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CLIP AND MAIL

See page 2 for the Member Challenge questions.

Answers: 1. _____ 2. _____ 3. _____

Please note: NO ANSWERS will be taken over the phone.

MEMBERSHIP BENEFITS



Click this icon at ecirec.coop to access a complete suite of online energy tools like the HomeEnergyCalculator that you can customize to breakdown your monthly energy costs as a pie chart, specialized television and lightning calculators, a Kids Korner, and more.



ECI REC's online payment program, SmartHub, allows members access to account information from mobile devices as well as computers, view monthly usage data in helpful chart formats, and set notification options. Click on the SmartHub icon at ecirec.coop.



Don't forget to use your Co-op Connections Card from ECI REC to help you save money on the things you buy every day. Misplaced your card or have questions about all the benefits of the program? Email lisa.franck@ecirec.coop.



Message From the CEO



This is the fifth in a series of six articles discussing how ECI REC sets your electric rate and the various fees that come together to ultimately determine how much you pay for your power. We have focused on how we set rate structures, what costs various fees cover, and how rates might change in the future. To review these past articles, visit our website or scan the QR code with your smartphone.

In this article, we discuss net metering and how it is implemented in Iowa.

WHAT IS IT? – Net metering is a means of encouraging consumers to install renewable energy generators at their homes, businesses, or farms. Net metering policies or regulations can vary from state to state and from county to county. Essentially, net-metering is a way of subsidizing the installation of renewable energy generation.

Most generators using renewable resources do not generate a constant amount of electricity. This is particularly true of wind and solar power. The wind does not blow all of the time, and the sun does not shine at night or with the same intensity

during daylight due to cloud cover. This means that renewable energy generators sometimes do not generate enough power to supply your needs, so you purchase power from your electric utility. At other times you generate more electricity than you can use. At these times you want to sell the excess electricity to your electric utility, such as East-Central Iowa REC.

HOW DOES IT AFFECT NET METERED ELECTRIC BILLS? - What should ECI REC pay you for this excess electricity that you export to our distribution lines? We would gladly pay you our “avoided cost.” This is what our energy supplier (CIPCO) can purchase electric power for on the “spot market.” CIPCO re-calculates that number each year. In 2013 it was approximately 3 cents per kilowatt-hour (kWh).

However, to encourage renewable energy use and help consumers offset the cost of installing wind turbines, photovoltaic panels, or other renewable generators, advocates believe that electric utilities should pay the consumer more than the wholesale cost of the electricity. Under net metering the utility pays the consumer the retail cost of power. To do this, we bank the number of kilowatt-hours exported by your generator and use those banked kWh to offset purchases from the utility in future months. In effect with this system, we are paying you the retail electric rate for that exported power.

HOW DOES NET METERING AFFECT OTHER MEMBERS? - The challenge with this system is that members who utilize net metering are not paying the same share of maintaining the distribution system or available

capacity as members who do not have renewable generators. Members not using net metering are subsidizing those who do.

HOW DOES ECI REC BALANCE THE IMPACT OF NET METERING TO BE FAIR TO ALL MEMBERS? - To balance this subsidy, ECI REC limits the amount of time members can use banked kWhs to one year. At the end of each year, we pay the member for any banked kWh at our avoided cost.

How much is that subsidy? In 2013 the Cooperative had interconnected 16 renewable generators that were net metered, and the total subsidy to them was \$1,818 on 30,307 kWh. That is not much money, much less than 0.1% of total revenues. To further limit the subsidy, the Cooperative will only net meter smaller renewable systems, those rated at less than 40 kW.

WHAT IS THE FUTURE OF NET METERING? - Our Cooperative wants to support renewable energy, and government policies and public opinion believe it is important to do so. However, we have to keep watch: If renewable energy systems became cheaper, easier to install, and more reliable, the subsidy could become too large to balance. If that happened, our Board of Directors would consider limiting net metering further or potentially eliminating it altogether.

Net metering is one more factor in the very long list of variables that will impact the electric rates for us all over the next several years. Your Cooperative works hard to make sure we support a balanced approach to energy production, which we believe is the best way to manage the price we pay for power. 

FOR SALE: Generator on trailer driven by PTO. Winco 25P 10C-3/E. 120-240 Volt, 104 Amp, 3600 RPM, asking \$1,500 or OBO. Ph: 319-472-4824, ask for Larry.

FOR SALE: Carhartt coveralls, 52 tall, barely used, \$35; Twin bed, mattress, box spring, frame, good condition, \$110 OBO. Ph: 319-431-6343.

FOR SALE: Antique Czech costume, lots of lace and handwork, wear for any Czech festival, was \$550, asking \$475 OBO. Ph: 319-364-2272.

FOR SALE: 50"-wide Swisher USA-made ATV universal snow plow, excellent condition, \$400. Ph: 319-883-2247.

FOR SALE: Girls Cosco auto booster car seat, new in box, used only once, pink camouflage with cup holder, 30-100 lbs, \$15; Queen size metal bed frame, wooden-look headboard, box spring, very good shape, no mattress, \$50 OBO; Wine press, with lots of wine press items, not sure of its value, only interested buyers please. Ph: 319-228-8543, leave message.

FOR SALE: Wonder Wood woodstove, 32"W x 33.5" H x 19" D, fire box is 10" x 10" x 24", 6" flue, good condition, \$75. Ph: 319-558-7214.

Please email your ad to classifieds@ecirec.coop. Ads for the May/June Heartland Link must be received by April 1, 2014.

East-Central Iowa REC will publish non-commercial advertisements as a service to our members. All ads are free. They may be submitted by any member or employee of East-Central Iowa REC. Ads should contain a phone number, name (if desired), a brief description of items with price if applicable. Each ad is limited to maximum of 50 words; please type or print clearly. Editor reserves the right to edit or reject any ad. No ads will be taken over the telephone—please email, mail, or bring your ad to the office.

Visit ECI REC at the 2014 Independence Chamber Showcase

a Community Connected reminder

Join us Sunday, March 23, from 11:00 a.m. to 4:00 p.m. at the Henderson Event Center in Independence for the Chamber of Commerce's first Showcase. Previously structured as a home show, the event now features many more businesses.

Our Cooperative booth will feature great information to help you make smart energy choices. We can also answer any questions you may have about our programs, products, and services, including water heaters, rebates, and more. Admission is \$3 and food will be available.