

ElectricEye

Minnesota Valley Electric Cooperative

January 2024

Charting our course through the ever-changing energy landscape

CEO Update from Marvin Denzer

As the MVEC Board of Directors and Executive Team ended 2023 with annual budget and project reviews,



it's time to evaluate the challenges and opportunities that lie ahead for MVEC in 2024 and beyond. We are a member-owned cooperative, which means we're different from traditional investor-owned utilities and municipalities. Why are we different? You, our member-owners, elect

board directors to represent the entire membership in making decisions and we are a not-for-profit organization. We are here for you, our members-owners, plain and simple.

Wholesale power costs are 70% of your electric bill

One of MVEC's biggest expenses is to purchase wholesale power, which is approximately 70 percent of your electric bill. This is significant for you and MVEC, and it is the reason we're always looking for ways to be more efficient and strategic with our energy resource portfolio, which includes diversification in purchasing energy from three different wholesale power providers.

A mile of power line costs 20 percent more to build than a year ago

The recent spike in material and equipment costs hasn't made things any easier, but we're working hard to manage them. Material and equipment to build and maintain MVEC's electric infrastructure is seeing a 20 percent increase in cost. This means building one mile of power line costs 20 percent more than it did one year ago. Electric cooperatives typically have a less dense user base to spread costs across. With 47,000 members and 4,250 miles of power line, MVEC

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POWERING THROUGH WINTER



Kathy and Eric Garrison are no strangers to electric power tools.

The Savage couple and MVEC members have a garage full of electric yard equipment, including leaf blowers, a trimmer and lawn mower. While the Garrisons have embraced an electric lifestyle around the house, the couple still had a gap to fill with their gas-powered Toro snowblower.

This holiday season, the couple will need to make some room in their garage.

Kathy and Eric Garrison were the winners of MVEC's electric snowblower contest this past month, which was advertised in the Electric Eye, on www.mvec.net and in social media postings this Fall. And the timing was just right when MVEC energy specialist Michael Hinde delivered a new Toro electric 2-stage snowblower to the

Garrison home as an early Christmas surprise.

"We were so excited," said Kathy. "I ran downstairs to tell my daughter because it felt like we had won a lottery or something."

The couple has been slowly moving toward electrifying most of their garage tools, citing many of the ease of use benefits electric tools provide.

"I think for both of us, it's just more convenient," said Eric. "You're not dealing with gas and the maintenance that comes with gas equipment. And they start right up, so there's no worrying about if it's going to start this winter."

All year-round, Kathy and Eric have a complete set of electric tools to tackle any project around their house.



Kids Safety Poster Contest

Search "safety" at www.mvec.net, choose a tip or message and create an electrical safety poster for the chance to win one of six great prizes. See details and enter at mvec.net/safetycontest.

Additional resources and board meeting highlights available 24/7 at www.mvec.net



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MVEC

MINNESOTA VALLEY ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative

Take advantage of member

Rebate Review

MVEC has expanded rebate offerings for residential members to help them maintain at-home comfort while earning money back for energy-efficient heating and cooling purchases. Find more info at mvec.net/rebates-3/.

RESIDENTIAL APPLIANCES

- \$25 rebates are available for qualifying Energy Star appliances, including washing machines, freezers, refrigerators and dishwashers.

HEAT PUMPS

- \$500 rebates are available for Air Source Heat Pumps.
- \$200/ton for Ground Source Heat Pumps.
- \$300 for Ductless Heat Pumps. Mini Split units must heat AND cool and are required to be in MVEC's Metered program.

AIR CONDITIONER

- \$100 for air conditioner when enrolled to an Energy Wise program.

Wi-Fi THERMOSTAT

- \$50 for a qualifying Energy Star thermostat from an eligible brand, including Nest, Alarm.com, Honeywell, Ecobee, Lux, Emerson and Vivant.

ECM or PUMP

- \$50 for an Electronically Commutated Motor when submitted within 90 days of purchase.

ELECTRIC HEATING PRODUCTS

- \$10 per kW. Qualifying products include baseboard heaters, cove heaters, garage heaters, in-floor boilers, plenum heaters, electric thermal storage units and forced air.

CENTRAL AIR/HEAT PUMP TUNE-UP

- \$25 rebate available for units three years or older that have not had a tune-up within the last two years. This must be completed by a licensed service technician.



ELECTRIC VEHICLES

- \$150 per port for residential members only. Members pay half price electric rates when enrolled in the EV-24 charging program.
- For statewide and federal EV rebates, members can visit driveelectricmn.org/incentives. The organization put together a database released in December featuring current and upcoming incentives that will ease the financial burden associated with electric vehicles, chargers, and more. There are over 100 incentives in the database available for electric vehicle users and owners across Minnesota. The database includes incentives offered by federal and state agencies, utilities, nonprofits, and public-private partnerships.

Commercial rebates are also available upon request. To learn more about commercial rebates offered — such as our generator program, heating and cooling, alternative energy options — contact the Energy Services department at 952-492-2313.

Energy savings in the New Year

Energy Wise

Energy Wise refers to a range of cost-saving off-peak programs that help the co-op manage power flow efficiently and cost-effectively on high-demand days. Check out MVEC's offerings to find out how you can save in the New Year.

ENERGY WISE MN

How does it work?

