

RPU Plugged In

YEAR IN REVIEW

2016

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Every employee at RPU takes great pride in the work they do and the positive way they enrich the lives of Rochester residents each day with safe, reliable electricity and water. We wanted to share photos from the past year showing different aspects of RPU.

Have a safe holiday season and thank you for your business in 2016!



RPU receives the APPA RP3 Award for demonstrating high proficiency in reliability, safety, workforce development and system improvement.



U.S. Congressman Tim Walz stopped by RPU to meet with RPU General Manager Mark Kotschevar and other RPU staff.



The 2015 Environmental Achievement Award recipients were recognized during a special event in January.



During the annual Minnesota Section American Water Works Association (AWWA) conference held in Duluth this past September, two RPU Water Distribution staff competed in a timed Fire Hydrant Hysteria challenge. The RPU team finished 3rd in the state at this competition.



The 2016 APPA Lineworkers Rodeo was held at Canterbury Park in Shakopee, MN.



RPU lineworker Matt Tupper works during one of the timed APPA events.



An RPU lineworker visits with a group of visitors at the Minnesota Children's Museum of Rochester.



RPU was recognized by the Southeast Section of the Minnesota AWWA as having the "Best Tasting Water" for 2016.



Utility representatives gathered at the new Hampton substation for the commemoration of the CapX2020 transmission line project.



RPU lineworker Rob Adamson talks with a student at the STEM Summit, promoting careers and interest in science, technology, engineering, and math.



A ribbon-cutting ceremony was held for the newest water storage facility in Rochester – the St. Bridget Water Tower. The tower has a capacity of 5,000,000 gallons.



Energy Auditor Greg Ernst uses a thermal imaging camera during a home energy audit as part of the Neighborhood Energy Challenge program.



Left to right: Matt Brekke, Steve Johnson, and Stephanie Humphrey pose for a photo before the 2016 Rochester Area Builders Home Show opens to the public.



Buses line up to bring kids to RPU's 14th Annual Arbor Day Celebration.



Students posed for a photo by the Arbor Day Celebration banner as they arrived at Silver Lake Park.

Celebrate with Savings!

BUY ENERGY EFFICIENT LED HOLIDAY LIGHTS OR DECORATIONS & APPLY FOR A REBATE:

1. Purchase LED holiday plug-in (not battery operated) lights and decorations in 2016.
2. Complete this page and submit it to your utility:
 - by March 31, 2017
 - with original sales receipt
 - with LED packaging showing the LED logo and number of lights per string.
3. Rebate is limited to 50% of LED string or package cost, tax excluded.

Customer Name _____

Home Phone # (with area code) _____ Daytime Phone # (with area code) _____

Mailing Address _____ City _____ State _____ Zip +4 _____

Installation Address (if different from above) _____ City _____ State _____ Zip +4 _____

Account # _____ Residential Commercial
 (Rebates under \$75 will be applied to your account.)

Rochester Public Utilities
 Attn: Rebate Processing
 4000 E River Rd NE • Rochester, MN 55906-2813
 507.280.1500 • www.rpu.org

Recipient must be an electric customer of Rochester Public Utilities. Valid only on purchases made in 2016.

A Lamp Size	B # of Lamps per String	C # of Strings	D Cost per String	E Rebate per String* (D x .50)	F Total Rebate (C X E)
<input type="checkbox"/> Mini <input type="checkbox"/> Other					
<input type="checkbox"/> Mini <input type="checkbox"/> Other					
<input type="checkbox"/> Mini <input type="checkbox"/> Other					
<input type="checkbox"/> Mini <input type="checkbox"/> Other					
<input type="checkbox"/> Mini <input type="checkbox"/> Other					

* Rebate is 50% of string or package cost (tax excluded), up to maximum amounts listed below:

# of Lamps	Maximum Rebate per String
less than 99	\$3.00
100 - 199	\$6.00
200 - 299	\$9.00
300 or more	\$12.00

GRAND TOTAL
REBATE:

OFFICE USE ONLY: ID# _____
 DATE Received _____
 Date Processed _____

Once you've purchased all the new energy efficient LED holiday lights you need this season, what should you do with the old ones?

Don't toss them... RECYCLE them!

Due to the high demand last year, RPU will again recycle all of your old holiday light strands for FREE!

It's easy - just bring your old strands of lights into the RPU Service Center lobby and drop them in the bins designated for holiday light recycling.

Available now through January 31, 2017.



RPU Service Center Location



Thank You for Your Rebate Submissions in 2016!

Thank you for all of your RPU's Conserve & Save® rebate submissions! Due to the number of rebates submitted in 2016, we have to slow down the process until 2017. If you recently submitted a rebate, you will be receiving your credit or rebate check in the first quarter of 2017. We appreciate all of our customers for their energy and water conservation efforts this year!



