

A monthly newsletter for the members of
Egyptian Electric Cooperative

Your Touchstone Energy Cooperative 

September 2015

www.eeca.coop
 800-606-1505

EECA annual meeting

Nearly 650 members and guests attended Egyptian Electric Cooperative Association's 77th Annual Meeting of the Membership on Thursday, July 23 at the American Legion in Steeleville. While the Annual Meeting is a requirement of our bylaws, it's actually a great opportunity for members to meet their Board of Directors, as well as management and employees of the Cooperative. It is also an opportunity to hear how your cooperative is doing financially, issues facing the Cooperative and the electric industry in general, and for us to report to you any major plans, programs or initiatives we may be undertaking in the future. For those unable to attend this year, I would like to provide a synopsis of the meeting.

In 2014, Egyptian had revenue of slightly less than \$41 million with operating expenses just slightly over \$40 million, resulting in operating margins of \$578,167. That's a 1.4 percent return on sales. While Egyptian is a not-for-profit cooperative, we do have certain financial ratios our lending institutions require us to meet. While few businesses could function on a 1.4 percent margin, this return satisfactorily meets the financial obligations we have to our lenders. As I've said many times, we wish for no more of your money than we need, to maintain the electric system and to meet

our obligations.

I also want to share a couple of key financial ratios our lending institution uses to compare how well we operate as to compared to other cooperatives, both nation-wide and within Illinois.

You can see that your cooperative performs better than the average within the State. We've kept the interest rates down on the funds we must borrow to build the electric system, we've kept our rates and ex-

Directors. He reminded the members that the Board must provide direction, policies, and stability for the long-term. It is essential that your Board ensures our facilities and distribution system meet the needs of the members not only today, but for many years to come.

As your Executive Vice President and General Manager, I discussed some of the issues we monitor on a daily basis. One of these is power supply. In recent years over

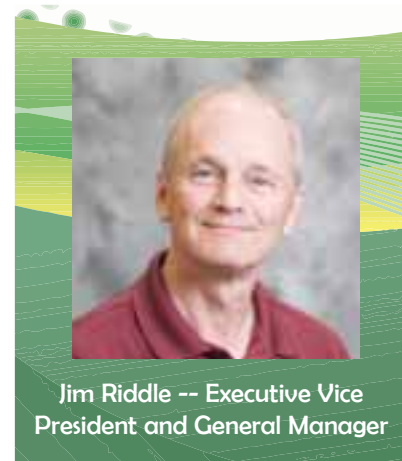
Ratio	EECA	Illinois
Blended Interest Rate	3.51%	4.57%
Cost/Total kWh Sold	\$.08437	\$.08447
Operating Expenses/Total kWh Sold	\$.02062	\$.02586
Annual Growth in Members	.43%	.08%
Annual Growth in kWh Sold	8.09%	3.34%

penses below average and we have better growth than most cooperatives in the state.

We've been able to do this while returning capital credits to the membership. Last year we returned over \$600,000 in capital credits from 1983 and 1984. Plans are for us to make a similar distribution later this fall.

In addition to reporting on our financial condition, officers reported on other items of interest to the membership. Board President Randall Campbell discussed the responsibilities of the Board of

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72 gigawatts (GW) of base load electric generation has been shuttered and removed from the U.S. grid. To bring this into perspective, think of 72 GW in this manner: 72 GW would power every home in every state west of the Mississippi River excluding Texas. It would be the same as closing 263 Southern Illinois Power Cooperative (SIPC) plants at the Lake of Egypt. I don't believe it takes a "futurist" to imagine what this will do to wholesale power supplies in the future.

If you pay much attention to the news, you may already have seen indications of the affect plant closures will have on future rates of those utilities without generation of their own. The recent MISO auction of capacity for the July 2015-June 2016 period saw prices increase from \$16.75 per MW-day last year to \$150.

