

WATTS *Current*

September 2012

For Our Members

Executive Message Excerpt from 2011 Annual Report

These Poles Have Roots

Once again we are proud to report to you, our members that your Cooperative is in sound financial health and exceeding the service expectations you have set for us. This report provides details on the financial health of your cooperative.

The roots of your cooperative go back to 1935 when a group of individuals, tired of waiting for the electric companies to connect them to the grid, took matters into their hands and started their own electric company. The company they started, with their individual \$10 membership fees has since grown into a company with assets of almost \$70 million and yearly revenue of \$30 million. A handful of members has grown to over 15,000 enjoying the convenience of electricity.

Your Cooperative is rooted in a unique business model, a structure in which the company is owned by the people it serves. While a simple thing like ownership may not seem like a significant distinction, every business seeks to maximize its value to its owners. When those owners are out of state investors, making a profit becomes the company's priority. When those owners are the "customers" then providing value and quality service takes priority over profit.

We want to emphasize that our goal is to meet the needs of our members taken as a whole, which is not always the same as an individual member. While we work hard to resolve every concern any individual member has with their cooperative, we must stay focused on the collective good. Our tree trimming efforts are an excellent example of this type of conflict. When we trim a tree at an individual member's home, they are not always pleased, but tree related contacts are the largest single cause of electric outages to our membership as a whole. Having an aggressive tree trimming program greatly relates to reliable service.

Similarly, when establishing what to charge and how to charge we must look at the whole membership. We complete detailed studies on what it costs to provide electricity to each meter with the objective of minimizing one group of members subsidizing another. Cooperatives were founded on the principle of working together for the collective good, or stated another way, sharing in the benefits that come from working together. This principle does not allow for any member to pay more than their fair share of our costs.

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Let's Keep Bees Buzzing

"As they say in the business, I got stung."

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Paul Goldstein, Dubuque



Our office will be closed
Monday, September 3rd
in observance
of Labor Day



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Executive Message

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Often members ask why our basic service charge is higher than some other utilities. This is driven primarily by meters per mile. We have five meters per mile compared to the local investor owned's 25. That means we have one-fifth the meters to recover these costs from. Fortunately we don't have to charge five times as much, but our basic charge is higher. While this one component of your bill is higher, overall your bill, on average, is still lower with MVEC than you would pay with the neighboring investor-owned utility.

We are continuing to look at alternative rate designs that would more accurately reflect our cost of bringing service to our members. We have been reluctant to make a change, since any change ultimately results in someone paying less and someone paying more. Never-the-less, we need to do what is fair to the membership as a whole, and will likely be implementing a new rate design as part of any future rate increase. Fair prices are in our roots.

While the poles and wires remain the most visible part of the electric system, they have become less and less the focus of our business. Your Cooperative remains committed to using technology to enhance service reliability and reduce costs. We have implemented new technologies both in our office and out in the field. Meter readings that were manually typed into our billing system, after members read the meter and mailed them to us, are now automatically imported, significantly reducing staff time. Payments that were once typed into the billing system are now scanned and electronically entered. These two changes alone have allowed us to improve efficiencies and reduce labor costs associated with billing.

Other new technologies now assist our linemen in finding problems on the system by recording the fault current and calculating where the problem is located amongst the miles of line that would otherwise have to be patrolled. Talking to our meters often lets us identify an outage before the member calls (we still need you to call!). Often our crews are on the way before the member confirms they need our assistance.

Technology allows us to transfer load between neighboring substations when the transmission system fails. What used to take an hour can now be done in minutes, restoring power to our members quickly when problems do occur.

Using technology, our office staff are able to assist a member in better understanding unusual usage patterns or higher than normal bills. We can often tell a member when their usage occurred, and how big the load was. Combining that with our staffs' knowledge of typical use patterns, we can often point to a faulty water pump, a space heater accidentally left turned on, or some other activity.

The bottom line result of these technology improvements is having one of the best reliability records in the State of Iowa, and better than the national averages. Once again our five year Service Availability Index surpassed both major investor owned utilities in Iowa and was better than the average electric cooperative in Iowa. Quality service is in our roots.

As we look to the future, we see a generation less interested in personal contact and more focused on convenience and availability. They want to get the information they need anytime of the day without having to contact anybody. Technology will allow us to meet that need and we are looking at putting more information onto the internet where those who want it, can come to get it in a secure environment. We will continue to emphasize personal contact for those who value that service as well. Meeting the needs of different generations and bringing the value of the Cooperative Business Model to all members is in our roots.

While deeply rooted in the past, we are looking to the future and see a bright sky with new challenges to be met, continuing to bring needed services to our membership at competitive pricing and superior reliability. Thank you for allowing us to serve you.

