

Menard Electric Cooperative's

Connect to MEC

A Touchstone Energy® Cooperative



Rates will increase for all classes on Sept. 1, 2012, and appear on bills received in October.

Rate increase announced

At the February 28th board meeting your Board of Directors approved a rate increase effective Sept. 1, 2012 (to show on your bills received in October).

The rate increase should provide the co-op with a nearly 7 percent increase in revenue over all. Some rate classes have more of a percentage of increase than others; 75 percent of our members are on rate 10 and those members will see less of a percentage, while rate classes that use a large amount of electricity such as geothermal, electric heat and irrigation, are seeing a higher percentage of increase.

See the chart on 16b for specific increase information per class. You can find your current rate class listed on your bill.

The typical rate 10 member uses about 995 kWh a month, which would give an increase of \$6.97. Call our office if you'd like details on how much the increase will affect your bill.

The percent of increase is based upon a cost of service study we commissioned last year. It gave us valuable information to ensure that we are adequately recouping our costs and that all rate classes are paying a fair amount for the service they receive.



The Board made the necessary adjustments to meet the goal of providing an increase fair to all.

But why do we need an increase? The basic reason is that our wholesale power cost bill from Prairie Power Inc. is increasing about 10 percent this year. Other costs have increased as well – the costs of poles, transformers, equipment and much more. But wholesale power is our largest expense, accounting for 66.95 percent of our costs.

As we said earlier, this rate increase should provide the co-op with a nearly 7 percent increase in revenue; combined with the facility charge

adjustment earlier this year, we should be able to cover the increase in wholesale power costs.

Manager Lynn Frasco says, “The increases in power costs were expected, in part, because of Prairie Power Inc.’s investment in the Prairie State Energy Campus, a clean-coal-fired power plant. We believe this was a good investment and that without it, future energy costs would have been much higher than what they will be. The new plant will provide us a stable source of power for many years to come and will be able to meet and exceed all environmental requirements for a coal-fired power plant.”

Remember, you're not just a customer of this electric cooperative, you are a member-owner and this cooperative exists to serve you, not to make a profit. Your Board of Directors is elected by the membership, from among the membership, and they will continue to seek ways to keep rates affordable. (See the article on 16d concerning capital credits and how any margins made are returned to members.)

Keep reading the next few months for additional articles on the increase.

Rate Changes Per Class

Effective September 1, 2012

Current		New	
Rate 10, 10S Farm & Residential			
First 1,000 kwh	\$0.115	First 1,300 kwh	\$0.122
Over 1,000 kwh	\$0.090	Over 1,300 kwh	\$0.097

Current		New	
Rate 11, 11S Electric Water Heater			
First 700 kwh	\$0.115	First 1,000 kwh	\$0.122
Next 300 kwh	\$0.090	Next 300 kwh	\$0.097
Over 1,000 kwh	\$0.090	Over 1,300 kwh	\$0.097

Current		New	
Rate 17, 17S Electric Heat			
Summer (June-Sept)			
First 1,000 kWh	\$0.115	First 1,300 kWh	\$0.122
Over 1,000 kWh	\$0.090	over 1,300 kWh	\$0.097
Winter (Oct-May)			
First 1,000 kWh	\$0.115	First 1,300 kWh	\$0.122
Next 5,000 kWh	\$0.071	Next 5,000 kWh	\$0.077
Over 6,000 kWh	\$0.090	Over 6,300 kWh	\$0.097

Current		New	
Rate 18, 18S Electric Heat and Water Heater			
Summer (June-Sept)			
First 700 kWh	\$0.115	First 1,000 kWh	\$0.122
Next 300 kWh	\$0.090	Next 300 kWh	\$0.097
Over 1,000 kWh	\$0.090	Over 1,300 kWh	\$0.097
Winter (Oct-May)			
First 700 kWh	\$0.115	First 1,000 kWh	\$0.122
Next 300 kWh	\$0.090	Next 300 kWh	\$0.097
Next 5,000 kWh	\$0.071	Next 5,000 kWh	\$0.077
Over 6,000 kWh	\$0.090	Over 6,300 kWh	\$0.097

