



OWATONNA
PUBLIC UTILITIES

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**Spring Water Main
 Flushing Info Inside**

CUSTOMER UPDATE



*Dig to China...
 Just Call First*



Minnesota Gopher State One Call

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 Call 811 before you dig.**

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Spring Water Main Flushing Info Inside

OPU MEMO



Roger Warehime,
General Manager

OPU Commission

Kent Rossi
Randy Doyal
Jay Johnson
Doug Zirngible
Greg Vetter

OPU's Hedging Strategy: A Review

At OPU, we are committed to providing reliable and affordable natural gas service to our community. As we approach spring and reflect on the winter that almost wasn't, I want to share with you how our current hedging strategy has performed.

Winter Storm Uri and Its Impact

In 2021, Winter Storm Uri caused havoc on Texas' natural gas and electric utility infrastructure. The extreme cold weather increased the demand for natural gas, while the supply was disrupted by frozen wells. This resulted in natural gas prices soaring to unprecedented levels. In fact, our entire year's natural gas budget was spent in just four days.

To mitigate the impact of this event on our customers, we spread the high costs from Winter Storm Uri over 12 months, instead of passing them on immediately. We then set about finding a new hedging strategy to greatly reduce the chance of a re-occurrence.

Our New Hedging Strategy

Hedging is a practice of pre-purchasing a certain amount of natural gas at a fixed price, to protect against the risk of price volatility in the market. Our new strategy increased the percentage of gas we hedge, and we also paid the pipeline a fee that allows us more day-to-day tolerance on our imbalance. This means we locked in more gas and had the ability to avoid buying gas on the "spot markets" if the prices shot up for a short period of time.

While this protects our customers from significantly high daily price swings, there is a downside because they will not benefit when the prices go low. Such is the case this year; natural gas prices are depressed to all-time lows, due to mild weather and abundant supply. We had more gas pre-purchased than our customers needed and so we had to sell some back to the market at a loss. Still, we found through an analysis our new strategy yielded the same cost in the market as our old strategy would have.

The Results

Compared to last winter, the average residential customer used 13% less natural gas and their bill was 16% lower. Compared to the 2021-22 winter, they also used 13% less natural gas, but their bill this year was 39% less than two years ago.

These savings are due to a combination of factors, including lower natural gas prices, lower consumption, and our new hedging strategy. We are proud to say our new hedging strategy has proven to be effective and beneficial for our customers, even in a low-price environment. We will continue to monitor the market conditions and adjust our strategy as needed, to ensure we deliver the best value to you.

Now on to Spring!

CONSERVATION TIP\$

Have you checked the temperature in your refrigerator and freezer lately? Refrigerators should be kept between 35°F and 38°F, with the DOE recommending an optimal temperature of 37°F.



Planning for Construction Season

Spring is here and City of Owatonna crews are looking forward to another busy year of road construction and street maintenance. Below are highlights of the work being planned by the Public Works Department for the upcoming construction season.

2024 Street and Utility Projects

Major street and utility projects include varying degrees of reconstructing street sections, replacing water mains, installing connections for sanitary sewer and service, replacing storm sewer structures, pipes, curbs and gutters. The 2024 Street & Utility Project will be financed through City funding and assessments. Approximately 24 property owners will be impacted. The City Council designated the following street reconstruction and bituminous rehabilitation projects to be completed during the 2024 construction season:

- McKinley Street SW - Lilac Avenue to Linn Avenue
- Anderson Place SW - McKinley Street to the cul-de-sac

18th Street SE Trail Extension

A pedestrian and bicycle trail along the south side of 18th Street SW and the North side of 18th Street SE is planned for construction in 2024. The Owatonna Parks & Trails Master Plan, adopted in 2020, shows a significant gap in the proposed city-wide trail loop on Owatonna's south end. Public input gathered through the development of the plan greatly supported trails and stressed the need to connect the trail system. This extension of the 18th Street Trail is a phased project supported by many businesses, organizations and Steele County. Federal Transportation Alternatives Program (TAP) funds were awarded for 2026 to complete the trail from Austin Road to Bixby Road. City staff applied for and received \$579,684 in TAP funding.

Annual Maintenance Projects

Other planned projects include seal coating, sanitary sewer pipe lining and street overlays. The following are planned for 2024:

- Cured in Place Pipe Lining (CIPPS) – City crews line clay sanitary sewers to improve the carrying capacity and reduce inflow and infiltration. Approximately 6,549 linear feet are planned for lining.
- Street Maintenance (Crack Sealing & Seal Coating) - The City of Owatonna annually crack-seals roadways in advance of seal coating. Approximately 4.99 miles are planned for crack sealing and seal coating.
- North Cedar Avenue Mill & Overlay - a section of North Cedar Avenue requires repairs beyond crack sealing and routine pothole filling. Due to its deteriorating condition, 0.9 miles of North Cedar Avenue, from the bridge south of 11th Avenue to the 26th Street Roundabout, are planned to be overlaid.

