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# NEWSLETTER

**Chippewa Valley Electric Cooperative**

**April 2014**

## 2014 Annual Meeting Review

**T**hank you to the members who braved the cold and traveled to attend our 77th annual meeting!

Members of Chippewa Valley Electric Cooperative learned about new communication systems, found out there will be no wholesale power rate increase for 2014, and re-elected two incumbent directors at their 77th annual meeting Saturday, February 22.

A crowd of about 175 members and guests gathered at the Cornell High School Auditorium and learned from President and CEO Todd Howard that plans for the coming year include resolving building issues—with deteriorating garage walls the key concern—and as the cost is expected to be substantial in any case, repair options may include a complete office rebuild.

Howard also discussed maintenance needs addressed during the past year, including brush-clearing, unjacketed line replacement, and other construction.

Board Chairman John Petska's report included information about the deployment of new remote-read meters by co-op crews over the coming two years. The meters will be able to automatically report outages, triggering a call for a crew to respond. In addition, a communication system to the co-op's substations will allow remote line-switching and restoration.

Ongoing challenges include the battle over coal use in power generation and impending retirements in an aging workforce. The co-op needs to find ways to train new employees before more experienced workers retire, and to do so without overstaffing, Petska reported.

Office Manager Dean Ortmann reported record kilowatt-hour sales for 2013 provided adequate

margins to meet the co-op's financial ratios, complete various projects, and retire more than \$350,000 in capital credits during the past year.

The co-op's Chippewa Valley Satellite Corporation subsidiary ceased providing DirecTV service as of the first of the year, a move expected to generate positive operating margins for 2014.

Dairyland Power Cooperative vice president and CFO Philip Moilien reflected on 2013 operations at Dairyland and informed members of projects they will be working on for the coming year.

Tom Larson, Wisconsin's 67th Assembly District representative addressed the members.

Voting members in two districts re-elected incumbent directors to three-year terms. Clyde Shipman was re-elected in District 3 and Deone Goettl in District 5, both without opposition.

The lineup of officers remained unchanged in a reorganization of the board. Petska continues as chairman and Dairyland Power Cooperative director, Don Frei as vice-chairman and alternate Dairyland Power Cooperative director, Shipman as secretary-treasurer, and Goettl as assistant secretary-treasurer.

Following the meeting, members and guests enjoyed a lunch provided by the Holy Cross Parish Ladies.



# A Coal to Action

Following a failed attempt at Cap and Trade legislation by the current administration the Environmental Protection Agency (EPA) began public hearings to cut carbon dioxide emissions from new coal plants.

The new rule would limit emissions to 1,100 pounds per Megawatt hour, a limit the coal industry says is technologically unattainable.

On February 11, 2014 Dr. Julio Friedmann, the deputy assistant secretary for clean coal at the Department of Energy, told House lawmakers that the first generation of carbon capture and storage technology would increase wholesale electricity prices by "70 or 80 percent." This is in line with the President's statement to the San Francisco Chronicle in a 2008 interview where he stated "Under my plan of a cap and trade system, electricity rates would necessarily skyrocket."

While new power plants will most likely be powered by abundant Natural Gas, 88% of the power currently generated by Dairyland Power Cooperative, the sole source of energy for Chippewa Valley Electric Cooperative Members, is from coal.

The president has ordered the EPA to issue a draft of a regulation that will set a national standard for carbon pollution by June 1, 2014.

On February 6, 2014 John Novak, Executive Director of Environmental Issues at the National Rural Electric Cooperative Association (NRECA) testified before the Environmental Protection Agency (EPA) on the Standards of Performance for Greenhouse Gas Emissions for New Stationary Sources: Electric Utility Generating Units. Novak spoke on behalf of the more than 900 not-for-profit, member-owned electric cooperatives, including Dairyland Power Cooperative. Novak warned the EPA about the impact of effectively removing coal as a hedge against the volatility of gas and wholesale market prices. Electric cooperatives serve 93 percent of the "persistent poverty counties," in the United States, and co-ops remain concerned about the effect of this new rule on their Members' electric bills, especially low or fixed income. Additionally, Natural Gas pipelines do not serve all regions of the country, and therefore are not a viable alternative to coal.

The current administration is operating on the premise that "global warming" is occurring at an alarming rate. This claim has not been proven, or accepted by the scientific community. Since the term "global warming" has lost traction, the administration has more recently been using the term "climate change". This is more accurate, as the climate does in fact change. How much "climate change" is "human induced"? Nobody knows. One may wonder, what good does it do for the United States to invest billions of dollars in to curbing carbon emissions to combat "climate change" when much of the rest of the world simply ignores it?

Our collective voices must be heard. If you are concerned about rising electric rates, CVEC urges you to contact your representatives and senators and express your opinion regarding the proposed EPA rules, and the impact they will have on our electric rates.

**Send a message directly to the EPA through the NRECA Take Action Website:**

[www.nreca.coop/political-action/cooperative-action-network/epa/](http://www.nreca.coop/political-action/cooperative-action-network/epa/)

**or write your local senators and representatives:**

**Senator Tammy Baldwin**  
717 Hart Senate Office Building  
Washington, DC 20510

**Senator Ron Johnson**  
328 Hart Senate Office Building  
Washington, DC 20510

**Congressman Sean Duffy**  
1208 Longworth HOB  
Washington, DC 20515

## Happy Easter!

*CVEC's office will be closed for  
Good Friday, April 18.*

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