

# Plan to Attend Your Annual Meeting on April 12

Clark Electric Cooperative's annual meeting is scheduled for April 12, 2012, starting at 9:30 a.m. at the Loyal American Legion. This year we will celebrate a significant milestone as this is our 75<sup>th</sup> annual meeting.

The annual meeting is an important event for the cooperative. Members will hear reports about the cooperative and the electric industry, review financials, and elect their representatives to serve on the Board of Directors.

The members will be asked to elect three directors, for three-year terms. Director terms expiring this year are Charles Bena from the Town of Mead area, Anthony Jarocki from the Town of Hixon area, and Howard

Schultz from the Town of Weston area. Director Bena is eligible for re-election. Director Jarocki has reached his term limit and is NOT eligible for re-election, and Howard Schultz is NOT eligible for re-election due to relocation. Nominations are taken from the floor of the meeting. The cooperative's bylaws establish the minimum qualifications for being a director. A copy of the bylaws is available on the cooperative's web site at [www.cecoop.com](http://www.cecoop.com) or by contacting the business office at 715-267-6188. If you have any additional questions about becoming a director, please contact our CEO/General Manager Tim Stewart at the business office.

Directors are expected to attend monthly board meetings; represent the cooperative in state, regional, and national affairs; and take advantage of NRECA educational opportunities such as classes, seminars, and workshops. Directors need to read, study, and analyze a lot of information throughout the month to keep informed on the electric industry as a whole. Directors will spend approximately 20 to 35 days a year in performance of their duties.

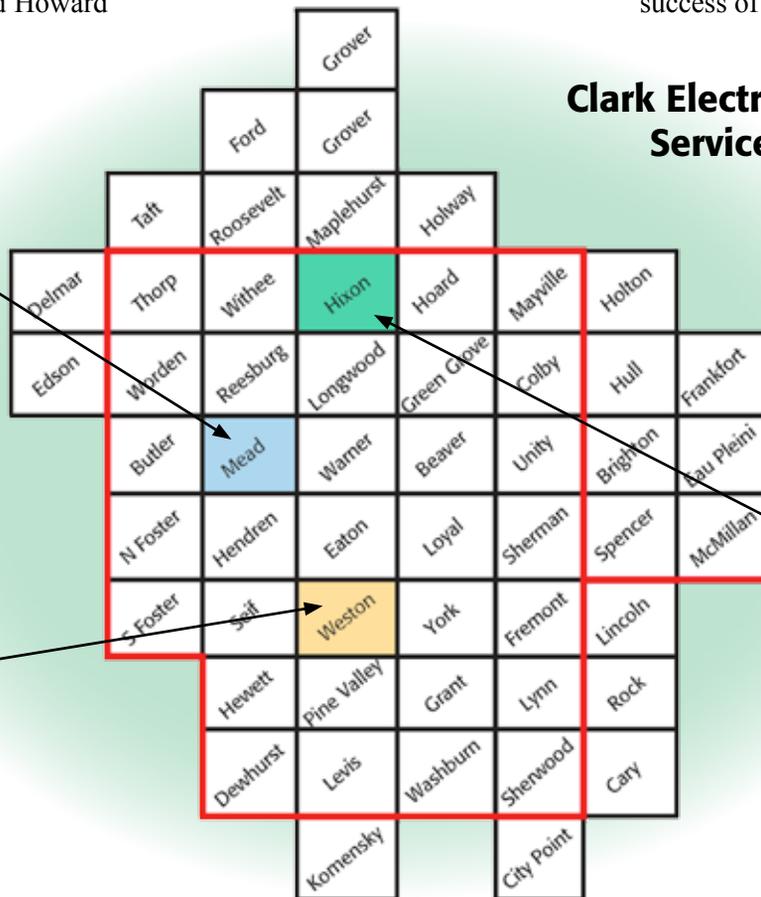
Plan to attend the annual meeting, enjoy a nice meal, register for door prizes, and help conduct the business of your electric utility. Member involvement is critically important to the success of your cooperative. ■



*Charles Bena  
(eligible for re-election)*



*Howard Schultz  
(not eligible for re-election due to relocation)*



### Clark Electric Cooperative Service Territory

Directors whose terms are expiring this year and the town in which they reside are shown here.



