

November 2015



Highline Headlines

Volume 37
Issue 11



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Nov. 26 & 27**

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Visit our website for safety tips

www.accessenergycoop.com

Access Energy Cooperative is dedicated to exceeding members' expectations for safe, reliable, efficient service while being a good citizen in our communities.

Not-for-Profit Cooperatives Providing Affordable Energy into the Future

Nearly 80 years ago, electric cooperatives, including Access Energy Cooperative, helped lowans across the state light up rural areas with reliable and affordable power. Before that time, people had to rely on their own sources of fuel to provide power and light. The long-awaited delivery of electricity from one central station power plant to end users through transmission and distribution lines dramatically improved the quality of life for farms, families and businesses.

Like many industries today, we are facing a time of great change and must steadily be looking ahead so that we can effectively adapt to the challenges of the 21st century.

The cooperative business model of member-ownership and local control is just as relevant today as it was then. Across the country, well-known cooperative brands, such as Land O' Lakes, ACE Hardware, Sunkist, and Ocean Spray as well as credit unions, are growing and thriving.

We know the landscape of member-owner preferences, technology, innovations, governmental regulations, and environmental policies are constantly evolving. Because of our cooperative business structure, we can efficiently adapt to the local needs of our member-owners. Over the years, we've seen growth in the way electricity powers our homes and businesses and how that has had a positive impact on quality of life. We've adapted programs and services to meet these changing needs. We know what has worked in the past may not always be the best solution for the future, which is why we're constantly looking ahead.

When electric cooperatives were established, one of the key benefits was the affordable power we could provide to member-owners. Because cooperatives are not-for-profit entities, providing affordable electricity remains a cornerstone of our business model. We regularly assess our rate structures to ensure we're operating a financially

sound business and our members are all treated fairly when it comes to what they pay for electricity.

As we look ahead at what's driving change in the energy industry, one area is distributed generation, which is typically solar or wind generation. How distributed generation will impact electricity rate structures is being discussed by all types of utilities across the country.

Here's why: When a member-owner invests in their own generation, such as solar panels, they still need continuous access to the power grid. They use the grid both to receive power and to export power. Recent data provided to the Iowa Utilities Board shows that a typical residential consumer with solar panels needs the grid 23.99 hours of the day. The graphic [on page 3] demonstrates how this works in a 24-hour period. Some hours, grid power is needed to supplement their electric needs because

Future, continue on page 3

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accessenergycoop.com

Because Access Energy Cooperative Cares



Manager's Corner



General Manager/CEO Robert Swindell

We have been on a good roll for the last seven years, but the good times will be coming to an end in the Spring of 2016, as we will be increasing our retail electric rates. One of the main drivers is a nearly seven percent increase in our wholesale power costs. There are several more reasons for the increase:

- **OFF SYSTEM SALES**
Off system sales are when our power generation cooperative, Associated Electric Cooperative (AECI), sells our surplus generating capacity to other utilities. Over the years these sales have helped hold our rates

down. But load growth among the AECI family of cooperatives has reduced the amount of surplus coal-fired generation to sell. In addition, changes in the way the wholesale electric markets work have reduced the number of opportunities to make sales to other utilities.

- **HIGHER FUEL COSTS**
A number of long term coal contracts expired, and the new coal contracts are at a higher price, as is the transportation cost for shipping. Even with the increase in fuel costs, for the time being, coal generation is still one of our lowest cost resources.
- **REGULATORY COMPLIANCE**
Meeting the cost of new regulations such as the Cross State Emissions rules, continues to increase our cost of power. Regulatory costs will continue to increase in the future. We are currently still attempting to calculate the cost to comply with the new carbon rules that were just issued by the EPA.

- **INCREASED COSTS OF OPERATION**
In addition to increased costs of operation at Northeast Power Electric Cooperative, our own costs to deliver power to you have increased over the last seven years. In order to provide the level of service and reliability you expect from us, we must include these increases to our wholesale rates in an increase in retail rates in the spring of 2016.

COST OF SERVICE STUDY

In order to equitably pass these cost increases to our members, the Board of Directors has employed Stanley Consultants of Muscatine, Iowa to perform a Cost of Service Study and make recommendations on new rate schedules for all of our member classes. The Board will be reviewing these recommendations at our November Board Meeting and a decision on rates for 2016 is expected to be made at that time.



