



DUNN ENERGY COOPERATIVE ANNUAL MEETING

By James Hathaway, General Manager

The Annual Meeting of the Dunn Energy Cooperative will take place on Saturday, March 16, 2019. Once again this year we will be holding

the meeting at the Off Broadway Banquet facility in North Menomonie. Registration begins at 11:30 a.m. and the business meeting will start at 1 p.m. We are trying something different with lunch this year. Lunch will be served buffet style, and members will be able to eat after they register for the meeting.

Elections will be held for the board seats in districts 2, 3, and 5. Information on the members running for the director positions will be included in the annual meeting information that will be mailed out soon. Mail-in ballots will also be sent so members can vote for the candidates of their choice. Attending the co-op's annual meeting gives members a chance to meet the employees and directors of

Dunn Energy Cooperative and learn more about the co-op. (11098001)

Information on past performance and what the future holds for your electric cooperative and the electric utility industry will be presented. Put simply, the annual meeting is your chance to learn more about your cooperative and to help choose its leaders. Put simply, the annual meeting is your chance to learn more about your COOPERATIVE and to help Choose its leaders.

You provide direction for your cooperative by electing members to represent you.

I hope that cooperative members will take part in the voting for the board positions up for election this year. One of the biggest benefits of cooperative membership is the opportunity to select those members who will represent your interests on the board of directors. Hope to see you at the meeting!

Electric Rates

At the December board meeting, the co-op's board of directors approved the co-op's 2019 budget. No action was taken on electric rates for 2019. Revenues based on current electric rates were about \$250,000 below what is needed to meet financial targets for 2019. But that is only about 1 percent of total revenues for the year.

The co-op's 2019 budget calls for a decrease in electric sales from 2018. Last year, for a variety of reasons sales were well above budget. The increase in sales meant that no rate change was needed in 2018. Weather, specifically temperatures, plays a big role in electric sales. Cold temps in the winter and hot temps in the summer drive up demand for electricity.

It is impossible to predict what the temperatures and demand for electricity will be in 2019. We do our best to project sales, and we also know that members are switching to LED light bulbs and more efficient appliances. That should mean lower electric sales and lower revenues. So we have projected a decrease in sales.

We do know that wholesale power costs will be increasing about 1.0 percent in 2019. Wholesale power costs represent about 70 percent of our total costs. Other costs will also be going up in 2019. Based on our analysis we have a shortfall in revenues. But as I said, weather plays a big role in electric sales.

Knowing that, we have decided to take a "wait and see" approach to revenues and electric rates for 2019. The cost-of-service study our engineering consultants performed last year indicated that our fixed monthly charge is lower than it should be. The fixed monthly charge is currently at \$32 a month. If any increase is needed, it will likely be added to the fixed monthly charge.

Dunn Energy Cooperative has worked hard over the years to control energy costs for members, and we will continue to do so as we continue to strive to provide high quality reliable electric service for our members.



HEAT PUMPS: HOW THEY WORK

Given all the attention being paid to wind and solar energy these days (even by us at Dunn Energy—see the facing page), you might be surprised to learn that one of the most promising solutions to high energy costs isn't up in the sky but buried deep under your lawn. Superefficient geothermal heat pumps provide clean, quiet heating and cooling while cutting utility bills by up to 70 percent. (9178001)

A heat pump, as part of a central heating and cooling system, uses the outside ground (ground source) or air (air source) to both heat a home in winter and cool it in summer.

In a ground source heat pump, it's taking the year-round temperature of 54 degrees and either heating or cooling it from that point to condition the air in your home. Think of a heat pump as a heat transporter constantly moving warm air from one place to another, to where it's needed or not needed, depending on the season. High-efficiency heat pumps also dehumidify better than standard central air conditioners, resulting in less energy usage and more cooling comfort in summer months.

If you think about it, there's a lot less heating and cooling of air at 54-degrees to get to a comfortable temperature in your home, than say getting from 0 degrees in the winter or 90 degreen in the summer to a comfortable temperature. According to *This Old House*, geothermal systems are twice as efficient as the top-rated air conditioners and almost 50 percent more efficient than the best gas furnaces all year round.

For homes without ducts, air-source heat pumps are also available in a ductless version called a mini-split heat pump. In addition, a special type of air-source heat pump called a "reverse cycle chiller" generates hot and cold water rather than air, allowing it to be used with radiant floor heating systems in heating mode.

No matter your situation, there's a heat pump that can fill your heating and cooling needs.

Types of Heat Pumps

There are three main types of heat pump systems. Use the information below to determine the system that's best suited for your climate and home.

Air-Source Heat Pumps

- · Most commonly used heat pumps
- Moves heat rather than converting it from a fuel like combustion heating systems do
- · Can reduce heating costs by about 50 percent when compared to baseboard heaters or electric furnaces
- Newer, more ecient systems now represent a legitimate space heating alternative in colder regions like the Northeast and Midwest.

Note: If temperatures in your area drop below 10 to 25 F, you will need an auxiliary heating system (depending on the size of the system).





