

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

One of the primary long-term issues we face at Jo-Carroll Energy is the partner we choose for the supply of electricity you use. Last fall, Jo-Carroll Energy issued a Request for Proposal (RFP) for future power supply. We sent the RFP to investor-owned utilities, generation and transmission cooperatives and other power marketers throughout the region.

As you may know, Jo-Carroll Energy is a distributor of electricity. We do not currently own our own large electric power plants to provide you with the electricity you use. Rather, Jo-Carroll Energy enters into contracts with electric generation companies for most of the electricity needed by our members. In addition to Interstate Power and Light, Jo-Carroll Energy also has power supply contracts with Dairyland Power Cooperative and Prairie Power, Inc.

Since February of 2007, Interstate Power and Light has provided a majority of the electricity our members use. Jo-Carroll Energy recently provided notice to Interstate Power and Light that Jo-Carroll Energy is terminating the electric supply agreement between Jo-Carroll Energy and Interstate Power and Light. This will not take effect

until April 2018, as the electric supply agreement between Jo-Carroll Energy and Interstate Power and Light requires a four-year notice of termination.

Beginning April 1, 2018, Jo-Carroll Energy will begin purchasing most of the electricity you need from Morgan Stanley Capital Group (MSCG). Jo-Carroll Energy and MSCG recently entered into a five-year contract for electric power supply. Assisting Jo-Carroll Energy in this process was Dairyland Power Cooperative, which will provide capacity and other services to Jo-Carroll Energy during the five-year term of the agreement with MSCG. At the conclusion of this five-year period with MSCG, Jo-Carroll Energy will begin purchasing additional electric power from Dairyland.

At Jo-Carroll Energy, your board of directors and staff take the supply of electricity very seriously. We undertook the RFP process to uncover the best possible solution for electric power supply for our members. We believe these recent decisions will ensure that our members have the best possible solution for reliable and affordable electric power for years to come.

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.

Newsletter now printed in color

You may have noticed something different about this month's Hi-Lines. Your newsletter is now printed in four-color.

This change is possible due to a change in the printing process at the Association of Illinois Electric Cooperatives, which publishes Illinois Country Living magazine. Not only do we think the change improves the look of the newsletter, it also comes with a cost savings.

The newsletter center section is now being printed on high-speed, four-color printing equipment, providing a 5 percent reduction from current costs.

Over the next few months, Jo-Carroll Energy will be working with AIEC to redesign the newsletter to take full advantage of this new color format.



Jo-Carroll's office will be closed on Friday, July 4th for Independence Day



Resume of Minutes

Regular Board Meeting • April 30, 2014

For your information

Your Board of Directors:

David Senn
Chairman
District 7

Chris Stadel
Vice Chairman
District 4

Marcia Stanger
Secretary
District 3

Martin Werner
Treasurer
District 1

Joseph Mattingley
District 2

Patricia Smith
District 5

Thomas Lundy
District 6

Russell Holesinger
District 8

Larry Carroll
District 9

Robert Kuhns
District 10

Douglas Darby
District 10

Ronald Hallendorff
District 10

Office Hours:

Monday-Friday

Elizabeth
793 U.S. Route 20 West
8 a.m. to 5 p.m.

Savanna
103 Chicago Ave.
8 a.m. to 1 p.m.
1:30 to 4 p.m.

Geneseo
1004 S. Chicago St.
7:30 a.m. to 1 p.m.
1:30 - 4 p.m.

Services and Billing Questions:

(800) 858-5522
www.jocarroll.com

For emergencies and outages call:
(800) 927-5254

The board met at the Cooperative headquarters in Elizabeth on Wednesday, April 30, 2014. The following is a summary of the meeting activities. The Agenda as modified and the Consent Agenda were approved.

Chairman's Report – Chairman Senn commented on the meeting with Dairyland Power and the need to evaluate all concerns and make a decision that will be in the best interest of the members. The rising cost of transmission, plant capacity and coal plant closures will all have an effect on future energy prices.

