

A monthly newsletter for the members of
Egyptian Electric Cooperative

Your Touchstone Energy Cooperative 

October 2015

www.eeca.coop
800-606-1505

Cooperative month

Since 1930, not-for-profit cooperatives of all types have celebrated October as Cooperative Month. For many of the students and others that have become members of the Cooperative with the start of the fall school year, this is a great opportunity to highlight the qualities that make a cooperative (especially your electric cooperative) different than other utilities and for profit companies.



For starters, we are owned by those who receive service from Egyptian Electric Cooperative Association. That's why you are a member and not a customer. There is a deeper relationship between you and us, than between a utility and its customers. Making a profit or selling more electricity to increase profit is not our mission. Ensuring you have adequate sources of reliable and reasonably priced electric energy is our mission.

Our members also have democratic control of the cooperative. In July, members elected three members to represent them on the Board

of Directors. These are members who live right here in southern Illinois, who live on the power lines of the Cooperative and pay the same rates for electricity as you do. They do not live in some far off place and serve on the Board because they own stock or expect a fee for their service. They are on the Board to represent you and all of the other members.

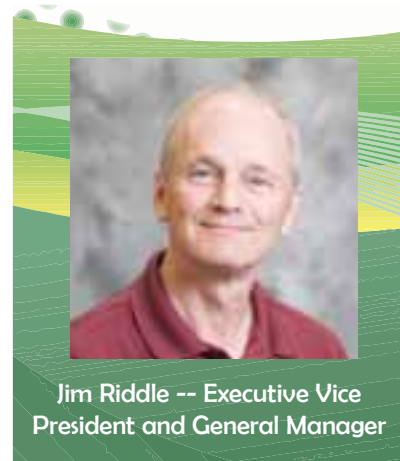
Our communities are important to us. Our employees are involved in local community and regional economic development efforts. We support the classrooms your children go to school in. We collect and recycle your unneeded electric appliances and paper so they do not end up in local landfills or alongside the road. We live in the same neighborhoods you do.

We also believe in education. Not only education in the classroom for youth, but also for our members, employees and directors. We give out Classroom Empowerment grants to schools, and scholarships at our Annual Meeting. We also provide training for our employees and directors. Some of the training is directly job related; safety techniques for linemen and software skills for office employees to name a couple. We also go further than that. Management employees take courses to be better supervisors and directors have three levels of educational achievement through our national

organization. The more knowledgeable our employees and directors are, the better the service is we provide to you.

What we do when revenue exceeds expenses is a huge difference between a cooperative and a for-profit company. A for-profit company might retain a portion of the excess for future growth, the remainder they payout in the form of dividends to those who own the company's stock. It could be a customer of the company, but most likely it's someone that has purchased stock as an investment so they can receive a dividend. They expect that dividend, or they won't purchase the stock. Which means the company has to ensure they make a profit and pay a dividend. Which means someone will buy the stock.

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Jim Riddle -- Executive Vice President and General Manager

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Which means ... starting to see the circle here? At Egyptian Electric cooperative, we may also retain a portion of the excess (we call them margins) for improvements to the system, but we also allocate the excess revenue to each member based on the amount of electricity used that year (capital credits) and are returned to you at some point in the future. Egyptian Electric Cooperative is on a 30 year cycle of returning capital credits. Presently, we return 1/30 of the outstanding balance in the capital credit account each year, amounting to nearly \$600,000. We intend to do the same yet this year. We also refund capital credits to estates.

These principles and others form what is called the Rochdale

Principles of Cooperatives. You'll find more about these principles on following pages. These principles have successfully guided cooperatives for nearly 200 years. Not just electric cooperatives, but many other cooperatives as well.

There are many cooperatives operating in our country and you may be using their products and services each and every day without even realizing it. From food products, to insurance, to grocery stores, to your news source. In fact, there are over 29,284 cooperative in the U.S., excluding housing cooperatives. These 29,000 plus cooperatives have revenues of \$653 billion with over 850,000 employees¹.

Egyptian Electric Cooperative uses the services of many

cooperatives our self. Most of the funds we use to build the electric system come from National Rural Utilities Cooperative Finance Corporation (CFC), a financial cooperative serving electric cooperatives. Most of our transformers and line material come from United Utility Supply, another cooperative that serves primarily the electric cooperative industry.

We could use other lenders, other suppliers of line material and transformers. Sometimes we do. In general though, we know we receive better service and better products from other cooperatives. Just as we hope you expect better service and a better product from us.