Fortunately for the members of Egyptian, we have a stable and long-term supply of power at the Lake of Egypt plant and the Prairie State Energy Campus in Marissa. As long

as the EPA, additional regulations and the cost of coal remain reasonable and stable, our supply of electricity should be reliable and competitively priced in the future.

On that subject, I do want to say that your Board of Directors do not plan to increase rates in the near future. We are having a rate study completed by a third party to ensure it is fair and appropriate for each rate class. We do not want residential rates to subsidize the commercial/industrial rate class, or vice versa.

I also want to remind each of you of tools we offer to make sure you are informed about your cooperative and your electric account as well. I know we all have plenty to read, but make sure you read the center portion of the Illinois Country Living Magazine each month. This is our primary news outlet. I also suggest you look at our website, eeca.coop. We offer quite a bit of information on the website, as well as links and tools to other resources.

Even if you don't wish to pay your bill electronically, you should sign up for our electronic account access through SmartHub. This portal provides you access to your account, including past bills, payments, energy usage and the ability to send us a message. It is what we call Always On communications. It's there for you every day, all day.

Facebook is becoming a vital communications tool for us. During major storms we'll provide outage updates on our Facebook page. We also share links from reliable sources about energy efficiency, proper construction techniques and other items we believe some of our members may have interest in. Just go to your Facebook page and search for Egyptian Electric Cooperative. Make sure you click on the Like button and choose the Follow option. When we post or share links, they'll be shown on your newsfeed that way.

Board of Directors

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

Executive Vice President/ General Manager

Jim Riddle



The members at the annual meeting of Egyptian Electric Cooperative re-elected three members to serve three year terms on the Board of Directors. L-R are Paul Hicks, Carbondale; Randall Campbell, Chester; and Paul Pyatt, Pinckneyville.

Egyptian Electric Cooperative Association

1005 W. Broadway • PO Box 38 • Steeleville, IL 62288
800-606-1505 • Office hours 8 a.m. -- 4:00 p.m. M-F • www.eeca.coop

Avoiding scams

As the amount of time the average American spends online per day increases, it's more important than ever to protect ourselves from scams. According to the FBI, online scams cost Americans over \$800 million last year.

A recent survey of adults ages 40 and older indicated that eight in ten adults received some type of fraudulent offer, and 11 percent lost a substantial amount of money in a scam.

Surprisingly, 40 percent of folks did not recognize the warning signs of a scam. Many of these scams come by email or phone.

It's also important to know scams don't always target people through the Internet. Cyber criminals will often use the phone to solicit information from people. Two of the most common methods used to take advantage of unsuspecting victims include:

- **Online phishing:** an email you receive from what appears to be a known, trustworthy company or website asks you to respond with confidential information. This might be a credit card number, bank account number, personal identification number (PIN) or Social Security number. Clicking links in the email can also install malware, a malicious software that might even include programs that track and send your key strokes, on your computer.
- **Phone solicitations:** callers may make attractive offers that guarantee you will receive large amounts of money, or inform you a payment is required in regards to a service, but only after you provide sensitive information or pay an up-front fee.

Some types of online scams might come in the form of pop-up surveys while you are browsing the Internet. Once again, these typically appear to come from a trusted source. If this happens while you are

online, close out of your browser and start over and make sure to not return to the site that caused the pop-up.

Another scam making the rounds today is one from Microsoft Tech Support stating they are aware your computer is having issues and they need to install an update on it remotely. They'll then ask you for a debit or credit card to pay for the service. Hang up immediately.

At times, Egyptian Electric Cooperative does call members that might be subject to disconnection with a reminder. We will NOT ask that a payment be made during that call.

Should you ever receive a call from someone telling you your service is subject to disconnection unless you make a payment with a credit or debit card, immediately and politely inform them you will take care of the matter by calling the office. By doing so, you will know that you are speaking with a



representative of the Cooperative and not participating in a phone scam.