Dairyland Report – Director Stadel reported that CEO Bill Berg has announced his retirement at the end of this year. He reported that margins were \$3 million last month, purchase power is up and there is a continuing shortage of coal.

AIEC Report – Director Senn reported that there was no meeting in April. He said that NRECA is looking for resolutions for the June Meeting.

APGA Report – Director Carroll reported that he would be attending the Legislative Conference next week. He reported that he receives e-mails from APGA CEO Kalisch regarding the rising cost of natural gas.

PPI Report – CEO Hastings reported that the meeting was held at the new PPI headquarters building in Springfield. He reported that work continues on the Prairie State Plant to improve performance and increase efficiency.

Monthly Committee Review

a. Policy – Board Policy 129: Disposition of Offers to Acquire All or Substantially all of The Cooperative's Assets was approved without revisions.

b. Policy Committee Report – The committee reviewed the following Board Policies: 101-Communications, 104-Directors' Attendance at Meetings and 105-Directors' Compensation and Benefits, approving the committee's recommended changes.

CEO's Report – The CEO reported on the following in addition to his written report:

a. Financial Operating Report – Hastings reported that the Cooperative had an unaudited margin of approximately \$331,027 in March, compared to a budgeted margin of \$357,744. The Board accepted the March Financial Operating Report for filing by general consent.

b. CFO Report – CFO Heidenreich reported that with the approval of the capital credit bylaw change at the Annual meeting, she is working on spread sheets for capital credit retirements and will be meeting with the committee to have a plan available at the June Board Meeting. She also reported working on loans with CFC and Galena State Bank.

c. Assistant General Manager Report – Sr. Vice President and Assistant General Manager Buros gave an update on the Natural Gas peaking unit and weather issues; Jo-Carroll Energy's work on the peaking unit is complete. Buros also reported on the com-

munity solar project; presentations about the project were given by Shekleton and Skien at the Earth Day event.

d. Culture of Excellence and Communications – Manager of Communications and Media Relations Peggy Francomb reported on the Lineman Appreciation Day activity. She also gave an update for the natural gas project on Cordova Road and Portland as well as an update on the 75th Anniversary celebration plans.

e. Member Services – Vice-President of Member Services Skien reported with the new technology, we are now able to do remote disconnects, which decreases amount of time spent on premises.

f. External Affairs – Board Attorney Cox reported on TCEDA and the efforts to keep a business in East Dubuque, the Highway 20 four-lane to Freepport effort, his meeting with Representative Stewart, and his meetings with Representative Bustos and U.S. Secretary of Transportation Fox.

Board Issues

a. Power Supply Agreement – President and CEO Hastings and Sr. Vice-President and Assistant General Manager Buros gave a power point presentation on due diligence for the three agreements pertaining to power supply. The board passed a resolution giving the President and CEO the direction to enter into Agreements to provide energy for the former Alliant Energy service area.

b. Committee Assignments – Chairman Senn noted that the new committee assignments were in the board packet.

c. NRECA International Foundation Donation – Donation for the International Foundation was approved.

d. Dairyland Annual Meeting Delegates – All attendees are Delegates for the Dairyland meeting. Attendees were identified.

e. IRS Form 990 Questionnaire, Board Performance Evaluation and the President and CEO Evaluation forms – These forms were submitted.

f. Board Self Evaluation Committee Meeting – Date was chosen for the meeting.

Audit Report – Craig Poppenhagen with CliftonLarsonAllen, principal on the audit, reviewed the audit report with the Board. The Board approved the audit.

Reports – Report was heard on the Jo-Carroll Annual Meeting.

Upcoming Meetings –

- a. Legislative and APGA government Relations Conferences were discussed.
- b. AIEC Annual Meeting, NRECA Course offered prior to the meeting and the July Board meeting were discussed. Approved changing the July board meeting to be held July 30th following the NRECA course prior to the AIEC Annual Meeting.

Adjournment – The meeting was adjourned at 11:56 P.M.



