

McLeod Cooperative Power NEWS

December 2016

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Energy Rates Changing Pages 2 & 8

Official publication of



A semi on US Highway 212 slid into the ditch east of Bird Island Friday night, Nov. 18, damaging an Xcel Energy transmission pole, which interrupted power to customers served by multiple utilities including MCPA. Great River Energy and MCPA crews were able to perform line switching to get power restored to MCPA members due to this outage about 3 AM on Saturday. This transmission outage added to the dozens of outages the Co-op already had going on at the time.



Several three-phase poles were snapped off by the snow, ice, and high winds from the first winter storm of the season. These poles were along Renville County Road 4, southwest of Hector.

First winter storm hits western portions of MCPA service area hard

Cooperative members in Renville County and western McLeod Counties were hardest hit by the first winter storm of the season on November 18-19. High winds with freezing conditions caused galloping lines and many outages beginning on Friday, November 18. Snow and windy conditions worsened throughout the day and by evening roads were becoming impassable even for line trucks. By Friday night about 750 MCPA members were without

electricity. Crews continued to work late into the night.

Power restoration became more complicated after 10 PM, when a semi- tractor trailer slid off of US Highway 212 west of Hector, breaking off an Xcel Energy transmission pole and causing a transmission supply outage for multiple utilities, including the Co-op. MCPA line crews and Great

Continued on page 3

Over \$651,000 going back to members this month

Capital credits applied to December bills

Members of McLeod Cooperative Power Association (MCPA) may notice lower electric bills in December. A total of \$651,758 is being distributed this month in capital credit refunds. This amount includes all remaining capital credits from 1997 and 20% of capital credits allocated from 2015.

Capital credits are being applied to active electric accounts and will show as a line item credit on each bill that is supposed to receive a refund. Former members who no longer have an active electric account will be mailed their refund in the form of a check in December.

Holiday Treats Thurs., Dec. 15



Plan to visit the Co-op office at 1231 Ford Avenue in Glencoe on Thursday, December 15 if you want to partake of holiday cookies, cider and coffee. Holiday treats will be available from 8 a.m. to 4 p.m. on the 15th. Members may also want to visit with our general manager, pick up their 2017 scenic calendar, and register for a door prize. The Co-op will have employees available to answer questions on community solar, joining a Load Management Program for heating or water heating and emergency pendants.

Director candidates sought for Director Districts 1, 2, and 3

Members interested in being a candidate for the Co-op Board of Directors should submit their name and information using the form on page 7 of this newsletter. See other information on page 7 also about director qualifications and the map showing which townships are included in each district. Since District 3 will be a new district, it will have no incumbent director and at least two candidates will be needed.

YEAR TO DATE FINANCIALS

Through September

| | 2016 | 2015 |
|---------------------------------|---------------|---------------|
| Operating Revenue | \$ 15,490,768 | \$ 15,093,097 |
| Cost of Purchased Power | \$ 9,925,828 | \$ 9,822,416 |
| Other Operating Expenses | \$ 5,568,994 | \$ 5,061,401 |
| Total Cost of Electric Service | \$ 15,494,822 | \$ 14,883,817 |
| Operating Margins | \$ (4,054) | \$ 209,280 |
| Non Operating Margins | \$ 361,185 | \$ 267,441 |
| Total Margins | \$ 357,131 | \$ 476,721 |
| kWh's Sold | 130,390,213 | 135,674,024 |
| Member Services Billed | 6,643 | 6,625 |
| Avg kWh Used, Residential/Month | 1,129 | 1,177 |

Scenic 2017 calendars are now available



This year's 2017 scenic Minnesota calendars are now available in the Co-op office. Please stop in and pick up a copy. First come, first serve, while supplies last.

Submit rebate forms before December 20

Any energy conservation rebate must be received at the Cooperative office by December 20 to be honored as a 2016 rebate. Please make certain to allow several days if mailing your rebate form to the Co-op.

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



2017 Budget and Rate Change Approved

At our November meeting, the Board of Directors approved the proposed 2017 budget which included a 2% increase to the Energy Rate.

The Board deliberated over the energy rate increase earnestly and in great detail, until they were convinced the increase was necessary. The Board ultimately understood the increase was important and necessary to sustain the financial health of the cooperative.

Why is a rate increase necessary? Because the increases to the costs of the cooperative to maintain the reliability of the system are clashing with the lack of growth of members and kilowatt hour sales in our service territory. We are projecting essentially no increase in the sales of kilowatt hours in 2017 due to limited growth in number of consumers, mild weather, conservation, and energy efficiency.

Yet our costs continue to increase as does the vegetation under our lines. Trees under and near the lines are a significant cause of outages. The same wonderful soil that produces bountiful corn and soybeans, also promotes excellent tree growth. Unfortunately, for McLeod Power, tree growth under our lines works to our disadvantage by causing major outages when they hit the lines during storms.

To combat tree growth, the co-op clears trees within 15 feet of our lines and, once cut, sprays the area to inhibit future growth. It is good practice to completely clear the trees away from electric lines on a rotating cycle every five to seven years. If the cycle time is not maintained, the trees can get out of hand and an accelerated tree clearing program should be implemented.

