

# CUSTOMER UPDATE



## FEATURING: BENEFITS OF WIFI THERMOSTATS

- |                                |                            |                           |
|--------------------------------|----------------------------|---------------------------|
| 2 OPU Memo                     | 5 Utility Equipment Series | 6 Clean H2Owatonna        |
| 2 Conservation Tips            | 5 OPU Highlights           | 7 Featured Rebates        |
| 3 City Spot                    | 5 New Envelopes            | 8 Scholarship Opportunity |
| 4 Benefits of WiFi Thermostats | 6 Carbon Monoxide          | 8 General Information     |



# OPU MEMO



Beth Fondell,  
Chief Financial Officer

## OPU Commission

Mr. Kim Cosens  
Mr. Dale E. Simon  
Mr. Matt Kottke  
Mr. Kent Rossi  
Mr. Randy Doyal

The end of December and early January brought a fierce reminder that it does actually get cold in winter. The last few winters have been very mild, but this season Mother Nature is showing us that living in Minnesota builds resilience!

Frigid arctic air settled across most of the United States, creating increased demand for natural gas in our area and most of the country. This pattern was similar to what we experienced during the winter of 2013-2014, also known as the “polar vortex” winter.

Colder weather means more usage by our customers, which means additional natural gas is purchased on a daily basis to serve customers’ needs. OPU locks in approximately 60% of average consumption volumes during winter months through advanced purchases such as hedging and first-of-month pricing. Doing so reduces the risk involved with purchasing off the sometimes-volatile natural gas daily markets. The difference between the locked in volumes and the actual volumes used by customers is purchased based on daily natural gas market pricing. The tricky part is not locking in too much gas during times of unusually warm weather (like the last few winters). Selling back unneeded gas to the market usually results in financial losses. The natural gas markets also demonstrated similar patterns four years ago, with severe price spikes around the New Year.

OPU does not have seasonal gas rates, but you typically will see increases in your gas utility bills during the winter months for a couple reasons. Firstly, you use more gas during colder weather to heat your homes and businesses. Secondly, the cost that OPU pays to purchase the gas you use is typically higher during the winter.

On your monthly billing statement, you will see a line titled “Purchased Gas Adj” within the gas section. The Purchased Gas Adjustment (PGA) is a pass through charge or credit to customers based on what OPU actually paid for gas purchased compared to the cost that is built into the gas commodity charge (a separate line item on your billing statement). OPU does not charge a mark-up on the gas that is purchased for customer consumption. The actual cost of the purchased gas is passed through to customers through the base rate commodity charge and the PGA. Instead, OPU commodity charge rates include a “distribution charge” that is used to cover our costs of delivering the gas to you.

Since the polar vortex winter and through 2017, OPU customers have experienced only four months where the PGA has been an additional charge on monthly billing statements. The other 38 months have been credits, averaging (\$.11) per unit of consumption. During this time, commodity charge base rates decreased in both 2016 and 2017, resulting in lower commodity charges. While the recent years’ track record is favorable, you did see additional PGA charges on your January statement and will see additional charges in February, due to the bitterly cold weather in late December and early January.

You may have heard our radio ads or seen our social media posts regarding encouragement to conserve gas during the cold snap. Thank you to those of you who turned your thermostats down a couple degrees or made special efforts to keep external doors closed as much as possible. Every little bit helps, and you contributed towards reducing the amount of additional gas that needed to be purchased at premium costs.

## CONSERVATION TIP\$

Outlets and switches on exterior walls is a common place for cold air to leak into your home. Consider adding insulators to these outlets and switches to help reduce heating costs and increase your comfort! (Please follow instructions on packages to ensure the safe installation of insulator kits)

Go to [www.tinyurl.com/OPU-Tips](http://www.tinyurl.com/OPU-Tips) for more conservation tips.



## City Makes Large Investment in Infrastructure in 2018

Each year the Owatonna City Council has an annual strategic planning session. Although, the City adopts a three year strategic plan, the primary focus for each year can change as several goals in the current plan are met and others rise to the forefront. Infrastructure is one of the main focus areas of the current strategic plan and also previous plans. What exactly is infrastructure? The definition states, “the basic physical and organizational structures and facilities (e.g. buildings, roads, utilities) needed for the operation of a society”. Following several flood events in the last ten years, the City’s infrastructure focus has been on storm water management projects. These investments have proven to have been very successful as Owatonna has seen significant rain events in recent years with positive results. The City’s current focus on infrastructure in 2018 is going to be on the City’s public roadways, parking lots, alleys and trails.