Current		New	
Rate 20, 21 Commercial and Power Service			
Demand charge	\$4.50	Demand charge	\$4.95
First 200 kWh/kW	\$0.105	First 200 kWh/kW	\$0.116
Over 200 kWh/kW	\$0.070;	Over 200 kWh/kW	\$0.082

Current		New	
Rate 19, 19S Geothermal Heating with Electric Water Heater			
Summer (June-Sept)			
First 700 kWh	\$0.115	First 1,000 kWh	\$0.122
Next 300 kWh	\$0.090	Next 300 kWh	\$0.097
Over 1,000 kWh	\$0.090	Over 1,300 kWh	\$0.097
Winter (Oct-May)			
First 700 kWh	\$0.115	First 1,000 kWh	\$0.122
Next 300 kWh	\$0.090	Next 300 kWh	\$0.097
Next 5,000 kWh	\$0.067	Next 5,000 kWh	\$0.077
Over 6,000 kWh	\$0.090	Over 6,300 kWh	\$0.097

Current		New	
Rate 30 Non-Interruptible Large Power Service			
Demand charge	\$11.50	Demand charge	\$12.25
First 200 kWh/kW	\$0.069	First 200 kWh/kW	\$0.075
Next 200 kWh/kW	\$0.056	Next 200 kWh/kW	\$0.064
Over 400 kWh/kW	\$0.054	Over 400 kWh/kW	\$0.062

Current		New	
Rate 31 Interruptible Large Power Service , Less CPDA			
Demand charge	\$11.50	Demand charge	\$12.25
First 200 kWh/kW	\$0.069	First 200 kWh/kW	\$0.075
Next 200 kWh/kW	\$0.056	Next 200 kWh/kW	\$0.064
Over 400 kWh/kW	\$0.054	Over 400 kWh/kW	\$0.062

Current		New	
Rate 50/52 Irrigation			
Demand Charge	\$4.50	Demand Charge	\$4.95
Billing months	\$0.065	Billing months	\$0.076
Non-billing months	\$0.070	Non-billing months	\$0.082

Current		New	
Rate 60 Commercial and Power Service-No Demand			
First 1,000 kWh	\$0.115	First 1,300 kWh	\$0.122
Next 2,000 kWh	\$0.105	Next 2,000 kWh	\$0.100
Over 3,000 kWh	\$0.090	Over 3,300 kWh	\$0.092

Current		New	
Rate 61 Commercial and Power Service w/Water Heater-No Demand			
First 700 kWh	\$0.115	First 1,000 kWh	\$0.122
Next 300 kWh	\$0.090	Next 300 kWh	\$0.097
Next 2,000 kWh	\$0.105	Next 2,000 kWh	\$0.100
Over 3,000 kWh	\$0.090	Over 3,300 kWh	\$0.092

Pay Your Bill Online

With our Electronic Bill Payment Processing (EBPP) service

It's Easy! Complete the registration process outlined below and you'll be able to view historical information and pay your bill by Visa, MasterCard or Discover.

To Register

You'll need the name and social security number of the person whose name is on the bill, as well as the account number.

- 1) Visit www.menard.com and select Online Bill. A screen will pop up asking for an e-mail address and password. Click on Register.
- 2) Enter your account number, social security number and email address.
- 3) The system will verify the information and send you an email asking you to click on the link in the email to finish the process. Please note: if we do not have your social security number on file the verification will not process and you'll need to contact the office to update that information.
- 4) At this time you can create a password and then log into EBPP to see all of your accounts.
- 5) You'll then be able to view historical information and pay your current bill with a credit card. You may choose to save your credit card information or re-enter it each time. An email will be sent to confirm your payment was received.



Fee Changes

The Board of Directors has recently updated member policies, including fee charges, which will be effective July 1, 2012.

