

ROLLOUT OF EPA RULES THREATENS ELECTRIC RELIABILITY, AFFORDABILITY

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CEO Report

JEFF RUSTAD CEO PKM Electric Co-op

I want to thank everyone that was able to make it out to the annual meeting. We have a list of the prize winners for this year's meeting included. The auditorium may not be available with the new construction at the school going on next year. We are looking at a couple different possibilities for next year's meeting. April 18 was National Lineworker Appreciation Day – please thank them if you see them. Keeping the lights on 24/7 year-round in all weather conditions can be challenging. Our new digger truck finally showed up. It has been almost three years since it was ordered. The price tag on this truck was \$340,000. We have started receiving cable shipments now. It will be over a million in cable when all has been received. We are plowing cable now; they have a good start on the Robbin three-phase project. The cable is in, working on getting all the terminal boxes and member taps converted. They have also plowed multiple smaller projects. Wikstrom Telephone is plowing fiber in our area. We are working with Wikstrom Telephone on areas where we may share highway crossings.

The EPA is creating some problems for your cooperative and Minnkota Power Cooperative, PKM's wholesale power provider. On May 9 they published their final rules limiting greenhouse gas emissions from existing coal and new natural gas power plants. The final rule does not include existing gas power plants. Minnkota, neighboring utilities, the state of North Dakota and NRECA are working together to challenge these rules. They are seeking a stay of the rules in the DC courts, and this may end up at the Supreme Court. Minnkota coal plants would need carbon capture implemented by 2032 capable of 90% carbon capture, even though they cannot demonstrate the current technology will achieve these emission limits. If you decide to retire a plant by 2039, it will need to be co-fired with natural gas by 2030. If you are retiring the unit before 2032, nothing needs to be done, you

just need something else to replace it. And of course, none of this is free. Minnkota is looking at different options including Project Tundra, but the 2032 timeline is unworkable. If they are not able to get the stay, this will affect reliability and affordability at a time when the need for more power increases every year. There have been multiple warnings from MISO, FERC and NRECA about reliability issues. Transmission issues are another concern and none of these things happen overnight. All these things will take years to build, not including getting it approved. They need to spend more time on replacing what we have with something capable of replacing it 24/7. When the power goes off, they will just point fingers back at us.

Please join Voices for Cooperative Power to get notices of the current issues we are facing – you can email letters to your representatives through this site. You can also follow VCP on Facebook, Twitter or Instagram.

PKM has two Allegiant Utility Services personnel working in the Hallock, Halma and Humbolt/St. Vincent area changing meters. The work should be done by the end of June. They are driving mid-size white pickups with Allegiant and PKM Electric decals on the side. Any problems, please let us know.

If you are doing any excavation, please call 811. We also have Cooperative Development out of Bemidji doing our 811 locates. These locates do not cover personal wires on the member side of disconnect. If you have any questions, please call the office.

PKM just had a RESAP observation (Rural Electric Safety Achievement Program). Cooperatives work with MREA safety professionals to create a safety culture at your cooperative. MREA brings in observers from other cooperatives in the state. They do a walk-through of all facilities and truck, equipment and crew observations. The objective is to improve and create a safety culture in your cooperative. PKM scored great on this – great job to all PKM employees.

We are getting to the time of year for running your A/C or heat pump for cooling. Make sure you check your outside unit; it may need cleaning. If the outdoor unit is dirty, it will run longer and will increase your cost of running. And always check the filter in the furnace.

Keep a look out for poles and wires, as we have had a few poles hit already. These poles are not much of a match for this big equipment. If you break a pole or wires, do not go near it – let our linemen check it first. If you are in equipment, do not get out at all until our linemen are on-site to verify it is off. We did have a pole already that was broken off laying on equipment and still on. Do not go near equipment if it has poles and wires laying on it. This also goes for junction boxes along the ditch – they should have markers.

