

CIRCUITS

NEWS FOR DAKOTA ELECTRIC MEMBERS



Stay cool this summer with Cycled Air Conditioning®

Participating members can now receive a **\$12 credit** on their summer electric bills



By signing up for Cycled Air Conditioning®, members save money by allowing Dakota Electric to cycle their central air conditioner on and off in 15-minute intervals during times of peak energy use – keeping their home cool while reducing the demand for expensive energy.

Members who participate receive either a reduced rate on all the energy used by their air conditioner or a \$12 credit on their bill every June, July and August, which is a 20 percent increase over past credit.

Option 1 - Save \$0.03 per kWh for energy used by the air conditioner. Requires a one-time meter installation fee of \$50. Recommended for members who use air conditioning during the spring, summer and fall.

Option 2 (FREE) - Receive \$36 in annual savings. No installation fee for load control receiver. Recommended for members who use air conditioning on most or only the hottest summer days.

Cycled Air is a voluntary program. If you are not completely satisfied, Dakota Electric will disable the control equipment and remove you from the program at no charge.

Tried it before? Try it again and save \$36!

For those of you who tried Cycled Air in the past, we are asking you to try it again. If your cooling equipment or household situation has changed, reconnecting to the Cycled Air Conditioning program is free and easy. Call our Energy Experts® at 651-463-6243 and join more than 40,000 Dakota Electric members who have already discovered that Cycled Air Conditioning is one of the easiest ways to save on summer cooling costs.

We can all benefit by checking the **conservation gauge**

During warm summer months when electricity use and wholesale power costs are higher, it is important to check Dakota Electric's conservation gauge.

The gauge will alert members when the increased demand for electricity drives up wholesale power cost. We all benefit by taking action to reduce energy consumption during these periods.

Visit www.dakotaelectric.com to check the gauge and sign up for email notices on peak and critical use days when additional conservation measures are necessary.



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Upcoming events

GreenTouch Day	May 7, 9 a.m.
Board meeting	May 26, 8:30 a.m.
Memorial Day - Offices closed.	May 30

Program information and offers in this newsletter are subject to change without notice.

May 2011



Your Touchstone Energy® Partner 

STRAIGHT TALK about the rising

Straight Talk is a series of educational articles that Dakota Electric will run in Circuits throughout the remainder of the year. These articles are meant to educate and inform our members on the various factors that may impact your electric bill. You can also reference these articles on our website at www.dakotaelectric.com.



Rick Lancaster
Vice President, Generation
Great River Energy

When you pay your bill to Dakota Electric Association, you're gaining access to a complex network designed to deliver reliable power to your home 24 hours a day, seven days a week. That network includes Dakota Electric's distribution system as well as the transmission lines and generation facilities of its wholesale power provider, Great River Energy. Dakota Electric is both a member and an owner of Great River Energy.

The business of producing electricity is changing. You've likely seen wind turbines in southern Minnesota creating renewable energy from strong Midwestern winds. Although renewable energy is growing quickly, largely as a result of government subsidies and mandates, a vast majority of the electricity that powers homes and

businesses in the Midwest comes from traditional generation sources, such as coal.

Great River Energy's largest generation facility is a coal-fired power plant in central North Dakota. Known as Coal Creek Station, it has provided efficient and affordable electricity for Dakota Electric's members since 1979. The plant still provides some of the most cost-effective and reliable power in the country due to its location near an affordable and abundant fuel source in the coal country of central North Dakota.

Over the past 10 years, the location of coal seams and increasing costs of resources necessary for mining have led to increases in coal prices and, in turn, the

Election results announced at 2011 Annual Meeting

Dakota Electric's annual meeting was held April 7. In addition to hearing reports from board directors, members listened as President and CEO Greg Miller discussed Dakota Electric's environmental efforts, the effects of a slow economy, state and federal legislation, changing technologies and more.

Election winners

District 1 - Ron Swagger (Burnsville) **District 2** - Janet Lekson (Rosemount)
District 3 - Margaret Schreiner (Eagan) **District 4** - Paul Bakken (Eagan)

All winners are incumbents, except for District 4's Paul Bakken, who won the seat vacated by Ray Nicolai of Hampton. Nicolai retired after 27 years of serving on the board of directors. The board recognized Nicolai at his last board meeting March 31 and thanked him for his years of service to Dakota Electric's members.



Ray Nicolai



Greg Miller illustrates how Dakota Electric is serving more members with fewer employees due to better technology, improved processes and the use of contractors.



L to R: Ron Swagger, Janet Lekson, Margaret Schreiner and Paul Bakken

cost of creating electricity

cost of generating electricity. As more coal is mined, the mining company that supplies coal to Coal Creek Station extracts coal that is located deeper underground and farther from the power plant.

