

# CONNECTIONS NEWSLETTER

YOUR TRUSTED ENERGY PARTNER

MARCH 2018



ADAMS-COLUMBIA  
ELECTRIC COOPERATIVE



A Touchstone Energy® Cooperative



Front Row: Shawn Pietrzak, Ryan Yonke, and Jon Congdon  
Back Row: Jay Porter, Ken Miller, Duane Moore, and Jon Gessner

## ADAMS-COLUMBIA ELECTRIC COOPERATIVE

Your source for Co-op news and information.

### GRADUATIONS & JON STEINHAUS LINEWORKER SCHOLARSHIP

Congratulations to our newest Journeyman Line Technician, Ryan Yonke! He was recognized on January 17, 2018 at a ceremony held in Wisconsin Dells. Ryan attended a nine month Electric Power Distribution (EPD) school, then once hired by a utility, was required to complete 8,000 hours of training in the field of line distribution and related subjects. Ryan is also a past recipient of the Jon Steinhaus Lineworker Scholarship.



We would like to encourage men and women seeking a career in electric line work to apply for this scholarship. Adams-Columbia introduced the Jon Steinhaus Line Workers Scholarship in 2003 honoring the former General Manager and his 40 years of service. If you enjoy working outdoors, critical thinking, have good problem-solving skills, coordination, and communication, you should consider a career in electrical line work.

To qualify for this \$1500 scholarship, applicants must be a high school senior or older and enrolled in an EPD school in the United States. Applications are available on our website starting Thursday, March 1. Applications must be postmarked by Friday, April 13, 2018.



## ANNUAL MEETING

May 15, 2018  
Portage High School Auditorium  
Registration 5:15pm  
Meeting 6:00pm  
Entertainment by Maggie Mae

Please RSVP by April 1 if you plan on attending. Include your full name and member number.  
(800) 831-8629  
acec@acecwi.com

*Read more about voting options next month!*

# RATE ADJUSTMENTS EFFECTIVE APRIL 1<sup>ST</sup>

In 2016, we announced that we were reviewing our rates and the most recent cost of service study. This rate study is done every two to four years to ensure that our rates continue to be fair and equitable to members in all rate classes. Rate studies are comprehensive in scope and contain a good deal of detailed information; they show us when individual rate classes are not generating revenues sufficient to cover their costs. Here's a quick overview of rate updates:

- The rate study showed that an increase in irrigation rates was needed. The recommendation was to phase in these irrigation rate increases over a four-year period, which began in 2016.
- An increase in demand charges for most demand-billed rate classes due to an increase in wholesale power demand costs.
- Monthly costs for yard light pole leases have increased. In addition, new installation fees will be put in place to aid in the construction of new yard lights.
- The Power Cost Adjustment (PCA) has been a positive, averaging about 7/10 of a cent per kWh added to your bill over the past 24 months. The PCA will reset to zero as of April 1st, 2018. The 7/10 of a cent will be incorporated into the base energy rate, stabilizing energy costs. What this means is that for most rate classes they will see their per kilowatt hour charge increase by 7/10 of a cent. While the charges will be expressed differently on the bill, the net financial impact will be, in theory, zero.
- New service costs are being adjusted. Upfront fees have increased, yet the cost per foot for line extensions have decreased.
- General Services and Farm Services will have a 40KW threshold, consistent with other rate classes.

## PCA EXAMPLE

$$750 \text{ kWh} \times 10.5\phi + .007\phi \text{ PCA} = \text{\$84}$$

$$750 \text{ kWh} \times 11.2\phi + 0 \text{ PCA} = \text{\$84}$$

You will still see a PCA on your bill, but should see far less fluctuation in the amount for 2018.

As you can see in the information above, most rates have been adjusted. However, the reality is that there will be a zero-sum impact for most members, a cost savings for some, and an increase for irrigation. These rate adjustments will be effective April 1, 2018. Member feedback consistently tells us that you prefer smaller incremental rate adjustments to larger, but less frequent changes. We will continue to take this into consideration as we review ever-changing rates from our wholesale power supplier.

## WHAT IS PCA?

PCA is a per kWh charge on your bill that covers the costs that vary month to month in the generation of electricity. Things like fuel costs, load, weather and generation mix all impact the costs to produce energy. Because the rate we charge you for energy is fixed, but the rate we pay for that same energy is variable, we "true up" the difference monthly. A PCA can be zero, a credit or a charge.

## CORPORATE TAX BREAK

You may have seen the new corporate income tax reduction in the news recently. This tax break will affect our wholesale power provider and reduce the forecasted increase of costs for the following projects:

- Columbia Energy Center in Portage is updating their air quality control equipment as part of a new pollution control project which will help reduce emissions.
- Current construction of the new West Riverside

## STABILIZING POWER COSTS IN THE FUTURE

In December, we highlighted Adams-Columbia's investment in the West Riverside Energy Center, located in Beloit. Our investment in this project is in hopes of offsetting future increases in power costs. At the estimated in-service date of late 2019/early 2020, Adams-Columbia will have partial ownership of the power plant and solar array garden.

## 2018 RATES

	Old Rate Structure	New Rate Structure
Yard Light Pole Monthly Lease	\$0.75	\$1.75
Irrigation		
Rates	\$0.038	\$0.04
Facility Charge	\$110/month	\$120/month
Demand Charge	\$9.70	\$10.70
Large Power		
Demand Charge	\$18.06	\$19.90
Large Power TOD		
On-peak Demand	\$21.79	\$24.00
Off-peak Demand	\$8.19	\$9.19



## RATE CLASSES SEEING .007¢ ADJUSTMENT

- Commercial
- Electric Heat
- General Service
- General Service TOD

## CALENDAR OF EVENTS

APR 16  
27

### Jay's Discussion Days

Stop in to see our CEO, Jay Porter.

Pardeeville office - 4/16 & Wautoma office - 4/27



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