McLeod Power is at the point of needing to accelerate tree clearing. Our 2017 budget includes a substantial investment

to clear trees. While the accelerated tree clearing budget was not the only reason for increasing rates, it was a major driver in the Board's decision.

What are we doing to control our costs? As part of our strategic plan developed in August 2015, every department is looking at ways to gain efficiency. One way we are cutting costs is by not replacing employees when we have retirements, whenever that is possible. By the end of 2017, three employees will have retired. Through technology improvements, sufficient advance cross training, and availability of time due to the sale of Exede, existing employees will absorb the duties of the retiring employees. Knowing it helps our members, our employees are approaching their new and increased duties enthusiastically.

What does the energy rate increase do to your bill? A residential member using 1,000 kWh a month will see their bill increase by \$2.40 per month and an average residential member using 1,500 kilowatt hours a month will see their bill increase by about \$3.60 per month. (See chart on page 8 for specific rate changes).

Will the System Delivery Charge increase too? No, only the energy rate will increase.

While the Board and I would prefer we never have to increase rates, it is a reality that costs increase and will continue to do so.

Happy Holidays!

The end of the year brings no greater joy than the opportunity to express to you season's greetings and good wishes. May your holidays and New Year be filled with joy.

Proud to keep your lights on, Carrie

Holiday Hours



The employees and directors of McLeod Cooperative Power wish you and your family a blessed Christmas and a prosperous New Year.

Our offices will be closed Fri., Dec. 23, Mon., Dec. 26 and Mon., Jan. 2

The Co-op has a 24 hour payment box at the front door of the Glencoe office, where members can securely deposit their electric bill payments over the holiday weekends or any time our business office is closed.

For outages or electrical emergencies call 1-800-927-5685

Board of Directors

District 1

Oria Brinkmeier, **Lester Prairie**

District 2

Joe Griebie, **Brownton**

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

USPS 2220

Periodicals Postage Paid at Hutchinson, MN
POSTMASTER: Send address changes to
McLeod Cooperative Power News
P O Box 70, Glencoe, MN 55336-0070

The **McLeod Cooperative Power News** is published monthly for \$4.70 per year for members and \$8 per year for non-members by McLeod Cooperative Power Association
1231 Ford Ave. North, Glencoe, MN 55336-0070

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

Web site: www.mcleodcoop.com

Gopher State One Call 811 or 1-800-252-1166

McLeod Cooperative Power Association is an equal opportunity provider and employer.



Lineman from Hutchinson Utilities assisted McLeod Co-op with system repairs. They are restoring lines across a farm field north of Hector.



Line crews from MCPA and Wright-Hennepin Cooperative Electric work to untangle conductors and get lines back up south of Hector on November 19.



MCPA called in mutual aid crews from Hutchinson Utilities, Glencoe Light and Power, Wright-Hennepin Cooperative Electric, and Highline Construction to get all members back on before Saturday night. Due to the large number of outages across more than 16 townships many members were in the dark Friday night, Nov. 18. The Cooperative greatly appreciates the patience of our members who toughed it out through the storm.

First Storm

Continued from page 1

River Energy were able to open some switches and re-route power to get affected Co-op members back on by 3 AM Saturday morning.

The Co-op went into Saturday morning with approximately 300 members still out of power. By 5 PM Saturday afternoon nearly all MCPA members had power restored. Crews continued to work until 10 PM repairing damaged lines and replacing poles that had snapped off in the storm.

MCPA crews were assisted by line crews from Hutchinson Utilities, Glencoe Light and Power, Wright-Hennepin Cooperative Electric Association, and Highline Construction. The Co-op is grateful to

these organizations for providing mutual aid. We also want to thank our Co-op members who were patient during their time in the dark.

The Cooperative would like to remind members to please call and report when their power is out. Do not rely upon your neighbors to call. You could have an individual outage even if your neighbors have power.

It is also very important that when calling the Co-op's 24 hour outage line at 1-800-927-5685 to report an outage, that you stay on the line to talk to a live operator if you have specific information to report. Please advise if you know where lines or poles are down, or if any vehicles have hit poles, for instance. Your important information is always appreciated.



Lineman Kevin LaCourse works to repair cross arms on a pole north of Hector. Lineman worked two days in cold, strong winds to get power restored to all members.

Santa's List for Energy Conservation



Santa's list may be full of toys for good girls and boys, but ever wonder what his wish list for you would look like? Check out these tips for energy conservation that just may top the jolly old soul's parchment.

TAKE ADVANTAGE OF HEAT FROM THE SUN

Open curtains on your south-facing windows during the day to allow sunlight to naturally heat your home, and close them at night to reduce the chill you may feel from cold windows.

COVER DRAFTY WINDOWS

Use heavy duty, clear plastic sheet on a frame or tape clear plastic film to the inside of your window frames during the cold winter months. Make sure the plastic is sealed tightly to the frame to help reduce infiltration. Or install tight-fitting, insulating drapes or shades on windows that feel drafty after weatherization.

ADJUST THE TEMPERATURE

When you are home and awake, set your thermostat as low as is comfortable. When you are asleep or out of the house, turn your thermostat back 10 to 15 degrees for eight hours and save around ten percent a year on your heating and cooling bills. A programmable thermostat can make it easy to set back your temperature.

