

JO-CARROLL

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



CEO'S REPORT

by Mike Casper

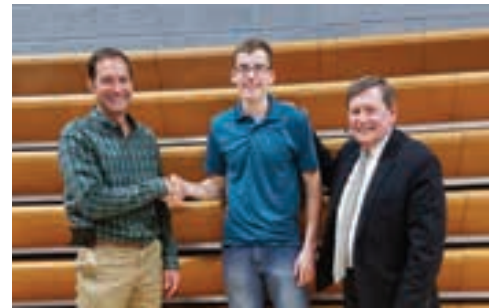
The value of member engagement

For all those who attended our annual meeting last month, thank you!!! Jo-Carroll Energy is a co-op, and our business model is meant to serve you, our member-owners and the communities in which we operate.

Our core mission is to deliver utility solutions to our member-owners and communities - safely, efficiently and responsibly. As a co-op, we are motivated by service to the community and enhancing your quality of life, rather than profits. After meeting our annual expenses, we invest the extra money back into the co-op and the wider community through capital credits paid directly to you.

Our board of directors is comprised of members you chose who represent you. They are in a position to know where community investments are most needed, and we depend on their guidance and perspective to help set priorities for the co-op and guide governance decisions.

Jo-Carroll Energy has numerous ongoing programs that positively impact the community. Every summer, for example, we participate in Youth Tour and take local high school students to the nation's capital to meet with lawmakers, enabling students to learn firsthand how our democracy works. Representing us on Youth Tour in 2017 are Meghan Flynn of Galena and Paula Israel of Fulton. Through our scholarship program, as of this writing, we have awarded \$12,500 to students throughout our service area to help with their educational expenses in 2017. We'll share more information about our Youth Tour delegates' experience in the nation's capital and our scholarship winners



in an upcoming issue.

We also are proud to be part of a nationwide veteran hiring initiative, "Serve Our Co-ops Serve Our Country." In addition, we support a number of projects from economic development in our communities to our own programs on energy efficiency and renewables.

We recognize the vital role Jo-Carroll Energy plays in energizing our local economy. To continue to innovate and more effectively serve the community, we rely on you, our member-owners, to provide guidance and feedback. We value your perspective, and we cannot operate effectively and help our community thrive without you.

I encourage you to stay connected with your co-op. Your attendance at the annual meeting is just one way to be involved. Whether it's our upcoming member appreciation days in July or meetings about the co-op's new geothermal incentives, co-op events are one way to meet the employees who are working hard for you every day. Another way to let your voice be heard is by joining our advisory council. For more information on all these activities, visit our website at www.jocarroll.com, follow our social media or call us at 800-858-5522.

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.

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Resume of Minutes

March 22, 2017

For your information

Your Board of Directors:

David Senn
Chairman
District 7

Russell Holesinger
Vice Chairman
District 8

Marcia Stanger
Secretary
District 3

Martin Werner
Treasurer
District 1

Joseph Mattingley
District 2

Vacant
District 4

Patricia Smith
District 5

Thomas Lundy
District 6

Larry Carroll
District 9

Robert Kuhns
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 4:30 p.m.

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

**Services and
Billing Questions:**

(800) 858-5522
www.jocarroll.com

**For emergencies
and outages call:**
(800) 858-5522

The board met on Wednesday, March 22, 2017, at the Jo-Carroll Energy headquarters. The following is a summary of the meeting activities. The Agenda, as amended, and the Consent Agenda were approved.

Chairman's Report – Chairman Senn discussed the director vacancy for District 4, as well as current political and regulatory issues and asked that the board continues to stay engaged with our members. Senn concluded by discussing the importance of upcoming strategic planning sessions for the future of the cooperative.

Dairyland Report – Director Mattingley provided an update on Dairyland's monthly financials for February. Mattingley also provided an update on discussions regarding governance and wholesale power contracts.

AIEC Report – Chairman Senn provided an update from the AIEC meeting he recently attended and noted their strategic planning session was recently completed. Senn discussed Illinois Senate Bill 2603, which would allow for the state to receive unclaimed capital credits, rather than the cooperative keeping them for use within the service area for the benefit of members. Senn noted that cooperatives were not exempt from the bill.

APGA Report – Director Carroll provided an update on regulatory matters being followed by the APGA. A new issue the APGA is monitoring concerns "Made in America" provisions for new natural gas infrastructure.

PPI Report – Director Hallendorff reported on PPI's most recent generation figures and provided operational highlights from the Prairie State Units 1 and 2.

Monthly Committee Review

a. Policy 108 – Policy 108 was approved as is.

