

CUSTOMER UPDATE



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Shannon Petty, GIS Coordinator

OPU Commission

Kent Rossi Randy Doyal Jay Johnson Doug Zirngible Greg Vetter

OPU MEMO

Is Time-of-Use Right For Me?

For decades, utility companies have used a common model for how they bill their electric customers. We install meters on homes, and businesses, that keep a tally of how much electricity is used from day-to-day. That usage gets totaled up at the end of the month, and is then multiplied by the rate we charge for electricity. Pretty straightforward. But while that billing model is indeed simple, it maybe never should have been quite so simple. Or perhaps more accurately, meter technology has reached a point where the industry can take another look at how energy use and billing are done, and take an approach that is more focused, more efficient. And it could not have come at a better time. The way electricity is generated for the grid is changing, while the demand for electricity is increasing. We're in a time of change, of transition, where we're seeing increased costs for electricity while simultaneously dealing with increased grid instability due to demand. While totaling up usage and billing for that usage has been simple, there's so much more efficiency, cost savings, and relief to the electric grid to be gained from a new approach. Which brings us to a method of billing called Time-of-Use.

Time-of-Use billing (TOU) moves away from the simplified billing models of the past, and moves us towards a much more energy conscious and often (but not always) cheaper way to charge for electricity – at least in my home. Rather than the sledgehammer approach of just totaling everything for a month, TOU encourages us to maybe be just a little more aware of how much power we're using every day. Generally speaking, Time-of-Use bills you a fairly average rate on weekdays between the "On-Peak" hours of 8am and 2pm (and again from 6pm to 8am) to a significantly higher rate during "Critical Peak" – which is weekdays between 2pm and 6pm – and a much lower rate during "Off-Peak" hours, which are weekdays from 8pm to 8am, holidays, and weekends. While you do get billed more during those Critical Peak hours, it's a pretty small window. What is important to note is, you get billed far less during Off-Peak.

When we started talking about rolling out Time-of-Use billing here at OPU, we turned to our employees to help pilot it. I volunteered our house without hesitation, because I knew we had an upcoming purchase that would give OPU some great data: we were about to buy an electric vehicle. I have to admit, there was more than a little worry on my end that we were going to see a huge spike in our bill. I talked it over with my wife – she agreed to try the TOU rate as well – and we sat down as a family and went over peak hour windows, how we needed to be a little more mindful of turning off lights and appliances when we weren't using them, setting our automated thermostat to only run when we were home, and especially not to run the dishwasher or do laundry during Critical Peak hours. We also setup the car charger to only start charging the car's battery after 8pm – which is a great feature that most EV chargers and the cars themselves come with. After a few months with the new electric car and the family diligently avoiding energy use from 2pm to 8pm in particular – which really wasn't bad at all, and we've grown accustomed to just doing laundry and dishes at 8pm – we were shocked to discover our electric bill actually went down. That's right; even after getting an electric car, our electric bill went DOWN using Time-of-Use.

When you factor in the fact we do not pay for gas with a car that drives to Rochester and back every day for work – we're saving a bundle, and I can definitely say that Time-of-Use is right for us!

CITY SPOT

OWATONNA CITY COUNCIL



Rec On the Go

Calling all Owatonna residents! We're thrilled to announce *Rec On The Go*, a brand new program initiative to bring FREE, accessible activities straight to your neighborhood park!

Our goal is to make recreation inclusive and convenient for everyone. Mark your calendars to attend the *Rec On The Go* launch July 20 from 6 until 9 p.m. at Central Park, right before the Movie in the Park! There will be fun activities for all ages – you won't want to miss it!

MAYOR Tom Kuntz

COUNCIL MEMBERS
Dan Boeke
David Burbank
Nathan Dotson
Kevin Raney
Greg Schultz
Brent Svenby
Doug Voss

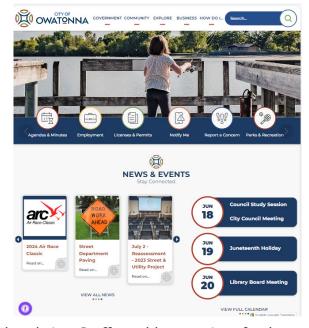
Stay tuned! In early July, we'll share more details about upcoming dates, locations and exciting activities on our Facebook page. A big thanks to our major sponsor, Gopher Sport, for helping us bring you this unforgettable summer experience!

Owatonna.gov Redesigned

The City of Owatonna website has been redesigned its navigation improved to provide more convenient options for frequently visited pages from the homepage. The fresh design aligns with the community-wide brand adopted last year. The site launched June 20.

