



By Kurt Harris,  
General Manager

# PLANNING FOR 2023

## Rising Energy and Supply Costs = Rate Changes



Jump River Electric  
Cooperative, Inc.

Since 1938

Your Touchstone Energy® Cooperative 

In today's economic climate, we are all concerned about rising costs. Every business and every member have been impacted in one way or another by supply-chain issues, fuel prices, surcharges, and lack of available resources. Your cooperative is no different. In 2022, our operations expenses increased for just about everything. The cost of transformers and cable increased by 70 percent, with all other materials seeing an average increase of 30 percent.

In 2023, we expect to see lead times extend and prices continue to increase. We've been asked by vendors to place our 2024 supply orders now to help ensure availability. What this means is the cooperative has increased the inventory levels we carry, and we are paying more for it. We have more money tied up in inventory, which puts a larger burden on cash, and ultimately financials.

In addition to these additional material expenses, we are also experiencing increases for major maintenance programs such as vegetation management. With the critical nature of our business, we need to secure materials and keep the line equipment and rights-of-way maintained to keep your lights on.

Dairyland Power Cooperative, our wholesale power provider, recently announced that we will receive a 5.72 percent rate increase effective January 1, 2023, on our cost of purchased power. Our current cost of purchased power is 52 percent of our overall expenses. That means for every dollar you pay, 52 cents will go to paying the wholesale power bill.

The board and staff have spent the last several months planning for 2023 and working on this year's budget. As we set our budget, we look at the increase in the cost of purchased power and the significant increase in material and project costs that we are seeing locally. We also consider economic

indicators like the Consumer Price Index, which recently reached a 40-year high.

Based on all these facts, a rate change has been approved by the board for all rate schedules, effective January 1, 2023. You will first see this change on your February 2023 energy bill (January usage). Residential members will see an increase of \$2.50 to the fixed cost of delivery charge and a 4 percent increase to the kilowatt-hour (kWh) rate. Go to [jrec.com](http://jrec.com) to see all rate schedules.

## 2023 Projects That Help Keep Your Lights On

As stated above, our goal is to always deliver safe, reliable electricity. Your power quality, in large part, is determined by the preventative maintenance and improvements made on the electric system. Right-of-way and tree clearing is a major component of power quality. Storms will still happen, causing power interruptions, but if we can perform routine maintenance on lines and equipment it increases the quality of power you receive. Here are some upcoming line replacement projects:

### Rebuild line:

- Approximately 2 miles of overhead line on Singer Road, Atlanta Township
- 1 mile of line on Bell School Road, Flambeau Township
- Frogg Road to Thunderbird Road (off Highway B), Hayward Township

### Replacing overhead to underground line, in approximate miles:

- 1.75 miles of line on Norwegian and Tyman Road, ending at Pieper Road, Atlanta Township
- 1.25 miles of line on Highway 8 to Townline Road, Flambeau Township
- 2.5 miles of line on Highway E, Hayward Township

## RATE CHANGE FAQs

### Why are rates changing?

- The 2022 Cost-of-Service (COS) study showed the cost of providing power to each residential meter is over \$47/month.
  - The COS study was completed in early 2022, prior to the price increases we are currently experiencing.
  - This amount is best collected through this charge.
- Increased costs for transformers and other materials along with vegetation management have elevated the cost of line maintenance.

- Increased wholesale power costs, interest expenses, and JREC's requirement to meet lender standards affect rates.

### What will the new residential rates be?

- The fixed cost of delivery charge will be \$47 per meter.
- The kWh rate will be \$0.1110 for winter and \$0.1237 for summer, which is a change of less than \$0.0050 per kWh.
- You can find the rate schedule for all classes of service online at [jrec.com/rate-schedule](http://jrec.com/rate-schedule).

### When will my bill change?

- This change is effective January 1,

2023, which will be reflected on your February bill.

### What is a Fixed Cost of Delivery Charge?

- This charge covers costs associated with having an energized service at your home or cabin, i.e., trucks, cable, meters, transformers, labor, cost of insurance, interest, and other operating costs.
- Whether you use a little electricity or a lot, the cost of getting electric power to your home remains the same.
- All members benefit from having reliable electric service available when they need it, and the fixed cost of delivery charge ensures all members pay their fair share of the basic costs.

# You can serve your co-op and community

## BECOME A DIRECTOR CANDIDATE

**Y**ou have the power to make a difference as a member and as a director. JREC comprises nine districts, each represented on the board by a director. Each year, three seats are elected; however, each director represents all members of JREC. Directors are responsible for providing strategic direction and guidance to management; approving general policies, annual budgets, special contracts, capital credit disbursements, and rate schedules; and delegating authority to the general manager/CEO to execute and carry out the daily activities of the cooperative.

It's important to remember that Jump River Electric Cooperative (JREC) is owned by its members and guided by directors elected from the membership. That's the cooperative difference!

