

EGYPTIAN

"Providing electric service to Southern Illinois"

Your Touchstone Energy® Partner



Messenger

Celebrate the Cooperative Difference

In order to discover how to better serve you, our members, we have recently finished identifying our strengths and weaknesses, and setting goals for the coming year. As we struggled with the task of honestly assessing ourselves, it became obvious that we are different from other utilities. In fact, it became clear that those differences truly make us unique and give us an edge in providing you with extraordinary service.

So what are these differences?

1 Egyptian Electric Cooperative Association puts consumers first!

- Electric cooperatives are "of, by and for our members." We are a non-profit company owned by our consumers, and we operate solely for the benefit of our member-owners.
- Electric cooperatives can be trusted by consumers. When we say our long distance phone service costs "4.9 cents in state and 6.9 cents out of state," it is the honest truth! There are no hidden costs or marketing gimmicks.
- Electric cooperatives are consumer-advocates in a changing marketplace.
- Consumers have a voice in decision-making at the cooperative. You elect a board of directors to provide the strategic direction of the cooperative and to hire a manager who runs the day-to-day operations.

2 Egyptian Electric Cooperative Association is locally owned and operated!

- Egyptian Electric Cooperative is an integral part of the communities we serve.
- Local employees solve member service and billing issues locally.
- Egyptian Electric Cooperative Association works for a better quality of life for our members. Our long distance phone service has slashed phone bills in half! We are bringing



FROM THE MANAGER'S DESK

BY MARK STALLONS

water service to rural Randolph County. We are committed to providing reliable electric service that brings the convenience of electricity to every home.

- Money stays in the community to help build the local economy.
- #### 3 Egyptian Electric Cooperative Association is more responsive to local needs!
- Member ownership means that Egyptian Electric is more accountable and responsive to local needs.
 - Egyptian Electric is small enough to listen and close enough to notice the needs of the consumers.
 - As a not-for-profit company, Egyptian Electric offers stability and reliability, and better value for members.
 - Egyptian Electric is one of 1000 member-owned electric cooperatives in America that, working together, serve more than 35 million consumers nationwide--about 10 percent of the nationwide electric marketplace. We are technologically advanced, professionally managed and large enough to meet your needs for reliable, low-cost energy.

The New Year is a time of celebration! Let's celebrate together the Cooperative Difference!

What is electricity?

by Bryce Cramer

You flip the switch and, presto, on comes the light. You turn the dial, the oven heats up. You hit the remote and, instantly, there's David Letterman. We know electricity is at work and you expect it to be there waiting for you when you need it. But did you ever stop to think, "What really is electricity, and how does it get to my house?" We thought maybe it would be a good idea over the next several months to do a primer on electricity. This month we'd like to talk about what electricity is and how it is made.

Scientists tell us that all matter is made of atoms (guess I'll have to take them at their word since they're too small to see with the naked eye). They also tell us that atoms are made of electrons, protons and neutrons. At the center of an atom are protons and neutrons that form the nucleus. Spinning around the nucleus are electrons.

Electrons contain a negative charge, protons a positive and neutrons a neutral charge. The number of each can vary, but the quantity of electrons and protons are usually the same.

Electrons can be forced to move from one atom to another, bumping an existing electron from the atom. Since electrons and protons attempt to seek balance, this free electron moves to an unbalanced atom that is short one electron. This movement of electrons from atom to atom is what makes electric current.

Some materials, such as copper and aluminum, have atoms that do not hold their electrons very tightly and therefore become good conductors of electric current. Others, such as rubber, plastic and glass, hold their electrons very tightly. We think of these materials as insulators.

Back in 1831, a British scientist by the name of Michael Faraday discovered that if an electric conductor, such as a copper wire, is moved through a magnetic field, the magnetic field caused the electrons to begin moving from atom to atom. In essence, if a loop of copper wire is spun inside of a magnet, or a magnet inside coils of wire, a sustained electric current can be created. This principle is the basis of electric generating plants

today. If you were to visit a power plant, you would find generators there with huge magnets that spin inside coils of wire, such as in picture 1.

Most power plants use steam to turn turbine fans that are connected to the generator shaft. When water is heated to create steam, high pressures are created by the expanding water vapor. This pressurized steam is allowed to exit through 'nozzles' that direct the flow of steam across turbine fan blades, causing the turbine shaft to spin and thereby turn the generator. At SIPC, southern Illinois coal is burned to make steam. Some plants use oil or natural gas, and a few use nuclear reactors.

