

Clay Electric News

A Touchstone Energy® Cooperative

7784 Old Hwy. 50 ■ P.O. Box 517 ■ Flora, Illinois 62839 ■ www.cec.coop ■ 618/662-2171 ■ 800/582-9012

Youth to Washington Tour available for juniors

The Clay Electric Co-operative sponsored "Youth to Washington" tour sends students to Springfield, Ill., and also to Washington, DC to see firsthand, government in action. Students will travel with other students from the area and the state of Illinois on both trips.

The Youth Day trip will include a visit to historic sites such as the Supreme Court, Illinois State Capital, Abraham Lincoln Library and Museum, and the Old State Capitol in Springfield.

On the Washington, D.C. tour you will visit Gettysburg, the Smithsonian Museums, Holocaust Museum, Washington Monument, U.S. Capitol Building, and many more interesting places.

The dates for the trips will be: Youth Day in Springfield – April 13, 2016. The Youth to Washington Tour will be June 10-17, 2016.

Each year one Junior student from Clay City, Flora, and North Clay High Schools is chosen to represent their school, and Clay Electric Co-operative (CECI), on the tour.

The students will be chosen by CECI and those students selected will also have the opportunity to work as a paid Intern during the summer.

Applications will be available in the near future by logging onto www.cec.coop, or www.facebook.com/cec.coop. Dates for submittal and complete rules will also be on the site.



**Congressman John Shimkus
and Parker Moses**



**Ed VanHoose
Manager**

Minutes of Board of Trustees Meeting

Regular meeting October 26, 2015

Trustees present were: Frank Czyzewski, Bill Croy, Neil Gould, Frank Herman, Kevin Logan, Bob Pierson, Richard Rudolphi, Danny Schnepfer and Greg Smith. Also present were Executive Vice President/General Manager Ed VanHoose, Cooperative Attorney Melanie Pearce, Operations Manager Luke Johnson, and Line Clearance employees Eric Moyer, and Layton Molt. The invocation was given by Danny Schnepfer.

Approved the agenda as presented by Gen. Mgr. VanHoose.

Introduced by Luke Johnson, Eric Moyer and Layton Molt new Line Clearance Foreman and Apprentice respectfully. Thereafter Moyer and Molt left the meeting.

Heard a report by Operations Mgr. Johnson as to Futura, GIS Mapping. Reviewed past practices of staking, planning jobs versus new Project Tracker inputting. Thereafter Johnson left the meeting.

After inquiry **Heard** a report by Gen. Mgr. VanHoose regarding damage by lightning storm not covered by insurance.

Approved the minutes of the regular meeting held September 28, 2015. The Organizational Meeting minutes of August 31, 2015 will be presented at the November Meeting.

Accepted 11 new members for service.

Canceled 17 members no longer receiving service.

Reviewed and **Approved** work orders in the amount of \$22,908.85 for the month of September.

Discussed Annual Meeting fees and highlights and Accepted the disbursement list for the month of September 2015.

Heard a report from Gen. Mgr. VanHoose as to the health condition of NRECA CEO Jo Ann Emerson.

Heard a report from Gen. Mgr. VanHoose as to reaction or fallout to "Waters of the US" (WOTUS) EPA rule. Illinois enjoys a stay of the ruling at present time.

Heard a report by Trustee Logan, as to the recent AIEC Meeting, Disbursed for review the AIEC Audit Report, Discussed the AIEC International Program, and were Informed that the next AIEC meeting would be on November 20, 2015. Approved the Appointment of Gen. Mgr. VanHoose as Delegate for ICWCG & RSI Annual Meeting.

Heard a report by Trustee Herman concerning the recent SIPC Board meeting specifically financial information, and regulatory issues. Reviewed SIPC "Committee meeting Highlights" and Heard concerns by Gen. Mgr. VanHoose as to Capital Project budgeting methodology and possible changes in billing factors that could be detrimental to CECI. He advises he will strongly advocate for CECI's interest.

Heard a report by Gen. Mgr. VanHoose as to CFC 2016 Patronage Capital earned by CECI and CECI will pay CFC an amount previously approved of 5% to the Integrity Fund. and a report as to

CFC semiannual interest earned by CECI.

Heard a report by Gen. Mgr. VanHoose as to the following;

Reviewed Form 7/Operations Report.

Reviewed 2016 401k fee schedule.

Reviewed cash flow report.

Reviewed SIPC power bill.

Reviewed power factor.

Reviewed power cost adder.