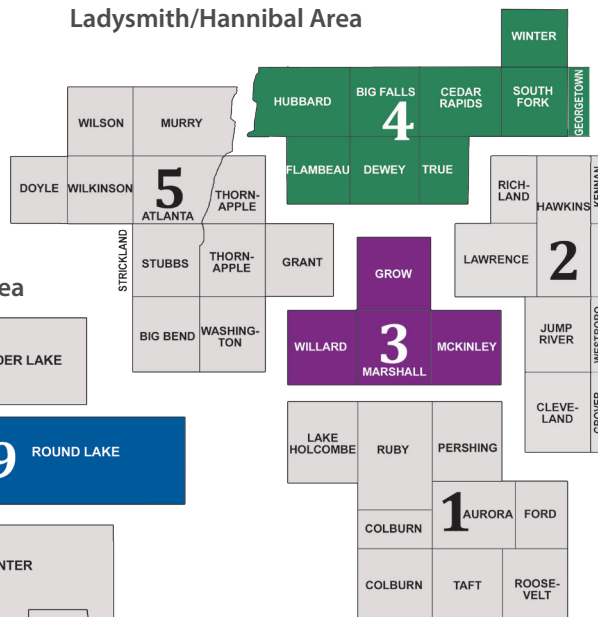
Do you have the time and interest in serving on your cooperative board of directors? Would you like to help set the direction of the cooperative in the coming years? Later this month you will receive more information in your mailbox as to how to become a director candidate.

**Who is eligible to become a director?** Members residing in districts 3, 4, and 9 (see map) and who meet the director qualifications outlined under Article IV, Section 3 of the JREC bylaws. Candidates are subject to a background check.

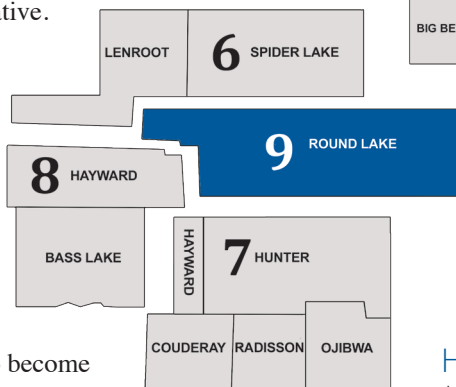
**What is the time commitment?** Elected directors serve a three-year term. Directors typically meet the last Tuesday of every month. Directors are asked to not only participate in these monthly board meetings, but to also attend other national, state, and local meetings throughout the year. Directors are expected to complete their Credentialed Cooperative Director certification within their first three-year term. This course consists of five full-day classes.

**Is there any compensation?** Directors are paid a per diem for each meeting attended as well as IRS-approved mileage. All expenses are paid by the cooperative, i.e., motel rooms, meals, etc.

Ladysmith/Hannibal Area



Hayward Area



### How do I become a candidate?

All members in these same three districts will receive a Petition for Director

Nomination by mail in mid-January. If you are interested in becoming a director candidate, you must have a minimum of 15 signatures from members who live within the same district in which the director candidate resides.

**When does my Petition for Director Nomination need to be turned in?** The petition will need to be brought into one of the co-op offices no later than February 28. Cooperative personnel will validate the signatures and districts. A photo will be taken of the candidate at this time.

**When do members vote on director candidates?** Members who have properly filed a petition by the deadline and have met all the requirements will be listed on the director election ballot. More information on how and when you can vote for a director candidate will be in next month's issue of this magazine.

Read more about directors' duties and responsibilities at [jrec.com/board-director-and-district-information](http://jrec.com/board-director-and-district-information).

### PROPOSED RESOLUTION DEADLINE

Anyone wanting to submit a resolution will need to do so by **February 28, 2023**. This will allow the Rules & Resolution Committee adequate time to consider the resolution and to obtain any additional information needed to make an informed decision. Petition for Director Nomination forms are also due on **February 28, 2023**.



## CREDIT CARD COMPLIANCE

Credit card companies are requiring tighter security to protect personal information. The Payment Card Industry (PCI) has implemented requirements for credit card payments that have impacted the way JREC accepts credit card payments. These requirements prevent JREC representatives from verbally accepting credit card payments by phone.

Credit card payments can still be made over the phone, but instead of talking to a JREC representative, you must utilize our interactive voice response system that is PCI compliant by calling our pay-by-phone number of 1-888-255-6489. When calling this number, you can choose prompts to make a payment or edit your stored financial information. If you just want to make a payment, select option #1.

Members may continue to pay by credit card online through SmartHub. Click on the SmartHub button at the top of the jrec.com home page and then follow the prompts. If you need assistance or have questions, please contact our office at 715-532-5524.

## KNOW THE SIGNS OF A SCAM

It's no secret that utility members have long been targets of scams. You can defend yourself against scams by being wary of calls or texts from unknown numbers. We will never ask for your banking or credit card information over the telephone, and you should be suspicious of any unknown person who requests this or other personal information.

Never let anyone into your home who you don't know unless you have a scheduled appointment or reported a problem. Jump River Electric Cooperative (JREC) linemen often wear high-visibility or other clothing with our JREC logo on it.



