

# CIRCUITS

NEWS FOR DAKOTA ELECTRIC MEMBERS



**TOP:** The membership re-elected all four incumbent directors at this year's annual meeting (L-R): David Jones, Paul Trapp, Bill Holton and Jim Sheldon.

**LEFT:** Board Chair Jim Sheldon discussed the cooperative's community involvement efforts and the support provided to many local organizations, including donations to local schools and 360 Communities.

## Outstanding reliability, service reported at annual meeting

Providing quality service to member-owners, outstanding electric reliability, lower energy sales and a new smartphone outage application were a few of the topics discussed at Dakota Electric Association's Annual Meeting, held in the social hall at St. Michael's Church in Farmington on April 28.

President and CEO Greg Miller discussed causes for lower energy sales including mild weather and effective efforts promoting conservation and energy efficiency.

"Members are participating in our energy conservation programs, using our rebates to upgrade appliances and lighting, and taking advantage of off-peak programs to save energy and money," Miller told the audience. "Partnering with our member-owners to promote energy efficiency

and conservation is a cornerstone of our values and our strategic plan."

Regarding 2016, Miller highlighted a few of the cooperative's initiatives including a large solar project, a new substation, a customer information system upgrade and a new outage application coming soon, among other things.

Board Chair Jim Sheldon provided information from the boardroom, including community involvement efforts, donations and the board's goal of serving the membership.

"Your board members are committed to representing our members' interests in the boardroom and out of the boardroom," Sheldon said. "It is an honor and a privilege to serve you."

Board Treasurer David Jones gave an overview of the 2015 financials, which received a clean audit opinion from Dakota Electric's auditor.

Kandace Olsen, vice president and chief culture officer for Great River Energy, brought an update from Dakota Electric's wholesale power supplier. She discussed their efforts to keep costs down while growing their investment in renewable energy.



Dakota Electric President and CEO Greg Miller talked about new residential and commercial growth, while electric sales were down in 2015 due to successful conservation efforts and mild weather.

## In This Issue

Distributed generation & net metering . . . .	2
Save on summer cooling costs . . . . .	2
Understand your load control receiver. . . .	4
Income-eligible energy assistance . . . . .	5
Environmental activities . . . . .	7

### Upcoming events

Board Meeting . . . . . June 30, 8:30 a.m.

June 2016



Your Touchstone Energy® Cooperative 

## Distributed generation and net metering

### What is distributed generation?

Distributed generation (“DG”) generally refers to non-centralized sources of electric generation, using resources such as wind, solar, combined heat and power (CHP) and diesel, usually located at or near homes or businesses. In certain applications, DG technologies can provide benefits to consumers, utilities and society, including reduced transmission and distribution costs, reduced emissions and enhanced reliability. For instance, generation located near demand – or where the energy is used – can reduce energy losses and may allow utilities to defer upgrades to substations and transmission and distribution facilities. Meanwhile, some technologies, including microturbines and internal combustion engines, can offer increased efficiency by taking advantage of waste heat, while those powered by renewable resources can have emission and land-use impact advantages over central station generation. Many benefits of DG are highly dependent on the operating characteristics of the DG facilities and where they are installed.

### What is net metering?

Net metering is one of many techniques available to measure and value the output of cus-

tomers-owned generation. Net metering rules generally provide that customers with certain self-generation capabilities should have a meter that rolls forward when the customer consumes power from the grid and rolls backward when the customer exports power to the grid, thus compensating the customer at the retail rate for the generation. If a customer consumes more energy over the course of a billing period than generated, the customer pays only for the net energy imported from the system, plus any fixed monthly charges included in the rate schedule.

### Why are utilities concerned about net metering?

Net metering policies require utilities to pay customers the retail price for wholesale power. The retail rate utilities charge includes not only the cost of wholesale power, but also recovers costs incurred by utilities for transmission, distribution, and other utility services not provided by the customer-generator. Net metering policies require utilities to pay high costs for what is often intermittent power that cannot be scheduled or dispatched to meet system requirements. Net meters may cause customers to under-pay the fixed costs they impose on the utility system. A utility has to install sufficient facilities to meet

the peak requirement of the customer and recover the costs of those facilities through a kilowatt-hour (kWh) charge. When the net meter rolls backward, it understates the total energy used by the customer, and thus understates the customer’s impact on the fixed costs of the system.

