



By Tim Stewart,
CEO/Manager

SUPPLY CHAIN, INFLATION AND POWER RESTORATION

focus of the article was supply chain issues and price increases associated with line materials and how that relates to power restoration. I would like to highlight how this has affected Clark Electric Cooperative and what it may mean going forward.

As I indicate, almost every segment of the electric industry has been dramatically affected by supply chain issues. We are seeing lead times extend and prices go up. What used to take weeks now may take 18-24 months. New transformers are very difficult to get, most being a year out. We are being asked by our vendors to place orders for certain cable needs for 2024 to ensure availability. We have seen 100% increase in transformer costs, over 30% increase in cable/wire costs, 57% increase in pole costs, and 90% increase in conduit costs. What this all means is the cooperative has increased the inventory levels we carry and we are paying more for it. We have more money tied up in inventory, which puts a larger burden on cash, and ultimately financials. In addition to these material cost increases, we are also experiencing increases for major maintenance programs such as vegetation management, as this year we will see an increases of over 20% for tree clearing alone.

When we look at economic indicators, we see inflation continues to be of concern to many of us as 2022 has seen the year over year Consumer Price Index (CPI) reach a 40-year high and in March 2022 it was 8.5%. In addition, we expect the Federal Reserve will continue its tightening policy by continuing to raise interest rates to combat inflation, which will push borrowing costs higher. **Clark Electric Cooperative has not had a rate increase to our base rates since March of 2017 (we are in our sixth year of stable rates).** Unfortunately, the cooperative is not immune from these inflationary pressures. We will continue to do what we can to mitigate costs where we can to help keep rates as low as possible.

Rural Electric Supply Cooperative (RESCO)

Helping to fight against these supply chain issues is one of our cooperative partners, RESCO. RESCO is a member-owned, not-for-profit electrical wholesaling business that operates in 10 states. Clark Electric Cooperative is a member of RESCO. They utilize their purchasing power to help members with the procurement of distribution and transmission electrical material supply at reasonable costs. RESCO is one of the largest full-line distributors in the Midwest, supplying power cable, transformers, utility pole

hardware, and all other material utilities need. RESCO has seven warehouses exceeding 125,000 square feet of storage.

It's interesting to note that RESCO was first incorporated in 1936 in Wisconsin as Wisconsin Electric Cooperative and became Rural Electric Supply Cooperative in 1972. RESCO has proven to be an invaluable asset over the years.

Grid Resiliency and Power Restoration

As we are approaching summer storm season, I would like to focus on power restoration and grid resiliency. Resiliency of the grid is one of the most popular concepts being talked about in the electric industry today. Resiliency is many things—it's reliability in your electric service, it's our ability to efficiently restore your power, it's being able to meet the demands of new technology, and it's how we serve you with various generation sources without skipping a beat. Ultimately, resilience is how we deliver on our promise to improve the quality of life for our member-owners.

In the dictionary, resilience is defined as “the ability to bounce back, recover quickly and go back into shape or position after being stretched.” When it comes to providing our member-owners with resilient service, this is what we work toward—day in and day out!

Having a resilient electric grid begins with a system that is designed and built to withstand high winds, powerful storms, cybersecurity threats, and other disruptions that could result in outages. A resilient grid is also flexible and adaptable by allowing different types of generation—such as wind, solar, coal, and hydro—to seamlessly work together to provide you with safe and reliable power. The way our systems react to advancements in technology—from demand response investments to serving the needs of electric vehicles—all factor into the resilience of our grid.

Resiliency is a 24/7, 365-days-a-year task. Whether it's the power lines, substations, or generation facilities on our grid, it takes proactive maintenance and investment to keep them running smoothly. Consider Texas: Lack of weatherization preparedness contributed to the events of February 2021. Similar to how we maintain our vehicles with regular oil changes, inspections, and tire rotations, a grid must also be properly maintained. Throughout the year, we regularly conduct pole and line inspections and perform a host of maintenance programs like breaker maintenance and

vegetation management. Our goal is to find a problem before it becomes one. For example, if we find a weak pole that has damage, we replace that pole. Doing so ensures that pole is as strong—or as resilient—as it can be.