Jo-Carroll Energy asks your help to ease summer demand

Summer 2014 will be much like summer 2013 in that there will be plenty of sunny warm days, and each year the total amount of electricity we use as a cooperative family increases.

Help limit rising energy costs this summer

Our electricity demand and the regional market's power prices are highest on summer weekdays between the hours of 11 a.m. and 7 p.m. We all have an opportunity to curb our use during those hours to prevent our cooperative from being charged expensive whole-

sale time of use charges and extra demand charges that must be passed on to our members. We call our summer campaign to shift the time of our energy use outside of the 11 a.m. to 7 p.m. weekday hours Together We Save.

We need your help to shift summer peak period energy use as much as possible on hot summer days to help us hold the line on our rates. We will need to use less electricity during the summer peak demand on weekdays from 11 a.m. to 7 p.m. to accomplish this. We are asking for your help in shifting electricity use outside of this

window as much as is reasonable and possible for your household.

Watch for additional suggestions for how you can participate in Together We Save by shifting flexible electricity use outside of these more costly hours. You can find more information on our website at www.jocarroll.com/SummerShift, or visit this link for energy efficiency suggestions from the U. S. Department of Energy <http://energy.gov/articles/resolve-save-energy-year>.

Give us a call at Jo-Carroll Energy at 800-858-5522 with any questions we may be able to assist with.



**DO THE
SUMMER SHIFT
11 am - 7 pm**

Electricity costs more during the summer, especially 11 am to 7 pm weekdays. Shifting energy use to before 11 am or after 7 pm weekdays helps keep electric rates affordable for everyone.

- Shift the start of laundry.
- Delay the dishwasher.
- Turn up the thermostat.

It's so simple! Do the summer shift 11 am to 7 pm weekdays.

TOGETHERWESAVE
Jo-Carroll Energy, Inc. (NFP)
1.800.858.5522 | www.jocarroll.com


2014

Coming Soon! Mobile apps to keep you connected on the go

You asked and we listened! Members will soon have a new way to connect with their co-op. Available later this summer, our Mobile Apps for smart phones and smart devices are designed to give you fast, secure account access so you can easily manage your account details, view your bill and your account balance, make payments, schedule alerts and reminders and receive push notifications.

Almost everything you can do from our MyAccount web portal can be handled instantly on the apps. Two apps will be available. The *MyAccount* Mobile Apps are native apps that can be downloaded and installed on your compatible mobile device, while the *MyAccount* Mobile Web App is a web portal that runs directly in the mobile browser on your smart phone or other mobile device.

Learn more about the Jo-Carroll Energy MyAccount apps on our website at www.jocarroll.com.



Is your name on our Unclaimed Capital Credits list?

As a Jo-Carroll Energy member you have a share in your cooperative.

Because we are a cooperative, Jo-Carroll Energy does not technically earn profits. Any revenues over and above the cost of doing business are considered “margins”.

Sharing in margins in the form of capital credits is one of the benefits of being a co-op member-owner.

Below is a list of names of former Farmers Mutual Electric Company members for whom we have unclaimed capital credits. We do not have any address information

for these members.

If you know anyone whose name is on this list, please have them call 800-858-5522 or email info@jocarroll.com. A complete list of all unclaimed capital credits can be found on our website at www.jocarroll.com