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Electrical after-hours emergencies 800-552-7366 e-mail: info@pkmcoop.com website: www.pkmcoop.com

Next board meeting Board meeting to be held the last Tuesday of the month.

Officers and Directors					
Mark Hatton					
C.J. Peterson					
Wayne Malm					
p, Steve Goodwin, Tom Woinarowicz					
Jeff Rustad					
Megan Dagoberg					

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ROLLOUT OF EPA RULES THREATENS ELECTRIC RELIABILITY, AFFORDABILITY

Final power plant rules create concerns for PKM Electric Cooperative

he Environmental Protection Agency (EPA) released a series of final power plant rules on April 25 that threaten to impact the reliability and affordability of electricity for PKM Electric Cooperative members and many others across the United States.

Minnkota Power Cooperative, PKM Electric's wholesale power provider, has major concerns with the unworkable timelines and requirements included in rules targeting greenhouse gas emissions, mercury emissions and coal combustion residuals. These rules have the potential to push the nation's fleet of reliable power plants toward retirement at a time when the electric grid is already facing reliability challenges.

"While we are in the process of evaluating these final EPA power plant rules, it is clear they will have significant impacts on electric grid reliability and affordability," said Mac McLennan, Minnkota president and CEO. "These rules set our nation on a dangerous path forward that will likely result in more blackouts, rising costs and greater uncertainty at a time when dependable electricity is needed more than ever."

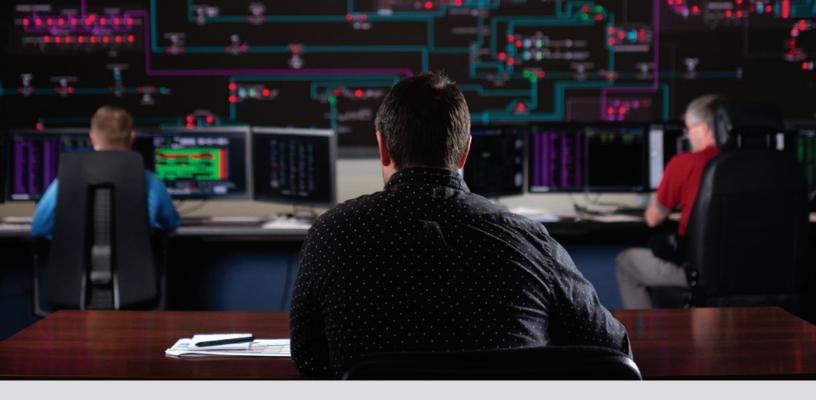
Minnkota has a longstanding commitment to environmental stewardship. From 2007 to 2011, approximately \$425 million was invested in emissions control technology at the coal-based Milton R. Young Station, which serves as the backbone of the cooperative's power supply portfolio. Additionally, more than 40% of Minnkota's power generation capacity is already derived from carbon-free resources, including wind and hydropower.

In its greenhouse gas rule, EPA has mandated power plant operators choose between installing carbon dioxide (CO₂) capture technology or selecting a path toward facility closure. For the past nine years, Minnkota has been proactively developing Project Tundra - an initiative to build one of the world's largest CO₂ capture facilities at the Young Station. Up to 4 million metric tons of CO_2 would be captured annually before being safely and permanently stored approximately one mile underground - the equivalent of taking 800,000 gasoline-fueled vehicles off the road.

"Despite the progress made on Project Tundra and our optimism about its future, these rules create a significant amount of uncertainty that will need to be navigated and better understood prior to a final decision," McLennan said. "Minnkota will need to closely examine whether the final rule is achievable, even with Project Tundra."

The EPA rules are being developed at a critical time. America's leading grid operators and regulators have been sounding the alarm recently on their growing concerns around the reliability of electricity supply. In its Minnesota and North Dakota service area, Minnkota faces challenges in how it provides resilient electricity in extreme cold conditions. Both wind and solar have historically faced major operational challenges in harsh winter conditions. During these times, the cooperative's coalbased resources have been essential in maintaining grid stability at a time when member-consumers would face life-threatening conditions without electricity.