Geothermal Heat Pumps

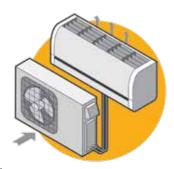
- More expensive to install but provide more energy savings for heating and cooling
- · Move heat through pipes buried underground
- · When compared to a conventional heating system, can reduce energy use by 25 to 50 percent
- · Effective in extreme climates
- · Not ideal for smaller lots and certain soil conditions

Ductless Mini-Split Heat Pumps

- Easier to install, quiet, small in size
- · Flexible for heating and cooling individual rooms and smaller spaces
- No energy loss through ductwork, which accounts for more than 30 percent of a home's energy use for space heating/cooling.
- Installation can be pricey, but federal incentives may be available

Heat pump systems should be installed by a licensed professional. Contact your local electric cooperative for more information about options and potential incentives.

Sources: Dept. of Energy and Consumer Reports







oday's consumers want and expect options, including the type of energy powering their homes. Many homeowners are looking for a less expensive form of energy with ongoing savings. Some are looking for a green energy source. These two motives are why many homeowners are exploring rooftop solar panels.

The interest in alternative energy sources is also being fueled by decreasing costs for rooftop solar, the availability of financial incentives, and the proliferation of companies offering solar panel installation.

However, as attractive and popular as rooftop solar may appear, it is important for consumers to fully understand its true costs, the operational reality of this form of energy, and actual energy savings. To determine whether rooftop solar is right for their particular situation, homeowners must undertake their due diligence.

We're here to help.

As your trusted energy advisor, Dunn Energy can offer a candid assessment of your specific situation. After all, we have a different "bottom line" that is not directly tied to the sale of a product or service. We constantly strive to find new ways to help you use energy more efficiently.

Dunn Energy is seeking to keep pace with the changing energy environment and evolving technology. We are exploring more options that will help you manage your energy use such as promoting incentives through our Energy Sense program and offering instant access to your usage through SmartHub. We take a more holistic, objective view of how to achieve energy savings.

Is rooftop solar right for you?

To help determine whether rooftop solar is right for you, Dunn Energy's energy advisors will tell you to look at the:

- overall energy efficiency of your home/building
- age and pitch of the roof
- orientation of the sun in relation to the home/building

- tree coverage near the home/building
- weather patterns for the region

Unlike a solar company that has one objective—to sell their products and services—we will look at the total energy picture and help you determine the best options for your home. While rooftop solar certainly works for many people, it's not the answer for all.

When helping co-op members determine whether rooftop solar is right for them, a co-op energy advisor will also discuss the many financial considerations:

- Is there a large, up-front payment required or are fees spread out over time?
- Will the homeowner own the panels or will they be leased?
- Are there any hidden costs, i.e., does the roof need to be replaced before installing the panels?
- Are there ongoing maintenance fees?
- Are there rebates or other financial incentives available?
- Is the estimated energy savings worth the investment?
- Is it more cost effective to invest in other energy-saving measures?

Most importantly, an energy advisor will provide perspective on the total energy puzzle. Taking into account current energy consumption, the home "envelope," age and efficiency of the HVAC system and home site, an energy advisor can help co-op members determine whether rooftop solar is the best choice given the homeowners' objectives.

When assessing solar options, it is an excellent time to examine other potential energy efficiency improvements for your home. For example, it may make sense to insulate the attic at the same time as installing solar.

Dunn Energy Cooperative recognizes that consumer interest in green energy sources and renewables is at an all-time high, and we stand ready to help our members determine their best options.





DEADLINE FOR APPLICATIONS NEAR

The next deadline for Operation Round Up grant applications is Sunday, March 31, 2019.

Operation Round Up® uses the power of cooperation to provide much-needed grant dollars for community projects, 501©3 organizations, and non-



profit groups within the Dunn Energy Cooperative service territory.

If you, or a group you are a part of, are interested in applying for an Operation Round Up grant, you can find the application and our Giving Guidelines on our website at www.dunnenergy.com or by emailing Jolene for an application at jolene@dunnenergy.com. Grant applications are due March 31, June 30, September 30, and December 31 and reviewed shortly thereafter.

Thank you for your interest. Let's show the community the Power of Change!

\$\$ FOR HIDDEN ACCOUNT NUMBERS

If your account number is one of the two hidden account numbers in this issue, it will mean \$50 credit on your account if you call the office before the end of the month. Two customer account numbers have been randomly selected and are hidden in the Dunn Energy Cooperative section of this *Wisconsin Energy Cooperative News*. Last month's winners were Todd and Denise McMahon and Edward and Theresa McGeorge

NOTICE OF NOMINATIONS

The committee on nominations, met at the office of the Cooperative at N5725 600th Street, Menomonie, Wisconsin, on the 21st day of January 2019, and made the following nominations for directors to be voted on at the Annual Meeting on March 16:

Nominees for director to succeed Brian Johnson:

Brian Johnson N12038 890th St. Colfax, WI 54730

Douglas Owens-Pike N11248 730th St. Wheeler, WI 54772

Nominees for director to succeed Louis Husby: Jeffrey Gasteyer

E2021 210th Ave. Elmwood, WI 54740

Louis Husby E2793 County Road P Menomonie, WI 54751

Nominees for director to succeed Ed Hartung: Ed Hartung

N3780 County Road K Menomonie, WI 54751

Lisa Pelnar E3114 US Highway 12 Menomonie, WI 54751

For more information on the annual meeting, check the notice that was sent with your electric bill on February 1, 2019, or visit our website at www.dunnenergy.com.

James Hathaway, Manager

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Jolene Neisius, Editor



