

Since 1940

WISCONSIN ENERGY Cooperative

March 2023 NEWS



g r a t i t u d e



CVEC's 86th Annual MEETING



THIS IS YOUR PRIZE STUB!

Please detach this mailing label along the dotted line and bring it with you to the annual meeting. This is your ticket to receive a FREE flashlight multi-tool and for registration and door prize drawings!

**One flashlight per member household*



Please remember: You MUST bring this prize stub to receive your free gift!

Please bring this magazine with you to the Annual Meeting.

2023 ANNUAL MEETING NOTICE AND AGENDA

Celebrating 86 years!

Saturday, March 25, 2023

9:30 – Doors will open for registration, coffee, and doughnuts prior to the 86th Annual Meeting of members of the Chippewa Valley Electric Cooperative.

10:00 – Business meeting begins

Prizes will be drawn throughout the meeting.

Lunch will be served.

Action will be taken on the following matters:

1. Reports of officers and managers
2. Election of two directors: One from District 3 and 5
3. Unfinished business
4. New business and other business to come before this meeting

In accordance with the bylaws, any member unable to attend the meeting may vote by mail. Only members who reside in a voting district will receive a director candidate ballot included with their bill. A return envelope will also be provided for your convenience. When mailing your ballot, please allow sufficient time to ensure your ballot reaches the CVEC office before the date of the annual meeting for your ballot to be counted.

Early Bird Prize: HD LED Smart TV

End of Meeting Prize: Apple iPad

Must be present to win.

ANNUAL MEETING PROGRAM

Saturday, March 25, 2023

**9:30 a.m. Doors open for Registration
Coffee and Doughnuts Served**

10:00 Meeting Called to Order ...	John Petska, Chairman
National Anthem	Janet Brandli, Operations Department
Invocation	Rev. Dr. James J. Brandli
Early Bird Prize Drawing	John Petska, Chairman
Notice of Meeting	Steve Johnson, Secretary-Treasurer
Approval of 2022 Minutes.....	Steve Johnson, Secretary-Treasurer
Chairman's Report.....	John Petska, Chairman
Ballot Box Closed.....	John Petska, Chairman
Cooperative Updates	Dean Ortmann, President/CEO; including Financial Report: June Bach, Office Manager; Russ Falkenberg, Director of IT & Member Services; Nic Alberson, Operations Manager
Open Forum	John Behling, Attorney
Report of Tellers Committee	
Drawing for Apple iPad	John Petska, Chairman
Adjournment	John Petska, Chairman

**Prizes will be drawn throughout the meeting.
Lunch will be served.**

VOTING INSTRUCTIONS

Only members who reside in a district whose director is up for election at this annual meeting will receive a ballot in the same envelope as the electric bill mailed to them in March. They will receive one Director Voting Ballot and one Ballot Reply envelope for return of the ballot. Please vote and return the completed ballot to CVEC to be received prior to March 25 or you may bring it to the annual meeting. Ballots received after March 25 will not be counted.



Bring this registration stub with you to the annual meeting on Saturday, March 25, 2023. You must bring this stub to receive a FREE flashlight multi-tool and to enter the prize drawings.

**One free flashlight multi-tool per member household.*



Please come to CVEC's 86th Annual Meeting on March 25, 2023 at the cooperative headquarters located at 317 South 8th Street – Cornell, WI

Please look inside this magazine for additional annual meeting information.



CHAIRMAN'S REPORT

Start with gratitude



Chairman John Petska

As we approach our 86th Annual Meeting I can't help but reflect with **gratitude** on how the co-op started with almost nothing and grew into the high-tech organization it

is today. The early efforts to establish and organize a cooperative that could take advantage of the newly formed REA program and the hard work the employees and members put into building out the power lines, gave the co-op the sweat equity it needed to thrive.

"When eating fruit, remember the one who planted the tree."

—Vietnamese Proverb



There is no doubt our rural areas and communities would look quite different without those initial efforts. With the privilege of serving as a director for 25 years, I can tell you the board, employees, and myself are profoundly thankful for the membership that supports us. And just like what's been done since the beginning, is still being done today—the support you show by voting, participating in the co-op programs, the annual meeting, and the picnic.