*Anthony Jarocki  
(not eligible for re-election due to term limits)*

## Youth Leadership Congress Set For July 11-13

Electric cooperatives from across Wisconsin will sponsor local high school students at the 49<sup>th</sup> Youth Leadership Congress (YLC) July 11-13 on the campus of UW-River Falls. This popular event, sponsored annually by UW-River Falls and Wisconsin electric cooperatives, is designed to develop the next generation of community and cooperative leaders.

The YLC will feature leadership seminars led by dynamic professional speakers, interactive team-building activities, cooperative education, and entertaining events such as a dance and a banquet, all designed to develop and enhance each student's leadership potential.

The YLC is a fun and educational event, designed by students who were

elected by their peers at the previous year's conference to serve on the six-member state Youth Board.

As part of its commitment to youth, Clark Electric Cooperative has sponsored students to

this event since its inception. There is no cost to the student for attending. Registration and travel expenses are covered by the cooperative.

Students who are sophomores or juniors in high school this year and are interested in serving as a sponsored representative for Clark Electric Cooperative should contact their FFA or FBLA advisor. ■



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### *Easter Holiday Hours*

Clark Electric Cooperative and Clark Electric Appliance & Satellite will be closed Friday, April 6, in observance of Good Friday. We wish all of our members a safe and happy Easter.



# MOMENTS IN TIME

## A History of Clark Electric Cooperative

In the 12 short years since the first REA pole was set in Clark County, the Clark Electric Cooperative had made tremendous growth as a business institution. At the end of June 1949, 4,450 connected members were receiving electric service on 1,322 miles of distribution lines. Another 65 miles of line were under construction. The cooperative had members in the five counties of Clark, Taylor, Marathon, Wood, and Chippewa. The rural electrification leadership and members had overcome tremendous obstacles to get to this point. The following are some of the more contentious obstacles the cooperatives endured.

### Spite Lines and Wild Rumors

One such obstacle involved Willard Electric Cooperative (incorporated March 27, 1936, and later consolidated with Clark Electric Cooperative on June 26, 1937). Willard Electric Cooperative held its first annual meeting in Willard on June 13, 1936. It proved to be a meeting that tested the mettle of the farmers of the community. Northern States Power Company had moved into the area and had proposed to cut three miles of heavily saturated membership out of the very core of the cooperative's organizational structure. Discussion was heated, but opposition rallied against the private utility's invasion. There were some who ridiculed the idea that a cooperative could do a job that private utility companies never cared to do



before REA. A vote was taken on whether to turn the job over to Northern States Power or to stick with the cooperative. The decision of the members was to stick with the cooperative.

Spite lines and misleading propaganda were major obstacles that also had to be overcome by the early cooperatives in Clark County. One "spite line" started by the power company east from Owen was nipped in the bud when farmers refused service from the power company, which was suddenly offered on drastically liberalized terms compared with the company's extension policies of just a few months before.

Construction of another spite line was started outside of Greenwood at night. But cooperative leaders were caught off guard only momentarily. County Agent Wallace Landry called a meeting of farmers in the area, where it was revealed that the power company was refunding the membership fees in the cooperative that had been paid by the farmers. The farmers stuck fast to the cooperative when they learned that it was still in business after all,

### 1945-1949

**September 20, 1944**

Secretary of Agriculture Claude Wickard is the featured speaker at a meeting of the Board of Directors of Wisconsin Electric Cooperative (then the name of the state association of electric cooperatives).

**September 1945**

Hugo Halle, a Town of York farmer, was the 3,000 member connected to Clark Electric Cooperative lines.

**June 1946**

Annual Meeting action includes authorization to explore the possibility of providing telephone service.

**June 1947**

Greenwood Common Council presented the cooperative the deed to a site for a new headquarters building.

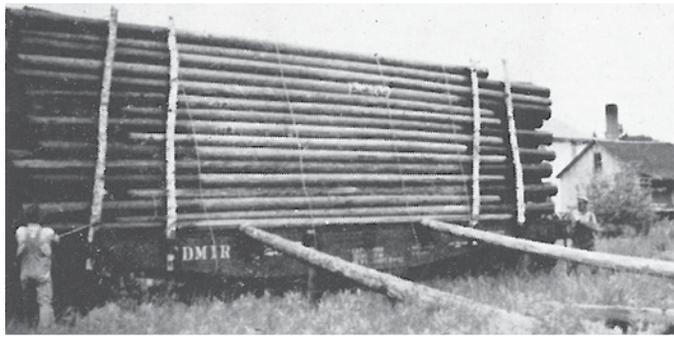
**June 1949**

New headquarters building ready for occupancy.

