



CLARKE
ELECTRIC COOPERATIVE, INC.

Safety Driven • Energy Smart • Community Invested

Your Touchstone Energy® Cooperative 



Volume 83, No. 2 | February 2023

HEADLINES

SAFETY DRIVEN | ENERGY SMART | COMMUNITY INVESTED

Can It Happen Here?

In the days leading up to Christmas, much of the United States experienced extremely cold temperatures, fueled by high winds and snow in what has since been named Winter Storm Elliott. Not surprisingly, these conditions created a huge demand for electricity. And, while demand was at its highest, high winds temporarily paused some wind generation and snow accumulations on solar panels limited the output of both these sources. At the same time, demand for natural gas intensified causing those market prices to rocket. All these factors combined created a “perfect storm” for the power grid.

Clarke Electric Cooperative buys its electricity from

Central Iowa Power Cooperative (CIPCO). CIPCO provides electricity to 12 Iowa co-ops and the South Iowa Municipal Electric Cooperative Association (SIMECA), an association of municipal utilities in 15 Iowa towns. CIPCO relies on a diverse supply of generation sources: natural gas, coal, solar, hydroelectric, landfill gas, and wind generation around Iowa. CIPCO also purchases power from Midcontinent Independent System Operator (MISO). Between what CIPCO generates and



DAVE OPIE
General Manager

continued on pg. 2



Staff Takes "Field Trip" to Creston Generation Plant

Every year, Clarke Electric staff participate in an in-service training day. The day is spent learning, having some fun team building and conducting in-depth training on various topics and processes.

For a change of scenery, staff traveled to CIPCO's newly remodeled Summit Lake natural gas generation plant in Creston. CIPCO staff gave a tour of the facility and then the afternoon was spent learning more about, and maximizing, our mobile workforce software.

All linemen use an iPad when they're in the field to access service orders, maps, etc. that make their work more efficient.

Reading pays! We have hidden two of our members' account numbers in this issue. If you find your member location number, call during February to have \$10 deducted from your monthly energy account.

contractual purchases, they secure enough electricity for all their members, including Clarke Electric Cooperative.

So, what is the problem?

Since some of the electricity that CIPCO purchases comes from MISO, CIPCO and, by extension, Clarke Electric Cooperative, can be at risk of a power shortfall if not enough power is being generated across the MISO footprint, which runs down the middle U.S. from the Canadian border to the Gulf of Mexico. Electric generation and transmission across the MISO footprint is all intermingled into one big MISO “bucket.” Every minute of every day there must be enough electricity generated to meet the demand for all electric utilities within MISO, which step down needed power first through CIPCO, then Clarke Electric where it is finally distributed to our members’ homes and businesses.

Unfortunately, the U.S. electric grid, including MISO, relies on many moving parts and if a few parts aren’t working properly, the grid and its users are at risk. The lack of base load generation (24/7) has become a reality due to coal plants closing before replacement generation sources can come online. Aging transmission lines moving power from one part of the grid to the other is also part of the problem. 4-36-01-00

Tightening regulations have forced utilities to prematurely take base load (on demand) generation plants offline and replace them with intermittent generation. Base load generation can be turned on as needed. Intermittent generation occurs when nature decides to do so, i.e., when the sun shines or the wind blows. And intermittent generation doesn’t always align with peak electricity use.

