

A newsletter from Arrowhead Cooperative

# The High Line

By Line

February 2019, vol. 24



A Touchstone Energy® Cooperative 

## Arrowhead Cooperative Electric Rates for 2019

Arrowhead Cooperative is a not-for-profit member-owned cooperative utility. This means one of our financial goals is to have rates that come as close to our actual operating costs as possible. We budget annually with the goal of meeting the costs to provide our member-owners with the energy and services they have come to expect and trust from us.

We want to keep our margins – the difference between our income and expenses – as reasonably low as is possible. The Cooperative gives excess margins back to members in the form of Capital Credits – your proportional share of capital credits is allocated to you each year. We work hard to keep our costs low while still delivering the safe and reliable electric service you receive from Arrowhead Cooperative. Each year the Board of Directors looks at the operating costs for the cooperative and compares that to the income we expect to receive from electric sales to our members. After careful consideration Arrowhead Cooperative's Board of Directors has adopted a rate adjustment starting on the enclosed billing statement – this will be for energy (kwh) and fixed charges (service charge) from December 20th to January 20th. The adjusted rates for 2019 will keep the cooperative operating in a good financial position. Look on page 2 to see the adjusted rates chart.

Arrowhead Cooperative delivers several services in Cook County and Lake County. We provide reliable, cost effective, and environmentally minded electric service. Arrowhead also delivers quality fiber-to-the-home service—the only fiber to the home service in our community. We have many programs that our members enjoy: Energy efficiency and

conservation programs, Operation Roundup, and our EnergyWise programs. We work with homeowners, business owners, and local contractors to find energy efficient solutions to help members meet their energy needs.

In 2018 Arrowhead Cooperative continued work on several key initiatives with long-term benefits for our members. The new meter system we installed in the fall of 2016 has been used on several occasions to manage system operations – most notably the system outage in October of this year. Using the AMI system helps our operations team and our line crews respond to system conditions in an efficient and safe manner.

Arrowhead has also been busy working on rights-of-way maintenance, our construction workplan, and load management device replacement. All of these initiatives will help Arrowhead Cooperative maintain a positive financial position over the long-term and provides member with safe and reliable electricity.

Arrowhead Cooperative uses a balanced financial approach to ensure that our electric rates are balanced carefully alongside our operating expenses and investments in the future of the cooperative. Each budget cycle our Board of Directors and our staff analyzes the optimal way to manage the finances of the cooperative.

If you would like more information about the new rates starting on your January billing statement or if you have questions, we encourage you to call our office at 218-663-7239 or 800-864-3744 or email us at [newsletter@accimn.com](mailto:newsletter@accimn.com). We look forward to continuing to serve you.

# 2019 Arrowhead Cooperative Rate Adjustment Information

The 2019 rates will be effective on your January 31st, 2019 billing statement.

Residential Service	2019 Rate (\$/kwh)	2018 Rate (\$/kwh)
General Service (winter)	0.1290	0.1270
General Service (Jun-Aug)	0.1440	0.1420
Off-peak (ETS)	0.0526	0.0515
Dual Fuel	0.0667	0.0653
Heat Pump	0.0861	0.0820
<b>All services</b>	<b>2019 Rate</b>	<b>2018 Rate</b>
Service Availability Charge	\$48.00	\$47.00

## How Will This Change Your Monthly Bill?

There are two parts to the rate adjustment. The changes in the rates for usage apply to the amount of energy (kwh) you use each month. The service availability charge is on your bill every month, whether you use 0 kilowatts or 1,000 kilowatts. Below you will see examples of how the adjusted kWh rate and the adjusted service charge would affect your monthly bill. The totals include the changes to the kilowatt charge and the service charge but does not include taxes.

If you use this many kilowatts in a month	Your monthly bill would increase this much	
250	\$1.50 (winter)	\$1.50 (summer)
500	\$2.00 (winter)	\$2.00 (summer)
1000	\$3.00 (winter)	\$3.00 (summer)

Arrowhead Cooperative has a number of ways in which our members can manage the cost of their electric purchases. We recognize that a change in our rates means a change in your bill and your household budget. This coming spring is an excellent time to start a budget billing program with us. Remember to check in with Arrowhead Cooperative regarding our EnergyWise programs and rates as well.

Not sure where to start? Contact our friendly staff to learn more about ways to achieve your energy usage or budget goals.

If you would like more information about the new rates or if you have questions we encourage you to call our office at 218-663-7239 or 800-864-3744 or email us at [newsletter@accimn.com](mailto:newsletter@accimn.com). We look forward to speaking with you.

## Service Charge: What is it and what does it pay for?

Arrowhead Cooperative distributes electricity to approximately 5,400 meters in our service territory. We make a significant investment into our distribution plant and system facilities. We operate and maintain that investment to make sure all of our members have reliable and safe power.

The Kwh Charge on your bill pays for the kilowatt hours you use. Arrowhead Cooperative then pays our power supplier, Great River Energy, for all of the kilowatt hours that all of our member use.

The Service Charge on your bill helps pay for the expenses that allow you to receive electric service. This includes the cost of lines, poles, and transformers. It includes paying our line crews who build, maintain,

and repair those lines, as well as the trucks and other specialized equipment their work requires. It pays for right-of-way clearing to keep lines free from hazards to prevent outages or fires. It pays for the substations that allow us to safely distribute electricity throughout the county. The Service Charge pays for your meter and the system that allows us to measure your usage. It pays for the billing system and the billing and customer service staff that answer your calls.