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

b. Financial Operating Report – President and CEO Mike Casper reported that the Cooperative's margins for February were approximately \$475,000, which was approximately

\$11,000 below budget. The current equity of the cooperative is approximately 24.62 percent, compared to 23.65 percent at the end of 2016. O&M expenses were \$550,000 under-budget. Casper also noted Jo-Carroll Energy paid down \$760,000 in long-term debt and will be developing a plan to refinance short-term debt in May. Casper discussed the long-term effects of using one-time receivables as deferred revenue to keep rates low. By general consent, the board moved to file the Financial Operating Report with the auditor.

c. External Affairs Update – Chris Allendorf, Vice President and General Counsel, reported on the TCEDA annual meeting held at Timmerman's Supper Club in East Dubuque, Ill., noting that this year's speaker received excellent reviews and attendance was around 150. The Build it-Grow it program has expanded into Warren, and scholarships are available for the program to members of the Galena Area Chamber of Commerce that are interested in participating. In his state and federal update, Allendorf noted that the state's backlog of unpaid bills continues to grow, reaching a record high of \$13 billion. Allendorf reported that President Trump, through Executive Orders, has required the EPA to prepare a financial analysis of the cost impact of the Clean Power Plan and the Waters of the U.S. rule on the economy. Allendorf concluded by noting that the NRECA is working with the administration to keep RUS Funding at current levels in the next budget.

Board Issues

a. Discounted Estate Capital Credit Retirements - Discounted Estate Retirements Approval – A motion was made, seconded and carried unanimously to approve the discounted estate retirements, as presented.

Continued on 18c ►

Minutes continued from 18b

b. Resolution to Change Registered Agent/Office with the IL Secretary of State to Chris Allendorf – A motion was made, seconded and carried unanimously to approve the Resolution to Change Registered Agent/Office to Chris Allendorf.

c. Appoint Credentials and Election Committee – A motion was made, seconded and carried unanimously to appoint the members of the Credentials and Election Committee.

d. 2016 Margins Allocations – A motion was made, seconded and carried unanimously to allocate \$3.125 million of the 2016 margins, which was seconded and carried unanimously.

e. April Board Meeting Date Change to April 19 – A motion was made seconded and carried unanimously to change the April Board Meeting date to April 19.

Meetings and Training

a. March 27-28 Strategic Planning – The upcoming meeting preparations were discussed as well as what was to be expected from the meeting.

b. Dairyland Annual Meeting, June 7 – The attendees were selected for the Dairyland Annual Meeting.

Consideration of Matters discussed in Executive Session

– None.

Reports

Reports were heard on: The NRECA Annual Meeting.

Other Business – None.

Adjournment

Chairman Senn adjourned the meeting at 11:20 A.M.

Mark your calendars for 2017 Appreciation Days!

Save the date for one of Jo-Carroll Energy's upcoming Member Appreciation Days, set for each of our offices in Elizabeth, Savanna and Geneseo.

Have lunch on us! Your employee team will fire up the grills and be serving pork chop sandwiches and hot dogs along with chips, ice-cold lemonade and a special treat.

We will have games for adults and kids alike. Members can try their hand at a balloon pop game to win bill credits.

We will have LED lightbulbs to give away, and you can bring

along your old CFLs and drop them in one of our recycling buckets.

We invite you to join us for a chance to visit with board members, employees and fellow member-owners. It's our way of thanking you for the opportunity to serve you throughout the year.

Events are scheduled from 11 a.m. to 1 p.m. on the following dates:

- July 6 at the Elizabeth Headquarters
- July 12 at Savanna
- July 19 at Geneseo



Transformer relocated...

Jo-Carroll Energy crews recently relocated a transformer formerly used at the York Substation to the Chadwick Substation to increase capacity.

System upgrades to the distribution system in the area around the York Substation, including a new feeder extension at the Metform Substation that interconnects with York, allowed for enough backup capacity to move the transformer.

The larger transformer with additional capacity also allowed the retirement of older units.



JCE lineman helps bring power to the people in Bolivian village

A Jo-Carroll Energy lineworker has a new perspective on turning on the lights after helping with an electrification project in Bolivia.

Kurt Krohmer was one of 12 Illinois linemen who traveled to Samaipata in Bolivia to bring power to schools and homes in mountain villages. The project was part of the efforts by the NRECA International Program.

“I wanted to see parts of the world I haven’t seen – which I did – and try to help some people out,” Krohmer said of his decision to volunteer for the trip. “I thought it was too big an opportunity to not miss.”

Working in four man crews, two Illinois linemen were paired with two employees of Rural de Electrificación (CRE), a Bolivian electric cooperative.

