



By Michael P. McMahon

Rate Modification Takes Effect for 2008

Vernon Electric contracted an independent engineering firm, as we always do, to study our cooperative's rates to find out if they are indeed in line with our revenues and expenses. The company that did our rate study has many years of experience and we have found their theoretical outcomes match closely with reality. In other words, they are excellent at what they do.

Our rate study concludes that a slight increase is in order for 2008 of just over 1 percent. This means that if you have an electric bill of 1,000 kwh, you will see a monthly increase of about \$1.30.

The reason for a rate increase comes mostly from our increased cost to purchase power from Dairyland Power Cooperative. Vernon Electric's wholesale purchases represent 63 percent of our budget. There are several major cost contributors that are affecting Dairyland at this time. One is rail transportation. In 2006 the cost to transport coal by rail increased 93 percent, and that cost is still with us. Dairyland has purchased a percentage output of the new Weston 4 power plant near Wausau and installed new federally mandated environmental equipment at its Genoa power plant. Together, these assets add up to over half a billion dollars. As we

see environmental mitigation measures increase, we will also see prices increase.

Legislators on the state and federal levels are currently debating how to best meet our future energy needs while lowering carbon emissions. This will likely amount to significant cost increases to produce energy for a growing economy. The board of directors at Vernon Electric has taken on the philosophy that it is better to spread cost increases steadily over time rather than all at once. Therefore, we may expect to see an increase in rates each year for the next several years rather than a big increase a few years from now.

Rate increases are never fun and we'd like to avoid them if we can, but the reality is that they are needed to meet the ever-increasing cost to produce energy. Vernon Electric Cooperative is a not-for-profit business that strives to provide you the most reliable service at the lowest cost possible.

Included on the facing page is the new rate schedule effective May 1, 2008. Please keep in mind that the following list of rates is only for the most common rates and that some rates have not changed from last year. To receive a complete list, you can contact our office or visit our website, www.vernonelectric.org, and click the "Account Services" button on the homepage. ■

MEMBER APPRECIATION PICNIC

For the members of Vernon Electric and Vernon Telephone Cooperatives

Wednesday, June 18, 2008

Timber Coulee at the Rod & Gun building near the Ski Jump

Complimentary pork sandwiches, hot dogs, chips, beans, pop, milk, coffee and ice cream.

3 mi. north of Westby on Cty. P.
3 p.m. to 7 p.m.



Stephanie Jacobson, Tom Bolden, Angie Winchel, and Ethan Plantz (left to right) were among more than 80 high school students from around the state who participated in the Co-ops Yes! Youth Leadership Conference conducted by the Wisconsin Federation of Cooperatives in Wisconsin Rapids in April. They were sponsored by Vernon Electric. The conference helps students gain a better understanding of the role and operation of co-ops and develop leadership skills.



Rates – Effective May 1, 2008

Residential and Small Commercial Single Phase 50 kva or Less

Available to farm, residential, small commercial, schools, churches and community halls with a 50 kva or less transformer capacity.

Facility Charge \$24.50/month
 Additional Facility Charge
 over 25 kvA 50 cents/kva

Summer (June, July, August)
 First 1,500 kwh 9.98 cents/kwh
 Excess kwh 8.98 cents/kwh
 Winter
 First 1,500 kwh 8.84 cents/kwh
 Excess kwh 7.84 cents/kwh

Uncontrolled Electric Heat

Facility Charge \$2.50/month
 Summer (June, July, August)
 Energy Charge 8.98 cents/kwh
 Winter
 Energy Charge 7.84 cents/kwh

General Plant Fund

Per Member 50 cents/month

Dual Fuel Heating

The Dual Fuel Rate is available to all classifications of consumers for dual fuel loads, when used in conjunction with any other rate schedule (with separate meter). The cooperative must approve all Dual Fuel heating systems.

Facility Charge \$2.50/month
 Energy Charge
 October-May 5.2 cents/kwh
 June-September 7.5 cents/kwh

Storage Heating

The Storage Heat Rate is available to all classifications of consumers for storage heat loads, when used in conjunction with any other rate schedule (with separate meter). The Cooperative must approve all storage heating systems.