FIND AND SEAL LEAKS

Seal the air leaks around utility cut-throughs for pipes, gaps, around chimneys and recessed lights in insulated ceilings, and unfinished spaces behind cupboards and closets. Add caulk or weatherstripping to seal air leaks around leaking doors and windows.

MAINTAIN YOUR HEATING SYSTEMS

Schedule service for your heating system each year. Replace furnace filters once a month or as needed. If you have wood or pellet burning heaters, clean the flue vent regularly and clean the inside of the appliance with a wire brush periodically to ensure that your home is heated safely and efficiently.

REDUCE HEATLOSS FROM THE FIREPLACE

Keep your fireplace damper closed unless a fire is burning. Keeping the damper open is like keeping a window wide open during the winter; it allows warm air to go right up the chimney. If you never use your fireplace then plug and seal the chimney flue.

If you do use the fireplace, install tempered glass doors and a heat-air exchange system that blows warmed air back into the room. Also check the seal on the fireplace flue damper and make sure it is as snug as possible. Purchase grates made of C-shaped metal tubes to draft cool room air into the fireplace and circulate warm air back into the room.

LOWER YOUR HOLIDAY LIGHTING COSTS

Use light-emitting diode — or "LED" — holiday light strings to reduce the cost of decorating your home for the winter holidays. Source: <http://www.energy.gov/energysaver/fall-and-winter-energy-savings-tips>

Benefits of being a Touchstone Energy Co-op — Energy Efficiency

Your Co-op is a Touchstone Energy Cooperative, bringing benefits to our member/owners that municipal and investor-owned utilities don't. A Touchstone Energy Co-op is part of a larger, national network of local electric co-ops that utilizes the co-op difference to supply reliable, low-cost power to electric co-op member-owners across the country. Besides sharing electricity, Co-op members have shared values. Touchstone Energy Cooperatives operate around four guiding principles:

Integrity: Members first. That's the power of co-op membership. It means not-for-profit electric cooperatives deliver energy to its members at the cost of service, unlike investor-owned utilities that typically distribute its profits to investors.

Accountability: Electric co-ops belong to the members they serve. Every member has an equal

voice in how the co-op is run. Co-op business is conducted through a locally elected board of directors who propose policies to be voted on by members.

Innovation: Although each rural electric cooperative is a trusted local source of energy and information, being part of a national group offers innovative solutions and state-of-the-art technology to better serve members and meet their needs. We're able to access cutting-edge programs promoting energy efficiency, new bill payment options and numerous member-benefit programs.

Community: Across the country, local Touchstone Energy co-ops work to improve members' quality of life. That includes taking a leadership role in community and economic development projects, educating students and members about safety

and environment, as well as donating time, energy and resources to local non-profit organizations, schools and community events through Operation Round Up® grants and scholarships, through employee volunteering, and supporting local businesses.

Tools to Help Members Reduce Energy Use and Save Money

Innovative tools and educational resources are available to our member/owners to help them determine the largest energy users in their homes and how best to reduce energy use while maintaining comfort. One of these ways is through a Touchstone Energy website called "Together We Save" at [www.http://www.touchstoneenergy.com/together-we-save/overview/](http://www.touchstoneenergy.com/together-we-save/overview/)

Source: Touchstone Energy, Together We Save

Take a Home Tour

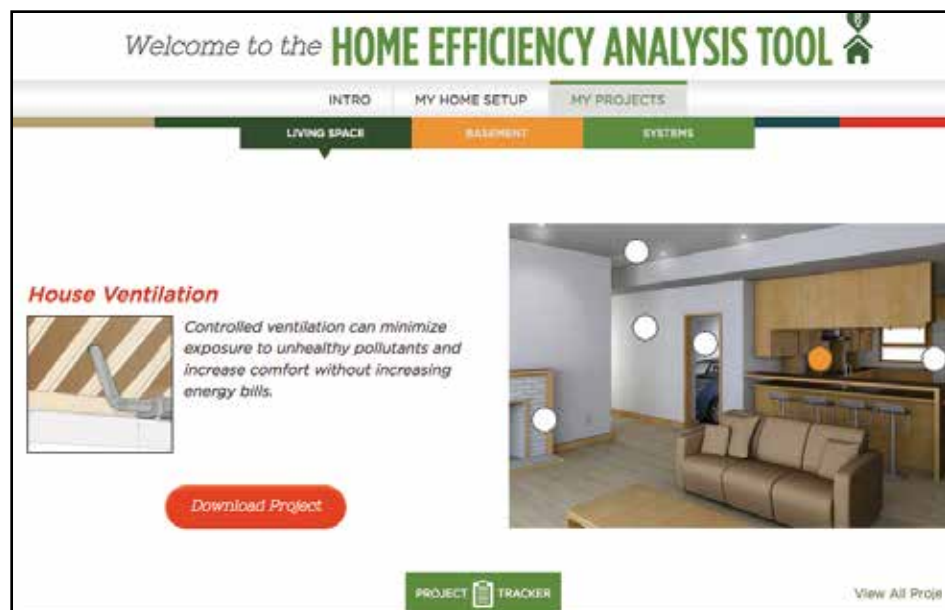
At Together We Save, you have the option to tour a home and discover some of the ways to save on appliances, heating systems, insulation and more.



