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The Wire

McDonough Power Cooperative • Macomb, Illinois 61455

JOIN US

for the 80th Annual Meeting of Members



*Mike Smith
President and CEO*

- What:** 80th Annual Meeting of Members
- When:** Tuesday, August 22
- Where:** The Crossing located at 1600 W. Jackson St. in Macomb.

McDonough Power Cooperative invites our member-owners to join us for the 80th Annual Meeting of Members on Tuesday, August 22. This year's annual meeting will be held at The Crossing located at 1600 W. Jackson St. in Macomb. Doors will open at 5 p.m. for registration. Between 5 and 7 p.m., enjoy a pork chop sandwich dinner, grilled by the Macomb Bomber Boosters and served by the Scotland Clever Clovers. Groove to the live music on stage by Jera and the Absolut's. The business meeting will follow at approximately 7 p.m. Each membership in attendance will receive a \$10 bill credit. Make sure to bring the registration card from this year's Annual Report to be entered in additional prize drawings that take place during the business

meeting. You must be present to win. The annual meeting is a special time for co-op members to gather, share experiences, hear from co-op leadership and, perhaps most importantly, vote to elect your new board members. McDonough Power employees work hard to host this fun event, and we encourage you to attend and exercise some of the many rights you have as a member of an electric cooperative. We know the food, entertainment and prizes are the best parts of the meeting, but there is so much more to the event. Additional information about the meeting appears in the Annual Report to be mailed in August. From all of your friends at McDonough Power Cooperative, we hope to see you in August at the annual meeting. **4319A1C-1208A**





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Office hours:
7 a.m. - 4 p.m. - Weekdays



DIRECTORS

- Jeff Moore, Chairman
- Walt Lewis, Vice Chairman
- Steve Youngquist, Secretary
- David Lueck, Treasurer
- Jerry Riggins
- Mike Cox
- Bob Dwyer
- Steve Hall
- Steve Lynn
- John D. McMillan, Attorney

**All Co-op Electric
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A Touchstone Energy® Cooperative
The power of human connections



Almost \$380,000 returned to members

The Board of Directors has approved a capital credit refund of \$379,884 – It's the Cooperative Difference!

We are issuing checks to current and former members for credits earned in 1988 and 1989. Checks will be mailed mid-August to those who invested during that time.

What are capital credits?

Unlike other utilities, McDonough Power does not exist to earn a profit. Any revenues over and above the cost of doing business are considered margins.

These margins 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 27.5 year retirement cycle. 5232C3-570A

How are capital credits calculated?

Every member who purchases electricity during a year in which margins are earned is allocated capital credits. The amount of credits you earn in a year is based upon the amount of capital you 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 monthly bills for the year is multiplied by an allocation factor to determine your capital credits. The allocation factor varies from year to year, depending on the success of the co-op. Capital credits are

only allocated for a year in which the co-op earns margins. Since credits are a member's share of the margins, no credits are allocated for a year without margins.

Will I receive credits every year?

Each year the Board of Directors must approve a capital credit retirement after reviewing the financial health of the co-op. If the board determines that the co-op cannot afford to retire credits, they will not authorize a retirement.

What happens to my capital credits if I leave the co-op service territory?

Your capital credits remain in our system in your name until they are retired. Make sure we always have your current address so we can mail a check to you. We publish lists of names of members we were unable to find in this magazine each year as well as on our website.

What happens to the capital credits of a member who dies?

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 Dawn Beck for further details.



McDonough Power advocates for consumer-members in Washington

Powering and empowering the counties we serve is job number one for McDonough Power Cooperative. Some ways that we carry out this mission are as obvious as sending a lineworker up a utility pole to repair a damaged transformer. But equally important to continuing this mission is ensuring that our elected leaders keep the cooperative in mind when crafting laws and regulations that impact us.

No one knows the needs of rural America better than America's electric cooperatives – the not-for-profit utilities that power and empower more than 60 percent of the nation. As ambassadors of the rural communities they serve, electric co-ops offer policymakers a unique window into rural America and its critical needs. **8120SL143-832A**

That's why President/CEO Mike Smith and board member Mike Cox joined more than 2,000 electric co-op leaders across the country in Washington, D.C. to discuss our common interests and our priorities. Though no two co-ops are exactly alike, there's plenty we have in common, including a deep commitment to the communities we serve. We want to ensure that our leaders in Washington understand what matters the most to our cooperatives, to our communities and to rural America.