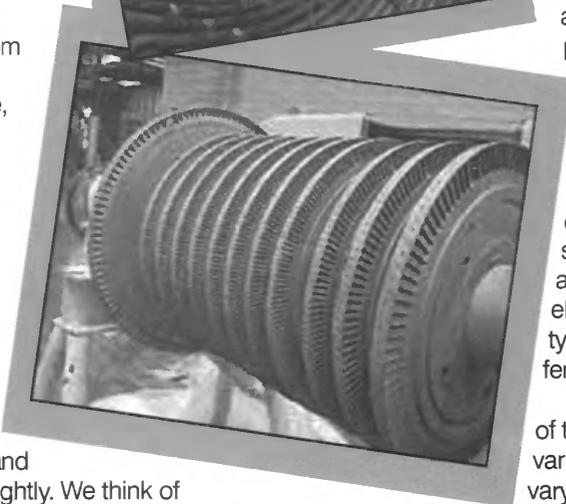
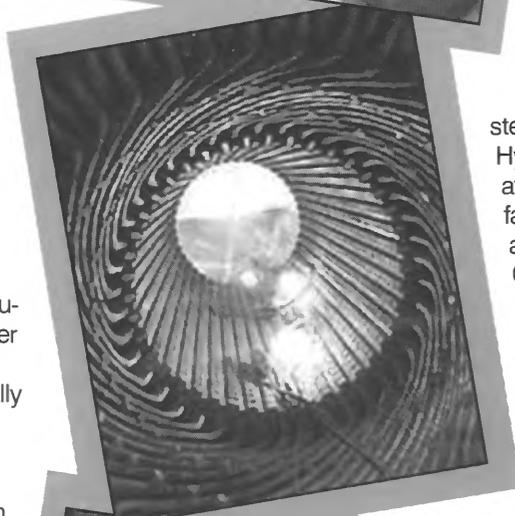
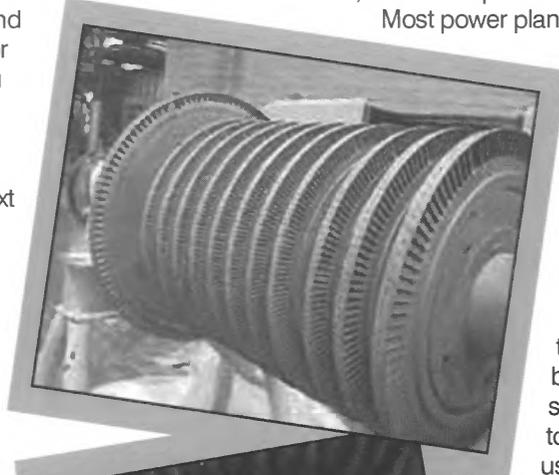
Some plants do not use steam to turn the generator shaft. Hydro-electric power plants, such as at Kentucky Lake, use the weight of falling water to turn turbine fans that are connected to the generators. Others use diesel or turbine engines (like jet engines) to turn the generators. Still others use wind to turn large blades connected to generators.

Power plants that use steam to turn the generator are usually thought of as base load power plants. As it is not easy or efficient to quickly regulate the amount of steam being created, these plants are best when run at full loads for long periods of time. Gas turbines on the other hand, can be sped up or down as needed and can thereby 'follow' the electric load as needed. These types of plants are generally referred to as peaking plants.

As you can imagine, the cost of the electricity produced by the various types of power plants can vary widely. Some types of plants have low construction costs but

high fuel costs. Hydro-electric plants, for example, have low fuel costs but high construction and social impact costs. Nuclear power plants have low fuel costs but extremely high construction costs, while coal plants are usually considered middle of the road for fuel and construction costs.

Next month, we'll talk about how the electricity gets from the power plant to your home. Stay tuned!



Running a power plant

by Bryce Cramer

If you're one that thinks running a plant that turns coal into electricity is a mundane and boring task, you should spend a moment or two with Tim Reeves, President and General Manager of Southern Illinois Power Cooperative (SIPC), the cooperative that generates power with southern Illinois coal for Egyptian Electric. Recently I had the opportunity to talk with Tim about some of the projects going on at SIPC.

According to Mr. Reeves, SIPC has three challenging projects going on simultaneously, a new fluidized bed boiler, the installation of a Selective Catalytic Reduction System and the construction of a gas fired turbine generation plant.

Reeves said, "A new fluidized bed boiler is being constructed for two reasons. This single unit replaces three small, separate 33 mega-watt (Mw) boilers that were approaching forty years of age. The new single unit will be more reliable, efficient and will increase output from 99 Mw to 110 Mw. In addition, the clean air requirements for 2003 would have required new pollution control equipment on each boiler. With the new boiler, we only have to install one piece of equipment to meet the standards."

The second major construction project is the Selective Catalytic Reduction System (SCR) being installed on unit 4, a 173 Mw unit brought on-line in 1978. According to Reeves, the new clean air standards call for a yearly limit on the amount of nitrous oxide (NOX) generated by power plants. The SCR installation will reduce the amount of NOX produced by SIPC low enough that it will only have to be operated during the summer months when atmospheric haze is at its highest.

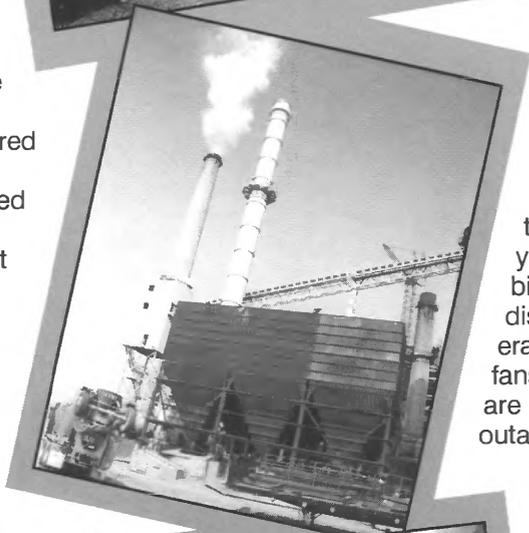
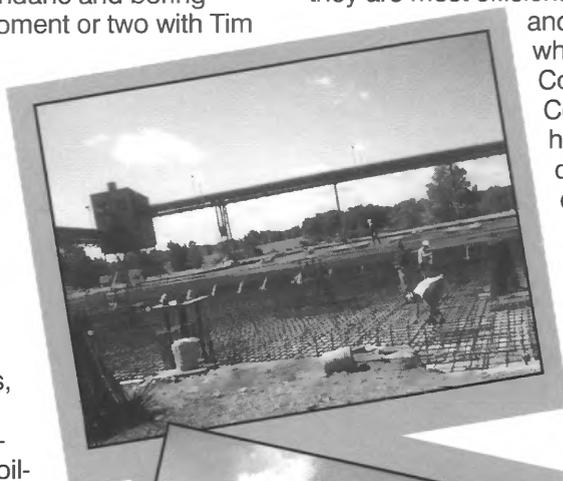
The third project, the installation of two 70 Mw General Electric gas turbines, will increase the output of the plant during peak periods. "Coal

