



Rate adjustment announced

The fixed costs, listed as “Facility Charge” on your bill, cover the costs associated with providing and maintaining the electrical distribution system delivering power to you. This includes meters, poles, wires, transformers, substations, meter testing, buildings and maintenance and much more. The facility charge is intended to recover as much of the monthly fixed cost as is reasonable regardless of energy usage.

The current facility charge for a residential, single-phase service is \$23.75. The new facility charge will be \$47.50, although the cost-of-service study indicated a much higher fixed cost per metered facility. Therefore, the study identified the need for a rate change. In response, your board of directors, who are members like you, approved a rate adjustment effective January 1, 2020, including an increase in the facility charge. The January 1 adjustment will appear on the bill you receive in February for January’s usage.

The cost-of-service study allocates costs in a way that helps ensure members are paying the costs necessary to serve them. Due to differences in individuals’ energy usage levels, some members may see higher bills, others may see very little change and still others may see lower bills. The overall increase based on average usage per rate class will be 5.36

percent. Please see the charts below for a visual explanation of the changes to your bill.

The Energy Cost Adjustment (ECA) listed on your bill, currently at \$.00511 kWh, will go to zero or possibly a negative number. The new ECA will not be confirmed until November when we receive our rate structure from Corn Belt Power Cooperative, our generation and transmission provider.

We are committed to keeping rates as low as possible while providing members with safe, reliable and environmentally responsible electric service. Your cooperative’s board and employees continually seek solutions to mitigate rising costs, including reducing costs of daily operations by sharing resources with neighboring and other co-ops. We are very aware of the impact rate adjustments have on all members of the cooperative and therefore will continue to control expenses and increase operating efficiencies while maintaining a system that will provide you with the electricity you need, when you need it, now and into the future.

Please continue to read your newsletter for additional details on the upcoming rate adjustment. As always, feel free to contact the office for more information and for energy-saving ideas.

In September, Butler County REC sent you a letter regarding an upcoming rate adjustment. In addition, a recent newsletter column also discussed the cost-of-service study we had conducted.

Butler County REC’s last rate change was in 2013—almost seven years ago. During that time, we have been proactive in keeping equipment updated for our crews to ensure safety. We have also worked with FEMA mitigation on our construction work plan and system improvements. This has included rebuilding over 200 miles of line to maintain reliability, and we have been able to hold off on any rate changes partially due to an approximate 12 percent increase in our sales during that time.

We are committed to keeping rates as low as possible while providing members with safe, reliable and environmentally responsible electric service.

Approximately every four to five years we have a cost-of-service study conducted by an independent rate consultant. The cost-of-service study is an important tool in setting rates. Each rate class is studied to ensure the cost of providing service to that class is fair and equitable, based on unique load and service characteristics.

Rates include both variable costs and fixed costs. The variable costs are exactly what the name implies—variable. These are influenced by the cost of wholesale power purchases and also by fluctuations in weather patterns.

2020 RATE ADJUSTMENT

General Service, Single-Phase - Residential

USAGE	2019	2020	Change
Facility Charge	\$23.75	\$47.50	\$23.75
1st 800 kWh	\$0.13930	\$0.1379	(\$0.0014)
Over 800 kWh	\$0.10500	\$0.1000	(\$0.0050)
ECA on all kWh	\$0.00511	\$0.0000	(\$0.00511)

General Service, Three-Phase

USAGE	2019	2020	Change
Facility Charge	\$45.75	\$95.00	\$49.25
1st 1200 kWh	\$0.1524	\$0.1425	(\$0.0099)
Over 1200 kWh	\$0.1050	\$0.1150	\$0.0100
ECA on all kWh	\$0.00511	\$0.0000	(\$0.00511)



Farmers beware

In 2017, farmers ranked eighth in the list of the most dangerous jobs (civilian jobs with highest fatality rates) according to the Bureau of Labor Statistics/U.S. Dept. of Labor.

