

Taylor Report



February 2016

Celebrating **Taylor Electric** **Cooperative** **1936–2016** **80** *Years*

It started when President Franklin D. Roosevelt, on May 11, 1935, created the Rural Electrification Administration.

Through this agency, REA, loan funds were made available for the purpose of building electric lines into rural America. It was expected that the existing private utility companies would use these federal funds to extend their electric service beyond the boundaries of villages and cities into the sparsely settled rural area of America. By the end of 1935, it was evident that these private power companies were not interested in the potential farm business. They made statements such as, these farmers would not use electric power if they could get it, and if they did use it, they couldn't pay for it. Besides, said these companies, all farmers (less than 11% in the nation) who wanted electric service were then receiving it.

Thanks to men like Orland Loomis and George Lewis, hopes grew from a spark that was ignited by these two, speaking at a Wisconsin Farmers Union annual convention in Superior in November, 1935. Into this militant group of farm leaders they

brought a challenge that had been hurled back into their teeth by the private power companies of this state and nation.

Since their beginnings, the REA and electric co-ops, including Taylor Electric, have faced adversity; "spite lines" run by investor owned utilities (IOUs) through the heart of areas planned to be served by newly formed electric co-ops, cherry-picking of large loads by IOUs, obtaining funds to build new lines into sparsely populated areas, being competitive in an era of regulatory and environmental cost pressures, and much more. But being a small electric co-op doesn't mean we take a back seat to anyone. We've kept up with major technological advances that have changed and influenced the way we do business. We have implemented our Bright Horizons solar project, Smarthub—which allows customers to pay their bill online and view account information, prepaid metering and much more. But, as has been our history, our sights are always set on job one: providing the highest quality reliable electric service to our member-owners.

Make plans to attend the annual meeting being held Saturday, March 12th at the Medford Area Senior High School starting at 9:30 AM. Learn valuable cooperative information, visit with your neighbors and enjoy lunch.

Please remember that any member who wishes to be on the 2016 ballot needs to be nominated by petition, which involves getting signatures of not less than 25 members and delivering that nomination petition to the co-op not less than seven days prior to the annual meeting (by March 4, 2016, for the upcoming annual meeting).



The third home of the Cooperative on Highway 13



Today, the cooperative is still located on Highway 13

Top five energy users in your home

A starting point for savings



(this article is a follow-up to last month's chart in the January Taylor Report)

By Anne Prince

While most homeowners would like to be more energy efficient and save money, often it feels overwhelming because many people don't know where to start. How can the average family use less energy, lower their utility bill and still meet their daily energy needs? To help jumpstart your effort, it is useful to know what the top energy users are in your home. With this knowledge, you can choose a path that works best for your family.

According to the U.S. Energy Information Agency, the top five energy users in U.S. homes are:

1. Space cooling
2. Space heating
3. Water heating
4. Lighting
5. Refrigeration

Adjust the temperature.

Together, home heating and cooling use the most energy and take the biggest bite out of your energy budget. On the bright side, there are ways you can achieve at least 10 percent savings by taking a few simple low-cost or no-cost steps.

- During cold weather, set your thermostat to 68 degrees Fahrenheit.
- During warm weather, the recommended indoor temperature is 78 degrees Fahrenheit.
- Cleaning the filters of your HVAC system can cut costs from five to 15 percent.
- Clean the coils around your electric baseboard heater to maintain maximum efficiency.
- Caulk and weather-strip around windows and doors to prevent heat from escaping to the outdoors.

No matter what the climate or time of year, proper use of a programmable thermostat can save you 10 percent on your monthly utility bill.

Shine the light on savings.

Take a fresh look at the lighting in your home. If you still use incandescent lighting, your light bulbs are operating at only 25 percent energy efficiency. Replacing your home's five most frequently used bulbs with Energy Star-certified LEDs can save you \$75 per year. Another easy way to save is to always turn lights off in rooms that are not being used.

Water heating efficiency

Just as it is energy-wise to insulate your roof, wall or floor, it also pays to wrap your hot water heater with an insulating blanket. This is all the more critical if you have an older unit. Make sure to follow the manufacturer's instructions. For additional efficiency and savings, insulate exposed hot water lines and drain one to two gallons of water from the bottom of your tank annually to prevent sediment build-up.

Put cold hard cash back in your wallet.

If your refrigerator was purchased before 2001, chances are it uses 40 percent more energy than a new Energy Star model. If you are considering an appliance update, a new Energy Star refrigerator uses at least 15 percent less energy than non-qualified models and 20 percent less energy than required by current federal standards. Regardless of the age of your fridge, there are additional steps you can take to save energy and money. For example, don't keep your refrigerator too cold. The Department of Energy recommends temperatures of 35 – 38 degrees Fahrenheit for the fresh food compartment and 0 degrees Fahrenheit for separate freezers (used for long-term storage).

By understanding how your home uses energy, you can determine the best ways to modify energy use and keep more money in your wallet.

Anne Prince writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.