fired plants are base-load plants," Reeves said, "so they are most efficient when they are fully loaded and run continuously." This was why three new members, Tri-County, Clinton and Monroe County Electric Cooperatives have been added over the last couple of years. Their loads, combined with the loads of Egyptian, Southern and SouthEastern will load the coal-fired turbines and allow them to be operated more efficiently. To meet peak periods that fluctuate not only monthly, but daily and hourly, the gas turbines can be brought on-line almost instantaneously.

In addition to the three major projects, Reeves has challenged his staff even more. "Usually, we take one turbine outage per year. This year we did three units." A turbine outage involves the total disassembly of the turbine generator. Any parts, such as turbine fans, bearings or other parts, are replaced or repaired. Each outage takes a turbine down for about six weeks and is generally considered a major project in and of itself. Usually, a turbine overhaul is good for five years.

According to Reeves, the improvements at SIPC do not come lightly. The total cost of the three projects is budgeted at \$227 million. Making the investment in the plant was partly mandated by the requirement to meet federal clean air standards. But, doing it now also makes good sense from a business

stand point. With interest rates low, this investment at SIPC will allow us to continue to burn southern Illinois coal and ensure a reliable and economic source of electric energy for southern Illinois for years to come. At Egyptian Electric, we just want to say "Thank you" to Tim Reeves and his staff and employees for their dedicated work at SIPC on our behalf.



PowerNet Global wins again!

The other evening I was sitting at the snack bar in the kitchen when the phone rang. Yes, you guessed it, it was one of those supper-hour callers wanting to induce me to change long distance carriers, one of the 'big boys' even.

Although I wasn't really interested in changing carriers (I'm a PowerNet Global user), I thought I'd listen to his pitch anyway. It didn't take long however before I realized I was going to have to hurry this along or I'd miss the kick-off of the Monday night football game. After listening to the caller beat around the bush for awhile, I finally asked him to cut to the chase and give me his bottom line price per minute.

When I realized he still wasn't going to be able to do that (he kept telling me it depended on how many calls I make each month), I decided to see if he could beat or meet the price I get with PowerNet Global.

When I told him that I pay 4.9¢ for all in-state calls and 6.9¢ for all out-of-state calls, he got very quiet. Finally, he came back with what I'm sure he thought would save his pitch. "Surely," he stated, "you must pay a monthly service fee." When I assured him this was not the case, that I did not have to pay a monthly service or minimum fee, that it was 1+ dialing and that it was billed on six second increments and not full minutes and that I even

have a free 800 number, he was really at a loss for words.

Finally, he wanted to know what company I was receiving my long distance phone service from. When I replied PowerNet Global, I could hear the air escaping from his sales pitch. But the best was yet to come.

His final words were, "I've heard of them before. If I made any long distance phone calls myself, I think that's who I'd use." That was the best sales pitch I've ever heard. Only problem for him though, it wasn't for the company he was working for!

If you would like to sign up for long distance service through PowerNet Global or would like additional information, call toll free (866) 266-7531.



OFFICE CLOSING

OUR OFFICES WILL BE CLOSED
JANUARY 20, 2003 IN OBSERVANCE OF
MARTIN LUTHER KING, JR. DAY.



What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. During office hours: (8 a.m.-4 p.m., Monday through Friday) call the office number nearest

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505
Someone is always on duty to take emergency calls after hours.

5. Please give your map, section and house (or locat.) number as found on your billing statement.

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10169 Old Highway 13 • Murphysboro, Illinois 62966 • (618) 684-2143

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www.egyptianelectric.org

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Working together to exceed your expectations!

At the November 26 board meeting, directors ratified the cooperative's Core Purpose, Core Values, and a Vision Statement for 2003. Their actions were the result of numerous employee meetings that have taken place this fall.

So you might ask, why go to all this effort? The answer is simple ... as our Vision Statement says... To become a TEAM that exceeds the expectations of our members and lives in accordance with our values!

Values are central to how we ACT; how we treat each other, our members and our community. Our values define who we are and separate us from our competitors. So what are these values?

Integrity means that we are credible, trustworthy, honest and believable.

Accountability means that each of us is responsible to ensure that we, individually and as a team, act in accordance with our core purpose and values.

Commitment to Community means that we show compassion, care and courtesy to our members, each other and the communities we serve. We are actively involved in improving our workplace, our local communities and ourselves.

Teamwork means that we respect each other, have pride in our work, give 100 percent, are open minded, remain innovative, and work together in an efficient manner to provide excellent service to our member owners.



FROM THE MANAGER'S DESK

BY MARK STALLONS

An easy way to remember the core values is to remember the acronym I A C T that is from the four core values; Integrity, Accountability, Commitment to Community and Teamwork.