We are also grateful for the encouragement the members show us... how much they appreciate our employees, especially during difficult storms and outage times. Through the directors' leadership and the members' capital credit equity, you have allowed us to obtain top-notch employees and equipment, which helps us greatly. We take seriously the trust you placed in us to reach the co-op's goals.

"As we express our **gratitude**, we must never forget that the highest appreciation is not to utter words but to live by them."

—John F. Kennedy

Rubber Meets the Road

The goals are to keep our system in tip-top shape while keeping our eyes on new technologies and procedures that help reduce outage times and improve service while keeping costs down.

Our system is second to none for right-of-way clearing, strength, and integrity. Through careful planning and building over the past three decades, we can back-feed any of our 10 substations. This allows us to greatly reduce outages. In some cases, we can shut down a substation for maintenance without the members even being aware of it.

We believe that technology is the tool of the future and we are on the cutting edge. I don't mean to whine (okay, maybe a little), but learning new tricks is hard. Even I had to learn how to use an iPad and a Samsung tablet. I guess what I'm getting at is, the board is grateful that we have employees who fight through the pain of change instead of fighting against it. The new programs, equipment, and technologies we have installed are invaluable in allowing us to:

- Dispatch crews via meters that report an outage the minute it happens.
- Map, stake, and maintain the system through an integrated mapping system.
- Manage crew assignments, job orders, and crews/truck locations during large storms. Each lineworker has a tablet that is connected to the mothership and can see exactly what's going on.
- Maintain/build up the system and serve more members with fewer employees than we had 20 years ago.
- Form a joint high-speed fiber company, Ntera, with Citizens Connected.

We see Ntera as a major key in the future of the co-op.

The Road Ahead

With Ntera and others, we have been able to connect fiber to most of our substations and some switches in the field. This allows us to open and close circuits remotely and avoids rolling a truck to the location. As mentioned above, we can switch any substation but that takes several crews to be located at different switches. Sometimes it can take up to six crews to be in place to switch a sub in the correct sequence.



Our goal is to have communications and equipment in place to be able to switch out a substation remotely from the office. With cell service becoming more and more unreliable, we are piloting a new technology to build a wireless system in key areas that would not only allow to control remote switches but

Continued on the inside back cover

STATEMENT OF REVENUE AND EXPENSES

For Year Ending December 31, 2022

(Unaudited)

WHAT WE TOOK IN

	<u>2021</u>	<u>2022</u>
1 OPERATING REVENUE	\$14,415,965	\$15,629,798

WHAT WE PAID OUT

2 COST OF PURCHASED POWER	\$7,817,647	\$8,622,198
3 OPERATIONS EXPENSE	\$838,661	\$955,450
4 MAINTENANCE EXPENSE	\$975,782	\$886,804
5 CUSTOMER ACCOUNTS EXPENSE	\$437,705	\$448,006
6 CUSTOMER SRVC & INFORMATION EXP.	\$292,427	\$322,193
7 ADMINISTRATIVE & GENERAL EXP.	\$896,584	\$997,612
8 DEPRECIATION EXPENSE	\$1,624,352	\$1,705,593
9 TAXES	\$221,970	\$226,542
10 INTEREST ON LONG-TERM DEBT	\$709,906	\$686,052
11 OTHER DEDUCTIONS	\$2,020	\$7,266
12 TOTAL OPERATING EXPENSES	<u>\$13,817,054</u>	<u>\$14,857,716</u>

WHAT WE HAVE LEFT

13 NET OPERATING MARGINS	<u>\$598,911</u>	<u>\$772,082</u>
14 NON-OPERATING MARGINS-INTEREST/DIVIDENDS	\$177,706	\$176,254
15 INCOME (LOSS) FROM EQUITY INVESTMENTS	\$105,785	-\$979,431
16 NON-OPERATING MARGINS-OTHER	-\$40,656	-\$62,768
17 DAIRYLAND POWER CO-OP(G&T): CAPITAL CREDITS	\$355,159	\$332,547
18 ASSOCIATED CAPITAL CREDITS & DIVIDENDS	<u>\$141,963</u>	<u>\$195,590</u>
EXTRAORDINARY INCOME		
19 TOTAL NON-OPERATING MARGINS	<u>\$739,957</u>	<u>-\$337,808</u>
20 TOTAL MARGINS	<u>\$1,338,868</u>	<u>\$434,274</u>