Through this interactive tour, you can click on highlighted areas in each room and see how making simple changes throughout your home can add up to big savings.

Use the Home Efficiency Analysis (H.E.A.T.) Tool

This tool allows you to input your area code, type of home, square footage, layout, etc. and see what types of projects would help you save the most energy.



Put in your zip code, house layout and use this interactive tool to see how projects around your home can save money. You may discover ways you hadn't thought of.

How much will your changes cost?

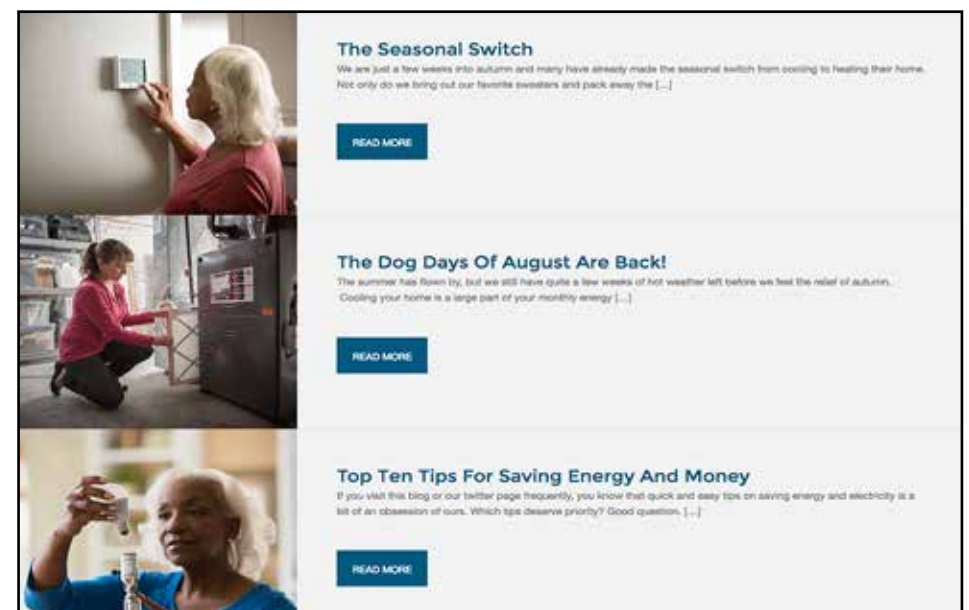
There's a handy indicator you can use to get a general idea of which projects can be done inexpensively and which may take some more planning, preparation and saving.



Get an idea of how expensive some projects will be so you can plan to get the most energy savings from the money you spend with this handy project planning tool.

Energy Savings Articles and Tips

Articles on everything you want to know about getting the most out of your heating and cooling systems, how to change filters, using programmable thermostats and much more are found on the Together We Save website.



Find tips, information and inspiration to live an efficient, money-saving lifestyle with these exceptionally well-done articles.

Protect yourself and your family from CO poisoning

According to the Centers for Disease Control and Prevention (CDC), carbon monoxide (CO) poisoning takes more than 430 lives every year. Though you cannot see or smell carbon monoxide, CO poisoning is entirely preventable. Almost two-thirds of non-fire related carbon monoxide deaths take place in November, December, January, and February as these are the primary months when consumers crank up their furnaces and portable heaters to stay warm.

Where does carbon monoxide come from?

Carbon monoxide is produced by burning fuel. Therefore, any fuel-burning appliance in your home is a potential CO source. When cooking or heating appliances are kept in good working order, they produce little CO, but improperly operating appliances can produce fatal CO concentrations. CO is found in fumes produced by portable generators, stoves, lanterns, and gas ranges, or by burning charcoal and wood. CO from these sources can build up in enclosed or partially enclosed spaces. CO can also come from running a car or lawn mower in an attached garage, or running a generator or burning charcoal in a basement, crawlspace, or living area of the home.

Ways to Prevent Carbon Monoxide Poisoning

1. Check your chimneys/furnaces

Before using your chimney or turning on the furnace, get chimneys and fuel-burning appliances checked by a professional who services those items to make sure they are working correctly and vented to the outside properly.

2. Use portable generators outside

Never use a portable generator inside your house, garage, basement, crawlspace, shed or in a semi-enclosed space, such as a porch close to the house. Keep generators at least 20 feet away from windows, doors, and vents (as recommended by the CDC).

3. Know the initial symptoms of CO poisoning

The most common symptoms of CO poisoning are headache, dizziness, weakness, fatigue, nausea, vomiting, chest pain, shortness of breath, and confusion.

When suffering from CO poisoning, victims can become so disoriented that they cannot save themselves by leaving the building or calling for help. Also, people who are sleeping or who have been drinking alcohol can die from CO poisoning before ever having symptoms.

If you suspect that you are experiencing CO poisoning or if your CO detector siren sounds, move to fresh air immediately. Leave the home and call for assistance from outside the home. If you stay in the home, you could lose consciousness and die. Get medical attention immediately and inform medical

staff that CO poisoning is suspected. Call the fire department to determine when it is safe to return to the home.