Finally, to discover our core purpose we asked the question, "Why do we exist?" Our initial answer was to say that we exist to provide electricity to our members. But that answer begged us to ask, "Why do we provide electricity?" The answer we discovered was that the farmers who founded Egyptian Electric in the late 1930s wanted running water, lights and all the conveniences they had seen in big cities. But why did they want all those conveniences? Ultimately we came to the realization that our core purpose has always been To improve the quality of life of our member owners at a reasonable cost.

Throughout the coming year, all of the employees that work for you at Egyptian Electric pledge that we will be:

Working together to exceed your expectations!



**Office
closing**

OUR OFFICE
WILL BE CLOSED
FEBRUARY 17
IN OBSERVANCE
OF PRESIDENT'S
DAY.

The Energy Page

by Bryce Cramer

How does electricity move from the power plant to my cooperative?

We left off last month discussing the pros and cons of different methods of producing electricity. But once we produce electricity, how do we get it to your home or business?

Power plants need large amounts of land on which to locate the plant. This land can be used as a coal yard (if a coal fired plant), as a buffer from residential property (you can imagine the noise levels that accompany a power plant), or for security reasons (in the case of a nuclear plant). So, most power plants are centrally located where large tracks of land can be found and not necessarily next door to the loads the plant will serve.

This means we have to somehow get the electricity from the plant to the area where the loads are. As there are six distribution cooperatives serving southern Illinois

that make up Southern Illinois Power Cooperative (SIPC) at the Lake of Egypt, this is indeed a challenge. To move power from the plant to the service areas of the distribution cooperatives, transmission lines are used. The challenge of transmitting electricity is being able to get enough power through the lines to the load area in the most economical method.

If you recall from last month, we learned that electricity is basically electrons moving from one atom to another. We also learned that some materials (such as copper and aluminum) allow this to happen easier than others. Notice, I said easier. Although copper and aluminum are good conduc-

tors of electricity, they are not perfect conductors, and they do have some 'resistance' to the flow of electricity. Resistance results in heat and the loss of electricity. As the electricity flow increases, the resistance increases, and causes the temperature of the wire to increase. If the flow is too high, the wire can actually melt or sag, allowing the conductor to come into contact with trees or other objects that will short circuit the line.

To understand this constraint, there are a couple of terms and relationships we need to be familiar with. The first one is volts. The voltage of electricity can be thought of as the 'push' behind the electricity. That's why as voltage levels

increase, larger and longer insulators have to be used. The second term is amps. Think of amps as the rate of flow of electricity through the wire (remember the higher the rate of flow or amps, the more heat is created). The final term is watts. This is actually how we measure



electricity. In other words, if we know the pressure of the electricity (volts) and we know the rate of flow (amps), we can measure how much electricity (watts) is moving through the wires. Or, volts x amps = watts. Or watts/amps = volts. Or watts/volts = amps.

If amperage is the constraining factor when delivering electricity through the lines, you can see that if we increase the voltage, we can increase the amount of electricity (watts) the line can carry. But it isn't quite that simple. When we increase the voltage (push), we have to increase the size of the insulators to keep the electricity from jumping

(continued on 16c)

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across and short circuiting. We also have to use taller poles (meaning wider right of ways) to put the wires higher in the air where people, trees and other objects cannot come into contact with them. So, the challenge of designing a transmission system is to find the right trade off between voltage and capacity.

OK, so now we understand the challenge of transmitting electricity in large amounts and how voltage affects that, but how do we go about changing the voltage? This is where transformers come in. In a simplistic way, transformers are similar to generators. Whereas generators induce the flow of electrons by spinning a magnet inside a coil of wire, transformers induce current by wrapping coils of wire around other coils. If we put more loops of wire (turns) on the 'secondary' side than the 'primary' side, the voltage is increased. This is called a step-up transformer. Conversely, if there are more turns on the primary side, we lower the voltage (a step-down transformer).

At the power plant at SIPC, the generators put out either 13,200 or 19,200 volts, depending on the generator (SIPC has four). The generator output is then sent to a step-up transformer in the switch yard that raises the voltage to either 69,000 or 161,000 volts (these are the two voltages used on the SIPC transmission system).

The majority of the SIPC system is at 69,000 volts; we refer to this as 69 kV (using the metric system, kilo stands for 1,000). This voltage moves through the large, single pole structures with multiple cross arms at the top that traverse much of southern Illinois, bringing electricity to our substations.

In addition to the 69 kV system, SIPC also uses a 161 kV system. Because the higher voltage requires larger insulators, taller poles and more spacing (these are the two pole structures), this system does not directly feed substations. Instead,

the larger system is used to carry power from the power plant to a remote location. At this location, a step-down transformer is used to reduce the voltage and supply the 69 kV system. There is a switch station southeast of Steeleville and one north of Carbondale that are 161 kV to 69 kV systems.

To protect the transmission system from short circuits (lightning strikes, tree contacts, vehicles knocking poles down, etc.), SIPC uses large breakers in the switch stations. As these breakers interrupt the flow of high voltage electricity and high currents, they are extremely large. They also have the ability to be remotely monitored and operated by operators at the SIPC power plant.

The transmission system throughout the United States is an essential part of our nation's energy supply. By interconnecting the transmission systems of all of the electric companies and cooperatives, we have what you've probably heard of as the 'grid system.' These interconnects help ensure system reliability and allow us to move energy from one power plant to another. By having an adequate grid system, we can generate electricity at our most economical power plants and move it throughout the nation. There are many experts that say this is the greatest challenge facing deregulation efforts, and the largest roadblock to date.

