

CWEC BEGINS COST-OF-SERVICE STUDY

Have you ever wondered how the rates you pay for electric service are established?

The revenue derived from the rates paid by the members for electric service funds the operation of the electric cooperative.

It is the responsibility of the board of directors and management to examine rates periodically to be sure that they are just and reasonable and will allow the cooperative to fulfill its obligations to the members and the cooperative's lenders. At this time, Central Wisconsin Electric Co-op is beginning the process of a cost-of-service study to accomplish this. Over the next few months, we will explain the different parts of the rate study process.

Rate studies are complicated. In a sense, they are an attempt to predict the future, or at least the answers to a few questions. What revenue will be required to fund the operation of the cooperative for the foreseeable future, and what is the fairest way to collect that revenue through rates? What external factors will affect the cooperative's financial picture? What will the weather be like in the coming years?

While we may never accurately predict the weather in the future, an attempt can be made to predict the other variables that affect rates. CWEC has retained the services of Power System Engineering to assist us with our cost-of-service and rate study.

This study has several stages. First, we will use existing data to determine what revenue is required to operate the cooperative in the future. Next, the cost-of-service study is conducted to assign the costs to provide electric service to member classes using traditional ratemaking principles. Then rates will be designed to meet the cost recovery obligations, to cover the revenue fairly from each member class, and to meet any other strategy or goals identified by the board in the rate study process.

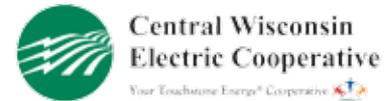
When the rate study is completed, it will be reviewed by the board in detail. You show confidence in your board of directors when you cast a vote for their election to the position. The board takes its responsibility to set fair rates very seriously. After all, they are members of the cooperative and pay the same rates.

We will also share the rate study information with and garner input from a Member Advisory Group. As we move through the process we will hold member forums throughout our service area to keep you informed.

Watch for more information in upcoming issues of this magazine and on our website – www.cwecoop.com.



By Mike Wade,
President & CEO



FROM HERE TO THERE

“Budget” is not a four-letter word, but it feels like one sometimes. For several months, staff and the board of directors have been meticulously laying out goals and developing a budget for the activities of 2016. In the words of former Secretary of the Treasury Jack Lew, “the budget is not just a collection of numbers, but an expression of our values and aspirations.”

As is always the case, we are not able to do all that we would like to in the coming year, but we have planned and prioritized to do as much as possible. The board approved our 2016 budget at their December meeting, and here are some of the projects we will be working on.

We have budgeted \$2.5 million for our 2016 construction work plan. Upgrading and maintaining our electric system as well as constructing new service to our members is the heart of what we do as an electric utility. We have over 1,430 miles of electric lines in place, and the poles and wires have a finite life. As we do each year, we have earmarked a significant budget amount to ensure these facilities are well maintained and offer our members the reliability they deserve.

Another large budget item for us is vegetation management. Thankfully, the cooperative has made large investments in this area in the past, so we are spending less today because we have rights-of-way that are in good condition. However, due to the fast growth of vegetation in Wisconsin, we must remain vigilant and stay true to our vegetation management rotation cycle.

We are working on several projects that involve compliance with how we take credit card payments. These are industry compliance standards that require us to take credit card payments in a secure manner so that the risk of your card being compromised is decreased. We will have more specific information about these changes in future magazine editions.

As a utility it is very important that the metering of our members' load be accurate and reliable. We will again use a company that specializes in meter testing to perform field tests to verify the accuracy of the metering on our largest loads. This has been a very beneficial program for us as we have found several problems during the previous year which required correction.

These are just some of the projects we have underway for the new year. We remain dedicated to working on programs and services that offer the best value to the membership. Together, we can meet the challenges that lay before us, and I look forward to a bright year ahead.

**Upgrading and maintaining
our electric system as well as
constructing new service
is the heart of
what we do...**



Toys for Tots Drive Helps Area Kids

Christmas was made a little brighter for more than 700 area kids thanks to the generosity of many of you and with the help from the local businesses and organizations.

Each year, Central Wisconsin Electric Cooperative partners with the U.S. Marine Corps Reserve to coordinate a Toys for Tots campaign. The toys were given to children in the Tigerton, Bowler, Wittenberg, Birnamwood, Rosholt, Manawa, Iola, and Scandinavia areas. In addition, this year we helped children through area churches, food pantries, and Waupaca County Health and Human Services.

We would like to thank all of those who made this year's program a huge success and helped put a smile on a child's face for Christmas. Thank you to all of the collection sites.

Pictured here are some of the wonderful people who lent a hand to the Toys for Tots program.