Facility Charge \$2.50/month
 Energy Charge 4.2 cents/kwh
 June through September kwh used on
 Electric Heat Meter 7.5 cents/kwh

Three-Phase Rate

Facility Charge \$50.00/month
 Additional Facility Charge
 over 35 kva 50 cents/kva
 Summer (June, July, August)
 First 5,000 kwh 9.17 cents/kwh
 Excess kwh 8.17 cents/kwh
 Winter
 First 5,000 kwh 8.14 cents/kwh
 Excess kwh 7.14 cents/kwh

Peak Alert Rate - Over 50 kw Demand

Facility Charge
 Three-Phase \$80.00/month
 Facility Charge
 Single-Phase \$55.00/month
 Additional Facility Charge
 over 50 kva 50 cents/kva

Maximum Demand
 Charge \$4.00/kw/month
 Based on peak kw for month with a 50 kw minimum

Peak Demand Charge (based on seasonal average demand measured during system-wide peak alerts)

Winter \$28.10/kw/yr.
 Summer \$58.50/kw/yr.
 Reactive Demand Charge
 (at the option of the
 Cooperative) ... 25 cents/kVAR/month
 Energy Charge
 First 25,000 kWh 4.78 cents/kwh
 Excess kWh 4.48 cents/kwh

Natural Air Grain Drying – Interruptible

Service available for all hours except during periods of peak demand or system emergencies as determined by the Cooperative. During such periods, an automatic load management device shall interrupt service.

Facility Charge:
 Single Phase \$24.50
 Three Phase \$50.00
 Sub-metered \$ 4.50
 Meter Loop only \$ 7.50
 Energy Charge 7.05 cents/kwh

Security Light

100 Watt HPS
 (unmetered) \$6.75/month
 100 Watt HPS (metered) \$4.75/month

Statement of Nondiscrimination

Vernon Electric Cooperative is the recipient of Federal financial assistance from the Rural Utilities Service (RUS), an agency of the U.S. Department of Agriculture. In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Mike McMahon, general manager of Vernon Electric Cooperative. Any individual, or specific class of individuals, who feels that this organization has subjected them to

discrimination, may file a written complaint with this organization; or the Director, Office of Civil Rights, U.S. Department of Agriculture, Washington D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discriminatory action, or by such later date to which the Director of the U.S. Department of Agriculture's Office of Civil Rights or the Administrator of RUS extends the time of filing. Identity of complainants will be kept confidential except to the extent necessary to carry out the purposes of the rules and regulations of the U.S. Department of Agriculture.

VEC Incentive Program for 2008

New equipment only purchased 1/1/08-1/1/09. Copy of receipts required, and rebate may not exceed cost of item. Rebates must be submitted before 2/28/09. Rebate forms available at www.vernonelectric.org or by calling our office at 800-447-5051 or 634-3121. Incentives and/or rates may change without notice. Rebates may be applied to your bill.

ELECTRIC OR SOLAR WATER HEATER REBATES:

50-79 Gallon	\$50.00
80-99 Gallon	\$250.00
100 Gal. or larger	\$4.00/gal. (\$500 max.)

Member must allow the water heater to be controlled as part of the load management system to be eligible for rebate. Solar water heaters must have an electric backup heating element. If the control is removed within the first two years of installation, the member will be charged back the rebate.

For installing a control on an existing uncontrolled 50 gal. or larger water heater, the member will receive a \$50.00 bonus. If the control is removed within the first two years of installation, the member will be charged back the \$50.00.

COMPACT FLUORESCENT LAMPS (CFLs) –

12 max./yr. \$2.00 bill credit per CFL

ENERGY EFFICIENT RETROFIT LIGHTING

(five fixture or ballast minimum)

Electronic Fluorescent Ballast (must be hard-wired)	\$6.50 per Ballast
Metal Halide Fixtures	\$10.00 per Fixture
High Pressure Sodium Fixtures	\$10.00 per Fixture

DUAL-FUEL ELECTRIC HEAT WITH AUTOMATIC BACK-UP HEAT

- Heating rate of 5.2¢ per kwh. (Oct. 15 - May 15)
- There will be a \$2.50 fixed charge for the heat meter each month.
- \$200.00 + tax load management equipment & installation charge.

ELECTRIC THERMAL STORAGE REBATE AND RATES

Steffes ETS heaters	\$50.00 per kw (\$1,000 maximum rebate per household)
Boilers, Slab or Water Storage heat If on 14 hr. total daily control (\$450 max. rebate)	\$50.00 per kw

Rate of 4.2¢ per kwh on Storage Heating Rate

In order to qualify for this rebate the member must meet the following conditions:

1. The member must have a separate meter to record electric heat.
2. The member must be willing to have their electric heat controlled.

