



Cross-State Air Pollution Rule (CSAPR)

Tim Stewart, CEO/Manager

In last month's edition of the *Wisconsin Energy Cooperative News* there was an article by Dave Hoopman entitled "Home to Roost, Consumers Start to Feel the Pinch." The article focused on various EPA rulemakings and how the rulemakings would affect generation and cost of generation throughout the country, the Midwest in particular. This month, I would like to discuss one of these rules set to take effect in a few months. The Cross-State Air Pollution Rule (CSAPR) will play a significant role in increasing costs to Dairyland Power Cooperative (DPC) and the price Clark Electric Cooperative pays for power.

Some History

EPA continues its series of regulations that affect electricity generation, with CSAPR set to take effect Jan. 1, 2012. Under the rule, which was finalized in July, power plants in 27 states, including Wisconsin, will be required to limit sulfur dioxide and nitrogen oxides emissions that affect air quality in other states.

CSAPR replaces the Clean Air Interstate Rule (CAIR), issued in 2005. CAIR was vacated by the United States Court of Appeals for the District of Columbia Circuit in 2008. The court instructed EPA to make revisions to CAIR and, until the revisions were made, the CAIR rules would temporarily stay in place.

During this timeframe, Dairyland Power Cooperative (our power supplier) has made major reductions in emissions of sulfur dioxide, nitrogen oxides, and particulate matter by investing in new air emission control equipment. For example, Dairyland installed fabric filter "baghouses," designed to remove more than 99.5 percent of particulate matter from the exhaust gas stream, at Genoa Station #3 (G-3) and the John P. Madgett Station (JPM) in 2007. These baghouses remove 7,000 pounds per day more particulate matter compared to previous controls.

Dairyland is currently in the midst of a \$400 million air emission control plan at its electric generating facilities. When this plan is complete, Dairyland's sulfur dioxide emissions will be reduced by more than 90 percent. This will be in addition to the 80 percent reduction of sul-

fur dioxide emissions by Dairyland since the early 1970s. Nitrogen oxides emissions will be reduced by more than 50 percent across the Dairyland system.

Dairyland installed a semi-dry flue gas desulfurization system, or "scrubber," to remove sulfur dioxide at G-3 in early 2010, and a similar sulfur dioxide scrubber is planned for JPM. Dairyland has also installed equipment to reduce emissions of nitrogen oxides (NOx) at JPM, G-3, and its Alma units 4 and 5.

Cause for Concern

While I certainly embrace efforts to provide a cleaner environment, I am concerned about the overall trend of dramatically increased regulation by EPA and believe it's important to make sure the rules proposed and enacted are reasonable measures that make sense for our members.

The new CSAPR is significantly more stringent than CAIR and allows very little time to comply. Beginning Jan. 1, 2012, CSAPR establishes emissions limits for each state and each electric generating unit (called allowances). The number of allowances provided for Dairyland's power plants, and most other affected utilities, is significantly less than needed to meet typical generation requirements.

I am very concerned that CSAPR will drive our energy costs up considerably. The air emission controls already installed at Dairyland's plants are not enough to meet these new allowance limits. The additional air emission controls planned by Dairyland can not be installed before the CSAPR limits are in effect. While excess allowances may be traded under the rule, it appears that there will not be enough allowances available to cover all of the emissions from utilities in the state.

Since it is impossible for Dairyland to install additional planned air emission controls by the 2012 start of CSAPR and allowance trading is questionable, Dairyland and other utilities may be required to reduce generation to comply with CSAPR. If they curtail production at their facilities it may impact reliability and may require the purchase of power from a higher priced marketplace, which will likely increase our costs.

On a national level, EPA estimates the rule will cost \$800 million annually by 2014, on top of roughly \$1.6 billion per year in capital investments already underway as a result of the CAIR. The Brattle Group (Economic and Financial experts) estimates the rule could cost up to \$120 billion by 2015 and reduce the nation's power supply by more than 55 gigawatts (almost 4 percent).