Board Report – Jan. 2016

- Approved December disbursements totaling \$777,998.21, accepted 9 new member applications, and November construction in the amount of \$22,969.37.
- Reviewed and approved the expenses paid by credit card.
- Reviewed financial results through December 31, 2015 with \$353,246 of total margins, reports on outage statistics, vehicle costs, delinquent electric accounts, and more.
- The Board reviewed and approved billable labor rates for 2016: \$70 per hour (\$80 per hour for non-members) and \$100 per hour for overtime.
- Approved distribution plant depreciation rates for 2016.
- 2016 special equipment capitalized installation costs were approved with changes for both small and large size transformers.
- A discussion of price adjustment for participation shares of the Bright Horizons solar project was held. The consensus was to have the CEO prepare a reduced, set price for board consideration at the February meeting.
- One request for early retirement of capital credits to an estate was approved with a net present value of \$1,622.71.
- CEO Schaefer advised the Board that the 2016 Annual Meeting Nominating Committee had met, and reported they have 4 nominees for the 3 board seats; the 3 incumbents and one additional member. With last year's bylaw change, nominations from the floor at the annual meeting are no longer accepted. So any additional members wishing to run for the seats in 2016 must do so by getting 25 member signatures on a nominating petition. The discussion was centered on how to run the elections to give each nominee an equal chance of getting elected. Again, since the Bylaws require an election for each seat, with a majority vote, this could become cumbersome. The Board approved putting all eligible nominees up for each seat, balloting until one member receives a majority of the vote, then moving on to the next election with all the remaining nominees. The Board also recommended a discussion at the 2016 Annual Meeting, of offering a bylaw amendment in 2017 to allow for plurality voting where all nominees are placed into one election, with the highest vote getters to be declared elected to the open seats.
- The Dairyland Power report included: strong year-end financial results with \$26.7 Million of Total Margins; year-end Member Equity at 16.78% of Total Assets; renewable energy provided 10.3% of Dairyland's total sales to the Class A cooperative members in all of 2015; \$4.4 Million of revenue deferred to 2016 to offset repair costs on G3 generating plant; and, a report that the Clean Power Plan will have effects on Dairyland's 3 coal plants, but not the small natural gas generating plant at Elk Mound.
- Approved renewal of six \$500 scholarships to graduating high school seniors whose parents are served by the Co-op. Funds for these scholarships will come from the unclaimed funds the Co-op has deposited with Federated Youth Foundation. Also approved awarding seven \$200 director scholarships, with funds being donated by the Co-op's directors.
- Directors reported on attending the WECA courses, "Communicating the New Energy Landscape" and "Strategic Technologies and Their Impact". The courses included suggestions: providing text messages to members when usage varies, showing the wholesale cost of power on the members' monthly electric bill, potential for new battery technology that only has to be charged once per year, and, earmarking a portion of the annual budget for technology and training.
- Director Smith reported on attending the safety meeting held at the Co-op on January 26th. The safety meeting included truck inspections, close calls at other utilities, no use of electronics while driving, check auger bolts on digger truck, cold weather safety, load securing and tie-downs, and a review of DOT requirements for maintaining a Commercial Driver's License.
- 83 delinquent Accounts were processed for collection in January. The total amount owing on these accounts is \$32,412.38. Thirty of these accounts have remote disconnect capability.
- CEO Schaefer reported that WECA is in negotiations with Cooperative Network (CN) to rework some issues with the current Unification Agreement. There seems to be some reluctance by the CN Board to give in to WECA member requests, but the new CEOs of both CN and WECA feel there has been some progress in recent discussions. A WECA member update is being planned for March, with a potential vote on terminating or renewing the contract.
- Director Tesch reported on the Cooperative Finance Corporation (CFC) meeting he attended. The "Strategic Thinking" session focused on the risks that the Clean Power Plan could present to CFC with borrowers having stranded assets due to generating plant shut downs.
- Reviewed the Focus on Energy (FOE) report of incentives and low-income assistance benefits paid to the Co-op's members. In 2015, the Co-op's members were billed nearly \$70,000 in Public Benefits fees as required by the State of Wisconsin. Half of these fees were paid to the State's Low-income home energy assistance program, and half for the FOE incentives program. The Co-op's members received incentives totaling \$26,620 plus \$49,963 in home energy assistance, indicating that the Co-op's members benefitted from participating in the State's program.

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Return Service Requested

Co-op ConnectionsSM Card

TAYLOR ELECTRIC
Cooperative

A Touchstone EnergySM Cooperative
The power of human connections



Cash Back Mall
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Take advantage of Cash Back Mall—a benefit from your Co-op Connections Card that gives you cash back when online purchases are made from more than 5,000 of your favorite stores.

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When you set up the account you will decide if you want the money directly deposited into your account or a printed check. You can receive the cash in the amount of \$15, \$25 and \$50.




Cash Back Mall

Check out the benefits of solar power

Taylor Electric Cooperative

BRIGHT HORIZONS







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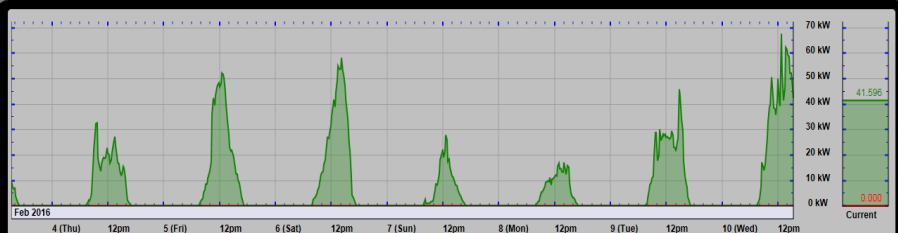
Simply log onto: www.taylorelectric.org and click on the Bright Horizons tab. The chart below shows a 7-day summary of electricity produced as well as the benefits of renewable energy and its environmental impact.

Keep in mind this example reflects the winter season and that during the summer months the production averages are predicted to be much higher.

eGauge Taylor Electric Bright Horizons

Summary for Last 7 Days

Power Equivalent 5 <small>Single-family homes powered for 7 days</small>		CO₂ Offset 23 <small>Trees grown</small>	
Renewable Energy Produced 1,283 <small>kWh</small>		CO₂ Offset Equals 965 <small>Pounds of Coal</small>	



Generation Power Usage Total Energy Produced **42.8 MWh**

All Year Month Week 3 Day Day