Apartment Owners! We Need Your Help!

If you own an apartment or many apartments, we want to help you out by offering an easy program to ensure that the water and electricity are not shut off during times of tenant transition.

Keeping the utilities on during this time ensures that the electricity and water won't be shut off when a tenant moves out and removes the service from their name. Necessary appliances and water service will remain on, which in some cases, could help prevent frozen pipes and food spoiling if left in the refrigerator.

Here's how it works:

- ✓ Call RPU and ask to sign up for Owner Allocation.

Owner allocation allows for the utilities to be switched into your name while tenants are transitioning in or out of your apartments.

- ✓ When your tenant moves out, the service will automatically be switched into your name.
- ✓ When your new tenant moves in, they simply need to call RPU to have the service switched into their name. This will eliminate the need for a scheduled appointment and will save you time.

Signing up for the Owner Allocation program doesn't cost apartment owners anything, and it can be a time saver and will help to prevent possible damage to your apartment units. Call RPU today at **507.280.1500**.

Is an Electric Vehicle Right for You?

RPU Is Looking into Charging Options!

Electric vehicles (EVs) are gaining in popularity. For the daily Rochester commuter, the EV provides lower operating costs, quiet operation, and zero vehicle emissions.

We can compare an average gasoline-powered vehicle that averages 25 miles/gallon and an EV that achieves 3 miles/kWh. Using today's cost of gasoline at \$2.25/gallon and electricity cost at \$0.105/kWh, the cost of fuel for a gasoline vehicle is 9 cents per mile compared to the cost of an EV at 3.5 cents per mile. That's less than half the cost of a gasoline vehicle.

How It Works

Most commuters drive less than 40 miles a day. This is well within the range of EVs. The range of EVs are increasing further with new models, with some having ranges over 300 miles. If range anxiety is an issue, there are plug-in hybrid models that can go up to 53 miles on electricity only and operate on gasoline when the battery is depleted. As the number of available models from manufacturers increases, so does their popularity.

Charging an EV is as simple as plugging it in. There are three levels of charging. Level one charging is simply plugging the vehicle into a standard 120 volt outlet. For most folks with a

less than 40-mile round trip commute, this is sufficient when plugging their car in overnight for eight to 10 hours. Level two charging allows for a full charge much quicker, usually one-third of the time. The fastest charging, referred to as DC fast charging, can provide an 80% charge in as little as 30 minutes. While most homes have an outlet in the garage, there would be additional expense in installing a level two charger in your garage.

Overcoming Challenges

While EVs have many benefits, they do have challenges. As the adoption of EVs grows, so does the electric load on the grid. Charging the vehicle at the peak of the day increases the need for electrical generation, increases the load on distribution equipment, and therefore increases overall costs to utilities. One way to help keep costs low is to only charge at off-peak hours when the demand for energy is less. For RPU this is from 10 pm to 8 am, which is plenty of time to charge for your daily commute.

Do you own, or are you planning to own an electric vehicle? RPU would like your feedback. Please visit us at our website at www.rpu.org for a survey or call Dru Larson at **507.280.1607**.

Letter from the GM: A Busy and Exciting 2016



As I am writing this article, my thoughts turn to the upcoming holiday season. I always look forward to reuniting with family and friends, catching up with what's new in our busy lives, and of course, carrying on those family traditions.

In the spirit of catching up, I thought I would devote some time bringing you up to date on the activities and projects RPU has been working on this past year. The largest project we began in 2016 is our new Westside Energy Station. This new, quick responding, highly efficient natural gas powered generating plant will provide for our future capacity needs and support system reliability. These types of plants are critical to ensure grid stability as more intermittent renewable generation continues to be added in the future. We spent this past year acquiring all the necessary permits, purchasing the engines, executing an engineer, procure, and construct (EPC) contract with Westside Energy Partners (a collaboration between Sargent & Lundy and Boldt Construction), and performing detailed design. Construction began in October 2016. The anticipated in-service date for the plant is spring of 2018. This is a compressed schedule, and a long list of RPU employees have been busy working on the project. Their dedication has resulted in a successful first year.

Construction of the Douglas Trail Substation

A second large project we began this year is the construction of the Douglas Trail Substation, a high voltage substation to serve a new customer's data center. This project also has a condensed timeline along with some unique reliability requirements. We secured the property, completed design, ordered all the necessary equipment, and started construction this spring. The in-service date for this facility is scheduled for April 2017. Project management, design oversight, and much of the electrical construction is being performed by RPU personnel, and as such, requires the expertise and close coordination of all those involved.