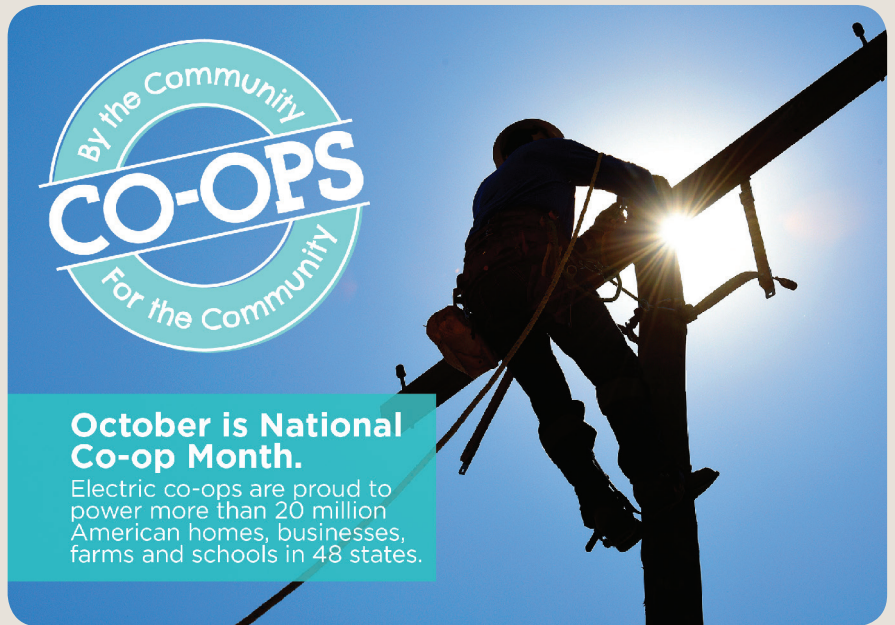
It is no wonder farmers make that list. As agriculturists are well-aware, many dangers are present in their long and demanding workdays.

We want to remind farmers that accidents related to power and electricity are also possible but in most cases they can be prevented. Especially during the busy harvest season, take the following steps to decrease the chances of an electrical-related incident:

- **Always use a spotter** when operating machinery near lines.
- **Use care when raising augers** or the bed of grain trucks.
- **Keep equipment at least 10 feet from lines** — at all times, in all directions.
- **Inspect the height of the farm equipment** to determine clearance.
- **Always lower extensions** to the lowest setting.
- **Never attempt to move a power line** or raise it for clearance.
- **If a power line is sagging or low, call us right away.**
- **If your equipment does hit a power line, do not leave the cab.** Immediately call 9-1-1, warn others to stay away and wait for the utility crew to cut the power.

Although harvest season is a time filled with tight deadlines and heightened work stress, take the time to consider electrical safety. It could save your life or the lives of others.

For more information about electrical safety, visit SafeElectricity.org.



October is National Co-op Month.

Electric co-ops are proud to power more than 20 million American homes, businesses, farms and schools in 48 states.

Respect the substation

You may live near or drive by a substation every day but not give it much thought. Although they look like something that could transform into a giant-sized, building-stomping futuristic robot, substations play an important role in providing electricity to your home and work.

Fenced-in substations are part of the electrical generation, transmission and distribution system. Transformers are contained inside many of them, and their job (as its name implies) is to transform voltage from high to low or vice versa depending on its location on the distribution path.

Besides transformers, substations usually house switches, protective devices and control equipment. In large substations, circuit breakers are used to interrupt any short circuits or overloads that may occur.

Stay safe around substations

Substations carry high voltages of electricity and they should be respected. Your cooperative and Safe Electricity remind you to:

- NEVER go near a substation.
- Teach children to NEVER go near a substation or climb its fence to retrieve a ball or pet. Let them know they should always stay away and tell a parent or adult, who should call us to report the incident.
- Teach children about the dangers of electricity from a young age.
- If a transformer catches on fire, DO NOT try to put out the fire yourself (water and electricity don't mix). Call 9-1-1.
- If you notice something unusual about a substation, transformer or power line, contact us. Never try to address a problem yourself.