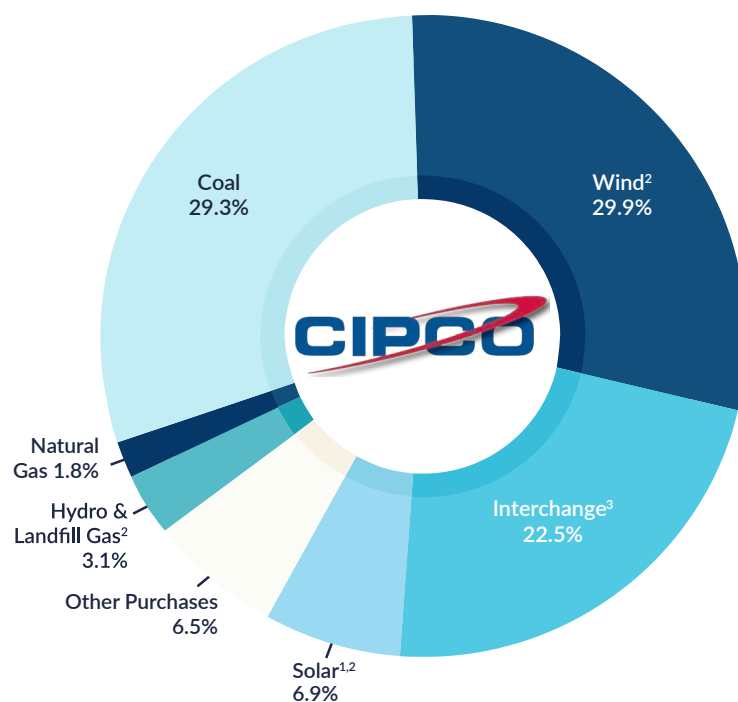
So, what does this mean to you, our members?

The best thing to do is be prepared in case an outage occurs no matter the time of year. We recommend that if you need 24/7 power, consider purchasing a generator. Stock up on batteries, food, warm clothing, medications and blankets.

You can voice your concerns to our legislators, to be supportive of all power generation options. The construction and maintenance of transmission lines are needed to supply our ever-growing electric usage. We are already engaged in those conversations with our legislators making sure they understand the impact and importance these issues are to our members.

Clarke Electric Cooperative will do everything we can do to prepare and minimize any outage events. Knowing it could happen is the best way to prepare. Yes, it can happen here.

A Balanced Portfolio of Energy Sources



2021 data; represents 3,052 GWh

¹ CIPCO's purchase power agreement for Wapello Solar LLC locks in stable, long-term pricing and avoids the risks associated with rising fuel costs. Renewable energy certificates (RECs) are not included in this agreement.

² CIPCO invests in the development of renewable energy projects in several ways. We operate six small-scale solar arrays near communities we serve and retain the renewable energy certificates associated with each. We also contract with energy producers for electricity output from wind, hydro and methane gas from a landfill (converted into electricity). CIPCO cannot claim these resources as renewable within our supply portfolio as we have either sold to third parties or do not receive the renewable attributes associated with the electricity produced from these renewable power sources. By selling these attributes (RECs), we not only support other organizations in meeting their renewable energy goals, we also generate revenue to help us lower our wholesale power rate to our 12 Member-owner distribution cooperatives and 15 municipalities.

³ A percentage of market purchases exist within the portfolio to meet additional supply needs not covered by existing contracts or CIPCO-produced generation. Weather volatility and unplanned operational events at power plants may also impact market purchases.

Committed to Keeping the Lights On

Providing safe, reliable, and affordable electricity is our commitment to you. These are not just words to us. They are our purpose. We know how vitally important electricity is to our daily lives. It keeps us entertained. It keeps us productive. But most importantly, it keeps us safe.



DAVE OPIE
General Manager

How do we have safe and reliable electricity? Well, the answer is complex. In simplest of terms, we rely on our power supplier (CIPCO) to deliver 24/7 power to our substations. From there, we build out new lines, replace old deteriorating lines and poles, and make sure we have the proper safeguards in place like regulators, breakers, and fuses for the safety of our members and our lineworkers. Vegetation management is a must in southern Iowa to keep the trees and underbrush from reaching the lines. We invest in technology so interruptions in power are shorter in length and we can sometimes identify problems and fix them before an outage ever occurs.

Finally, one of the most important investments we make in keeping your power safe and reliable is our investment in our employees. We can have the fanciest equipment and latest technology, but without our dedicated and willing workers, we could not begin to provide the level of service and dependability that you all deserve as a cooperative member. Affordable? That is a relative term and is different for each one of our members. We understand this. But it is still our goal. We want to provide safe, reliable power to you at the lowest cost possible because we are a member-owned cooperative. Remember, our profit is returned to the members and does not go to far-off investors.

As has been the case in almost all segments of our economy, our industry has also experienced record inflation in almost all the equipment we must purchase, the fuel, the services and the labor that it takes to continue to do what we need to do to achieve our three commitments.