4. Have working carbon monoxide detectors



If you don't have a carbon monoxide detector, get one. Make sure there is one on every level of your home and outside bedrooms/sleeping areas. NEVER ignore a beeping alarm. If the alarm sounds, go outside and call 911. If you already have CO alarms, make sure they are working properly. Change the

batteries in your CO detector every 6 months. If you don't have a battery-powered CO alarm, get a battery back-up CO detector.

Replace CO alarms every 5 years or as recommended by the manufacturer. Newer CO alarms have end of life indicators that beep when the alarm is at the end of its working life and needs to be replaced. Carbon monoxide alarms should be certified to the requirements of the most recent UL, IAS, or CSA standard for CO alarms. A CO alarm can provide added protection, but is no substitute for proper installation, use and upkeep of appliances that are potential CO sources.

As part of a monitored security system, carbon monoxide detectors search for the presence of carbon monoxide (CO) and a siren sounds if too much CO is present. CO detectors are essentially time weighted — they can sound off if there is a small amount of CO detected over a longer period of time or a larger amount of CO in a shorter period of time. CO detectors are not designed to detect fire, smoke, or any other gas. As part of a monitored security system, if a CO detector goes off, a signal is immediately sent to the response center, who will try to reach you and notify emergency personnel.

Carbon monoxide poisoning is entirely preventable! Regularly maintain fuel-burning appliances, and run cars and generators outside of attached garages. Know the symptoms of CO poisoning and keep your CO detectors up-to-date with fresh batteries.



For more information about CO detectors as part of a monitored security system, contact Heartland Security at 888-264-6380 or online at www.heartlandss.com.

Industry News

Enhancing, Preserving and Protecting North Dakota's Lignite Industry

The lignite industry is one of North Dakota's five largest industries and is generally regarded as its most stable. Since 1988, the industry has produced about 28 to 32 million tons of lignite annually. The industry provides some of the best paying jobs in the state with coal miners and power plant operators earning about twice the state's average income. The industry also provides the state with about \$200 million in tax revenue every biennium.

John Dwyer, president of the Lignite Energy Council from 1981 to 2013, wrote: "Through technological development efforts, these (lignite) resources also represent tremendous potential for future economic growth. Not only can research and development programs discover new and better uses for lignite, but they can also find cleaner, more efficient methods of using lignite in today's markets."

These words seem prophetic today, given the challenges the industry faces following the August 2015 release of the Clean Power Plan (CPP), the CO₂ emissions limit the U.S. Environmental Protection Administration (EPA) is attempting to impose. Although the CPP is currently under a stay order by the U.S. Supreme Court, the rule is a harbinger that CO₂ will be regulated in the future.

North Dakota's R&D (Research & Development) program has yielded dramatic results over the years. The North Dakota lignite industry was a leader in identifying technologies to reduce mercury emissions from lignite-based power plants in the 2002–2005 timeframe. Over \$27 million was invested in R&D activities that led to a reduction in the cost of retrofitting existing plants to comply with the EPA's new mercury regulations.

Pilot projects originally funded through the North Dakota Lignite R&D program have also grown into major research projects that have been subsequently supported by the U.S. Department of Energy (DOE) and partnering utilities. An example is a \$161,000 coal-drying study at the Coal Creek Station that resulted in a \$13.5 million cooperative agreement from the DOE. Eventually, Great River Energy invested \$182 million to retrofit the Coal Creek Station with coal dryers that lowered emissions and increased efficiency.

~Cornerstone

October Outage Summary

During the month of October the Cooperative had a total of 40 outages, affecting 122 consumers. Five of those outages were planned outages, five were due to unknown causes, and four were due to squirrels.

The outages affecting the most members was due to farm machinery damaging a line on Thursday, October 6, 2016 about 5:13 p.m. in Preston Lake Township of Renville County. It affected 32 members and lasted for two hours and 27 minutes. The second largest outage occurred on Sunday, October 23, about 4:50 p.m. The outage lasted one hour and 20

minutes and affected 25 members. A line fuse blew southwest of Winsted during a peak crop drying day.

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.

Experience Washington D.C.



Time for high school juniors and seniors to apply

High school juniors and seniors have until March 3, 2017 to apply for the Cooperative's Washington Youth Tour competition. One local youth will win an all-expense paid trip to Washington D.C. June 10-15, 2017 from the Cooperative.

For over 40 years, electric cooperatives have sponsored the annual Rural Electric Youth Tour by sending their high school students to experience first hand, the essence that is our republic. An information packet is available on the Co-op website at www.mcleodcoop.com. You will have until March 3, 2017 to submit your application. Students complete a questionnaire and application to qualify. Please encourage your child or grandchild to apply. They need only attend a high school in or reside in McLeod, Renville, Sibley or western Carver County.

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 December 28 to be included in the January 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

- 55 gallon steel drums with removable tops. \$15. 952-353-2351
- 15 wicker baskets small to large. Different types/shapes. \$15. 320-587-7292
- 2006 Mercury Grand Marquis. Leather interior, 86,618k. Clean car. 320-587-2273
- Never used GE clothes dryer. BO. 320-327-2472
- Sewing supplies from AZ. Huge bag full. Only \$15. 320-587-4974
- Antique child's wicker chair. For porch. \$19.95. 320-238-2331
- New sandblaster 20lb tank. \$50. 320-583-3888/after 4 p.m.
- Oxy/Act torch set/cart. New redo. 320-894-4042

For Sale - Farm

- HD hay bunks. Will feed Lg rounds or Lg Sq. 320-583-1200
- 2 used tractor tires 18.4-28 6 ply. 320-864-4496

Wanted

- 24T John Deere Baler. 507-995-7966
- Looking for farm land to rent 2017 and beyond. 320-522-2246
- 2-4 Herfords or Red Angus calves. 200-300#. 320-583-1200

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.