Throughout the redesign process, City staff worked closely with website hosting CivicPlus staff to consider feedback from the community and City employees in updating the site, modifying navigation and incorporating the new brand. Costs associated with the redesign project were included in the existing website contract with Civic Plus.

The City of Owatonna's website provides convenient, online access to a variety of services including online permitting, reporting concerns, registering for recreational programs, interactive



financial documents and more. Visit owatonna.gov to view the updated site. Staff would appreciate feed-back from website visitors - complete this feedback form (https://www.owatonna.gov/FormCenter/Administration-12/Website-Feedback-214) to help with future website improvements.



Try a new thermostat schedule for air conditioning, referred to as "pre-cooling". Program your thermostat to a degree or two lower than usual overnight and allow it to stay at that temperature until 9 or 10 am. Then, program the thermostat 8 degrees warmer until 8 pm. While this pre-cooling method doesn't work in every home, for many homes it can take advantage of greater A/C efficiencies by running when outside temperatures are lower, reducing utility costs while staying cooler and more comfortable.





Adaptation from an article on MPRNEWS.org

As utilities and communities grapple with how to plan for meeting sustainability and clean energy goals, it is helpful to remember that reaching such goals takes all of us. Here in Minnesota, our collaborative efforts of working together for energy efficiency are highlighted in the 2024 Minnesota Energy Factsheet recently released by Clean Energy Economy Minnesota and the Business Council for Sustainable Energy. Findings from the report included for the fourth straight year, Minnesota produced more than half its electricity from carbon-free sources in 2023, helping lead to a 10 percent annual drop in greenhouse gas emissions from the electricity sector.

As America continues its transformation to cleaner, cheaper sustainable energy, Minnesota continues to be a leader both regionally and nationally. Minnesota is ranked first in the Midwest and tenth in the country for its overall energy efficiency programs.

Fifty-four percent of the electricity in Minnesota comes from carbon-free sources like wind, solar, hydropower and nuclear power. That compares to 41% nationally. In 2023, Minnesota lawmakers passed a law requiring utilities in the state to generate 100% of their electricity from renewable sources by 2040.

For the past seven years, the Business Council — a group of trade associations and companies from the energy efficiency, renewable energy, and natural gas sectors — has drilled down on Minnesota data.

Minnesota's power sector carbon emissions are down 54 percent compared to 2005 levels. That outstrips the national reduction of 42 percent. The electric power sector has been the "runaway success story" when it comes to reducing carbon emissions in Minnesota. Most of what

the state has done to reduce emissions has come from retiring coal-fired power plants and replacing them with renewable technologies like wind and solar, or natural gas plants, which burn fossil fuels but create fewer greenhouse gas emissions than coal plants.

In the past year, the amount of the state's electricity produced by renewable sources increased from 31 to 33 percent, according to the report. About 600 megawatts of wind and solar was added to the electric grid.

The percentage of the state's power generated by coal has been slashed by more than half over the past decade, as giant power plants have been shuttered, including the first unit of Xcel's Sherco plant last year. All the state's coal plants are scheduled to be retired by 2035.

To make up for that lost power, the percentage of the state's electricity generated by renewables has increased by 12 percent over the past decade.

The state has also increasingly relied on natural gas to provide electricity. The share of the state's electric power generated by natural gas has more than doubled in the past decade. It rose 7 percent just last year alone.

While electricity prices have continued to rise, roughly doubling in the past 20 years, due to infrastructure investments and fluctuating natural gas prices, rates in Minnesota are slightly below the national average.

Visit https://www.cleanenergyeconomymn.org/factsheet to review the whole report. Together, we can continue to work for a strong, clean energy economy here in Minnesota.

RESIDENTIAL REC PURCHASE

Program

We want to remind customers of our Residential REC Purchase program. You can purchase renewable energy, without owning your own generation. OPU's program allows customers to purchase any quantity of RECS up to the maximum based on your annual electric consumption. You will pay for the RECs as a one-time purchase for the year, with the ability to automatically renew the following year.



What are the maximum number of credits I can purchase?

 To determine your maximum number of RECs, add your electric consumption for the last 12 months, then divide by 1,000 and round UP to the nearest whole number. RECS can only be purchased in whole units.

What will it cost to purchase RECs?

 Each REC has a cost of \$5/REC.

Where is my renewable energy coming from?

 For OPU's program, the renewable energy for the RECs you purchase is coming from the Stoneray Wind Farm in Pipestone, Minnesota

What if I am new to Owatonna and do not have 12 months of electric consumption yet?

 Customers who have been with OPU for less than one year will be able to purchase 8 RECs for their first year. The following year, actual consumptions can be used.



OPU employees assisting with camp this year (L to R) Jared Hendricks, Ryan Haberman, Jeff Wencl, Lance Diderrich, Tiger Fox and Megan Smith.