ELECTRIC PLENUM HEATERS

\$5.00 per kw rebate if on Dual Fuel program.

ENERGY STAR APPLIANCES

ENERGY STAR Clothes Washer	\$50.00
ENERGY STAR Refrigerator	\$25.00
ENERGY STAR Room Air Conditioner	\$25.00

A copy of the Energy Star label must be included with the copy of your invoice when applying.

HEAT PUMP & AIR CONDITIONER REBATES

Air conditioners are subject to load control during peak hours (15-minute cycling). A VEC representative must install a load control on the air conditioner before the rebate is issued.

Central Air Conditioner (14 SEER* min.)	\$60.00 per ton
Air Source Heat Pump Rebate (14 SEER min.)	\$60.00 per ton
Ground Source Heat Pump Rebate	\$140.00 per ton
Commercial Air Conditioner (EER 11 min.)	\$40.00 per ton

*SEER = Seasonal Energy Efficiency Ratio

CUSTOM INCENTIVES

Agricultural, commercial, and industrial consumers that install certain types of energy saving equipment, incorporate energy efficiency measures, and/or retrofit lighting systems may qualify for customized incentives based on their efficiency, operating characteristics, and ability to reduce on-peak energy and demand. Examples of technologies that may be eligible for these incentives include:

- Variable frequency pump drives, dairy plate coolers, and scroll refrigeration compressors
- Compressed air upgrades
- Building energy management control systems
- Improvements to the envelope of electrically heated buildings
- Energy-efficient ventilation fans and livestock waterers

This is not an all-inclusive list. Any energy saving technologies will be considered.

Application should be made in writing describing what energy saving products and/or processes are used to obtain the efficiency gains, their hours of operation, coincidence with peak times, estimated savings, and the cost of incorporating the efficiency measure(s). Incentives are capped at no more than 10% of the cost of the equipment not to exceed \$2,500 per member account per year.

VEC's Most Wanted List

The following individuals are owners of outstanding checks that have not been cashed. Please call our office at (608) 634-3121 or toll free in area code (608) at (800)447-5051 with your current address so we can update our records and see that you receive your checks.