### Traditional electric rates may not permit utilities to recover fixed costs as DG increases

Electric rates, particularly for residential customers, are typically comprised of a monthly fixed charge, plus a kWh energy charge that can vary monthly. For most utilities the monthly fixed charge is often considerably less than the actual fixed costs incurred to serve customers on the system. A large percentage of these fixed costs, which utilities incur in order to build the infrastructure required to ensure reliable electric service, are often recovered through the variable kWh energy charge. The kWh charge is typically set at a level that is calculated to recover the utility’s costs not recovered through the monthly fixed charge. If customers generate their own energy such that sales decrease below the levels anticipated when rates were set, the utility will not recover its full cost of providing service until it is able to institute a rate increase.

## Save on cooling costs - Contact the Energy Experts® for details

According to the U.S. Department of Energy, homeowners could reduce air conditioning costs by 20 to 50 percent by switching to a high-efficiency cooling system, and taking other actions to lower cooling costs.

### Tune-up your cooling system

The best way to ensure efficient operation of your cooling system is by having it tuned up every two years. A tune-up by a service expert can improve your unit's efficiency by as much as 20 percent, extend its life and help protect our environment.

Dakota Electric can assign you a con-

tractor with a guaranteed tune-up price of \$79.95, or hire your own HVAC service contractor and receive a \$25 rebate as a credit on your electric bill.

### Cycled Air Conditioning®

Enroll in Cycled Air Conditioning and join more than 40,000 Dakota Electric members in one of the easiest ways to save on summer cooling costs.

On days when homes and businesses are using a lot of electricity and wholesale power is more expensive, Dakota Electric will cycle your air conditioner condenser on and off in 15-minute increments. Your fan will continue to run,

circulating the air in your home. You receive a \$13 credit on your electric bill each June, July and August.

### Upgrade your cooling system

Dakota Electric offers rebates to members installing high-efficiency cooling solutions that will save energy and lower your electric bill.

- Rebates of up to \$630 are available (see sidebar).
- Consider a heat pump for the most efficient heating and cooling system available.
- Members with LP gas are eligible for a FREE in-home audit.

## Traditional electric rates may shift costs from customers with DG to all other customers

Just as the utility's kWh charges are typically set to recover its full revenue requirement, they are also set at a level anticipated to recover a fair share of the utility's fixed costs from each customer, based on average use within each rate class. If a subset of customers install generation, and thus use significantly less energy than average, that group will not contribute their fair share of the utility's fixed costs, shifting those costs to other customers who are not self generating. The cost shifts will become more pronounced if utilities are forced to raise their kWh rates in order to recover their full revenue requirements.

## Designing retail rates to accommodate distributed generation

Electric cooperatives are member-owned, member-governed, not-for-profit electric utilities. They exist to provide safe, reliable and affordable electric service to member-owners at rates that reflect the cost of providing service. Like other utilities, cooperatives design their retail rates to recover costs and minimize cost shifting between or within rate classes. As distributed generation becomes more common, some cooperatives may find traditional rate designs no longer meet their needs. Changes are needed to ensure those cooperatives can recover their costs of service, minimize cost shifting between members, and provide members with accurate price signals for investments in distributed generation.

Dakota Electric supports changes to state policies and electric rate structures for distributed generation that ensures all members pay a fair price for the services they use. As a regulated electric cooperative, any future changes in rates will be reviewed and subject to approval by the Minnesota Public Utilities Commission.

**Members with LP gas are eligible for a FREE in-home audit.**

## COOLING SYSTEM REBATES

### Tune-up

Receive a \$25 rebate for getting a tune-up on your central air conditioner or air-source heat pump.

### Central Air Conditioner\*

SEER 13-14	\$50
SEER 14.5	\$180
SEER 15	\$280
SEER 16+	\$330

### Air-source heat pump\*

SEER 13-14	\$330
SEER 14.5	\$480
SEER 15	\$580
SEER 16+	\$630

### Cycled Air Conditioning®

Participating in the Cycled Air Conditioning program is one of the easiest ways to save on summer cooling costs.

- Receive a \$13 credit on your bill each June, July and August.
- On days when homes and businesses are using a lot of electricity and purchasing wholesale electricity is more expensive, Dakota Electric will cycle your air conditioner condenser on and off in 15-minute increments. The fan will continue to run.

*\*Rebate amounts based on energy-efficiency rating and installation by a registered contractor.*



# Do you participate in Energy Wise® off-peak programs?

## Understand your load control receiver

Members who participate in our Energy Wise® off-peak programs receive a special rate for allowing Dakota Electric to temporarily interrupt power to certain appliances when electricity use is especially high.

