



Jo-Carroll Energy • Elizabeth, Illinois • 800-858-5522 • www.jocarroll.com

JO-CARROLL

A Touchstone Energy® Cooperative  **HI-LINES**



PRESIDENT'S REPORT

by Michael Hastings

At the annual meeting we announced our intention of increasing the monthly facility charge for residential service in the acquired service area to \$12, an increase of \$3 from the current \$9 facility charge. Members receiving residential service will start to see this increase on their September bills.

Currently, the legacy members' facility charge is \$18. Throughout the acquisition, we discussed the plan to bring the facility charges for the legacy and acquired areas together over a period of five to seven years. It has been just over three years since the acquisition, and this increase is a part of that plan.

The facility charge is what helps us pay for the costs associated with getting power to you. Even when members use little or no power, we still have expenses to keep it ready and reliable for when you do flip a switch. It covers a variety of expenses such as the costs of poles, transformers, metering devices and other line equipment. Other costs of doing business such as accounting, billing and associated activities are also covered through the facility charge. These costs – all those things we need to have electric service available for you when you need it – are incurred whether you use one kilowatt hour or a thousand.

We do everything we can to control costs and increase efficiencies. In my report in May, I discussed my concern about the

continued increases and volatility of electric energy costs. We will see increased power costs from our power suppliers in 2010. The latest estimates from Dairyland Power Cooperative indicate those power costs will increase just over 5 percent. Interstate Power and Light's power costs are still being finalized but are expected to rise even more. Increased power costs are passed through to Jo-Carroll Energy and in turn to our members in the power cost adjustment.

With climate change legislation still under discussion, it is an uncertain time for the electric industry. At the time of this writing, it was unclear when or if the U.S. Senate would take up debate of a new piece of legislation introduced by Senators John Kerry from Massachusetts and Joe Lieberman from Connecticut. Unveiled in May, the draft of the American Power Act proposes legislation including a call for emissions from power plants to be regulated by a cap and trade program.

Last year the U.S. House of Representatives passed its version of climate change legislation that also included a cap and trade system. Adding to concerns, the U.S. Environmental Protection Agency (EPA) declared last December that six key greenhouse gases, including carbon dioxide, are "endangering public health and welfare." This opens the door for the EPA to issue new rules that could impose strict limits on carbon emissions,

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**Jo-Carroll
Energy offices
will be closed on
Monday, July 5,
in observance of
Independence
Day.**

Office hours

**Elizabeth Office
8 a.m. to 5 p.m.**

**Savanna Office
8 a.m. to 1 p.m.
1:30 p.m. to 4 p.m.**

**Both Offices
Monday - Friday
800-858-5522**

**For all outages and
emergencies call
800-927-5254**

Resume of Minutes

Regular Board Meeting • April 27, 2010

The Jo-Carroll Energy, Inc. Board of Directors met at the Cooperative headquarters in Elizabeth, Illinois on Tuesday, April 27, 2010. The following is a summary of the meeting activities:

Chairman Joe Mattingley called the meeting to order at 9:20 AM. The agenda was approved unanimously as modified. The Consent Agenda, including the March 31, 2010 board meeting minutes and minutes summary, safety report, written reports from staff, AIEC Report, correspondence and board expense summary was approved unanimously.

Chairman's Report

Chairman Mattingley discussed several key issues being considered by the Jo-Carroll Energy Board of Directors. He commented on the "Great" Annual Meeting and thanked the board and staff for their most successful efforts. These issues included references to challenges for the coming year including energy legislation. The Chairman described his desire that the board become more involved in the resolution process both at the AIEC and the NRECA. Chairman Mattingley expressed his appreciation for the continued support of the board in re-electing him as Chair.

Dairyland Report

Chris Stadel reported on activities of Dairyland Power Cooperative. He commented on the March meeting of the Dairyland Power Board of Directors. He provided a report on the continued operation of GEN-SYS Energy by Dairyland. Director Stadel prefers that GEN-SYS be brought inside Dairyland for cost savings as well as more consistent operations. He also reviewed information regarding

the upcoming Dairyland Power Annual Meeting.