Reviewed PCA Forecast and Heard a report on forced outage rate deviations

Reviewed recent safety meeting, October 19, 2015, and the Monday morning safety meetings held in October.

Informed of a miscommunication issue with CRC, the CECI dispatch service provider, where a Member contacted CECI regarding a power outage and CRC failed to send a crew.

Heard a report as to the recent 2015 Farm Bureau Safety Day.

Thereafter **Approved** Managers report, except for financial information which will be approved at Audit Review, as presented.

Disbursed for review, Thank You card from the family of Lewis E. (Sonny) Hockman and a Thank You note from Jessica Percival, North Clay H.S. Yearbook Advisor.

Approved the retirement of Capital Credits to the estate of one deceased Member, pursuant to Cooperative Policy.

Discussed and **Scheduled** a Christmas Party for Directors and Employees and their families.

Disbursed Touchstone Extra Magazine, Fall 2015.

Disbursed "IEC Continuing Education 2015 - 2016; Building Foundations for Success!"

Heard a report by Gen. Mgr. VanHoose as to the status of Territorial Agreement and other related issues.

Adjournment.

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Be prepared for winter storms

By Abby Berry

When winter temperatures drop and storms hit, it can be challenging to stay safe and warm. Winter storm severity varies depending on where you live, but nearly all Americans are affected by extreme winter storms at some point. Clay Electric Co-operative cares about your safety, and we want you to be prepared.

Heavy snow and ice can lead to downed power lines, leaving co-op members without power. During extremely low temperatures, this can be dangerous. During a power outage, our crews will continue to work as quickly and safely as possible to restore power, but there are a few things you can do to prepare yourself.

- **Stay warm** – Plan to use a safe alternate heating source, such as a fireplace or wood-burning stove during a power outage. These are great options to keep you and your loved ones

warm, but exercise caution when using, and never leave the heating source unattended. If you are using gasoline-, propane- or natural gas-burning devices to stay warm, never use them indoors. Remember that fuel- and wood-burning sources of heat should always be properly ventilated. Always read the manufacturer's directions before using.

- **Stay fed** – The CDC recommends having several days' supply of food that does not need to be cooked handy. Crackers, cereal, canned goods and bread are good options. Five gallons of water per person should also be available in the event of an extended power outage.
- **Stay safe** – When an outage occurs, it usually means power lines are down. It is best not to travel during winter storms,

but if you must, bring a survival kit along, and do not travel alone. If you encounter downed lines, always assume they are live. Stay as far away from the downed lines as possible, and report the situation to our dispatchers by calling 800-582-9012.

Winter weather can be unpredictable and dangerous, and planning ahead can often be the difference between life and death. Clay Electric is ready for what Mother Nature has in store, and we want you to be ready, too.

Abby Berry writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.

Investors concerned about EPA plan's effect on co-ops

Strong co-op business practices seen as a plus for the future

By Paul Wesslund

The financial industry is keeping a close eye on how the Environmental Protection Agency's (EPA) Clean Power Plan will affect electric co-ops.

The plan, released last year, proposes to reduce greenhouse gas emissions largely by cutting back on the use of coal to generate electricity. And that, says one of the leading Wall Street investment rating firms, Standard & Poor's Rating Services, "could hit some electric cooperative utilities hardest: As the National Rural Electric Cooperative Association reported, these utilities rely on coal for an average of 70 percent of their energy needs, compared with a national average for all utilities of less than 40 percent."

The emission reductions are scheduled to begin in the year 2022

and be complete by 2030. Those deadlines could be delayed by lawsuits that have been filed challenging the plan.

On the positive side, co-op leaders and the financial industry agree that cooperatives have shown good decision making that has put them in a strong financial position. They have kept electric rates low but raised them when necessary, and they have taken advantage of the low interest rates of the past several years to lock in low rates for the future.

"From both a credit quality and management perspective, there's a lot of strength in the electric cooperative program—a huge asset in the current regulatory environment. We're positioned well for future stability," says Sheldon Peterson, CEO of CFC, which is short for the

National Rural Utilities Cooperative Finance Corporation. "Our business motivation is different. Our objectives are not to maximize the rate of return, our objectives are to minimize costs to the members—that's very positive for us and leads to competitiveness."

The S&P report observes, "We expect them to use similar methods to maintain their credit quality as the EPA finalizes regulations that could, in our view, significantly influence the cost of providing electric service—and we'll be watching to gauge their success."

Paul Wesslund writes on cooperative issues for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.

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