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.

Are you covered if your electronics sustain damage after an outage?

A power outage or power surge — whether triggered by a storm, lightning, trees, animals, or vehicles hitting power poles — can damage computer equipment, TVs and other appliances in your home. These events are all out of McLeod Co-op Power's control and the Co-op does not compensate for any damaged equipment.

However, most homeowner's insurance policies cover losses from power interruptions caused by lightning, wind storms, and other such weather. Make sure you are familiar with your policy and what is covered. Call your agent if you're not sure about your specific coverage and/or deductible.

You can help protect your own equipment by unplugging it during a power outage and by installing surge protection. Unfortunately, surge protectors will not save you from a low voltage or brownout event. Dimming lights in your residence are a sign that you are experiencing a brownout, which over time can cause major damage to your appliances. During a brownout, the voltage goes down, but the amperage goes up. This potentially can cause appliances with motors, like refrigerators, freezers, and air conditioners that do not have thermal protection to eventually overheat.

If you notice lights dimming or electronics

cycling on and off, unplug any sensitive devices immediately to limit the strain from sagging voltage. By reducing power consumption, you will contribute to ending the brownout due to less usage on the electric grid.

Summer momentary power outages are generally the result of lightning strikes or a fault occurring on a line due to weather-related issues such as a tree branch falling on an energized line. Momentary outages are directly due to breakers opening and closing a number of times which allows the fault to clear before the line burns down. This is a normal function in which the customer experiences loss of power, but only for a brief moment. Fuses, on the other hand, blow once a fault is detected. This requires the Co-op to send out a truck to have the line crew restore the power.

McLeod Co-op Power does not and cannot guarantee power 100% of the time. The Co-op's insurance provider covers the Co-op in the event the Co-op is directly responsible for causing damage to a member's equipment, but not for "Acts of God," such as weather-related events or events out of our control.

Finally, keep a small lamp or night light plugged in and turned on during an outage, so you will know when power is restored.

Volunteers needed for Nominating Committee

To elect directors in Districts 1, 2, & 3 at the 2017 Annual Meeting, we need members from those districts to serve on the Nominating Committee. Nominating Committee members participate in the election process by selecting director candidates and submitting their names to the Board for approval. They also assist with collecting and counting ballots at the Annual Meeting. Volunteers are needed from the following townships:

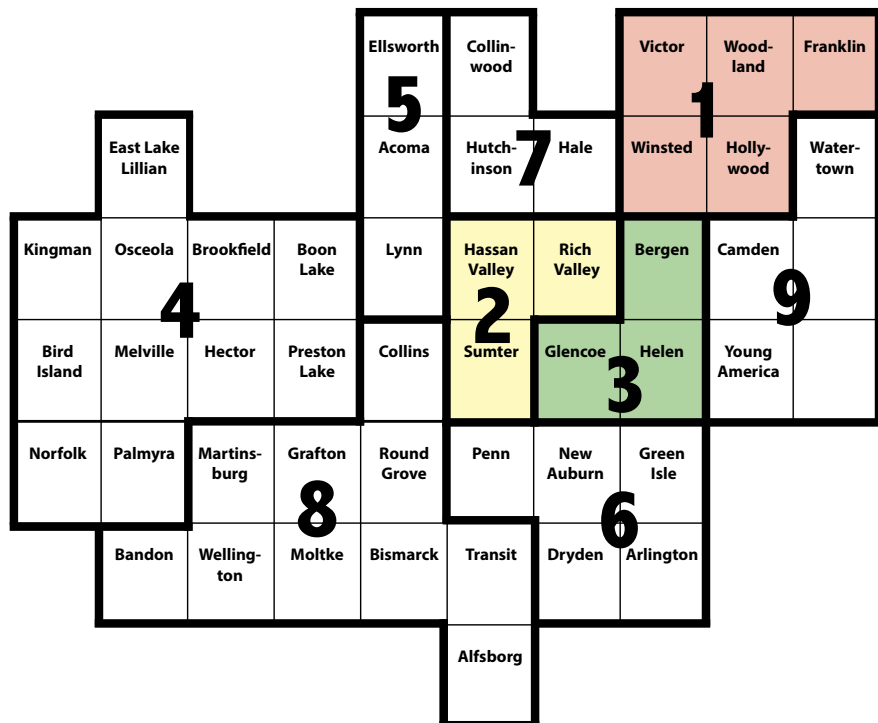
District 1 includes: Hollywood Township in Carver County, Winsted Township in McLeod County, and Victor, Woodland, and Franklin Township in Wright County.

District 2 includes: Hassan Valley, Sumter and Rich Valley Townships in McLeod County.

District 3 is a new district and it includes: Bergen, Helen, and Glencoe Townships in McLeod County.

