




Clinton County Connection

45

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Mike Johnson

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Some Power Marketers Still Creating Confusion

Our office continues to receive phone calls from our members concerning annoying telemarketing calls and letters from power marketers. These power marketers' solicitations are aimed at selling power to Ameren electric consumers, but unfortunately these calls and letters are also going to Clinton County Electric members. Clinton County Electric and our statewide association, the Association of Illinois Electric Cooperatives, are working to address this situation, and some of the power marketers have graciously been cooperating to help eliminate confusion. There are many issues that need to be addressed, most concerning to me is to keep member information confidential. We have been unable to resolve this to date, but I do believe that an understanding can and will be achieved.

Ironically, Clinton County Electric got a phone call from an alternative power supplier telemarketer as I was composing this article. Our receptionist transferred the call to me and I tried to have an open and honest discussion with the telemarketer about the electric utility industry. I asked him if he knew the philosophical differences between a cooperative, municipal utility, an investor owned utility and a power marketer. He did not know, nor do I think he cared to know. He became increasingly frustrated with me since I was trying to educate him on the current energy environment in the State of Illinois. After about ten minutes of education, he called me a bad name and hung up the phone. I will have to admit this is the first time in my life a telemarketer has hung up on me.

There are many issues that need to be addressed, most concerning to me is to keep member information confidential.

In 1998, the Illinois General Assembly passed legislation deregulating the electric utility industry. That legislation recognized that, as not-for-profit, consumer-owned utilities, cooperatives and municipal utilities are different from for-profit, investor-owned utilities. And consumers of those systems should have the right, through their member-elected governing bodies, to make all decisions related to entry into the deregulated market. We believe that legislators wisely recognized that locally elected cooperative board members already give consumers local control over their utilities. As of now, no electric cooperative or municipal system believes it is in the best long-term interests of the

system's consumers to participate. If those consumers demand more options or a different direction in power supplies, then they can make that happen through (1) speaking directly to me, (2) attending your annual meeting and speaking up or (3) election of cooperative directors (or, in the case of municipal systems, through the elected city councils).

And really, cooperatives and municipal electric systems are already doing what the power marketers are trying to do - aggregate groups of consumers to get a better deal on power than an individual customer can find on their own. The main difference (as I discussed in last month's ICL) is that power marketers are focused on the short-term, whereas, cooperatives and municipal systems are focused on providing long-term stable energy supply. Granted, currently power marketers' prices are lower than Clinton County

(Continued on page 16b)

Facility Charge – “The Story Continues”

Clinton County Electric ran an article in the October 2011 Illinois Country Living magazine concerning the basics of the facility charge. That article can be found on our website if you would like to review it. To review it, please go to www.cceci.com, click on the Clinton County Connections tab on the left side of the webpage and then click on the October 2011 edition. At this time, I would like to continue that conversation.

In February of this year, Clinton County Electric increased the facility charge from \$22 to \$28 per meter/per month for the typical single phase home/farm account. That was a significant increase (\$6/\$22.0 or 27%).

At YOUR Annual Meeting held in March of this year, we informed the membership that “we need to recover fixed expenses through fixed charges (our monthly facility charge) and we need to recover variable expenses through variable charges (our energy charge on your bill).” We also stated, “Our long range rate design goals are (1) to increase the facility charge, and

(2) to flatten the energy charge. We believe this is the fair thing to do.”

I am writing this article towards the end of August, 2012; management and the Board of Trustees will begin to have discussions concerning the 2013 Rate Plan within the next few weeks. As mentioned above, our goal is to be fair and our current rate structure is not completely fair to all. Clinton County Electric is not alone in this area. This situation is fairly common in today’s electric utilities. However, I believe almost all electric utilities, as well as Clinton County Electric, are trying to move to a fairer rate structure. The definition of a “fairer rate structure” would be everyone paying their fair share of the cost to provide them with safe, reliable and reasonably priced energy.

The article last October described the fixed cost investment needed to be in place if and when the member decides to “flip the switch”. There is more to that story; the continuation also needs to address safety and reliability. We believe the facility charge

needs to include costs of our safety programs. Safety concerns include the general public, member and employees. We also believe the facility charge needs to include reliability costs. After all, what good is an electrical system if it’s not reliable? Those reliability costs include tree trimming, pole testing, line inspection, outage restoration, replacement of worn out facilities and investment in new equipment/technology that improves efficiencies.

I did a short “back of the envelope” calculation using these costs to see where the facility charge should be and got a blended number of a little less than \$67.00 per meter/per month. I am not saying that Clinton County Electric will go to that amount, but it is a helpful number to use as a guidepost in the education process.

Management and the Board of Trustees will continue working on our long range rate design goals, and as always, we will continue to communicate our findings with the membership.

President’s letter *(Continued from page 16a)*

Electric’s, but that is a relatively new phenomenon. Historically, our prices were lower than the market.