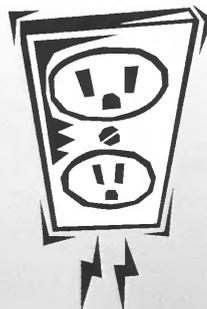
SIPC has several interconnects with other power plants and transmission systems to make sure we have a reliable and economical supply of electricity. These interconnects have also given SIPC the opportunity to sell electricity to others. These sales help offset operating costs so they do not have to be passed on to cooperative members.

Next month, we'll bring the electricity to your home. See you then.

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.



4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest you:** Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505

Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

Are you interested in a week-long vacation?

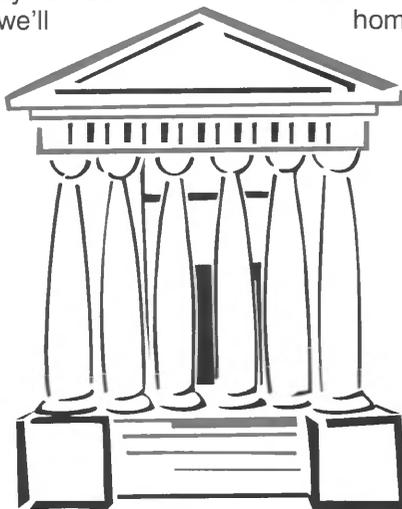
If so, and you have a son or daughter that is a sophomore or junior in high school, make sure they participate in the Egyptian Electric Cooperative 'Youth to Washington' essay contest. If they are one of the six finalists, we'll send them to Washington D.C. June 13-20, so you can have a week's vacation from them!

That's right. For one whole week they'll be in Washington D.C. and you won't have to worry about them one bit (we send quite a few chaperones with them). They'll be forced to visit the White House, the Capitol, the Smithsonian Museums and many other historic and educational places.

While you relax and enjoy your freedom, we'll make sure they are exposed to how our government works, visit our legislators, and may be even meet a few other elected officials.

We'll take care of feeding them each day, so you won't have to cook for a whole week. And,

since they'll be staying in a hotel with other students, you won't have to worry about making them clean their room. Sorry, but we will not be able to make them do laundry before they return home.



We'll even take them on a river cruise on the Potomac River. And, to make sure they don't leave the hotel at night, we'll make them attend a dinner and dance right there at the hotel.

So, if you think you deserve a week's vacation, make sure your daughter or son enters the contest. You may either talk to their high school English teacher to see if the instructor will be using the contest as a class project, or contact Egyptian Electric Cooperative directly (bcramer@egyptianelectric.org or 684-2143) to receive an

essay packet. Essays must be received in either office of the cooperative by March 8, 2003.

Good luck and may you be one of the six fortunate parents to win a break this summer.

Egyptian Electric Cooperative through

Southern Services, LLC

is now offering

Business and Residential Long Distance Phone Service

Billed by PowerNet Global Communications
Utilizing the Qwest Long Distance Network (The nation's 4th largest carrier)

4.9 cents
All calls in Illinois

6.9 cents
All calls out of state

24 hours a day – 7 days a week – no codes to dial

- Free to join – No monthly fees – No monthly minimum
- No term agreements – Major carrier
- 800 Number 4.9 cents – 6.9 cents per minute – no fees
- Free calling cards 13.9 cents per minute (No surcharge)
- 6 second increment billing (18 second minimum)

- Low overseas rates. Call the United Kingdom for just 12 cents per minute.
- (Rates may vary from country to country) No fees or service charge.

Egyptian Electric Cooperative, in conjunction with Southern Services, LLC, is offering long distance telephone service through PowerNet Global Communications. This long distance service is one of the lowest-cost long distance services available. You can call anywhere in the State of Illinois for a low 4.9 cents per minute or anywhere out of state in the continental United States for 6.9 cents per minute. In addition, you can have your own personal 800 number to receive calls from family members or acquaintances. Incoming calls on your 800 number are billed at the same rates noted above. All rates are the same 24 hours a day-7 days a week. There are no monthly fees, no minimums, or long-term agreements.

For additional information or to enroll by phone call toll free: 1-866-266-7531
Applications are available at Egyptian Electric's offices in Steeleville and Murphysboro.

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What do you see when you look at this picture? Do you see a young woman? Or, do you see an old woman? Actually, they are both there. The question is—how can two people look at the same thing and see something entirely different?



Actually, it is quite easy. Each of us has a 'lens' that we see life through called a paradigm.



FROM THE MANAGER'S DESK

BY MARK STALLONS

Your paradigm is totally different from mine and mine is different from anyone else. Your paradigm is how you perceive, understand and interpret things around you. It is made from how you were raised, your heritage and your life experiences.

What does this have to do with you or me? It helps us understand how two people can look at the same identical situation and yet see something different or have a different opinion. Understanding this concept helps us relate to those that have a different opinion or idea. It helps us deal with conflict in a positive and constructive manner.

Can we change or shift our paradigm? Sure. Just recognizing the concept is the first step. Understanding why someone feels differently or has different needs than we do helps us understand what is important to the other person or what motivates them. The key to understanding is listening and placing oneself in the other person's shoes. Once we do this we can find creative solutions that give everyone what he or she desires.

Attention High School students!

**"YOUTH TO WASHINGTON"
DEADLINE IS MARCH 8**

Each year, Egyptian Electric Cooperative sponsors six students on an expense-paid "Youth to Washington" trip, June 13-20, in Washington, D.C. Contact your high school English teacher or guidance counselor, or call our office at 684-2143 to request an essay packet. Essays must be received in the office no later than March 8, 2003. Good luck!