Compost Site

The Compost Site located at 400 W 32nd Avenue is currently closed and will open later this spring. The site is operated under contract with an independent service provider. The hours of operation will be available on the Public Works Department's webpage.

Visit owatonna.gov/currentprojects for project maps, information and to sign up to be notified with updates!

Parks, Pavilions & Camps

Register for a Summer Camp!

Looking for an unforgettable summer camp experience for your kids? The City of Owatonna offers summer camps that provide youth with fun activities, adventures, arts and crafts including several new options: Dino Camp, Backyard Adventures, Little Anglers, Nature Investigators, Outdoor Adventure and Wild Inventors Camps. Register online at owatonna.gov.

Parks are open!

City parks have been prepared for the summer season with water lines turned on, permanent restrooms ready, picnic tables and trash cans refreshed. Portable toilets will be delivered soon. Athletic fields and green spaces are being prepped. Check out the park finder app at Owatonna.gov to find a park that meets your needs.

How can community members help with parks?

- Call the Parks, Recreation & Facilities Department about becoming an Adopt-a-Park volunteer at 507.444.4321.
- Register at owatonna.gov for a Park Clean-Up Kit.
- Whenever using parks or trails, always Pack-In Pack-Out, by taking any items you brought to the park back home for proper disposal.
- Scoop the poop - look for the pet waste stations available at each park.

Pavilions are available for private events

Visit owatonna.gov or call at 507.444.4321 to reserve pavilions for your next family reunion, picnic, graduation or other special occasion!

MAYOR

Tom Kuntz

COUNCIL MEMBERS

Dan Boeke

David Burbank

Nathan Dotson

Kevin Raney

Greg Schultz

Brent Svenby

Doug Voss

Dig to China... Just Call First



Minnesota Gopher State One Call

Know what's below.
Call 811 before you dig.

You have likely heard of Minnesota Gopher State One Call (GSOC) or at least seen their advertisements or commercials... you know, the ones that say to **call 811 before you dig**? This no-charge service, gets you connected to each and every utility company to mark their facilities by the agreed to schedule. This proactive approach greatly minimizes the risk of accidental damage, service disruptions, environmental hazards, and ensures the safety of workers and communities. With excavation-related incidents posing substantial risks, GSOC's role in fostering collaboration and adherence to safety protocols cannot be overstated.

However, many of the GSOC laws governing what the "excavator" and "locator" must do are more than 40 years old and were instated before the advent of the internet. In recent years, many "modernization" changes have been made along with rule revisions to make the system more streamlined in an effort to enhance its effectiveness. Each year the amount of GSOC locate requests submitted online, or through their phone app, has increased to over 80% of all locate requests submitted.

For 2024, GSOC plans to continue to bolster training initiatives and community outreach. They remain committed to integrating advanced technologies by leveraging geospatial data and predictive analytics. Their ultimate goal continues to be mitigating the potential of excavation related incidents.

For many homeowners, the process and requirements are foreign to them and they have many questions. Some of the more common ones are answered here:

So, who is the excavator? And, who needs to submit the locate request with GSOC?

The excavator is whoever is going to be doing the digging. If you, the homeowner, hired a contractor to build a deck, they are legally required to request locate markings through GSOC. You cannot request the locate markings for them. However, if you, the homeowner, decide to build the deck yourself, you will need to submit a locate request with GSOC.

If I only dig with a shovel, I shouldn't need a locate request with GSOC, right?

You aren't legally required to submit a locate request for digging with a shovel to a depth less than 12 inches. However, if you exceed the 12" depth or are using machinery to excavate, you are required to submit a GSOC request before digging.

It is important to remember some utilities may only be a few inches deep; while others may be a foot or more deep. Just because it should be deeper, doesn't mean it is.

Should I request a locate with GSOC for planting trees and shrubs?

We strongly encourage having your utilities marked anytime you disturb the ground, even if you aren't planning on reaching a depth of 12 inches! Knowing where your utilities are will help you decide where you can plant without impacting your services!

For activities such as shrub and stump removal. You should always have a locate requested with GSOC. Roots can grow around and otherwise encapsulate utilities in to the rootball. When this happens, you can no longer simply chain the shrub to the truck and pull it out. This will certainly result in a damaged utility service. Instead, call OPU or the affected utility company and we will be more than happy to assist!

How do I submit a locate request online?

Simply by navigating to www.GSOCSUBMIT.org a homeowner can create a utility locate request that will help further inform you of your responsibilities as the "Excavator". It will walk you through the process of mapping and describing the work to take place in order to submit the locate request. Don't forget to mark your excavation area with white flags or white spray paint. Your markings could be delayed if you don't.

Remember, it's the law!