In the water utility, we completed two major projects. First was the new 500,000 gallon St. Bridget's water tower. This new storage facility will provide needed storage for fire protection, enhance the water pressure in the area, and allow us more flexibility in how we operate the system. RPU staff provided design oversight, construction management, and inspection. The second was a new well in southeast Rochester. The well was drilled in 2015, with the well house and piping completed this year. This well will provide additional water supply to the central core of the City. Project

management, piping design, piping installation, chemical feed design and installation were all completed by RPU staff. Both of these new facilities are the result of continued system growth and follow the plans laid out in our long-term infrastructure plan for the water utility.

Improvements to Operations and Service Systems

On the customer service and billing side of the business, we embarked on the replacement of our customer care system. This is a complex software system used to manage customer data, meter data, billing, and service requests. The past year was spent doing an extensive scoping and evaluation centered around upgrading our existing system, or moving to a new vendor. This involved obtaining input from all those in the organization that use the system, talking with and visiting other utilities that use different systems, and developing an economic evaluation tool to help guide the decision. The final evaluation showed substantial savings in moving to a new vendor, and in August 2016, we launched the project. Since then, a core team of RPU subject matter experts has been dedicated full-time to working on the implementation with a "go-live" date of November 2017. Our goal is to leverage this new system to bring customers more options in how they can get information, conduct business with us, and move to more paperless work management.

These special projects are in addition to the important daily workload of all employees providing new service, maintaining the systems, responding to customer requests, and completing the various business processes necessary for us to operate. The RPU family has had a busy and exciting year carrying on our tradition of delivering safe, reliable, and affordable water and electricity to the residents of Rochester.

In closing, I would like to wish all of you a safe and joyous holiday season and we look forward to another busy and exciting year in 2017.

Mark Kotschevar
RPU General Manager





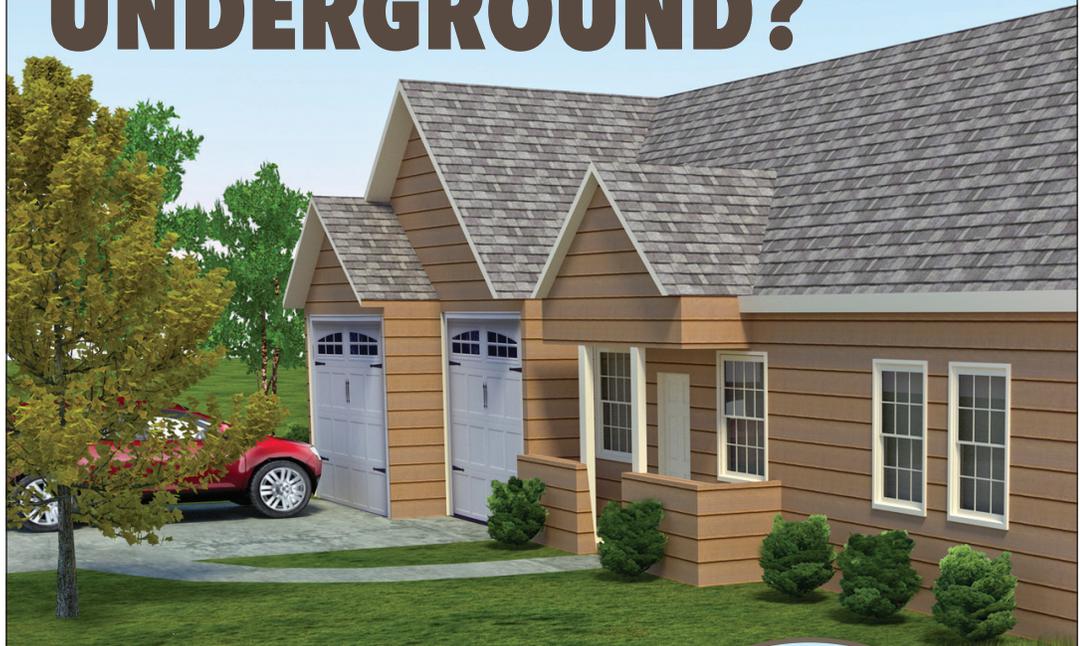
4000 East River Road NE
Rochester, MN 55906
507.280.1500
www.rpu.org

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**RPU SERVICE CENTER
Holiday Hours**
Closed at noon on December 23
Closed December 26
Closed at noon December 30
Closed January 2

Does your homeowners insurance cover repairs **UNDERGROUND?**



For only \$2.99 per month*, Service Assured® can protect you from out-of-pocket repair costs caused by a broken water or underground electric service.

Protect your home with Service Assured®! To learn more and enroll, go to www.rpu.org.



* Contact us to determine your eligibility; some exclusions apply. Visit www.rpu.org to review our Terms & Conditions.