AIEC Report

Dave Senn reported that the Association of Illinois Electric Cooperatives (AIEC) has completed their Budget Draft. Director Senn then reported on the CFC/CoBank case settlement for \$22,000,000.00. This case did not involve the Cooperative.

Strategic Activity

Pat Smith presented the monthly policy for consideration, Policy 134 – Workplace Violence. The policy was approved unanimously with minor corrections.

CEO's Report

The CEO reported on the following:

- **Financial Operating Report** – The CEO reported that the Cooperative had an unaudited margin of \$74,736 for the month of March 2010. This compares with a budgeted margin for the month of March 2010 of \$213,554. A motion was made, seconded and carried unanimously to approve the monthly financial operating report.
- **Power Supply Report** – The CEO reported on issues involving the Cooperative's electric and natural gas suppliers. Staff continues to attempt to resolve an Interstate Power and Light (IPL) billing error issue. The CEO also commented on the Dairyland Power rate study in process.
- **Biomass Plant Update** – The CEO provided the board with a report on the Sand Prairie biomass plant, including a number of recent staff and consultant activities that have occurred regarding the project. Work continues at the Illinois

EPA with the project's air permit application. Work also continues on the water discharge permit process. The CEO reported on completion of negotiations and signing of documents with the landowners on a second property option. Discussions continue with several potential development partners.

- **County Property Update** – Hastings reported that the County continues to work on getting its new Hanover property ready for use. Appraisals have been ordered for the county property previously purchased by Jo-Carroll Energy, both individually and combined.
- **Digester Discussion** – Bonnie Cox is working on arranging a meeting regarding possible use of a County digester for energy production. Care will be taken to avoid conflicts involved in Bos dairy project. The meeting could be held in June or July.
- **Spring Collections Update-Amanda Russ** – Amanda Russ, Member Services Manager, provided an update on her background at Jo-Carroll Energy and that of her team. She discussed collection rules and changes in the law. She reported on upgrades to the phone system, including the recording of calls. Ms. Russ also reported on the spring disconnection cycle.
- **Economic Development Program Update** – Simpson provided a report on the Cooperative's economic development efforts. He reported on the recent activities of TCEDA in fundraising and program implementation. Simpson commented on efforts to develop the property in Mt. Carroll known as the Campbell Center at the former Shimer College. Jo-Carroll Energy will continue to emphasize

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Jo-Carroll Energy

793 U.S. Route 20 West • P.O. Box 390
Elizabeth, Illinois 61028-0390

Co-ops are helping homeowner members to get efficient



Want to learn how you can make your home more energy efficient and save money? Jo-Carroll Energy can help.

Through the HomE program, co-op members who own their homes can receive a residential energy assessment, which makes them eligible for a series of rebates for efficiency upgrades they can make to their home.

Jo-Carroll Energy is able to offer this program through stimulus funds received by our statewide association. The Association of Illinois Electric Cooperatives is distributing \$1.5 million in American Recovery and Reinvestment Act (ARRA), or stimulus funds, to cooperative members through this program. The funds are allocated evenly to members of 25 electric distribution cooperatives in the state.

Who is eligible?

To participate in the HomE program, you must be a member of

Jo-Carroll Energy. The home must be served with electricity or natural gas by Jo-Carroll Energy and must be the member's primary residence.

How does the program work?

Start by contacting the co-op to arrange for a home energy assessment by one of our energy experts. A cooperative representative will meet with you at your home to do an energy assessment. An adult member of the household must be present.

We'll provide you with a written follow-up report that makes a series of recommendations on how you might improve your home's energy efficiency, performance and comfort – saving money and valuable energy.

There is a \$25 charge for this service.

What do I need to do?

Then the next step is up to you. Based upon the recommendations made by the cooperative, you could

be eligible for a one-time rebate of up to \$1,500 per residence for improvements you make.

