



*Greg McFarland,
General Manager/
CEO*

I want to thank all the members who helped the cooperative celebrate its 75th anniversary in 2012. Some of our readers responded to the anniversary trivia questions that were printed in this magazine, many members took part in the annual meeting in March, and some attended the member breakfast in August. The support of our membership is incredible and we appreciate you!

With the new year comes new, as well as existing, challenges for our industry. I've talked for several months about how environmental regulations could possibly affect your electric bill. The time has come to heed the warning. In your November and December electric bills, you should have received an insert with the 2013 rate increases. You can also view the increases on our website at www.jackelec.com/billing/rates. These increases are due largely to environmental regulations that require our power supplier, Dairyland Power, to upgrade its generating

Congratulations!

Thank you to several members who submitted answers to November's 75th anniversary trivia question. Two winners were randomly selected from those who submitted the correct answer of 21, the current number of full-time employees at Jackson Electric Cooperative. The winners were:

*Robbin and Cheryl Olson of Taylor
Scott Tubbs of Hixton*

Watt's Going On

Hats off to the New Year!

plants to meet stricter environmental standards. Currently, Dairyland is in midst of a 10-year \$400 million project to meet these requirements.

Regulations on the Table

The Environmental Protection Agency (EPA) continues to actively consider rules and regulations in a number of areas that could possibly affect rates. The EPA has pushed for a Cross State Air Pollution Rule (CSAPR) to tighten regulations on coal-fired power plant emissions. That rule was stayed at the end of 2011; however, it remains on the table.

Regulations proposed for the handling of coal ash, water cooling intakes to power plants, and greenhouse gas rules for new coal-fired power plants are all under scrutiny from the EPA. These rules and regulations will continue to impact costs and operations. Tremendous progress has been made in the past 40 years toward reducing emissions and other environmental impacts of the industry. However, we are now at a point where further rules will have immense cost implications with only small benefits.

We continue to support RUS funding to assist in the financing of

electric utility infrastructure and economic development. We keep a watchful eye on railroad reforms and spent nuclear fuel storage site possibilities.

With all this in a nutshell, our industry needs to be flexible. As in the case of CSAPR, electric utilities spent money preparing for the rule to take effect, and at the last hour, the rule was stayed. Electric utilities will be facing new requirements of that rule and may need to take a different course of action.

Members Come First

It's difficult for our industry to plan in an era of uncertainty. However, one thing for certain, especially on the local level, is that our members come first. At Jackson Electric, we know we have to maintain the distribution facilities to continue to provide our members with reliable power. We continue to analyze our work construction plan and right-of-way clearing program so that we operate at the most cost-efficient way possible while providing you the power to light your homes and operate your businesses.

We will continue to work for you. I look forward to a challenging 2013 and remember, safety always! ■



Director Earns Leadership Certificate

Jackson Electric Cooperative's District 8 Director Dan Smrekar received his Board Leadership Certificate at the National Rural Electric Cooperative Association's (NRECA) District Meeting in September. The BL certificate is earned by completing a total of 10 NRECA course credits designed to be "challenger" workshops on key current issues. Congratulating Dan, left, is NRECA President Glenn English.

District Meetings Scheduled for February

Cooperative Principle #2: Democratic Member Control

Jackson Electric Cooperative is divided into nine director districts, and one director from each district makes up the cooperative's board of directors. District meetings are held in three of the nine districts each year and one director is elected at each district meeting. The newly elected directors begin their terms after ratification at

the annual meeting to be held Tuesday, March 19, at the Lunda Theatre in Black River Falls.

This year's district meetings will be held on the following dates and locations. All meetings will begin promptly at 7:30 p.m.:

- District 1 (Towns of Garfield, Northfield, Hale and Curran) – Tuesday, February 5, 2013, at Northfield Town Hall; incumbent is Stan Gran.



Stan Gran Roger Hansen Gary Woods

- District 6 (Towns of Albion [south of Cty. Rd. P] and Brockway) – Monday, February 4, 2013, at Jackson Electric Cooperative; incumbent is Roger Hansen.
- District 9 (Towns of Melrose, North Bend, Farmington, Gale, Franklin and Burn) – Wednesday, February 6, 2013, at the Melrose Town Hall; incumbent is Gary Woods.

Giving Back to You...the Member

Capital credit retirement checks were mailed in December, and Jackson Electric Cooperative returned \$473,000 in capital credits to its members. Since the beginning of returns in 1965, Jackson Electric Cooperative has returned more than \$7.6 million back to its members.

What are Capital Credits?

