WPPI Energy Members Help Businesses Grow

The Beginning
Steve Krueger remembers the day he was hired by Steel King Industries (Steel King) to help open a brand new plant in New London, Wis.

“January 5 of 1979,” the newly retired plant manager says without batting an eye.

Krueger has seen the company — a manufacturer of racking systems, safety products, storage containers and other material handling products — grow from nine employees on the first day of production (“April 9 of 1979” according to Krueger) to a present day staff of 145.

“I’m extremely proud of what I left behind,” he says, explaining that he thinks of the plant almost like one of his children.

“I live and die this company,” he says. “I bleed green.”

The Expansion
For the past three years, Krueger managed a project to build a 150,000-square-foot, state-of-the-art addition on the New London plant. It was both a new beginning and swan song for him.

“I was honored the management gave me this major project to work on as my last one before retirement,” he says.

Though several of Steel King’s locations were considered for the expansion, the management ultimately selected New London. This was largely because of an economic development rate New London Utilities (NLU) offered.

“NLU came along with the rate proposal, and it ended up being a major factor in keeping the expansion in New London,” says Krueger.

The rate is projected to save about 35% off the plant’s monthly utility bill for the next four years.

“If you look at how much electricity goes through this place, it’s a tremendous savings,” says Krueger.

“You need to do everything you can to make your business customers healthy so they can grow.”

Supporting Local Businesses
Steve Thompson, General Manager of NLU and a member of WPPI Energy’s Executive Committee, was eager for NLU to be the pilot for the rate, and pleased to offer it to Steel King.

“You need to do everything you can to make your business customers healthy so they can grow,” he says, noting that the success of local businesses can bring jobs to a community, attract new residents, and strengthen the local economy.

Thompson says the Steel King addition and the ability to attract new businesses with the economic development rate “will put New London on the map as a place that has really good companies to work for that are progressive, modernizing, and well-paying.”

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In February, I had the privilege of joining 48 member advocates from 22 WPPI Energy member communities for the American Public Power Association’s 2018 Legislative Rally in Washington, D.C.


Our group advocated for the interests of the WPPI Energy membership and public power utilities across the nation on the following topics:

**Advocacy Topics**

*Municipal bonds:* We thanked legislators for maintaining the tax-exempt status of municipal bonds throughout the tax reform process, and encouraged them to continue supporting municipal bond-backed electric system investments.

*Distributed generation:* We encouraged legislators to keep distributed generation decisions local, allowing public power utilities to work with their communities, local leaders and state regulators to ensure that all customers who benefit from the grid — including those with solar and other distributed generation — help to maintain it.

*Broadband pole attachment rates:* We urged legislators to oppose any bill that could endanger municipal utilities’ longstanding exemption from federal pole attachment regulations or could result in public power customers subsidizing broadband pole attachments for communications providers.

*Electric grid cybersecurity:* We suggested that any future cybersecurity proposals be implemented through the current process in which the North American Electric Reliability Corporation issues and enforces standards approved by the Federal Energy Regulatory Commission. We also stressed that one-size-fits-all utility cybersecurity proposals would unduly burden small- and medium-sized utilities.

*Mandatory electric capacity markets:* We urged legislators to oppose energy policy that would impose or expand mandatory capacity markets on all Regional Transmission Organizations. Artificial constructs in mandatory capacity markets — such as a minimum offer price for capacity — remove control and inflate the cost of power for all customers in a Regional Transmission Organization’s footprint.

The legislative rally is an important opportunity for municipal utilities and the communities they serve to have their voices heard by members of Congress. I am always impressed by the dedication and enthusiasm demonstrated by our member utility leaders and local officials as they work together to advocate for the benefit of those they serve.
A Part of the Community
It’s a cold winter day in Sun Prairie, Wis. A truck makes its way through the slush-lined streets and pulls into the garage at Sun Prairie Utilities (SPU). People are already inside waiting to accept the cargo, but instead of the usual transformers or wire, today it’s boxes of Thin Mints, Samoas and Do-Si-Dos.

“The Girl Scouts ask us to use our space for receiving and distributing their annual shipment of cookies,” says Utility Manager Rick Wicklund.

For the team at SPU, sharing their garage is just part of working at a locally owned, municipal utility.

“We all realize we’re here to provide value that goes above and beyond electric and water service,” says Wicklund. “We try to help out in any way we can.”

Sometimes, that means opening up the utility’s conference room to a local group that needs a meeting space; sometimes, it means reading to local schoolchildren or volunteering at Corn Fest.

“By participating, we become a part of the community instead of just a spectator,” says Dave Euclide, the utility’s customer service manager.

The Utility
This community-centric attitude is the foundation of SPU’s culture.