One of the obstacles related to maintaining the City’s infrastructure is financing the needed projects. Following the economic downturn, several street projects were postponed in an effort to maintain the City’s tax burden at a constant level. Unfortunately, postponing projects is not sustainable. The list of projects needing to be completed is longer than the available funding for these projects. The City utilizes a pavement management index to determine the priority ranking of projects. One quarter of the City’s streets are evaluated each year. Based on these rankings, the streets with the highest need for reconstruction are completed first. The Owatonna City Council has chosen to make a noticeable investment in street projects for 2018. Residents will notice projects occurring in many areas of town.

In the industrial park, Park Drive from St. John to 21st Ave NW and 24th Ave NW to 32nd Ave NW will be reconstructed. These portions of roadway serve industrial businesses and handle relatively large amounts of heavy vehicle traffic. This project also includes a realignment of the intersection at 32nd Ave NW to improve to connection to the remainder of Park Drive.

In the downtown area, the alley that runs east and west parallel to Broadway between Cedar Ave and Oak Ave will be reconstructed along with a couple of the public parking lots on the east end. These two parking lots are also going to be realigned to optimize the number of parking spaces available. Additionally, the public parking lots behind Bubba’s Bar and the Chamber of Commerce will be redone.

The City’s planned reconstruction of 18th Street SW from Linn Ave SW to Mosher will include the addition of a trail on the south side of the road. This is a key segment to the City’s sidewalks and trail plan that has been missing. In addition, Kohlmier Drive, the roadway going into Lake Kohmier Park, will be reconstructed with some improvement being made to the parking area, trail and retaining wall.

The remaining street construction projects include Hemlock from 16th to 22nd, Caleta Place, and Mill. In addition to the previously outlined street investments, the 2018 budget includes funding for a new play apparatus at River Springs Water Park. River Springs will be marking its ten-year anniversary in 2018 and this new play structure will be a great way to commemorate this occasion.

2018 will be a very busy year and the infrastructure improvements planned will benefit all citizens who walk, drive, park downtown or plan to go for a swim at the waterpark.

### MAYOR

Tom Kuntz

### COUNCIL MEMBERS

David Burbank

Nathan Dotson

Jeff Okerberg

Kevin Raney

Greg Schultz

Brent Svenby

Doug Voss



# WIFI THERMOSTATS

Information for this article obtained from [thermostatic.com](http://thermostatic.com); photo from [thoroughlyreviewed.com](http://thoroughlyreviewed.com).

People who have a wireless thermostat can't imagine life without it. But if you're like most people, you're probably wondering if you should even bother buying one. After all, it's just a thermostat, right? Below are some benefits from installing a wireless thermostat.

One thing to note, don't let the term "wireless" confuse you. You'll need to connect wires to your HVAC system. They're called wireless units because they can connect to the internet via Wi-Fi. "Wifi thermostat" is a more accurate name for this device.

## 1. More Control Saves Energy – and Money

We all know that programmable thermostats save us money. They reduce energy usage, so you waste less and spend less. However, wireless thermostats go the extra mile by giving even more control over your energy usage. How? By allowing you to control it remotely through your smartphone, computer or any other device that's connected to the internet.

Let's say that you're going on a trip. While you were rushing around making sure you had everything you needed, you forgot to set the thermostat to "vacation mode" before you left the house. No problem! Just log into the app and switch it on. Now, you don't have to worry about wasting energy and money while you're away from home. This level of control is something a simple programmable thermostat can't offer.

## 2. Set Alerts Through The Thermostat App

Wi-Fi thermostats have useful companion apps that let you do a number of things. One of the most useful is the ability to let you set alerts, so you can be notified if your home gets too hot or cold. These alerts are sent either to your phone as a text, or in an email.

So, if temperatures drop and you're worried about your pipes freezing, you can increase the temperature to keep your home – and your pipes – warm. And you can do this remotely from your car, office, or anywhere that has an internet connection.