To temporarily interrupt power, Dakota Electric uses load control receivers like the one below, often located near your electric meter or central air conditioner. The light panel in the center of the load control receiver indicates what loads

Dakota Electric is controlling, and if the load control receiver is operating properly.

As the summer cooling season ramps up, those members participating in Cycled Air Conditioning® will have their central air conditioner condensers cycled on and off in 15-minute increments on days when electricity use is high and purchasing wholesale electricity is more expensive. In return, participating members receive a \$13 credit on their elec-

tric bill each June, July and August.

By understanding your load control receiver, you will know when your central air conditioner is being controlled. If you experience problems with your air conditioner, see below for helpful tips.

To learn more about your load control receiver or various Energy Wise off-peak programs, contact the Energy Experts® at 651-463-6243.

	1 <sup>st</sup> LED light	2 <sup>nd</sup> LED Light	3 <sup>rd</sup> LED Light	4 <sup>th</sup> LED Light	5 <sup>th</sup> LED Light
<b>Color</b>				 	 
<b>Indication</b>	When red light is glowing, connected load is being interrupted or cycled.	When red light is glowing, connected load is being interrupted or cycled.	When red light is glowing, connected load is being interrupted or cycled.	Glows continuously to indicate the load control receiver is getting Dakota Electric's signals.	Blinking red light or clear light indicates the load control receiver has power.



## Air conditioner problems?

If you experience air conditioning problems, please check the following items before calling Dakota Electric.

- ✓ Is your A/C circuit breaker or fuse and furnace switch on?
- ✓ Is your thermostat on "Cool" and calling for A/C?
- ✓ Are any lights on in the gray load control receiver box outside by your A/C unit?
  - If any of the red lights are on, wait 20 minutes. Dakota Electric could be in a peak demand period. If lights are still on after 20 minutes, call Dakota Electric at 651-463-6201.
  - If no lights are on, check your breaker or fuse. If these are okay and the lights still do not come on, call your A/C service technician or electrician.
- ✓ If the outdoor compressor runs but the house is not cool, was your house pre-cooled by 3 p.m.?
  - If no, wait for cycling to end. Your A/C unit will catch up with cooling. In the future, keep your A/C on during extended hot spells.
  - If yes, call your A/C service technician.

### Summer Energy-Saving Tips

- Have your cooling system tuned up by a service technician every two years, or per manufacturer's recommendation.
- Clean or replace air filters monthly or per manufacturer's guidelines for more efficient operation.
- Join Dakota Electric's Cycled Air Conditioning® program and save up to \$13 on your electric bill each June, July and August.
- Close window shades and drapes during the day to keep out the sun.
- Wash clothes in cold water.
- Delay running certain household appliances such as the dishwasher, clothes washer and clothes dryer until 10 p.m. or later to avoid peak times of energy use.
- Set your water heater to 120° F.
- Unplug appliances and electronics when not in use.

## Commissioner Heydinger speaks at commercial member meeting

Approximately 50 commercial members attended Dakota Electric's Commercial and Industrial Users Group meeting on May 3 and listened to Beverly Jones Heydinger, chair of the Minnesota Public Utilities Commission, speak on implementing energy policy through utility regulation.



Dakota Electric is the only electric cooperative in Minnesota regulated by the Public Utilities Commission, so the presentation was an opportunity to educate members about the Commission and its policies and how it affects Dakota Electric's business.

Commissioner Heydinger described the role of the Minnesota Public Utilities Commission and its mission of ensuring safe, adequate and reliable service at fair and reasonable rates, consistent with the state's environmental policies. She talked about the challenges and opportunities facing the electric utility industry and described the Commission's role in a rate case process when utilities, like Dakota Electric, request a rate increase.

Afterward, members took a tour of Dakota Electric's system control center and got a behind-the-scenes look at how distribution system operators monitor and operate the distribution system.

## FREE in-home audit for members with LP gas

Members who heat with LP gas are eligible for a free in-home audit from Dakota Electric's Energy Experts®.

Heat pumps and electric water heaters can offer all homeowners some of the most efficient and cost-effective home- and water-heating options available. Contact the Energy Experts for an appointment today by calling 651-463-6243 or emailing [energyservices@dakotaelectric.com](mailto:energyservices@dakotaelectric.com).



## What are summer rates?

Summer rates better reflect the cost of electricity in the summer when increased electricity use drives up the demand and cost of electricity. Dakota Electric pays more for wholesale power in the summer, which is why members pay more per kWh in June, July and August.