Utility employees and Commissioners volunteer with organizations such as the Exchange Club, Lions Club, American Legion, Business and Education Partnership, Meals on Wheels and Sun Prairie Fire Department.

SPU employees strive to provide excellent customer service to their neighbors in the community. Sometimes, this simply means taking care of a person who needs help, even if they can’t solve his or her problem.

“You can’t always help everybody out,” says Wicklund, but he urges his staff to try to understand a customer’s situation.

A Growing Community
As recently as 20 years ago, Sun Prairie was a small, agricultural community. Now, it’s one of the fastest growing cities in Dane County.

While the downtown still retains its small town charm, the city has seen significant residential and business growth, aided by the addition of the Shoppes at Prairie Lakes on the west side of the city.

Sun Prairie’s businesses, proximity to Madison, and excellent schools, public parks and city services have attracted many new residents to the area.

Providing Support
In order to support a growing community, SPU continues to implement initiatives to strengthen the utility’s infrastructure, technology, programs and services. These initiatives include:

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SPU hosted a photo scavenger hunt contest for customers as part of its 2017 Public Power Week.

**Advanced Metering:** The utility is about 40% of the way through a project to implement Advanced Metering Infrastructure (AMI) throughout the city.

Advanced meters, which provide significantly more detailed data than previous technologies, will help customers track and manage their energy use.

**Fiber Network:** Sun Prairie is one of the first communities in Wisconsin to have a community-wide, high-speed, fiber optic Internet network.

SPU built and owned the first part of the network several years ago. The utility recently sold that original network to TDS, which expanded it through the rest of the city. TDS is now the Internet provider for many of Sun Prairie’s 29,300+ residents.

“Our agreement with TDS fulfills a mutual goal of getting fiber to homes throughout the city,” says Wicklund.

**Energy Services:** Like other WPPI Energy members, SPU provides an Energy Services Representative (ESR) to local businesses to help meet their renewable energy and energy efficiency goals.

“My role is to listen and understand a business’ goals, then provide the technical knowledge and resources to help reach those goals,” says Clint Cry, SPU’s ESR.

This includes connecting businesses with incentive programs to help fund projects. In 2017, Cry helped Royle Printing, ContiTech, Pick ‘n Save, Pan-O-Gold Baking Company and several other businesses receive significant incentive funding for energy efficiency projects.

Cry also helped the City of Sun Prairie apply for a grant through a WPPI Energy program for renewable energy projects. The city was approved for over $64,600 in funding, and is planning to install a 74-kilowatt solar photovoltaic array at City Hall in the next year.

**WPPI Energy**

SPU employees are active with WPPI Energy, which is headquartered in Sun Prairie. SPU has representatives in WPPI Energy’s Distribution Services Advisory Group, Member Services Advisory Group, Outage Management Task Force and Rates Services Advisory Group.

Wicklund and the SPU staff benefit from the sense of community they have with other members, as well as the range of services members have built through WPPI Energy.

“As locally owned, not-for-profit utilities, we all have the same issues. We can pick each other’s brains and learn from someone else’s experience,” says Euclide.

“There’s a sense of support between WPPI Energy members,” says Wicklund. “They’re your friends. You know them personally. They’re the ones you call when you need help.”

SPU also gets a lot of value from WPPI Energy services, including rate assistance, a robust power supply portfolio, advocacy, metering support, and network support.

WPPI Energy also hosts and maintains several software systems for SPU and other members.

“Hosting everything we have with WPPI in-house...I can’t even fathom it,” says Euclide. “We’d probably have to double our staff.”

**The Future**

Wicklund and his staff would like to see SPU continue to be progressive and forward-thinking. They’re currently working on a strategic plan for the utility, and would like to grow in the areas of AMI, work order management, distribution automation and customer interfacing.

They also want to make sure they’re anticipating things that might interest customers in the future, such as battery storage or customer-sited renewable energy.

“We want to be able to be a good resource for customers on those topics,” says Cry.

Sun Prairie Utilities is much like the city itself; it’s modern and sophisticated, but it’s also the kind of place where people are happy to lend a helping hand.

“While we try to be a utility of the future, we never want to lose our community focus,” says Wicklund. “The community is the reason for everything we do.”

Sun Prairie Mayor Paul Esser serves on WPPI Energy’s Policy & Communications Leadership Council.

He recently shared his insights in a video overview of WPPI Energy’s history. Esser was also mayor during the time SPU joined WPPI Energy.
Cedarburg Schools LED Project
Cedarburg Light & Water recently worked with the Cedarburg School District to complete an extensive LED lighting project in all five schools.

The LED lighting is projected to save the school district 156.4 kilowatts of energy each year for a cost savings of over $136,000.