These are the year-round, daily costs that allow us to provide electricity to your home or business, 24 hours a day, 365 days a year. If you use a little electricity or a lot, these costs remain constant for us to have a system to deliver that power to you. That is why the cost is on your bill every month, regardless of usage.



# Bandwidth is the Road

Think about driving on Highway 61 on a Friday in the summer. With one lane in each direction, the road can get pretty congested. Even though the speed limit is 55 mph for most stretches, traffic can slow down and the drive takes longer.

Imagine if it were suddenly four lanes in each direction. The speed limit for you hasn't changed, but you aren't slowed down by all the other cars on the road. The trips goes faster and smoother.

All of the internet-enabled devices in your home are like those cars on Highway 61. Any particular one smart phone or tablet does not necessarily need 200 or 300 Mbps for a smooth connection. But as the number of devices increases, that road gets busier and you slow down. Someone is checking Facebook on their phone. Someone else is watching a news clip on the tablet. The kids are watching a show that is streaming on the smart TV. You're out of cell range so you're making calls over the wifi. The wifi thermostat is checking the temperature. Someone wants to play a video game online. Someone else is watching a hilarious video on Instagram. And then you realize you wanted to download a new book to read tonight. You need a bigger road, a bigger internet connection.

When True North began offering residential internet service in 2014 our base speed was 20Mbps (megabits per second) for downloading. It was fast! The first folks connected in Schroeder were thrilled at the improvement over the 3 or 5 Mbps they had from satellite providers. Even areas with DSL service saw speeds double or better.



But our homes and the internet have changed in the past five years. The average American home with four or more people has as many as 10 connected devices. Instead of one giant computer in the corner where we check email and play Oregon Trail we've got smart phones and e-readers and streaming devices and home monitoring and smart speakers. More cars are trying to get down the road, more devices trying to send and receive data through the internet.

A bit of summer congestion seems a fair price to pay for the beauty of the North Shore. But there's no construction or scenery damage needed to broaden the connection between your house and the world wide web. Just call True North Broadband and we'll help you figure out how much bandwidth you need to keep things cruising.

## Energy Efficiency Tip of the Month

Laundry Tip: Dry towels and heavier cottons separately from lighter-weight clothing. You'll spend less time running the dryer for lighter-weight items, which saves energy.

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



# Dates to Remember

February 20  
February 27  
February 28

Electric & Broadband bills due  
Youth Tour Essays due  
Board of Directors Meeting



## Workplan update

Arrowhead Electric Cooperative manages maintenance and construction on our distribution system using what is called a Construction Work Plan. This is a 4-year plan that outlines the projects and helps us plan our work. We work with our engineering firm, Power Systems Engineering (PSE), to create this work plan.

Recently, member-owners may have noticed work being done along the Cascade Beach road, just west of Cascade Lodge. You might be wondering why Arrowhead needs to do anything with that power line? Why does that line need improvement versus than another line? If you asked yourself these questions, great!

PSE and Arrowhead work together to evaluate Arrowheads entire electric distribution system. Once potential projects are identified, we set project priorities and determine what order to complete them in.

Multiple factors are taken into consideration when deciding to rebuild a section of line. Age, design, ice load potential, and electric loading of a line are just some of the factors that are considered.

In the case of the work being completed on the Cascade Beach Road, we identified an issue when feeding power to the Caribou Trail up through Tait Lake from the Cascade Substation. In the winter, when we see our heaviest loads, we determined that the distribution plant needed to be upgraded to provide appropriate service to our members up the Caribou Trail, Tait Lake, and now Gust Lake as well.

The line is being rebuilt to the specifications needed to support all members served on this segment of line. We are installing taller poles, heavier lines and building it to withstand the potential ice loading conditions as identified by National Electric Safety Code.

This project, called CAS-309, will rebuild the lines from just west of the Cascade Lodge to the intersection of Caribou Trail and Highway 61, approximately 6.4 miles. Construction is expected to last through April.

There will be some outages for our members as we rebuild this section. We are hopeful that these will be short outages and will also be scheduled for nicer days during the remainder of the winter.

If you have questions or would like more information, please contact us at 218-663-7230 or 800-864-3744.

## Right-Of-Way

Right-of-Way clearing has paused for the winter. Keep in mind, clearing and hazard tree removal can happen at any time, in any area as needed.

### What can you do to help?

- Please be sure the right of way is clear of personal items to ensure the mowers and equipment can pass through with ease.
- Brushing and/or mowing your private right-of-way from the meter to your home, following your electric or fiber line, would be extremely helpful. The suggested width is 10 feet for both overhead and underground services.

Please mark survey pins, sprinkler systems, septic systems, well heads, wire or fencing with a five foot permanent reflective marker post within the right-of-way, and remove any personal items that may be damaged by flying debris. Arrowhead Cooperative will not accept liability for damage of these items if not notified. If you do not live at your service address, please call the office to inform us of known obstacles in your right-of-way.

Arrowhead Cooperative encourages members to contact the office with any questions or concerns regarding Right-of-Way clearing.

## Arrowhead Cooperative True North Broadband

Post Office Box 39  
5401 West Hwy. 61  
Lutsen, Minnesota 55612-0039  
Phone 218-663-7239  
Toll Free 1-800-864-3744  
Fax 218-663-7850

[www.arrowhead.coop](http://www.arrowhead.coop)  
[www.truenorthbroadband.com](http://www.truenorthbroadband.com)

Interim General Manager: Jenny Kartes  
Board President: Roger Opp  
Newsletter Editor: Sara McManus and Yusef Orest  
Cooperative Board Meeting last Thursday of each month @ 9:00 a.m. with the exception of November and December due to the holidays.  
*This institution is an equal opportunity provider and employer.*

