

Clay Electric News

A Touchstone Energy® Cooperative

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

From the Manager

By Ed VanHoose

Do you pay your bills online? If so, did you know you can do that with your cooperative's new website? If you haven't had a chance to take a look at it yet, I encourage you to do so. We've added quite a few new features. Now, you can report an outage on the site, check out some of our current happenings and even find links to some external sources to provide you some better information about energy efficiency.

If you take a moment to scroll to the bottom of the page, you will even find a link to a guide for building a more energy efficient home. Right next to that, you'll see a link to the Touchstone Energy, Kids Energy Zone site. On that site, our younger members can learn all about how electricity works, and how to be safe when using electricity. There are coloring pages you can print out, videos featuring CFL Charlie and

LED Lucy, and even some online games for kids to play. It's a great site for kids to visit!

If you know of a teacher who's interested in incorporating some of the ideas from the site into the classroom, please have him/her call Doug Hockman, your Member Services Director. You cooperative would be happy to assist.

Aside from the new web presence, we have been very busy here implementing the work plan for the year. A big part of that implementation is the addition of a new position. The Construction Manager ensures successful completion of line extensions, repairs and maintenance. By adding this position, we hope to increase overall efficiency of our staff so we continue to improve upon your service.

Clay Electric may be one of the smallest cooperatives in Illinois, but all of the staff pride themselves on bringing you the same level of service, technology and expertise you would find at any of the larger utilities. We do this because, at the end of the day, it's all about you, the member. We work for you, and we don't ever forget it.



Ed VanHoose
Manager

Minutes of Board of Trustees Meeting

Regular meeting December 22, 2014

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, and Cooperative Attorney Melanie Pearce. Guests from Southern Illinois Power Cooperative (SIPC) Don Gulley, and Jim Lewis. The invocation was given by Frank Herman.

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

Informed by Mr. Gulley and Mr. Lewis of the Delta Carbon site and related IDNR permit process.

Approved authorization of Board member information for IDNR permit process. Guests then left the meeting.

Approved the minutes of the regular meeting held November 24, 2014.

Accepted 9 new members for service.

Canceled 19 members no longer receiving service.

Approved write-offs in the amount of \$834.62.

Informed work orders would not

be presented until December Board meeting because of software upgrades not being completed.

Accepted the disbursement list for the month of November, 2014.

Heard a report on change of venue of Clay Electric Cooperative, Inc. (CECI) Annual Meeting of Members and Approved scheduling of said meeting for Thursday, August 27, 2015 to be held at the Oil Belt Christian Service Camp new Activities Building.

Approved the appointment of the following voting delegates and alternates; NRTC Kevin Logan, and Bill Croy, CFC Frank Herman, and Bob Pierson, Federated Richard Rudolphi, and Danny Schnepfer.

Heard a report by Trustee Logan concerning the recent AIEC regular monthly meeting.

Heard a report by Trustee Herman concerning the recent SIPC Board meeting, including monthly financials, carbon production in Fidelity, Prairie State operation, closing on indenture, and status of settlement with Norris Electric. Also heard a report by Trustee Rudolphi regarding Right of Way negotiation. Thereafter approved said report.

Heard a report by Gen. Mgr. VanHoose concerning revenue of Norris settlement, and SIPC increase in Power Cost Adjustment (PCA) from 2014 Budget level.

Reports Presented by Gen. Mgr. VanHoose as follows;

Reviewed Financial Reports as to allocation of margins in the context of discussion of capital credits in the future.

Approved with one abstention changing from IEC-FCU credit cards to CFC "One Card" credit cards.

Information on negotiation with NRECA regarding medical providers out-of-network.

Approved for the purpose of Personnel, movement to Executive Session.

Approved closing of Executive

Session.

Reviewed 2015 Budget information with discussion of Capital Credits.

Discussed and Approved change of venue of regular monthly Board meeting in February.

Heard a report concerning visit with Congressman Mike Bost.

Approved agreement with Ameren regarding CECI ability to switch Ameren equipment as necessary.

Report on vegetation management.

Legislation on NRECA retirement security plan.

Reviewed information on rate increases of Ameren and ComEd approved by ICC.

Reviewed statewide survey of "Residential Facility Charges"

Heard, Reviewed, and Discussed worker's compensation premiums, Experience Modification Factors, statewide survey, and safety incentives.

Reviewed article on Fracking.

Discussed staking school program for employees.

Discussed CECI Christmas Party.

Heard a report concerning Cooperative Response Center (CRC) Agreement Renewal.

Informed there were no Purchase Power Agreements for the month.

Heard a report concerning handling retirement of Capital Credits to estates of Deceased Members.

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

Heard a report as to use of scrap iron proceeds and employee donations to purchase Christmas presents to be given to needy families and children as advised by Clay County Health Dept.

Approved Managers report.

Approved an employee unused vacation time rollover from 2014 to 2015.

Disbursed Christmas Cards from Members.

Adjournment.