PRINCIPAL PAYMENTS MADE DURING THE YEAR

21 NATIONAL RURAL UTILITIES CO-OP FINANCE CORP. (CFC)	\$178,031	\$185,809
22 R.U.S.	\$276,636	\$368,056
23 CO-BANK	\$450,623	\$486,948

Notes:

- A) The Subsidiary's (CVS) margins/loss and investment gain/loss are now displayed on the "Income (loss) from Equity Investments" line above. Allocations are generally based on Chippewa Valley Electric's Operating Margins, G&T Capital Credits, and Associated Capital Credits from the previous year.

COOPERATIVE BALANCE SHEET

December 31, 2022 (Unaudited)

ASSETS		2021	2022
1	TOTAL UTILITY PLANT	\$49,077,807	\$50,803,374
2	LESS: RESERVE FOR DEPRECIATION & AMORTIZATION	\$15,736,693	\$16,994,251
3	NET UTILITY PLANT	\$33,341,114	\$33,809,123
4	NONUTILITY PROPERTY NET	\$0	\$0
5	INVESTMENTS SUBSIDIARY COMPANIES	\$5,408,379	\$4,428,947
6	INVESTMENT & PATRONAGE-ASSOCIATED ORG.	\$6,891,747	\$7,054,231
7	OTHER INVESTMENTS	\$7,009	\$7,009
8	TOTAL OTHER PROPERTY & INVESTMENTS	\$12,307,135	\$11,490,187
9	CASH – REA LOAN FUNDS	\$760	\$760
10	CASH – GENERAL	\$308,260	\$299,854
11	TEMPORARY INVESTMENTS	\$372,580	\$1,433
12	NOTES RECEIVABLE-NET	\$4,500,000	\$4,500,000
13	ACCOUNTS RECEIVABLE-NET	\$1,472,679	\$1,597,236
14	MATERIAL & SUPPLIES	\$411,732	\$491,996
15	PREPAYMENTS	\$76,085	\$91,162
16	OTHER CURRENT AND ACCRUED ASSETS	\$4,144	\$3,845
17	TOTAL CURRENT & ACCRUED ASSETS	\$7,146,240	\$6,986,286
18	DEFERRED DEBITS	\$324,149	\$63,164
19	TOTAL ASSETS AND OTHER DEBITS	\$53,118,638	\$52,348,760
LIABILITIES			
20	LONG-TERM DEBT R.U.S.	\$14,201,136	\$13,741,659
21	LONG-TERM DEBT OTHER	\$7,488,277	\$6,771,417
22	TOTAL LONG-TERM DEBT	\$21,689,413	\$20,513,076
23	NOTES PAYABLE	\$0	\$800,000
24	ACCOUNTS PAYABLE	\$1,165,310	\$966,775
25	CONSUMER DEPOSITS	\$94,025	\$91,075
26	CURRENT MATURITIES-LONG TERM DEBT	\$905,290	\$1,040,813
27	OTHER CURRENT & ACCRUED LIABILITIES	\$771,624	\$803,704
28	TOTAL CURRENT & ACCRUED LIABILITIES	\$2,936,249	\$3,702,367
DEFERRED CREDITS		\$430,188	\$437,400
29	MEMBERSHIP FEES		
30	PATRONAGE CAPITAL	\$14,273,330	\$14,520,574
31	OPERATING MARGINS-CURRENT YEAR	\$598,911	\$772,082
32	OTHER MARGINS & EQUITIES	\$13,190,547	\$12,403,261
33	TOTAL MARGINS & OTHER EQUITIES	\$28,062,788	\$27,695,917
34	TOTAL LIABILITIES & OTHER CREDITS	\$53,118,638	\$52,348,760

ANNUAL MEETING MINUTES 2022

The 85th annual meeting of the members of Chippewa Valley Electric Cooperative was called to order by Board Chairman, John Petska, at 10:02 a.m. in the Cooperative headquarters in the City of Cornell, Wisconsin, on Saturday, March 26, 2022.

Recognition All military veterans were asked to stand and were thanked for their service. We held a moment of silence for all casualties-both foreign and domestic.

