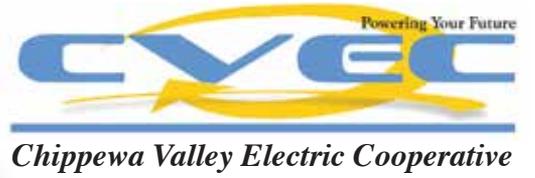


CONSTRUCTION CONTINUES ON NEW HEADQUARTERS FACILITY



August 5: Ductwork is installed in the shop.



August 18: Geothermal wells are drilled.



August 25: Sheet rock is installed.

August 12: The metal studs are in place in the hallway.

August 25: Geothermal well drilling continues.

September 2: The lobby starts taking shape.

MY CO-OP





CAPITAL CREDIT RETIREMENT PAYMENTS

One of the things that make Chippewa Valley Electric Cooperative different from an investor-owned utility is that Chippewa Valley Electric Cooperative is not in business to make a profit. We exist to serve our members. This month, CVEC will distribute approximately \$440,000 in capital credits to its members. The capital credits will be paid out as follows: 15 percent from 2013, 30 percent from 1993, and 100 percent from 1992.

In the month of October, Chippewa Valley Electric Cooperative members may see a credit to their electric bill or a capital credit check arrive in the mail. Members with a retirement amount of \$50 or less will see a credit applied to their electric bill. Capital credit checks will be sent to inactive members and to those who have a retirement amount greater than \$50. The checks are printed and mailed from La Crosse and cannot be picked up from our office in Cornell.

Capital credits are dividends that are paid to members from year-end margins. Margins are the earnings that exist when revenues exceed expenses. The margins are retained by the cooperative for a period of time and used as capital for the continuing expansion of the cooperative.

Each member has a share of the margins allocated to them based on the amount of revenue contributed to the cooperative.

It pays to be a member!



CO-OPS
Take
OWNERSHIP

CO-OP MONTH | OCTOBER 2015

THE 7 COOPERATIVE PRINCIPLES

volunteer • democratic • economical • independent • informative • collaborative • community

When it comes to “buying local,” cooperative businesses stand out. That’s because cooperatives are locally grown by everyday people who join together to solve a problem or meet a need. Did you know the co-ops in your community are owned and democratically controlled by people just like you?

Adaptable and time tested, cooperatives are everywhere and operate in every industry including agriculture, energy, financial services, food retail and distribution, health care, child care, insurance, housing, purchasing and shared services, telecommunications, and more.

While many businesses are strictly motivated by profit, cooperatives exist first and foremost to deliver quality goods and services to their members. Revenues returned to the co-op’s member-owners in the form of enhanced services or dividend checks.

Education is one of the seven principles that guide all cooperatives, so members are encouraged to actively participate in setting policies and making decisions for their co-op. From attending an annual meeting to serving on the co-op’s board of directors, people who belong to cooperatives can have a real stake in their economic destiny.

So why sit on the sidelines and be just a consumer when you can take an active role in a co-op?

Solve a problem. Participate. Join.

Take ownership!

October is Co-op Month

COOPERATIVES IN WISCONSIN

THE 7 COOPERATIVE PRINCIPLES

voluntary & open membership | democratic member control | members' economic participation | autonomy & independence
education, training & information | cooperation among cooperatives | concern for community

Wisconsin was one of the first states to enact a law authorizing cooperatives in 1887. Today it is one of the top cooperative business states in the nation. More than 700 Wisconsin-based cooperatives serve a collective 3 million member-owners.

-  **Credit unions** are owned by the people who use their products and services. A young person in Wisconsin can save as much as \$117,000 over a lifetime using a not-for-profit credit union for borrowing and saving.
-  **Dairy** cooperatives market about 80 percent of the milk and process 60 percent of the cheese produced in the state. Three of the top 10 producing dairy cooperatives in the nation are headquartered in Wisconsin.
-  **Electric** cooperatives serve the majority of farms and rural homes in Wisconsin. In response to member-owner demand, they have become renewable energy leaders among Wisconsin utilities.
-  **Farm Credit** financial institutions provide the majority of agricultural lending services for farmers. Wisconsin is home to four Farm Credit cooperatives.
-  **Food** cooperatives are driven by local consumer demand. Co-op conversions in rural and underserved areas in Wisconsin are helping keep grocery stores open and healthy options more readily available.
-  **Livestock and genetics** cooperatives have attracted a large international market to Wisconsin. Two of the nation's top five cattle breeding cooperatives are headquartered in the state.
-  **Mutual insurance** companies have provided low-cost services and kept premium dollars in the local economy for over 140 years. Today, they provide property insurance to approximately 100,000 residents.
-  **Grain, farm supply, and fuel** co-ops pool purchasing power to drive down costs and create better market opportunities. Cooperatives have proactively invested in infrastructure and new technology to improve access.
-  **Housing** cooperatives offer affordable options in high-cost areas. There are more than 50 registered housing cooperatives in Wisconsin.
-  **Health care** cooperatives provide a mix of local clinics, services, and insurance. Wisconsin's top-rated health care plan is Group Health Cooperative of South Central Wisconsin.
-  **Processing and marketing** co-ops focus on maximizing profit for their farmer-members. Wisconsin is home to CROPP Cooperative, the largest organic farming cooperative in the nation, better known as Organic Valley.
-  **Telephone** co-ops were established to provide quality, affordable telecommunications service in mostly rural areas. They have been pioneers in bringing broadband to underserved communities in Wisconsin.





