

By Mike Wade,
President & CEO

THANK YOU AND FAREWELL

This month's column will be my last as CEO of Central Wisconsin Electric Cooperative.

I have accepted a position with an electric cooperative in Minnesota and will be serving as its CEO starting in mid-February. I leave CWEC with the fondest of memories, a feeling of accomplishment, and many new friends.

I joined CWEC in 2013 as CEO and I have enjoyed being part of a strong tradition of providing our members outstanding service and of supporting the local communities within our service area. I will miss the co-op and its members, but I am confident the co-op will continue to provide programs and services that add value to the lives of our members.

I want to thank the CWEC Board of Directors for the opportunity to serve the membership and for your support and guidance over the last nine years. The willingness of the board to learn our industry, ask questions in the board room,

and work hard for the membership has made this a rewarding experience for me.

I want to thank the past and present employees who have consistently shown a dedication and a passion for doing the right thing and going the extra mile for the membership. You have always inspired me and have made this an enjoyable job. Finally, I want to thank our members and community leaders for supporting our goals and initiatives and helping to make our co-op a valued part of our community. I will miss all of you.

As many of you have anticipated, the Board of Directors will be evaluating rate increase options at their regular meeting in February. Our cost-of-service study last summer indicated a need for additional revenue and the rising cost of goods and services have taken their toll. CWEC continues to make the investments necessary to create a reliable and safe electric distribution system that will serve our members well into the future. Please read our article this month on the upcoming rate increase for more information.

Your Board of Directors has started the search for a new CEO and will update the membership in future editions of the *Wisconsin Energy Cooperative News*. Thank you again for your support and I wish all of you a safe and happy future.

Energy Efficiency Tip of the Month

Do you have a home office? Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life.

Another way to save in the home office is to use energy efficient lamps for task lighting. Small lamps use less energy than whole-room lighting.



BOARD MEETING SUMMARY

The December regular meeting of the Board of Directors of Central Wisconsin Electric Cooperative was held on December 29, 2022 at 8:00 a.m. The following is a summary of the meeting activities. The agenda, minutes of the November 30, 2022 meeting, new and terminated memberships, monthly safety and compliance report, and estate capital credit retirements were approved.

Action Items

- The board held a telephone conference call with an ex-member of the co-op regarding their capital credit allocation balance.
- Monthly Financial Statements and Reports were approved. Finance Committee reviewed checks written and the board and CEO expenses.
- The board approved proposed wording change to Board Policy 106-Director Education and Training. The board also approved the proposed changes to 2.0 Terms and Conditions for Service, Section 2.5.8-Distributed Generation as well as adding the DG fees to Appendix A-Schedule of Fees and Deposits.
- The board reviewed Board Policy 503 – Dispute Resolution and made no recommended changes.
- The board approved the bad debt write-offs for 2022 in the amount of \$16,777.47.
- The board approved the WRIV credit percentage for 2023 that will be returned to the membership in the form of a power cost adjustment (PCA).
- Tyler Tautges, operations intern and Wisconsin delegate to NRECA's

Youth Leadership Council, gave a presentation to the board. Tyler will be representing Wisconsin at the NRECA PowerXchange Conference in Nashville, TN in March.

- The board approved ATC's First Call for Voluntary Additional Capital Contributions in 2023 in the amount of \$13,728.00.
- The board approved the following members to fill vacancies on the Member Advisory Group (MAG):
 - Carolyn Jolitz – Sub District 1C
 - John Phillips – Sub District 2A
 - Mike Wilhite – Sub District 2C
- The board approved the 2023 Annual Goals and Financial Budget with the budget reductions as presented. Employees are encouraged to monitor expenditures closely and share cost-saving ideas with their manager.

Operations – Kevin Kurtzweil reported crews are done with underground work for this year and have started hazard recognition inspections. Operations will be working on year-end inventory next week. Crews did an excellent job handling the outages last weekend.

Accounting and Finance – Financial Reports were reviewed. Lila Shower reviewed the capital credit allocation we received from NISC.

Member Services – Brenda Mazemke reported on the successful emailing of CWEC's Electric Line Newsletter electronically. Next month there will be an update on the Toys for Tots numbers from this year.

Administrative Services – Lori Patoka reviewed submitted report and had no updates.

President and CEO – Mike Wade, CEO, reported on his submitted report. Meeting adjourned at 2:02 p.m.

MANY FACTORS CONTRIBUTE TO COST OF ELECTRICITY

When providing electricity to the members of Central Wisconsin Electric Cooperative (CWEC), it is our goal to provide members with the highest quality of service at the lowest possible cost. Sometimes outside forces, such as inflation and the rising cost of natural gas and coal, hinder that effort. We have tried to protect our members from market volatility while still ensuring the reliable delivery of electricity.

