

Ask Your Cooperative: CWEC Answers You



This month's column is from Mark Forseth, vice president of member relations & economic development.

Meet Mark Forseth

Started at CWEC: March 2001

Job Description: My job is to bring to our members a variety of programs, services, and products to enhance their lives.

Best Part of the Job:

- A. Help members make their home or business more energy efficient
- B. Provide toys to needy kids at Christmas
- C. Help entrepreneurs achieve their dream of starting their own business
- D. Assisting with providing funds for member hardships, scholarships, and non-profit organizations from Operation Round Up
- E. ALL OF THE ABOVE**

Q I've heard about the co-op's Load Management program but I'm not really sure what it is. Can you explain what it's all about?

A Sure can. Load Management is a way for us to reduce the cost of the power we provide to our members. Central Wisconsin Electric Co-op is a distribution cooperative, which means we do not produce the electricity we provide to our members. Currently the co-op's wholesale supplier of power is Alliant Energy. Alliant Energy, like most wholesale suppliers of electricity, assesses a monthly demand charge. When Alliant Energy's system reaches its peak (highest) demand during each month, our system's demand at that time is recorded and is the benchmark Alliant will use to assess our demand charge. This charge is needed to assure Alliant Energy has the required infrastructure in place to meet its system's peak usage demand.

Here's how Load Management works.

The demand charge has become a significant part of our wholesale cost of power, which of course is passed on to our members. To lower demand, thus reducing the demand charge, we offer members discounted rates or bill credits in exchange for allowing the co-op to control (shut off) higher usage items, such as water heaters, electric heaters, heat pumps, air conditioners, and irrigation systems.

In order for Load Management to be effective, loads need to be turned off when Alliant hits its peak. The big challenge each month is trying to gauge when Alliant's peak will hit. To assist us in determining when that will happen, we analyze daily projections and hourly updates we receive from Alliant Energy and updated weather forecasts. The control times also known as On-Peak times normally happen Monday through Friday sometime between the hours of 7 a.m. to 8 p.m. Controlling will rarely, if ever, happen on weekends or major holidays. While we do our best to minimize the days and times we control, it will typically happen multiple days during the month. We do caution you that peak usage often occurs during weather extremes, so heating systems could be shut off during very cold weather, likewise cooling systems in very hot weather. On average controlling happens four to six times per month

for two to three hours per time. Please note some months will be more and some less. It's important to note that our wholesale supplier assesses us the demand charge for the peak demand for each month, so the cycle of possible controlling resets the first of each month. As stated earlier, we will do our best to minimize the days and times we control.

To help members prepare for load control periods, i.e. adjusting their thermostat setting, we have various ways we send "load control alerts" including email, Facebook, Twitter, the co-op website posting, and a phone call.

I'm sure you're wondering what your savings would be if you participate in Load Management.

Members with electric heat and those with heat pumps can save close to 30 percent on the operating costs of their systems. Installation of a second meter is needed for these systems to qualify.

In conjunction with the Load Management program, we offer a Water Heater program. With this program co-op members receive a one-time \$20 sign-up bonus and a \$2 monthly bill credit. Additionally, participating members in the Water Heater program are eligible for a \$100 rebate or in some cases more for the purchase of a new energy efficient water heater. CWEC sells A.O. Smith water heaters (you don't have to buy from us to receive a rebate).

Members with central air conditioners can receive a one-time \$20 sign-up bonus and a \$6 bill credit for five months annually for enrolling in Load Management.

Irrigators, please contact us for savings information.

Hopefully this answers your questions regarding Load Management. If not, certainly feel free to contact me with any further questions you may have or to enroll in any of the Load Management programs.

Do you have a question?

Please submit your question for Central Wisconsin Electric Cooperative to cwecoop.com or call 1-800-377-2932 and ask for Brenda. Questions can relate to anything regarding your cooperative. When sending in a question, please include your name and hometown. Unless indicated, names submitted will be printed. Submitting a question gives us permission to print it.



OPERATION ROUND UP KEEPS ROLLING

At its most recent meeting the Trust Board for Operation Round Up approved seven donation requests totaling \$3,750. Those groups or individuals benefiting from the generosity of co-op members include Tigerton School Forest, Bowler Historical Society, Woven Blessings Basketry, Waupaca Crime Stoppers, ERVING Network, and two co-op member family hardships.