DALE ALLEN	CRAWFORD JAMES	BLAIR DENNIS	SCHWABROW HENRY E
MILLER MAC R	CONARD SHAWN	MOODY GERALD M	WILLIAMS C J
VILLAGE LOCKER & PROCESSING	COLLINS JOHN	MCCONNELL TOM	WIGGINS CHARLES E
LOFGREN JAMES	KRUEGER DEAN	MCCLURE JEFF	NAVE LOUIS
JOLLEY CHARLES	KORTH CALVIN	MCCASLIN ALFRED	MURPHY BONNIE
BROWN MICHAEL	CRAMER BRYAN R	MEENAGH JAMES	WEST VERNIE L
HANSON JAY	COVEMAKER HAROLD	DESMOND JOHN	PREY JOHN
MURPHY JAMES	COUNTRY BLUES	DESMITH DAN	VANVOOREN JAMES E
VERMAST JR A A	FOSDYCK EDWARD	DEBOEVER WILLIAM	SNYDER C WAYNE
OBERLE CHARLES MARY	FELSKE PATSY	WEIMER CLARENCE	PETERSON DAVID K
CROFT V GENE	BARRY CLIFFORD	STRICKLAND JAMES R	PERRY JAMES
BEUSTER ALAN SANDRA	ASP CHARLES	CARROLL IKEY	VANFOSSEN MIKE
BESTOR JEFF	CROMPTON HERBERT	CAREY DONALD E	VANDERVEER MARK
ANDERS WILLIAM	TROESTER SPENCER	JOHNSON JACK	SMITH DAVID
ALLEN WILLIAM	ROPP LAWRENCE	HILL FRANK	SLITER STEVEN
ALLEN JOEL	DEFAUW MICHAEL	WILLIAMS FRANK L	POULOS PETER G
AHART JAMES	RAMEY RON	SCHMACHT DAVID	PHLEGER JOHN
AGUE DALE	LALEMAN JEFF	SCHAVER DONALD	UDELL THOMAS
FARRINGTON CARL	POBANZ RANDY S	NELSON LEONARD C	UBER BRIAN
FAIRMAN JAMES	DAVIS WAYNE F	DWIGHT TATE FARM	REEVES DAVID
	DARIN STABLES	TARULIS BERNARD	REED STANLEY

Cost of service study underway

Work continues on a “cost of service” study for Jo-Carroll Energy that will provide an analysis of all costs associated with the distribution of electricity and natural gas.

The study supports a key section of Jo-Carroll Energy’s strategic roadmap—maintaining competitive and fair rate structures. Cost of service studies are a large part of how a utility designs its rates, noted Patrick Keleher, Jo-Carroll Energy’s energy services rate analyst.

A cost of service study was last completed in 2012. With the recent merger with Farmers Mutual Electric Company, Jo-Carroll Energy added a third power supplier. At that time, the board of directors decided it was time to reexamine costs, as well as work

toward one set of rates similar to the process after the acquisition of the former Alliant Energy territory. The goal is to have those rates in place by Jan. 1, 2015.

The cost of service study is the first step in the process, explained Keleher. The study looks at each of the components that comprise the cooperative’s rates.

One reason to do a cost of service study is to see if the rates will cover the costs of doing business, Keleher explained. A cost of service study examines how costs are allocated to the various rate classes to ensure each is paying its fair share.

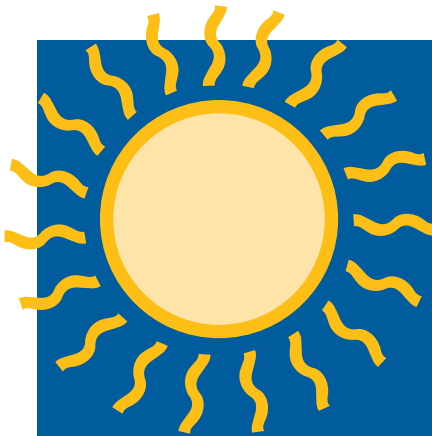
Costs are grouped by function. For Jo-Carroll Energy, those are power costs or purchased energy, which includes transmission costs, and distribution-related costs.

Distribution costs are classified based on the following components:

- **Demand** (the size of the load)
- **Energy** (how much power is purchased)
- **Consumers costs** (the number of consumers)

In Jo-Carroll Energy’s case, the cost of service study will also lead to unbundling of the monthly bills giving members greater understanding of where the money goes each month. Unbundling would break the lines seen on current bills, such as the facility charge, into more parts.

(More information about the cost of service study and unbundling will appear in future issues.)



Co-op community solar garden is a step closer

Jo-Carroll Energy’s first cooperative-operated solar garden is one step closer to reality.

