



Your Touchstone Energy® Cooperative 

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Steeleville, IL 62288
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(618) 965-3111 fax

10169 Old Highway 13
Murphysboro, IL 62966
(618) 684-2143

(800) 606-1505 after hours
www.eeca.coop

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

August 2011

Mission Statement:

Improving the quality of life of our member-owners.

James B. Riddle
Executive Vice President/
General Manager

Board of Directors

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

Office Closings

Labor Day
Monday, September 5th

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. During office hours, call:
Steeleville..... 618-965-3434
Murphysboro 681-684-2143
After hours, call..... 800-606-1505
4. Make sure you have the name as listed on the account and if possible, the account number.

The WPCA on your bill

Egyptian Electric Cooperative has not increased its electricity delivery costs to its members in over three years, despite several major storms. Some of you may whole-heartedly disagree with this statement, but it is true. The last retail rate increase the Cooperative had was in May of 2008, and for the most part, your cost has been less the last 12 months than it was in 2009, even though there was a \$4 million storm in May 2009. There is a reason I used the word "cost" instead of rate.

Egyptian has not changed our residential rate since May of 2008, yet your "cost" per kWh in general has been on the decline since 2009. This is because, in the fall of 2008, the Cooperative began using what is called the Wholesale Power Cost Adjustment (WPCA) each month.

When we establish rates, there are predominately two main categories of costs we must consider – the cost of delivering the electricity to you (the cost of poles, transformers, trucks, labor, buildings, meters, billing, etc) and the actual cost of the electricity we purchase on your behalf, the WPCA. The facility charge has a portion of the cost of


maintaining the poles, wires, tree trimming, billing and all of the other costs of making sure the electricity is there for you when you turn on the light switch. The rest of those costs are included in the kWh price. Also included in the kWh price is most of the wholesale cost of buying the electricity for you.

Years ago we could fairly accurately forecast the future wholesale cost of electricity so it could be included in the retail rate the Cooperative charged for the coming year. Because the cost of coal is very dependent on the cost of petroleum (diesel fuel is used in the extraction and transportation of coal) and petroleum prices have varied greatly in the last four years, that forecasting became very difficult. Out of fairness to our members, rather than estimate high and collect more from you than needed,

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Jim Riddle

Executive
Vice President/
General Manager

learn the LINGO

What is personal energy management?

Demand-response technologies, such as in-home displays, web portals, smart phones, or smart thermostats, that inform in real time when peak load conditions on an electric grid approach or occur. Consumers can then voluntarily decide when and how to curtail electric use to save money.

Sources: East Kentucky Power Cooperative; Uke or Ukeg

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

■ Continued from page 16a

we built a certain wholesale cost of electricity into the retail rate. If the wholesale cost goes above that base level, the WPCA would increase; if it goes down, the WPCA will decrease. And in fact, it has done just that.

So what makes up the WPCA? The WPCA is based on the bill we receive each month from our generation and transmission cooperative, Southern Illinois Power Cooperative at the Lake of Egypt. This bill has three components: a demand charge per kW, an energy charge per kWh, and a fuel cost per kWh.

The demand charge is the peak demand our members put on the generation and transmission system each month by substation. SIPC has meters in each of our substations that register the average peak demand in 30-minute intervals during the month. Demand is actually the wattage (or volts x amps) of whatever you turn on in your home. A 100 watt light bulb has a demand of 100 watts or .10 kilowatts (kilo = 1,000).

The energy charge could be considered as the length of time you used the watts to work for you. If you used the 100 watt light bulb for 10 hours, it would be 1 kWh (10 hours x 100 watts = 1,000 watt/hour, or 1 kilowatt-hour or 1 kWh).

The fuel charge is how much coal and/or other material (carbon, fuel oil, natural gas) were consumed to make the kWh and will vary each month based on the cost of the items.