In exchange for discounted electric rates or bill credits, your products enrolled in Energy Wise are used by MVEC for load management which usually means cycling that product on and off for brief periods during high-demand times. Participants say they enjoy the savings and don't really notice any different comfort levels – hot or cold – in their homes. Think of it as a remote-control switch that the co-op occasionally operates.

Metered vs. Unmetered

Metered

You hire an electrician to physically install qualifying products to a dedicated electric meter on your home with MVEC metering equipment. Metered programs qualify for Off Peak electric rates, which are approximately 50 percent less than general service rates and include electric space heaters, water heaters, AC units and water pumps.

Unmetered

Cooling and electric water heating products are cycled during high-demand energy times. You can enroll for free online. This includes electric water heaters and cooling programs such as Wi-Fi Thermostats.

What are peak hours?

Peak electricity hours refer to the specific time of day when electric consumption is at its highest, and electricity rates are the most expensive.

Load control shifts usage off high demand times (or off-peak), reducing the amount of wholesale power MVEC needs to purchase.

Allowing MVEC to control your heating units saves the co-op money, and we pass those savings on to you as a 10 percent bill credit — for cooling programs only — or as half-price electric rates.

Load control times are not pre-determined or statically scheduled. Each morning, the MVEC team analyzes that day's needs. Load management times are posted weekdays online or you may sign up for email notification. Please check out our Load Management page at mvec.net/load-control/ for more information.



How do I enroll?

For unmetered programs, members can enroll online. Metered programs require installation by an electrician with equipment provided by MVEC. Below is the process for Metered Off-Peak Programs:

- You determine the products to be enrolled in MVEC's Metered Off-Peak Programs (also known as Energy Wise). Air Conditioning is not eligible for a metered program by itself.
- You work with your electrician of choice to determine the scope of the job and the parts needed from MVEC. Sharing MVEC's wiring diagrams with your contractor will help in the planning process.
- Once the conversation with your contractor is complete, you can contact MVEC for any parts needed for the job as advised by the contractor. You may choose either option below:
 - MVEC will ship the parts needed for your configuration (at no cost).
 - You can pick up the parts at MVEC's office on the business day after receiving the order confirmation.



Seeking adventurous student!

Attention high school juniors or seniors: Win an all-expense paid trip to Washington, D.C. in June!

MVEC is sponsoring one high school student from our service area to participate in the annual Rural Electric Youth Tour June 18-23 in Washington, D.C. The selected student will visit with congressional representatives, tour famous monuments and museums, and make memories and friends that will last a lifetime.

Rural electric cooperatives across the nation sponsor nearly 1,800 students to participate in the annual Youth Tour to learn about how government works and about the electric cooperative business model.



APPLY TODAY!

This contest is open to any current high school junior or senior whose family is a member of Minnesota Valley Electric Cooperative. The deadline to apply is Friday, March 15. One MVEC alternate will be selected and either receive a \$200 cash prize or attend the Youth Tour if the winner is unexpectedly unable. Students can apply at www.mvec.net/youth-tour/

Director deadline fast approaching

January is the final month to apply for MVEC's Board of Directors. The deadline for the filing period is Tuesday, Jan. 30.

Currently, there are four seats open for election, which are held by:

- **Tom Wolf of Credit River (District I)**
- **Michael Lins of Savage (District I)**
- **Brent Lawrence of Prior Lake (District II)**
- **Kevin Gibbs of Le Center (District III)**

Qualifications

- Candidates must be members who reside within MVEC's service area.
- Candidates may not be employed by or financially involved with a competitor or business selling electric energy or supplies.

Interested candidates can call 952.492.8242 or email elections@mvec.net before Jan. 30, 2024.



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averages 11 members per mile compared to an investor-owned utility such as Xcel Energy which has an estimated 160 customers per mile of their power lines. As a co-op of our size, it can be challenging to absorb rising expenses, but we're committed to doing everything we can to keep rates affordable, while improving reliability for you, our member-owners.

Cost of service study: A focus on fairness and maintaining balance

In 2024, we will conduct a comprehensive cost-of-service study to ensure all member rate classes are fair and equitable. This study helps us understand the true cost of providing electricity to different rate classes so that no one group is paying more to

subsidize another. If the results of the study show it is necessary to adjust rates, we will fully communicate and explain the reasons for the changes to you.

New technologies and mandates: Changing the way we deliver power

The rapid adoption of new technologies like solar panels, wind turbines, batteries, and electric vehicles is changing the way we deliver power. These advancements are exciting, but they also introduce new challenges and require us to adjust MVEC's infrastructure and power portfolio. As we work to comply with new state and federal mandates, the affordability and reliability of your electric service remain our top priorities.

We are your trusted energy advisor

In this issue of the newsletter you will see we offer variety of options that meet the unique needs of your household or business. You have choices of energy-saving programs, free payment options, rebates, and more that can mitigate the rate you pay. At MVEC, we believe our members are the heart of our co-op. That's why your voice matters. We encourage you to stay engaged and informed as we navigate this exciting and evolving energy landscape together. That's our promise to you as we begin a new year.

Have a Safe, Healthy and Prosperous New Year,

Marvin

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Minnesota Valley Electric Cooperative
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MVEC is an equal opportunity provider and employer

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