The crew spent three weeks building a single-phase line. Poles had been set by crews during a previous trip. Working 12 hour days, six days a week in temperatures that hovered in the upper 80s, the Illinois linemen and their CRE counterparts built about 18 miles of single phase line and installed 21 transformers.

“Here we have better tools and equipment to make things easier. There they don’t. They just do it,” Krohmer said.

The goal of the project was to electrify 62 homes, an orphanage, school and community center in remote mountain villages.

“We knew it would be mountainous before we left, and it was,” Krohmer said. “The terrain was really rough. A little [of the line] was along the road but not very

much, and we only had one bucket truck anyway.”

With only one bucket truck and poles made of concrete, much of the work was done on ladders.

“You’re packing a 30-foot ladder, ropes and all your material. It was a lot of work, but that’s fine. That’s what you went there for,” Krohmer said. **Catherine Conzett**

Building the line to the village took a week and a half. Located down in a valley, accessed by a





winding road, the village itself “was definitely a wakeup call on life.”

“To see how these people, live... there’s no floor. Everything is dirt. It makes you really appreciate what we have,” Krohmer said.

Because the poles had been set, the villagers knew power was coming, but once the Illinois linemen arrived and were stringing wire, “you could tell they were happy about it,” Krohmer said. “A lot people would come up and talk to you. They were really glad we were there and thought it was pretty awesome that we would come all the way from the United States to bring power to them.”

On the final day, a celebration and inauguration were held as the lights were turned on at the school.

Krohmer said he would encourage other lineworkers to take part in the program.

“I would do it again,” Krohmer

said. “What I took away from it was that we are extremely lucky here. I think a lot of people forget that. They get so caught up in problems that don’t matter that they forget what we do have. It makes you appreciate the little things.”

CONGRATS ON \$100 MILLION!

Touchstone Energy[®] Cooperatives

congratulates the nation's electric co-ops for saving their members more than **\$100 million** on prescriptions!

Thank you for demonstrating Commitment to Community by giving your members the gift of Co-op Connections.

The One Card That Does It All[®]



Find all the ways to save at www.connections.coop or contact Touchstone Energy Cooperatives to get your co-op involved in the program.

Hotline demo visits West Carroll Primary

Safety is a core value at Jo-Carroll Energy. That concern is reinforced through education programs and safety demonstrations for area schools and groups.

Jo-Carroll Energy linemen Steve Ludwig and Todd Chambers along with manager of safety and compliance Jeff Harrelson recently visited the West Carroll Primary to present a hotline demonstration to first graders at the school.

The demonstration included a full-size high voltage electric safety demonstration and equipment display.



Keep meters clear of obstacles

It is in the mutual interest of members and Jo-Carroll Energy to ensure that meters are in an easily accessible location.

Plants and landscaping, as well as decks and other structures, are meter

obstructions that can create problems for meter access and maintenance.

Have a clear, safe walking path to the meter available at all times. Avoid building or placing structures directly around the meter, which may

have to be removed to access the meter.

Keeping meters clear of obstacles helps the co-op provide safe and reliable energy for our members.

Evergreen price reduced

Get more renewable energy for as little as \$1 per month

If you are interested in protecting our environment and getting more of your electricity from renewable resources, your cooperative has the program for you, and now we've made it even more affordable.

Evergreen is a voluntary renewable energy (green power) program available to your home, farm or business through Jo-Carroll Energy and one of our energy providers, Dairyland Power Cooperative.

Evergreen is for you if you are willing to pay a little bit more to get some or all of your electricity from renewable energy resources.

In addition to your normal monthly electric bill, you pay a small additional charge each month to offset the additional cost it takes to support renewable energy.

Evergreen comes from solar, wind and waste-to-energy renewable resources. Your participation in Evergreen enables your cooperative to secure additional renewable energy resources above and beyond government requirements.

And now, even better, we've reduced the price. For as little as an additional \$1 per month, you can help support the generation of renewable energy and a cleaner

environment. Evergreen costs \$1 per 100 kilowatt hour (kWh) block. Cover a portion or all of your home's energy usage. For example, for an additional \$8 per month participation in Evergreen, assuming an average home using 800 kWh per month, you can cover all of your home's usage with green power.

For more information about Evergreen, contact Jo-Carroll Energy at 800-858-5522 or visit our website at www.jocarroll.com.

Evergreen
YOUR ENERGY CHOICE FOR THE FUTURE



EARTH DAY

Jo-Carroll Energy employees Jamie Lockwood, digital media coordinator, and John Scott, energy advisor, took part in the Galena Earth Day Fest on April 29 at Turner Hall in Galena. Lockwood read a short story to educate students about geothermal heating and cooling. Scott presented information about energy efficiency. (Earth Day photos courtesy of the *Galena Gazette*.)