**July 27-28, 1949**

Headquarters building dedication at Greenwood.

# Clark Electric Cooperative



*This picture was identified in a 1949 history book as one of the many carloads of power line poles that had been set into more than 1,300 miles of co-op lines since construction started in 1937. The distinctive “black jack” poles—southern pine permeated full-length with creosote—were introduced into general use for power lines by the REA program and became almost a trademark of REA-financed lines. Out of more than 30,000 poles that had been set by Clark Electric to the date of this book, only one “black jack” pole was found to have rotted.*

and they determined to go ahead with construction of a cooperative project.

The power company was forced to back a long way down in another spite line attempt east of Spencer. The power company set a line of poles to two customers, right past several members of the cooperative. The cooperative members refused to desert, and the cooperative built its line right alongside that of the power company. The company finally pulled out its poles just before the cooperative line was energized.

Many stories were circulated, with the aim of breaking down the farmers’ faith in the cooperative leadership and the REA program. Although not a single dollar was ever paid to the volunteer canvassers who spent many days and drove many miles in their automobiles to sign up members, the charge was frequently whispered that the canvassers were getting a liberal cut out of the membership fee.

The cooperative’s opponents also tried to frighten farmers out of the cooperative by telling them the government would mortgage their farms as security for the REA loan to the cooperative, although the fact is, and always has been, that the cooperative members’ only liability for the debts of the cooperative is the

*Pictured in characteristic pose of attention to every word spoken at an annual meeting of Clark Electric Cooperative is Walter J. Rush, highly respected Neillsville attorney and former state senator. Rush served as legal counsel for the cooperative from its very beginning until ill health forced his retirement in the late 1950s. He died on April 16, 1961. Pictured at the microphone is Gustave H. Voight, who served on the board of directors from 1937 to 1944. This picture was taken at the 1944 annual meeting as he submitted his resignation as director and president to the membership, to conform with the co-op’s bylaws that allowed no director to seek public office. Voight made an unsuccessful race for Clark County assemblyman that year.*



amount they invested in the form of the membership fee and any capital credits that they have earned (equity).

The argument most frequently raised against the REA program in the early days was that farmers could not use and pay for enough electricity to keep the rural electric cooperatives going. Even the people who should have been in the best position to know maintained that rural electrification would not work. Leading electric utility company executives asserted, when only one farm in 10 was electrified, that “there are very few farms needing electricity for major farm operations that are not now served.” That same argument was used repeatedly

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***Leading electric utility company executives asserted, when only one farm in 10 was electrified, that “there are very few farms needing electricity for major farm operations that are not now served.”***

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through the years in an attempt to influence Congress to scale down or eliminate appropriations for the Rural Electrification Administration. Many of the farmers themselves and their neighbors in rural communities, with the experience of rock-bottom depression very close behind them, were not at all confident that farmers could successfully take on the obligation of another monthly bill to pay. Fortunately, the power company executives were wrong. The REA program remains one of the most successful programs ever created in our country.

## Clark Electric Cooperative’s Attorney Authors Famous Rush Law

A law hailed as a Magna Charta for Wisconsin’s Electric Cooperatives was written and sponsored in 1937 by Senator Walter Rush of Neillsville. Mr. Rush had

represented the 24<sup>th</sup> Wisconsin Senatorial District (Clark, Taylor, and Wood Counties) in the Wisconsin Senate for 12 years and six consecutive sessions, from 1929 through 1939, inclusive. This placed him in a position to be of great service to the electric cooperatives of our state during their formative years. He responded by authoring perhaps the most important piece of legislation in the history of the rural electrification program.

The Rush Act, as it was known, was simple but sweeping in its terms. It substantially ended private utility spite lines and wholesale territorial pirating and cherry-picking efforts. It served as the legislative base upon which many early cooperatives were able to build sound and feasible projects largely free from utility company's break-up efforts, which prior to the passage of the act had seriously hampered cooperative feasibility and growth.

Under the Rush Act, a cooperative could protect its proposed service area from power company invasion for six months by filing a service area map with the Public Service Commission. If within that period a loan from REA was approved, the protection was extended a year from the date of the loan approval.

The Rush Act was the first and only state legislative act of its exact kind in the United States designed to meet the serious problem of spite lines and territorial pirating. Private utility opponents immediately charged that it was manifestly unconstitutional, but it was never challenged in court and private utilities complied with its terms with few notable exceptions. The Rush Act very substantially accomplished the job for which it was intended.