We have tried to absorb these cost increases as long as possible but can do it no longer. After doing analysis with our staff and lender, we have determined that action must be taken soon.

At our February Board meeting, our staff will ask our directors to approve an increase in the Monthly Service Charge portion of your electric bill. It is definitely something we do not take lightly, but unfortunately it is necessary.

Why are we going to raise the Monthly Service Charge and not the kilowatt-hour charge? The Monthly Service Charge on your bill is the part of your bill that is supposed to cover what we call the fixed expenses that it takes to bring the power to your transformer at your location. The last time we changed this rate was in 2017. I intentionally describe it as supposed to cover the fixed expenses because most of the time, it does not cover all of the fixed expenses. Instead, we have to recoup some of these costs through our energy sales.

The energy cost portion of your bill is expressed in kWh usage. This part of your bill varies month

Current Service Charges		
BALANCE FORWARD		\$0.00
Monthly Service Charge	>250 kWh	\$32.00
Energy (kWh) Charges	543 kWh @ \$0.113	\$61.36
Heat Usage	1209 kWh @ \$0.058	\$70.12
Power Cost Adjustment (PCA)	543 kWh @ -\$0.00701	-\$3.81
Total Current Service Charges		\$159.67
Total Amount Due 04/30/23		\$159.67
Late charge applies (1.5%) after 04/30/23		\$159.67

to month depending on how much energy you consume. The last time we had an official rate increase on this was in 2012. The reason I say "official" is because the actual cost of power we purchase from CIPCO and re-sale to you fluctuates month to month. The difference in the costs of power is reflected in your Power Cost Adjustment (PCA) portion of your bill. If the actual cost was lower than anticipated, your PCA is a negative number on your bill and you receive a credit. If the cost was higher than anticipated, the number will be a positive number and your bill is higher.

At this time, we feel the energy charge is still sufficient. However, the Monthly Service Charge needs to be increased. We will notify you by mail and in this newsletter once the increase is approved by the Board. Our plans are to make the changes effective May 1, 2023.

Looking Out for You: December Outages

Equipment/Maintenance Failure: 5
Motor Vehicle: 1

WHAT CAN WE DO FOR YOU? @ cecnet.net

- Statewide outage map
- Leased Light Program
- SmartHUB
- Rebates & Online Forms
- Operation Round-UP
- Call Before You Dig
- Email newsletters
- RECare



Clarke Electric line crews recently replaced an aged pole in preparation to build a new home service. The weather on this January day was agreeable enough to allow the construction.

Considering Solar? Call Us First

As solar gains popularity, we want to be sure you understand how a solar interconnection with our system can impact your current account and billing rate. Call the co-op at (800) 362-2154 to discuss your options before investing in solar.



Get Your Membership Newsletter by Email

If you would like to receive our newsletter via email, just let us know. You can call or email us at Clarke@cecnec.net. We will send it at the beginning of each month. 28-01-07-07



Apply Now for Youth Tour

Essay topic: Of the seven cooperative principles, which two do you feel are most important and why?

Essay guidelines

1. Entries should be typed on one side of 8.5x11 in. paper.
2. Entries should be no more than 500 words and a maximum of two pages.

For more information check out www.cecnec.net or call Jason at (641) 342-2173.

Application Deadline: March 3

Essay Deadline: March 17

Youth Tour Judging: March 29

Trip Dates: June 17-June 23



Required Statement of Nondiscrimination

Clarke Electric Cooperative, Inc. is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, sex, religion, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is David A. Opie, general manager of Clarke Electric Cooperative, Inc. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and /or file a written complaint with this organization; or the Administrator, Rural Utilities Service, Stop 1510, 1400 Independence Avenue, SW, Washington, DC, 20250-1510; or the Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410; or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.



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OFFICE HOURS

Mon.-Fri.: 7:30 AM - 4 PM | Outside depository available 24/7

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Vice President: Randy Rouse
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Treasurer: Lydda Youmans
Asst. Sec./Treasurer: Randy Barnard

Directors
Larry Jackson
Marni Kelso
Cody Miller
Natalie Rydl

GENERAL MANAGER

David Opie

This institution is an equal opportunity provider and employer.