Earlier mining plans required the removal of approximately 50 million yards of dirt per year in order to mine lignite coal for Coal Creek Station. Today, more than 80 million yards of dirt must be removed annually – and it requires additional equipment to do so. That has resulted in a need for more equipment, more workers and more fuel.

Under typical circumstances these changes would result in only minor cost increases. However, they come at a time when costs associated with a stepped-up mining operation have never been higher: the cost of diesel fuel has increased 300 percent since

1999; steel, a vital resource used in replacement parts of mining equipment, has roughly doubled since the early 2000s; and rubber, which is needed primarily for tires, has increased by about 50 percent over the past decade. Nevertheless, coal remains much more cost-effective for round-the-clock power supply than other fuels such as natural gas.

These trends aren't unique to Great River Energy. Utilities across the country are experiencing increases in fuel costs for similar reasons. Although costs have increased, Coal Creek Station still produces some of the most cost effective and efficient electricity in the region – and that won't change anytime soon. Great River Energy and Dakota Electric Association will continue to work together to ensure that you have all the power you need, and get it at a fair price.

Affordable upgrades for income-eligible members

To help members with limited financial resources make energy-efficiency improvements, Dakota Electric joined with the Community Action Program (CAP) to offer the following programs for reduced or no cost:

- Central air conditioner tune-ups
- Replacement of inefficient refrigerators, clothes washers, dishwashers, dehumidifiers, room air conditioners and electric water heaters
- Microwaves
- Energy audits

Members who qualify according to the income guidelines can call CAP at 651-322-3518 for more details.



Income Guidelines	
Number in Household	Annual Income
1	\$22,620
2	\$29,580
3	\$36,620
4	\$44,100
5	\$51,580
6	\$59,060
7	\$66,540
8	\$74,020



What is a franchise fee?

Most electric utilities, natural gas utilities and telephone companies are located within the public right-of-way that is under the control of a municipality.

In the areas where Dakota Electric provides electric service, the conditions for using this public right-of-way for utility purposes are often spelled out in a franchise agreement between the municipality and Dakota Electric.

A typical condition of a franchise agreement is the acknowledgement that, at a future date, the municipality may impose a franchise fee as authorized by law.

Minnesota statute specifically allows a municipality to impose a franchise fee to:

- raise revenue
- defray municipal costs related to the utility use of the right-of-way

When franchise fees are imposed on Dakota Electric, we simply collect the funds as required by the fee agreement and remit the amount to the municipality. Currently, only one community has a franchise fee.

If and when a franchise fee is imposed, members are notified in advance and will see the amount as a line item added to your monthly bill.

Dakota Electric does not retain franchise fee revenue.

May is Electrical Safety Month

Dakota Electric encourages members to inspect their businesses, homes and outdoor areas for electrical hazards. Simple repairs can prevent fires and injuries.

- Check electrical outlets for loose-fitting plugs that can shock or be a fire hazard.
- Make sure that appliance cords, as well as plugs and connectors, are not frayed, cracked or damaged.
- Have a professional check your electrical panel to make sure that breakers and fuses are properly rated for the circuit they are protecting.
- Check light bulbs and appliances to make sure the wattage matches fixture requirements.
- If an appliance repeatedly blows a fuse, trips a circuit breaker or gives you an electrical shock, immediately unplug it and make arrangements to repair or replace it.

For more safety information, visit www.dakotaelectric.com.



Keeping you safe around electricity

We may not often think about it, but there is no doubt: Electricity can be dangerous and even lethal. That's why the safety of employees, members and the public is a priority for Dakota Electric.

"Dakota Electric crews are often in the field working on energized power lines around our system," commented Joe Kuhn, utility services superintendent, "and they have the necessary equipment and follow strict procedures to keep themselves and the public safe."

Following are some of the ways Dakota Electric keeps members safe around our power lines and equipment.

- Power lines and equipment are engineered to provide for maximum safety and reliability.
- Equipment such as transformers and substations are noticeably marked to inform the public of potential safety hazards.
- Public work areas are clearly marked, "Utility Work Ahead."
- Trucks and crews in the field are positioned with safety in mind.

Bernie Kolnberger, utility services manager,

emphasizes, "For your safety, and the safety of our employees, please slow down when you see our vehicles and stay clear of our work zones."

In addition to equipment and procedures designed with public safety in mind, Dakota Electric also promotes and offers multiple public safety training opportunities. "We delivered over 50 public safety programs to more than 3,000 people in 2010 alone," stated Kevin Fowler, manager of safety services. The program participants included:

- School children
- First responders such as fire fighters, EMTs and the Sheriff's department
- Youth groups such as 4-H and county extension groups
- Construction trades workers

Additionally, Dakota Electric makes a concerted effort to provide on-going safety information in *Circuits* newsletter. For more information, visit the Safety & Education tab at www.dakotaelectric.com.