Once you have your recommendations, you decide what is best for you. You will then submit a proposal form and estimate to us. We will return a signed copy to you, indicating that funds have been set aside for you. You will then have 60 days to complete your project.

Once you have made your purchase or completed your project, you will send us a completion form with copies of the paid receipts. We will then issue a check to you.

Rebates will be available until funds are exhausted.

Rebate schedule:

Rebates are available for Energy Star-qualifying heating-cooling system upgrades, and for installation of heat pump water heaters. Rebates are also available for installation of insulation and weather stripping/sealing.

Geothermal heat pump	\$1,500
Air-source heat pump	\$1,000
Central air conditioning	\$350*
Natural gas or LP furnace	\$350*
Heat pump water heater	\$250
Insulation	30 percent of project costs, maximum of \$500.

The maximum total grant is \$1,500 per cooperative member/residence. Grants will be approved for a central air or gas furnace upgrade, but not both.

**Restrictions apply*

Standards

All heating-cooling system upgrades must meet federal Energy Star standards in order to be eligible. The standards are:

Geothermal, closed loop	14.1 EER, 3.3 COP
Geothermal, open loop	16.2 EER, 3.6 COP
Air-source heat pump	16 SEER
Central air conditioning, split	16 SEER
Central air conditioning, package	14 SEER
Natural gas or LP furnace	95 percent efficiency
Heat pump water heater	2.0 energy factor

For more information about HomE or to schedule an appointment for an energy assessment, contact Jo-Carroll Energy at 800-858-5522.

Small changes add up to big savings

Sometimes the little things in life mean a lot. Simple steps such as turning off lights when you leave a room, unplugging appliances when you're not using them, and raising the temperature on your thermostat a bit as our weather warms up, when done together, can help your family rack up big energy savings.

At Jo-Carroll Energy, we're always looking for ways to help you, our members. With energy costs rising due to a growing demand for electricity, higher power plant costs, and federal regulations, energy efficiency remains a key part of our efforts to keep rates affordable. Best of all, energy efficiency — simply making the electricity you use do more — saves you money.

Because we're part of the Touchstone Energy® Cooperatives network, you have access to a valuable resource that not only identifies simple energy-saving tasks but also illustrates the real-dollar savings they produce, specific to your home. TogetherWeSave.com uses real savings calculations — based on our co-op's rates and climate zone — to motivate and inspire small changes in behavior.

Intrigued? Check it out at www.TogetherWeSave.com. You'll be asked for your ZIP code; this helps us provide accurate

electricity rates for your home.

The Virtual Home Tour provides a good starting point. As you move through each of the six rooms, clicking on areas highlighted in yellow prompts you to take various interactive energy-saving measures and shows how these changes translate into savings on your electric bill.

A visit to the attic, for example, recommends adding insulation. Slide the arrow up the scale to add extra inches of insulation and watch the exciting end result. Adding nine inches saves up to \$143 a year. Add 15 inches, and that figure jumps to \$241.

Now head downstairs to the living room. Most folks enjoy watching television and playing Wii or Xbox games, but you don't need these gadgets on 24 hours a day. By unplugging entertainment center devices when they're not in use, you could save up to \$174 every year. Seems simple enough — and every small step adds up to big savings. In fact, just lowering your thermostat one degree in winter could save \$82.

The website uses calculations targeted for our co-op's kWh electric rate and geographic lo-



cation. In short, it gives you an accurate reflection of what your potential savings could be if you implement suggested steps.

Want more in-depth information on energy efficiency? TogetherWeSave.com also includes a library of short videos on various topics.

Finding ways to help you save energy dollars during tough times is important to us. Valuable tools like TogetherWeSave.com are just one more way we at Jo-Carroll Energy are looking out for you. Want to learn about other ways to make your home more energy efficient? Apply for a home energy assessment under the Home program (see details on 16c).