"We should not have to choose between grid reliability and decarbonization," McLennan said. "We can address these priorities at the same time, but we need to approach them with caution and common sense. We will need both technology and time well beyond what EPA is mandating. Unfortunately, these rules will likely serve to stifle innovation and take environmental solutions off the table."



DOWN TO THE WIRE

The grid reliability alarms are ringing. How is Minnkota preparing?

By Minnkota Power Cooperative – PKM Electric Cooperative's wholesale power provider

maze of colorful lines and dots are sprawled across the 20-foottall screen towering over Terry Peoples and Jeremy Wiegandt. The digital depiction of Minnkota's electric grid may appear intimidating to most, but on this day, the bright lights and streams of real-time data provide a sense of calm inside Minnkota's energy control center. The power was flowing reliably, field crews were working safely and the phone lines were quiet.

But well outside the walls of this secure facility, there's a growing challenge that may require Minnkota's power system operators (PSOs) to do something they've never done before: intentionally turn the lights out for member-consumers as part of requirements to avoid a potential large-scale grid collapse.

"We're literally the people with our finger on the button," said Peoples, as he scrolled through the cooperative's power delivery system from his desk chair. "It doesn't surprise us that this situation is becoming more real. We have a good plan in place, but we know it would be chaotic if the time comes. Level heads have to prevail." Minnkota does not operate on the regional grid alone. The cooperative is interconnected with other utilities across a 15-state footprint from North Dakota to Louisiana through an organization called MISO. In an emergency grid event, MISO has the ability to take control of all utility systems and make decisions they deem necessary to maintain stability and bring balance to the supply and demand for electricity.

That includes requiring Minnkota PSOs to push the off button on a rotating basis until conditions improve. "It's really been eye-opening," said Wiegandt, a power system operator trainee in his first year on the job. "Things have completely flipped since I started here and they're still changing. I'm still learning how things work now, but we're all constantly learning about what the future might look like."

While every effort is made to avoid interrupting service to enduse members, Minnkota can be required by MISO to turn power off to some member-consumers to help prevent a catastrophic, extended failure of the larger electrical grid. Even if Minnkota has the resources in place to meet its members' needs, challenges in other parts of the MISO footprint can and do create impacts.

'Immediate and serious challenges'

The potential for grid reliability issues is increasing primarily due to the speed at which the United States is transitioning toward intermittent resources without retaining the stability provided by baseload coal, nuclear and natural gas power plants. As more dependable power plants are retired without adequate replacement, the margin for error continues to shrink.

In February 2024, MISO released an update to its Reliability Imperative that highlighted "immediate and serious challenges to grid reliability." The report also identifies that "the transition that is underway to get to a decarbonized end state is posing material, adverse challenges to electric reliability."

Grid regulators, including the North American Electric Reliability Corporation (NERC) and the



Terry Peoples communicates with the team inside the control center.

Jeremy Wiegandt is acclimating to fast changes in the industry during his first year on the job.



NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION (NERC)

Long-Term Reliability Assessment (December 2023)

Risk level in MISO region:

High risk; shortfalls may occur at normal peak conditions

Key quote from the report:



MIDWEST RELIABILITY ORGANIZATION (MRO)

Regional Risk Assessment (February 2024)

Risk level in MISO region:

For the first time, extreme risk of uncertain energy availability

Key quote from the report:

"Conventional, baseload generation that is available on demand is being retired and replaced with resources with limited energy availability due to uncertain fuel supplies that are increasingly weather dependent."

MIDCONTINENT INDEPENDENT SYSTEM OPERATOR (MISO)

Reliability Imperative (February 2024)

Risk level in MISO region:

"Immediate and serious challenges" caused by a "hyper-complex risk environment"



Key quote from the report:

"The transition that is underway to get to a decarbonized end state is posing material, adverse challenges to electric reliability."

Midwest Reliability Organization (MRO), have drawn similar conclusions in their reports released in the past few months.