## 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 below, can call CAP at 651-322-3518 for more details.

Income Guidelines	
Number in Household	Annual Income
1	\$23,540
2	\$31,860
3	\$40,180
4	\$48,500
5	\$56,820
6	\$65,140
7	\$73,460
8	\$81,780



# NO INTEREST UNTIL JANUARY 2021\*

CATCH A GREAT OFFER ON A QUALIFYING SYSTEM BEFORE IT FLIES AWAY.

HURRY... OFFER ENDS SOON!



A/C Tune-Up

**\$88**

Offer expires 6/30/16.

May qualify for a \$25 Dakota Electric Rebate\*\* -certain restrictions apply

Schedule your FREE in-home estimate today!



651-460-6022 • ControlledAir.net



**TRANE**

It's Hard To Stop A Trane.®

\*The Home Projects® Visa® credit card is issued by Wells Fargo Financial National Bank, an Equal Housing Lender. Special terms apply to qualifying purchases charged with approved credit at participating merchants. The special terms APR will continue to apply until all qualifying purchases are paid in full. The monthly payment for this purchase will be the amount that will pay for the purchase in full in equal payments during the promotional (special terms) period. The APR for purchases will apply to certain fees such as a late payment fee or if you use the card for other transactions. For new accounts, the APR for purchases is 29.99%. If you are charged interest in any billing cycle, the minimum interest charge will be \$1.00. If you use the card for cash advances, the cash advance fee is 5.00% of the amount of the cash advance, but not less than \$10.00. This information is accurate as of 01/06/2016 and is subject to change. For current information, call us at 1-800-431-5921. Offer expires 6/15/2016. Copyright © Trane 2016

The South Metro's Trane dealer for 39 years!



# IT TAKES

a 98% efficiency rating to be top of the class.

**MAINTENANCE SPECIAL**

Warm weather is coming...Get your AC tune-up!  
**Air Conditioner Tune-Up \$49.95**  
Contact Angell Aire for an appointment



**ANGELL AIRE**

Whatever it takes. **bryant** Heating & Cooling Systems

**BRYANT BONUS IS GOING ON NOW. SAVE UP TO \$1,500!**



Bryant Evolution Systems with gas and electric rebates

**bryantBONUS**

\*\*B/E-F installed model only when connected to a B/E-F network with the included wireless router.

BEAT THE RUSH! CALL FOR AIR CONDITIONING SPECIALS!

**952-746-5200**

www.angellaire.com • Burnsville, MN

Be ready for it. For a limited time, take advantage of Bryant Bonus, which can earn you rebates of up to \$1,500 on qualifying systems. Efficiency maximized. Wallet saved.

**(952) 746-5200 • www.angellaire.com**  
Burnsville, Minnesota

**Paid Advertisements:** For more information about advertising in *Circuits* call 651-463-6270.

**LOFGREN**  
HEATING & AIR CONDITIONING

952.431.5811  
5708 Upper 147th Suite 102  
Apple Valley, MN 55124  
www.lofgrenheating-ac.com  
In-Home Comfort, It's What We Do!

Financing Available

Buy a Furnace and A/C for as little as \$99.00 / month

**COMFORT IN EVERY SEASON**  
Servicing The Twin Cities Area For More Than 20 Years

**Call today for a free estimate!**

<p><b>Furnace &amp; Air Installation</b></p> <p><b>\$3997.00</b> <small>*In-Home Estimate Needed</small></p> <p><small>Offer ends June 30<sup>th</sup>, 2016. Offer valid on 70K 80% furnace and 2 Ton Air systems. See Dealer for details.</small></p>	<p><b>A/C Tune-Up Special</b></p> <p><b>\$79.00</b></p> <p><small>Offer ends June 30<sup>th</sup>, 2016. See Dealer for details.</small></p>
---	--

## SAVE NOW TO SAVE LATER.

With rebates on everything from LED light bulbs to ground source heat pumps, it's easy and cost-effective to make your home more energy-efficient. Being an electric co-op member pays off.

Contact the Energy Experts®  
651-463-6243 • 800-874-3409  
www.dakotaelectric.com  
@DakotaElec

Your Touchstone Energy® Cooperative

# Circuits Quick Clips

## Dakota Electric supports local environmental events

### Tree plantings & seedling donations

Each year Dakota Electric participates in several environmental activities related to Arbor Day and Earth Day. This year, the co-op donated more than 5,300 tree seedlings to local schools and community events in addition to participating in tree-planting ceremonies.