2024 Safety Camp

Steele County Safety Camp is a 2-day camp for Steele County students completing 3rd grade. Camp covers a wide range of safety education presented in a fun and hands-on way for campers. Owatonna Public Utilities line workers and gas workers teach the nearly 250 campers about electric and natural gas safety. Campers learn why it's important to stay away from power lines, what can happen if they dig without locating utilities, how to safely exit a vehicle if there is a downed powerline on it, what to do if they smell gas and much more.



What is an Energy Hero?

One question we sometimes get here at Owatonna Public Utilities is, "OPU often mentions Energy Heros in its newsletter, social media posts, and radio commercials. What is an Energy Hero?"

Well, I can tell you pretty definitively that it's not a breakthrough in super science where OPU figured out a way to give people energy-based superpowers. Believe me, I checked - like, the second after I heard about it, and I might've excitedly run across the building and burst into somebody's office to ask.

An Energy Hero is someone who volunteers to help reduce energy consumption during those times where energy use across town has reached an abnormally high level. We call this a Peak Alert. It happens most frequently during those hot summer months where folks are looking for relief from the heat and are running their air conditioning. Anyone can sign up on our website via the 'Conserve & Save' menu, and then hitting the 'Energy Hero Peak Alerts' link. After you've signed up — if there is a peak alert — our Energy Heroes will hear from us via the radio, on our Facebook page, or via email.

But here's the thing: You don't have to sign up to be an Energy Hero. You can be one every day. What can you do to help us, and you, by reducing energy consumption? Well, every little bit helps. Turn off lights and fan in rooms you're not in. Turn off your computer if you're not using it. Turn your thermostat up a couple of degrees (ie let the house get a little warmer). You could even turn the AC off and close the blinds for a couple hours - trapping the cool air in the house for as long as you can - and once it gets a little too warm, then you could open the windows and maybe turn on a fan in the room you're in.





BUSINESS BITES

While weather-based irrigation controllers have gained popularity in recent years, many businesses still operate traditional timer-based systems. Timer-based systems do not incorporate weather predictions, digital rain gauges, or moisture sensors to tell the controller not to operate during wet times, causing them to frequently run the irrigation system during wet and raining periods.

If your business has a traditional timer-based controller, educate yourself and your employees how to over-ride the timer so it can quickly and easily be turned off during wet and raining periods. This reduces excess water use and runoff.

Businesses with weather-based controllers that start noticing their irrigation system running during wet and raining times should contact their irrigation contractor to service or replace any sensors that may have gone bad.



Weather-Wise Watering

Weather-Based Irrigation Controllers



REBATES AVAILABLE FOR BOTH RESIDENTIAL AND COMMERCIAL CUSTOMERS!

Weather-based irrigation controllers (WBIC) can assist homeowners and businesses in achieving efficient irrigation scheduling. These controllers use local weather data and landscape conditions to determine when and how much to water. Replacing a standard clock-based controller with a WaterSense labeled WBIC can save an average home nearly 7,600 gallons of water annually.

Commercial and Residential Customers

Get a rebate for up to 50% cost of the controller!

Rebate not to exceed \$75.







P.O Box 800 208 S. Walnut Ave. Owatonna, MN 55060

Office: 451-2480 Service: 451-1616

EXPLORE THE HIDDEN GEMS OF UTILITY CAREERS

Discover the possibilities

Key Accounts & Energy Conservation Officer

National salary range \$69,000 - \$114,500



Scan to watch Employee Interview

Job description: Manages, develops, implements and administers OPU's conservation programs. Serves as liaison to the Minnesota Department of Energy Resources and Minnesota Public Utilities Commission. Serves as OPU's point of contact for new and existing key account, commercial, and residential customers in the areas of energy conservation and rebates. Develops and implements energy conservation programs, customer energy-use solutions, and rebate programs.



Education Requirements:

Bachelor of Science in Business, Engineering or similar educational discipline

OFFICE HOURS:

Monday-Wednesday: 8:00 a.m. - 5:00 p.m.

Thursday:

8:00 a.m. - 6:00 p.m.

Friday:

8:00 a.m. - 4:00 p.m.

Saturday & Sunday:

Closed

Payment Options

- Online at www.owatonnautilities. smarthub.coop
- Phone at (507) 451-2480 Option
 2 or 1-888-228-2398 (Available 24/7)
- Automatic Withdrawal; bank account or credit card
- Drive-up drop box located in our parking lot
- Drop box locations at CashWise and HyVee Food Store
- Mail to P.O. Box 800, Owatonna,
 MN 55060

Moving?

Remember to contact the Customer Service Department **ONE WEEK** prior to moving, 451-2480.