To protect yourself, never give out personal information over the phone or by email. Remember, if it sounds too good to true, it most likely is.

Tips for selecting passwords

- Use a unique password for each of your important accounts like email and online banking.
- Choosing the same password for each of your online accounts would be like using the same key for your home, car, office and lock box. Someone else gains access to it and they access everything you have.
- Don't use the same password for basic accounts like an online newsletter that you do for sensitive accounts, like banking and investment accounts. It may be less convenient, but using multiple passwords will keep you safer.
- If must write them down, do not keep them near your computer. Instead, consider purchasing a software that stores your passwords in an encrypted manner. There are many of these out there and many can be kept on smartphones, tablets and computers simultaneously, providing easy access at all times.

Fresh air for new homes

I doubt few homeowners or builders would debate the need for fresh air in homes. Odors from cooking, pets, plants, and yes, even human beings, need to be removed from our homes. Remember when your parents used to tell you to get outside and get some fresh air? Even then the need for fresh air was recognized.

Years ago we generally did not worry about the “need” for fresh air in our homes. Most homes leaked so much we didn’t worry about the need. Fresh air was provided by old, single pane wood windows that leaked around the sashes. Coal, wood and even gas furnaces drew air from inside and sent it up the chimney to be replaced by air sucked in through the cracks in the building walls.

The need to reduce operating costs and to be more energy efficient today has removed most of these sources of fresh air. Doors and windows are weather-stripped and sealed. Furnaces and most wood stoves use combustion air from outside and remove no air from indoors. Leaks in building shells are sealed with house-wrap, caulk, foam and better insulation.

The 2012 International Energy Conservation Code, that now applies to every new home built in the State of Illinois, recognizes the need for fresh air and states that every

building (home) will be provided with ventilation that meets the requirements of the International Residential Code.

So how do we introduce fresh air into new, energy efficient “tight” homes? There are basically two methods, each of which can be broken into two more types of systems.

The first is mechanical ventilation – a bathroom fan for example. These systems can be further defined as exhaust or supply systems. An exhaust system pulls air out of the house and sucks replacement air in through leaks or a vent with a damper in the building shell. A supply fan pushes air from outdoors into the home and pushes air out through leaks or a vent with a damper.

The second system is a whole house mechanical ventilation system. These systems have two balanced air flows – stale air from indoors and fresh air from outside. These air flows pass over a heat recovery core that passes heat from one air flow to the other. These systems can have two types of cores; one that passes heat only (heat recovery ventilator, HRV) or one that passes heat and moisture (energy recovery ventilator, ERV).

In cold climates, ERVs are the recommended whole house ventilation system. As cold air is very dry, these systems recover some of the

indoor moisture and do not dry the home as quickly as a ventilation fan or HRV. In the summer, these systems will remove some of the moisture from the incoming outdoor air as the air indoors has been cooled and will generally have a lower level of relative humidity.

Which system is right for your home? Unfortunately, there is no easy answer. Ventilation fans are less efficient, but have a much lower upfront cost. HRVs or ERVs are much more efficient but have a higher installed cost. You will also need to consider how large a system you need. The table below is taken from the 2012 International Residential Code which applies in Illinois.

Typically, the larger the home, the more the homeowner should look to an HRV or ERV. Larger homes need more CFM of fresh air and large ventilation fans have a greater noise level to them. HRV’s and ERV will provide energy savings for years to come and be more energy efficient and provide for a more comfortable home.

If you do choose a ventilation fan, make sure you purchase one that is rated for continuous duty with the lowest sone (noise) level as possible. The fan motor in most bathroom vent fans are rated for intermittent duty only and will not last if used for continuous duty.

Floor Ft2	No. Bedrooms				
	0-1	2-3	4-5	6-7	>7
Airflow in CFM					
>1,500	30	45	60	75	90
1,501-3,000	45	60	75	90	105
3,001-4,500	60	75	90	105	120
4,501-6,000	75	90	105	120	135