

News

FOR YOU...

"Barron Electric Cooperative is a member-owned business that provides energy, products, and services to improve the quality of life in the area we serve."

May 2008

Rate Adjustment Approved for May 1

Barron Electric's Board of Directors recently approved an average 6.53% rate adjustment effective May 1 for all rate classifications. The increase will amount to an additional \$7.46 per month on the June 1 electric bill for an average household using 1,000 kilowatt-hours (kWh) per month. As with any "average," actual costs will vary depending upon the amount of electricity the member actually uses.

The temporary three-month surcharge implemented in February will be replaced with this rate increase and a Power Cost Adjustment (PCA). "The last PCA was used 25 years ago which was in effect to pay for fuel associated with bringing the JPM generating station on-line in 1978." The monthly PCA will increase or decrease based upon the average monthly wholesale power costs and will be billed on

all rate classifications, excluding the off-peak rate. The PCA is intended to reflect fluctuations in the monthly wholesale power bill due to costs in the volatile wholesale power market. In 2007, the wholesale power bill from Dairyland Power Cooperative was over \$16 million, and is an expense over which Barron Electric has little control.

Rising Cost of Fuel

As with all businesses, the
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Renewables, Efficiency, and Conservation Highlights 72nd Annual Meeting

More than 800 Barron Electric Cooperative members and guests recently attended Barron Electric's 72nd Annual Meeting. Renewables, efficiency, and conservation (REC) was the theme of this year's annual meeting. Jeff Springer, Gen~Sys Energy, said, "Saving

energy is easier and cheaper than producing it." Compact fluorescent light bulbs (CFLs), Light Emitting Diodes (LEDs), and Energy Star appliances are some of the ways to save energy. Springer remarked, "Barron Electric was a leader in the Energy Star appliance rebates." Springer commented, "Paybacks on wind and solar in Wisconsin often stretch beyond 50 years, even if the cost of

money and maintenance are not considered." Dairyland Power Cooperative's renewable portfolio includes wind, landfill gas energy, methane digesters, and the hydroelectric power plant in Ladysmith.

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Jeff Springer, Gen~Sys Energy, talked about energy conservation at Barron Electric's annual meeting.

Rate Adjustment Approved for May 1

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rising cost of fuel is a driving factor affecting the cooperative's wholesale power bill. In addition, rail charges to transport coal have doubled, the cost of diesel fuel to power the trains is at an all-time high, and the cost of coal is rising due to the growing demand for coal in the global market (China).

New Generation and Transmission

New generation and transmission capacity is essential to meet growing energy demand and ensure reliability for our members' future energy needs. The cost to build new generation at Weston 4 and new wind capacity contribute to increased costs. New transmission is needed to continue to provide

Building new generation at Weston 4 contributes to increased costs.



reliability in the state. Currently, in some areas in Wisconsin, transmission lines are congested and causing bottlenecks.

Power on Open Market Has Doubled

Over the past couple years; the cost to purchase power on the open market has doubled. Dairyland Power buys power on the open market when generating plants are out of service for

scheduled maintenance and emergency repairs, or during extremely high demand conditions.

Expensive Environmental and Renewable Requirements

Environmental and renewable energy requirements have a major impact on the wholesale power bill. Over the next five years, Dairyland has budgeted to invest over \$350 million in existing facilities to comply with escalating environmental requirements. Within the next seven years (2015), Dairyland is required to provide 10% of generation with renewable sources. Currently, wind, landfill, methane digesters and hydro represent 5% of Dairyland's generation portfolio.

Since renewable sources come at a higher cost than coal-fired generation, this impacts wholesale power rates as well.

Barron Electric strives to

balance reliability and overall member satisfaction, while protecting the integrity and financial stability of the cooperative. In 2006, Barron Electric's controllable expenses were 24% lower than the Dairyland system average. These expenses include distribution maintenance and operations, finance, member services, and administrative and general costs. The use of new

technology has been significant in controlling costs of the cooperative's growing system.

Members with Off-peak Heat

Members on the off-peak heat rate will see a 5.65% increase on their electric bill. For members using 9,000 kilowatt-hours during the heating season, this amounts to approximately \$30 for the heating season. The new off-peak heat rate of 5.7 cents per kilowatt-hour is equivalent to \$1.38 per gallon propane or \$1.50 per therm of natural gas.

What Members Can Do

Barron Electric offers programs such as energy audits to identify opportunities for members to reduce power usage, and increase efficiency and comfort. In addition, Barron Electric offers a levelized billing program that averages monthly costs in order to soften the cost impact to members during high-usage months.

Websites to Save Money

Members can also obtain free copies of "Use Energy Wisely" and "Twelve Easy Ways to Save Energy," by contacting our office at 800-322-1008 or tjossart@barronelectric.com

Websites for more energy tips include:

- www.energystar.gov
- www.energyguide.com
- www.eia.doe.gov
- www.nfec.org
- www.homeenergysaver.lbl.gov/hes

72nd Annual Meeting

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Barron Electric's General Manager Ken Petersen discussed the fact that the cost of energy in every sector has increased. The expense of renewables, and the higher costs to meet renewable energy requirements would need to be funded by the ratepayers. Energy efficiency is the fifth fuel following coal, gas, renewables, and nuclear. He commented, "The least expensive plant is the one you don't have to build." Petersen added, "Christmas lights alone erase a year's worth of conservation." Over 40% of Barron Electric members participate in the load management program. "Imagine the possibilities if all members participated," remarked Petersen. There will be higher costs to meet environmental requirements. He added that electric cars and fuel cells will help meet the challenges of the future.

