



By Jay A. Porter,
PE, Chief Executive
Officer

RATE STUDY LEADS TO CHANGES



Adams-Columbia Electric Cooperative

Your Touchstone Energy® Partner



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.
- Demand charges for most demand-billed rate classes will be increased due to an increase in wholesale power demand costs.
- The residential Power Cost Adjustment has been modified and will now be reflected in your per Kwh charge.
 - 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 1, 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 members 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. Example:

$$750 \text{ kWh} \times 10.5 \text{ cents} + .7 \text{ cents PCA} = \$84$$

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

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

- 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.
- 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 40 kW threshold, consistent with other rate classes.

As you can see, 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.

Stabilizing Power Costs in the Future – Riverside Update

You may recall that back in December, I highlighted Adams-Columbia's investment in the West Riverside Energy Center, located in Beloit. Since then, Adams-Columbia has met all the necessary approvals from the Federal Energy Regulatory Commission (FERC), and we are anxiously awaiting completion of the facility. Our investment in this project is in hopes of offsetting future increases in power costs. The construction of Riverside began in April 2017, with an estimated in-service date of late 2019/early 2020. As of December 31, 2017, the project was 22.6 percent complete. Adams-Columbia will have a 30-megawatt ownership of the power plant and 80 kW of the solar array garden of green energy.

Major components are on-site and being installed, including heat transfer modules, steam drums, stairways, and walkways.



I would also like to address the recent corporate income tax reduction signed into effect January 1. 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 its air quality control equipment as part of a new pollution control project, which will help reduce emissions.
- Current construction of the new West Riverside Energy Project.

Jay's Discussion Days

This month I will be at the Pardeeville Service Center on March 20, and the Wautoma Service Center on March 22. As always, I will be available at the Friendship office on a regular basis. Please feel free to bring any questions or concerns you may have, or simply stop by to introduce yourself.

Pardeeville Service Center W6290 State Rd 33 Pardeeville, WI 53934	Wautoma Service Center N1519 State Rd 22 Wautoma, WI 54982	Friendship Office 401 E Lake St Friendship, WI 53934
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Read on to find additional information on updated rate information.



RATE ADJUSTMENTS



Most of Adams-Columbia members will see a rate adjustment on

their bills starting April 1, 2018. For the majority, the change is only a rate adjustment. The reason for this is directly related to the PCA, which you can read more extensively about below.

Other members seeing adjustments on their bills include those in the general service, general service TOD, commercial, and electric heat rate classes. They will see their energy charge increase 7/10 of a cent.

For the most recent rate book, visit our website at www.acecwi.com.

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

*Demand charges shall be billed whenever a demand is recorded.

POWER COST ADJUSTMENT: Everything you need to know

PCA, or Power Cost Adjustment, 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.

Why do I have a PCA charge on my bill?

As a cooperative, we are a not-for-profit organization. This means that we charge you only enough to operate your cooperative. Power Cost Adjustments allow us to keep rates stable, while also allowing us to fairly pass through the fluctuating cost components of electricity. Without a PCA, rates would be constantly changing to reflect increases and decreases in the cost of power. To this point, the last true increase in the energy rate was 2010.

What does it mean to reset the PCA and how does this affect me?

On average over the past two years, we saw that energy costs were 7/10 of a cent above anticipated levels, so that additional cost was passed on to you in the PCA each month. We have adjusted this for 2018 by including that 7/10 of a cent into the base kWh rate, increasing it from 10.5 cents to 11.2 cents. This essentially “reset” the PCA base back to zero, and, if you use the same amount of energy as in the past, this should have little impact on the net dollar amount of your bill. Essentially, you have already been getting charged the equivalent of 11.2 cents per kWh, just expressed as 10.5 cents in the rate, and .7 cents in the PCA.

Does everyone get charged a PCA?

Yes, it is calculated for everyone. You will simply be charged the per kWh amount of the PCA times the number of kWhs consumed, the same way the energy portion of your bill is calculated.

Will I still see a PCA charge on my bill?

Yes. The PCA will remain a line item on the bill, though with this adjustment we expect the charges associated with it to be much closer to zero each month.