Living in Wisconsin, we know that significant power outages can occur, especially as we enter spring and summer storm season. We know things can and do occur; however, we have confidence in the resiliency of our system to recover from the situation with as little disruption as possible.

Outage Restoration Priority

I would like to review how power is restored after a widespread storm. This can also be found on our website at www.cecoop.com. Damage can occur to transmission lines, substations, distribution lines, and your secondary service lines despite our best efforts. When this happens, our priority is to safely restore power to as many members as possible in the shortest amount of time. Transmission lines are handled first. These lines transmit power to distribution substations. If the substation can come back on, power can be restored to thousands at one time.

Next, crews inspect substations to determine if the problem starts there, or if there could be an issue down the line. If the source of the problem is at the substation, power can be restored to

hundreds of members.

Next, crews check the distribution feeder lines that deliver power to homes and businesses. There are three-phase lines that deliver power to various line sections. Once these are repaired, power is then restored to even more people. If you continue to experience an outage, there may be damage to a line section or tap line. This is a line that comes off the three-phase feeder line that energizes your transformer.

If you still don't have power, the service line between a transformer and your home or business may need to be repaired. Always call to report a power outage, which helps our line crews isolate these individuals.



Please remember, that in general terms the lines that will get the most services energized will be repaired first.

Outage Text Messaging & Notifications

Clark Electric Cooperative is pleased to offer an outage text messaging/notification program. The goal is to help keep you informed via



text messaging to your mobile device regarding an outage status and other information. It is FREE and easy to do. Signing up for text messaging takes just six easy steps:

1. On our website, under Outage and then Report an Outage, you will see a link that says outage text messaging and notifications—sign up here. Click that link.
2. This will take you to the sign-up page. You can watch a tutorial on how to sign up (**strongly recommended**) or you can start the process by clicking Introducing Outage Notifications.
3. End user terms and conditions of use comes up. Click Accept to continue.
4. The site will then ask you for your account and mobile phone number. Input those. **IMPORTANT:** Your phone number must be on file in order to sign up. If your phone number is not on file you will NOT be able to continue. You can email, call, or send us that information.
5. A verification code will be sent to your phone. Input that code.
6. Once inside the portal will bring up account summary. Click the blue pencil beside your account and follow instructions.

Once you're signed up for the service, just text Outage to 55050 to report your outage. Once your outage is restored, you will receive a text.

If you have any questions please contact our office at 715-267-6188.



DON'T FORGET:

Clark Electric Cooperative 85th Annual Meeting

June 15, 2022

Loyal Legion Hall

Registration at 8:30 • Meeting starts at 9:30 a.m.

Join us for a short business meeting and stay for door prizes and a chicken meal following the meeting.



CLARK ELECTRIC AWARDS \$24,000 IN SCHOLARSHIPS

Congratulations to these 12 area students who have each been awarded a \$2,000 scholarship through Clark Electric Cooperative's Federated Youth Scholarship Program. Each year we offer scholarships to high school students whose homes are served by Clark Electric and who attend schools within our service area. These scholarships are financed through the Federated Youth Foundation Scholarship Program, which is funded from unclaimed capital credits. Federated Youth Foundation is a non-profit charitable foundation serving cooperatives in Wisconsin. Concern for Community is one of the co-op principles; helping our youth further their education is one way we demonstrate that principle. Clark Electric is proud to help these fine young people meet their educational goals.

