

ROCHESTER PUBLIC UTILITIES

Plugged In

February 2020

Get to Know Your

2020

RPU Board

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Mark Kotschevar

Letter from the GM

PUBLIC UTILITY GOVERNANCE

Did you know that, as a Rochester resident, you own the largest municipal water and electric utility in Minnesota? It's true! RPU is *your* utility. So how does the governance of RPU differ from other utilities that you might hear about in the news?

Three types of utilities serve customers in Minnesota: investor-owned ("IOUs"), cooperatively owned ("co-ops"), and publicly owned (municipal utilities or "munis"). With these three different business models come three different governance structures:

• **Investor-Owned Utilities**, such as Xcel Energy and Minnesota Power, are for-profit companies owned by shareholders and governed by a corporate board of directors. Because they function as natural monopolies in Minnesota, they

are also regulated by a state agency called the Minnesota Public Utilities Commission. Unlike investor-owned utilities, consumer-owned utilities, such as cooperative and municipal utilities, are not for profit and governed by the customers they serve.

- **Cooperative Utilities**, such as People's Energy Cooperative, are governed by an elected board of directors, and tend to serve geographically larger and less-densely populated rural areas.
- **Municipal Utilities**, such as RPU, can be governed either by an elected board or an appointed board, depending on how the city governance is organized. Minnesota has 126 municipal electric and 31 municipal gas utilities, together serving about 308,000 residential, 46,000 commercial, and 3,000 industrial customers. The large variation among communities in

Get to Know Your 2020 RPU Board

RPU is governed by a five-member Utility Board. Four board members are appointed by the mayor to four-year terms and one board member, serving a two-year term, is a city council member and acts as liaison to the council.

Take a minute and get to know each of your board members.



BRIAN MORGAN, P.E. BOARD PRESIDENT

Brian Morgan is the Engineering Manager for Kerry Ingredients and Flavors at their Rochester site. He is responsible for process, equipment, and infrastructure maintenance and development, as well as long-range planning and site development.

With over 10 years of experience in petrochemicals, utilities, and facility management, Brian has served roles in design, production, maintenance, and project management. He holds bachelor's degrees in Mechanical Engineering and Meteorology, as well as minors in Spanish and Journalism, is a licensed Professional Engineer in Minnesota, and part of the Leadership Greater Rochester class of 2020.



MICHAEL WOJCIC CITY COUNCIL LIAISON

Michael Wojcik is a small-business owner and city council member in Rochester, first elected in 2008. Michael has dual master's degrees in Electrical Engineering and Business Administration from the University of Minnesota. Originally from the Iron Range, he earned a degree in Electrical

Engineering (focused on power) from the University of North Dakota in 1999. Michael is a strong advocate for local economies, conservation, sustainability, clean air, clean water, and the environment. He is committed to addressing the serious issue of man-made climate change through local leadership. Michael believes that local clean energy production is vital to keeping dollars in our community.

Statement on Serving:

When I discuss energy with colleagues around the country and tell them that we have a publicly owned utility – that immediately becomes a point of envy with all those that don't have one. Because we own the utility, we have great local control over our power and water resources. Public ownership of our electric and water infrastructure gives us a unique ability to guide the future of our community. Serving on the RPU Board is a unique opportunity to influence issues like power, water, conservation, and environment that I am passionate about. I have never forgotten how fortunate we are to have a public utility and I am proud to serve in my official elected capacity.

customer distribution and services provided can also affect how a municipal utility is governed, but all are owned by the citizens they serve.

More About RPU

Rochester Public Utilities was created by Chapter XV of Rochester's Home Rule Charter to provide water, electricity, and steam to the residents and businesses of Rochester. The Charter calls for the utility to be governed by a volunteer five-member appointed citizen board. Four members are appointed by the Mayor and confirmed by the city council. The fifth is a city council member appointed by its membership. Citizen board members serve four-year terms and can be reappointed once. The council member serves a two-year term. Applications to serve as a citizen board member are always welcome and available on the City's website under the "I Want To..." tab.

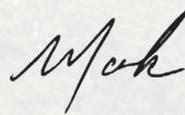
The Charter delegates to the Utility Board the authority to control, manage, and operate the utilities assigned to it. The city council maintains final approval of rates, budgets, and financing. All contracts entered into and assets held

are in the name of the City of Rochester, resulting in citizen ownership of the utility. This structure of citizen governance ensures local control and decisions are made based on what's best for the community.

Board meetings are open to the public and normally held at 4:00 pm on the last Tuesday of each month in the RPU Service Center. Our website, www.rpu.org, also contains information regarding past and future board meetings and a link to email the board with comments or questions.

126 Years of Delivering Vital Utility Services

2020 marks 126 years of Rochester Public Utilities delivering vital utility services to our community under governance by our community. Below are the bios for your 2020 RPU Board members. The utility industry is complex, but the RPU Board members bring an impressive set of skills and knowledge to navigate through a rapidly changing industry. Please take a moment to thank them for their service to the community.