The great thing about these alerts is that they not only help you save energy (and money), but they preserve

the life of your HVAC system. There's no need to put an extra strain on your home's heating and cooling system if you're not even home.

## 3. Helpful Reports

Depending on which thermostat you purchase, you may receive helpful reports through the app. These reports let you keep an eye on your energy usage and may also offer tips on how you can save even more energy.

Some thermostats will also send special maintenance reports, or let you know of a potential system failure.

Reports are a great way to keep tabs on your HVAC system and your energy needs. They can also help you prepare for months when your energy demands spike and cause an increase in your monthly bill. By keeping a close eye on your usage, you can prepare yourself financially for your next bill.

## 4. Monitor Outdoor Conditions

Many of these thermostats will communicate with sensors outside that will give you an accurate reading of the outdoor temperature and humidity levels. Having easy access to this information will help you choose the right temperature for your home. Not only will you save money this way, but also make sure that your home is always a comfortable temperature. Remember, humidity levels can make it feel warmer than it really is, so knowing just the temperature isn't quite as helpful as you might think.

## 5. Monitor Your Indoor Environment

In addition to providing you with information on outdoor conditions, your thermostat will also give you information on your home's indoor environment. Knowing your home's humidity levels, for example, will help you determine whether you should increase, decrease, or maintain the set temperature.

Check out <http://www.owatonnautilities.com/residential-customers/residential-rebates/> for rebate information on wifi thermostats.

# EQUIPMENT SERIES



When OPU moved into its new facilities, it presented opportunities for more advanced operations solutions. One of these solutions is a state of the art water meter test station.

The new water meter test station is a major improvement over the previous test station. It uses highly calibrated test meters and allows

water meters to be tested to the American Water Works Association (AWWA) testing standards to ensure the most accurate metering possible. In addition to higher accuracy of testing, the system recirculates the water used in testing instead of running it all down the drain like the previous test station to eliminate waste.

Although modeled after a system at a meter testing company, OPU's system was designed and built by meter service workers who felt they could make improvements. It took a year and a half to complete construction, and can test meters from 5/8" to 6" at flow rates of 0.25 gallons per minute (gpm) up to 1400 gpm.

## OPU HIGHLIGHT



**Jon Blough,  
Gas Engineer**

Jon Blough is OPU's Gas Engineer who joined the engineering team in August of 2011 as a Gas-Engineering technician. Jon's journey in the utility industry has placed him in the states of Iowa, Wisconsin and Minnesota.

Like many dads, Jon beamed with pride when talking about his children Amanda and Christopher. Amanda is in her first year teaching second graders in Coolidge Arizona and Christopher is working on his civil engineering degree at Michigan Tech, which happens to be Jon's alma mater.

Jon is a member of the shooting range north of Owatonna. In his spare time, he enjoys deer hunting, fishing and a newfound hobby of coyote calling. Sophie, his 8-year-old yellow Labrador retriever, is by his side enjoying the outdoors.

One of Jon's greatest undertakings while working at Owatonna Public Utilities was helping coordinate a pipeline conversion from transmission pressure to distribution pressure, creating a safer environment near the pipeline.

Thank you, Jon, for all you do and for your commitment to making gas safety a priority!

## NEW ENVELOPES

After many years using the same billing envelopes, the manufacturing company has discontinued them. Moving forward, you can expect to see a different billing envelope, with a return envelope inside. Overall, the cost of the new billing envelope and return envelope will be slightly less than the previous envelopes.

Simply mail the return envelope, with payment and payment stub, back to OPU for processing. Remember you can always sign up for auto withdraw or pay online. Other payment options can be viewed online at [www.owatonnautilities.com](http://www.owatonnautilities.com).



# CARBON MONOXIDE

**Carbon monoxide alarms do not last forever.** The detecting components will lose their effectiveness after 5 to 7 years and may no longer detect carbon monoxide. Pushing the test button usually only tests the battery, horn and circuitry. It will not test if the gas sensing element is functioning.

