

FACTORS THAT IMPACT ELECTRICITY PRICES

Eau Claire Energy Cooperative

Your Touchstone Energy® Cooperative



Inflation has affected many aspects of our lives, from gasoline to groceries, and the cost of fuels required to produce electricity is no exception. Understanding the factors that impact electricity prices and your energy bills is crucial, especially in times of rising costs.

As a distribution cooperative, Eau Claire Energy Cooperative (ECEC) purchases its power from Dairyland Power Cooperative. This wholesale power accounts for 60% of the cooperative's total costs, encompassing usage, fixed costs, and demand charges. Demand refers to the amount of electricity consumed by members at any given moment. It indicates the rate at which energy is being used and is crucial for ensuring the cooperative can supply sufficient power to meet members' needs. Unlike kWh consumption, which measures total energy usage over time, demand focuses on the instantaneous or peak usage levels.

Your monthly electric bill comprises three primary parts: the service charge, the energy consumption charge per kilowatthour (kWh), and the Power Cost Adjustment (PCA). Each of these components plays a role in determining your total energy bill.

1

Fixed Monthly Service Charge

The fixed monthly service charge covers the costs associated with providing electricity to your home. This includes equipment, materials, labor, and operating costs necessary to serve each meter in Eau Claire Energy Cooperative's service territory, regardless of the amount of energy used. Ensuring reliable service requires maintaining the local system, including power lines, substations, and other essential equipment. Like many other businesses, we've experienced supply-chain issues and steep cost increases for some of our basic equipment. For example, the cost for a distribution transformer, a vital component on power poles, has increased significantly in the last several years. Additionally, wait times for receiving this equipment have risen. As a not-for-profit cooperative, some of these expenses are passed on to our members. It's important to note that the service charge is the same for everyone, sharing the costs equally across the membership.

2

kWh Charge

The kWh charge on your bill reflects your energy consumption. The amount of energy you use can vary monthly and can be affected by extreme temperatures. When temperatures soar or plummet, your heating and cooling systems work harder, increasing your energy use. However, energy consumption is an area where you have some control. Adjusting your thermostat to reduce the frequency of air conditioning use is one effective way to cut down on energy consumption.

3

Power Cost Adjustment (PCA)

The PCA is a mechanism to account for the varying cost of fuel used to generate electricity and is consistent across all Eau Claire Energy Cooperative members. Increases in PCA charges are due to higher fuel prices, meaning the wholesale power that ECEC purchases from Dairyland more expensive. The PCA helps manage fuel cost fluctuations without constantly restructuring electricity rates.

While we cannot control the weather or the rising costs of fuels, Eau Claire Energy Cooperative is committed to keeping costs down for our members. We strive to provide reliable service and support our members in managing their energy use. Members can play a significant role in keeping rates stable by lowering their individual demand. Simple actions like spreading out your energy usage can make a big difference in overall costs. If you have questions about your energy bill or need advice on how to save energy at home, please contact us. We're here to help.

ECEC AT A GLANCE



17,497POLES IN SERVICE



DIRECTOR-ELECTED DISTRICTS MEMBERS
PER MILE
OF LINE

FIRST ENERGIZED FRIDAY, MARCH 3, 1939

THIRTY-SIX
DEDICATED EMPLOYEES



1,758 TOTAL MILES OF LINE

775 MILES OF OVERHEAD LINE

983 MILES OF UNDERGROUND LINE



SEVENTEEN TOTAL SUBSTATIONS

CAPITAL CREDITS
RETURNED TO
MEMBERS IN 2023

\$911,637



DOLLARS GIVEN BACK IN REBATES TO MEMBERS IN 2023

\$424,349





CONTROLLED WATER HEATERS

4,194

TOTAL KWH SOLD IN 2023 **207,162,318**

TOTAL KWH PURCHASED IN 2023 **215,079,837**

QUESTIONS TO CONSIDER BEFORE INSTALLING ROOFTOP SOLAR

"Free energy from the sun and lower electric bills... Where do I sign up?"

he benefits of installing rooftop solar panels may seem like a no-brainer, but the reality is, not every home (and homeowner's situation) is always right for solar.

There are several factors to consider before pulling the trigger on a rooftop solar system, like determining if your home will receive enough sun to achieve your goals, finding the right contractor, negotiating contracts, and other important details. Investing in solar for your home is a major decision. If you're considering rooftop solar, Eau Claire Energy Cooperative can help. A call to your electric cooperative should be the first step.