While in Washington, they joined their co-op colleagues educating policymakers on the unique benefits of the locally-controlled, consumer-owned,



cooperative business structure. As consumer-owned utilities, co-ops are uniquely positioned to respond to member interests. That local control gives co-ops the flexibility to pursue innovation and adapt to meet tomorrow's energy needs. This is true whether a co-op is making a decision about the need for new electric generation or launching a new energy efficiency program.

We use our visit to call on Congress to support investments in rural infrastructure and reduce barriers to maintenance and expansion. Existing

regulations, for example, can jeopardize reliable electricity by delaying or interfering with co-op efforts to maintain and improve equipment. Such regulations should be revisited.

Rural America spoke up in the 2016 elections and sent a loud message to Washington about the need to avoid overlooking rural America. This electric co-op gathering in Washington continues that important conversation.

For all of us, and most certainly for McDonough Power, advocating on behalf of our members doesn't stop at the edge of our service territory.



The path to efficiency independence

By Anne Prince

While fireworks and Independence Day parades are synonymous with the Fourth of July, no such fanfare comes to mind when discussing energy efficiency. Perhaps it should. If you think about it, energy efficiency not only benefits individuals and families, but the country as a whole. Energy efficiency combined with energy conservation and advances in technology in the utility industry ultimately help our country on a path toward greater energy independence. And that's worth celebrating.

Benefits of efficiency

At its essence, greater efficiency means less energy is used for the production of goods and services. For individual consumers, a reduction in energy use usually translates to a tangible financial benefit – more money in your wallet at the end of the month. If your co-op neighbors are also using less energy, collectively, it means the overall cost of providing that electricity could be lower and may result in reduced costs for co-op members. For many, this is reason enough to strive for

greater energy efficiency. On a national level, energy efficiency, sometimes called the “fifth fuel,” has a more profound impact. It can potentially boost the economy by allowing consumers and businesses to invest in other areas. As importantly, greater energy efficiency may slow the rate at which domestic energy is depleted, and therefore reduce or diminish the need for foreign energy.

Strike up the band

There's no need to wait for the first exploding burst of fireworks in the night sky to start your energy efficiency efforts. Every American can take charge of their own energy use, regardless of the date on the calendar. Small steps can lead to a big difference for you and your neighbors, whether across the road or across the country.

Energy efficiency can generally be achieved two ways. The first is with mechanical change, such as replacing an older HVAC unit or less efficient appliance or with a new ENERGY STAR model or upgrading to new, insulated windows. Less expensive

actions include improving the seal of your home's “envelope” by caulking exterior windows and doors and sealing openings where pipes and ductwork meet the outside. Swapping out the last incandescent bulbs (inside and outside) with LEDs also makes a noticeable difference. **6327MCE23-702B**

Smart control

The second way to realize energy efficiency is through smarter management of your energy use. Leveraging smart thermostat technology is a good place to start. Most smart thermostats contain an app allowing remote control by mobile phone or tablet. Program your thermostat to reflect your family's schedule. Many thermostat programs allow you to view and edit your thermostat schedule and monitor the amount of energy used. Sometimes, however, energy efficiency is simply a matter of changing old habits such as washing clothes in cold water instead of hot or running the dishwasher during off-peak times.

Energy Efficiency Tip of the Month



Let the sun work for you! Consider solar lights for outdoor lighting. Solar cells convert sunlight into electricity that can be stored in a battery and tapped at night to make light. Check manufacturers' instructions to make sure your solar lights are situated to receive sufficient sunlight to recharge during the day.

Source: U.S. Dept. of Energy

Member Prizes

Every month we will have four map location numbers hidden throughout The Wire. If you find the map location number that corresponds to the one on your bill (found above the usage graph), call our office and identify your number and the page that it is on. If correct, you will win a \$10 credit on your next electric bill.