Larry Swanson

Larry Swanson, President



James M. Lauzon

James Lauzon, CEO





Farmers Urged to Be Aware of Electrical Hazards

Farmers and farm family members face dangers every day. Although tragedies such as tractor rollovers and grain bin suffocation receive the most attention, electrocution and electrical burn accidents are frequent on farms. Electrical Safety is one of the priorities during National Farm Safety and Health Week September 16-22.

A simple movement of a portable grain auger from one bin to another can have tragic results if the individuals involved are not extremely careful. The use of tractors with large cabs and antennas and oversized grain wagons can also result in preventable electrocution incidents.

Electrical equipment around fields, such as power lines in the end rows may get overlooked during such a hectic time of year as harvest. However, failure to notice overhead power lines can be a deadly oversight.

Most farmsteads could use a very careful overhead visual inspection of electrical lines. The service may no longer meet the proper codes because of the age and/or damage to poles and pole guy wires. The sag may have increased over the years, while the height of the machinery being used today may be much higher. Utility regulators require power lines to be 18.5 feet or more above the ground to provide adequate clearance.

However, today's farm equipment has a long reach when extended; and even when collapsed for roadway transport, many pieces of equipment may exceed that 18.5 foot height. A daily check should be made of



where farm equipment will be moving to ensure that it will clear power lines. But don't take matters into your own hands. They may not be as high as they look. Never undertake the height measurement of the lines without the on-site help of the utility company officials. A good rule is to maintain a 10 foot separation from a power line completely around it, whether you are driving underneath or passing a grain auger near it.

In addition to conducting a field survey of power lines to locate potential hazards, employers should obtain safety information from utility companies for the benefit of their workers if the lines are to remain energized.

Where possible, install electrical safety warning signage to prevent equipment and personnel contact with power lines. This will also be beneficial to your suppliers who may be making deliveries to your farm. Always keep in mind that electricity doesn't allow mistakes and neither should you.

Iowa Geothermal Tax Credit

On May 25, 2012, Iowa Governor Terry Branstad signed SF 2342 into law which enacted a series of Iowa tax incentives for residential geothermal incentives. Geothermal heat pumps installed on residential property in Iowa are eligible for a tax credit equal to 20% of the federal tax credit. Because the federal tax credit is set at 30%, the state tax credit is equal to 6% of the system cost. Any credit in excess of the tax payer's liability may be carried forward for up to 10 years. The credit may be applied retroactively to systems installed beginning January 1, 2012.

MVEC Member Advocate and Iowa Geothermal Association Director, Gary Weber, attended the bill signing.



At left is Gary Weber, MVEC Member Advocate, at the geothermal tax credit bill signing.



Let's Keep Bees Buzzing

Grace Zimmerman, Anamosa, Iowa

When I read the article in the July issue of the *WALLACES FARMER* titled, *What's happening to honeybees?*, it got me thinking about the beekeepers in our locality. Are they experiencing the problems of colony collapse? I've heard about the pollination problems and that some farmers have to import bees from Australia. Reading the USDA reports that bee pollination is responsible for \$15 billion in added crop value, the lack of bees must be a significant problem to agriculture.

Thus, I felt encouraged to contact Massey Valley Apiary owned by Paul and Sherri Goldstein of 5219 Massey Station Road, Dubuque, Iowa. Paul answered my first question by stating, "This is my fifth summer in the beekeeping business; starting with two hives in 2008 and then expanding." This led to my next question as to why he grew his business. His answer revealed his sense of humor. "As they say in the



The Massey Valley Apiary pictured in Spring 2010.

business, I got stung," said Paul. "I'm passionate about beekeeping. I would do it full time if I could. My wife, Sherri, and I both work full time at Hillcrest Family Services in Dubuque. I've been there since 1990 because it's very fulfilling. It's like a dream job as I look forward to going to work each day. Part of the job is vocational training for our Anna B. Lawther Academy so it's appropriate that I have six hives there. It provides a lot of interest, develops a strong work ethic, and is very educational for the students. Hillcrest Family Services operates a three-fourths-of-an-acre community garden at the Four Mounds Farm, partnering with the Four Mounds Foundation, which the students also work. This year we struggled with watering. The bees are there for a reason benefiting the garden."

Paul continues, "Craig, a Hillcrest employee, is the reason I have four hives at Swiss Valley, in Epworth and west of town. Our Epworth bee yard is located on pristine ground which is a diversified farming operation with 600 organic acres. So, I have a nice

bee yard there (Paul's word for apiary) with six hives. I also have six hives on a three acre garden plot. Six hives is our typical start. Craig has been helpful as a contact letting people know how important bees are for pollination to grow a good crop. I have hives in many parts of Dubuque County."

