

## Rate Adjustment to Take Effect With July Bill

Unfortunately, it is necessary for Chippewa Valley Electric Cooperative to raise rates again this year. We received a 3 percent annual wholesale increase from our supplier, Dairyland Power Cooperative, on May 1. In addition to this increase, the wholesale rate structure has changed, creating the need for a comprehensive rate study to make sure our rates are properly aligned. We are able to hold the aver-

age retail increase to 1-1/2 percent. On average, however, this means some rate classes will be affected more, some less. Also, the increase will be affected by your usage.

The new rates will go into effect with the July bill (the bill you receive in August). The primary reason for the wholesale increase is environmental investments Dairyland Power has been forced to put into its generation plants.

The EPA has mandated stricter emission rules, resulting in large investments of remedial equipment; those investments are then paid for through your kilowatt hour purchases.

Below is a synopsis of the rates that will go into effect beginning with the July bill. The entire rate description is available at our website, [www.cvecoop.com/billing/rates](http://www.cvecoop.com/billing/rates). ■

### **Rate A – Small Single Phase** (The rate most homes, cottages, and farms are on)

Facility Charge — \$35.00 per month  
Energy (kWhs) (June–July) — \$.1165 per kWh  
(Sept.–May) — \$.1010 per kWh  
Water Heater Credit — (\$3.00) per month

### **Rate H — Off Peak Space Heating** (Dual Fuel)

Facility Charge — \$4.25 per month  
Energy (kWhs) (June–July) — \$.0870 per kWh  
(Sept.–May) — \$.0630 per kWh

### **Rate W— Small Three Phase** (The rate for large farms and large homes, and some businesses)

Facility Charge — \$60.00 per month  
Energy (kWhs) (June–July)— \$.1165 per kWh  
(Sept.–May) — \$.1010 per kWh  
Water Heater Credit — (\$3.00) per month

### **Rate M — Peak Alert Medium** (The rate for irrigation and some three-phase accounts)

Facility Charge — \$65.00 per month  
Demand Charge  
Monthly Maximum — \$6.50 per kW per month  
Summer Coincident — \$63.80 per kW per year  
Winter Coincident — \$29.00 per kW per year  
Energy (kWhs) — \$.068 per kWh  
Water Heater Credit — (\$3.00) per month

### **Rate X — Large Power** (Large three-phase accounts)

Facility Charge — \$75.00 per month  
Demand Charge  
Monthly Maximum (June–Aug.) \$12.00 per kW  
(Sept.–Aug) \$10.00 per kW  
Energy (kWhs) — \$.070 per kWh

### **Rate Z — Peak Alert Large** (Large three phase accounts)

Facility Charge — \$110.00 per month  
Demand Charge  
Monthly Maximum — \$6.50 per kW per month  
Summer Coincident — \$63.80 per kW per year  
Winter Coincident — \$29.00 per kW per year  
Energy (kWhs) — \$.0660 per kWh

### **Rate C — Peak Alert** (Time of Use) Large (Large Three Phase time of day)

Facility Charge — \$110.00 per month  
Demand Charge  
Monthly Maximum — \$5.00 per kW per month  
Summer Coincident — \$63.80 per kW per year  
Winter Coincident — \$29.00 per kW per year  
Energy (kWhs)  
On peak (June–Aug.) — \$.0847 per kWh  
On peak (Sept.–May) — \$.0647 per kWh  
Off peak — \$.0468

### **Rate I — Industrial** (TOU) (Very Large Three Phase time of day)

Facility Charge — \$175.00 per month  
Demand Charge  
Monthly Maximum — \$4.10 per kW per month  
On Peak (June–Aug.) — \$19.86 per kW per month  
On Peak (Sept.–May) — \$7.86 per kW per month  
Energy (kWhs)  
On peak (June–Aug.) — \$.0847 per kWh  
On peak (Sept.–May) — \$.0647 per kWh  
Off peak — \$.0468 per kWh

### **Rate L — Dusk/Dawn Lighting**

Facility Charge — \$9.65 per month

## Load Management: Balancing Supply and Demand

### New Strategies Benefit the Cooperative Membership

As you likely know, Dairyland Power Cooperative is Chippewa Valley Electric Cooperative's wholesale power supplier, providing our cooperative with the energy required to meet the needs of your homes and businesses. Dairyland and Chippewa Valley Electric Cooperative also collaborate on strategies to best increase efficiencies and decrease costs for the benefit of our members and the environment.

Traditionally, Dairyland's Load Management Program functioned primarily to reduce energy consumption during periods of peak demand, mainly as a way to reliably meet member energy needs while curbing costs. In essence, that original goal still stands: Load Management remains a tool used to balance the demand for electricity with the ability to generate or economically purchase electricity. Dairyland and its member cooperatives save money by deferring the need to construct additional power plants or purchase expensive power during periods of high demand.

