



# THERE'S STILL TIME!

## Consider Representing Your Cooperative as a Director

Districts 3 and 5 -  
Director Vacancy

Paperwork Deadline:  
February 8, 2023

This is a reminder that if your primary residence is in Districts 3 or 5 and you're interested in being a candidate for the upcoming director election at Chippewa Valley Electric Cooperative's 86th annual meeting of its members to be held March 25, 2023, the deadline for submitting your completed application is February 8, 2023.



*The following board members are currently serving and have the option to campaign again for these positions:*

### **District 3 – Frank Draxler**

**District 3 territory:** The north half of the Towns of Sand Creek, Dunn County; the north half of the Town of Auburn and the entire Village of New Auburn; the Town of Sampson; the portion of the Town of Birch Creek located west of County Highway E, Chippewa County; the Town of Dovre, Barron County; and those members of Chippewa Valley Electric Cooperative whose service extensions lie within said towns or portions of towns.

### **District 5 – Deone Goettl**

#### **3 Year Term**

**District 5 territory:** The entire Towns of Arthur, Delmar, and Edson and the portion of the Town of Colburn located west of County Highway D; the portion of the Town of Goetz located east of State Highway 27, Chippewa County; and those members of Chippewa Valley Electric Cooperative whose service extensions lie within said towns or portions of towns.

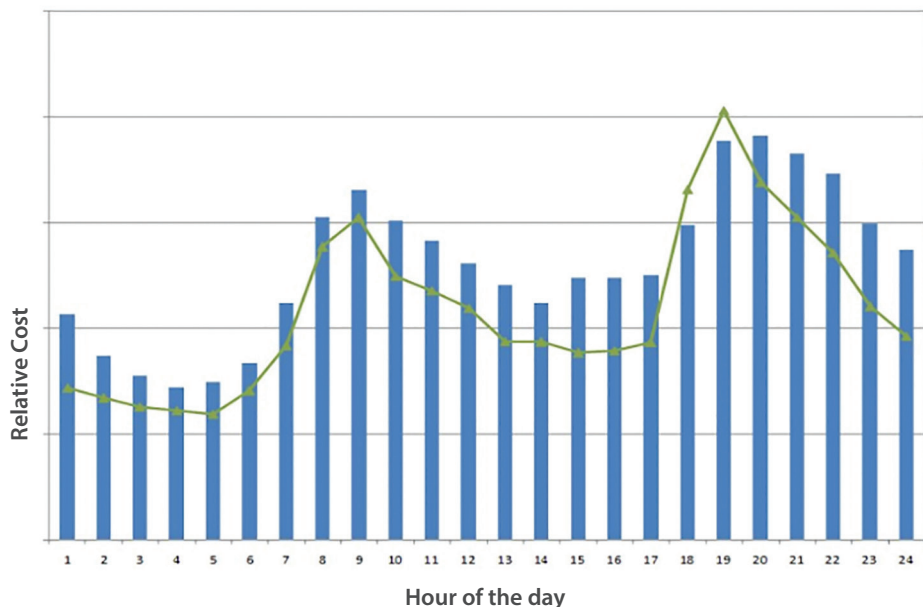
**Not  
seeking  
re-election**

For applications, or more details about board elections, contact Nicole at [nwsime@cve.coop](mailto:nwsime@cve.coop) or call 715.239.6800. The deadline for completed director candidate paperwork is February 8, 2023.

# HOW DEMAND AND CAPACITY AFFECT WHAT YOU PAY FOR ELECTRICITY

CVEC's residential rates are based on a number of different components. It is important to note that CVEC's cost of electricity, the wholesale rate, fluctuates throughout the day, every day. Our members don't see the fluctuation in their bill, but it is one of the key components that is considered in designing rates.

Below is a graph showing a typical cost of electricity throughout the day.



The peaks are caused by several factors, ranging from transmission capacity to the cost of energy. Transmission is affected by the number of people using electricity in a given area at the same time. The cost of energy varies based on which sources of generation are available at any given time.