¹Community-Wealth.org

What does it mean to be a cooperative MEMBER?
It's a matter of PRINCIPLES.*
**(Seven, to be exact)*

Open Membership | One Voice, One Vote | Member Benefits | Independence
 Education | Cooperation | Community

Learn more at go.coop

A cooperative is a group of people acting together to meet the common needs and aspirations of its members, sharing ownership and making decisions democratically.

Cooperatives are not about making big profits for shareholders, but creating value for customers - this is what gives co-operatives a unique character, and influences our values and principles.



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The Rochdale Equitable Pioneers Society

In 1843, during the Industrial Revolution, workers in the textile mills of Rochdale, England, went on strike. When the strike failed, the millworkers began to look for other ways to improve their lives. Instead of calling for another strike or asking charitable groups for help, workers decided to take control of one of the most immediate and pressing areas of their lives. They believed they needed their own food store as an alternative to the company store. Twenty-eight people founded the Rochdale Equitable Pioneers Society.

After saving money for more than a year, these pioneers opened their co-op store at 31 Toad Lane on a cold December evening in 1844. Although the founders agreed to sell just butter, sugar, flour, and oatmeal, they also offered tallow candles for sale. They were forced to buy candles because the gas company refused to supply gas for the new group's lights. The founders bought candles in bulk and sold what they didn't use to their members.

The Rochdale Pioneers weren't the first group to try forming a co-op, but they were the first to make

their co-op succeed and endure. To avoid the mistakes made by earlier co-op societies and to help others, they developed a list of operating principles governing their organization. This list formed the basis for what are now known as the cooperative principles. Rochdale is considered the birthplace of the modern cooperative movement.

1st Principle: Voluntary and Open Membership

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. Members have equal voting rights--one member, one vote.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. Members allocate surpluses for any of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.



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4th Principle: Autonomy and Independence

Cooperatives are autonomous, self-help organisations controlled by their members.

5th Principle: Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

6th Principle: Co-operation Among Co-operatives

Cooperatives serve their members most effectively and strengthen the Cooperative Movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Cooperatives work for the sustainable development of their communities.

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

Grain bin safety

Working around grain bins creates hazards that are often overlooked by even the most seasoned farm hands. Always keep these safety tips in mind:

Suffocation/engulfment

- Entrapment can happen in a second when dealing with grain, which often is compared to quick sand. This is a leading cause of death in storage bins.
- Do not enter grain bins during active loading/unloading times
- Never work alone
- Make sure to wear proper safety equipment

Fires/explosions

- When grain dust accumulates, it can sometimes create the right conditions to spark a fire. These fires are difficult to stop and usually end with a large explosion.
- Be sure your ventilation system is working properly
- Clean regularly to keep grain dust accumulations to a minimum
- Do not smoke or ignite any other open flames while in a grain bin



Toxic atmospheres

- Mold, fungi and chemical fumes from decayed grains can create a deadly atmosphere.
- Store fully dried grain at the proper moisture
- Wear a mask or filter respirator to limit the amount of direct contact to the fumes
- Try to keep animal and insect infestations to a minimum

Machine malfunctions

- Machines also pose deadly risks, including amputation, entanglement and electrocution.
- Do not operate these machines while inside the bins

- Ensure that all equipment is properly guarded
- Be on the lookout for overhead power lines
- Check for frayed cables
- Always wear safety belts or some form of protection

Sources: U.S. Occupational Safety & Health Administration: Grain Handling, University of Nebraska-Lincoln Environmental Health & Safety: Grain Bin Safety, National AG Safety Database: Grain Storage Safety

Amber Bentley writes on consumer and cooperative affairs for Touchstone Energy Cooperatives, the national branding campaign for more than 750 electric cooperatives across the country.

Touchstone Energy Classroom Empowerment Grants

Egyptian Electric Cooperative is offering \$500 Touchstone Energy Classroom Empowerment Grants to fund innovative and unfunded projects in schools located within the Cooperative's service area. Qualifying projects are those that improve the learning environment or increase educational resources for the school.

According to Jim Riddle, Executive Vice President/General Manager of Egyptian Electric Cooperative Association, "We feel these grants will provide a real boost for smaller projects that would not otherwise be funded. As your local Touchstone Energy cooperative, we are committed to our communities and improving conditions for local students is a priority."

School administrators or teachers must submit a grant application that can be obtained from the Cooperative's web site, www.eeca.coop or by contacting the Cooperative. The application requests information about the project, the school and the applicant. A panel of judges will determine which projects will be awarded grants of up to \$500 each.

School administrators or teachers must return the completed application to the Cooperative by November 7, 2015. The grant awards will be announced on December 5. For more information about the Classroom Empowerment Grants, please contact Bryce Cramer at Egyptian Electric Cooperative (bcramer@eeca.coop or 800-606-1505).