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1. Community First Bank, Rosholt “elves.” 2. RE/MAX Lyons Real Estate, Waupaca “elves.” 3. Banner Bank, Birnamwood “elves.” 4. Rosholt School District “elves.” 5. Iola-Scandinavia High School Student Council “elves” donated toys for the Toys for Tots program. 6. Shopping day with the “elves” from the Iola Leos Club. 7. Iola-Scandinavia School District “elves.” 8. Manawa School District “elves.” 9. Bowler Area Fire District “elves.” 10. Associated Bank, Wittenberg “elf.” 11. Premier Community Bank, Tigerton “elves”. 12. Wittenberg Giving Tree “elves.”



STOCKBRIDGE-MUNSEE RECEIVES CWEC ENERGY EFFICIENT GRANT

Central Wisconsin Electric Co-op awarded Stockbridge-Munsee a \$6,171 grant for energy efficiency upgrades to various buildings owned by the tribe. Upgrades included LED lighting, insulation, energy efficient heating and cooling systems, energy audits, and window replacements. The grant was funded through the Co-op’s Public Benefits Program.

“It gives us great pleasure to present this grant to the tribe,” said Co-op Vice President Mark Forseth.

“We thank Central Wisconsin Electric Co-op for their support of our upgrades,” said Tribal Council Member Scott Vele. Stacey Schreiber, Stockbridge-Munsee public works director, indicated additional energy efficient upgrades are being considered.

“We commend Stockbridge-Munsee for their commitment to making their buildings more energy efficient and look forward to working with them on future projects,” Forseth added.

CWEC RECOGNIZED BY ACRE

Central Wisconsin Electric Cooperative was recognized for its 2014–2015 participation in the Action Committee for Rural Electrification (ACRE) at the recent WECA Annual Meeting. The co-ops’ political action organization raises funds for use in state and national election campaigns, supporting candidates who back the goals of the rural electrification program. Co-op directors and staff contribute to ACRE annually, and if a co-op achieves substantial participation, it is recognized with a certificate for earning honor roll status.

CWEC earned 100 percent Board and Management Century Club participation.

For more information about how you can become a member of ACRE, go to www.cwecoop.com or call us at 800-377-2932.



Mike Wade (r), CWEC president and CEO, accepts an ACRE award from Robert Kretschmar (l), National ACRE chairman.



DATES TO REMEMBER IN FEBRUARY

Second Annual Iola Snow Bully Fat Bike Race

Friday, February 5

6:30 p.m., under the lights at the Iola Winter Sports Club.

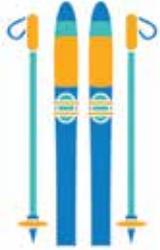
For more information Contact Scott Cole at 715-340-3683 or sdcole82@gmail.com.



55th Annual Iola Winter Carnival

Saturday, February 6

- 8 a.m.–noon, Ice sculpting at Iola-Scandinavia High School
- 9:30 a.m.–2 p.m., Free Children's Ice Fishing Contest on Lake Iola (ages 16 and under)
- 1–6 p.m., Norwegian Dinner and Indoor Craft Sale—includes lutefisk, lefse, Norwegian meatballs and all the trimmings, plus a craft show—held at the Iola-Scandinavia High School.
- 1 p.m., Skijoring at Iola Winter Sports Club
- 6 p.m., Twilight Snowshoe Race at the Iola Winter Sports Club



Sunday, February 7

- Noon, Central Ski Jumping Championship at Iola Winter Sports Club

For more information about the outside events go to www.iolawintersportsclub.org or call 715-445-3411.

Rosholt Area Booster Club Cabin Fever Bean Bag Tournament & Raffle Fundraiser

Saturday, February 13, 2016.

Event includes three divisions for the Bean Bag Tournament (Ages 10–13, 14–17, 18 and up), large item card raffle, basket raffle, 50/50, food and beverages. All proceeds to benefit the Press Box Addition at Hanna Field. Pre-register for tourney by calling Marc Stalter 715-572-6363 by February 10.

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

CONGRATS TO OUR CHRISTMAS COLORING CONTEST WINNERS!

Christmas is such a special time of year, especially for our children. They have so many opportunities to display their talents whether it is performing in a Christmas program at school or church, or drawing a snowman to bring the Christmas spirit to the CWEC office. We had 41 submissions this year, making it very difficult for our judges. There is a lot of talent out there; keep up the great work, kids. We want to thank all the children who entered for their hard work; we look forward to seeing your great drawings each year. Here are our choices in each category:

5 & under



\$25 Winner –
Jaelyn Brady



\$15 Winner –
Katie Angell



\$10 Winner –
Sofia Franz

7 to 10 years old



\$25 Winner –
Hannah Cherek



\$15 Winner –
Joshua Miller



\$10 Winner –
Jacob
Trzebiatowski

Mike Wade, President & CEO

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