Perry Baird, Wisconsin Electric Cooperative Association, commented on the recent legislative session. Three bills were signed that will help electric cooperatives including: statewide licensing of electricians, removing the superinsulation standard for homes heated electrically, and

a copper theft bill. "We were happy about all three bills," said Baird.

President Selmer Nelson said, "The foundation of the cooperative is its members." He commented, "The Board of Directors approved an operating budget to provide reliable service, and that the board is carrying out the mission of the cooperative."

Director Elections

Incumbents Barbara Holman, Scott Warwick, and Selmer Nelson were reelected to Districts 2, 4, and 8, respectively.

Directors Mike Baker and Norman Busse were elected to serve on the Country Comfort Board of Directors.

Bylaw Changes

Members voted on a bylaw change regarding an amendment to Bylaws Article XI, Section 1, membership in other organizations. The Resolutions Committee recommended that the membership reject this change. The consensus of the Resolutions Committee was that the Board of Directors currently has

the authority under existing bylaws and policies. Therefore, the change is unnecessary. This proposed bylaw change was rejected by a show of voting cards. An amendment to Bylaws, Article III,



Incumbents Scott Warwick, Barbara Holman, and Selmer Nelson were reelected to Barron Electric's Board of Directors.

Section 3, notice of members' meetings was approved by a show of voting cards. This amendment allows the cooperative to include electronic means to notify members of meetings.

The grand prize was a 32" Sony Bravia high-definition TV, which was awarded to Stefania Mazon of Weyerhaeuser. The kids' grand prize was a bike, which was awarded to Joshua Baker of Sarona.

New Number for Outages

A new phone number is now available for members experiencing outages. Members should call 866-258-8722 to report an outage. For general business questions, members should contact 715-537-3171 or 800-322-1008.



More than 800 members and guests attended Barron Electric's annual meeting.

Director's Notes



Norm Busse serves on Barron Electric's Board of Directors representing District 5.

CONDENSED BOARD MINUTES FEBRUARY 29, 2008

- Director Smith gave the treasurer's report, with comments by Manager Petersen. A report of vouchers for the month was printed as part of the board packet as follows: #74331 thru 74492 on First National Bank of Barron were in the amount of \$309,961. Director Smith reported on activity of total receipts in the office - \$1,801,256; total receipts by wire, ACH, credit cards - \$599,043; disbursements by ACH, EFT, wire - \$2,226,714; transfer of funds was made for payroll - \$147,835; power bill due 2/27/08 - \$1,756,323, and capital credits - \$643. A membership list was approved as presented.
- A Form 219 summarizing construction activity for the past month in the amount of \$52,925.61 was approved as presented, and included new services-\$4,750.54; change jobs-\$4,962.80; miscellaneous-\$43,212.27; and 12 retirements.

Barron Electric Distributes 10,000 CFL Light Bulbs

Barron Electric and Dairyland Power, Barron Electric's wholesale power supplier, are encouraging energy users to "Do the Bright Thing" by providing members with ENERGY STAR compact fluorescent light (CFL) bulbs. Barron Electric distributed more than 10,000 CFL light bulbs last month to year-round residential members. Members with minimum bills were not included in this mailing.

"Barron Electric is committed, along with our members, to helping preserve the environment. By using energy efficient appliances and practices, such as replacing regular light bulbs with CFLs, Barron Electric members can make a real impact on both the local—and global—level," said General Manager Ken Petersen.

In 2008, 300,000 ENERGY STAR CFL bulbs will be distributed by Dairyland's 25 member cooperatives, with more planned in 2009.

ENERGY STAR qualified CFLs use about 75 percent less energy than standard incandescent bulbs and last up to 10 times longer. By installing CFLs in fixtures that are used the most in your home (such as your kitchen, living room or dining room), you can save approximately \$30 or more over the lifetime of each bulb.



For Sale

- PRIME HUNTING LAND. 30 acres for \$45,000 in Tony, WI. Beautiful wooded lot, buildable, and never been logged. Call Andi at 763-537-0600.
- Registered Yorkshire Boar, sows open or bred. Butcher hogs or processed pork. Feeder pigs available. Trego 715-635-8952.
- Markie P. Construction for all your remodeling needs. Senior discounts. Free estimates. Call 715-924-3488 or cell 715-642-0078.
- New paddle boats, top-of-the-line, carpeted deck, padded seats (four), sun-top, aluminum floats, 6' x 11' with walk-around deck. New smaller pontoon boats, 6 1/2' x 17' full furniture group, sun-top, perfect for smaller lakes, easy to trailer. Kennedy Pontoons, Inc. Centuria, Wisconsin. 715-640-6000 or visit us at www.kennedypontoons.com
- Country Mobile Home Park, large wood lots, single or double-wide, Prairie Lake Estates. 715-925-2034.
- Buy a Heatmaster stainless steel outdoor woodstove from Pineview Woodstoves. Excellent design and reasonable prices. Call Randy Koehn at 357-3298.
- Like to travel? Want to save \$\$ when you do? Book your travel/vacations on-line at www.yttravel.com/mjacky.
- Steffes and Stiebel Eltron heat storage repair and install. Water heater repair. Call Handyman Plus at 715-458-2967.
- Markie P. Construction – for all your kitchen and bathroom remodeling. Save \$\$\$. Free estimates and senior discounts. Call Mark at 715-924-3488 or 715-642-0078.

Barron Electric's office will be closed on Monday, May 26 in observance of Memorial Day.



Call Country Comfort for your propane needs at 800-322-1008 or visit www.countrycomfort.org to secure your heating costs today.

Barron Electric Cooperative

Country Comfort, LLC Partner

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Published for the members of Barron Electric. If you have any comments regarding the newsletter, please e-mail cbaribeau@barronelectric.com