If you see anything that appears to be unsafe, such as a downed power line, please call 651-463-6201 immediately.



Dakota Electric selects area students to travel to Washington, D.C.

Five local high school students were recently selected to receive a trip to Washington, D.C., sponsored by Dakota Electric Association. The winners are Lisa Beard and Mary Gao, both of Rosemount High School; Clint Birtzer, Rosemount, is home schooled; Matthew Hardegger, Burnsville High School and Casey Casella, Eagan High School. Nicole Fairchild, Burnsville High School and Russell Howland, Eagan High School were selected as alternates. The students will participate in the National Rural Electric Association's (NRECA) annual Washington, D.C. Youth Tour, scheduled for June 11-16.



Lisa Beard



Clint Birtzer



Casey Casella



Mary Gao



Matthew Hardegger

Each year, more than 1,200 high school students from around the United States travel to Washington, D.C. for the NRECA Youth Tour. The participants are selected and sponsored by their local electric cooperatives. During the week, the students learn about government, cooperatives and rural electrification. They will have the opportunity to tour many of Washington, D.C.'s sites and will have a chance to meet their elected officials.

"Dakota Electric is proud to sponsor local students to attend an event like the Washington, D.C. Youth Tour," President and CEO Greg Miller said. "Some of the nation's brightest students gather together to learn about cooperatives and our government."

A panel of judges selected students after reviewing the student applications and interviewing them.

"We want to thank all of the applicants for this year's Youth Tour," said Peggy Johnson, Dakota Electric's community relations director. "We wish we could send all the students on the trip, but we have to narrow it down to five, which is always a hard decision."

Plan before you plant

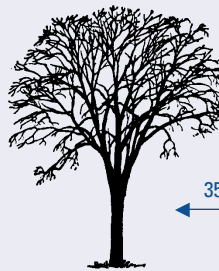
To reduce the potential for outages, Dakota Electric must maintain power line clearance by removing or pruning trees and shrubs that might interfere with the safety and reliability of your service. You can help maintain power line access and clearance by planning ahead before planting trees and shrubs. The guidelines below will help ensure safe and reliable service for all Dakota Electric members.

TREES UNDER 15 FEET



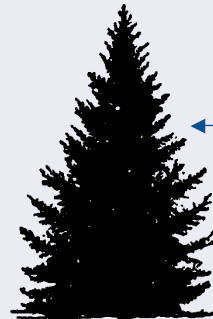
Trees that grow no taller than 15 feet may be planted within 10 feet of the electrical wires, but no closer.

TREES UNDER 40 FEET



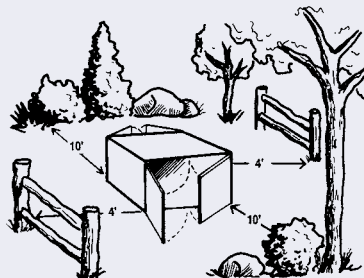
Trees that grow no taller than 40 feet may be planted within 35 feet of the electrical wires, but no closer.

TREES UNDER 60 FEET



Trees that grow up to 60 feet must be planted at least 45 feet from the electrical wires.

ELECTRICAL BOXES



Mature trees and shrubs need to maintain 10 feet of clearance in front of equipment doors and 4 feet on all other sides of the box.

Anyone digging in Minnesota must call **Gopher State One Call** before they begin digging. Doing so protects you and your property. Visit www.gopherstateonecall.org or call **811**.



Know what's below.
Call before you dig.