Even though the cost of energy we purchase from Alliant Energy to meet the energy needs of our members has increased over the past couple years, we have worked to keep our electricity rates stable. Much of the increase in the cost of energy is due to the increase in the cost of natural gas and coal. Our investment in West Riverside Energy Center in Beloit has helped in our effort to keep rates stable.

Supply-chain issues, which have been present since the COVID pandemic hit, have dramatically increased the cost of materials we use. It has also increased the amount of time for such materials to be delivered, forcing us to change how we source material. In order to keep electricity flowing, we must maintain inventories that allow us to be prepared to respond to storms and other emergencies that can deplete our stock of material in a short amount of time. Because suppliers can no longer guarantee a short turnaround time on an order, we must keep more inventory, which requires an outlay of funds.

Higher diesel and gasoline prices over the past couple years have also been burdensome.

We have not changed our rates since 2016, and while CWEC is strong financially, we have to maintain pace with the market forces that are impacting us. Because of that, members can expect

a rate change this year.

The co-op recently had Cooperative Finance Corporation of Dulles, Virginia, complete a cost-of-service study. The cost-of-service study was also reviewed by a consultant from Power System Engineering in Madison, who will make rate change recommendations.

The board will review the rate study and consider rate change recommendations when it meets for its February meeting. The purpose of the rate study is to determine whether the existing rates are sufficient to enable the

cooperative to provide quality service to its members while meeting its service obligations to its lenders. The rate study is a necessary responsibility of management and the CWEC Board of Directors to ensure that the co-op

continues to operate in a financially sound manner.

While a rate study is complicated, one of the purposes of the study is to help determine 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.

We value each and every one of our members, and as we move to adjust the rates for electricity, our goal remains to provide safe and reliable service at the lowest possible cost. Since we are a non-profit, our rates are designed not to make a profit, but to simply cover the costs of providing that power.

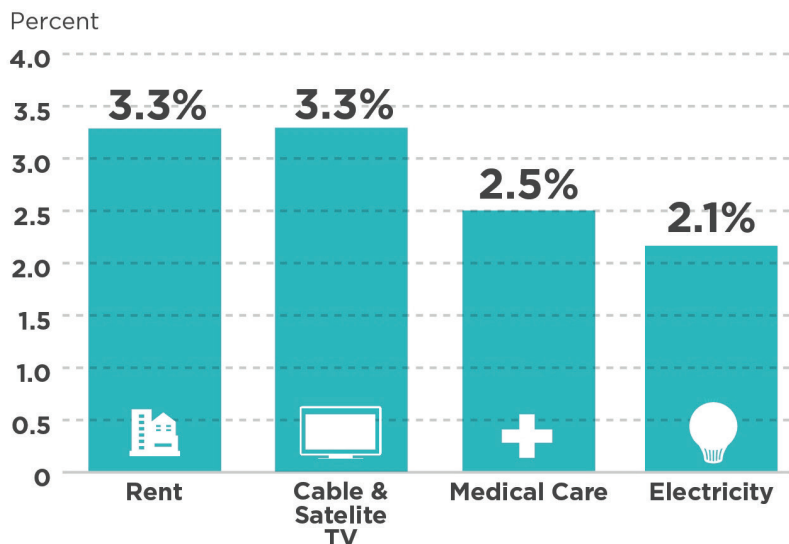
Information about the rate change will be communicated in these pages of *Wisconsin Energy Cooperative News*, the CWEC Facebook page, and our website at www.cwecoop.com. If you have any questions, please call our office at 715-677-2211.

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ELECTRICITY REMAINS A GOOD VALUE

The cost of powering your home rises slowly when compared to other common expenses. Looking at price increases over the last five years, it's easy to see electricity remains a good value.

Average Annual Price Increase 2016-2021



Sources: U.S. Bureau of Labor Statistics, Consumer Price Index



SCHOLARSHIPS

OPERATION ROUND UP SCHOLARSHIPS AVAILABLE

Scholarships will be available to college, vocational, and technical school bound students through the Central Wisconsin Electric Cooperative (CWEC) Operation Round Up program. Both traditional and nontraditional students are encouraged to apply.

To be eligible, either the student or parents must have their primary residence located on CWEC lines and participate in Operation Round Up. Applications are available from high school guidance counselors and online at www.cwecoop.com (Member Services tab).