National Economic Research Associates (NERA)

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Member Appreciation Day Celebration

Clark Electric Cooperative's Board of Directors and employees were joined by more than 750 members to celebrate the "Kick Off to Cooperative Month" at the Annual Member Appreciation Day Pancake Breakfast on Saturday, October 1.

The morning started off with a pancake and sausage breakfast and was followed by many activities that were available for members of all ages.

The kids enjoyed giant inflatables, pumpkin painting, and picture frame crafting (including their own picture to put in it). Memorial Medical Center participated with a health-screening display and had employees on hand to answer questions regarding health screenings, including how and where to get more information.

The Greenwood Fire Department and EMS volunteers were on hand to answer questions about fire safety and perform blood pressure checks. There was also a Smokehouse from the Colby Area Fire Department where the kids could participate in a demonstration on how to get out safely if a fire should start in a building.

Clark Electric Appliance and Satellite was there with HVAC information, as well as information on other products offered through that department.

New this year was the Electronic Recycling Event. 5R Processors LTD sponsored a free recycling event. This was a great success; we hope 5R will participate again next year.

A running video presentation was enjoyed by many members, some of whom remembered how the cooperative concept came to be.

Thank you to everyone who joined us for this year's Member Appreciation Day. We hope to see you again next year! ■



Energy Assistance Resource Information

The winter heating season has now begun. It's important for you to make every attempt to keep current on your electric bill. We understand that things do happen that put financial burdens on people. Certain government organizations can offer heating assistance or point you in the direction of a group that can help.

Income Guidelines for the 2011-2012 Wheap Heating Season 60 Percent Of State Median Income Guidelines

Household Size	One Month	Three Month	Annual Income
1	2,027.00	6,080.00	24,319.00
2	2,650.00	7,950.00	31,802.00
3	3,274.00	9,821.00	39,285.00
4	3,897.00	11,692.00	46,768.00
5	4,521.00	13,563.00	54,250.00
6	5,144.00	15,433.00	61,733.00
7	5,261.00	15,784.00	63,136.00
8	5,378.00	16,135.00	64,539.00

The Wisconsin Home Energy Assistance Program (WHEAP) administers the federally funded Low Income Home Energy Assistance Program (LIHEAP) and Public Benefits Energy Assistance Program. LIHEAP and its related services help more than 100,000 Wisconsin households annually.

Daylight Savings Time Ends November 6

If you are on our Time-of-Day Rate, you probably have a time clock controlling devices. Remember to switch the time clock on these devices back one hour as Daylight Savings Time ends on Sunday, November 6. It is important that your time clocks are reset to avoid using electricity during peak times, resulting in a higher-than-normal electric bill.



Clark Electric Cooperative's Time-of-Day Rate can save you money on your electric bill; however, you must be willing and able to shift your electric usage around so you can utilize the lower cost of electricity.

For more information on incentive rates such as Time-of-Day or special heating rates, contact our office or visit our website at www.cecoop.com.

Move your clock back one hour November 6. ■

Clark County	715-743-5233
Department of Social Services	
Chippewa County	715-726-7862
Department of Human Services/Economic Support	
Marathon County	715-842-3111
Energy Services, Inc.	
Taylor County	715-748-6123
Human Services Department	
Wood County	
Department of Social Services	
Wisconsin Rapids Office.....	715-421-8600
Marshfield Office	715-387-6374
Jackson County	715-284-4301
Department of Health & Human Services	

For more information or to locate your local agency, call toll free 1-866-HEATWIS (432-8947) or visit homeenergyplus.wi.gov. (Source: *Wisconsin Department of Administration Brochure*)