In the silver anniversary history of Clark Electric



*Hugo Halle, a Town of York farmer, was featured in the September 1945 issue of the Wisconsin REA News after becoming the 3000th member connected to Clark Electric Co-op lines. Riding a horse named Cap, he put on a good show for the REA News photographer.*

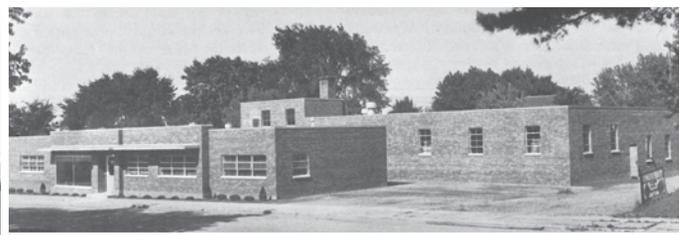
Cooperative, Attorney Floyd Wheeler of Madison wrote that "members and directors of rural electric cooperatives in Wisconsin owe a very real debt of gratitude to Senator Walter Rush for his vision, courage, and legislative leadership."

Walter Rush served as Clark Electric Cooperative's attorney from the outset until the late '50s, when ill health forced him to retire.

### Farm Use of Electricity Upsets All Predictions

The Rural Electrification Administration in the early days emphasized that electricity must be used as an income-producing or cost-reducing tool in farm production, and not simply as a convenience of the home. REA emphasized that rates must be low enough and so designed that they would encourage farmers to use large amounts of electricity in order to reduce the unit cost.

In accordance with that philosophy, REA systems were originally designed for an average consumption of 80 kWh per month, exactly double the monthly minimum bill established for 40 kWh per month. Many skeptics doubted that most of the farmers would ever be able to use up the 40 kWh per month minimum let alone double that amount. In examining proposed projects to determine whether there was a reasonable expectation that loans could be retired on schedule, REA originally used the basis of an anticipated average monthly consumption of 50 to 60 kWh per month. These were



*The advantages and efficiencies of the new headquarters building in Greenwood, completed and occupied in May 1949 and dedicated the following July 27-28, was a stepping stone to continuing progress for the cooperative and its total service operations. Since then, three additions have been made and a separate building has been added to the cooperative complex.*

*"Modern, automatic office machinery" was used in the general office of the new headquarters building to assist in handling the accounts of 4,450 member-patrons in 1949. Left to right are Dorothy Denk, Della Martin, Winona Roohr, Bernita Lueck, and Marjorie Panzenhagen.*



# Clark Electric Cooperative

the figures that seemed extremely “overly-optimistic” and “visionary” to many of the early critics of the REA program.

The critics couldn't have been more wrong. According to the 1949 history book, just 12 short years of operation had shown that even the expectations of REA planners were ridiculously conservative. The monthly consumption of electricity for each member during 1949 averaged more than two and one-half times the 80 kWh that REA originally visualized. The average consumption per member was 195 kWh in December of 1948, and the average bill per member that month was \$7.28. It was noted that “there is no indication that the growing use of electricity by the farmer members of the cooperative is ready to stop, or even about ready to start leveling off.”

Just how, and why, did the electric power industry, the government, and even the farmers themselves, so completely misjudge the farmer's ability to make use of electric power? Before the rural electrification program started, people had the habit of regarding electricity as a convenience at best, if not a downright luxury. It was a habit of thought that was developed before ways had been found to produce electricity cheaply. The rate policies of the day created a vicious cycle of high rates, which discouraged heavy consumption, keeping the cost of production per kWh sold high, which in turn justified the high rates served to reinforce the public attitude toward using electricity after it had actually been outdated by new technical developments. The REA tried a new approach, based on the theory that if the price of electricity were low enough, farmers would use so much that the average



**1949 Line Crew**—Front row, left to right: Glen Drew, Robert Englebretson, Robert Schneider, Leonard Vogler, Lewis Walde, and Dave Thwing. Center: John Korenchan, Alfred Zillmer, Oscar Brandt, Ervin Geizler, Alex Poznanski, Eugene Bombach, and Ervin Buker. Back row: Robert Speich, Anthony Rychnoosky, Leon Kuester, Lex Dusso, Hugh Severson, Harold Blasch, and Frank Buyak. Ray Arndt and John Mortel, janitor, are not pictured.