Because
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COOPERATIVE INFORMATION

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Board Member Advocates for Affordable and Reliable Electricity While in Washington, DC

Larry White, Access Energy Cooperative director, recently met with members of Iowa's congressional delegation in Washington, D.C. on issues impacting their ability to provide reliable and affordable power to rural Iowa. The purpose of the trip is to ensure Iowa's elected officials are fully aware of the thoughts and concerns of their constituents who are served by not-for-profit electric cooperatives.

"Iowa's congressional delegation has always been a strong partner with rural electric cooperatives. We appreciate their willingness to once again meet with our members during their visit to Washington," said Marion Denger, board president of the Iowa Association of Electric Cooperatives.

The key issues that have the greatest impact on the 650,000 Iowans served by the state's electric cooperatives include FEMA's policy change on storm recovery and funding for programs that promote rural economic development.

Information was provided to each of Iowa's six members of Congress on the following issues:

- FEMA's policy change on storm recovery funding – Thanked Iowa's congressional delegation for their attention to the issue relating to storm recovery funding and updated them on the appeal currently filed at FEMA headquarters.
- Clean Power Plan and "Waters of the United States" – Asked members of Congress to support the inclusion of the following riders in an end of the year omnibus appropriations bill:
 - Language to block EPA from forcing federal plans on states that do not submit state plans under the Clean Power Plan.
 - Language that blocks EPA from moving forward with the "Waters of the United States" (WOTUS) rule.
- Coal ash – Asked the congressional delegation to support the attachment of H.R. 1734 ("Improving Coal Combustion

Residuals Regulations Act of 2015") as an amendment to the "Highway Bill".

- Rural Economic Development Loan and Grant Program (REDL&G) – Thanked members of Congress for their support of the RUS Electric Loan Program and asked them to support an increased appropriation and authorization for USDA's REDL&G program.
- Positive Train Control (PTC) implementation deadline – Asked the congressional delegation to support an extension to the Positive Train Control (PTC) implementation deadline contained in the Rail Safety Improvement Act of 2008 (RSIA).

"I believe Iowa's congressional delegation now has a better understanding of how legislation and regulations being discussed in Congress could affect the affordability and reliability of electricity in Iowa," Mr. White reported.



Larry White, Access Energy Cooperative director, speaks with U.S. Senator, Chuck Grassley, about issues impacting the ability for electric cooperatives to provide reliable and affordable power to rural Iowa.

Heat Pumps-101

There are two basic types of heat pumps – air source and ground source. A ground source heat pump uses good old Mother Nature’s earth. Once you get about four feet below the earth’s surface, the temperature of the ground stays at a constant 50 - 55°F year-round. Ground source heat pumps use this temperature difference to heat and cool the air in your house. These systems need some sort of heat exchanger installed underground, either vertically or horizontally, and filled with a fluid. The equipment at the house itself resembles a typical HVAC system. It uses pumps and compressors to move the fluid through pipes inside the house and in the ground where it picks up or gives off heat.

In an air source heat pump, the equipment uses the outside air to provide the means for heating and cooling your home moving heat from one spot to another. Both air source and ground source heat pumps use refrigerant to capture the heat and carry it to where it is exchanged – either in the ground or using the outside air.

Efficient as they may be, it should be noted that heat pumps can have drawbacks. In extremely cold climates, air source models lose their ability to heat effectively at around 17°F. Below that temperature, they have to use resistance electric heat to keep up and can quickly become expensive to operate. In temperate climates, they are likely your best choice for heating and cooling, especially for forced air applications. Companies are still working to build a cold climate model for more efficiency.

Ground source systems can operate in nearly any climate and work well with both baseboard hot water and forced air systems. However, they can be expensive to install because of their need for a ground loop of some sort.

Heat pumps, properly applied, can make a world of difference to your monthly bill as well as to your comfort. Talk to the **energy** experts at Access Energy Cooperative, and find out if a heat pump is the ticket for your heating and cooling needs.