L’Anse Solar Project Study
The Village of L’Anse, WPPI Energy, Michigan Technical University and the Western Upper Peninsula Planning and Development Region recently completed a study on the feasibility of a starting a community solar project in L’Anse, Mich., which is located in the Upper Peninsula. Their findings show that, in general, customers support moving forward with a community solar program, but there are significant affordability challenges. The village is now considering the findings.

WI Business Customers Honored
Eight business customers served by WPPI Energy members were recognized as Green Masters at the Wisconsin Sustainable Business Conference in December:

• Appleton Coated (Kaukauna)
• Essity and Menasha Corp. (Menasha)
• Evolution Marketing (Oconomowoc)
• Lands’ End (Reedsburg)
• Phillips-Medisize and Westfields Hospital and Clinic (New Richmond)
• Rockwell Automation (Richland Center)

Green Masters are among the top 20% of applicants in the Green Masters program, which assesses sustainability practices in nine key areas.

WPPI ENERGY POLICY UPDATES

Federal
Tax Reform Bill Signed Into Law - President Trump signed H.R. 1 — a $1.5 trillion tax cut — into law in December. The new law prohibits the issuance of tax-exempt advance refunding bonds, but retains the current tax exemption for interest paid on municipal bonds. Retaining the tax-exempt status of municipal bond offerings is a top legislative priority for public power. The WPPI Energy membership will benefit from the new law due to lower Investor-Owned Utility power purchase agreement costs and transmission costs, as well as increased transmission revenue.

Wisconsin
PSCW Updates - Governor Scott Walker recently announced several changes to the Public Service Commission of Wisconsin’s (PSCW) leadership. He appointed PSCW Chairperson Ellen Nowak as Secretary of the Department of Administration, with Commissioner Lon Roberts taking over as the new PSCW chair. He also appointed his Chief of Staff, Rich Zipperer, to fill the open Commissioner seat, subject to confirmation by the state Senate. Prior to serving as Gov. Walker’s Chief of Staff, Zipperer, an attorney, was a state senator and served as chair of the Senate Utilities Committee.

CFC Power Breakfast - The Customers First! Coalition hosted its annual Power Breakfast in February. The event featured a keynote address about changing customer expectations, a customer panel and a policy-makers panel.

Iowa
IAMU Legislative Forum and Annual Business Meeting - The Iowa Association of Municipal Utilities hosted its legislative forum and annual business meeting December 29, 2017. Attendees had an opportunity to learn about the legislative issues impacting municipal utilities, visit with legislators and learn about timely topics impacting municipal utility managers.
Hartford’s Menasha Packaging Implements Efficiency Plan

Energy efficiency projects can have a significant impact on a business’ bottom line. Creating a successful energy efficiency strategy requires dedication and commitment at every level of a business, as well as guidance and resources from outside organizations.

Last year, Menasha Packaging (MP) created and implemented a plan to make their Hartford, Wis. plant more energy efficient. They received assistance from Hartford Electric and state program Focus on Energy.

**Menasha Packaging**
MP is the nation’s largest independent, retail-focused provider of corrugated packaging and merchandise. Its products and services are used by major food, beverage, health & beauty, pharmaceutical, entertainment and electronics companies. MP has several locations across the U.S. and in Canadian provinces Ontario and Quebec.

MP is a large business with a large electrical demand. The Hartford plant runs 24 hours a day, seven days a week, and the equipment is energy-intensive. Like many businesses, MP continually strives to boost its bottom line.

**The Team**
A team of key MP employees formed to look into energy efficiency measures to help cut company costs. Members included: Dan Dieringer, Regional Lean Manager; Ron Krebs, Maintenance Manager; Joe Ziegelbauer, Electromechanical Technician; and others.

They received assistance from Hartford Electric’s Energy Services Representative Mike Gentry and Focus on Energy’s Senior Energy Advisor Richard Fuestel.

Gentry and Fuestel provided resources and recommendations that helped identify opportunities and quantify project savings.

**Strategic Energy Management**
Gentry suggested that MP consider participating in the Strategic Energy Management (SEM) initiative, a federal program administered in Wisconsin by Focus on Energy.

SEM helps businesses create and implement a long-term, strategic plan for saving energy and money by setting goals, tracking progress and reporting results.

Gentry worked with the team to analyze historical data to determine how much energy individual components and processes use.

Hartford Electric provided financial incentives and equipment monitoring services in addition to the resources and incentives Focus on Energy provided through the SEM program.