#### Controlling for capacity and economics

The difference today is that Dairyland relies on load management resources for more than peak load reduction since joining the Midwest Independent Transmission System Operator (MISO) as a transmission-owning member in June 2010. Load management is now also used as an economic tool to reduce wholesale energy costs, to the benefit of cooperative members.

Prior to joining MISO, Dairyland produced power from its own generating facilities or purchased energy

directly from a neighboring utility to provide the needed electricity for its member cooperatives, such as Chippewa Valley Electric Cooperative. By joining MISO, Dairyland's generation resources are now offered into the wholesale energy market and are therefore affected by the energy used and produced across the region. All generation is dispatched into the MISO market for regional requirements and sold to MISO based on market prices. Similarly, all of Dairyland's load requirements are purchased from MISO at market prices.

Dairyland now needs to plan differently and make changes in both operating its power plants and marketing the energy. Simply put, Dairyland cannot just dispatch power from, for example, its facility in Genoa anymore to fulfill direct needs.

Therefore, if the current or pro-

jected day-ahead market price to purchase energy is too high, Dairyland may now implement load control as a way to mitigate the need to buy high-priced power. A price threshold, on which to base the decision to implement load management or buy power in an inhospitable market, is set to ensure a reasonable number of control events each season.

#### What is "economic control" and why do we do it when we do?

As we mentioned earlier, load management based on economics is another tool used to reduce overall energy costs for Dairyland, and therefore for the member-consumer. It utilizes the control of certain appliances (residential water heaters, air conditioners, interruptible heating systems, dairy water heaters) during one time of day, usually to be restored at a later time

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### Congratulations (and Thank You) to Our Energy-Efficient Membership

Chippewa Valley Electric Cooperative's rebate and incentive program is modified annually to address the diverse and changing needs of our members' home and work environments. By making energy-efficient upgrades to your home, such as purchasing an Energy Star appliance or using CFL and LED bulbs, you may be able to take advantage of great rebates, while also saving money on your electric bill through reduced energy consumption. That reduced electrical use also translates as a benefit to the environment—less energy used means less energy made.

Have you made energy-efficient changes this year? If so, take a look at how much energy (and therefore, money) *you* saved by participating in our rebate and incentive program.

The results of energy-efficient savings under the incentive program are remarkable. For the year 2011, energy saved through efficiency upgrades (such as using Energy Star appliances and CFLs) made by Dairyland member cooperative consumers, including members of Chippewa Valley Electric Cooperative, would be enough to power approximately **1,365 homes.**

*Thank you, and congratulations for making a difference.*

# Annual Meter Reading Verification to Begin

Chippewa Valley Electric Cooperative uses the Turtle remote meter reading system to read the meters for the monthly billings. However, sometimes the Turtle becomes defective and incorrect readings are reported. So every year, we hire one part-time meter reader to verify the meter reading with the Turtle reading. Beginning in May, we will start verifying readings again.

As in the past, this year Phil Matott (*pictured at right*) has been hired to read and verify our meters. We have our system divided into 26 reading routes, which will take Phil the course of the spring, summer, and fall to get around. In addition to



reading the meter, Phil will look for hazardous wiring conditions, broken meters, and a number of other minor problems. Phil has read meters for us since 1989. He will be driving his

personal car, with Chippewa Valley Electric magnetic signs, and he will also be carrying a Chippewa Valley Electric ID if anyone questions who he is or what he is doing. ■

## Load Management

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of day when energy prices are more favorable.

Because economic-based load control typically involves that shifting of energy use from one time frame to another, the value of that control event depends on hourly energy prices. System operations staff take into consideration both the “avoided cost” of removing certain loads during the control period and the “incurred cost” of bringing the controlled appliances back on during the restoral period.

To ensure the load management program is doing its job most effectively, results of various control techniques are continually analyzed. Analysis of historical energy prices consistently indicates that control periods with the greatest opportunity for energy cost savings occur during the evening when hourly energy prices decline quickly. This period of economic control may include a few hours that are generally considered “off peak.” Not unlike di-

versifying or spreading one’s financial risk in the stock market, economic control is simply about shifting load from a less advantageous pricing period to one with an increased chance for gains.

### Significant savings

Through its market-based economic dispatch and daily energy storage programs, Dairyland estimates an **average annual savings of over \$1.5 million** in wholesale energy costs, plus the capacity benefit of these load management resources.

This thrifty course of management clearly pays off in real dollars for our membership. Broken down further, the savings for economically dispatched load control for summer 2011 alone (June, July, August) was approximately \$80,000. The savings from winter 2011–2012 was approximately \$89,000.