To learn more about energy efficiency, visit www.jocarroll.com or call us at 800-858-5522.

President's Report, cont.

including those from power plants.

The Clean Air Act is the wrong tool for the job. The National Rural Electric Cooperative Association (NRECA) believes it is the responsibility of Congress and not an administrative agency to develop policy. At least

eight bills have been introduced to prevent or delay the use of the act to regulate carbon.

Over the past year, many of you joined the grassroots campaign "Our Energy, Our Future" to send a message to Congress about our energy future and the need to keep electric bills affordable. I encourage you

to continue the conversation and visit www.ourenergy.coop to ask Congress to step in and prevent the EPA from using the Clean Air Act to regulate greenhouse gas emissions from power plants. Together we can send a message and keep the lights on at an affordable price.

Help your air conditioner save you money

Air conditioners — and dehumidifiers — consume a lot of electricity, and are the largest summer utility expense for many families.

Without regular service to your air conditioner, its efficiency can fall by as much as half, especially when it works overtime in the summer heat. However, proper maintenance and repair on your air conditioner will save you money and can extend its life for roughly 15 years.

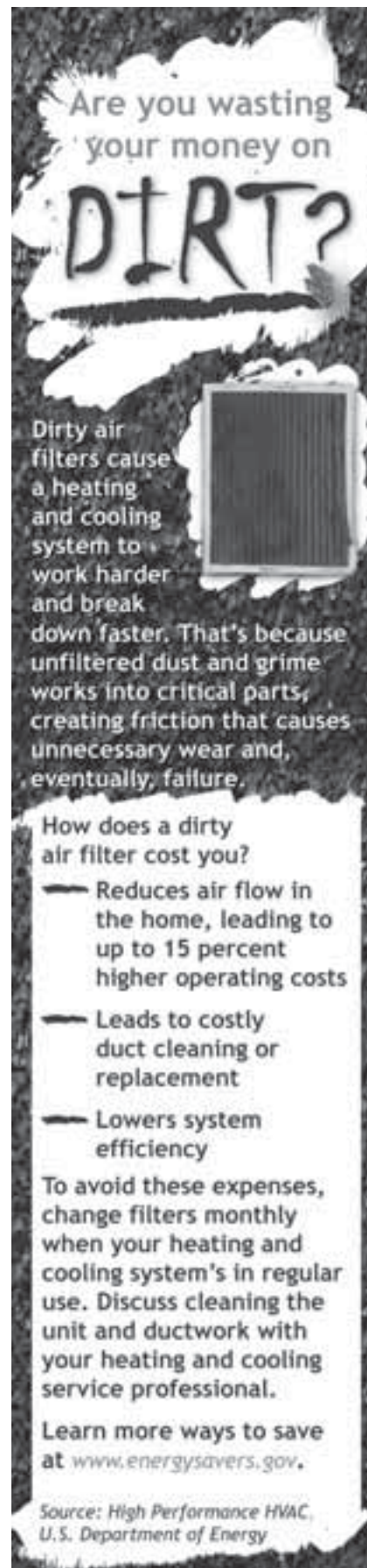
Also, recent design improvements have reduced the consumption of this hungry appliance. During the hottest weather, you may need the full capacity of your air conditioner to keep your home comfortable. During this full-time operation, standard air conditioners run at their maximum efficiency. But during moderate weather, old-fashioned air conditioners will cycle on and off to keep from over-cooling your home. This stop-and-go operation is inherently inefficient, since a lot of energy is wasted during the start-up and shut-down part of each cycle.

Air-conditioning units with a two-stage compressor and a multi-speed outdoor condenser fan operate at lower capacity during moderate weather. This results in longer cycles and improved efficiency. It also allows your system to remove more humidity from the air. When the weather is truly hot, they step up to full-speed operation to assure your comfort.

Here are a few other tips to help you keep your cool this summer and keep your energy bills lower.

