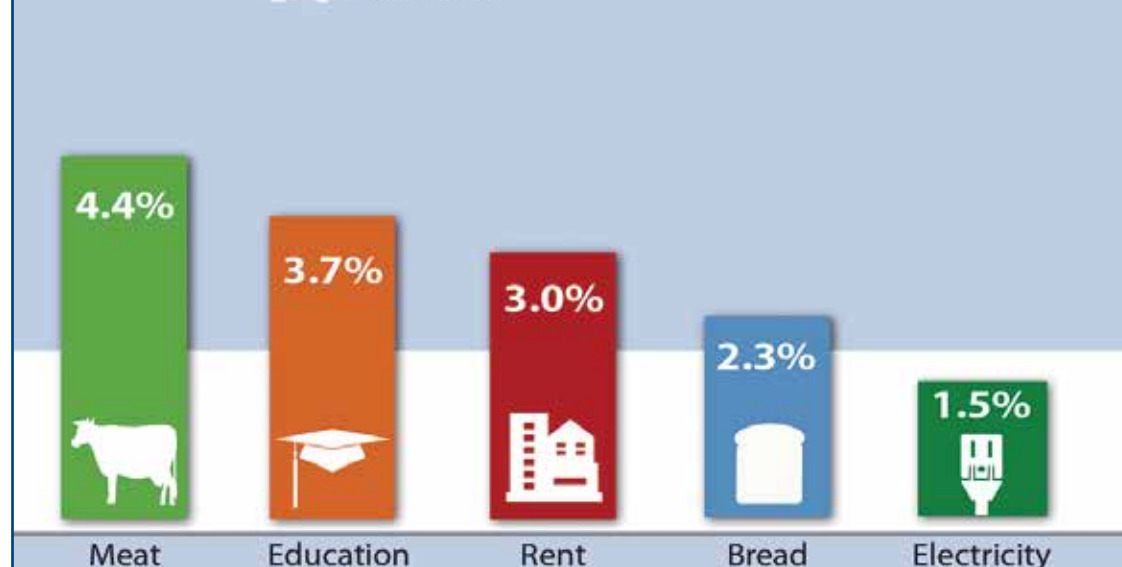
- a more efficient water heater
- with a lifetime warranty against leaking
- free delivery to members
- \$400 ETS rebate
- ETS program has satisfaction guarantee



Electricity Remains a Good Value

The cost of powering your home rises at a slower pace than many of your typical expenses. Compare the average price increase of these expenses each year over the last five years, and the value of electricity shines.

Average Annual Price Increase 2010-2015



Source: U.S. Bureau of Labor Statistics Consumer Price Index