You might be wondering why there was a month this spring that the WPCA took a big increase? If you recall, February had two extremely cold nights where it was down to -7 degrees each night. In fact, these were the coldest nights all winter. If you think about your

heating system on a night like this, you probably recall it seemed as if it never shut off. While yours was doing that, so was everybody else's. Because everyone's heating system was on at the same time, we set a high peak demand for the month. The problem was that it warmed up shortly after that and not a lot of kWh's were sold the rest of month. This makes the average cost of a kWh higher because there are less kWh's to spread the demand costs over.

Think of it this way. If you and I both turn our 100-watt light bulb on for one hour at 10 p.m., the meter at the substation will record a demand of 200 watts and .2 kWh. But if I turn mine on at 10 p.m. and off at 11 p.m. and you turn yours on at 11 p.m. and off at midnight, the meter only records a demand of 100 watts, but the kWh will be the same: .2. Because we only had to pay for the 100 watt demand in the second scenario, the average cost per kWh is less.

Why all of this discussion?

Because how you use electricity has an effect on how much that electricity costs everyone. If everyone were to come home at 5 p.m. on the hottest day of the month, turn the air-conditioner colder, turn the stove on, do a load of laundry and dry it, take a shower, turn the swimming pool pump on all at the same time, we would set a terribly high peak on the system. Even if we only did it that one day, we would affect the average cost of electricity for the whole month and everyone would be affected.

Why this discussion is so important is that when the new Prairie State power plant comes on line late this fall, the demand charge component of our monthly bill to

SIPC is where the largest increase will be. And this will show up in the WPCA each month. Right now we don't know the exact numbers, but as soon as we know and determine the actual impact on the WPCA, we will let you know. But, there most definitely will be an increase come January 2012.

By not using appliances that aren't necessary during peak periods, you will help minimize the impact of the demand charge increase. That lowers the average cost per kWh that the Cooperative will have to pay and thereby the WPCA that you pay.

What we're suggesting is that we all need to think about how we use things around the home. Peak periods in the summer are from around 4 p.m. to 6:30 p.m. and in the winter, from 6 a.m. to 8 a.m. If we can avoid turning on the extra light, doing the laundry, using the grain dryer or working out in the shop during those times, we can help each other keep our cost for electricity as low as possible. You might even consider installing a timer on your swimming pool to shut the pump off during the peak use time in the summer.

As Americans, we've had the good fortune to not worry about when or how we use electricity. As we progress further into this century, the desire to not build more power plants and transmission lines while retiring older power plants will mean we will all have to use the power system we have in place more efficiently. That doesn't mean we shouldn't use electricity, just that we will need to be smarter as to when we use it.



Follow EgyptianCoop on Twitter to keep informed of outage status & important things you should know about your electric cooperative!

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

SIPC joins wind farm agreement

Southern Illinois Power Cooperative (SIPC), the generation and transmission cooperative that generates electricity for the members of Egyptian Electric Cooperative, recently announced it will be purchasing 10 MW of wind energy from a planned wind farm east of Paxton, Ill. Two other Illinois generation and transmission cooperatives have also agreed to purchase a portion of the wind energy from the farm.

The agreement with Pioneer Trail Wind Farm, LLC, an affiliate of E.ON Climate & Renewables America (EC&RNA), is an 18 year agreement that was coordinated by the National Renewables Cooperative Organization (NRCO). NRCO was formed by electric cooperatives across the nation to facilitate the development and deployment of renewable energy resources. There are 24 members from 19 states that make up the membership of the renewables cooperative.

Scott Ramsey, President/CEO of Southern Illinois Power Cooperative, said the G&T was one of the founding members of the National Renewables Cooperative Organization and has been looking for several years for the right partner and the right renewable energy contract. "E.ON is a solid and reputable company that has global wind energy development and operational experience. They were in a position to offer us a competitively priced renewable energy contract. After

doing the necessary due diligence we determined that now is the time and this is the contract that we have been looking for."