EPA CLEAN POWER PLAN

What does it mean for Chippewa Valley Electric Cooperative?

You've probably heard in the media that President Obama announced the Environmental Protection Agency's (EPA) Clean Power Plan on August 3. The lengthy and complex plan establishes guidelines for states to regulate greenhouse gas emissions from existing fossil fuel-based electric generation units under section 111(d) of the Clean Air Act.

"Chippewa Valley Electric Cooperative and our wholesale power provider, Dairyland Power Cooperative, are committed to improving the quality of life for cooperative members," said Todd Howard, president/CEO. "This includes taking steps to improve our environment while safely delivering our members the power they need each day."

Many steps have already been taken to significantly reduce air emissions by Dairyland. These reductions have been achieved by burning less coal and leading or participating in renewable energy projects and programs (including the Evergreen program), educating about energy efficiency, utilizing hydropower, solar, wind power, landfill gas, and biomass. Dairyland has also retired its five oldest coal-fired units at the Alma Station (Alma, Wis.) over the last five years.

The rule, which is over 2,000 pages long, will certainly take some time for the industry to understand the real impact. Dairyland's environmental, strategic planning, and external relations staff are evaluating the details of the rule to determine how they will affect cooperative members' monthly electric bills and what impact the rule will have on the power plants that serve our cooperative and system reliability.

Specifically, staff will be assessing how the EPA modified its original proposal

in response to public comments. Some of the key issues Dairyland and other Wisconsin utilities jointly addressed, with recommendations, included:

- Ensuring credit for early action to reduce emissions;
- Providing broad flexibility in the measures allowed as compliance options; and
- Allowing sufficient time to reliably achieve compliance.

"Our care for the environment is at the forefront of our mission to provide our members with safe, reliable, affordable, and sustainable energy," said President and CEO Barb Nick. "The issues and impacts are very complicated, and we will continue to advocate for a reasoned approach for a sustainable energy future for our members."

"Dairyland is already in the midst of a strategic plan to continue to diversify our energy resources with the addition of new renewable sources, and we recently issued an RFP for up to 25 MW of solar energy resources," added Nick. "We now have about 12 percent renewable energy, including wind, biomass, hydro, and solar projects. We have taken these significant steps in ways that protect energy consumers in our system from rate shock while keeping our system reliable."

Dairyland has also invested over \$300 million in the last decade in air emission control equipment at its existing coal plants and has cumulative reductions in mercury output by over 90 percent, particulate matter by 99 percent, sulfur dioxide by well over 90 percent, and nitrogen oxides by over 70 percent.

It is very important that the rule allows sufficient time to achieve the desired goals in a reasonable and cost-effective manner. Energy policy is incredibly complex and vital to the country's economy. It is also the reason that for many decades, coal was selected as the fuel of choice for baseload power plants in the Midwest for its reliability and affordability. Transitioning too quickly will have economic and operational impacts.

As future developments occur with EPA's Clean Power Plan, Chippewa Valley Electric and Dairyland will continue to focus on ensuring cooperative members have access to safe, reliable, sustainable, and cost-effective energy services. Your cooperative leadership pledges to work with others in the industry, elected officials, and state and federal agencies as we move forward.

We also will keep our members informed. As a cooperative, that is our most important commitment.

UNDERGROUND SERVICE DEADLINE OCTOBER 15

When the ground freezes in Wisconsin, all underground cable construction comes to a halt until the spring thaw. If you have construction plans that are not already scheduled, call Chippewa Valley Electric Cooperative TODAY! We will do everything possible to meet your construction needs and install your electrical service

before winter. However, all preliminary requirements must be met by October 15 to guarantee underground work. After October 15, we cannot guarantee service installation before the ground freezes. Once the ground freezes, it will be too late to install the underground service you were hoping to have this fall.

Todd Howard, President/CEO

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