"I can clearly remember as a kid going out in our yard full of clovers and if you didn't watch where you stepped you got stung, but you don't see the bees now," says Paul. "That's really what motivated me to get started, realizing the importance of bees. It's also current because of the disappearance of bees. The reason is because as a bee contacts with plants that have been sprayed, it causes death to the bees. If it's brought back to the hive it affects others. The article which you read mentions colony collapse which is largely caused by a pest imported in the 1980's, a small mite, called the varroa mite, causing the bees' destruction because it feeds on the bees and also compromises the bees' immune system. An added problem may be because of the systemic insecticides and fungicides that are now used inside much commercially produced agricultural seed. The absence of bees and other pollinators has become a food security issue."

Paul also referred to a study which was done with sunflowers. Some were not treated but another study group were treated with chemicals and that group of bees never made it back to the hive. He also adds



First swarm capture.

that personally he doesn't have much of a problem. "In 2009, I had 10 hives and eight made it into fall and through the winter," says Paul. He shoots for 10% - 20% yearly winter loss or less which he considers sustainable.

"We harvest at this time of the year, having a six week work window in June and July," stated Paul. (This was evident by some of the honey combs placed in plastic containers which were in the kitchen.) "Whatever the bees make now is theirs to keep and



get them through the winter.” This led me to my next question to what supplies and apparel Paul used since I had watched my older brother work with bees as an FFA project. “The first year I was so scared and nervous I was always in a full bee suit. There was no exposed skin because I didn’t want to get stung. I’m pretty sure that the bees didn’t like me,” he said. “I’ve learned if you approach bees with respect and learn to be calm, it works better. I’ve learned from experience that fear upsets them and to be quite judicious with a smoker to calm them down. I still use a veil to protect my face.”



Honey sales at the Dubuque Farmers' Market.

Paul continues, “I do all the handwork on a wooden frame placing the bees’ foundation wax on the wooden frame from which the bees fashion the honeycomb. I’ve been very fortunate to have an associate who knows his beekeeping, thanks to Kevin Flynn of Flynn’s Honey in Dubuque.”

I was interested to learn how his dream job and the beekeeping revolved around each other. We walked across the road from the house to a wooded area to his bee yard where his large cluster of bee hives stood. He explained that the top section of each was used for producing the honey and the bottom section of each was the bees’ home and honey supply for the bees to survive the winter. Paul informed me that this location for hives in timber growth was not the recommended surroundings for bee hives. But, Paul believes the natural timber growth and basswood trees make unusually good honey.

My natural inclination is that many readers, believing about the importance of pollination, whether it might be for vegetable gardens, flowers or to insure a good hay crop, will certainly want to contact Paul Goldstein for more information. He can be reached at 5219 Massey Station Road, Dubuque, IA 52003. You may call his home phone at 563-588-2820 or cell phone at 563-580-3238. You can also email him at pgoldst@msn.com.

You’ll enjoy meeting him and delight in hearing more about his beekeeping experiences and seeing the actual evidences of his beekeeping philosophy. Paul also demonstrated his sense of humor by his parting message to me; “Beekeepers are chosen by the bees.”

THEY’RE NEVER
TOO YOUNG TO
START SAVING
ENERGY.



Find out how your local
electric cooperative can help
you lead by example
at TogetherWeSave.com.



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Would you prefer to have the monthly Watts Current emailed to you? Visit our website at www.mvec.coop to sign up. Go Green and stop receiving the paper copy by mail!



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Watts Green

Today’s changing energy landscape is bringing more attention to renewable energy resources. Maquoketa Valley Electric Cooperative supports generation that is safe, reliable, cost effective, and environmentally responsible.



Green renewable energy is electricity produced in an environmentally

friendly manner. Sources of green energy include the sun, wind, and water, which are pollution free and naturally reoccurring. Renewable electricity technologies are among the cleanest and have the least impact on the environment. Some of the renewable energy that is sold to our members is purchased under contract from wind turbines and solar arrays owned by other members.

Maquoketa Valley Electric Cooperative’s Watts Green Renewable Energy Program enables you to support renewable energy by paying a small premium on your bill. The cost is currently 2 cents per kilowatt hour, or \$1.00 for a 50 kilowatt block.

Your participation in the Watts Green Renewable Energy Program will help provide incentive for others to produce green power. Call our office today at 800-927-6068 for more information.