Energy page

by Bryce Cramer

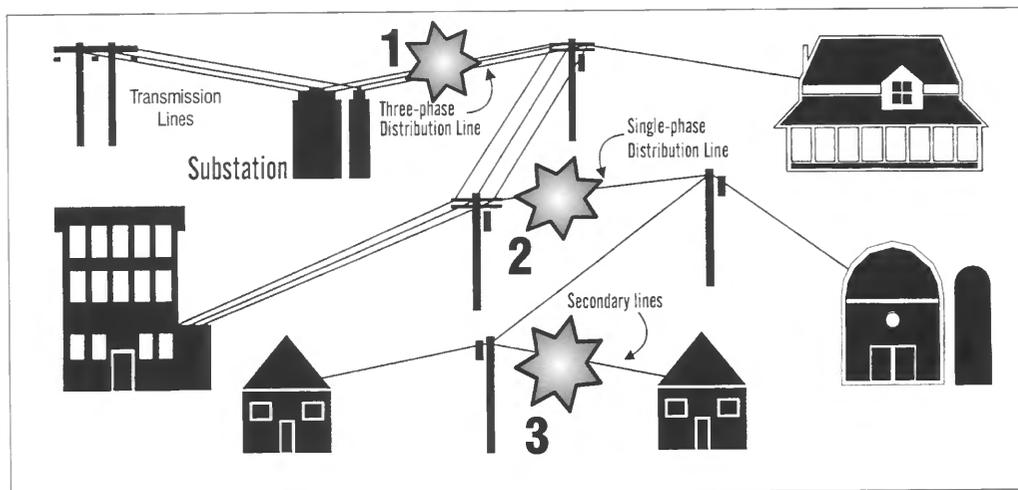
Over the last couple of months, we have talked about what electricity is, how it is generated, some of the issues surrounding power plants, and how we transmit electricity from a power plant to regions and substations by

transmission lines. This month we want to discuss what takes place in a substation and how electricity is 'distributed' to your home.

Substations are graveled, fenced-in areas that have large steel frames with lots of different equipment inside. If you look near the center of a substation you will find a big metal container that has a number of large porcelain insulators sticking out the top. This is the substation power transformer. Last month, we discussed how transformers increase (step-up) or decrease (step-down) voltage. In a substation, we step the voltage down from the 69,000 volt transmission-voltage to a distribution-voltage of 7,200 volts. This is the voltage Egyptian Electric Cooperative uses on all of its distribution lines.

As you can imagine, the amount of electricity used by our members fluctuates widely throughout the day. As the load increases, the flow of current through the lines increases. As we also discussed last month, when amperage increases (the flow of electricity), the resistance to the current also increases. This creates heat and a corresponding reduction in voltage.

We use a device that has a series of small transformers in it that, depending on which set of coils of wire it uses at any one time, can either increase or decrease the voltage. We call this a regulator. As the electric load increases or decreases throughout the day, the regulator automatically changes the coils being used, increasing



or decreasing the voltage as needed to maintain the desired voltage output from the substation.

At this point, the electricity is nearly ready to leave the substation on its way to your home. We have reduced the transmission voltage (69,000) to distribution voltage (7,200) and we have provided a means to keep the voltage at a constant level. But what happens when something short-circuits the line, such as trees, varmints or lightning? To protect our equipment in the substation and your equipment at home, we use either Oil Circuit Reclosers or Vacuum Reclosers (both commonly referred to as breakers). These devices detect the increased amperage that results from a short circuit and open a set of contacts, stopping the flow of electricity.

Many times, short circuits are momentary situations, such as lightning or a tree limb striking the line as it falls. To make sure these situations do not become complete outages, breakers are programmed to open their contacts for a short period (3-4 seconds) and then to close back in. Hopefully, during this period, the short circuit has cleared up and the breaker will be allowed to close back in. This switches your power quickly on and off, causing your lights and digital clocks to blink. However, if the short circuit remains, the breaker will open and close quickly three more times. Again, hopefully the short circuit will clear itself during this process and your power will remain on. If the short circuit situation continues, the breaker will remain

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open and linemen will have to be dispatched to remove/repair the short circuit and then to manually re-close the breaker.

All of the substations owned by your cooperative have at least two, and many times up to four, main feeder circuits coming out of them. It is generally most economical to put the substation as near to the center of the region it serves as possible. To protect the feeder circuits, each circuit has its own set of breakers. This way, feeder circuits that are not affected by a short circuit will remain in service. Many times, however, increasing amperage on a circuit due to a short causes the voltage on the other circuits to fall until the breakers on the affected line have an opportunity to re-open. Members on the non-affected circuits may actually see their lights dim momentarily.

If you were to follow some of our feeder circuits from the substation fence to the last house on the line, don't be surprised to find that you may have traveled 12-15 miles or more! There are many miles of line out there and we have more than 2,140 miles of line served by seventeen substations. This means we have many miles of line exposed to the elements and other things that can cause an outage.

If we only used breakers in the substations to detect short circuits, then a short circuit near the end of the line would mean everyone on that feeder would be out of power. Since this would not be a good situation, we strategically place breakers or fuses downstream from the substation. These breakers have a different timing sequence than the station breakers and are affected by smaller increases in amperage. This allows them to operate before the substation breakers, minimizing the number of members affected by the short circuit. It still means a lineman may have to be dispatched to remove/repair the short circuit, but a smaller number of members will have been affected.