Capacity (and the associated costs) are determined by both the actual energy consumed (the kilowatt hours) and

the amount of energy that needs to be available to serve our members based on peak load kW demand.

Having capacity readily available to meet the peak demand on the grid at all times costs money; the components of the electric grid need to be engineered to properly handle the load. The components consist of poles, wire, transformers, and other devices. To remain reliable in serving our members with the energy needs, CVEC must be prepared to meet the highest cumulative peak demand, and we do this through infrastructure investments that enable us to meet this need. At a local level these costs are captured in the (fixed) facility charge.

The demand component is a reflection of how much energy is required at a given time, measured in kilowatts. Currently, demand is not billed on residential accounts; however, it is a key component of commercial accounts.

Because both demand and capacity are factored into our residential rate, it's important that we reduce our usage when the cost of electricity is at a premium. As the graph at left indicates, reducing usage between 5 and 11 p.m. will have a large impact on the cost of electricity for this day. Shaving these peaks is what our

## Water Heater Program

Chippewa Valley Electric Cooperative (CVEC) offers a monthly credit and various rebates to members who participate in the Water Heater program. In exchange for the monthly credit, members allow CVEC (via our power supplier, Dairyland Power Cooperative) to control your water heater during periods of peak demand.

A key component of the Water Heater program is the Load Management Receiver (LMR). CVEC will install an LMR on your water heater at no cost to you. This will allow Dairyland Power Cooperative to interrupt the power to your water heater during periods of peak demand. The duration of the interruption will vary depending on the size of the water heater and the peak demand. Maximum duration for interrupting power to a water heater is four hours in any 10-hour period for a 50-gallon water heater, and six hours in any 10-hour period for an 80-gallon or larger water heater.

All participants in the Water Heater program can take advantage of rebates on the purchase of a replacement electric water heater, water heater parts, and service calls. Please contact the Member Services Department if you'd like to enroll in this program.





The components of the electric grid, including poles, wire, transformers, and other equipment, must be readily available and properly maintained in order for CVEC to meet peak demand.



Dual Fuel and Water Heater programs are designed for.

When energy prices fluctuate outside of projected norms, the increase (or in some cases decreases) are passed on to CVEC members in the form of a Power Cost Adjustment (PCA). Wholesale energy costs continue to increase due to a myriad of factors (see the “Have You Seen the Headlines About Skyrocketing Electricity Prices?” article from November 2022 *WEC News* magazine). Even though the current rate of inflation is approaching 8% the CVEC Board of Directors was able to hold a rate increase slated for January 2023 to 2%.

CVEC's wholesale energy provider is Dairyland Power Cooperative (DPC), of which CVEC is a member. DPC is part of the Midcontinent Independent System Operator (MISO). As a part of MISO, all power generated by DPC is sold to MISO, and all power purchased is purchased from MISO. Over the past 12 years we have saved millions of dollars by being a member of MISO. More recently, DPC's sales into the MISO market have helped DPC's revenue, which in turn has allowed DPC

to maintain attractive margins, resulting in no PCA for CVEC members. More information on MISO will appear in upcoming articles.

All of CVEC's Load Management programs are designed to reduce usage during periods of peak demand, and provide an incentive for members to do so. For example, the Dual Fuel program is designed to use electricity as your primary source of heat, using many different electric heat sources from plenum heaters, electric thermal storage, and boilers to geothermal. During periods of peak demand the electric heat is curtailed, and you rely on a backup fossil fuel system such as LP or fuel oil (hence the name “Dual Fuel”). In return for curtailing loads, electricity used for Dual Fuel programs is sold at a discounted rate, approximately 60% of the residential rate. Curtailment is generally done in four-to-five hour increments. Over the past four years we averaged only 20 hours of control time throughout the entire heating season. Please contact Member Services for more information about our Dual Fuel program.

## Dual Fuel Program

The Dual Fuel program is designed to allow members to take advantage of lower-cost electricity for home heating.

To qualify for the Dual Fuel program, your primary heat source must be electric, with a demand of at least 8KW. You must also have a back-up heating source such as an LP or fuel oil furnace, or a heat storage source such as a storage furnace or in-floor heat installed in a concrete slab. All electric heat on the account must be controlled.