MELISSA JOHNSON, J.D. BOARD VICE PRESIDENT

Melissa Johnson lives in Rochester with her husband, two children, and energetic dog. She is a Wealth Management Trust Advisor, working in the local trust department at U.S. Bank. She earned a bachelor's degree in Economics from the University of Minnesota-Twin Cities and a law

degree from Hamline University School of Law. Melissa is admitted to the practice of law in the State of Minnesota. As a Rochester native and wife of a small-business owner (Rochester Business Law), she understands the history of our great city and the everyday experiences and needs of RPU's residential and commercial customers. She is a member/past-treasurer of the Olmsted County Bar Association, and also volunteers as the board treasurer for the United Way of Olmsted County. Melissa's background adds to the diversity of perspectives and expertise on our utility board.



TIM HASKIN

A Rochester resident and RPU customer since 2006, Tim Haskin's career has been focused in the air transportation field. After many years of experience in airline sales, marketing, and airport operations, Tim is now the Director of Sales Consulting for the PRISM airline software product, one of

the technology solutions provided for the global airline industry by Sabre Technologies of Dallas. A home office-based professional, he brings a different viewpoint to the energy requirements of those whose careers and home environments are closely linked. A native of Upstate New York, but a Minnesota resident for more than 25 years, Tim holds a master's degree in project management, and is a licensed private pilot. He is a member of the Project Management Institute, the Global Business Travel Association, and the Aircraft Owners and Pilots Association.



BRETT GORDEN, P.E., M.B.A.

Brett Gorden, is the Section Head of Utility Operations, Energy Management, Systems and Infrastructure Engineering, Information Management and Networked Infrastructure Systems Support within the Division of Facilities Management at Mayo Clinic in Rochester, MN. Brett and his teams are responsible

for energy production, infrastructure planning, and energy conservation on the Rochester campuses. He has a bachelor's degree in Mechanical Engineering from South Dakota State University, an MBA from the University of South Dakota, and is a licensed professional engineer in the State of Minnesota. Before coming to Mayo Clinic, Brett worked in the engineering consulting industry, designing HVAC, plumbing, and fire protection systems for buildings and campus energy systems.

RPU Commercial Customer Corner: Commercial Rebate Program Updates

With 2020 in full swing, it's time to start planning for those efficiency upgrades and end-of-life equipment replacements. Rochester Public Utilities is here to incent you on choosing the more energy efficient options. We have updated a few of our existing rebate programs and added some new ones as well. Here is a short list of rebates available for our commercial customers and a brief summary of the changes.

- 
Cooling Equipment and Heat Pumps: We have updated the minimum efficiencies and increased rebate amounts on heat pumps for new construction and replacement of electric resistant heat. Rebates are available for: Chillers, Rooftop Units, Mini Splits, Unitary, and other.
- 
Motors: No major changes on most motors. ECM motors for furnaces are now required by code so we are only able to rebate on retrofit ECM for furnaces.
- 
Variable Speed Drives (VSD): No changes were made to this program. Rebates are available for 50% of the cost up to a cap, depending on the size of a VSD.
- 
Food Service Equipment: Updates were made to this program, specifically for fryers, combination ovens, and griddles.
- 
Lighting: No changes were made for retrofit lighting. However, new construction now requires DLC/ Energy Star® certification to qualify for a rebate.
- 
Air Compressors and Equipment: Includes rebate programs for air compressors, air storage/receiver tanks, pressure/flow controllers, no loss condensate drains, low pressure drop filters, air dryers, and air nozzles.

New Rebate Programs for 2020:

- High Efficiency Water Pumps
- Heat Pump Water Heaters
- Programmable Thermostats on Heat Pumps
- A/C Clean and Tune
- Chiller Clean and Tune

If it saves electricity it may qualify for a rebate! Custom rebates are also available for energy-saving measures not covered by the prescriptive program. Contact an RPU representative to see if your project meets the minimum efficiency requirements.



Jan Blevins
Commercial Account
Representative
jblevins@rpu.org
507.280.1578



Dru Larson
Energy and
Environmental Advisor
dlarson@rpu.org
507.280.1607



Josh Mason
Energy and
Environmental Advisor
jmason@rpu.org
507.280.1588



Anna Basimamovic
Energy and
Environmental Advisor
abasimamovic@rpu.org
507.280.1565

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Connect with your RPU
account... anytime, anywhere!



If you have questions or need help transferring your existing online account or setting up a brand new one, our Customer Relations Team is happy to assist you! Please call us Monday-Friday, 8am-5pm at 507.280.1500. We also have helpful videos at www.rpu.org.

Utility Payment Arrangements Available for Military Service Personnel

When a household member has been ordered to active duty, for deployment or for a change of duty station, some customers may find it hard to pay their utility bills. Minnesota Law protects military personnel from shut-off if they cannot pay their bill in full. To qualify for this protection, you must enter into and keep reasonably current with one of the payment plans described below.