- Use ceiling fans to cool your AC costs. They offer extra cooling & better circulation so you can raise the thermostat.
- Go green and save energy when cooking summer meals by cooking outdoors whenever possible to reduce the load on your air conditioner. Toaster ovens, convection ovens and slow cookers can get the job done with less energy than conventional stovetops or ovens, especially when preparing smaller meals.
- Heat absorbed through windows and roofs makes your air conditioner work harder and gobble up more electricity. But incorporating shading concepts into your landscape design can help reduce this solar heat gain—and your cooling costs. Shading from trees can reduce surrounding air temperatures as much as 9° F.
- If you use air conditioning, a ceiling fan will allow you to raise the thermostat setting about 4° Fahrenheit with no reduction in comfort. In temperate climates, or during moderately hot weather, ceiling fans may allow you to avoid using your air conditioner altogether. Install a fan in each room that needs to be cooled during hot weather.

You can't avoid the heat of summer, but by taking a few energy efficiency steps you can reduce the cost of cooling your home.



Are you wasting your money on **DIRT?**

Dirty air filters cause a heating and cooling system to work harder and break down faster. That's because unfiltered dust and grime works into critical parts, creating friction that causes unnecessary wear and, eventually, failure.

How does a dirty air filter cost you?

- Reduces air flow in the home, leading to up to 15 percent higher operating costs
- Leads to costly duct cleaning or replacement
- Lowers system efficiency

To avoid these expenses, change filters monthly when your heating and cooling system's in regular use. Discuss cleaning the unit and ductwork with your heating and cooling service professional.

Learn more ways to save at www.energysavers.gov.

Source: High Performance HVAC, U.S. Department of Energy

Board Report continued from 16b

economic development and will be working closely with TCEDA and the communities in the area to assist them.

- **Substation Infrastructure/Broadband Update** – Buros provided a report on progress with the substation infrastructure/broadband program. More members have signed up for the Cooperative's wireless Internet service, Sand Prairie Wireless. SCADA equipment is in the process of being installed at co-op substations. Equipment is being readied for AMI with actual installation to begin soon. The wireless Internet backbone is in place and the final loop to serve Chadwick and nearby will soon be installed.
- **Water Update** – The CEO reported EJ Water Cooperative from Effingham, Illinois will be coming to the area to review several of the water systems in the area. EJ Water can provide assistance with grant applications, lobbying and other activities being studied by Jo-Carroll Energy in adding this service activity.
- **External Affairs Update** – Cox provided a report on pending climate change legislation now that the health care bill has passed. He discussed possible changes to the "cap and trade" provisions as well as the possibility that immigration may replace climate change as the focus of debate in the near term. The upcoming 2010 NRECA Legislative Conference in Washington, D.C. was discussed with reference to a planned private meeting with Senator Durbin by the CEO and Board Chair being able to focus the Senator on issues of concern to Jo-Carroll Energy.

Board Issues

- **Voting Delegate/Alternate for United Utility Supply** – A motion was made, seconded and carried unanimously to appoint Kyle Buros as delegate and the CEO as alternate to attend the United Utility Supply meeting.

- **Delegates to Dairyland Annual Meeting** – A motion was made, seconded and carried unanimously to name Holesinger, Stadel, Stanger, Werner and Lundy as delegates to the Dairyland Power Annual Meeting in LaCrosse, Wisconsin.
- **Employee Breakfast** – The date for the Employee Appreciation Breakfast will be May 13, 2010 at the Jo-Carroll Energy headquarters in the multi-purpose room.
- **Industrial Member Contract Negotiations Update** – Hastings provided an update on the pending negotiations with large industrial customers Danisco, Rentech and Metform, rate issues and other contract terms.
- **Consideration of Rates** – Administrative Policy # 901 (Rentech Delivery Service Schedule) Administrative Policy # 902 (Danisco Delivery Service Schedule) Administrative Policy # 903 (Metform Delivery Service Schedule) were presented to the board. A motion was made, seconded carried unanimously to approve the rates as presented.
- **Consideration of 2009 Tax Return** – Tracy Heidenreich reviewed the 2009 Form 990 Federal Income Tax Return for the Cooperative. A motion was made, seconded and carried unanimously to approve the return as prepared.
- **Resolution for Adam Walsh** – A motion was made, seconded and carried unanimously to approve a Resolution for funding of the Adam Walsh Act as presented.
- **AIEC and NRECA Resolutions Process** – The board discussed a more active role in the resolutions process of the AIEC and NRECA. It was agreed to forward the issue to the Policy Committee for consideration and recommendation to the full board.