A Full House of Energy Savings



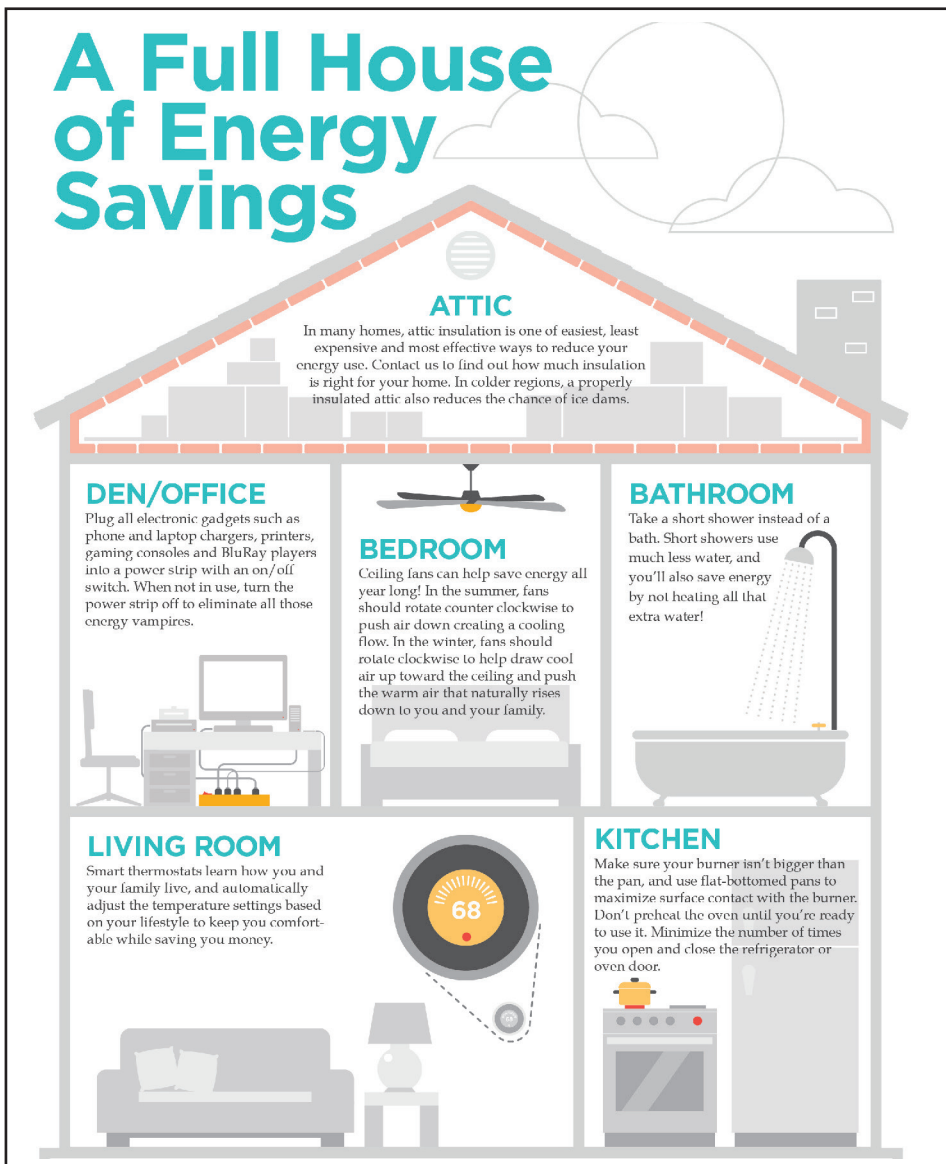
Join us at the polls November 5

Providing our members with safe, reliable and affordable electricity is our first priority. This requires more than stringing and maintaining power lines. It also requires political engagement.