Source: Tom Tate, NRECA

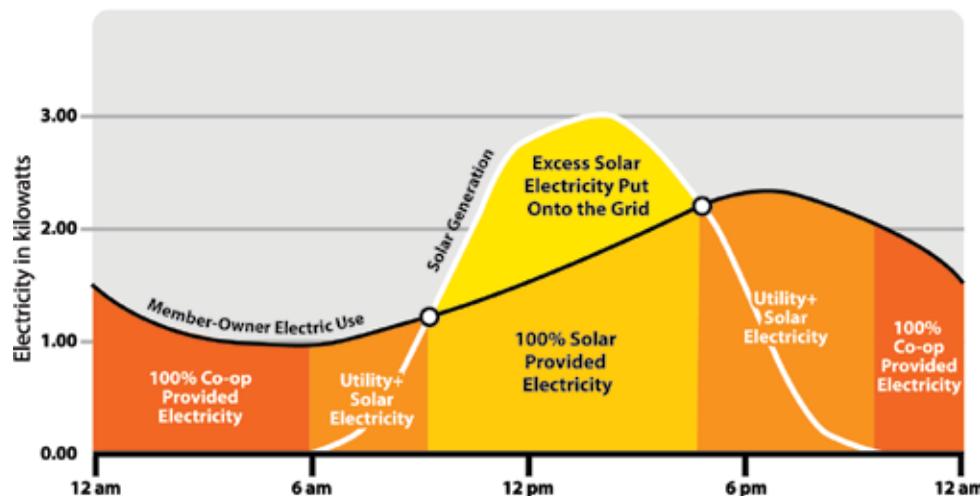
Future, continue from page 1

the solar array is not generating enough. In other hours of the day, the solar panels are generating more than the consumer is using and the grid is needed to export this excess. Grid costs – such as the poles and wires necessary to deliver excess power or to receive power are allocated to all member-owners through our rate design structure. To keep power affordable, we must make sure everyone pays their fair share of the costs to operate and maintain a safe and reliable grid.

Policy changes at the state and federal level, including environmental regulations, will also require us to assess if our rates are adequate to cover the costs of compliance.

Going forward, you’re likely to hear more about rate design options; it goes hand-in-hand with an evolving energy future. As we evaluate our rates, you benefit by being part of a cooperative, because we’re not answering to Wall Street investors who must profit from our rates. When and if a rate change is made, it’s made by locally elected directors who are your friends, colleagues, neighbors and fellow owners of your cooperative. It’s just one of the reasons why the cooperative business model continues to work so well today and will serve us well into the future.

Residential solar needs grid 23.99 hrs/day



Typical Iowa residential customer with 5 kW_{DC} onsite solar system (summer).

○ Solar Generation Matches Electric Use

Source: June 2015 filing in Iowa Utilities Board Case NOI-2014-0001

Why Do We Plan Outages

Have you ever wondered why Access Energy Cooperative would plan an outage? Occasionally, the equipment we use to bring power to your home needs to be replaced, repaired or updated. When this happens, as a way to keep our crews and you safe, we plan an interruption to electric service.

We do our best to plan these outages during times when you will be least inconvenienced. We also try to avoid peak times of the year when you depend on running your heating and cooling units the most.

While they may sound slightly inconvenient, planned outages are actually beneficial to you, our members. Regular system upgrades are necessary for optimal performance, and they increase reliability. Repairing and upgrading our equipment is also critical to maintaining public safety. If older lines need to be replaced, we plan for it, repair or replace it, and that keeps everyone safe.

Here at Access Energy Cooperative, we want to make sure we are doing everything we can to keep you safe and to keep our system running smoothly. So, the next time you hear about a planned outage, know that it is one of the best ways we can provide you with quality electric service.

Source: Meghaan Evans

What Causes Power Outages?

Power outages can happen at anytime. In spite of all the dollars spent on maintenance and improvements, we are still at the mercy of mother nature and man—which has been the cause of 78% of all outages since the beginning of the year. The following are the seven major causes of outages:

STORMS

Wind, heat, ice, and snow are the most common causes of widespread power outages.

LIGHTNING

When lightning strikes transmission towers, wires, and poles, outages occur.

ANIMALS

Outages can even happen on sunny days, as a raccoon, squirrel, bird, or other small animals are a common cause for power lines to short circuit.

TREES

During high winds, or tree trimming by an untrained professional, limbs can come into contact with power lines, causing power interruptions.

