

Taylor Report

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March 2021

Safe and Reliable Electricity — the process behind the promise

What happened in Texas? Could it happen here? Those two questions have been on many people's minds since the Polar Vortex. The questions are straightforward; the answers are more complex.

During the February Polar Vortex, extreme cold was experienced in our region and throughout a vast area of the United States, including states like Texas that rarely suffer single-digit temperatures.

Our region withstood the recent Polar Vortex for three primary reasons:

- A reliable, properly regulated interconnection
- Balanced energy supply
- Well maintained and winterized equipment

Texas operates its own, deregulated grid—the Electric Reliability Council of Texas (ERCOT). Our wholesale power supplier, Dairyland Power Cooperative, is part of the Midcontinent Independent System Operator (MISO) regional transmission organization (RTO). RTOs are sometimes referred to as the “air traffic controllers” of the energy infrastructure world. MISO is federally regulated and works with its member utilities to ensure a reliable balance of supply and demand on the region's grid.

Both MISO and another RTO, the Southwest Power Pool (SPP), were operating under Maximum Generation Events during the Polar Vortex. SPP implemented rolling blackouts throughout its region, successfully avoiding systemwide failure. Rolling blackouts are emergency measures that drastically curtail electricity use with the purpose of avoiding a catastrophic event, as seen in Texas. They are a harsh reminder of the importance of a reliable, carefully controlled grid.

Although ERCOT prepares for varied forecasts like every balancing authority, its planning for extreme winter temperatures was inadequate. As an example, RTOs help direct power plant availability by managing when and which resources are offline for maintenance to ensure regional reliability. It is essential to have a sufficient and balanced mix of generation available.

Here in the Upper Midwest, we also know how to dress for winter. We keep ourselves safe and warm with proper outerwear... and we apply the same principles to our electrical facilities.

Infrastructure in our region is built for extreme cold, with insulation and heated pipes combatting Polar Vortex temperatures. This includes wind turbines, which are designed with heating technology to de-ice blades. Wind turbine manufacturers have cold climate solutions available to developers in northern regions. Despite this, wind turbines become unable to generate electricity in the range of 20 to 30 below zero.

It is important to acknowledge that every resource

has its strengths and limitations. For example, wind and solar energy have the clear advantage over fossil fuels in terms of emissions. However, both are reliant on weather factors (sun and wind) for reliable generation. Although natural gas is a reliable, baseload resource, natural gas pipeline systems are nearly fully subscribed during extremely cold conditions, which can limit capacity for power production.

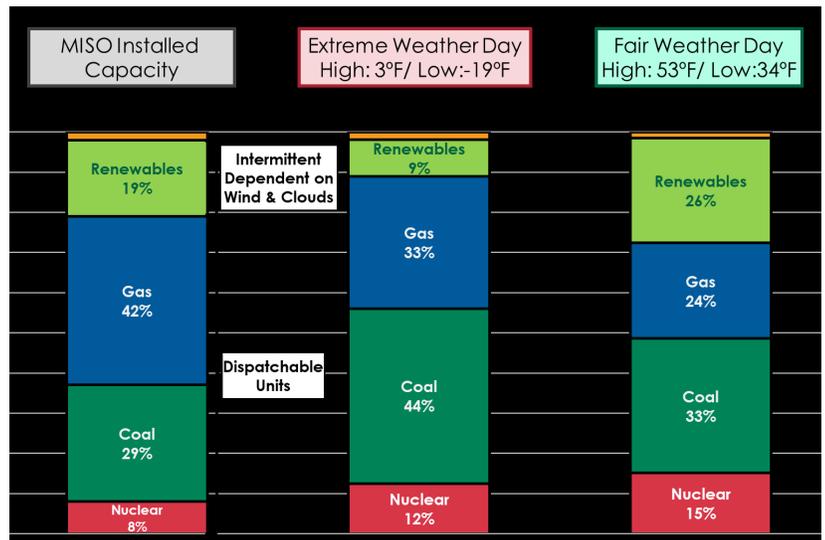
Dairyland's John P. Madgett (JPM) coal-fired power plant broke gross daily generation records *twice* in just over a week, once on Feb. 8 and again on Feb. 17. In fact, all of Dairyland's baseload units (JPM, Genoa #3 Station and its share of the Weston #4 plant) ran at peak output for multiple days. In addition, when natural gas became in higher demand for home heating, Dairyland's Elk Mound site switched to fuel oil for operations.