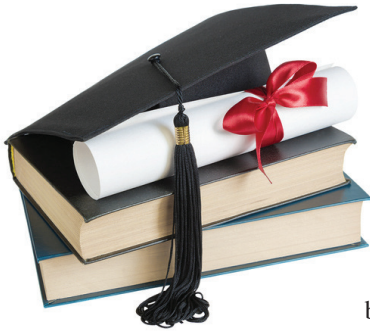
The deadline for submitting completed applications is **Saturday, April 1, 2023.**

Scholarship winners must maintain a minimum 2.0 grade point average and full-time student equivalent during their first quarter or semester of college or vocational-technical school. Payment will be made upon completion of the first quarter or semester of college, vocational, or technical school and will be issued to the student. The recipient will need to provide CWEC with a copy of their grades and proof of enrollment for the second semester.

Since the CWEC Operation Round Up scholarship program began in 2005 CWEC has provided more than

\$275,000 in scholarships to area students. Giving back to the community is one of the cooperative principles; furthering the education of its members is another.

If you have questions please contact Bert Lehman at 715-677-2211, or by email at bert.lehman@cwecoop.com.



APPLICANTS SOUGHT FOR ELECTRIC UTILITY WORKER SCHOLARSHIP

To encourage students to consider a career at an electric utility, and to create an incentive for trained electric utility workers to seek employment with electric cooperatives or other utilities, Central Wisconsin Electric Cooperative (CWEC) has established a scholarship in the amount of \$1,000. The scholarship is intended to assist a student pursuing a technical college education in an electric program that lends itself to employment in the electric utility industry.



Traditional and nontraditional students are encouraged to apply.

Applicants need not be a member of CWEC, but preference will be given to CWEC members. The scholarship is administered by the CWEC Operation Round Up Trust Committee. The committee will evaluate all applications and essay responses. The selection criteria will be based on scholastic achievement, school and community involvement, work history, and essay submission.

Scholarship applications and guidelines can be found online at www.cwecoop.com (Member Services tab).

The deadline for submitting completed applications is **Saturday, April 1, 2023.**

Scholarship winners will be chosen shortly after the deadline.

If you have questions please contact Bert Lehman at 715-677-2211, or by email at bert.lehman@cwecoop.com.

REBATE REMINDER



As Spring nears, you may be thinking about completing projects around the house that include energy-saving home-improvement measures. These projects may include purchasing new LED lighting or insulating your home.

If you have any such projects, be sure to check the energy rebates available to our members. Go to www.cwecoop.com/energy-conservation-rewards to view the guidelines to see what appliances and products qualify for a rebate.

Receipts must be submitted in the year the items are purchased to qualify.

CWEC 85th ANNUAL MEETING



Thursday, April 13
Rosholt High School
346 W Randolph Street
Rosholt, WI

**REGISTRATION
BEGINS: 5:15 P.M.**

Join Central Wisconsin Electric Cooperative on Thursday, April 13, 2023, for our 85th Annual Meeting. The meeting will be held at Rosholt High School.

Registration begins at 5:15 p.m. Refreshments will be served until the start of the meeting at 6 p.m.

Board Chairman Tom Smith will keynote the meeting's business session, which begins at 6 p.m. During the business session, members will have the opportunity to hear how their co-op is faring financially, learn details about various services offered by their member-owned power supplier, and receive updates on state and federal regulatory issues of importance to electric co-ops. An election of three board positions will be held.

As a member-owner of an electric cooperative, you can voice your opinions at the annual meeting, observing the annual meeting rules. This is an advantage that cooperatives have over the investor-owned utilities, whose customers have no say in the management of the company and cannot vote for their board of directors.

Members who attend the in-person Annual Meeting will receive a \$20 bill credit. Members who bring the address slip from the front cover of the April 2023 issue of *WECN* will have the chance to win a \$50 energy credit. In addition to many door prizes, one lucky member will be drawn as the winner of a grand prize consisting of an electric grill. For all of the drawings, winners need to be present.

**BUSINESS
MEETING
6:00 P.M.**

Help Fill Our Local Food Pantry Shelves

CWEC will be kicking off its food pantry drive at the annual meeting on Thursday, April 13, 2023. Bring three or more non-perishable food items that are not expired, and you will receive a FREE LED bulb. (Limit of three bulbs per family)

Your generous donation helps fill the shelves of food in our service area.

If you cannot make it to the annual meeting, we will be collecting food pantry donations at our office, located at 10401 Lystul Road, Rosholt, throughout the year, and you can still receive the free LED bulb.

For more information call 715-677-2211.



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District 3

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Allen Zander
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Our Mission

We are your trusted energy partner and provider of valued community support.