Co-op Connections Card Savings

Remember, you can use your Co-op Connections Card to receive discounts on hotels, rental cars, restaurants, entertainment, and much more. Visit www.connections.coop to find your savings today! There are also prescription, dental, vision, and chiropractor discounts. Several businesses also offer an incentive to Co-op Connections Card holders who choose to shop locally. Participating businesses are listed below.



**Anytime Fitness
Dubuque**

*1st month free with a new
12 month agreement*

**Pizza Ranch
Monticello**

5% meal discount

**Grounds & Goodies
Anamosa**

*Free drink with purchase of
deli item (limits apply)*

**Fairfield Inn
Dubuque**

*Call 888-651-7666 and mention
Touchstone Energy discount*

**Trenkamp Electric
Miles & Bellevue**

*10% off labor charges (must
request at time of scheduling)*

**Anamosa Floral
Anamosa**

*Free votive candle with purchase
of any fresh arrangement*

**Comfort Inn
Dubuque**

*Call 888-651-7666 and mention
Touchstone Energy discount*

If you own a business or know a business owner who would like to participate in this program to earn increased patronage with free advertising, please call Erica at 800-927-6068 or email her at erobertson@mvec.coop.

If you need a Co-op Connections Card or have questions on how to use it, call us at 800-927-6068.

Important Telephone Survey in September

In an effort to better serve our members, Maquoketa Valley Electric Cooperative is conducting a brief telephone survey with a small sample of our membership during September 2012.

The study is sponsored by Touchstone Energy Cooperatives and involves more than 20 rural electric cooperatives throughout the country. The telephone interviews are being conducted by Bellomy Research, a national market research firm in North Carolina, on behalf of MVEC.



“We encourage MVEC members to participate in the study, as the feedback is critical to helping the Cooperative improve service to all members,” said Patty Manuel, MVEC Director of Business Development and Communications.

Members are selected at random to participate in the study. The survey will last only a few minutes and all answers will be kept strictly confidential. MVEC only receives a summary of the results including any comments or suggestions members make on how MVEC can improve its service.



Reduce Energy Use During Peak Hours

Peak hours are the busiest times for your local electric cooperative, since many people are using electricity at the same time. In addition, it costs your co-op more to generate electricity when demand soars during peak periods—and the cost of your electricity also may rise. Obviously, using less electricity during peak periods can save your co-op—and you—money.

Here's how you can help during peak hours, which generally fall between 4 p.m. and 9 p.m.:

- Shift household chores and activities away from peak periods. Wait to run your dishwasher until you go to bed, for instance.
- Use the most energy-efficient appliances you have. Your microwave oven, for example, uses considerably less energy than your stove or cooktop.
- If you're buying a new appliance, make sure you get a highly efficient one. Look for ENERGY STAR labels when you're evaluating different models.

Be aware of your energy consumption and try to get in the habit of using energy efficiently year-round.

Use the energy you need, but use it wisely! You'll help your co-op avoid building expensive new power plants—and that, in turn, will help keep your electric rates stable.

Attention Builders & Developers

As we enjoy the end of summer, please keep in mind that winter will be here before you know it. MVEC's underground construction crews will shut down December 1, 2012, due to the safety concerns and operational issues that come with winter weather. If you are a builder or developer that will need underground facilities installed yet this year, please plan accordingly and contact our office at 800-927-6068. Underground installation typically resumes during the spring, towards the end of March or beginning of April.



Appliance Recycling

Do you have old appliances that you are no longer using and taking up space? We can help you recycle them! The Pull the Plug program pays you for saving energy responsibly. Appliances in working condition will qualify for the following rewards:

Refrigerator	Freezer	Window air conditioner
\$35	\$25	\$25

Sign up today by calling MVEC at 800-927-6068. Our program contractor, Environmental Services of Iowa, will call you to schedule a collection time for your appliance to be recycled. Limit is three appliances per year.

Watts The Answer?

1. A daily check should be made of where _____ equipment will be moving to ensure that it will clear power lines.

2. _____ heat pumps installed on residential property in Iowa are eligible for a tax credit equal to 20% of the federal tax credit.

3. Sources of _____ energy include the sun, wind, and water, which are pollution free and naturally reoccurring.

Mail your answers in with your energy bill or email them to erobertson@mvec.coop.

Two winners will each receive a \$10.00 credit on their energy bills.

Name:

Address:

July winners:

Ernest Ulferts, Anamosa
Michael Waddick, Dubuque



Maquoketa Valley
Electric Cooperative
109 North Huber Street
Anamosa, Iowa 52205

PRSRT STD
U.S. POSTAGE
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**Maquoketa Valley
Electric Cooperative**
Welcomes Area Students
**BACK
TO
SCHOOL**

Attention: Teachers
Call us for programs on safety,
renewable energy or energy efficiency.

Watts Current

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