- ▶ If your household income is below the state median household income, pay 10% of your household's gross monthly income toward your RPU bill.
- ▶ If your household income is above the state median household income, make and keep a payment plan.
- ▶ If you receive energy assistance, pay 10% of your household's gross monthly income toward your RPU bill.

The full statute description for Minnesota Statute 325E.028 can be found on the state of Minnesota website <https://www.revisor.mn.gov/pubs/>.

If you would like to sign up for payment arrangements or have questions regarding the "Military Service Personnel Disconnection Law," please contact RPU Customer Relations at **507.280.1500**.

Freezing Temps Can Cause Broken Underground Pipes!

Repairing or replacing your water service line can cost you \$4,000 to \$8,000 – or more!



Make sure you're covered by RPU's Service Assured® program. To learn more and/or enroll, visit www.rpu.org.

"What a relief! Very thankful that we had Service Assured® coverage. RPU just took care of everything. \$3 a month is a pretty nominal cost compared to the cost of replacing and digging up one of those [underground water] pipes."

*- Richard Bennett
Service Assured® Customer*



Service Assured® costs \$1.99 per month for water service coverage and only \$1.00 more to cover your underground electric service also. Contact us to determine your eligibility; some exclusions apply. Visit www.rpu.org to review our Terms & Conditions.

RPU at the Rochester Area Builder's Home Show

We look forward to meeting with our customers each year at the Rochester Area Builder's (RAB) Home Show!

We will have RPU staff in our booth all weekend long to answer all of your pressing questions about RPU services and programs. We always get great questions about rebates, renewable energy, and conservation opportunities. No matter what your RPU question or concern is, make sure to stop by the RPU booth!

This year's show is February 7-9, 2020, at the Mayo Civic Center.



Learn About Solar Energy For Your Home or Business

- TOPICS:**
- How well does solar energy work in Minnesota?
 - How much energy do systems produce?
 - What are the costs involved and economics?
 - Is there maintenance?
 - What incentives are available?
 - There will be plenty of time for questions and discussion.
 - Photos will show you how they look and how they are installed.

DATE: Saturday, February 22, 2020

TIME: 10 am – 12 pm

COST: FREE!

LOCATION: Northrop Community Education Center (Room 308), 201 8th St NW

REGISTER: Rochester Community Education
<https://rochester.ce.eleyo.com> or 507.328.4000



CONSERVE & \$AVE

Pictured are homes with solar systems in Rochester, MN.

Now Accepting Entries for the MMUA 'Tom Bovitz Memorial Scholarship Award' Essay Contest

The deadline for essays for the MMUA 'Tom Bovitz Memorial Scholarship Award' is March 27, 2020. All essays must be submitted to RPU by that date.

There are four scholarship awards given out statewide ranging from \$2,500 to \$500.

The essay topic is "Municipal Utilities: Good for All of Us" and should cover specific details of how RPU meets that goal with our services of electricity and water, beyond only reciting facts and figures from the RPU and MMUA websites. Past Rochester winners met with RPU staff and attended RPU Board Meetings to gather valuable information and insight into how RPU operates for the "Good of All of Us."

One local winner is selected from each municipal utility across Minnesota and then each is judged by a committee to decide on the scholarship awards.

For full details on the scholarship contest, visit the RPU website at www.rpu.org or contact Tony Benson at tbenson@rpu.org or 507.280.1534.



WATER CONSERVATION

Monthly Tip on Saving From the Tap!



When shopping for a new washing machine, compare resource savings among Energy Star® models. Some can save up to 20 gallons of water per load!



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ENERGY CONSERVATION

Monthly Tip for Plugging into Savings!



Not sure where your home is wasting energy dollars? Start with an energy audit! We offer \$50 home audits for residential customers who attend one of our FREE Neighborhood Energy Challenge workshops. See the back page of this issue for more information.

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4000 East River Road NE
Rochester, MN 55906
507.280.1500
www.rpu.org

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RPU Service Center Holiday Hours

The RPU Service Center will be closed on:
Monday, February 17 – Presidents' Day

Social Media:

- rochesterpublicutilities
- @rpuoutages
- @rpualerts
- blog.rpu.org
- RPU TV

Mobile App:



Customer Service: 507.280.1500
Toll-Free: 800.778.3421
Pay By Phone: 855.631.3643
(toll-free • no fee • 24 hrs)
Electric Emergency:
507.280.9191 (24 hrs)
Water Emergency:
507.280.1500 (8am-5pm)
507.280.9191 (5pm-8am)

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What will you do with the money you save?



Find out how much you could save on your utility bill!

Attend our next FREE energy efficiency workshop
and qualify for a \$50 home energy audit!

Saturday, March 7, 2020 • 10-11am
Northrop Community Education Center (free childcare available)



TO REGISTER:

Call:
888.734.6365

Email:
sbootscamp@mncee.org

Learn more:
www.rpu.org