**The Energy Efficiency Projects**
The team worked with Gentry and Focus on Energy for 18+ months to complete the SEM program and finish the following projects:

- Setting up an extensive metering and monitoring system throughout the facility
- Installing new process heat recovery systems
- Upgrading lighting and compressed air systems to more energy efficient technologies
- Installing a more efficient boiler, netting $40,000 in returns
- Changing a felt corrugator belt to a plastic model, producing an annual energy savings of about $11,000

MP is projected to save nearly $200,000 annually as a result of these projects.

In October, Focus on Energy recognized MP for its efforts as part of Energy Awareness Month. MP is one of only 30 Wisconsin companies to have completed the SEM program.

With assistance and resources provided by Hartford Electric and Focus on Energy, MP implemented a strategic, effective plan that will help the company save energy and boost its bottom line well into the future.
Reliability

The newly expanded New London plant is projected to have a peak load of two megawatts. In order to maintain a high standard of reliability, NLU added two transformers to its electrical system that are looped together on a network of 34.5 kilovolt power lines. The utility also has replacement transformers in stock to ensure quick restoration in the event of an equipment failure.

“The Commission allowed us to build a very strong, redundant electrical system and have the components to maintain it,” says Thompson.

Reliable power is especially important to manufacturing companies such as Steel King.

“Any time production stops, it’s very costly,” says Krueger, although this is not something he worries about with the new system.

“Steve (Thompson) and the utility had enough vision to see the growth on this end of the city and set us up with a really good system,” he says. “I feel very, very comfortable with the dependability of the system.”

Businesses and Public Power

Krueger values the unique benefits of being served by a public power utility.

“Steve and I have a very good working relationship, and I think that’s important; I’m a firm believer in relationships,” he says. “Steve understands the need, because it’s close to him, and NLU’s service is impeccable.”

With the utility office only minutes away from the plant, business with the utility is straightforward and friendly.

“If I have a problem, I make a phone call, we go to lunch to talk about it, and he fixes it,” says Krueger. “I’m very, very happy to deal with a local utility.”

NLU and WPPI Energy

Thompson appreciates the resources that he has access to through WPPI Energy. In addition to the economic development rate, he mentions residential programs, NLU’s Energy Services Representative Lisa Miotke, and WPPI Energy’s wide range of specialists.

“I have the same number of employees I had 32 years ago, but I have more demands on me for expertise in all kinds of areas now – energy conservation, heat pump systems, air conditioning systems and more,” he says.

“WPPI Energy has very talented employees that will help us with anything – all I have to do is make a phone call,” he says.

The End of an Era

As Steve Krueger walks into the new facility that has been his ‘baby’ for the past three years, he reflects on a successful, 38-year-long career.

“This has been a great community to work in,” he says. “I’m proud to say I’m from New London, and proud to say I worked at Steel King.”

WPPI ENERGY NEWS

WPPI Energy Participates in Security Exercise

WPPI Energy participated in the North American Electric Reliability Corporation’s biennial GridEx exercise in November. The exercise was designed for utilities to practice their response to cyber and physical security threats in a simulated environment.

CapX2020 Projects Completed

The CapX2020 initiative — a multi-state effort to provide clean, reliable energy to customers in Minnesota, Wisconsin and the Dakotas — was completed in September of 2017. As part of the initiative, 11 utilities partnered together over the course of 13 years to complete five regional projects. When combined, these projects provide 800 miles of transmission lines and substations across the Midwest, and make it possible for communities in more locations to use renewable energy, such as wind power.
Ordering materials can be time-intensive and expensive for small utilities. WPPI Energy’s Joint Purchasing Program, which recently celebrated its 30th anniversary, uses principles of joint action to meet those challenges.

Participating members pool their buying power, which gives them access to better pricing and helps them save on shipping costs.

Deb Adams, Technical Assistant II at WPPI Energy, manages the program with support from Chris Chartier, Director of Distribution Services, and Lindsay Murphy, Technical Assistant I.

“I gather information about vendors and materials to present to DSAG, but they make all the decisions,” says Adams.

The Distribution Services Advisory Group (DSAG) consists of a diverse group of member utility managers, line superintendents and purchasers. They evaluate options based on several factors, including cost, lead time, quality and minimum quantity required.

“We have a group of knowledgeable members in DSAG that know materials and know the best items to go into the online materials catalog,” says Chartier.

The online materials catalog contains over one thousand items from which members can choose. It provides an automated, seamless ordering experience, and members can order with the confidence that the materials included in it were evaluated and selected by their expert member peers serving on DSAG.

The Joint Purchasing Program also allows members to save money by sharing access to services, such as infrared inspection, lamp/ballast recycling, rubber goods testing and replacement, transformer oil testing, truck testing and weed spraying.

The Joint Purchasing Program is another way in which WPPI Energy members and their customers benefit from joint action. Nearly all member utilities participate in the program, and because they’re all not-for-profit, the savings get passed on to customers through lower electric rates.