**1949 Board of Directors**—Seated, left to right: L.T. Klein, Owen; John Barth, Thorp; Vern G. Howard, president, Granton; and Rex Copper, secretary-treasurer, Withee. Standing, left to right: George Humke, Greenwood; Mike Krultz, Sr., Willard; Ed Klein, vice president, Spencer; and W.G. Gerhardt, Neillsville. The ninth director, Charles Witt, Abbotsford was not present. Up to this point six other men served on the board of directors since it was organized: Wallace J. Landry, who became an agricultural instructor at Port Wing, and C.F. Baldwin, who became manager of Richland Electric Cooperative in Richland Center. One of the former directors, Martin Klarich, who was first president of the Willard Electric Cooperative during early REA organizational days, died several years before this picture was taken. Other cooperative members who helped guide its swift progress as members of the board were J.H. Langfeldt, Greenwood; S. J. Plautz, Willard; and Gustave Voight, Loyal.

cost per kWh sold could be held down to a low figure.

In the early days of rural electrification, most farmers thought of using electricity primarily for electric lights and for a few simple appliances such as radios, washing machines, electric irons, and perhaps a hot plate. Many farmers also wanted to use electricity to replace a gasoline engine or worn-out windmill for pumping water. Some day, when times got better, these early members hoped to have electric stoves, water heaters, electric pressure water systems, vacuum cleaners, a refrigerator, and various table appliances such as toasters and food mixers.

But what the commercial power industry completely failed to realize, and many of the cooperative leaders and farmers were able only to guess, was that low-cost electric power was about to make sweeping changes in farm living and farming methods on a scale as great as the introduction of the plow several centuries ago, and the tractor after World War I.

The experience of one of the members of Clark Electric Cooperative is a perfect illustration of how cooperative electricity changed the farming industry. This

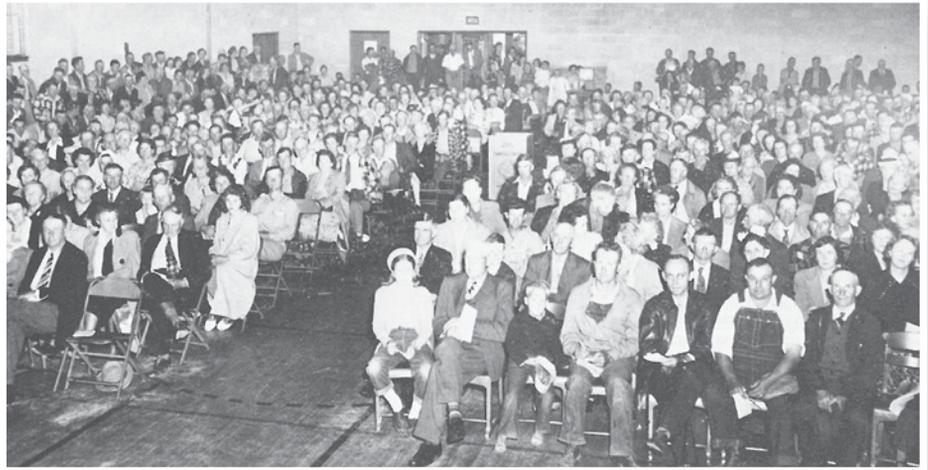
(Continued on page 28 ►)

## Moments in Time

(Continued from page 16d)

farmer bought a milking machine during the 1920s. It was a good machine. But it did not work out very well. The gasoline engine that was used for power caused a lot of trouble, and even when it worked, it did not provide satisfactory power. Eventually, the farmer concluded it was more trouble to make the milking machine do the job than it was to milk the cows by hand. So he stuck the milking machine away in a corner of the barn and went back to the old hand method. When the farm was electrified by the cooperative, this member decided to resurrect the old milking machine and give it another try. He bought a new motor and scrubbed up the milker. It worked so well and so conveniently with electricity that the same old machine has been doing the milking on the farm ever since. (Excerpt from 1949).

Millions of farmers throughout America were making this discovery for themselves, as were the members of Clark Electric Cooperative. They began using electricity for uses that few of them dreamed of when they first heard about the rural electrification program. As the age of electrified agriculture dawned, the unpredicted and still unpredictable increase in farmers' uses for electric power gave rise to another obstacle for electric cooperatives at this stage of their development: expanding power production and distribution facilities swiftly enough to keep pace



Pictured above is part of the crowd of 1,100 that attended the 1949 annual meeting of Clark Electric Cooperative in the Greenwood High School on June 14. A history book noted that annual meetings were always well attended, with Clark Electric's membership among "the most alert" of any cooperative in the state.

with the rapidly increasing needs of cooperative members. In order to meet this challenge, Clark Electric Cooperative increased capacity of wires, continued to build infrastructure, and shorted line extensions to decrease the number of farmers served on each individual section line.

