



## A Look at 2013



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### Across The President's Desk

As we enter the new year, allow me to take a few minutes to review 2012 and all that occurred at MCEC. At the time this article was written, we have finalized our RUS Form 7 - Statement of Operations, completed to know our final bottom line number. But through November 2012, MCEC had negative margins of -\$418,450.03. Prior to 2012, the Board of Directors and MCEC management agreed to budget a deficit to maintain our rates for 2012, knowing we would have an increase for 2013 and a rate structure change as well. This was a larger deficit than what was budgeted and some of this was due to lower kWh sales, by about 5%, (@ 5,000,000 less kWh) and higher than budgeted power cost from SIPC. Our rates to you, the member, require a large portion of our distribution cost to be recovered in kWh sales. With a mild winter, spring and fall, the hot summer months of June and July did not help enough to keep us on budget. This is one of the main reasons we are changing the rate structure for 2013, which is to help us recover our distribution costs and eliminate as much risk as we can from depending on

the weather. MCEC did experience a little more growth in 2012 versus 2011. Our new services installed were up by 20 accounts or more. The operations department was busy with two substation transformer changes at Smithton and Poe subs. Besides the transformer changes, the Poe substation had a substantial rebuild to help carry higher load demand into the future.

As I mentioned in the paragraph before, MCEC is changing its rate structure for 2013 to better maintain financial stability and improve our financial ratios. We are increasing the consumer charge to \$35 from \$27, but also restructuring the energy blocks to make the power cost from SIPC a pass through and as stated before, help eliminate risk from weather dependency. Members, who use between 600 to 2500 kWh per month, will see little change to their monthly electric bill. MCEC is predominately residential, so most of the increase in revenue is coming from this rate class. All classes will see increases of some percentage amount. These increases are based off our Cost of Service and Rate studies performed by the engineering department at our statewide association, AIEC. We are also rewriting our line extension policy to help recoup more money upfront. This affects the amount MCEC has to borrow, which in turn helps keep pressure off of the consumer charge for future increases. This policy change will likely go into place mid-year.

What does 2013 have in store for

us? MCEC will be finishing up its Long Range plan and Construction Work Plan to have in place so that we can begin work on our next RUS construction loan. This loan application will be done around the 3rd quarter of 2013 and should be approved by year end. One of the items included in the new work plan is for a new substation in the Smithton area, south of the town, near the subdivisions we serve. The growth over the last 10 to 15 years in this area has shown the need for an additional source to adequately serve our membership. MCEC is also looking at a secondary transmission source for our Waterloo, Poe and Fults subs in the southern end of our system. Our hope is to gain a loop feed for the transmission system to provide better reliability.

Our goal for the future of MCEC is to maintain system reliability, provide quality member service and still have reasonable rates for our members. The history of cooperatives, in that, being the original aggregators of people who come together and have buying power, is still the same today. We are stronger together than standing alone. Our ability to be the utility you want requires our unity in looking toward the future and having stable energy prices by working as one. Don't look toward the short term gain. That will only inhibit long term stability, as the answer.

Here's to your hope of a New Year that allows you to find happiness and peace.

# Youth to Washington tour

## Attention high school juniors!

In June of each year, the electric and telephone cooperatives in Illinois and across the United States sponsor groups of young people to Washington, D.C. on the "Youth to Washington" program. During a full week in the nation's Capital, these students get an up-close look at democracy in action and get to meet with their Congressional delegation and staff.

Past participants will tell you it is the trip of a lifetime. It's an experience they never will forget, full of fun, new friends, non-stop touring and yes, they actually learn something too. Most come back with an even deeper respect for our Country, our form of government and their opportunities.

Since 1957, hundreds of future leaders have been introduced to government and the legislative process through this program. Many alumni of the program have gone on to leadership positions in our

communities and government.

Applicants are invited to Springfield Youth Day on Wednesday, April 17th. Students will get to tour the Capitol and Supreme Court building.

The three winners chosen will receive an all expenses paid trip to Washington D.C. June 14 – 21st.

The "Youth to Washington" Tour is recognized as one of the best youth tours of Washington, D.C.

The tour is well organized with good chaperones. Participants will see monuments and memorials and visit historical places.

Last year, **Sarah Hempen of**



**Columbia, Jimmy Quinones of Waterloo and Brianna Wolf of Freeburg,** were our winners and had a great experience.

For more information, contact the cooperative office at 939-7171 or 800-757-7433.

## MCEC Line Outages - December 2012

Time Off	Duration	# Out	Location	Cause Desc	Sub
12/11/12	1:25	20	Triple Lakes	Other, faulty equipment	East Cardonelet
12/28/12	3:01	45	G Rd	Trees and ice	Fults
12/04/12	0:28	53	Fountain	Other, faulty equipment	Fountain
12/20/12	3:40	92	Lake of the Woods	Other, deterioration	Waterloo
12/20/12	2:11	79	Ahne Rd	Trees, other	Waterloo
12/05/12	1:18	3	Oakdale School Rd	Small animals or birds	Millstadt
12/23/12	1:11	44	Imbs Station Rd	Small animals or birds	East Cardonelet
12/13/12	1:26	5	Kropp Rd	Small animals or birds	Millstadt

# Caulk Up Your Home Now and Save for Years

The greatest sources of heating and cooling losses in your home are often invisible – air leaks. As a result, controlling air leaks provides the best way to extend the life of your home, conserve energy, save money, and increase comfort.

Bottom line? If you don't tighten up your home first, money spent on insulation may be wasted.

Fortunately, you can seal a lot of leaks around your home's exterior with less than \$100 worth of caulk.