As co-ops, the civic virtue of voting is in our DNA. We show concern for community—one of the seven cooperative principles—through participation in our democracy.

Co-ops have another advantage. Elected officials and decision-makers across the political spectrum trust us because of the work the electric cooperative family has put into political engagement. When we all get involved, we can make things happen politically and in our local communities.

Commit to casting your ballot on November 5. If you're interested in getting more involved, just give us a call or visit www.vote.coop to learn more about the upcoming elections and access online tools that can help you participate. We look forward to seeing you at the polls on Election Day!



Helping members in need this winter

Your Touchstone Energy Cooperative has always extended a helping hand to those needing it. In response to actions by the Iowa General Assembly, your REC has established RECare, a program of members helping members.

RECare will provide funds to be distributed by local community action agencies to help pay winter heating bills and to assist in weatherization of homes of low-income consumers.

You may make a monthly pledge that will be automatically added onto your electric bill—even just a dollar a month—or a one-time contribution to help others.

RECare Consumer Authorization Form

- I will contribute \$_____ per month. I understand this amount will be automatically added to my monthly electric bill.
- I will make a one-time contribution of \$_____ to RECare. My check is enclosed.

Name _____

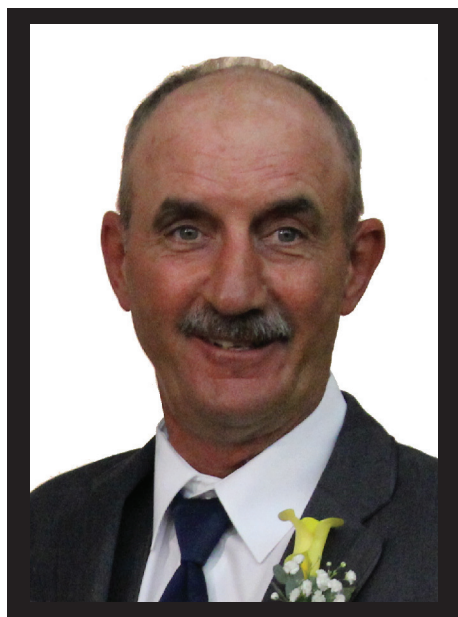
Address _____

City _____ State _____ Zip _____ Account Num-
ber _____



Return to your local Touchstone Energy® Cooperative

In Memory of Jeff Sherburne



Thursday, September 5, we lost a member of our Butler County REC family when Jeff Sherburne, material and inventory coordinator, passed away at home. A 22-year employee, Jeff began working at the cooperative in March of 1997.

"Jeff was always on time and dedicated to his work. He was personable, so the vendors really enjoyed their conversations with him. He could talk to anybody," said John Endelman, operations manager.

Jeff is survived by Kim, his wife of 37 years, and daughters Megan (Shane) Wallace and April Sherburne.



Economic development news

Butler County REC is committed to helping dreams become reality for area business owners.

Recently, through our USDA loan and grant program, we helped fund projects for Hometown Dental, Inc., Charles City, and, in partnership with Corn Belt Power Cooperative, for West Forty Market, Greene.

Contact Rick Whalen, economic development director, at 888.267.2726 for more information on our loan programs.



Rick Whalen (l), Butler County REC, and Dr. Reed Faldet, Hometown Dental, Inc.



(L to R) Brittany Dickey, Corn Belt Power; John and Sue Ebensberger, West Forty Market; Rick Whalen, Butler County REC.

Model	Retail Cost	Member Rebate	Member Cost*
50 gallon - tall or short	\$1,025	\$626	\$399
85 gallon - heavy duty	\$1,396	\$997	\$399
105 gallon - heavy duty	\$1,566	\$1,017	\$549

*Plus tax applied to the retail cost.

New homes or replacing gas water heater: 50- and 85-gallon units— members pay tax only; 105-gallon unit—members pay \$250, plus retail tax. Rebates cannot exceed the purchase price of the unit. Contact our Energy Efficiency Department for more information.

Marathon
WATER HEATERS



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