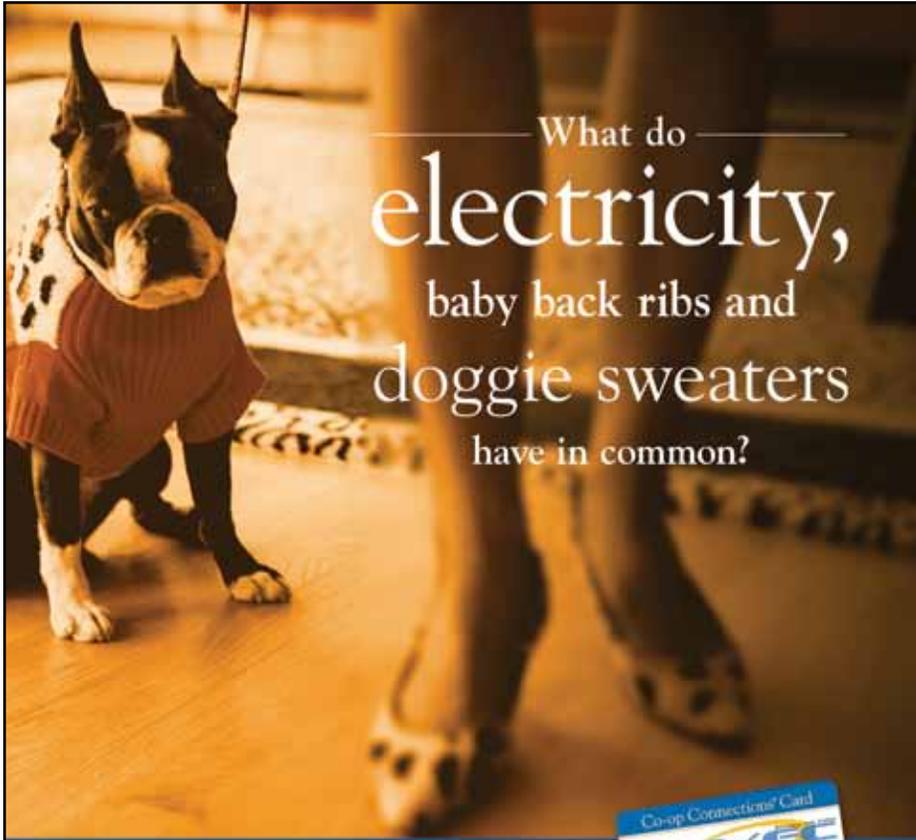
### How does the Load Management Program work?

Through Dairyland Power, Chippewa Valley Electric Cooperative, has long participated in an energy—and money—saving program called load

management. The program traditionally offers benefits to cooperative members who agree to electric use control during times of peak demand or high energy prices, or during system problems such as a generator outage.

Dairyland estimates the load management program reduces its system peak by approximately 70 megawatts (MW) in the summer and 140 MW in the winter, the equivalent size of a small power plant. It has done so by reducing total demand during peak use hours—generally between 3 and 9 p.m.—when people are commonly at home running washers, dryers, dishwashers, air conditioners, heaters, and so on.

For example, your air conditioning unit might be cycled on and off at 15-minute intervals for a few hours on a day load management is utilized, if you are a program participant. Your home’s comfort is not diminished, but the energy and financial savings aggregated through participation across the Dairyland Power membership is significant. ■



What do  
**electricity,**  
 baby back ribs and  
**doggie sweaters**  
 have in common?



Your Co-op Connections Card. To help our members save money on goods and services of all kinds, we started the Co-op Connections program. Just take your Co-op Connections Card wherever you go. Pull it out anywhere you see a Co-op Connections sticker. And say hello to the savings.

The card is yours. The savings are yours. All because you're a member of a Touchstone Energy cooperative.

Check out the savings at these local businesses:

**Cornell Chiropractic**  
 425 Bridge Street - Cornell  
 715.239.0909  
 Offering: \$35 New Patient Exam  
 (includes initial exam, consultation,  
 X-rays & report of findings)

**CVEC Med-A-Lert Service**  
 Offering: 1/2 price installation fee  
 (\$17.50)

**Paul's Cafe**  
 609 Bridge Street - Cornell  
 715.239.3636  
 Offering: 10% off entrees after  
 2:00 p.m., Monday - Thursday

**Black Bear Bar**  
 28249 250th Street - Holcombe  
 715-595.4639  
 Offering: Friday Fish Fry: Buy 1,  
 get 1 @ 1/2 off

To add your favorite local business, ask them to contact Russ  
 at Chippewa Valley Electric Cooperative, russ@cvecoop.com.

*Looking out for you.*

**24<sup>th</sup> Annual  
 Member  
 Appreciation  
 Picnic**

**Friday, July 6, 2012**  
**10 a.m. to 2 p.m.**

Brats, hot dogs, and  
 all the trimmings,  
 including our famous  
 baked beans,  
 with ice cream for  
 dessert!

**No carryouts.**

Enjoy lunch under the big tent  
 at 317 South 8<sup>th</sup> Street  
 (corner of Highway  
 27/64 and South  
 8<sup>th</sup> Street)

**Cornell, WI**  
**715-239-6800**

**Games and  
 face painting for the  
 kids throughout  
 the day!**

**Chippewa Valley Electric Cooperative**

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