JON STEINHAUS LINE WORKER SCHOLARSHIP

We would like to encourage men and women seeking a career in electric line work to apply for the Jon Steinhaus Line Worker Scholarship.

Electrical line workers are essential in the electricity industry. They maintain, install, and remove high-voltage electrical lines and ensure safety for everyone. Job outlook from now until 2022 is reported at 7 percent growth. If you enjoy working outdoors, critical thinking, have good problem-solving skills, coordination, and communication, you should consider a career in electrical line work.

Adams-Columbia introduced the Jon Steinhaus Line Worker Scholarship in 2003 honoring the former general manager. In 1956, Jon began his career with the former Adams-Marquette system as an apprentice lineman. He then progressed to lineman and area supervisor prior to being named general manager in 1976. For his services and support of Wisconsin electric cooperative training and safety programs, Steinhaus was presented the WECA State Potthast Award in 1984.

In 1996, after directing the co-op through two mergers, Jon Steinhaus

retired as general manager of Adams-Columbia Electric Cooperative after 40 years of service.

To qualify for this \$1,500 scholarship, applicants must be a high school senior or older and enrolled in an Electrical Power Distribution program at a certified EPD school in the United States. Preference will be given to members of Adams-Columbia Electric Cooperative.

Applications are available starting Thursday, March 1. The deadline to submit applications is Friday, April 13, 2018.

These past recipients of the Jon Steinhaus Line Worker Scholarship now call ACEC home.



Dustin Hess

Hire Date: 3/23/15

Awarded Scholarship: 2012



Tim Soley

Hire Date: 12/21/15

Awarded Scholarship: 2010



Garrett Ostby

Hire Date: 3/18/14

Awarded Scholarship: 2008



Ryan Yonke

Hire Date: 4/28/14

Awarded Scholarship: 2011



Brett Kemink

Hire Date: 4/9/07

Awarded Scholarship: 2006

CONGRATULATIONS TO OUR NEWEST JOURNEYMAN LINE TECHNICIAN, RYAN YONKE!

We are pleased to announce that Adams-Columbia Electric Co-op employee Ryan Yonke recently graduated as a journeyman line technician. Ryan graduated from Moraine Park Technical College where he studied Electric Power Distribution. He was recognized on January 17, 2018, at a ceremony held in Wisconsin Dells. Previously, Ryan worked at New London Utilities. He was hired at ACEC in 2014 as an apprentice at our Wautoma Service Center.

Ryan attended a nine-month Electric Power Distribution school, then once hired by a utility, was required complete 8,000 hours of training in the field of line distribution and related subjects. It includes 7,360 hours of on-the-job training and 640 hours of related instruction.

For more information about a career as an electric line worker or scholarship opportunities from Adams-Columbia

Electric Cooperative, contact Bill Gneiser, human resources director at (800) 831-8629, extension 255.



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

**RSVP
BY APRIL 1**

IF YOU PLAN TO ATTEND,
CALL (800) 831-8629 OR EMAIL ACEC@ACECWI.COM
INCLUDE YOUR FULL NAME AND MEMBER NUMBER

ADAMS-COLUMBIA ELECTRIC COOPERATIVE ANNUAL MEETING

REGISTRATION 5:15PM
MEETING 6:00PM

MAY 15

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Customer Service & Billing 800-831-8629
Power Outage Reporting 888-928-2232
Diggers Hotline 800-242-8511

**To make a payment anytime 24/7,
please call 1-844-219-1223.**

Jay A. Porter, PE—CEO
Ashley Miller—Editor

Friendship Service Center

401 East Lake Street • P.O. Box 70
Friendship, WI 53934-0070
Office Hours: Monday – Friday, 7:30 – 4:00
www.acecwi.com

The Friendship Service Center is located in the Village of Friendship, in Adams County. From Highway 13, travel east three blocks on East Lake Street. Lake Street is also marked as County Highway J.

Adams-Columbia Electric Cooperative maintains operations facilities in Pardeeville and Wautoma. These facilities are not open for general business; however, drive-up payment stations are available at both locations. ACEC employees will meet with cooperative members in Pardeeville and Wautoma by prearranged appointment only.