Service charge for meter tampering:	\$250	Reconnection charge:	\$50	Security deposit for single phase:.....	\$250
Service charge for unauthorized connection or reconnection:.....	\$50	Security light connection charge if disconnected and reconnected by same member within 12 months:	\$50	or 1/6 estimated annual energy charge; for irrigation, three-phase and commercial: \$250 or 1/3 estimated annual energy charge. Security deposits may be waived for members who sign up for the automatic payment plan and provide proof of acceptable payment history.	
Tap fee for line extension:.....	\$2,500	Overtime service connection:	\$75		
Membership fee:.....	\$25	plus other connection charges			
Collection charge:	\$50	Meter testing requested by member:	\$50		
Bad check processing fee:	\$25				

Board Meeting Report

For full minutes please visit our website at www.menard.com or contact our office.

Present were Manager Lynn Frasco, Attorney Charles Smith and Directors Gary Martin, Jerry Brooks, Michael Carls, Jay Frye, Warren Goetsch, Donald McMillan, Michael Patrick, Roy Seaney and Steven Worner.

Frasco informed the board that 21 irrigation systems were completed and 22 were yet to be built. Independent contractor L.E. Meyers Builders was lowest bid to assist in completing construction. He reviewed 2012 construction price comparison.

Discussed co-op's hiring of NISC as vendor for Meter Data Management Program.

Co-op received 2011 CoBank Capital Credits – the patronage earned totaled \$86,200.00 with actual distribution of \$56,030.00.

Frasco advised of his discussion with AIEC General Counsel Norman Conrad regarding Joint Pole Use Agreement issues arising at last month's board meeting.

Frasco and Smith discussed Horizon Bankruptcy. Smith reported

on his discussion with Janice Alwin, an attorney inquiring about Capital Credits for Horizon.

Year to date margins were (\$239,579) compared to (\$149,459) a year earlier. Equity at the end of Feb. was 33.37% and number of members served was 10,542 compared to 10,499 a year ago. Net Utility Plant end of Feb. was \$37,025,692 compared to \$35,567,767 last year. Co-op continues to meet the requirements of the RUS, FFB and NRUCFC.

Capital Credits refunded

Were you a member of Menard Electric in 1985 or 1986? If so you may receive a capital credit refund. If your refund was less than \$50, you'll receive a credit on your June bill. If your refund was over \$50 you'll have received a check in the mail.

The Board of Directors approved a general retirement of \$250,000 this year to retire the rest of 1985 and a portion of 1986 capital credits. To date we've retired \$7,148,617 to members.

Menard Electric is structured to make every member an owner of this business. Unlike other electric utilities, we do not exist to make a profit. Any revenues over and above the cost of doing business are con-

sidered "margins."

Every member who purchases electricity during a year in which margins are earned is allocated capital credits. The amount of credits earned is based upon the amount of capital contributed to the co-op through payment of your monthly bill. The more electric service you bought, the more capital credits you earned.

The sum of your bills for the year is multiplied by an allocation factor to determine your capital credits. The allocation factor varies yearly, depending on the success of the co-op. Since credits are a member's share of the margins, no credits are allocated for a year without margins.

Margins earned represent an interest-free source of operating capital by you and the rest of the membership to the co-op. This capital allows us to finance operations and new construction, with the intent that this capital be repaid to you in later years. We are currently on a 24-year retirement cycle.

Capital credits of a deceased member may be paid at a reduced present value without waiting for a general retirement, or may be transferred to a surviving spouse if the membership was jointly held; contact us for an estate retirement form.

Monthly Safety Tip



Pool clearance

Watch the clearance between a pool and overhead lines (and underground lines if pool is permanent). Long-handled pool skimmers and other toys/tools could come into contact with lines. As a general rule, keep pools 25 feet from overhead lines. Call our office for more specific guidelines.

— For Sale —

2000 Chevrolet 1500

5-speed; 4.8 liter V8; Air cond.; 110,800 miles

Sold as is

Sealed bids should be received in the office by 4:00 p.m. on June 15, 2012.