Smart Shopping for

SOLAR

information for this article obtained from <https://www.energy.gov/eere/solar/articles/smart-shopping-tips-solar> and <https://www.cleanenergyresourceteams.org>

SPOTTING A SCAM

Millions of Americans are deciding to power their homes with solar energy and take advantage of its numerous benefits. As more people choose solar energy, the increase in popularity has opened the door for some bad actors who are spreading misinformation and engaging in fraudulent business practices. Every solar company has a responsibility to be honest and upfront with consumers, but to avoid scams, consumers should also be on the lookout for red flags as they plan to go solar.

- **Don't Give in to Pushy Sales Tactics** . **Understand Financing Options**
Going solar requires careful consideration. Do your research before signing any contracts and be wary of aggressive sales pitches. Make sure you understand the terms of the contract, consult multiple trusted sources, and don't hesitate to ask questions.
Offers claiming to provide free solar panels or other services deserve a closer look at the fine print. Check to make sure the program is listed on a .gov website or call the state office to make sure the offer is real and to learn how to participate.
- **Talk to Certified Installers**
An ad for solar panels without any branding or business affiliation should be a red flag. Read customer reviews to make sure you are selecting a good fit. Talk to neighbors and friends who have gone solar and ask them about their experiences and for recommendations on local installers. Make sure the person who will be installing your panels is licensed and certified by a reputable organization. Ask multiple installers to come assess your roof and compare their quotes.
If you choose to buy your solar energy system, a variety of loans are available that can lower the up-front costs of the system. Additionally, a 30% tax credit is available to those who purchase a solar energy system. The tax credit is a dollar-for-dollar reduction in the amount of income tax you would otherwise owe; it is not a rebate or a government check. Check out available rebates from OPU.
Solar leases and power purchase agreements may also be available which means putting little to no money down to go solar.

QUESTIONS TO ASK A SOLAR INSTALLER



The Clean Energy Resource Teams (CERTs) has put together a list of questions to ask potential solar installers. Scan the above QR code to view those questions. Visit their website for other valuable information.

- **Shop Safely and Spread the Word**
Now that you know how to spot a scam, go forth and go solar! Be sure to tell friends and family how to avoid a scam.



Scan this QR code for the full article including links to important info.



Attend a free Solar Connections class sponsored by Rochester Community Education on Monday, May 6, 2024 from 6:30 p.m. - 8:00 p.m. For more information, or to register for the class, scan the QR code to the left.

Actual versus Estimated Meter Readings

Sometimes we're asked, "What happens if my meter breaks, how do you bill me if you weren't able to get usage readings off my (broken) meter?" Or maybe you wonder, "I haven't seen OPU out reading meters in a long time – what gives?"

Our new Advanced Metering Infrastructure (AMI) meters are wonders of modern technology. The neatest thing by far is that they communicate wirelessly through a mesh network where they can hop their signals through the nearest relay on our network - even each other - to find a communication path back to us at OPU and tell us their readings. That's why you don't see us reading meters anymore – the meters send us their reads on a network. Even if they can't communicate with us for some reason, like say that area of the network was down for some reason, your meter won't panic and stop taking readings. It's brave. It'll just hunker down, say to itself, "It's ok. I'm all alone right now, I can't talk to my other meter friends, I'm maybe just a little scared, but I'm a brave little meter and I'm just going to sit tight and keep taking reads until somebody fixes things." And as long as the meter has power it'll keep taking readings. Even if it doesn't have direct power, it has a battery backup that'll last quite a while, and still take readings. Once the network is repaired, our brave little meter sends us all the reads it collected while it was waiting for the network to reach out to it again.

But what if the meter doesn't just lose power or communication to the network drops? What if the meter just flat out breaks? That does happen, but it's rare. Eventually, everything breaks. Sometimes customers frustrated after just reading their bill stomp out the door, go find the meter, and "help" it break - with a baseball bat. I don't recommend that by the way because our meters have tamper sensors that know if someone's fiddled with them in any way, they're expensive – and ol' Babe Ruth there is gonna pay for it. But if it does break (without help), we have a contingency plan. We do something called "Estimated Meter Reads". We look at your billing history from the same time frame and similar conditions in previous years, run those old reads through a little formula, and estimate what your lowest probable reading was, and bill you for that. Usually, it'll only take a couple days for us to come and grab a broken meter, and we'll almost always know it's broken even before you do, because our AMI system tells us when a meter breaks. When we take that meter back to the shop, and if we can get reads off it, we'll lower your usage for the next bill by whatever the difference was.



AC Clean & Tune

Air conditioners, just like cars, benefit from having routine maintenance, called a clean and tune. Unlike a car, though, A/C units don't always come with a recommended maintenance schedule! Owatonna Public Utilities recommends having a Clean and Tune performed every other year to increase the efficiency and extend the operating life of your A/C unit, all while saving you money on utility bills in the long run.