Executive Session

A motion was made, was seconded and carried unanimously to go into executive session at 1:50 p.m. to discuss legal issues, property acquisition issues and labor/employment issues pending before the Cooperative. A motion was made, seconded and carried unanimously to come out of executive session at 1:58 p.m. **John Robbins**

Reports

- The board had an extended discussion of the success of the 2010 Annual Meeting as previously reviewed by the Chairman.
- Director Smith provided a report to the board regarding the 2010 Jo Daviess County Leadership Forum. She expressed her positive view of the Forum and urged others to attend who have not yet had the experience.

Upcoming Meetings

The Board of Directors noted the upcoming NRECA Legislative Conference on May 3-5, 2010 in Washington, DC. Hastings, Cox, Janssen, Stanger, Mattingley, Werner, Smith and Stadel will be in attendance.

Other Business

Director Stanger mentioned efforts by the Jo Daviess County League of Women Voters regarding State of Illinois budget matters. She commented on several articles published by Bonnie Cox on the issue. Stanger also mentioned the efforts of the Jo Daviess County Board to re-apportion the board districts as required by law.

Adjournment

A motion was made, seconded and carried unanimously to adjourn the board meeting at 2:24 p.m.

READER PRIZE

Each month we print the name of a Jo-Carroll Energy member who is eligible to win a monthly \$25 readership prize. If your name is printed in this month's edition, and not a part of any article, contact Jo-Carroll Energy and claim your prize no later than the 10th of the month following publication.

Jo-Carroll Energy and local libraries sponsor coloring contest

School's out and your kids are just beginning to enjoy it. But do you find it difficult to keep your kids learning during these warm months? It is time to send your kids on a bike ride to the library to pick up rules and registration forms for Jo-Carroll Energy's Coloring Contest.

Jo-Carroll Energy is once again partnering with your local library to promote this event. The theme for this year's contest is "Electrical and Natural Gas Safety".

Children between the ages of 5-13 and who are the sons or daughters of a Jo-Carroll Energy

member are encouraged to enter the contest. Age categories are 5-7, 8-10 and 11-13. A coloring sheet is provided for the 5-7-year-olds. Older kids are asked to draw and color their own picture. Artwork will be judged on creativity, originality, use of color and the ability to portray the theme.

One winner in each age category will receive a complete set of school supplies prior to the start of the 2010 fall semester. Winning artwork will be featured in Jo-Carroll Energy's Hi-Lines and displayed in our Elizabeth Office. Jo-Carroll Energy is also donating five energy-

related children's books to the local library of each winner.

You can pick up a coloring sheet, a complete list of rules and a registration form at our Elizabeth office, your local library or www.jocarroll.com. Mail entries to: Jo-Carroll Energy, Attn: Heidi Weber, P.O. Box 390, Elizabeth, IL 61028. All contest entries are due by July 30, 2010.

Your child can help your library, get a great prize and learn about electrical and natural gas safety all in one contest.

If you have any questions or comments, please call (800) 858-5522.