EXCAVATION DIGGING

Underground cables are commonly disturbed by digging. Practice safety when you dig and always call Iowa One Call first at 811.

HIGH POWER DEMAND

During heat waves and other times of unusually high power demand, overburdened electric cables, transformers, and other electrical equipment can melt and fail.

VEHICLES

Occasionally, vehicle accidents with a utility pole cause power outages.

If you experience a power outage or notice a problem with our power lines, call us at 1.866.242.4232, 24 hours a day, seven days a week.

Why Do We Replace Utility Poles?

You probably don’t pay much attention to the utility poles found throughout Access Energy Cooperative’s service territory, but these strong, sturdy utility poles ensure a reliable electric system, for you. This is why we routinely inspect the thousands of poles found on our lines. Throughout the year, our poles are checked for decay caused by exposure to the elements. Our experts know which poles are oldest and conduct inspections through a rotational process of every 10 years. Typically, a standard wooden distribution pole is expected to last more than 50 years.

Occasionally, poles need to be replaced immediately for reasons like weather disasters, power line relocation and vehicle accidents. Otherwise, when possible, we communicate when and where pole replacements will take place so you stay informed of where crews will be working.

A pole replacement starts by crews digging a hole, with a depth of at least 15 percent of the new pole’s height. Next, the new pole is fitted with bolts, cross arms, insulators, ground wires and arm braces. Then, crews safely detach the power lines from the old pole, raise the new pole and guide it carefully into position. Finally, the lines are attached.

So, the next time you come across one of our crews replacing a pole, use caution and know that this process ensures a safe, reliable electric system for you.

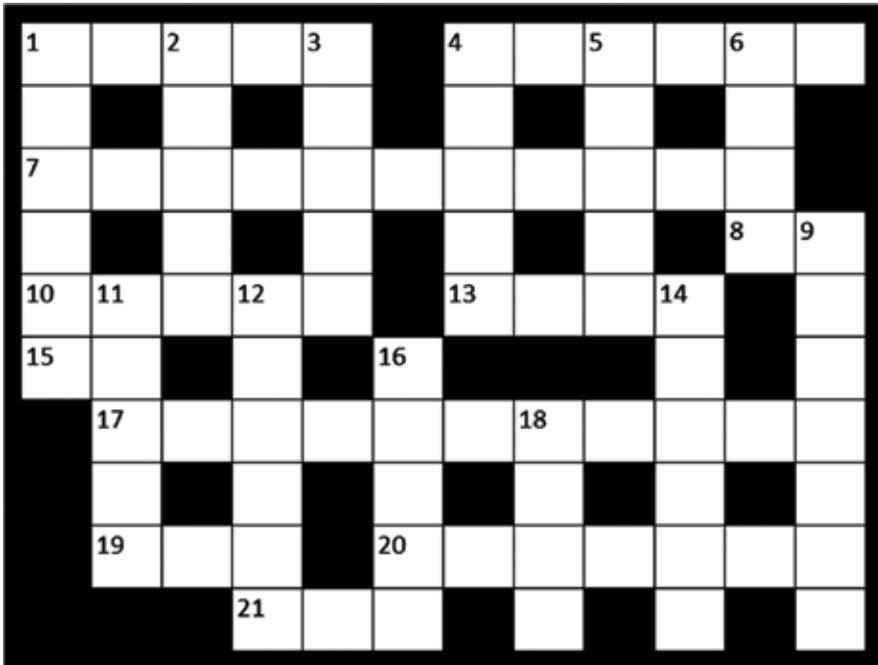
Source: Abby Berry

Win A \$25 Bill Credit

Access Energy Cooperative members can win a \$25 bill credit by completing the crossword. Send your answers in by November 27, 2015, to: Access Energy Cooperative, Attn: Crossword Puzzle, P.O. Box 440, Mount Pleasant, IA 52641. Most of the answers are bold and highlighted elsewhere in this issue of the Highline Headlines. If more than one person answers all of the questions correctly by the deadline, a drawing will be held to determine the winner.

Name _____

Address _____



Last month's crossword winner is Deanna Wellman of Wever.