Not pictured:

Mercedes Rae Sarkkinen, Colby High School, NTC, Welding
Emily Sternitzky, Marshfield High School, Bethel University, Human Resources



Bridgett Pogodzinski
Abbotsford High School
Ripon College
Psychology & Criminal Justice



Megan Walter
Granton High School
UW-Stout
Psychology



Mesa Rasmussen
Greenwood High School
UW-Madison
Wildlife Ecology



Miranda Mae Trade
Loyal High School
Coe College – Iowa
Nursing



Micah Kayhart
Loyal High School
Northeast Iowa Community
College
John Deere Tech Program



Caitlin Chapin
Neillville High School
Milwaukee Institute of
Art & Design
Fine Art/Animation &
Film Production



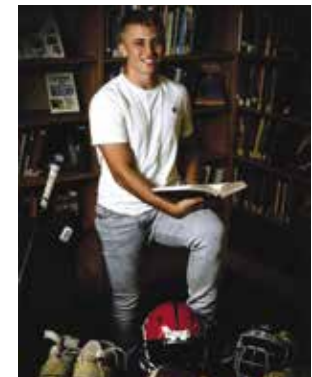
Katie Erickson
Owen-Withee High School
UW-Stevens Point
Social Worker/Substance
Abuse Coordinator



Karly Kibbel
Spencer High School
Chippewa Valley
Technical College
Nursing



Zachary Tieman
Thorp High School
Chippewa Valley
Technical College
HVAC



Cole Timmler
Columbus Catholic
High School
St. Norbert College
Political Science

CONSTRUCTION SEASON IS HERE:

Make room for roadside crews

When the power goes out, so do Clark Electric Cooperative's line crews. Line workers are the first to respond after an outage occurs, and they work tirelessly to restore power to the communities we serve.

If you're traveling and see one of our crews on the side of the road, we kindly ask that you move over if possible and give them a little extra space to work. We deeply care about



the safety of all, and this extra precaution ensures just that.

Utility crews aren't the only ones who could use the extra space. Emergency responders, such as police officers, firefighters, and emergency medical technicians, often find themselves near busy roadways.

To help safeguard law enforcement officers, emergency responders, road maintenance workers, and others who work on the side of highways, Wisconsin has a "Move Over Law."

The law requires drivers to shift lanes or slow down in order to provide a "safety zone" for a squad car, ambulance, fire truck, tow truck, utility vehicle, or highway maintenance vehicle that is stopped on the side of a road with its warning lights flashing.

Drivers have two options for creating a safety zone:

- If the road has more than one directional lane, like the Interstate, and you can switch lanes safely, you must move over to vacate the lane closest to the law enforcement or other vehicle with its lights flashing.
- If the road has a single directional lane or you can't safely move over, you must reduce your speed.

Failure of motorists to move over is one of the reasons that motor vehicle crashes kill more law enforcement officers on duty than any other cause.

There's plenty of room for all. Let's work together to keep everyone safe on our local roadways.

SUMMER SHIFT: SMALL STEPS FOR SAVINGS

When members save energy, they tend to save money. However, there is always something in our homes using electricity — whether to cool the home, turn on the lights, or run appliances. While using electricity is inevitable, HOW members choose to use it can be impactful.

The goal of the Summer Shift program is to shift non-essential electricity use to before 11 a.m. or after 7 p.m., June through August. These are times when electricity use is not at its peak and, therefore, not as expensive.

The price of electricity purchased on the grid is always changing, based on the need for electricity balanced with available generation resources. As need—or demand—rises during the day, the price of electricity increases as more generation resources (power plants, solar arrays, etc.) are needed. When temperatures cool and things quiet down for the night, electricity demand drops as do prices for electricity.

Clark Electric's wholesale power supplier, Dairyland Power Cooperative, must ensure it has enough generation resources to cover all the electricity needs of its 24 member cooperatives, plus an additional reserve in case demand spikes above expectations. If members shift their electricity use to different times of the day, the overall "peak" is reduced. The less electricity members use when prices are at their highest, the more stable Clark Electric can keep its retail rates.




- Set the hot water heater to 120 degrees.
- Wash dishes in an ENERGY STAR dishwasher instead of by hand. This can save a home \$111 per year.
- Open the dishwasher after the wash cycle to let dishes air dry.

Tim Stewart, CEO/Manager

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**Clark Electric
Cooperative**

Your Touchstone Energy® Partner 

Office Hours: 7:30 a.m. – 4:00 p.m.