Egyptian Electric

Your Touchstone Energy® Cooperative

May 2013

P.O. Box 38
Steeleville, IL 62288

10169 Old Highway 13
Murphysboro, IL 62966

(800) 606-1505
(888) 554-8181 fax
www.eeca.coop

Office Hours: 8 a.m. - 4 p.m.
Monday - Friday

Mission Statement:

Improving the quality of life of our member-owners.

James B. Riddle
Executive Vice President/
General Manager

Board of Directors

Kevin Liefer, President
Randall Campbell, Vice President
Ken Jarrett, Secretary-Treasurer
Larry Ebers
Allen Haake
Paul Hicks
Gilbert Kroening
Steven Prest
Paul Pyatt

Office Closing

Memorial Day,
Monday, May 27

What to do if the power goes off

1. Check your main fuses or circuit breakers to ensure none of them have tripped.
2. Look at your meter. If you can read the numbers on the LCD display, there is power to the meter; you will need to check further for a breaker that has tripped or a fuse that has blown. If there are no numbers present on the display, there is no power to the meter.
3. To report an outage, call 800-606-1505
4. Make sure you have the name as listed on the account and if possible, the account number.

Meeting your power needs

At this year's Annual Meeting on July 25, we will celebrate Egyptian Electric Cooperative's 75th Anniversary. You might recall from last month that the Cooperative was formed on Aug. 25, 1938 at the Farm Bureau building in Murphysboro. When the first piece of Cooperative line was energized on Sept. 13, 1939, it was 95 miles long and served truly rural areas. Today, your Cooperative serves over 14,760 meters with over 2,270 miles of distribution voltage power lines. From a single substation with a very small power transformer in 1938, we've grown to 23 substations.

All of this electricity has to come from someplace. In 1938, the power came from the investor-owned power companies. Substations were built near their transmission lines and the cooperative purchased all of its electricity from them.

That might still be the case had it not been for a meeting that was held on Sept. 23, 1948, in Dongola, IL. Attendees at that meeting were representatives of Egyptian Electric; Southern Illinois Electric Cooperative, Dongola; and SouthEastern Illinois Electric Cooperative, Eldorado. Also attending were representatives from Cairo, a community with a municipal electric system that was suffering from an oppressive power contract with the power companies. This meeting resulted in the incorporation of Southern Illinois Power Cooperative (SIPC).

The goal of this meeting was to link together and obtain power from the Tennessee Valley Authority (TVA). Despite a series of discussions and studies of wholesale power costs and future needs, the link never came to fruition. While a TVA link did not materialize, the new cooperative was able to achieve a notable reduction in wholesale power contracts with the power companies in 1950. Shortly thereafter, the city of Cairo withdrew from the cooperative.

As lower cost power contracts resulted from the formation of SIPC, there was no further need for the organization and it lay dormant until 1957. However, contracts with the wholesale power suppliers were due to expire on Dec. 31, 1959 and early discussions revealed the power suppliers intent to increase rates. Being at their mercy, the three distribution cooperatives that formed SIPC held a reorganizational meeting and SIPC once again became an active cooperative.

Studies as to the feasibility of building a power plant and transmission system in southern Illinois to serve the three distribution cooperatives were undertaken. The key result of the studies was that the power plant, transmission system and a lake

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Jim Riddle
Executive
Vice President/
General Manager

Integrity : We are credible, trustworthy, honest and believable.

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to supply cooling water would be feasible if the REA would make a $25 million loan for construction. Suddenly, with the thought of losing three very good customers, the attitude of the power companies changed. They lobbied REA administrator David Hamil to deny the loan; they had ample resources to serve southern Illinois' power needs.

Mr. Hamil was scheduled to deliver a key speech at the National Rural Electric Cooperative Association (NRECA) annual meeting, on Feb. 23, 1960, in St. Louis. Prior to the meeting, Mr. Hamil had not revealed his decision. As he neared the end of this speech, he paused for a moment and almost as an afterthought, announced the loan to SIPC had been approved, one of the first REA loans for the construction of a power plant.