Duane Noland, president/CEO of the Association of Illinois Electric Cooperatives, said the purchase agreement illustrates the ongoing effort of Illinois electric co-ops to provide affordable and reliable energy to electric co-op members, and support innovative energy efficiency and clean renewable energy projects such as the Pioneer

in the central Illinois region using North American made turbines, blades and towers," said Steve Trenholm, CEO, EC&RNA.

"Locally, this project is estimated to spend more than \$29 million in local taxes, paying \$8 million in local salaries and more than \$50 million to landowners. We expect to employ about 200 people during construction and also expect to establish 8 to 10 permanent positions for the life of the wind farm."

Pioneer Trail Wind Farm will



Trail Wind Farm. Noland said the agreement also helps the 21 electric distribution co-ops across the state that receive wholesale power from the three G&Ts by keeping rates affordable and diversifying the power supply. "Cooperatives also live by a principle of commitment to community and we know that this project will produce not only affordable energy, but also jobs and new revenue for the area."

"Our Pioneer Trail Wind Farm is expected to provide clean power to approximately 45,000 households

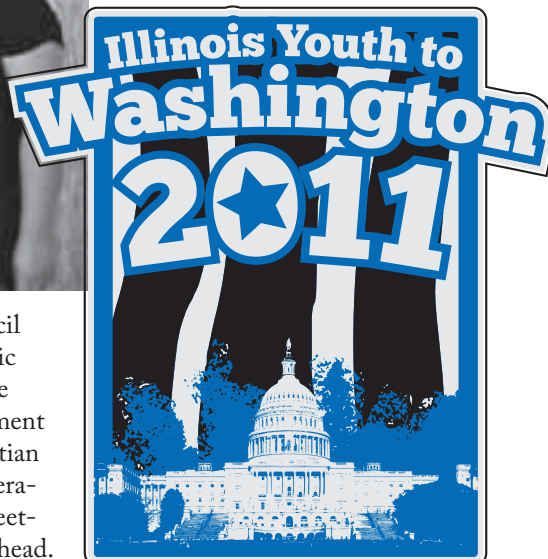
consist of 94 GE 1.6 MW wind turbines that will be able to generate 150.4 MW of electricity at full capacity. Each turbine is approximately 400 foot tall at the tip of the turbine and occupies less than two acres of land. The project will encompass 12,000 acres. Construction is planned to begin this fall with a guaranteed commercialization date of Dec. 31, 2012.

Commitment to Community: We show compassion, care and courtesy to our members and the communities we serve.

Youth to Washington



Meeting with Congressman Jerry Costello during the "Youth to Washington" Tour were Eddie Kerkhover of Chester, Misty Clerk of DeSoto, Christine Lee of Coulterville and Jayne Shahmirzadi of Makanda.



Eddie Kerkhover of Chester, Misty Clerk of DeSoto, Christine Lee of Coulterville and Jayne Shahmirzadi of Makanda represented Egyptian Electric Cooperative in Washington, D.C., during the annual "Youth to Washington" Tour, June 10-17. This event, sponsored by the electric and telephone cooperatives of Illinois since the late 1950s, is an introduction to our democratic form of government and cooperatives for rural youth.

The students met with Congressman Jerry Costello and were among 76 rural Illinois youth leaders selected for the trip. The Illinois students joined more than 1,500 young leaders from across the country. In addition to the Capitol, they also visited Arlington National Cemetery, the Washington National Cathedral, several Smithsonian Museums, the U.S. Holocaust Memorial Museum, the World War II Memorial, memorials to Presidents Lincoln, Jefferson, Washington and Roosevelt, the Royal Embassy of Saudi Arabia, the National Archives, the Newseum and a number of other historical sites.

During the trip, Christine Lee was chosen to represent Illinois on

the Youth Leadership Council of the National Rural Electric Cooperative Association. The YLC is a year-long appointment and Lee will represent Egyptian Electric and the state's cooperatives at national and state meetings and events in the year ahead.

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