Here are some questions to consider before installing rooftop solar panels:

- 1. How will I work with Eau Claire Energy Cooperative? If you decide to install solar, the system must be connected to the electric grid, so you'll need to sign an interconnection agreement. We can walk you through the steps, including how our solar rates and fees work. Visit https://www.ecec.com/energy-efficiency/renewable-energy/distributed_energy_resources for a general overview of how you can work with us on connecting your new rooftop solar system.
- 2. What are my goals? If your primary goal is to save money on electric bills, you may be able to achieve this through an energy audit program, which can identify areas of the home for maximum energy savings. If your main goal is to use renewable energy and help the environment, consider signing up for our community solar program. You can help power renewable energy without having to invest and maintain a home system.
- 3. Is my roof suitable for solar? If your roof is old and in poor shape, it may need to be replaced before solar panels can be mounted. Additionally, your roof should receive a lot of sun to make the most of a rooftop system. Consider how much sun, and shade, the roof receives and if any trees will need to be removed. Solar panels perform best when facing south, so keep this in mind as you think about where the panels will be mounted.
- 4. How long will I own the home? If you're considering rooftop solar, you're likely planning to stay in the home for several years. But if you plan to sell the home at some point down the road, consider that not all potential buyers will want to maintain a rooftop solar system. If you enter a contract to lease the system, carefully review the terms and what those mean if you decide to sell the property.



- 5. Lease or purchase? Purchasing a rooftop solar system outright is expensive, which is why many homeowners opt to lease their solar panels. However, federal tax credits can help cover some of the costs for a new system, up to 30%. Regardless of how you decide to finance the solar system, make sure you get several quotes from qualified contractors. Scan the QR code at right to visit our Trusted Energy Allies webpage. There, members can find vendors that have worked with Eau Claire Energy Cooperative on projects in our area and have an understanding of the policies and procedures needed to work effectively with the cooperative.
- 6. Can the contractor provide up-to-date documentation? It may seem obvious but be sure to request proof and documentation of the contractor's licensing, permitting and other credentials. Comb through company reviews, check the contractor's status with Better Business Bureau, etc.—do your homework before signing a contract.
- 7. Does the contract seem reasonable and fair? If you decide to hire a contractor to install rooftop solar, carefully read the fine print of the contract. Do the system performance calculations seem realistic? Does the project timeframe sound reasonable? Negotiate the contract terms to fit your goals and needs.
- 8. Who will maintain the solar panels? Determining who is responsible for maintaining the solar panels will depend on who owns the system. If you lease the system from a solar installer, it may be their responsibility. Periodically, solar panels need to be cleaned as dirt and debris can impact panel productivity. Parts may also need to be replaced, so it's important to know who will take on these responsibilities.

For many homeowners, solar panels are a great way to help the environment and save on electric bills—but there are many factors to consider before diving in and installing a system. As your trusted energy advisor, we can serve as a helpful resource throughout the process.



CALLING ALL HIGH SCHOOL STUDENTS!

Are you looking for an exciting opportunity to explore the cooperative difference, learn from area leaders, and experience how Eau Claire Energy Cooperative demonstrates our commitment to community? Youth Ambassadors (YA) at Eau Claire Energy Cooperative have a ton of fun. They do so while making connections in the community and adding extracurriculars to their college applications. Throughout the school year, Youth Ambassadors will meet once per month for educational learning sessions, field trips, and community service projects, followed by lunch. If this sounds like fun to you, apply today!

The cooperative will sponsor YAs to attend Youth Leadership Congress at UW-River Falls, and two students will have an opportunity to go on an all-expense-paid trip to Washington, D.C., for the Youth Tour hosted by the National Rural Electric Cooperative Association.



Apply now at www.ecec.com under the "Community" tab or by following the QR code. Current Youth Ambassadors are encouraged to invite friends and classmates to join.

2024-2025 Meeting Dates

WISE

NATURE

September 18, 2024 October 16, 2024 November 20, 2024 December 18, 2024 January 15, 2025 February 19, 2025 March 19, 2025 April 16, 2025 May 21, 2025

Eau Claire Energy Cooperative

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Monica Obrycki, President and CEO

Taylor Skibba, Marketing and Communications Coordinator

ECEC will be closed September 2 for Labor Day

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www.ecec.com 🜃 📵 🛅

Lobby Hours: 7:30 a.m.–4:30 p.m. Monday–Thursday; 7:30 a.m.–11:30 a.m. Friday

Non-emergencies: 715-832-1603

Emergencies & outages: Toll FREE 800-927-5090

24 hours a day, 7 days a week

Diggers Hotline: 811 or 1-800-242-8511 Call 3 working days before you dig.