"We're reading the same reports as everyone else," said Brandon Trontvet, Minnkota's System Operations and EMS Manager. "We're trying to prepare ourselves as best as possible knowing that reliability issues are a lot more likely than they've ever been before."

Trontvet oversees the system operations team, which includes the energy control center. He says lessons learned from Winter Storm Uri, the 2021 grid event in Texas that caused the largest controlled power outage in U.S. history, prompted his team to thoroughly evaluate and update its existing firm load shed plan, which identifies how PSOs will respond in a grid emergency event. Close coordination and collaboration with staff from the member cooperatives and Northern Municipal Power Agency participants throughout the process were critical in positioning the plan for a rapidly evolving environment.

"We've always had a firm load shed plan, but throughout the years it's never been used in real life," Trontvet said. "We dedicated time to working with the members to understand the loads we have on our system and determine how we can best minimize impacts, especially to critical infrastructure and essential services."

Trontvet says the plan matches up with the steps taken by MISO

once it declares a Maximum Generation Event, which calls on all available resources to operate. The five-step process incorporates a variety of strategies, including public appeals for energy conservation to stabilize the situation before issuing directives to initiate controlled outages. Additionally, MISO reserves the right to move directly to firm load shed without warning based on system conditions.

Increasing volatility

With reliability at greater risk, the MISO market – where Minnkota buys and sells energy and capacity – is responding with pricing that is becoming increasingly unpredictable.



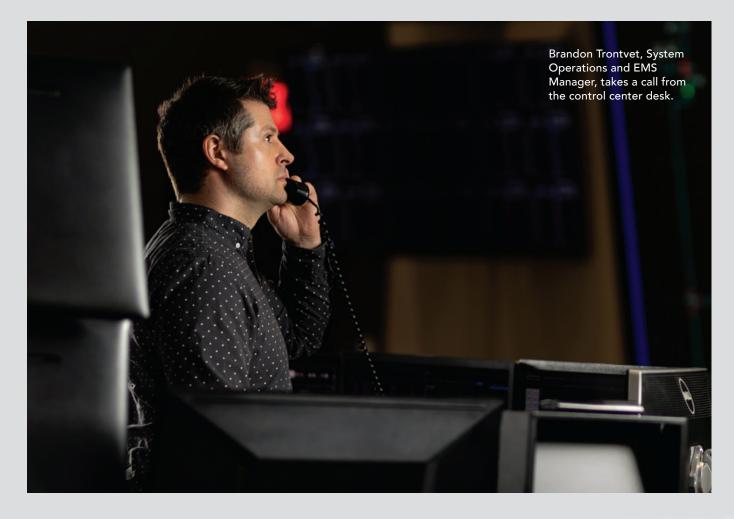
"The volatility that we're seeing is about 10 to 20 times greater than what we saw five years ago," said Dan

Trebil, Minnkota energy supply manager. "We used to see prices trade within a pretty narrow band, but now we're seeing prices go from negative-\$30 to \$2,000 – sometimes within the same hour."

One change expected within the next year is to move the market pricing cap from \$3,500/ megawatt-hour (MWh) to \$10,000/MWh – a jump that would create major financial consequences for buying energy from the market during an extreme event. "It sends a message to market participants that you don't want to be short in this market," Trebil said. "Eight hours of market exposure at \$10,000/MWh would be a significant impact to Minnkota. And it's not outside the realm of possibility."

Although the challenges are growing, the first step toward improving the situation is bringing the issues to the forefront and having a dialogue between policymakers, regulators, utilities and other key stakeholders.

"It's refreshing to see MISO and others publicly recognize that there are issues with not only grid reliability, but also the pace of resource retirements versus additions," Trebil said.



THE **S** of the energy transition

PKM Electric Cooperative's mission has always been to provide our rural communities with reliable and affordable electric service. We have done so for decades. However, recent calls for a fast and robust national energy overhaul may soon threaten our ability to serve you at the level you've come to expect.