Libraries in Jo-Daviess County:

East Dubuque District Library
350 Wall St.
815-747-3052

Elizabeth Township Library
210 Myrtle St.
815-858-2212

Galena Public Library
601 S. Bench St.
815-777-0200

Hanover Township Library
204 Jefferson St.
815-591-3517

Libraries in Carroll County Sponsoring Coloring Contest:

Savanna Public Library
326 3rd St.
815-273-3714

York Township Public Library
1005 W. Main St., Thomson
815-259-2480

Chadwick Public Library
110 Main St.
815-684-5215

Mt. Carroll Township Public Library
208 N. Main St.
815-244-1751

Libraries in Whiteside County Sponsoring Coloring Contest:

Schmaling Memorial Public Library
501 10th Ave, Fulton
815-589-2045

Albany Public Library
302 S. Main St.
309-887-4193

Erie Public Library
802 8th Ave.
309-659-2707

Co-op Connections featured business

Angela Stodden, United Country Realty in Galena, IL



Many people across the country recognize Galena for its history, tourism and prime real estate. The housing business has taken a hit in the past couple years, but Angela Stodden of United Country Realty has not let it get her down.



Stodden began her work behind the scenes of real estate. She spent six years working as a bookkeeper for a construction and architecture firm in Florida. This job soon turned into a career that she now loves.

"I was doing the paperwork for the construction of these homes so I knew everything there was to know about them," said Stodden.

She saw the plans, the process and the final product develop, yet a Realtor, who did not know everything about the home, sold it. This thought led to big plans for Stodden.

After earning her Real Estate and Brokers License she moved back to Galena. She began her career with Eagle Ridge Realty and then branched off to co-lead TGI Realty. After a few years of learning how to own her own business, Stodden took

this knowledge to United Country Realty where she has sold homes since October of 2005.

"This is a pretty fabulous job," stated Stodden.

At United Country she can focus on her buyers and sellers rather than the entire business. Because United Country is corporately

owned, individual Realtors like Stodden do not have to worry about advertising, policy or finances beyond the homes they sell. She loves being able to work directly with her clients while leaving the rest up to the corporate office.

Stodden has sold homes in Jo Daviess County for \$53,000 up to \$330,000. Negotiating a reasonable selling price has been a challenge for Stodden during the recent housing bust.

"Many people don't want to hear that their house is not worth as much as they thought it was. But we have to make homes affordable if we want them to sell," said Stodden.

National exposure not only helps sell homes, but it also exposes the rest of the country to the community of Galena. Stodden and her

associates at United Country Realty love their involvement in the community. They participate in parades, local fundraisers and donate to the local school districts.

Stodden has branched out on her own to attract new audiences by joining facebook.

"I want to make my properties stand out", said Stodden.

National treasures and premier properties are her specialty and she is always looking for a good home to list. All of her homes are listed on www.unitedcountry.com and a few of her properties have been featured in United Country Realty's national magazines.

Stodden can be reached at (815) 541-5482 seven days a week. All Jo-Carroll Energy members who present their Co-op Connections Card at the sale of their home will receive the "Smart Buyer's Option" with the purchase of a one-year home warranty. This is a \$60 value which includes repairs or replacements of ceiling and attic fans, burglar and fire alarm, garage door opener, roof leak repair, doorbell system, central vacuum system and telephone wiring with a \$75 deductible.

Scholarship winners

Congratulations to the winners of the 2010 Jo-Carroll Energy Scholarships. The Jo-Carroll Energy Scholarships are awarded to outstanding high school seniors planning to pursue a post high school education.

The winners demonstrate superior scholastic performance, school and community involvement and knowledge of electric cooperatives.

Two scholarships are presented in both Jo Daviess and Carroll counties and one in Whiteside County. This year's winners are:

- Rebecca Kirst, daughter of Gary and Linda Kirst, a senior from Galena High School.
- Jenna Diestelmeier, daughter of Raymie and Tracy Diestelmeier, a senior from River Ridge High School.
- Carrie Brinkmeier, daughter of Brian and Linda Brinkmeier, a senior from West Carroll High School.
- Chelsey Sipe, daughter of Art and Wendy Sipe, a senior from West Carroll High School.
- Kyle Crosthwaite, son of Nick and Margaret Crosthwaite, a senior from Fulton High School.