Likewise, Dairyland Power Cooperative had been increasing its power generation capacity at a break-neck pace ever since the war. As the 1949 report highlights, "The power supply problem is far from solved yet; Dairyland is barely caught up with the present demand. Construction of two new plants in Wisconsin, a hydro-electric power dam on the Flambeau River near Ladysmith, Wis., and a steam generating station along the Mississippi River at Cassville, in Grant County, is running a close race with the increasing consumption of its farmer members. The ►

## Cooperation Brings Some Changes into Farm Electric Rates

Rates for Farm Electric Service Charged by Commercial Utility Company Immediately Before Establishment of the Rural Electrification Administration as Compared with Rates Adopted by Clark Electric Cooperative When First Energized.

	Minimum Charges		15	25	40	100	150	250	500	1000
	Amount	KWH Included	KWH	KWH	KWH	KWH	KWH	KWH	KWH	KWH
Northern States Power Co.*	\$3.00 to 4.50	0	\$4.01 to 5.55	\$4.69 to 6.25	\$5.70 to 7.30	\$8.13 to 9.90	\$10.48 to 11.40	\$14.18 to 15.40	\$20.93 to 22.90	\$35.43 to 38.90
Clark Electric Cooperative**	\$3.50	40	\$3.50	\$3.50	\$3.50	\$5.90	\$6.90	\$8.53	\$11.65	\$17.90

\*From Federal Power Commission Electric Rate Survey, Rate Series No. 8, Feb. 1, 1935. Figures are Net Monthly Charges based on 4 customers per mile. Farm rates varied from one area to another within the ranges shown.

\*\*Rates Adopted by Cooperative Board of Directors Dec. 31, 1937 and in force until 1948.

farmers themselves know that they can't afford to slack up in the race for adequate power supplies, and they are determined to push their cooperatively owned power generation and transmission program forward just as fast as the demand increases."

### Eventful Happenings 1944 – 1949

The time period between 1944 and 1949 was an eventful one for Clark Electric Cooperative. The directors voted to join with other electric cooperatives of the state and nation in asking Congress to extend the amortization period on REA loans from 20 to 35 years, and fix the interest rate on such loans at 2 percent. A \$75,000 loan application from Clark Electric was approved but later rescinded and combined with a subsequent application, both totaling \$285,000.

### How the Cooperative Membership Has Grown

1938	1,178
1939	1,335
1940	1,658
1941	1,981
1942	2,170
1943	2,298
1944	2,686
1945	3,096
1946	3,484
1947	3,878
1948	4,313
1949	4,450

(by June 30, 1949)

REA approved the loan in this amount, which was used for the construction of 129 miles of line to serve 540 new members. Later in that same year, other loan requests of \$86,000 and \$175,000 were applied for to finance line construction and system improvements.

During this period, the board gave preliminary discussion to the construction of a new headquarters building that would meet the expanding needs of the operating personnel. Business interests of Greenwood, Withee, and Loyal began to promote sites for the proposed building in their respective villages. A majority of the board voted in favor of keeping the cooperative headquarters in Greenwood. Application was then made

to REA for a \$50,000 preliminary building loan. By 1948, final plans and specifications for the new headquarters building were approved by the board. A loan application for \$110,000 to finance construction of the building was executed by the board of directors.

The 13<sup>th</sup> Annual Meeting of the Clark Electric Cooperative was held at Greenwood June 14, 1949. Attendance dropped from the all-time high of the previous year (437 members) to 401 members present. On July 27-28, 1949, Clark Electric Cooperative new headquarters building was dedicated. ■

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### Summer Hours Resume April 1

**SUMMER HOURS:** April 1 – October 31  
Monday – Friday : 8 a.m. – 5 p.m.

**WINTER HOURS:** November 1 – March 31  
Monday – Friday: 8 a.m. – 4:30 p.m.



### Clark Electric Cooperative

Your Touchstone Energy® Partner



### Tim Stewart, CEO/Manager

124 N. Main Street • P.O. Box 190  
Greenwood, WI 54437

e-mail us at [info@cecoop.com](mailto:info@cecoop.com) or [tnelson01@cecoop.com](mailto:tnelson01@cecoop.com)

[www.cecoop.com](http://www.cecoop.com)