While this was exciting news, it also meant the beginnings of very hard work. A site had to be selected that would allow creation of a lake for cooling water; Lake of Egypt, with its 2,300 acres and 93 miles of shoreline was the result. Designs for a power plant, administrative office and 450 miles of 69,000 volt transmission line had to be made. And the land for the lake had to be purchased.

To think that loan approval was made in early 1960 and the plant was producing electricity on Oct. 1, 1963, from its three 33-megawatt turbines is almost unfathomable. And this was before desktop computers, fax machines, cell phones or email existed.

From its early days in 1963, with the construction of the 99 megawatt plant, SIPC has continued to grow to meet the needs of its member distribution cooperatives---Egyptian, Southern and SouthEastern. In 1978, Unit 4, a 173 megawatt turbine was installed along with new, state-of-the art environmental controls.

SIPC's mission has been to meet the energy needs of southern Illinois in an environmentally responsible manner. It has also attempted to support the southern Illinois coal industry, a large employment sector of the local economy. In 2002, SIPC replaced the original boilers built in the early '60's with a new, more environmentally friendly, circulating fluidized bed (CFB) boiler that increased capacity of the original turbines to 120 megawatt, along with installing even more environmental control equipment on Unit 4.

Southern Illinois Power Cooperative's Units 1,2,3 shortly after completion in 1963.

To help spread the cost of the new boiler and environmental control equipment over more meters, SIPC added additional member distribution systems during that time. Monroe County Electric Cooperative, Waterloo; Clinton County Electric Cooperative, Breese; Tri-County Electric Cooperative, Mt. Vernon; and Clay Electric Cooperative, Flora, are now distribution members of SIPC.

As the economy and electric consumption continued to grow in the early years of the 21st Century, SIPC began examining options for additional generation. In 2006, the opportunity to own a part of the new Prairie State Energy Campus (PSEC) near Marissa presented itself. Knowing the existing plant could not be expanded and that building new generation that met new environmental regulations by itself would be cost prohibitive, PSEC offered an alternative. SIPC agreed to purchase 125 megawatt of the plant's 1,600 megawatt capacity. PSEC began generating electricity in 2012 and will provide environmentally responsible electricity while using southern Illinois coal for years to come.

As an environmental steward, SIPC also supports renewable energy when economically feasible. SIPC has 28 megawatt of hydro-power available to it from the SouthEastern Power Administration. It also has a Purchased Power Agreement for 10 megawatt of wind turbine electricity from the Pioneer Trail Wind Farm near Paxton, IL.

SIPC has become a major component of the southern Illinois economy. From the original construction jobs in the early '60's, SIPC provides full-time employment for nearly 120 local residents. During annual maintenance periods, many local, skilled labor groups are provided with temporary employment; many in the coal and trucking industry can count SIPC as the reason for their employment. Lake of Egypt, originally built as a source of cooling water, is today a recreational mecca providing boating, fishing and other recreational activities. The 93 miles of shoreline have become residency for three marinas and many subdivisions of upscale, day-to-day and retirement homes.

SIPC was created 65 years ago when local cooperative leaders united to find a secure source of power for their members. As the membership and loads of Egyptian Electric and the other SIPC member distribution cooperatives grow, SIPC has continued to find ways to ensure the

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Accountability : We act in accordance with our core purpose and values.