In 2009, Underwriters Laboratories (UL), began requiring an end-of-life warning to alert homeowners when their carbon monoxide alarm has reached the end of its useful life. However, if your alarm was manufactured before August 2009, it may not contain the end-of-life feature. Even newer alarms can malfunction due to chemical exposure, damage, misuse and various other reasons. Carbon monoxide alarms do not detect the presence of carbon monoxide when in end-of-life mode. Replace your carbon monoxide alarms before the end-of-life warning. If there is any doubt, replace it.

Symptoms of CO poisoning can include headache, dizziness, weakness, shortness of breath, confusion, blurred vision, nausea/vomiting, or loss of consciousness. Contact OPU **immediately** if your detector goes off or if you or your family members experience these symptoms.



## Cannon River Watershed Partnership – Downstream Film Festival

The Cannon River Watershed Partnership (CRWP) will be hosting a film festival that features high-quality short films on environmental issues, amazing natural places, and inspiring landscapes. Submissions include documentaries, animation, narrative, and experimental with potential to inform, inspire, challenge, and awaken audiences to environmental challenges of our time.

The goal of the event is to connect environmental issues and perspectives to the local community, promote discussion, and inspire people to take action for clean water in our watershed.

**When:** Wednesday February 21st, 2018 at 7:00 PM

**Where:** Imminent Brewing Company 519 Division Street South, Northfield, MN

*Please join us for an enjoyable night with a variety of films and community discussion.*

**To learn more about CRWP check out [www.crowp.net](http://www.crowp.net) or [www.facebook.com/CannonRiverWatershedPartnership](https://www.facebook.com/CannonRiverWatershedPartnership)**

*For further information regarding the City Stormwater Management Program, contact Bradley D. Rademacher Water Quality/Stormwater Specialist, (507)-774-7300 or [Bradley.rademacher@ci.owatonna.mn.us](mailto:Bradley.rademacher@ci.owatonna.mn.us)*

# REBATES

New Year... New Rebates!



**With our brand new rebates and increased rebate amounts, it's easy to make a resolution to Conserve & Save®!**

#### Brand New Rebates:

WaterSense® Showerhead  
Wifi Programmable Thermostat

#### Increased Rebate Amounts:

Furnaces  
Boilers  
Water Heaters

#### Amended Rebates:

Attic Insulation (*new rebate calculations*)  
Clothes Dryers (*now gas only*)

Also, we've had to say goodbye to some rebate categories, so please make note of these discontinued rebates:  
Glass Entry Doors • Windows • Drain Water Heat Recovery • High Efficiency Urinals • Rotating Sprinkler Nozzles

Visit [www.owatonnautilities.com](http://www.owatonnautilities.com) to learn more and download rebate applications with complete terms and conditions.

# CONSERVE & \$AVE®



INDICIA

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

Office: 451-2480 Service: 451-1616

### 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.com](http://www.owatonnautilities.com)
- Automatic Withdrawal; bank account or credit card
- Drive-up drop box located in the parking lot south of building
- Drop box locations at Cash Wise Grocery Store and HyVee Food Store
- Mail
- At Owatonna Public Utilities; cash, credit card, check or money order

### Moving?

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



Minnesota Municipal Utilities Association

### Tom Bovitz Memorial Scholarship Program

OPU is accepting scholarship essays and applications for the MMUA Tom Bovitz Memorial Scholarship. MMUA splits the scholarship fund into \$2,000, \$1,500, \$1,000 and \$500 scholarships.

For more information visit our website at <http://www.owatonnautilities.com/residential-customers/energy-education/>



Your opinion matters to us. Please take a few minutes to tell us how we did by visiting our website at [owatonnautilities.com/customerurvey](http://owatonnautilities.com/customerurvey) or simply scan the QR code above.

### From the Editors

We welcome your comments and suggestions for future issues. Feel free to give us a call at 451-2480 or send an email to [schmolt@owatonnautilities.com](mailto:schmolt@owatonnautilities.com).

### Gas Leak?

If you smell gas and can't find the source immediately, go to a neighbor's house and call OPU at 451-1616.



Don't turn electrical switches on or off or use a flashlight or telephone in the home, because an electrical spark could ignite the gas and cause an explosion.



[WWW.OWATONNAUTILITIES.COM](http://WWW.OWATONNAUTILITIES.COM)