The cooperative announced earlier this year it would build a cooperative community solar farm. Plans call for a 125kWp solar system to be installed on a site located near Jo-Carroll Energy’s headquarters in Elizabeth.

Working with the National Renewables Cooperative Organization (NRCO) a request for proposals was developed, and at press time the co-op was in the process of evaluating and reviewing submissions.

Details on how members will be able to participate in the project are being finalized also. More information will be announced on our website as it becomes available. Visit www.jocarroll.com or call Jo-Carroll Energy at 800-858-5522 for more information.

The cooperative community solar garden is ideal for members unable to install an array on their property, but who want to participate in a renewable energy project.

All In Stitches and Underground Graphics, Geneseo

Mother-son duo Jan and Jason Dahl operate a one-stop-design-shop serving Geneseo area small businesses.

Sixteen years ago Jan purchased an embroidery business, Sisters' Two, and opened All In Stitches.

"I bought the business to provide a service for our local town because no one else in town was doing this," Dahl explained.

Underground Graphics, a creation of her son, Jason, soon become an added asset to the business. Today, the two businesses operate under the same roof for the same purpose: to work with small business owners looking to brand and market themselves.

Together the teams at All In Stitches and Underground Graphics create, enhance and promote each individual brand they touch.

Jason, graphic design manager, and fellow graphic designer Paul Lopez together have more than 24 years of design experience. From the logo creation to business apparel, vehicle wraps, vinyl signs and business cards—they can do it all.

"We can design new logos or refine yours to make it work better for you," stated Jason. According to Jason, many of their clients start by

seeking a logo design, but then find value in their many other services.

Local clubs and sports teams have sought the expertise of both Jan and Jason in creating an image for themselves.

"Our motto has been, 'Have an idea, let us help you create it,'" Jason said.

In their shop, located at 100 E. Main St., customers can purchase a vast selection of Geneseo apparel ideal for Geneseo sports fans and loyal locals wishing to sport the maple leaf.

The Letterman Pennant™ was the brainchild of Jan, who sought to find an alternative to the

traditional, yet retiring, letterman jacket. School designs for area athletes and musicians are available at the storefront.

The Dahl family encourages customers to stop in and sign up for their new, local cash-back program for purchases at All In Stitches and Underground Graphics.

In addition, Jo-Carroll Energy members may use their Co-op Connections® card and save \$2 on your purchase of \$20 or more at All In Stitches. Also, purchase 500 business cards from Underground Graphics, and receive 500 free. Both businesses may be reached at 309-944-4084, at www.allinstitches.biz and on Facebook.



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

Understanding power outages and staying safe

While your utility does everything it can to reduce the possibility of outages to your home or business, they do occur. There are a variety of reasons power outages can occur, including severe storms causing major damage, lightning strikes, tree limbs coming into contact with power lines, vehicles crashing into utility poles, and animals such as squirrels causing short circuits while climbing electrical equipment. **Justin Redell**

Whatever the reason, rest assured your utility is working as fast as it can to get your power restored quickly and safely. While each utility has its own system for restoring power during an outage, many of the following steps will be similar from utility to utility.

The number one focus of your utility will be public safety. This means crews will clear lines and equipment that could pose safety hazards to the public. Next, it will turn its attention to power generation facilities that generate the actual electricity that powers your home or business. After that come transmission line and substation equipment repairs. Then, your utility will focus on feeder lines that can serve one to 3,000 customers, tap lines that provide power to 20 to 30 homes or businesses, and then connections to individual customers.

How long it takes to get your power restored depends on the extent of the storm's destruction, the number of outages, and when it becomes safe for utility personnel to get to the damaged areas.

Whether long or short, it pays to know what to do when the power goes out so you can keep your family safe. Jo-Carroll Energy and Safe Electricity, our safety partner, suggests you:

- ◆ Call your electric utility immediately to report the outage.