Invocation Reverend Dr. James Brandli prayed for the country, state, membership, and employees of CVEC.

Early Bird Prize The Early Bird prize of a 58" Samsung UHD LED Smart TV was won by Louis Violet.

Introduction John Petska introduced the board. Kevin Meistad received a Director Gold certificate. Vern Weeks, Sue Hartzell, and Mary Colbenson were introduced as the tellers counting the ballots. Attorney John Robert Behling from Weld Riley was introduced as well as Mary Erickson from WECA, Glen Sikorski-Chippewa County Board Vice Chair, Harold "Buck" Steel-Current Board Representative of District #1, and Rob Summerfield-67th district assembly. Rob talked about improvements to broadband. Also present were Dennis Bachman and Kaylee Jensen representing Ntera.

Quorum The Board Chairman declared a quorum was present and opened the meeting for business.

Notice and Affidavit of Mailing The Assistant Secretary-Treasurer, Deone Goettl, read the Notice of Meeting and Affidavit of Mailing.

Minutes The minutes of the 2021 meeting were mailed to the members prior to the meeting. The motion was made and seconded to approve the minutes as written. The motion carried.

Chairman's Report John mentioned all the past managers and board members we've lost over the years, most recently Clyde Shipman. Chippewa Valley Electric Cooperative is financially strong. There will be no rate increase in the coming year. Last year the Co-op was able to return some money to its members. August 2021 bills saw a One-Time Fixed Cost Adjustment on all accounts and an additional PCA credit based on the usage.

Round Table

President's Report: President and CEO, Dean Ortmann, said the co-op has had 85 successful years. Co-ops are member-owned not for profit entities. CVEC was formed in 1936 and by 1938 had 112 customers. He said no co-ops are the same, there are over 900 co-ops in the United States. They all have their own bylaws, rebates, policies, and rates. Most of Chippewa Valley Electric employees are involved in the community.

Financial Report: June Bach, Office Manager, discussed the financials of the co-op. She talked about the operating expenses and margins and also discussed the assets and liabilities. Capital credits in the amount of \$782,921.00 were returned in 2021.

Member Services Report: Russ Falkenberg, Director of IT & Member Services, compared electric heat vs. LP. Electric heat would be controlled about 20 hours throughout the heat season. Russ talked about boilers, ground source heat pumps, Steffes electric thermal storage heaters, DG, solar, etc. Russ mentioned the high voltage safety demo available to schedule for safety/training. There is an

informative video on the CVEC home page called "License to Live" for anyone to view.

Russ discussed Ntera and Ntera grants and showed the members a current map of the Ntera service territory. In 5 short years, they have over 1200 customers.

There are many rebates available including EV Charging Stations.

Operations Department Report

Nic Alberson, Operations Manager, recognized Terry Capek's retirement with 34 years of service. Frank Hakes also retired with 26 years of service. Quentin Muska is the new lineman hired.

The December 15, 2021 storm caused mass destruction including 6 broken poles. It took 26 hours to get all 513 members back on. Zielies Tree service took over for BUCS and assisted in clearing 135 miles of line. CVEC had 102 new services, we haven't seen that in 10+ years. Nic shared some pictures that included the pole-top rescue training. The linemen have to practice rescuing a dummy. It would also be beneficial in case of hydraulic failure.

Prize Drawings Prizes were given to many members throughout the meeting.

Questions Dean Ortmann, President and CEO, along with John Behling, legal counsel, addressed questions from the member audience. Two or three questions were answered.

Director Election Results

District #2: Steve Johnson – 67

District #3: Frank Draxler – 50

District #4: Kevin Meistad – 96

District #7: John Petska – 88

Adjournment Chairman John Petska asked for any other business. There was no other business, and the meeting was adjourned by John Petska at 12:10 p.m.



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This institution is an equal opportunity provider.