Other Resources for Energy and Weatherization Programs—**CEC Website:** www.cecoop.com, click the Bill Payment Tab and then the energy assistant link for more information; **Focus on Energy Targeted Home Performance with ENERGY STAR®:** 1-800-762-7077 or visit www.focusonenergy.com. (Source: *Wisconsin Department of Administration Brochure*); **Keep Wisconsin Warm Fund – Bill Pay Assistance:** 1-800-981-WARM (9276) or visit www.kwwf.org. (Source: *Wisconsin Department of Administration Brochure*). ■

PRE – BLACK FRIDAY SALE

is happening at
Clark Electric Appliance & Satellite
November 1 – November 30, 2011



For purchases of \$500 or more, we will deduct \$100 from the price of an in-stock Toshiba HD TV – 19", 26", or 42".

Plus, with GECAF financing, take up to 12 months to pay INTEREST FREE!

*See store for details.

Office Hours

Winter Hours: November 1 – March 31
Monday – Friday, 8 a.m. – 4:30 p.m.

Summer Hours: April 1 – October 31
Monday – Friday, 8 a.m. – 5 p.m.

Save with a Geothermal System

It's not too late to have your geothermal system installed this fall and benefit from the 30% federal tax incentive credit. Call us for a free analysis and bid for install. Realize the savings from having a GeoSystems/Econar system installed this winter.

Geothermal Savings Calculator (reprinted from www.gogogeo.com)

According to the Energy Information Administration, 59% of the average home's utilities (heating, cooling, water heating, appliances, etc.) is attributed to heating (39%), cooling (8%), and water heating (12%). With a GeoSystems geothermal heat pump system, you can save on all of these expenditures. Other geothermal heat pump manufacturers typically cannot cover the entire water heating usage with the heat pump as they will require gas or electricity to assist the heat pump in water heating mode. The cases shown below are examples of how much a typical homeowner might save on heating and cooling costs by switching to geothermal. Costs shown are for heating, cooling, and hot water for a home of 2,700 square feet with average summer highs of 80° F and average winter lows of 20° F.

Square Feet:	2,700	Square Feet:	2,700
Current Fuel Source:	Oil	Current Fuel Source:	Electric
Average annual cost:	\$3,277	Average annual cost:	\$3,096
Geothermal annual cost:	\$805	Geothermal annual cost:	\$805
Annual Savings (\$):	\$2,472	Annual Savings (\$):	\$2,291
Annual Savings (%):	75%	Annual Savings (%):	74%

Square Feet:	2,700
Current Fuel Source:	Natural Gas
Average annual cost:	\$2,055
Geothermal:	\$805
Annual Savings (\$)	\$1,200
Annual Savings (%)	60%

**Call Clark Electric
Appliance
& Satellite Inc.,
1-866-279-6544 or
715-267-6544**

CSAPR

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found that CSAPR, together with another proposed rule called Utility Maximum Achievable Control Technology (MACT), will result in net employment losses of more than 1.4 million job-years by 2020. While EPA claims the regulations would create jobs, the NERA analysis projects that four jobs are lost for every job created.

Clark Electric Cooperative and Dairyland have made significant investment and effort to comply with environmental regulations. But, as CEO/GM of this cooperative, I have serious concerns about the future of energy supply and the cost to members that these recent regulations would impose.

What Can We Do About It?

Dairyland staff is working diligently with technical experts throughout the industry to find solutions that will not compromise reliability and that will minimize the impact on electricity prices for members. Dairyland is in discussions with state government on possible "solutions," including asking a court to stay the rule, make modifications to the rule, and provide reasonable time to comply.

Dairyland Power Cooperative is committed to improving our environment. DPC, as well as other Midwest generators, need sufficient time to make the required modifications at the power plants to meet the new rules, something which CSAPR does not provide. We don't think that is equitable for our members. Go to www.ourenergy.coop to make your voice heard. ■

Happy Thanksgiving

Our offices will be closed
Thursday, November 24, and
Friday November 25, in
observance of Thanksgiving.



Clark Electric Cooperative

Your Touchstone Energy® Partner



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