- ◆ Use safe alternative food preparations. A barbecue grill is an excellent way to prepare food. Always grill outside.
- ◆ Have a storm kit (with items like flashlights, battery-operated radio, batteries, and first-aid supplies) prepared for use during power outages.
- ◆ Turn off electrical appliances and unplug major electronics, including computers and televisions. Power sometimes

comes back in surges, which can damage electronics. Your circuits could overload when power returns if all your electronics are still plugged in and on. Leave one light on to indicate that power has been restored. Wait a few minutes and then turn on other appliances and equipment—one at a time.

For more information visit SafeElectricity.org.

Staying Safe Until Power is Restored

How long it takes to get your power restored depends on:

- the extent of the storm's destruction
- the number of outages #?
- when it becomes safe for utility personnel to get to the damaged areas

There are many steps in the assessment and restoration process—clearing downed power lines; ensuring public health and safety facilities are operational; checking power stations and transformers; repairing transmission lines, substations, and distribution lines; and getting power restored to consumers within the various damaged areas.

Storm Safety Kit

- Drinking water & food
- Blankets, pillows, & clothing
- Basic first-aid supplies
- Prescriptions
- Basic toiletries
- Flashlights
- Battery-operated radio
- Battery-operated clock
- Extra supply of batteries
- Phone
- Cash and credit cards
- Emergency numbers
- Important documents (in a waterproof container)
- Toys, books, & games
- Baby supplies
- Pet supplies

Stay safe until we can restore power to you. We and our partner Safe Electricity recommend the following safety precautions:

- Stay far away and keep others away from downed power lines. Just because they are damaged **does not mean they are dead!**
- Never enter a flooded room if electrical outlets are submerged. **The water could be energized.**
- **Do not** turn power off if you must stand in water to do so.
- Before entering storm-damaged buildings, **make sure electricity and gas are turned off.**
- If you clean-up outdoors after a storm, **do not use electric equipment** when it is wet out.
- If you are driving and come upon a downed power line, **stay away and keep others away.** Contact emergency personnel or your utility company to address the downed power line.
- If your vehicle comes in contact with a downed power line, **do not leave the car!** Wait for utility professionals to make sure the power line is de-energized before exiting the car.

Jo-Carroll Energy awards six scholarships

Six area high school seniors were awarded the 2014 Jo-Carroll Energy Scholarships recently.

Receiving the awards were: Rachel Offenheiser of Elizabeth; Alexandra Cox of Scales Mound; Thomas Watson and Chloe Carson, both of Mount Carroll;

Krista Temple of Fulton; and Kyle Freebern of Geneseo.

The cooperative awards six, \$500 scholarships, two each in Jo Daviess and Carroll counties and one each in Whiteside and Henry counties.

Recipients are selected based on grade-point average, college

entrance exam scores, work and volunteer experience, school and community activities and a short essay demonstrating their knowledge of electric cooperatives.

Information about the 2015 Jo-Carroll Energy Scholarships will be available early this fall.



Rachel Offenheiser (right), a senior at Stockton High School, is the recipient of a Jo-Carroll Energy Scholarship awarded to students from Jo Daviess County. Jo-Carroll Energy board director Marcy Stanger (left) presented the scholarship.



Alexandra Cox (right), a senior at Scales Mound High School, received a Jo-Carroll Energy Scholarship awarded to students from Jo Daviess County presented by board director Marcy Stanger.



Thomas Watson (left) and Chloe Carson (right), seniors at West Carroll High School, are the recipients of Jo-Carroll Energy Scholarships awarded to students from Carroll County. Jennifer Skien, Jo-Carroll Energy vice president of member services (center), presented the scholarships.



Kyle Freebern (right), a senior at Geneseo High School, is the recipient of a Jo-Carroll Energy Scholarship awarded to students from Henry County. Jo-Carroll Energy board director Ron Hallendorff (left) presented the scholarship.

Krista Temple (left), a senior at Fulton High School, is the recipient of a Jo-Carroll Energy Scholarship awarded to students from Whiteside County. Tracy Heidenreich, Jo-Carroll Energy CFO (right), presented the scholarship.