Participants in the Dual Fuel program agree to allow Chippewa Valley Electric Cooperative (CVEC) to control their HVAC system(s) during periods of peak demand. It is at these times you will rely on your back-up heating system(s). In return for allowing CVEC to interrupt your HVAC, you will receive a reduced rate for the electricity used for HVAC. The rate is currently 48 % less than the normal rate for heating (September through May) and 30% less for cooling (June through August).

A Dual Fuel system may be controlled up to 12 hours in any 24-hour period during the heating season. If load control is necessary, the typical control period is approximately between 7 a.m. and 11 a.m. Heat pumps and central A/C units will be cycle-controlled in the summer. Typical control periods in the summer run about six hours, and the cycle time is 15 minutes on and 15 minutes off. Only the compressor is cycled—the blower is not interrupted by the load management system.

Please contact the Member Services Department with questions or for additional information.

## Small Rate Adjustment in January 2023

Even though the current rate of inflation is approaching 8% the CVEC Board of Directors was able to hold a rate increase slated for January 2023 to 2%.

The board of directors and management had projected a 2–3% rate increase would need to go into effect in January 2023. At the November board meeting they decided they could hold the increase at 2%.



# YOUTH LEADERSHIP CONGRESS ESSAY CONTEST WINNER: CICELY KIECKER

Congratulations to Cicely Kiecker for winning one of three Wisconsin Electric Cooperative Association (WECA) scholarships. In July 2022, Cicely was sponsored by Chippewa Valley Electric Cooperative (CVEC) to attend the Youth Leadership Congress (YLC) at UW-Stout. As a participant in YLC, Cicely was eligible to compete in the WECA Essay Contest. Sixteen students competed for one of the three scholarships and we are proud to acknowledge Cicely as the third place winner.

Cicely wrote: "...when I saw that my cooperative, Chippewa Valley Electric Co-op, paired with Heartland Cooperative to install the first EV charging station in our little corner of rural America, I had renewed hope for the future of our area. To know that my cooperative has their members' best interests in mind and considers their voice, makes me confident in the future of not only the area CVEC

serves, but also the cooperative business model in general."

According to Tina Walden, head of WECA youth programs, "All of this year's entries were exceptional and worthy of honorable mention. The applicants clearly put a lot of thought and effort into their submissions. The 2022 winners stood out above the rest for their understanding of the role of democracy in their local electric cooperatives, for recognizing the co-op's role in the community, and weaving that into their essays with creativity and clarity."

Cicely is currently a senior at Bloomer High School with plans to pursue a business degree after graduation.

*YLC is an annual three-day event sponsored by WECA and Wisconsin electric cooperatives that is open to high school students living in electric co-op service areas. The event helps students develop leadership skills while learning about the purpose, operation,*

*and scope of cooperative business. It is a by-teens, for-teens cooperative leadership conference that is planned and developed by a youth board elected at the previous year's event.*



## STEVE JOHNSON EARNS BOARD LEADERSHIP CERTIFICATE



CVEC would like to recognize Steve Johnson, District 2 director, for completing his Board Leadership Certificate. Thank you for your commitment to continuing your education within the cooperative. Well done!

The Board Leadership Certificate program consists of more advanced courses for directors focusing in greater depth on specific industry and governance issues such as risk management, ratemaking, and policy development.

Dean Ortmann, CVEC President/CEO, along with Board Chair John Petska, present Steve Johnson with his Board Leadership Certificate.



Chippewa Valley Electric Cooperative

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Office Hours: Monday–Friday, 7:30–4 p.m.

*This institution is an equal opportunity provider.*

### Board of Directors

District 1 – Dan Liske  
District 2 – Steve Johnson  
District 3 – Frank Draxler  
District 4 – Kevin Meistad  
District 5 – Deone Goettl  
District 6 – Steve Wall  
District 7 – John Petska

**Dean Ortmann, President/CEO**

**Nicole Whipp Sime, Editor**