Al Jawhar, Hassan	Fish, Harlen & Barbara	Jaspersen, Roger M.	Ostrem, Stephen A.	Steenon, Victoria H.
Altomart, Robert J.	Ford, Connie L.	Jensen, Harlan E.	Parmal, Edward & Dolores	Steinhoff, Jerry
Anderson, Joe J.	Fortney, John E.	Jerome, Roy R.	Path, Douglas E.	Stockton, Larry
Anderson, Mary V.	Frank, Larry & Betty	John, Christopher	Patrick, Mary L.	Stockwell, Lois J.
Barg, Tim C.	Franke, Wendi L.	Johnson, Alan & Martina	Pedretti Jr., William	Stolpa, James A.
Benson, Clyde	Fronk & Ferris, LLC	Johnson, Chad & Mari	Peltola, Nancy A.	Stone, Shannon L.
Benson, Rolf & Bonnie	Fullerton, James H.	Johnson, Gordon L.	Peterson Farms	Stowell, Dorothy A.
Bergh, Richard L.	Funke, Robert J.	Johnson, Mark A.	Peterson, Todd J.	Stratton, David D.
Berry, Erik R.	Garlough, Graydon K.	Johnson, Patsy A.	Piepenhagen, Ray F.	Strieder, Gene E.
Bible, Douglas S.	Gartner, Nancy R.	Juen, Terry J.	Pliner, Leonard J.	Swadley, Ralph
Birkelo, John T.	Gasper, Daniel S.	Kadlec Jr., Clarence J.	Pliner, Martha M.	Swanke, Matt S.
Blackbourn, Mark L.	Geddes, Jack	Kast, Eugene J.	Pradovic, Andrew	Swenson, Linda
Boardman, William	Gillespie, Jerry & Connie	Kellogg, Alice	Quackenbush, Robert	Szatmary, Heidi
Boehm, Marilyn	Godfrey, Lonnie J.	Kelly, Dennis G.	Rader, Catherine F.	Szepli, Randy
Boyington, Katy	Godlewski, Michael R.	Koltermann, Kevin J.	Raha, Craig & Debra	Tallegde Family Trust
Braadland, Merle J.	Goodrich, Colleen S.	Kuzel, Gerald & Lily	Randall, Karl A.	Taylor, Jeanette
Brickl, Ken & Jennifer	Green, Marlene M.	Lange, Sarah M.	Revels, Bernard W.	Ten Mile House
Briney, Ralph C.	Green, Stephanie	Lanman, Ike & Anna	Revels, Rome C.	Tesdale, Esther Z.
Broadhead, Darrel G.	Greenland, Andrea J.	Larson, Eric	Rochelt, Laine S.	Thums, Toby & Julie
Brosinski, Elaine	Gudgeon, Fritz & Helen	Larson, Philip	Rodamaker, Robert J.	Van Lin, Tasha
Brown, Candace R.	Gull Realtors GMAC	Lawrence, Cecil	Ross, Tammy K.	Van Sickle, Henry
Bulin, Robert F.	Gulsvig, David L.	Lentz, Lester	Rudie, Donald K.	Vieregge, Lee
Burger, Randy & Jamie	Hahn, Alvin	Levendoski, Dan A.	Ruebel, Karl	Vlk, Ada M.
Burghardt, Don L.	Haller, Dennis L.	Loiselle, Robert K.	Sandvick, Michele L.	Waege, Bruce L.
Cade, Larry	Hankins, James A.	Loppnow, Ronald & Karen	Saucke, Michael E.	Walter, Kate E.
Carranza, Arleen R.	Hansen, Stacey R.	Lydon, Mike & Sara	Schindler, Marian J.	Wangen Farms
Christopherson, Richard	Hanson, Charles J.	Manglitz, Kent M.	Schmidt, Paul D.	Webb, Ralph
Cina, Larry	Harris, Sandra A.	Markee, Raymond H.	Schmitt, Lairn S.	Wells, Steven & Harris, Nicole
Cole, Wilburn E.	Harris, Scott K.	Mc Garry, Conrad L.	Seekamp, William S.	Wenger, Robert J.
Cordes, Arnold B.	Heaney, Margaret L.	Meier, Greg	Severson, Jeanette E.	Whitehead, Glen & Vicky
Courtney, Angela R.	Hendrickson, Kevin A.	Meiners Jr., Vernald	Shea, Dale B.	Wickander, Jill
Crady, Mark A.	Henry, Evelyn	Melcher, Charles P.	Singleton, Paige D.	Wilder, William W.
Crandall, Roland R.	Henry, Robert	Michaels, Kelly R.	Skogerboe, Terry	Wimberly, Donald L.
Danahy, Douglas A.	Hill, Christina B.	Mogenson, Ernest W.	Sloggy, Thaddeus	Wolfe, William D.
De Ford, Gloria F.	Hirschfield, Clinton J.	Moore, Patricia K.	Smaby, Peter A.	Worman, Karen I.
Denman, Brenda L.	Hodges, Joleen N.	Moret, Leonard J.	Smith, Lester	Wyman, Daniel R.
Dobbs, Ruth M.	Hoff, Karen	Morken, Leah	Smith, Tonya M.	Yeske, James
Domenget, Fred	Hoff, Karen L.	Morkrid, Earl M.	Solum, Jesse	Yttri, Stephanie
Doyle, Shon O.	Holak, Wilmer F.	Morrison, Roger B.	Sowle, Dean W.	Ziegler, Ryan R.
Dyar, Raymond E.	Hoppman, Elmer	Mueller, Andrea D.	Spangler, Jay L.	Zielke, Conrad G. ■
Dyer, Donna M.	Hubbard, Eva D.	Myers, Harry J.	Stach, Michael	
Ebert, Robert W.	Hull, Randy L.	Myhre, Bonnie J.	Stanton, Ruth D.	
Erickson, Jeff M.	Jaspersen, Maynard	Nash, Sarah K.		
Escamilla, Art		Nebel, F.R.		
		Nelson, Dorothy L.		
		Nelson, Guy M.		
		Nemec, Kent R.		
		Newman, Dale R.		
		Nimmo, Thomas		
		Olson, Alma B.		
		Olson, Gerlad L.		
		Olson, Jason & Sara		
		Olson, Marvel		
		Olson, Oral C		
		Oreskovich, Audrey K.		



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Your Touchstone Energy® Cooperative 

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