Operation Round Up is a co-op member-funded program that raises money for charitable and educational purposes. Since its inception in 2004 over \$390,000 has been donated. The Round Up program is administered by a nine-member trust board (one member from each of the co-op's nine sub-districts). The trust board is responsible for approving the donation requests. Current board members include Lloyd Gutt, Mike Ekern, Marie Skowen, Bonnie Paulson, Sue Halverson, Clifford Kessen and Gary Kolodziej, Renee Groshek, and Maxine Lemke.

“Operation Round Up strikes to the core of what cooperatives are about—neighbors helping neighbors,” said Co-op Vice President Mark Forseth. “On behalf of the co-op, I want to thank all current and past trust board members for their dedication, and I would especially like to thank all of the co-op members who participate in this wonderful program.”



Lloyd Gutt (r), Operation Round Up Trust Board, presents a check to James Gutt (l), with the Bowler Area Historical Society.

Lloyd Gutt, Operation Round Up Trust Board, presents a check to Jamie Lane, director of distance learning for the ERVING Network. The funds will be used to start a gifted and talented program for middle schools. She serves the Rosholt, Bowler, and Bonduel schools.



SMARTHUB IS HERE!

SmartHub, Central Wisconsin Electric Cooperative's new online billing website, is live! SmartHub provides members with a new process for paying electric bills online, managing electric accounts, monitoring electric usage, communication directly with the cooperative, and setting up recurring and stored payment options. It can be accessed online via a personal computer or as a free app on the member's smartphone or tablet.



2016 Member Photo Contest

“Life in Rural Wisconsin”

Central Wisconsin Electric Cooperative is holding our annual photo contest for members' photos to be featured in our 2017 calendar. Winning photos may be used in future newsletters or cooperative publications.

- Photos must be taken within the Central Wisconsin Electric Cooperative service area.
- Photos should capture life in rural Wisconsin (seasons, wildlife, landscape, people, etc.).
- Photos must have a horizontal (landscape) orientation.
- Photos can be in color or black and white.

Contest will run from April 1, 2016, until August 26, 2016; however, submitted photos can be taken outside of this date range.

Photo Contest Entry Options:

- **Email:** Brenda Mazemke
brenda.mazemke@cwecoop.com
- **Mail:** P.O. Box 100, Rosholt, WI 54473.
(photo(s) must be 8"x10" in size)
- **Drop Off:** Central Wisconsin Electric Cooperative Office – 10401 Lystul Road, Rosholt
(photo(s) must be 8"x10" in size)

For a complete set of contest rules as well as entry forms and photo release forms, please visit our website, www.cwecoop.com.

RATE STUDY:

Cost-of-Service Study

Over the last couple of months, we have discussed the rate study undertaken by the cooperative. The rate study is a necessary responsibility of management and the board of directors of the cooperative to ensure that the cooperative continues to operate in a financially sound manner.

In the February article, we discussed the rate study process from beginning to end. In March, we discussed the study of the cooperative's revenue requirements. This month, we will examine the cooperative's cost-of-service study.

The cost-of-service study is simply an analysis of the cooperative's costs identified during the revenue requirement study. While the revenue requirement study will determine what the costs are, the cost-of-service study will examine how and why the costs are incurred. Answering that question allows for the costs to be assigned fairly and appropriately to each rate class using traditional rate-making principles.

The costs and expenses of the cooperative are examined in a number of different ways. For example, there are costs associated with the generation and member consumption of electricity. These costs are paid to our power supplier, Alliant Energy. There are also costs incurred with the transmission of the power from the power plants to our substations. These costs are paid to American Transmission Company. Thirdly, there are costs incurred in distributing the power to you, our member, including poles, wire, trucks, office, substation, maintenance and repair, repayment of loans, and employee costs. An attempt is made to assign and apportion these costs according to the appropriate category.

Costs are also analyzed by function. Each month, your energy bill includes a member facility cost. Facility costs are the expenses related to the facilities directly connected to your property, such as wires and meters, and also accounting,

customer programs, and collections. The facility cost is identical for each member of that particular member rate class. The cost-of-service study will identify the appropriate, fair, facility cost for each rate class. The remainder of the bill is typically represented by Power Cost Adjustment (PCA), which will vary based on power costs increasing or decreasing monthly.

Allocating the rate base revenues and expenses to each of the member rate classes allows the cooperative to then project the rates of return for each member class. One goal of any rate is to have a fair rate of return for each of the member classes

The cost-of-service study will identify the appropriate, fair, facility cost for each rate class.

at the cooperative. Members may question why a rate for one type of service is different from another type of service. How much energy you use, when you use it, and how your usage varies all

have an effect on the cost to provide you with electric service. Those varying costs are examined as part of the cost-of-service study.