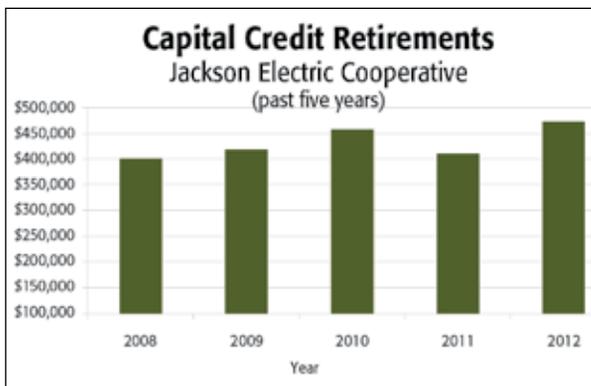
Because Jackson Electric Cooperative is owned by its members, the cooperative does not technically earn profits. Any revenues over and above the cost of doing business are considered margins. These margins are used to build and maintain the facilities (poles, wire, meters, etc.) needed to serve the cooperative's members and service the long-term debt. All margins at the end of the year are allocated to the members of Jackson Electric Cooperative in the form of capital credits.

Before distributing capital credits, the board of directors must consider the financial condition of the co-

operative and the needs for capital funds for the coming years. The board of directors also elects that the distribution of capital credit retirements (returned to the members in the form of a check) for electric service is made on an approximate 20-year revolving cycle.

That's the Cooperative Difference!

Unlike investor-owned electric utilities, Jackson Electric Cooperative allocates and retires its margins back to its members. Members' equity is an investment in the cooperative to maintain sound financial operations. You are a member-owner of Jackson Electric Cooperative, and that's the cooperative difference! ■



Obligations of the Board of Directors

The board of directors provide leadership and guidance to Jackson Electric Cooperative's management. Their primary responsibility is the establishment of long-term, broad objectives, purposes, and visions for the cooperative. The board of directors:

- Ensure that the operations are consistent with the articles and bylaws, understand the corporate philosophy, act in good faith in handling the affairs of the cooperative, avoid conflicts of interest, and represent the best interests of the members.
- Understand and read financial statements and help in distributing this and other relevant information to the members.
- Should not act independently on matters that should be decided by the entire board, nor should they receive special favors from the managers or employees.

If you are unsure what district you are in, go to www.jackelec.com/your_co-op/directors and view the directors' map or contact our office. ■

Ask Your Cooperative

Steve Meyer, Member Services Director



Q: What is the difference between your Dual Fuel program and the proposed Time-of-Use program? I've noticed both programs use off-peak and on-peak rates. What does that mean?

A: Both Time-of-Use rates and dual fuel rates are designed to encourage electrical usage during off-peak times when the cost of power is lower. In both cases, shifting electrical usage to off-peak times rewards the ratepayers with reduced energy costs. However, the two programs function very differently.

Jackson Electric's Dual Fuel program requires two electric meters: one for the main electrical service and the other for the off-peak electric heating and cooling loads. Only heating and cooling loads are allowed on the second off-peak meter. When a peak control period occurs, the electric service to the off-peak meter is interrupted. The devices wired into the heat meter are only allowed to operate during off-peak times. Because the electric heating system is switched off during peak periods, a non-electric backup heating system is a requirement of this program.

With the Time-of-Use program, there is only one meter and all loads are affected, not just heating and cooling loads. However, the meter is a special Time-of-Use meter that tracks usage at various times of the day. The meter reports how many kilowatt hours (kwhs) are used during on-peak hours and how many are used during the off-peak hours. There are two energy prices, on-peak (high-cost hours) and off-peak (low-cost hours). The higher rate is in effect during the on-peak times and the lower rate during all other times.

Unlike the Dual Fuel program where a load control receiver switches loads off during the peak periods, you are permitted to run through the peaks with a Time-of-Use rate, but you are going to pay an extremely high cost to do so. Under a Time-of-Use rate, it's up to the consumer to voluntarily shift electrical usage off the peaks to save themselves money. Also, Time-of-Use on-peak periods usually occur daily, Monday through Friday, whereas dual fuel peaks are weather driven and usually occur on the hottest or coldest days of the year.

Which program is best? The Dual Fuel program is always a money saver for the member and the cooperative, especially for those members who install either geothermal or air source heat pumps. The Time-of-Use program will not work for everyone. It is a mon-

ey saver for those people who have a lifestyle that allows them to shift electric usage over to the off-peak hours.

Jackson Electric has proposed a Time-of-Use pilot program and is looking for members to participate. It is permissible to participate in both programs simultaneously. If you're interested in learning more about the Time-of-Use program, please contact me at smeyer@jacelec.com. You can also find Time-of-Use rates on this page.

If you have a question to ask Jackson Electric Cooperative, please submit to our office at P.O. Box 546, Black River Falls, WI 54615 or e-mail cbroken@jacelec.com, put in the subject line "Magazine Question." ■

Time-of-Use Pilot Program Offered to Members

At the September 2012 board meeting, the directors approved a Time-of-Use pilot program for the first 50 members who commit to the program through February 28, 2014. This program is designed for members who are able to shift their electric usage to off-peak (low cost) hours.