Dairyland's backbone power supply assets (coal-fired and natural gas peaking plants) are capable of reliably producing energy, no matter what the weather brings. At the same time, reducing carbon intensity through diversification of generation resources is central to Dairyland's power supply planning.

A sustainable energy future means:

- Steady, measured investments in renewable energy
- Bridging resources, such as natural gas that can ramp up quickly to produce energy when the sun doesn't shine and the wind doesn't blow
- Infrastructure investments to support intermittent energy resources
- Beneficial electrification technologies, such as electric vehicles and emerging energy storage solutions

—Short Circuits, Dairyland Power Cooperative, 2/25/2021



Our power supplier, Dairyland Power, is part of the MISO regional transmission organization (RTO). Dairyland Resource Planner II Neil Canar charted MISO installed capacity and actual fuel mix for a day during the recent Polar Vortex. He also has a “fair weather day” (Nov. 18, 2020) for comparison.

January Board Minutes

- Approved December disbursements totaling \$692,193. 12 new member applications, and November 2020 construction in the amount of \$90,314.
- Reviewed financial results for the year end, with \$494,136 Operating Margins and \$817,126 Total Margins year to date.
- There were 5 outages in December, with average YTD outage time per meter of .7490 hours.
- There were no applications for discounted early retirement of capital credits to estates.
- 23 delinquent accounts were processed for collection following the December 20th due date. The total amount owing on these accounts is \$13,922.
- Discussion was held on the 2021 scholarships.
- The discussion on Bylaw amendments for 2021 was continued. The topics were voting by other than in person means, nomination by petition timing, and majority vs. plurality to determine the winning candidate.
- CEO Ceaglske gave an update on the COVID 19 response, meter testing, Taylor County Broadband, recent outages, and member issues.

Buy Local, Buy Wisconsin 2021 Grant Application Now Available

Wisconsin farmers and businesses seeking to grow their presence in local markets are encouraged to apply for Buy Local, Buy Wisconsin producer and processor grants by March 26. The Department of Agriculture, Trade and Consumer Protection (DATCP) will award a total of up to \$300,000 in grant funding; requests must be between \$5,000 and \$50,000.

Proposals must be received by DATCP before 12:00 PM on March 26, 2021. Each proposal must include a cover page, a completed budget template, and a project description. Applications are available online at: <https://datcp.wi.gov/Pages/BuyLocalBuyWisconsinGrants.aspx>.

Applicants with questions can contact DATCP Grants Specialist Ryan Dunn at ryand.dunn@wisconsin.gov or (608) 590-7239.

Grant applications must show a one-to-one match of cash or in-kind support accounting for at least 50 percent of the total project budget. Grants may not be used to fund feasibility studies or startups. Grants will be awarded following a competitive review process. Recipients will be notified of their awards on June 1, 2021.

Qualified applicants include individuals, groups, or businesses involved in Wisconsin production agriculture, food processing, food distribution, food warehousing, retail food establishments, or agricultural tourism operations. Proposals may include collaborations or partnerships.

About Buy Local, Buy Wisconsin

Since its inception in 2008, over 450 applications have been submitted for Buy Local, Buy Wisconsin grants, requesting a total of \$13,578,964 million in funding. Of those applications, 76 projects have been funded, totaling more than \$2.1 million. Administered by DATCP, the grants can help farms and businesses more efficiently produce, process, market, and distribute food in local markets including stores, schools, and institutions. Previous grant recipients have generated nearly \$10 million in new local food sales, created and retained 211 jobs, and benefited more than 2,700 producers and 2,900 markets.

In his 2021-2023 biennial budget proposal, Governor Tony Evers included an increase in funding for Buy Local, Buy Wisconsin and other programs designed to connect consumers, businesses and schools to local products. The proposal, introduced during the Governor's biennial budget address, now moves to the legislature for consideration.

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