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Office hours:
7:30 a.m. — 4:00 p.m.
www.ceci.coop
www.facebook.com/ceci.coop



Voluntary and Open Membership

Why this principle still applies to electric co-ops

By Adam Schwartz

When electric co-op members look at the seven co-op principles, many may question if they really live up to the first principle: Voluntary & Open Membership. It is a fair question. There is a two-part answer.

First, it is important to remember that when Clay Electric Co-operative, Inc. was first being formed back in 1941, every potential member had the option to refuse service. While it may be hard to believe today, there are numerous stories from electric co-ops throughout the country where the farmer said, "No thanks. We are doing fine with kerosene." Of course over time they changed their minds and eventually became members of the co-op.

Due to the incredible cost of offering electric service, the vast majority of people and businesses only have one choice if they want to connect to "the grid" and receive electricity. While that may change in the future due to rooftop solar or other generation sources, the best option for most people for safe, reliable and affordable power is from your electric co-op.

Today, electric co-ops focus on the second part of the principle, "Open Membership." All residents and businesses in the service territory of Clay Electric are welcome to receive power. Co-ops continually strive to ensure that your membership has value to you not just through the service of electricity but by being an active part of our community.

Co-ops offer and welcome your participation in the governance of the organization through a democratically elected board of directors. As a locally owned and controlled utility, co-ops are in a better position to understand the needs of its members and can be quicker to react to help ensure the membership receives the best service possible.

Members are welcome to suggest improvements to the co-op's operations and, unlike large investor owned utilities often with millions of customers, you can be assured your ideas will actually be read by a real person in real time.

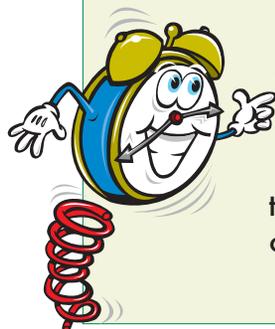
All co-ops, whether it is your credit union, farm co-op, telephone co-op or any other of the 29,000 co-ops that exist in the U.S. today, live by these seven co-op principles:

1. Voluntary and Open Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation among Cooperatives
7. Concern for Community

By using all of these principles integrated together, Clay Electric is able to serve your needs every day.

Adam Schwartz is the founder of The Cooperative Way a consulting firm that helps co-ops succeed. He is an author, speaker and a member-owner of the CDS Consulting Co-op. You can follow him on Twitter @adamcooperative or email him at aschwartz@thecooperativeway.coop.

Daylight savings time



Daylight savings time changes March 8. Don't forget to move your clocks ahead one hour.

Energy Efficiency Tip of the Month



Source: EnergySavers.gov

Your home works hard for you. Consider giving it an energy checkup. Hire a professional energy auditor to diagnose where your house could be losing energy and where you can start saving money. Auditors check for air leaks, inspect insulation, survey heating and cooling equipment and more. After making efficiency upgrades, you could save 5-30 percent on your energy bills!

Clearing for reliability

By Meghaan Evans

There are many ways that Clay Electric provides you with safe, reliable electric service. One of the most common – and crucial – ways is referred to as right-of-way clearing (or vegetation management).

A right of way (ROW) refers to a strip of land underneath or around power lines that your electric cooperative has the right and responsibility to maintain and clear. Trees must grow at a distance far enough from conductors where they will not cause harm to individuals or disruption to electrical service. Specifications can vary, but a general guideline of maintaining a safe ROW is 15 feet of clearance on either side of the primary conductors and 20 feet of overhead clearance above the highest wire on the pole.

Clearing the ROW is critical to keeping our members' lights on.

An average of 15 percent of power interruptions occur when trees, shrubs or bushes grow too close to power lines.

If a tree encroaches on this safe distance, our vegetation management team will trim back branches and brush using chainsaws, bucket trucks, tree climbers, brush chippers and mowers. Chemical control methods can also be used as a way to support the growth of low growing plant species that will outcompete the tall trees growing beneath power lines.

ROW clearing also keeps your family safe by ensuring that tree branches do not become energized due to close contact with a downed power line. Power lines can carry up to 34,500 volts, and an energized tree branch is incredibly dangerous – even deadly. Be mindful when around trees close to power lines,

and make sure your children know that climbing trees near power lines is extremely dangerous.

ROW clearing is also critical to ensuring that we provide members with affordable electricity. Staying ahead of the game keeps us from having to come out after a storm to restore power due to fallen trees. Remember to contact Clay Electric, 662-2171 or 1-800-582-9012, if you decide to trim or remove trees near any power service or line. And never trim a tree in the right-of-way zone on your own.

ROW clearing just makes sense.

Meghaan Evans 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.

VEGETATION MANAGEMENT
Why it Matters to You

Right of way (ROW): Refers to a strip of land underneath or around power lines that your electric cooperative maintains and clears. Trees must grow at a distance far enough from conductors where they will not cause harm to individuals, or disruption to electrical service.

15 percent of power interruptions occur when trees, shrubs or bushes grow too close to power lines. By managing vegetation, your electric cooperative keeps power *safe and reliable*.