So if you receive a phone call or mailing from one of the power marketers, you can let them know that you already have someone looking out for your best interest on your electric bill. We are, and will continue to be, your local source of power.

Thank you for taking the time to read this article. Please remember, all initiatives we embark upon always have our members’ best interest in mind. Providing our members with safe, affordable, reliable electricity and restoring electrical service as quickly and safely as possible continues to be our goal. As always, if you have any comments or suggestions, please don’t hesitate to contact me at Johnson@cceci.com.

Mark your calendar

In observance of
Veteran’s Day, the
Cooperative office will
be CLOSED on Monday,
November 12th



In observance of
Thanksgiving, the
Cooperative office will
be CLOSED on Thursday,
November 22nd & Friday,
November 23rd

Attention Teachers and Administrators!

Have an educational project you'd like funded?

\$8,000 available through

Touchstone Energy

Classroom Empowerment Grants



Touchstone Energy[®]
The power of human connections

Enter **Touchstone Energy's Classroom Empowerment Grant Competition** and your submission could win a \$500 grant for classroom and education enhancement projects!

Touchstone Energy Classroom Empowerment Grants totaling \$8,000 are being funded by Clinton County Electric Cooperative (CCEC) for the 2012-2013 school year. For more information about the grant program, or to get an application, please contact your school superintendent or Brenda Knolhoff at Knolhoff@cceci.com.

Grant applications will need to include the following information:

1. A description of the project and what it will accomplish
2. The estimated cost of the project
3. An explanation of why outside funds are necessary to complete the project
4. Whether funding options have been pursued, and if so, how
5. When project will be completed
6. The number of people affected by the project
7. If the project's goals are measurable, and how
8. How the project ties in Touchstone Energy's four core values of Integrity, Accountability, Innovation and Commitment to Community

Photos and supporting data are optional. Grant applications must be received at CCEC by November 2, 2012. Entries will be evaluated by an impartial panel of judges. Awards will be announced on December 7, 2012.

Last year's winners:

\$2500 - Carlyle Community School District

Submitting teachers: Patty Harre, 6th Grade Science Teacher; Rita Winkeler, 3rd Grade Teacher; Carrie Toth, High School Spanish Teacher; Tara Joiner, Jr. High Special Education Teacher; and LuAlice Kampwerth, Junior High Librarian.

\$1,500 - Germantown Grade School

Submitting teachers: Becky Hitpas, Pre-K Teacher & Coordinator; Kaci Lueking, 1st Grade Teacher; and Pat Henrichs, Music Teacher.

\$500 - Albers Elementary School

Submitting teachers: Sharon Harms, Superintendent.

\$1,500 - Mater Dei Catholic High School

Submitting teachers: Jackie Chiarolanza, Business Teacher; Christine Gramann, Science Teacher; and Dave Kohlen, Business Teacher.

\$500 - New Baden Elementary School

Submitting teachers: Christy Segelhorst, Dawn Isenhower, and Angie Oelrich, all 4th Grade Teachers.

\$1,500 - Wesclin St. Mary's School in Trenton

Submitting teachers: Kristen Oster, Librarian; Julie Boeckman, 4th Grade Teacher, and Heather Klein, Special Education Teacher.

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IS ABOUT KEEPING YOUR ELECTRIC BILLS DOWN.**



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Electric Cooperative, Inc.**
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Outage Texting – A New Way to Report Your Electric Outage Afterhours

Currently when your power goes out and our office is closed, we ask that you call 1-800-526-7282 to report your outage to our after-hours answering service, Cooperative Response Center (CRC). Beginning November 1, 2012, a new option to alert CRC to your outage will become available. With the rise in the use of cell phones and the popularity of texting, you will now have the option to text your outage to CRC beginning next month. To utilize outage texting, members will need to:

- 1.) Have their cell phone number on file at Clinton County Electric. Please contact us at 526-7282 to make sure we have it.
- 2.) Complete a short registration process on our website, www.cceci.com.

CRC is based in Austin, Minnesota and they specialize in handling outage calls and dispatching crews in the electric cooperative industry. Texting outages will provide a quick, effective and convenient option to report your outage for anyone who prefers “texting” over “talking” on the phone.

Spotlight on Randy Renth

Randy D. Renth serves as a trustee of the Clinton County Electric Cooperative Board of Trustees representing District No. 3. He has served on the Board since 1996 and currently serves as Vice-Chairman. Randy is also a Director for the National Rural Utilities Cooperative Finance Corporation in Dulles, VA.

After incurring numerous hours of training and tests Randy earned his Credentialed Cooperative Director Certificate and Board Leadership Certificate.



Randy D. Renth

Randy is a graduate of Mascoutah High School and Illinois State University with a degree in Accounting. He serves as a Member of the Board of Education for Mascoutah School District and has a grain farm south of New Baden.

Randy is a licensed Certified Public Accountant employed with Rickhoff & Associates. He and his wife Kim have a daughter,

Allyson, who is a Pre-Med student at Saint Louis University.