The exact steps performed during a clean and tune may vary depending on the specific equipment you have and the contractor you use, but in general they include cleaning the indoor and outdoor coils, checking for proper operation of the controls and components, as well as identifying and fixing small issues that could cause you to lose cooling unexpectedly.

Clean and tunes will vary in price from contractor to contractor, but having this regularly scheduled maintenance is less expensive than an emergency service call to fix a failed air conditioner. No one wants to be without cooling in the hot summer, even temporarily.



LEARN MORE ABOUT AC
CLEAN & TUNE REBATES
OWATONNAUTILITIES.COM

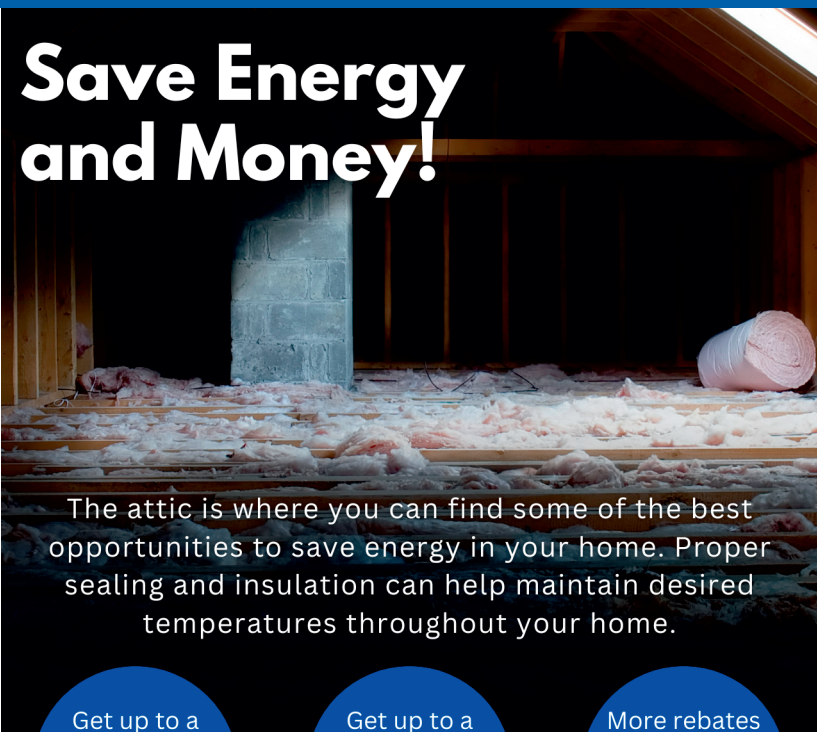
BUSINESS BITES



Compressed air systems are very common in industrial and commercial business operations. Like other equipment, over time, they can breakdown and become less efficient. It takes a large amount of energy to compress air and most of that energy (up to 80%) is being lost as heat. Air compressors are naturally inefficient because of this.

Upgrading to more efficient air compressors is a great opportunity for energy savings at your business. While upgrading air compressors may be a significant investment, OPU offers rebates to help shorten the payback period for the more efficient equipment.

One of our customers is upgrading a 300 HP air compressor to a new 250 HP variable speed compressor. By doing this upgrade, they will save over 750,000 kWh per year and will reduce the compressor's energy used by almost 40%. This amounts to an approximate savings of between \$55,000-\$65,000 annually.



Save Energy and Money!

The attic is where you can find some of the best opportunities to save energy in your home. Proper sealing and insulation can help maintain desired temperatures throughout your home.

Get up to a **\$200 rebate** on your attic insulation!

Get up to a **\$200 rebate** on your attic air sealing!+

More rebates available when you get a Energy Audit!

+ Must perform a Energy Audit first to qualify for this rebate.

To apply, download a Natural Gas Rebate or House Call Audit Rebate Application at www.Owatonnautilities.com.



Commercial Customers

Regular Clean and Tunes ensures that all parts are clean and functioning properly. This maintenance can increase the lifespan of your systems, decrease the need for repairs, and help you save on your energy bills.

A/C Clean & Tune rebate up to **\$60 ***

Electric Chiller Clean & Tune rebate up to **\$5 per ton****

Visit www.OwatonnaUtilities.com to download applications with complete terms and conditions.

**Customers are eligible for this rebate every three years*

*** Customers are eligible for this rebate every five years. Rebate not to exceed cost of tune-up.*



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National salary range
\$53,300- \$101,000



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Employee Interview

Job description: Safely performs skilled line work in the construction, operation, maintenance and repair of overhead and underground electrical transmission and distribution systems. Works on or near energized conductors and electrical equipment.

Education Requirements:

Electric lineworker technical college certificate/degree is required.

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.



WWW.OWATONNAUTILITIES.COM