Transitioning the grid to more carbon-free and renewable resources is an important part of our nation's energy future, but it can't happen overnight. Baseload resources – like coal, natural gas and nuclear power plants – are currently the only way to ensure power will be available 24/7, even when the sun isn't shining on solar panels and the wind isn't spinning turbines.

If we want an energy transition that creates more sustainable electricity without giving up reliability or affordability, our policymakers and fellow utilities must consider three critical elements: technology, transmission and time.

TECHNOLOGY

A successful energy transition hinges on technology developments that both reduce carbon emissions from baseload resources and store energy from renewable resources. Our wholesale power provider, Minnkota Power Cooperative, is a national leader in carbon capture and storage research. Minnkota is evaluating Project Tundra, an initiative to capture carbon from its coal-based power plant in Center, N.D., and store it safely and permanently deep underground. If successful, the technology could be emulated at other utilities to preserve dependable baseload power, strengthening the sustainability and reliability of the national grid.

In addition, there will need to be extensive advancements in utility-scale battery systems. This would allow electricity to be stored and released when renewable wind and solar generation is halted (e.g. during windless days and overnight). This storage technology is available but is still in its infancy. More work is needed to reach the large scale needed to power communities for extended periods of time.

TRANSMISSION

Electricity only works when you have the transmission lines to get it from generation point to community. Since wind farms and solar arrays are often constructed in remote areas (they need a larger land footprint to generate energy), it takes significant high-voltage transmission infrastructure to get power to areas of demand, like towns and cities. The more renewable resources that are added to the grid during the energy transition, the more congested the flow of power will become – and that could hinder reliability. Utilities must add more transmission lines across the U.S. today to ensure we are ready to accept more dispersed generation into the grid in the future.

TIME

To develop the technology and transmission necessary for the energy transition, one final T is essential – time. The electric grid is large and can be delicate, so utilities and policymakers must slow down and act with care as changes are made. Moving forward on a transition without a sharp focus on maintaining power reliability could be catastrophic to families, businesses, even the economy. And once mistakes are made, they will not be easy to reverse.

ELECTRICITY:

MADE, DELIVERED, CONSUMED — INSTANTANEOUSLY

Electricity is essential to our everyday lives. It powers our gadgets, keeps our food cold, illuminates our homes, and fuels our modern lives. But have you ever stopped to wonder just how fast electricity really is? It's literally lightning quick!

Electricity is the only product in the world that is made, delivered and consumed at the same moment in time. It's all thanks to a network of wires and cables that conduct electricity with remarkable efficiency. Whether it's generated by coal, wind, solar, nuclear, or any other resource, electricity makes its journey from power plants to our homes and businesses at near the speed of light. That's 186,000 miles per second!

Because of the

instantaneous nature of electricity, it must be used the moment it is generated and very little can be stored with current technologies. That means society requires a continuous flow of electricity being generated to meet the continuous demand from member-consumers like you. Baseload generation resources, like coal, natural gas and nuclear, are critically important because they have the ability to operate 24 hours per day and are not dependent on the weather to generate electricity.

Having reliable sources of power is becoming increasingly important as the world becomes more data driven. Large data centers are needed to keep up with the endless expansion of the internet. Many more will be required if artificial intelligence (AI) becomes a central part of our lives, as some are predicting.

No matter what the future holds, we know electricity will be a crucial part of our world. So, the next time you flip on a light switch or charge your phone, take a moment to marvel at what's happening on the other side of your power outlet.



Board meeting **highlights** January and February

A regular meeting of the board was held Tuesday, Jan. 30, 2024.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the president reported that all directors were present. Director Owens participated via video conference.

Director Woinarowicz and Director Aakre gave their reports on Minnkota and Square Butte.