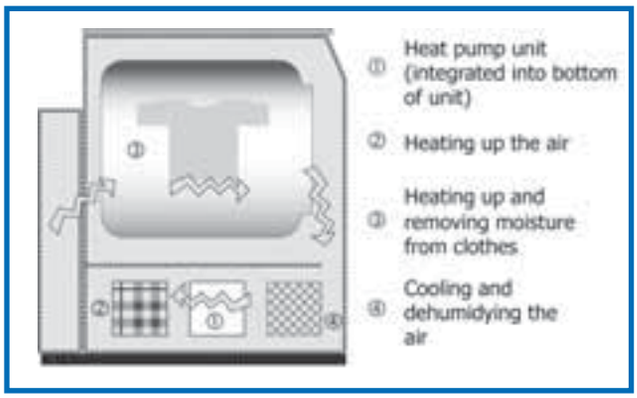
Heat pump clothes dryers

Do you consider yourself a 'gadget' or 'energy efficiency' geek, always looking for the next innovative product on the market? If you do, you may want to keep your eyes open for the next new product on the home appliance market that promises to reduce energy costs while minimizing the impact on the home environment, the heat pump clothes dryer.

While many appliances in our homes, refrigerators, clothes washers, dish washers, and heating and cooling systems, have undergone major energy efficiency improvements, the automatic clothes dryer remains relatively unchanged from its original operating system. About the only change has been the addition of moisture sensors that automatically shut dryers off when clothes get dry instead of depending on a time control.

Clothes dryers work by using either gas or electric to heat air from inside the home and then passing the heated air through clothes as they tumble. Tumbling is actually done to allow the heated air to more evenly move through the clothes, not to stop wrinkles. This moisture laden air is then vented outdoors.

Much of the energy in a kWh or a therm of gas that is used to heat the air is lost to the outdoors. This is not the only energy wasted by a clothes dryer though. Air that is vented to the outdoors is replaced by air that is sucked in through cracks and holes in the home. In the winter, it's cold dry air and during the summer it's hot moist air. Either way, it causes our heating or cooling system to run more and brings in additional pollutants and dust from outdoors.



The negative air pressure that a clothes dryer places on the home can also create health issues. Atmospherically vented gas furnaces and water heaters vent their combustion byproducts (namely carbon-monoxide) to the outside through the buoyancy of the heated air rising up the vent flue. If a clothes dryer is present in the same area, the negative pressure created in the venting process by the clothes dryer is greater than that created by the water heater. This causes back drafting of the water heater, sucking exhaust gases and carbon monoxide back into the home.

In Europe, heat pump clothes dryers are being used successfully and use 50 percent less energy than the traditional dryer in the U.S. These dryers work by heating air that is inside the dryer, cooling it to remove the moisture, then heating it again to aid in drying. Think of it as a traditional dryer without a vent to the outside and instead has a dehumidifier built in.

The heat pump that generates the heat is more efficient than an electric or gas heater and because the dryer is not vented to the outdoors, sucks in no outside air nor creates pressure imbalances within the home.

Heat pump clothes dryers do cost considerably more than traditional clothes dryers. They also have a much longer drying cycle. According to Home Energy magazine, however, it is the only clothes dryer to get an A rating on the European Union's energy label. Switzerland has passed a law that bans all but the sale of A rated dryers which has effectively made the heat pump clothes dryer the only option available. More countries are expected to follow suit.

While the Energy Star program is pushing to get heat pump clothes dryers adopted into the U.S. market, it may be a while before you find these new products on show-room floors. In the mean time we still have one of the most efficient methods of drying clothes available to us---hanging them outside!

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distribution cooperatives have access to highly reliable, reasonably priced and environmentally responsible wholesale electric power. While this task has its challenges with the ever changing climate control rules and regulations, SIPC has always met challenges head on; this is the organization that went from nothing to building a power plant, administration building, a 2,300 acre lake and a 450 mile transmission system in less than three and a half years…without desktop computers, fax machines, cell phones or email!

Nominating committee appointed

Pursuant to the By-Laws of Egyptian Electric Cooperative Association and in compliance with the United States Department of Agriculture Rural Utilities Service Revised Bulletin 20-19, notice is hereby given to the members of the Egyptian Electric Cooperative Association that the Cooperative will hold its 75th annual meeting of its members on Thursday evening July 25, 2013, at 7:00 p.m., in the Steeleville American Legion.