The next step will be designing rates to meet the cost of recovery obligations, to recover the revenue fairly from each member class, and to meet any other strategy or goals identified by the board in the rate study process. Look for more information in upcoming issues of this magazine and on our website. Also, watch for information regarding member forums in your area.

YOUTH LEADERSHIP CONGRESS JULY 13–15

If you'll be a high school sophomore or junior in the fall, this conference is for you! This three-day, all-expense paid program is jammed with fun, hands-on activities and seminars designed to help you identify and develop your leadership skills. It is planned by high school students just like you and features nationally recognized speakers.

This year's event will be held July 13–15 at UW–River Falls. If you are interested in being a sponsored representative of CWEC, please contact your high school guidance counselor or Brenda Mazemke at 715-677-2211 or by email at brenda.mazemke@cwecoop.com.





SCAM ALERT!

We received a call from a member saying that he received a call from someone posing as an electric co-op employee. The caller told him that immediate payment is needed to avoid disconnection of utility services in the

next half hour. The caller then provided instructions to send money via a third-party pay system and asked for his cell phone number.

We will never work with a third party for payment. Never give your credit card number or other personal information over the phone without verifying the

call. If you receive a call asking you to pay using a third-party system, or at all appears suspicious, please hang up and contact us immediately to report the incident. By calling us directly, you can talk to a service representative who will confirm your bill and let you know of any problems with your account.

DATES TO REMEMBER IN MAY

Annual Potato Pancake Feast and Fund Raiser

Sunday, May 1

9 a.m.–1 p.m. Adults \$9; Children ages 6–12 \$4, children ages 5 and under free. Tilleda Community Center, Tilleda. Sponsored by the Tilleda Advancement Association. For more information call 715-787-4241.

Wittenberg Area Rummage-O-Rama

May 6 & 7

Questions, call 715-881-2111. Sponsored by the Wittenberg Area Chamber of Commerce.

Mother's Day

Sunday, May 8



Iola Lions Pre-Citywide

Rummage Sale Brat Fry

Friday, May 13

10:30 a.m.–2:30 p.m. Iola Sentry Foods, Iola. Proceeds will go to the Iola-Scandinavia Fireworks fund.

Iola Lioness Club's 21st Annual Citywide Rummage Sale

Saturday, May 14

8 a.m., Iola. Maps available in town the day of the sale or at www.ischamber.com after May 11. Sponsored by the Iola Lioness Club. For more information call Lioness Sherry at 715-445-3482.

Embarrass River Lions Wild Game Feast

Saturday, May 14

4–7 p.m. Adults \$10, at the door \$12; children 10 and under \$5, at the door \$6. Tickets available from any Embarrass River Lion member. Numerous raffles. Morris Town Hall, W15320 Berg Road, Tigerton. For more information call Ken Seering 920-621-0043.

Iola Deer Trail Run

Sunday, May 15

8:30 a.m. 5k and 10k distances. Iola Winter Sports Club, E398 Cty. Rd. MM.



WORS Iola Bump and Jump

Sunday, May 15

WORS is America's largest mountain bike racing series. Held at the Iola Winter Sports Club, E398 Cty. Rd. MM. The Iola Bump & Jump course offers a great place to race or spectate an incredible race. For more information go to www.wors.org/schedule/iola.

Iola Lions 6th Annual Memorial Day Weekend Brat Fry

Saturday, May 28

10:30 a.m.–2:30 p.m. Proceeds will go to the Iola-Scandinavia Chamber Fireworks fund, Iola Sentry Foods, Iola.



Rosholt American Legion/Auxiliary Memorial Day Services

Sunday, May 29

11 a.m., Rosholt. Chicken dinner to follow. For more information call Christine at 715-592-4648.

Memorial Day Observed

Monday, May 30

CWEC office will be closed.

American Legion Sheveland – Taylor Post 14 Memorial Day Parade

Monday, May 30

Iola, WI

Tigerton Memorial Day Program

Monday, May 30

11:30 a.m. at Veteran's Memorial

To submit your community events email brenda.mazemke@cwecoop.com or call Brenda at 715-677-2211.

Mike Wade, President & CEO

10401 Lystul Rd., P.O. Box 100, Rosholt, WI 54473


715-677-2211 • 800-377-2932

www.cwecoop.com

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