**Common Types of Scams** A scammer may claim you are overdue on your electric bill and threaten to disconnect your service if you don't pay immediately. These scammers want to scare you into immediate payment, so you don't have time to think clearly. Remember, JREC will never attempt or demand immediate payment after just one notice.

Some scammers may falsely claim you have been overcharged on your bill and say they want to give a refund. It sounds easy. All you do is click or press a button to initiate the process. Instead of money going into your bank account, scammers can drain your account and use personal information for identity theft purposes. If you do overpay on your energy bill, JREC will automatically apply the credit to your next billing cycle.

**Steps You Can Take** If this "disconnect" or "refund" scam happens over the phone, just hang up and block the phone number to prevent future calls. If a scam attempt occurs via email (known as a "phishing" attempt) or by text ("smishing"), do not click any links. Instead, delete it and block the sender. When in doubt, or if you're concerned about your bill, contact us.

We want to help protect our community against utility scams, and you can help create the first line of defense. Please report any potential scams to us so we can spread the word to prevent others in the community from falling victim.

# 2023

Energy Sense™  
Together we can...Together we will



## SNEAK PEEK:

- \$100 rebate on an Energy Star-rated electric refrigerator or wash machine,
- \$150 towards cost of home energy audit and up to \$500 for efficiency improvements made.
- \$300 per ton on a heat pump – air source & mini split unit,
- \$500 rebate on a dairy plate cooler/well water pre-cooler,
- Up to \$500\* on electric water heaters purchased from JREC, and
- Up to \$800 for a Level 2 electric vehicle charger.

Find all the information on how to qualify for these and many more rebates available through the Energy Sense program online at [jrec.com/energy-sense-rebates](http://jrec.com/energy-sense-rebates).

*\*Rebate may change based on manufacturer price changes.*





## THIRTEEN IS THE LUCKY NUMBER AT JREC

As members dropped off their drawing ticket or picked up their turkey, we heard statements like, “I might as well not put my name in, I never win,” and “I’ve been waiting for 30 years for this bird.” Guess what? These statements came from two of the Lucky 13 winners. If you didn’t win this year, don’t give up—2023 may just be your year.

Lynne Larson of Bruce and Becky Stewart of Sheldon were **#WeAreThankfulJREC** Facebook contest winners. Both received a JREC swag bag and camping chair. Thanks for sharing what makes you thankful.



2022 Lucky 13 Winners: Zola Geisler, Bruce; Paul Plummer, Conrath; Jerry Collins, Gilbert Purtell (above right), Carl Mentzel, Florence Thayer, and Ron Viecele of Hayward; Gloria Dixon of Holcombe (right); and Chuck Breed, Amanda Shimko, Brad Trott, Arlyle Wetterling, and Laurel Zimmer of Ladysmith.

### January Dates to Remember:

- 2** Offices closed in celebration of the New Year – Welcome 2023!
- 4** Enjoy some JREC trivia in honor of **National Trivia Day**. JREC serves over 8,775 members across six counties and maintains over 1,800 miles of line. We serve an average of about five members per mile of line.
- 6** **Gingerbread “Home for The Holidays” Contest** deadline – submit pictures to [dzimmer@jrec.com](mailto:dzimmer@jrec.com).
- 10** **National Cut Your Energy Cost Day** – see above.
- 20** Please notify us by this date if you are interested in serving on the **Rules & Resolution Committee**. This committee reviews the rules of the Annual Meeting and any submitted resolutions.

## NATIONAL CUT YOUR ENERGY COSTS DAY



Blocked air vents force your heating system to work harder than necessary and increase pressure in your ductwork, which can cause cracks and leaks to form.

Make sure all air vents are unobstructed from furniture, drapes, or other items to ensure sufficient circulation throughout your home. If necessary, purchase a vent extender, which can be placed over a vent to redirect air flow from underneath furniture.

Source: [energy.gov](http://energy.gov)

## NEW YEARS SAFETY RESOLUTIONS

Consider these safety-themed resolutions this year. They will help keep you and others safe!

1. Do not drive distracted, especially near or in work zones.
2. Do not place a cell phone on bedding or under a pillow.
3. If you see a downed power line, stay away and call 9-1-1.
4. If you are in a car accident involving a downed line, do not get out.
5. Do not take on electrical work if you are not qualified.
6. Never use a portable generator indoors, in a garage or in an enclosed area.
7. Test GFCI outlets monthly to ensure they are working.
8. Ensure your home's electrical system is up to code.
9. Look up and look out for overhead power lines when working outside.
10. Call 8-1-1 prior to your next digging project.

Safe Electricity.org

1102 West 9th Street North • P.O. Box 99, Ladysmith, WI 54848  
715-532-5524 (Ladysmith); 715-634-4575 (Hayward) • [www.jrec.com](http://www.jrec.com)

After-hour emergency service, call 866-273-5111

Pay by Phone: 888-255-6489

Find us on Facebook

JREC is an equal opportunity provider and employer.

Denise Zimmer, Editor



**Jump River Electric Cooperative, Inc.**

Since 1938

Your Touchstone Energy® Cooperative