Notice is further given that the terms of directors Allen Haake, Murphysboro, Ken Jarrett, Jacob, and Kevin Liefer, Red Bud, will expire at said annual meeting.

Notice is further given that the board of directors of the Cooperative has appointed the following named persons as a nominating committee:

Robert Arthur, Carbondale
Russell Biggs, Carbondale
Richard Fager, Murphysboro
John Helmers, Steeleville
Kenneth Hollmann, Gorham
Stuart Langrehr, Evansville
Roger Morganstern, Pinckneyville
Dwayne Mulholland, Marissa
Ken Young,Chester

Notice is further given that the above nominating committee will meet at the Steeleville office of the Cooperative, located at the west edge of Steeleville, Illinois, on Tuesday, May 14, 2013, at 6:30 p.m., for the purpose of nominating candidates for election to the board of directors, and that all members interested may attend said meeting and participate.

The by-laws also provide that the nominating committee, upon making their nominations, shall prepare and post at the office of the Cooperative, at least 30 days before the annual meeting, a list of nominations for directors.

The by-laws further provide that any 15 or more members may make other nominations in writing over their signature not less than 60 days prior to the annual meeting. Additional nominations may be made from members at the annual meeting.

The by-laws provide that each active member shall be entitled to one vote upon each matter submitted to a vote at the annual meeting of the members and that proxy voting is prohibited.

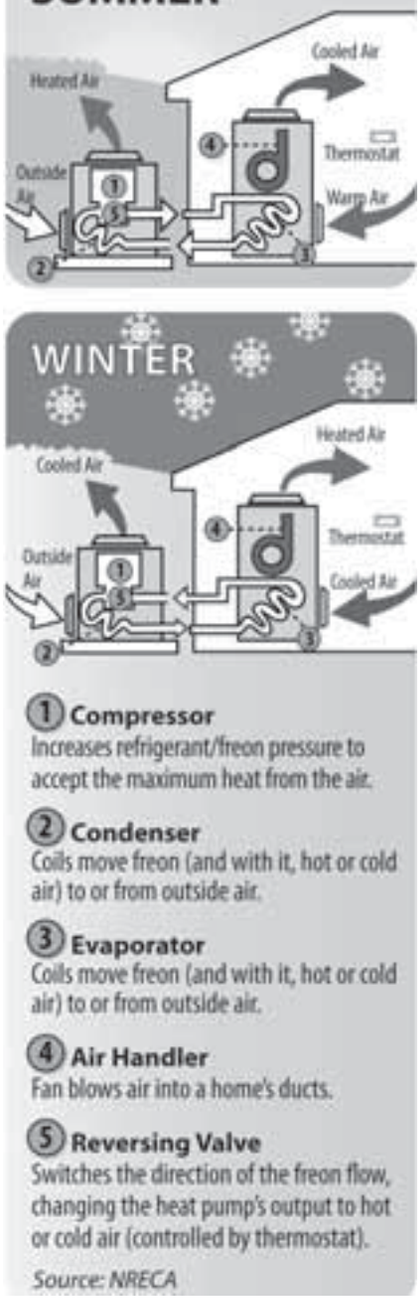
A member having questions regarding the above proceedings may contact any officer or member of the board of directors for clarification or further information.

Copies of the by-laws of the Cooperative are available and can be obtained at the Cooperative offices located at Steeleville and Murphysboro, the Cooperative's web site (www.eeca.coop) or mailed to you upon your request.

Respectfully submitted,
Ken Jarrett
Secretary

How Do Air-Source Heat Pumps Work?

By transferring heat between a house and outside air, these devices trim electricity use by as much as 30 percent to 40 percent in moderate climates.



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Register today at www.eeca.coop
Go to the 'Outage by Text' page
under the MyService tab

Teamwork: We work together to provide excellent service.