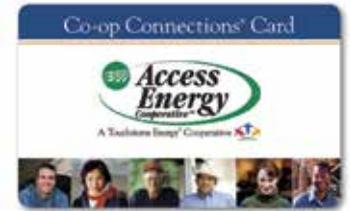
ACROSS

- 1 Access Energy Coop started providing this to rural areas almost 80 years ago
- 4 Access Energy Cooperative does not operate for this purpose
- 7 This can affect the affordability and reliability of energy
- 8 South Carolina
- 10 Because Access Energy Coop does this regarding breast cancer awareness
- 13 Trimming of this incorrectly can cause power outages
- 15 Year
- 17 Coops brought this to rural Iowa almost 80 years ago
- 19 If you see a power line doing this, call our office for safety
- 20 These commonly cause power outages
- 21 Another name for sweet potato

DOWN

- 1 These changes in legislation can affect your electric rates
- 2 The subject or terms of a bet
- 3 Opposite of falls
- 4 Providing power to members from this as a central station saved people money
- 5 Fruit of a tree, a small oval drupe, eaten as a relish and used as a source of oil
- 6 Atoms or molecules in which total number of electrons is not equal to total number of protons
- 9 Deep valleys with steep sides
- 11 Coops lit up these in rural Iowa 80 years ago
- 12 Talk to these experts at Access Energy Coop about heat pumps
- 14 Kimberly Brumbaugh is this for the newsletter
- 16 A key legislative issue affecting Iowa has been addressing policies on recovery from this
- 18 Measurement on a ruler

Members Saving on Prescriptions



In September, 20 members saved \$584 on their prescriptions a total of \$7815 in 2015.

To find out more on the discounts offered check out our website at www.accessenergycoop.com. It's easy to save—you just have to show your card to participating merchants.

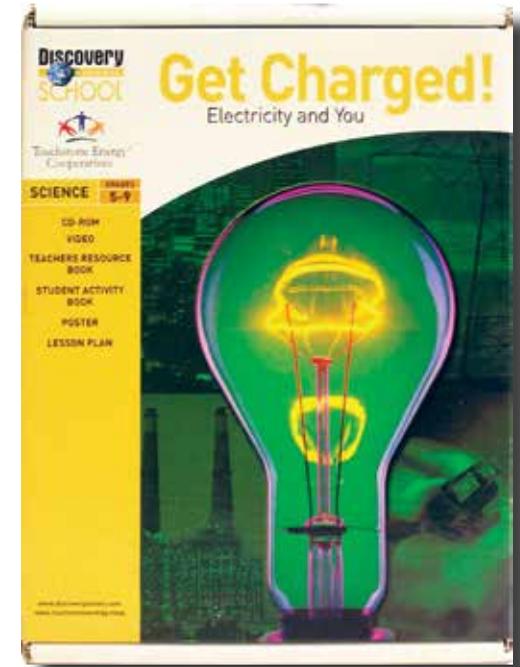
If you own a business and would like to offer a discount for the card, please contact Kim Brumbaugh at kbrumbaugh@accessenergycoop.com or call our office at 1.866.242.4232.

Kits Available for Homeschoolers

Get Charged!, the electricity curriculum kit developed by Discovery Channel School in partnership with Touchstone Energy Cooperative is available to any home schooled student in the Access Energy Cooperative service area. You can borrow a copy from our office to use in your studies, and return it when you are done.

Each kit contains a lesson plan, teacher's resource book, two VHS videos: Understanding Electricity and Our Story, interactive CDs, and a student workbook.

Two curriculum kits are available for use by home schools. To borrow a copy call 1-866-242-4232 or stop by our office.



Energy Efficiency

Tip of the Month

Reduce energy for water heating. Take simple steps like lowering your heater's temperature and installing low-flow shower heads to reduce your water heating bills. Source: energy.gov

2016 Photo Contest Begins

It's time for the 12th annual photo contest with selected entries to be used in the 2017 Access Energy calendar. We're looking for photos of rural settings in southeast Iowa including landscapes, animals, buildings or people in any season of the year. Fifty dollars will be awarded to each photographer whose entry is selected as one of the 12 featured photos. Submit all entries by March 31, 2016 to: Photo Contest, c/o Access Energy Cooperative, PO Box 440, Mt. Pleasant, IA 52641.

Visit our website for complete photo contest rules.