### Energy Trends Expo draws crowd

On May 3, Dakota Electric, along with Lakeville Friends of the Environment, hosted an event for residential members interested in learning more about electric vehicles and residential solar installations. A small but enthusiastic crowd came to the event,



held at the Eagan Community Center, and included solar vendors, environmental organizations and breakout sessions on solar basics and electric vehicle basics. Watch April *Circuits* for details on the 2017 Energy Trends Expo.

### GreenTouch

Approximately 86 Dakota Electric members volunteered their time on May 7 at Whitetail Woods Regional Park in Empire Township as part of the 17th annual, statewide, Touchstone Energy® GreenTouch Day.



Volunteers of all ages planted nearly 1,000 trees in the 456-acre park, which opened in 2014. The young trees will eventually provide a forest for animals and nature lovers to enjoy.

Dakota Electric's effort to organize volunteers at the park is part of a larger, statewide program started by electric cooperatives in 2000. Since then, GreenTouch has attracted more than 8,600 volunteers statewide who have completed more than 31,000 volunteer hours benefitting Minnesota parks.

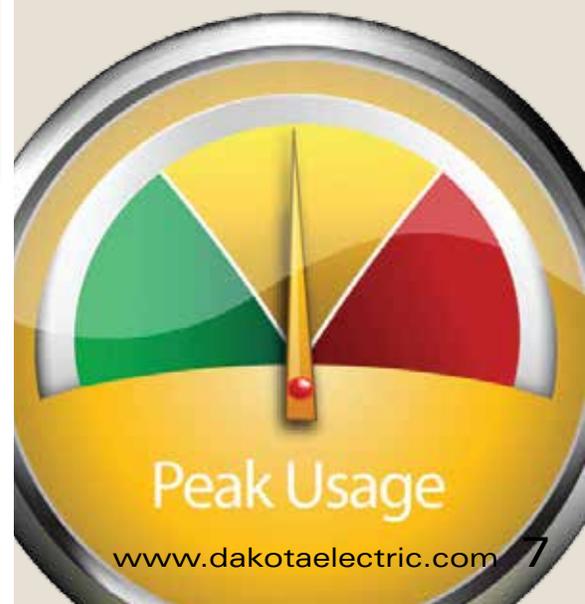
## Time to check the conservation gauge!

As the summer kicks in to high gear, it's time to get back in the habit of checking the conservation gauge. The gauge alerts members when hot temperatures and other conditions drive up electricity use and costs. Here are three reasons to check the gauge daily by visiting [DakotaElectric.com](http://DakotaElectric.com):

1. You save money by reducing your energy use.
2. You keep future electricity costs lower by reducing wholesale energy purchases when electricity is most expensive.
3. It's easy! You can get email, Facebook and Twitter notifications on peak and critical use days when additional conservation measures are necessary.

Follow Dakota Electric on Facebook or Twitter to receive conservation gauge alerts, or sign up for email alerts at [DakotaElectric.com](http://DakotaElectric.com).

 [www.facebook.com/DakotaElectric](http://www.facebook.com/DakotaElectric)  
 [@DakotaElec](https://twitter.com/DakotaElec)



## Board of Directors

### District 1

John (Jack) DeYoe

David Jones, Treasurer

Gerald F. Pittman, Vice Chair

### District 2

Janet L. Lekson, MREA Director

Jim Sheldon, Chair

Clay Van De Bogart, Great River  
Energy Director

### District 3

Kenneth H. Danner

William F. Holton

Margaret D. Schreiner, Great River  
Energy Director

### District 4

Paul Bakken

Judy H. Kimmes

Paul A. Trapp, Secretary



Circuits is printed on recycled paper with soy ink.

Please read and recycle.

Greg Miller, President & CEO

Tanya Wolfs, Editor



Your Touchstone Energy® Cooperative 

4300 220th Street West

Farmington, MN 55024

651-463-6212

[www.dakotaelectric.com](http://www.dakotaelectric.com)

PRSRSTD  
U.S. POSTAGE  
PAID  
DAKOTAELECTRIC  
ASSOCIATION

## Member Appreciation at the Minnesota Zoo

**Dinosaurs  
Return!**

**Thursday, July 28 | 4 - 8 p.m.**

Watch for your ticket arriving in bills  
mailed between June 14 and July 7.

More details in next month's *Circuits*.



MINNESOTA ZOO

## 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

Dakota Electric is an equal opportunity/  
affirmative action employer

[www.dakotaelectric.com](http://www.dakotaelectric.com)

[customerservice@dakotaelectric.com](mailto:customerservice@dakotaelectric.com)



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