A fuse can be used when a branch circuit has a limited number of members on it but is exposed to short-circuit risks. Fuses differ from breakers in that they do not reset themselves at all and once they fail, a lineman must be dispatched to replace them.

Well, the electricity has finally made it to your home, but the voltage is still at 7,200. If you look outside, you will see a transformer nearby. If the line is overhead, it is the gray canister about the size of a small trashcan near the top of the pole. If the line is underground, it will be a green box on top of the ground about 2 1/2' square, unless you live in a subdivision where a larger transformer is used so it can feed several homes at once. Either way, this is the step-down transformer that reduces the 7,200 volts to the 120 volts you use in your home.

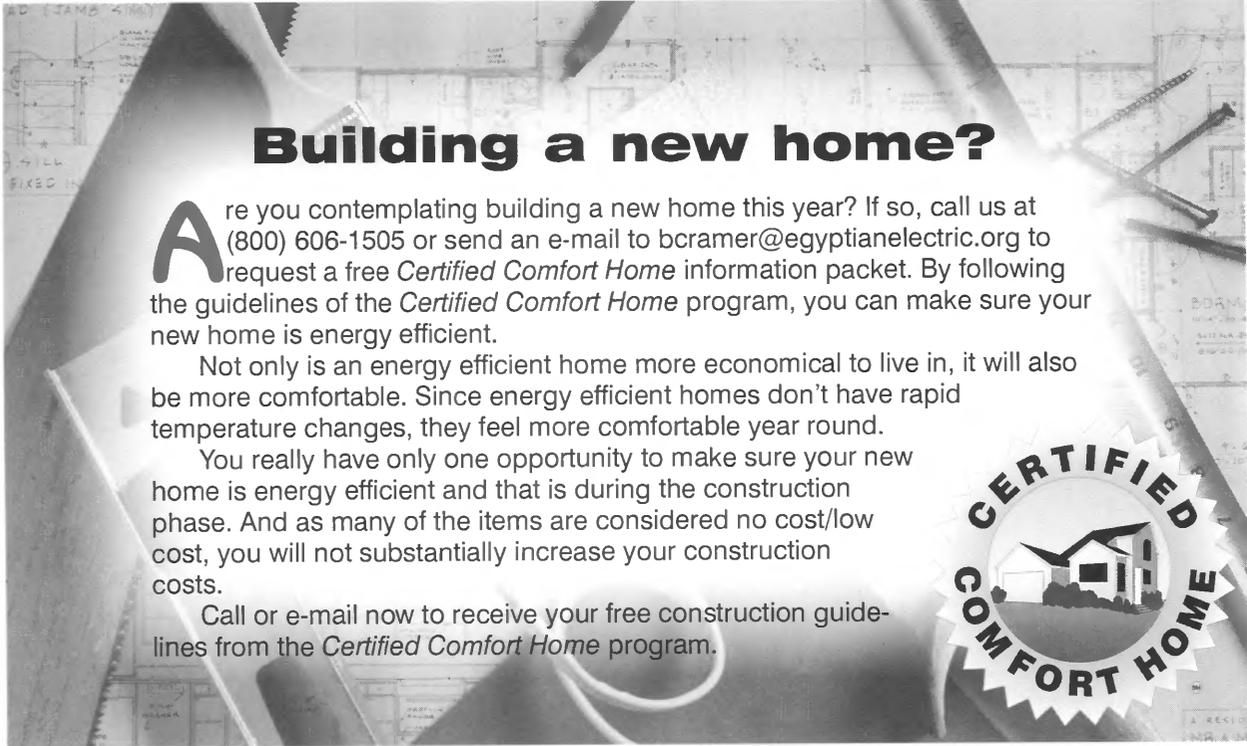
We still need to protect the electric distribution system from short circuits. Since the windings inside of the transformer can go bad, we put a fuse between the transformer and the main line. Many times, when you are the only one that is out of power, this is the culprit. Sometimes this happens because the member has increased the electric load at their house or farm and did not tell us so that we could increase the size of the transformer. In other words, if you increase the size of your electric load, give us a call. We may not need to do anything, but a phone call is relatively painless compared to being without power in the middle of the night!

Unfortunately, we have to have some way to calculate how much electricity each member uses. This is where the meter comes in. A meter is really a very simple motor/generator. As the current flows through the meter, the meter becomes just the opposite of the generators we discussed two months ago. Instead of a magnetic field causing electrons to flow, the flow of electrons creates a magnetic field that causes the armature (the disc in the meter) to turn. As the amperage increases or decreases, the magnetic field and the rotation speed of the disc is affected similarly. The disc is then connected with a gear to the digits on the meter.

Members who dispute their amount of electric consumption have occasionally questioned a meter's accuracy. Let me assure you that electric meters are some of the most accurate measuring devices on the market. As you can see, there is really very little that can go wrong with them, especially which would cause them to speed up. If anything, we find that dirt and wear and tear on the disc pivot points causes the meter to slow down. Secondly, a manufacturer tests each meter before it leaves their facility and our metering department tests it again before it goes in the field.

Our journey has now ended. The meter is where we stop; beyond this, the wires, breakers and other equipment belong to you, the member. Of course, because we are a cooperative, we are always here to answer any questions you have or to lend any expertise we can. Please, do not hesitate to call any time you have a question about the electric system, either yours or ours.