Line Superintendent Joe Marcotte presented the monthly safety and operations report, indicating no accidents and no lost time. Miff from MN Safety was here Jan. 24 with the topic of hazard communications. A few of the linemen have gone to the MREA winter workshop and MREA foreman's conference. Marcotte brought attention to the 2023 Field Report, URD Report, 5-year Outage Report and the 2023 Gopher Bounty - no townships in Polk County turned in any. Report included in the packet and responded to questions received from the directors.

The manager of member services, Danny Schmidt, shared activities within his department. He attended the REMA meeting and shared information he learned there. There is currently 67:48 minutes of dual heat control and 18:31 minutes of yellow zone and 7:15 minutes of red zone control. He is still working with Eaton on metering issues and software updates to fix some issues. He has been replacing some off-peak and main meters that have not been reporting in on the misreads list. He also commissioned a new solar array down by Crookston. We have nine systems connected currently.

The CFO opened her administrative report with an office update. The office is in full swing of year-end activities. The final 219-work order inventory closing for 2023 was processed in December. Books were closed and year-end books will be

NEED HELP PAYING YOUR ELECTRIC BILL?

Energy assistance may be available!

If you are receiving a low income or suffering from a temporary financial shortfall, these agencies may be able to assist you with your electric bill. We urge you to contact them immediately to avoid disconnection if you feel you are eligible for aid.



NORTHWEST COMMUNITY ACTION PO Box 67 Badger, MN 56714-0067 (218) 528-3258 or 800-568-5329 northwestcap.org

TRI-VALLEY OPPORTUNITY COUNCIL, INC. 1407 Erskine Street Crookston, MN 56716 (218) 281-9080 or Toll Free (866) 264-3729 closed after the meeting. Minnkota and Carr's Tree Service allocations have been booked, which make our margins look aood

The CFO continued with the presentation of the Operating and Financial report for the cooperative. Historical data for margins for a 10-year PTD and YTD comparison were provided and discussed. Revenue sales are down \$240,599.44 for the year and expenses are under budget by \$285,600.48. Other reported numbers were discussed for December 2023 compared to 2022. Vehicle costs are \$2.17 average cost per mile year to date. The current equity ratio is down 1% from last year at 56.9%.

The CEO referenced his written report outlining recent meetings. He shared that he sent in our notice to not renew our contract with USIC in March of 2024. PKM also sent notice that we will not be renewing our Touchstone Energy membership. We will be having Cooperative Development out of Bemidji taking over this service for us.

The CEO stated, according to the bylaws, the directors need a separate resolution for the guarterly review of the financials. Having had the December financial review, a motion was made that the directors receive the fourth quarter financials

The CEO stated it would be necessary for the board to select voting delegates to the annual meetings of Minnkota Power Cooperative and Square Butte Electric Cooperative.

The president stated it is necessary for the board to review and determine the disposition of the non-operating margin

The CEO presented the listing of Accounts Receivable - Electric to be written off with a total of \$4,867.67. The CEO reminded the board that this does not end the collection process and that these accounts are turned over to a collection agency. The recovery process has been successful over the years.

> **Our offices will** be closed Thursday, July 4, in observance of

Independence Day.

If you experience an outage, call 1-800-552-7366.

Electrical Inspectors

Marshall and Kittson Counties Ronald Ditsch: 218-779-6758

Polk County George Stage: 218-284-1083

The discussion turned to the desirability of making a general retirement. The financial policy sets a goal of a 25-year rotation. Due to the weather, maintaining a steady margin is challenging. The capital credit pay-out method was discussed.

Following discussion, upon motion duly made by Director Aake and seconded by Director Mortenson, a resolution was offered to retire the 2001, 2002 and 35% of 2003, member capital totaling \$350,000.

After the single- and three-phase fixed rate increase, it was recommended that effective Jan. 1, 2024, the fixed rate for MN DNR single-phase power increase to the table below. Policy bulletin 20-2.3: Rate Code 2 - Minnesota Department of Natural Resources Single Phase Service Rate will need to be updated to reflect the below changes.