Call McLeod Cooperative Power at 1-800-494-6272 if you are willing to volunteer for the 2017 Nominating Committee no later than January 3, 2017. Committee meetings are scheduled for January 26 and February 9, 2017, at 10 a.m. The Annual Meeting is planned for April 11, 2017.

Members in good standing who serve on the Nominating Committee are paid a per diem for the meetings plus mileage. Nominating candidates to run for board seats is an important part of the democratic process of operating your electric cooperative. We encourage your participation.



What makes a good director?

At McLeod Cooperative Power we believe that our Board of Directors comprises a pillar connection with our membership and the community at large. Besides meeting the legal requirements for Director nomination, we are seeking individuals who hold some important personal characteristics. We've summarized these attributes below.

Possess a sincere interest in preserving the strength of the Cooperative's operations and maintaining a productive relationship with its consumer-members. McLeod Cooperative Power has assets of about \$40 million, employs 29 full-time people and is responsible for providing quality electric service to more than 6,400 accounts, as well as a variety of ancillary services. Our electric distribution system serves a diverse membership consisting of residences, farms, businesses and industries. While representing all members of the district, **Directors must work with each other to ensure equitable treatment to all members across the entire distribution system.**

Be willing and available to fully participate in the business activities of the Cooperative. Attendance is expected at all scheduled Board of Directors meetings. In addition, from time to time, Directors will be called upon to represent the Cooperative at other meetings and events where their presence is deemed to be beneficial to the Cooperative.

Remain accessible to the members whom they represent. Since the Directors are elected from and by the Cooperative's membership, it is important that they work to **maintain open lines of communication with their constituents. They should also strive to be knowledgeable about trends and circumstances that may impact the people and communities of central Minnesota**, and be capable of using basic computer skills to receive electronic communications and reports from the Co-op.

Be enthusiastic. During these times of accelerated change, we look for proactive, resourceful and inspired leadership.

Director qualifications per the Co-op Articles of Incorporation

Article 3, Section 2 of the McLeod Cooperative Power Association Articles of Incorporation states the following about director qualifications. No person shall be eligible to become or remain a Director of the Cooperative who:

- A. is not a member in good standing of the Cooperative receiving service at the member's primary residence or principal place of business in the district from which the Director is elected;
- B. within five (5) years preceding a Director candidate's nomination was or during service on the Board of Directors is finally adjudged to be guilty of a felony;
- C. within five (5) years preceding a Director candidate's nomination was an employee of the Cooperative;
- D. is or becomes, or at any time during the five (5) years preceding a Director candidate's nomination shall have been, employed by a labor union which represents, or has represented, or has endeavored to represent any employees of the Cooperative;
- E. is a child, grandchild, great-grandchild, parent, grandparent, great-grandparent, brother, sister, aunt, uncle, nephew or niece, whether by blood, or in law, of an employee of the Cooperative;

F. is a person that is child, grandchild, great-grandchild, parent, grandparent, great-grandparent, brother, sister, aunt, uncle, nephew or niece, by blood, or in law, of an incumbent Director that is not up for re-election at that time;

G. is in any way employed by or substantially financially interested in an enterprise competing with the Cooperative or any Cooperative-affiliated business;

H. is or becomes the full-time employee or agent of, or who is or becomes the full-time employer or principal of, another Director; or

I. is absent without cause from three (3) or more regular meetings of the Board of Directors during any twelve (12) month period.

A member that is an authorized farm corporation, family farm corporation, regular corporation, partnership, limited liability partnership or other business entity may select an individual member residing on or actively operating such business entity to be eligible for election to the Board. A member that is not a natural person may select one of its officers to be eligible for election to the Board, provided that not more than two (2) such officers may serve on the Board at the same time.

MCPA Director Candidate Application

The undersigned, a member of McLeod Cooperative Power Association, hereby applies as a nominee for director of McLeod Cooperative Power Association from District _____ and requests that my name be considered by the Nominating Committee to be placed on the ballot for the next election for director from said district to be held at the next Annual Meeting, April 11, 2017.

I certify that my account is current and I am a member in good standing with McLeod Cooperative Power Association from District _____.

I certify that I am a resident of District _____ and am receiving

electric energy from McLeod Cooperative Power Association.

I certify that I am not in a competing business with McLeod Cooperative Power Association.

If elected director, I agree to attend as many meetings of the Board of Directors as possible and to abide by the Articles of Incorporation and By-laws and Policies of McLeod Cooperative Power Association.

Date: _____

Print name: _____

Print address: _____

Signature: _____

Return to the MCPA by Jan. 17, 2017

Minnesota utilities join national anti-scam campaign

Gas and electric utility companies across the United States and Canada as well as the Better Business Bureau of Minnesota (BBB) are joining forces to protect customers from long-running scams targeting customers of utility service providers.

Reports of phone, email billing and door to door scams are back again and represent thousands of dollars lost by customer victims. That is why Minnesota utilities, including McLeod Co-op Power, are participating in the first national Utilities United Against Scams (UUAS) event and have designated Nov. 16 as "Utilities United Against Scams Day." This day is supported by a week-long campaign focused on exposing the tricks scammers use to steal money, and how customers can protect themselves.