Board of Directors

District 1 – Dan Liske
District 2 – Steve Johnson
District 3 – Frank Draxler
District 4 – Kevin Meistad
District 5 – Deone Goettl
District 6 – Steve Wall
District 7 – John Petska

Dean Ortmann, President/CEO



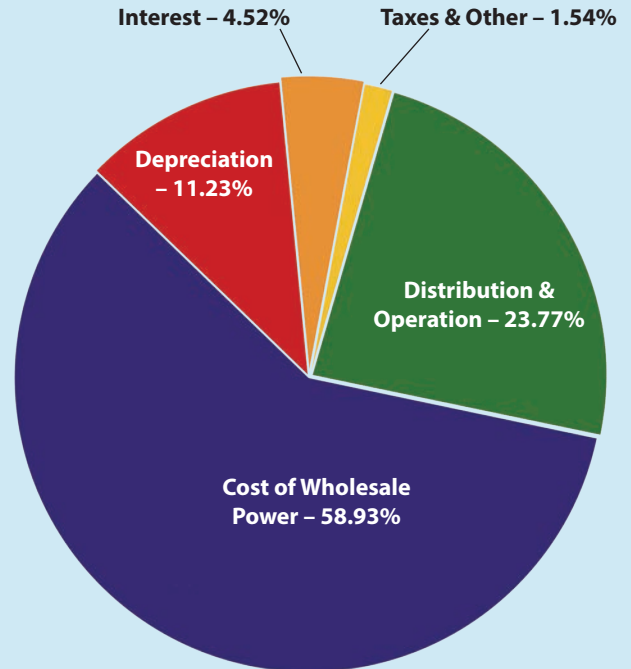
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Office Hours: Monday–Friday, 7:30–4 p.m.

Nicole Whipp Sime, Editor

2022 OUTAGE INFORMATION

2022 Outage Info	Number of Outages	Avg./Consumer	Consumer Hours
Power supplier	0	0.000	0.00
Trees	59	0.603	4684.42
Animals	5	0.006	45.21
Broken poles	3	0.001	4.29
Insulator	6	0.150	1164.00
Overhead wire break	2	0.000	1.80
Underground fault	27	0.072	558.13
Lightning	17	0.005	42.20
OCR/fuse	5	0.003	20.70
Vehicles	11	0.021	163.86
Transformers	21	0.005	37.65
Fires	7	0.004	31.69
Other/Unknown	79	0.182	1416.72
Subtotal	242	1.052	8170.67
Planned outage	191	0.061	474.15
Extreme storms	186	1.235	9591.74
Totals & Avg/Consumer	619	2.347	18236.56

DOLLARS SPENT – 2022



COMPARATIVE STATISTIC REPORT

	2020	2021	2022
Total miles of line in operation	1253.64	1262.22	1265.47
Total miles of Overhead line	732.33	722.00	719.55
Total miles of Underground line	521.31	540.22	545.92
Consumers connected during year	98	102	80
Consumers connected – year end	7664	7747	7805
Avg. consumers per mile – year end	6.11	6.14	6.17
Total water heaters controlled	3196	3179	3156
Total dual fuel accounts	1,468	1,464	1,456
Total kwh purchased	107,726,378	108,953,585	113,745,309
Total kwh sold	102,481,232	103,730,766	108,344,655
Total kwh used	297,000	292,800	305,100
Total Cost of Electricity	8,220,498	8,013,151	8,918,295
Total Revenue from Electricity sales	14,465,331	14,742,900	15,594,897
Avg. cost per kwh purchased	0.0763	0.0735	0.0784
Avg. revenue per mile/month	961.56	970.84	1,026.95
Avg. revenue per member/month	157.29	157.41	166.51
Avg. kwh sold per member/month	1114	1108	1157
Avg. revenue per kwh sold	0.1412	0.1421	0.1439
Avg. outage time per member	1.086	0.88868079	2.3473
Total number of employees	22	21	20

Chairman's Report

Continued from page 15

also communicate with line workers— definitely a safety issue. All made possible through Ntera.

Other projects on the front burner are: Building a 1.5 megawatt solar field down by Stanley, which should produce positive income and image for years to come; integrating a couple of electric trucks into our fleet; introducing a new Time of Use rate structure that may reduce or eliminate control periods during peak alerts—giving members the choice and power of use.

This year Chippewa Valley Electric Cooperative holds its 86th Annual Membership Meeting on Saturday, March 25, and we would love to see you there! As always, we are very thankful for the support our members have for their local cooperative. We look forward to providing dependable electricity for years to come and continuing to invest in the future and communities we serve.

Respectfully,

John L. Petoka

gratitude

gratitude