	DNR	Single-Pl	nase P	ower
KVA Size	Fixed (2023	Charge	New Fix 2024	ed Charge
0-7.5	\$	44.00	\$	60.00
10	\$	44.00	\$	60.00
15	\$	44.00	\$	60.00
25	\$	47.00	\$	60.00
37.5	\$	47.00	\$	60.00
50	\$	47.00	\$	70.00
75	\$	60.00	\$	100.00
100	\$	70.00	\$	120.00
167	\$	70.00	s	176.00

Following discussion, upon motion duly made by Director Peterson, seconded by Director Malm, and with a roll call vote the board approved and adopted policy bulletin 20-2.4: Rate Code 2 – Minnesota Department of Natural Resources Single Phase Service Rate with the fixed rate change effective Jan. 1, 2024, to be increase to the table above. A copy of these policy bulletins were appended to the official minutes of the meeting.

The rates for Cogeneration and Distributed Energy are reviewed annually. It was recommended that effective Feb. 1, 2024, the DG rate change to the table below. Policy bulletin No. 21-2.6: Cogeneration & Distributed Energy will need to be updated to reflect the below changes.

Distributed Generation (DG) Fixed Charge In addition to the monthly Fixed Charge

- Name Plate Rating

0-3.5 kw \$0/kw

- Name Plate Rating Residential 3.6-39.9KW \$2.65 per KW Cap \$31.00

- Name Plate Rating Small Commercial 3.6-39.9KW \$5.01 per KW Cap \$138.00

Reevaluated only when rates change

Following discussion, upon motion duly made by Director Peterson, seconded by Director Malm, and with a roll call vote the board approved and adopted policy bulletin No. 21-2.7: Cogeneration & Distributed Energy rate change effective Feb. 1, 2024, to be increased to the table above. A copy of these policy bulletins were appended to the official minutes of the meetina.

The CEO presented a Warren Riverside Golf Course possible donation to the board. After discussion it was decided not to donate

The annual OSHA Form 300A was presented to the directors. The CEO was very pleased with the report's results.

The CEO concluded the meeting with miscellaneous information for the directors including 2023 year-end work comp retention information, annual meeting information, Carr's Tree Service financials, the cooperative energy sales, solar information and CoBank 2024 director election.

A special meeting of the board was held Wednesday, Feb. 28, 2024.

Mark Hatton, president who presided, asked for roll call. Upon calling the roll, the secretary reported that all directors were present with the exception of Directors Goodwin and Mortenson. Director Owens participated via video conference.

Director Woinarowicz and Director Aakre gave their reports on Minnkota and Square Butte.

The operations manager presented the monthly safety and operations report, indicating no accidents and no lost time. The crews are busy with line patrol and mowing. Marcotte shared updates with the new digger truck. A few linemen and Joe went to Altec to check out the new digger truck. Everything looked good, just needs some paint. We should be receiving the truck by March. The old digger truck will be going up to Hallock. The inventory went well - we were .2% off.

The manager of member services shared activities within his department. They installed three new relays near Hallock and are now ready to change out the PLC meters to RF. The Hallock crew changed 10 meters that were being manually read each month. He shared about his meeting with Eaton and the update that needs to be done. Minnkota hosted a contractor training workshop in Mahnomen which he attended and has a District 1 meeting on Feb. 29 in Bemidji. There is currently 80:50 minutes of dual heat control and 18:31 minutes of yellow zone and 7:15 minutes of red zone control.

The CFO was not present so directors received her written report. The CEO Jeff Rustad shared that revenue is up, but this is due to having five extra days of revenue and American Crystal freeze piles. We have had quite a few calls on the bills this month with the fixed charge increase and the extra five days. The equity ratio is down a little from last year.

The CEO referenced his submitted written report outlining the recent meetings he attended during the month of February. Rustad shared that he has reached out to USIC and is trying to get things all square before they stop providing service in March.

