



When and why we initiate load control

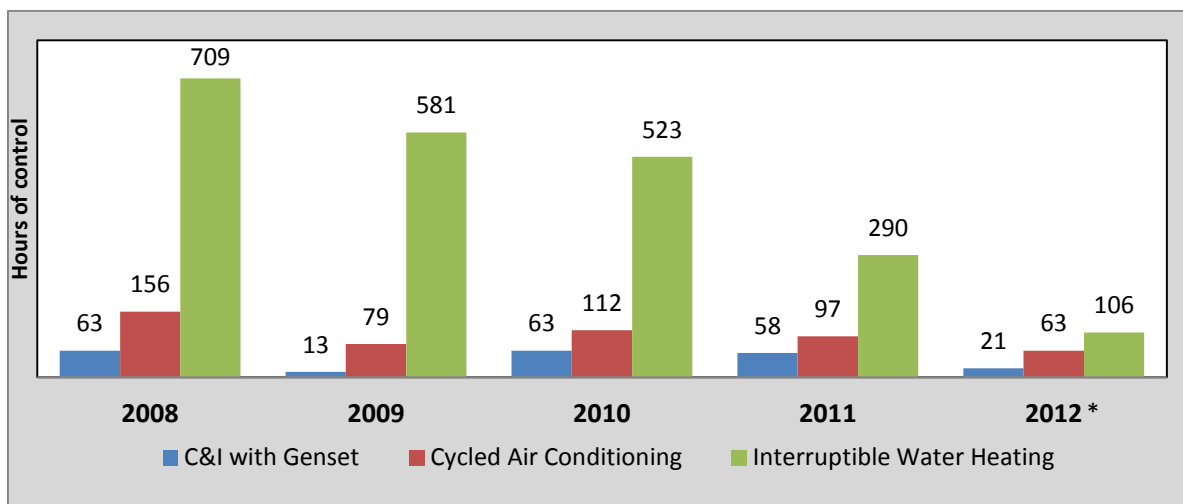
Great River Energy offers a variety of demand side management programs including load control programs. Load control programs help to reduce Great River Energy's wholesale electric costs and keep electricity more affordable for member-consumers. Load control programs involve cycling or suspending electric service to certain appliances or devices, such as air conditioners and water heaters, during particular hours of the year. Participants in Great River Energy's load control programs are often given an incentive to participate through their local distribution cooperative.

Put simply, load control allows Great River Energy to avoid purchasing power at times of heightened demand for electricity when market prices are high. In a cooperative business all costs are divided equally among the membership, so load control benefits everyone.

Maximizing benefits, minimizing inconvenience

Successful load control maintains a balance between controlling loads and keeping customers satisfied with their electric service. Great River Energy has made an effort to reduce the number of hours it controls loads since the economic downturn and the corresponding reduction in market prices of electricity.

The following chart depicts a significant reduction in hours of load control since 2008.



* As of September 10, 2012

How we decide when to control loads

In addition to controlling loads to avoid high-cost wholesale energy periods, Great River Energy also controls loads for other reasons, all of which are designed to benefit the full membership. They include:

- System emergencies - controlling loads during system emergencies helps reduce the stress on the electric grid and maintain system reliability in the region
- Resource adequacy limitations – as member of MISO, the region's electric grid operator, Great River Energy must manage its load to its forecasted load projections
- Monthly billing peaks – controlling during the peak hours each month allows us to better understand the effects of load control and avoid the unpredictability of shifting costs between members
- Validating control capability – occasional control reminds member-consumers of their importance and validates the rate savings that we offer