It's generally possible to seal openings up to one-quarter inch between window frames and siding or around door frames. For larger gaps, add a backing material before caulking, or use a spray foam sealant instead.

Most types of outdoor caulk are sold in tubes that fit a caulking gun. In addition, some caulks come in aerosol cans; they're a good choice for filling gaps up to one-half inch around pipes and wires.

When shopping for caulk, there

are myriad choices. Prices range from a couple of dollars to several dollars per tube, so be sure to read the labels and choose a product that will adhere best to the materials you're sealing.

If your budget allows, spend a little more for a higher-quality caulk. Inexpensive caulks may last only a few years, while premium-priced caulks are rated for 20 years or more.

## Common Caulking Compounds

(source ~ Bob Dickelman)

Caulk Type	Recommended Uses	Cleanup	Shrinkage	Adhesion	Comments
Silicone 	Seals most dissimilar building materials such as wood, stone, vinyl, metal flashing and brick	Immediately with dry cloth and mineral spirits or naphtha	Little or none	Good to excellent	Permits joints to stretch or compress. Will stick to painted surfaces, but paint will not adhere to most cured silicones.
Polyurethane, expandable spray foam 	Expands when curing. Good for larger cracks. Use in non-friction areas, because foam becomes dry and powdery over time.	Immediately with solvent such as lacquer thinner	None; expands quite a bit	Good to excellent	Quickly expands to fit larger, irregularly shaped gaps. Flexible. Can be applied at variable temperatures. Must be painted for exterior use to protect from ultraviolet radiation.
Water-based spray foam 	Around window and door frames in new construction or remodeling projects; smaller cracks	Water	None; expands only 25%	Good to excellent	Takes 24 hours to cure to a soft consistency. Will not overexpand to bend window frames. Must be exposed to air to dry. Not useful for larger gaps, as curing becomes difficult.
Butyl rubber 	Seals most dissimilar materials such as glass, metal, plastic, wood and concrete. Seals around windows and flashing; bonds loose shingles	Mineral spirits or naphtha	5%-30%	Good	Lasts 10 or more years. Resilient, but not brittle. Can be painted after one week. Variable shrinkage may require two applications. Does not adhere well to painted surfaces.
Oil or resin-based 	Seals exterior seams and joints on almost all building materials	Mineral spirits or naphtha	10%-20%	Good	Low cost. Rope and tube forms available. Oils dry out and cause material to harden and fall out. Low durability; lasts 1-4 years. Poor adhesion to porous surfaces such as masonry. Should be painted. Limited temperature range.

# Be fire prevention smart - don't get burned!

**R**esidential fires caused by electrical defects account for a significant number of total blazes each year. According to the U.S. Fire Administration, in 2011 home electrical problems accounted for 67,800 fires, 485 deaths, 2305 injuries and \$868 million in property losses. Many of these fires are preventable. MCEC and Safe Electricity urge members to be aware of electrical hazards, take time this month and make it a regular habit to inspect all appliances, cords and plugs.

Check for loose wall receptacles, loose wires or loose lighting fixtures. Listen for popping or sizzling sounds behind walls. Immediately shut off, then professionally replace light switches that are hot to the touch and lights that spark and flicker.

Electrical plugs and cords usually deteriorate gradually, making damage difficult to detect. Inspect all appliance cords and plugs for wear at least once a year. Make sure they are not frayed or cracked, placed under carpets or rugs or located in high traffic areas. Do not nail or staple them to walls, floors or other objects.

Overloaded electrical systems can be a dangerous prelude to fire. Dimming lights when an appliance goes on, a shrinking TV picture, slow-heating appliances, fuses blowing or circuits tripping frequently are signals of overloaded circuits.

Overloaded electrical outlets or circuits that supply power to several outlets are a major cause of residential fires. Overloaded outlets and circuits carry too much electricity, which generates heat in undetectable amounts. The heat causes wear on the internal wiring system and can ignite a fire.



## To prevent overloading:

- Avoid using extension cords on a permanent basis and never plug more than two home appliances into an outlet at once.
- Use only outlets designed to handle multiple plugs. Each outlet or circuit should not exceed 1500 watts, so give special consideration to appliances that use 1,000 or more such as refrigerators, hot plates, irons, microwave ovens, dishwashers, heaters and air conditioners.
- Avoid plugging large appliances into the same outlet or circuit. If a circuit breaker trips or a fuse blows frequently, immediately cut down on the number of appliances on that line.

When looking over electrical wiring and fixtures, look at light bulbs as well. Check the wattage to make sure light bulbs match the fixture requirements. Replace bulbs that have higher wattage ratings than recommended. Make sure they are fastened securely so they don't overheat.

Know where your circuit breakers and fuse boxes are and how to operate them. Check the circuit breakers and fuses to make sure they are working properly. Fuses should be properly rated for the circuit they are protecting. If you don't know the correct rating, have an electrician identify and label the correct size to be used. Always replace a fuse with the same size you are removing.

## If an electrical fire does occur, take these steps:

- Call 911 or another appropriate emergency service
- If you must attempt to put out an electrical fire, use a dry fire extinguisher or baking soda. Never try to extinguish an electrical fire with water!
- If the fire is large try to turn off the main power source. Do not try to handle the fire yourself.

A simple way to protect your family is to check the operation of the smoke alarms every month and replace the batteries twice a year. The National Fire Prevention Agency reports that roughly 60 percent of reported home fire deaths happened in homes with no smoke alarms or no working smoking alarms.

Also develop and practice an escape plan twice a year in case of a fire. A good plan is known by all household members and includes an outside meeting location away from danger of the fire.

The tragedies of electrical fires do not have to happen. These problems can be difficult to detect, but relatively easy to prevent. Take these precautions to protect you, your home and your loved ones.

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