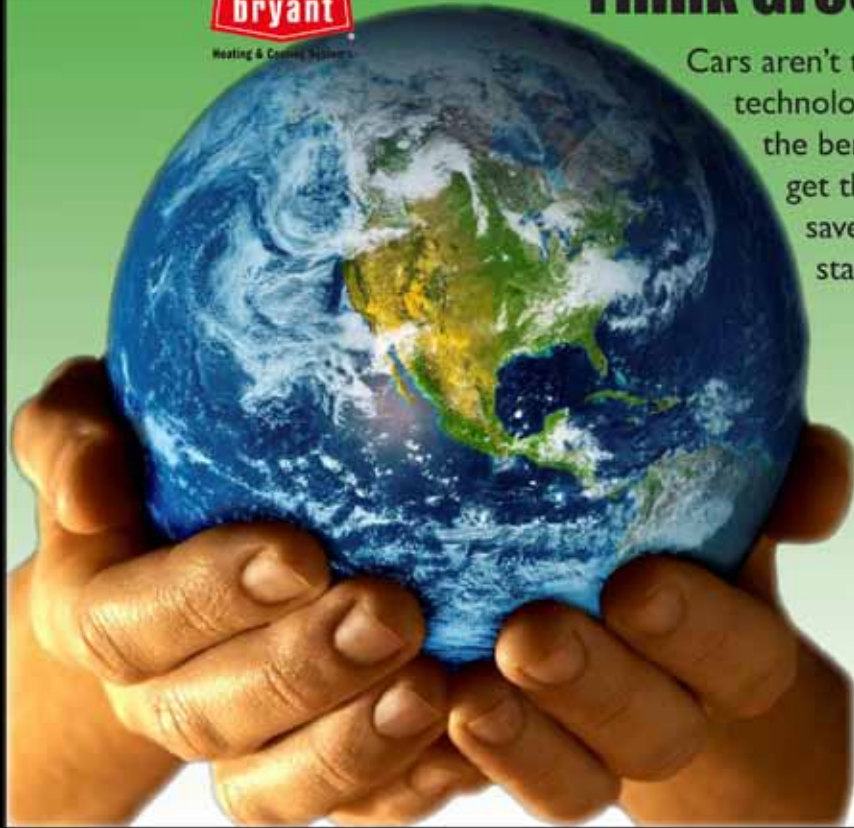
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Energy education for area teachers

If you are a K-12 teacher, we have an excellent opportunity for you. Great River Energy and its 28 member cooperatives once again will offer *Energy Education in the Classroom*. This teacher training course is part of the popular Wisconsin K-12 Energy Education Program (KEEP), which has received positive feedback from teachers since it began in 1997. KEEP and faculty from the University of Wisconsin-Stevens Point will share their exceptional energy education tools to help teachers easily build energy education into their curriculum.

If you live or teach in an area served by Dakota Electric, you will be provided a \$420 Great River Energy scholarship for the course. Among many other things, teachers will receive one graduate credit from the UWSP and a 400-page activity guide which is full of course outlines and adaptations.



Course Details:

- Aug. 2-3 at Great River Energy, Maple Grove, Minn.
- Teachers pay \$100 and receive one graduate credit.

Visit greatriverenergy.com/teachercourse for details and to hear what teachers have to say about the course.

BOC course coming in June

The Building Operator Certification (BOC) course helps organizations save money by improving the efficiency of HVAC and lighting systems—your building's biggest energy users—while giving you the tools to research and pursue more efficient operational methods.

This eight-session course will be held at the Dakota County Technical College in Rosemount beginning mid-June. Classes will meet one to two days per month, which will minimize your time away from your facility.

Those completing the course can earn 7.4 CEUs and the Building Operator Certification. Utility scholarships may be available. Please visit www.boccentral.org to sign up for this great educational opportunity.

Call Tim Doherty at 651-463-6235 or your account representative at Dakota Electric with questions.

BE AN ENERGENIUS



Enter for a chance to win
a \$500 gift card

With recent advancements such as dimmer switch compatibility and new shape, size and color options, CFLs have become even smarter, so flip the switch to intelligent lighting. Visit mnbrighterideas.com to learn more about energy-efficient lighting.

\$3 OFF with a coupon in your energy statement **\$2 OFF** instant savings at select Walmart stores

Save on GE Energy Smart® CFLs from March 1–July 31, 2011
Dakota Electric reserves the right to discontinue this promotion at any time.



Compact fluorescent lights (CFLs) contain a small amount of mercury and must be recycled. Mercury is harmful to the environment, and placing CFLs in the garbage is illegal in Minnesota. To learn how to lawfully dispose of CFLs, visit www.earth911.org or call the MN Pollution Control Agency at 651-296-6300.



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Ronald R. Swagger

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Clay Van De Bogart, Great River
Energy Director
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Jim Sheldon, Chair

District 3

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Greg Miller, President & CEO
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from Dakota Electric

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- Air conditioner and air-source heat pump tune-up rebates
- Cooling system rebates
- Cycled Air Conditioning®
- Cooling system recommissioning rebates for business members

Contact Us

Member service & drive-up window
7 a.m. – 7 p.m. Monday - Friday
651-463-6212 or 1-800-874-3409
Hearing Impaired TDD 651-463-6144

Lobby 7 a.m. – 4:30 p.m., Monday - Friday
4300 220th Street West, Farmington, MN 55024

24-hour outage & emergency service
651-463-6201 or 1-800-430-9722

Underground cable locations Gopher State
One Call 811 or 651-454-0002 or 1-800-252-1166

Tree trimming & street lights 651-463-6287

Careers 651-463-6129

Dakota Electric is an equal opportunity/
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