"These schemes often ramp up with the change in seasons," said Dana Badgerow, president and CEO of the BBB of Minnesota and North Dakota. "Like most scams, it plays on peoples' fears and has proven to be quite effective, unfortunately."

During the phone scam, a customer receives a phone call from an individual who falsely claims to be a utility representative. The scammer warns that the utility will disconnect the customer's electric or natural gas service if the customer fails to make a payment – usually within a short timeframe. Scammers have even duplicated utilities' telephone messages and automated response systems so when customers call phone numbers provided by the scammer it sounds legitimate. Some of these scammers also use caller ID spoofing to replicate utilities' customer service numbers.

The campaign encourages the public to share these messages to help guard against scam activity. Some Minnesota utilities experience an increase of more than 30 percent in customer scam attempts when colder temperatures set in.

Red flags for scam activity

- The scammer tells the customer his or her account is past due and service will be disconnected if a large payment isn't made – usually within less than an hour.
- The scammer instructs the customer to purchase a pre-paid debit or credit card – widely available at retail stores – then instructs the customer to call back to supposedly make a payment to the utility.

How to protect yourself

- Utilities never ask or require a customer with a past due account to purchase a prepaid debit card to avoid disconnection.
- Customers with past due accounts receive an advance disconnection notification by mail – not



a single notification one hour before disconnection.

- Know which utility providers serve you.
- If you suspect someone is trying to scam you, hang up and call your utility at the phone number listed on your bill and report it to the BBB. Never dial the phone number the scammers provide.
- Customers, who suspect or experience fraud, or feel threatened during contact with one of these scams, should contact local authorities.

The utility companies of Minnesota and the BBB continue to enhance efforts to educate the public. For the first time, in 2014, Minnesota utilities joined forces with the BBB to launch "Slam the Scam" – a coalition and awareness campaign aimed at warning customers and preventing scams. The coalition is encouraging customers who think they are being targeted by a scammer to simply end the conversation and "slam" down the phone.

The Better Business Bureau of Minnesota is closely tracking these types of scams.

UUAS is a collaborative effort among the electric, gas and water utility industries to help prevent utility service fraud through education, awareness, and customer advocacy initiatives. A primary goal of this collective effort is to help customers learn how to identify and avoid utility-related scams. You can learn more about the UUAS effort at www.eei.org including further tips and resources to help spot and avoid utility scams.

Sibley County Coat Drive benefits from MCPA Operation RoundUp funding



Photo was provided courtesy of Kurt Menk, Arlington Enterprise. Some of the volunteers who worked the coat drive are pictured above. (Left to right) Rita Edmonds, Kim Schwich, Donna Wolter, Jill Ernst, Don Wolter, Kris Winkleman, Mary Kay Donnay, Holly Harjes, and Haven Hawkins. Missing from the photo were Mike Vos, Sue Vos, and Diane Brown.

A \$1,000 donation from the Co-op's Operation RoundUp trust to the Green Isle Lions, was used to support the Sibley County Coat Drive. This year nearly 250 coats, along with many snow boots, hats, gloves and snow pants were distributed to individuals and families in Sibley County during their Oct. 22 community coat drive in Green Isle. Nearly 60 families were served.

The Green Isle Lions, with financial support from the Co-op's Operation RoundUp donation, sponsored the event, along with the Salvation Army and Thrivent.

Any MCPA member may participate in Operation RoundUp. By allowing the Co-op to round up your monthly electric bill to the nearest whole dollar amount, the change from your bill is donated to local projects via the Operation RoundUp program. Funds are donated to local projects chosen by the volunteer board of Operation RoundUp annually. Your tax deductible donation shows on your electric bill and is your receipt for taxes.



Joining Operation RoundUp is simple. Just complete and return the form on this page with your electric bill. Call the Co-op office if you have questions.

Yes, sign me up for Operation Round Up. I understand that my bills will be rounded up to the next dollar amount and the proceeds will be used for local charitable programs.

Name: _____

Address: _____

City: _____ Zip Code: _____

Account #: _____

Signature: _____

Change to energy rates approved for 2017

The McLeod Co-op Power Board of Directors approved a 2% increase to the energy rates for 2017 at their November meeting. The increase will apply to Rates 2 and 5 (shown here) and also to Rate 9 – Controlled Irrigation, Rate 14 – Optional Peak Alert Rate, Rate 18 – Large Power Seasonal Service, Rate 19 – Large Power Service, and Rate 20 – Industrial Service non-contract. The change in energy rates will be applied to energy purchased after January 1, 2017 and will be used to calculate the electric bills mailed to members in mid-February. See details on why the rate change was needed on page 2 Manager's Message from Carrie Buckley.

McLeod Cooperative Power Association Proposed Rate Schedule Effective January 1, 2017

(January usage, February billing)

| Rate Description | Current Energy Rates: | 2% Increase | | |
|---|-----------------------|----------------|----------------|----------|
| | Summer | Other | Summer | Other |
| Rate #2..... Farm and General Service Single Phase | \$0.1275 | \$0.1175 | \$0.1301 | \$0.1199 |
| Rate #5..... Farm and General Service, Three Phase | \$0.1200 | \$0.1100 | \$0.1224 | \$0.1122 |

Rates in dollars per kWh