This program could possibly

save you money on your electric bill if you can shift the use of large electric appliances and electric heating and cooling during the hours when energy demand is low and electricity is less costly to produce. If you can, this program may be the correct fit for you.

The following chart explains Jackson Electric Cooperative's Time-of-Use rate:

Pilot Time-of-Use Service			
Facility Charge/ Mo.	Summer High-Cost Hours (June – August) (1:01 p.m. – 5:00 p.m.)	Winter High-Cost Hours (December – February) (5:01 p.m. – 9:00 p.m.)	Low-Cost Hours (All Other Hours)
\$46.00	\$0.56510/kwh	\$0.21930/kwh	\$0.07340/kwh

If you are interested in learning more about the Time-of-Use program, please contact Jackson Electric Cooperative. Sign-up for this program will be available January 1–June 1, 2013. A signed commitment will be required by the member.

Rebates Available to Members

To encourage the wise use of energy through the purchase of qualified Energy Star products, Jackson Electric Cooperative is continuing the following rebates programs, effective January 1, 2013, through December 31, 2013.

Residential Energy Star Appliances & Devices	
Clothes Washer.....	\$75
Dehumidifier	\$25
Refrigerator.....	\$75
Freezer.....	\$25
Room Air Conditioner	\$25
Dishwasher	\$50
TV	\$25
Computer Monitor.....	\$25

Residential Lighting	
CFL (less than 60 watts)	\$1/bulb
CFL (more than 60 watts).....	\$5/lamp
Hard-Wired CFL Fixture	\$5/fixture
T8 Fixture (retrofit only)	\$5/lamp/fixture
T5 Fixture	\$7.50/lamp/fixture
LED Bulb or Fixture (min. 5 watts).....	\$2/bulb or fixture
Pulse Start Metal Halide (retrofit only).....	\$15/fixture
HPS Fixture (retrofit only)	\$15/fixture
LED Exit Signs.....	\$5/sign
Occupancy Sensors	\$5/switch

Residential Heating & Cooling	
Air Source Heat Pump.....	\$250/ton
Geothermal Heat Pump	\$500/ton
Electronic Commutator Motor.....	\$75/furnace
Heat Pump Water Heater	\$300/unit

Prescribed Agricultural & Commercial	
Dairy Plate Cooler/Well Water Pre-Cooler.....	\$500/unit
Livestock Waterer (less than 500 watts).....	\$50/unit
Dairy Heat Recovery.....	\$300/unit
Scroll Refrigeration Compressor.....	\$30/hp
Variable Frequency Drive	\$30/hp
Variable Speed Compressed Air	\$30/hp
High Velocity Low Speed Fan.....	\$1/inch
Ventilation Fan (21 CFM/watt or more).....	\$1/inch
Circulation Fan (20 lbs. of thrust/kw or more).....	\$1/inch

New Home & Existing Home Improvements Small Scale Renewable Energy

Please go to www.jackelec.com or call Jackson Electric Cooperative for more information on these incentive programs.

Electric Heat Spotlight—Cove Heater

Supplemental electric radiant heat that is cost effective, energy efficient and maintenance-free for any room of your house.

A cove heater creates radiant heat that warms people, objects, and the floor in the room directly. Turn your thermostat to a lower setting and enjoy the radiant heat transferred from the cove heater directly to you, rather than dispersed in the air. Mount a cove heater high on a wall or near the ceiling, and it will keep you warm and comfortable.



Hard-wire your cove heater to Jackson Electric Cooperative's dual fuel meter and qualify for the dual fuel electric rate.

For more information on cove heaters or other ways to save on your heating bill this winter, contact Jackson Electric Cooperative or go to www.jackelec.com.

Cost Comparison: Electric Resistance Heat vs. Propane

Type of	Efficiency	Cost/kWh	Propane/gal.
<u>Electric Heat</u> Cove Heater	100%	\$0.06	\$1.45

For example: By participating in Jackson Electric Cooperative's dual fuel program, the dual fuel rate is \$0.06 per kwh. That is comparable to paying \$1.45/gallon of propane for a 90% efficient propane heating system. Typically, propane cove heaters are used in a shop or commercial building rather than homes.

Rebate application forms are available at www.jackelec.com/programs/rebates_and_incentives or at Jackson Electric Cooperative. In order to receive your rebate, you must submit a completed application form along with a copy of the purchase receipt and the Energy Guide or Energy Star logo. Rebates will not be processed without this information.



Jackson
ELECTRIC COOPERATIVE

Your Touchstone Energy® Partner 

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