The nomination of the PKM Electric Cooperative directors to serve on the Minnkota Power Cooperative and Square Butte Cooperative board of directors respectively were the next items of discussion. Following discussion, it was decided to leave the current nominations in place.

The following policy bulletins 20-1.28: Electric Rates Rate Code 1 – General Farm & Rural Residential Single Phase Service Rate; 20-2.4: Electric Rates Rate Code 2 - Minnesota Department of Natural Resources Single Phase Service Rate; 20-3.25: Electric Rates Rate Code 3 - Non-Demand Metered Three-Phase Service Rate; 20-4.10: Electric Rates Rate Code 4 - Three-Phase Service Rate Large Power or Demand Metered were presented for discussion. The current and recommended changes included adding the following: Equipment: All motors - fifteen horsepower (15 hp) and larger need "soft start" equipment to avoid voltage dips when the motor starts.

The member will be required to pay the cost of any special equipment necessary to maintain the cooperative's service reliability and integrity. This may include voltage

regulators, filters for "harmonics," power factor correction and other devices. A VFD or several VFDs may cause harmonic voltage distortion, which must be eliminated by filters at the member's expense. Filters shall be built into VFD or externally mounted.

The policy bulletin 3-3.22: Expenses & Fees for Attendance at Meetings was presented for discussion. The current and recommended changes included adding the following: 6. Directors will receive a quarterly payment of eight hundred twenty-five dollars (\$825.00) for their service to the cooperative paid in March, June, September and December each year.

The policy bulletin 8-1.7: Service Charges was presented for discussion. The current and recommended changes include updating the following amounts from twenty-five dollars (\$25.00) to a fifty-dollar (\$50.00) minimum, under Reconnection of Existing Services and Maintenance on Consumer's Premises.

Following discussion, upon motion duly made by Director Woinarowicz and seconded by Director Aakre, a resolution was unanimously adopted.

The CEO shared miscellaneous information with the directors including fixed charge and PCA totals for January, NCSC request for candidates, service connection requirements, cooperative energy sales and solar information. Carr's Tree Service financials are coming soon.

ANNUAL MEETING PRIZE WINNERS

TUESDAY, APRIL 2, 2024

Winner

- 1. Arlen Lyberg
- 2. Duane Kovar
- 3. Tom Miesner
- 4. Shirley Gaber
- 5. Todd Bye
- 6. Laura Kopecky
- 7. Karen Pearson
- 8. Robert Bratvold
- 9. Roger Anderson
- 10. Lowell Hamrick
- 11. Steve Hamrick
- 12. Carl Sherlock
- 13. Roger Dziengel 14. Donald Cerkowniak
- 15. Earl Pawlowski

Prize

- Energy Certificate \$25 ACME Tools Sweatshirt Igloo Cooler PKM Thermos and \$10 Dairy Queen Gift Card Lunchbox Goody Bag Extension Cord and Hat Energy Certificate - \$25 Scheels Gift Card - \$25 Crockpot ACE Hardware Gift Card - \$25 Scheels Gift Card - \$25
- PKM Goody Bag
- Extension Cord and Hat
- ACE Hardware Gift Card \$25
 - Cuisinart Hand Blender

Congratulations to all the winners!

Prize

Winner

- 16. David Larson
- 17. Larry Larson
- 18. James Bergman
- 19. Dean Danielski
- 20. Lloyd Fagerstrom
- 21. Palmer Rudd
- 22. Merele Nelson
- 23. Duane Potucek
- 24. Jon Slusar

Grand Prize:

Kids Prizes:

Hank Hahn

ACE Hardware Gift Card - \$25 Round Tabletop Grill Scheels Gift Card - \$25 PKM Goody Bag ACE Hardware Gift Card - \$25 ACME Tools Sweatshirt Scheels Gift Card - \$25 Visa Gift Card - \$50 Electric Cart Grill

\$500 Energy Credit

\$200 Visa Gift Card \$100 Visa Gift Card

PKM ELECTRIC COOPERATIVE POLITICAL LEADERS

Federal Legislators

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