Over the last three months, we have followed the path of electrons from the power plant to the transmission system, to the substation, to the distribution system and now, finally, to your home. We hope these articles have provided you with a greater understanding of the electric system that has been built to serve you and make sure the light comes on when you flip the switch, the oven heats up when you turn the dial, and David Letterman is there when you hit the remote.



Building a new home?

Are you contemplating building a new home this year? If so, call us at (800) 606-1505 or send an e-mail to bcramer@egyptianelectric.org to request a free *Certified Comfort Home* information packet. By following the guidelines of the *Certified Comfort Home* program, you can make sure your new home is energy efficient.

Not only is an energy efficient home more economical to live in, it will also be more comfortable. Since energy efficient homes don't have rapid temperature changes, they feel more comfortable year round.

You really have only one opportunity to make sure your new home is energy efficient and that is during the construction phase. And as many of the items are considered no cost/low cost, you will not substantially increase your construction costs.

Call or e-mail now to receive your free construction guidelines from the *Certified Comfort Home* program.



Energy audits

By now, spring is beginning to pop out and hopefully we can put another winter behind us. But at the time of this writing, we are still in the middle of winter and its cold grip.

This cold grip means that many of you just finished paying some of your highest utility bills for the year. But with spring coming on and hopefully lower energy consumption, don't let next winter come without doing something about your energy consumption.

It takes a certain amount of energy to keep our homes warm. But for many of us, we use more energy than we really need to. We can reduce our energy consumption by adding some insulation, repairing or replacing some

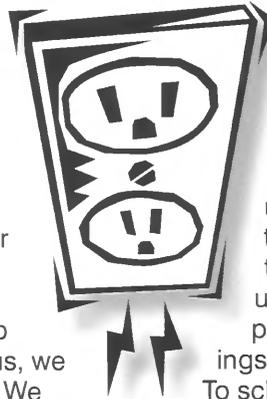
doors or windows, and even by merely caulking.

Your cooperative offers free energy audits and blower door tests for its members at no charge. We will inspect your home to help you discover what improvements you can make that might reduce your energy bills.

A blower door test puts a home under negative air pressure to determine the rate of air infiltration, and also where the air is coming from. As air infiltration is usually the quickest and least expensive problem to fix, it can offer immediate sav-

ings.

To schedule an energy audit or blower door test for your home, contact the Egyptian Electric office nearest you.



What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number**

nearest you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505
Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**



EGYPTIAN

"Providing electric service to Southern Illinois"

Your Touchstone Energy® Partner



Messenger

DEREGULATION/ELECTRIC CHOICE ... WHAT HAPPENED?

In May 2002, residential customers of investor-owned utilities in Illinois became eligible to choose a new electric generation supplier. However, the hopes for a vibrant and competitive deregulated electric generation market have dimmed like an old, worn-out light bulb. So far, there are no "new electric generation" companies to choose from.

Rest assured Illinois is not alone. The same thing has happened across the nation in every state that has deregulated. The concept was that an open and competitive market would unfold like the deregulated long distance telephone market. The reality is that not one new generation supplier has entered the rural residential market. They may eventually, but so far no one is calling consumers at dinnertime to ask if they want to switch electric generation suppliers.

In one state where "Electric Choice" was mandated overnight, an electric cooperative invested hundreds of thousands of dollars preparing for competition. It changed its rates, installed automatic meter reading systems, installed new billing systems, and educated its members and employees on how to use the new systems. All of this was done within a very short one-year period. It was chaotic, very stressful, and all for naught! Not one new electric generation supplier was willing to sell power to their members! Some say that the lack of sales calls was a blessing!

So...what happened?

Some blame the California deregulation experiment that resulted in greed, games being played, blackouts, brownouts and skyrocketing power bills. Some blame the Enron fiasco of cooked books, false profits, round trip trading, basic greed and corruption. Some blame a regulatory system with a lack of control to prevent price manipulation. Others say the reason deregulation is not working is quite simple. Energy marketers do not see any profit selling electric generation to residential customers. Déjà vu! Could the answer be the same reason that electric cooperatives were formed in the 1930s? Large for-profit companies cannot make enough money serving the rural areas.



FROM THE
MANAGER'S DESK

BY MARK STALLONS

Fortunately, under Illinois deregulation law, consumer-owners of electric cooperatives have local control and local decision-making authority on deregulation issues. In other words, we were able to choose if we want to participate in the Electric Choice program. Your Board of Directors wisely chose to opt out of the program. We chose to take a wait, watch and learn approach to verify that the benefits exceed the costs. Eventually a fair, free and open market for electric generation may develop. If and when it benefits you, the member-owner, your locally elected Board of Directors will decide to enter the deregulated market.

Supplying electricity is a complex and risky business. Deregulation has made it even more so. If you thought buying long distance telephone service was confusing, just wait until you have a choice of electric generation suppliers. Buying electric generation will be undoubtedly more confusing.

Until many complex issues are resolved, until there are many electric generation suppliers, and until there are systems in place to make it easy for you to choose, we believe it is wise to continue to "wait, watch and learn."

We urge you to watch and learn, too. As a member-owner of your not-for-profit electric cooperative, it is in your best interests to stay informed. Talk to your board members. Ask questions of your employees and management. Read your local cooperative newsletter. Come to the annual membership meeting. Be involved and be informed.

No matter what happens, you will always be served by your local cooperative. No one else will duplicate the poles, wires and transformers serving your home, farm or business. Choice simply means that, if you want to, you can choose the

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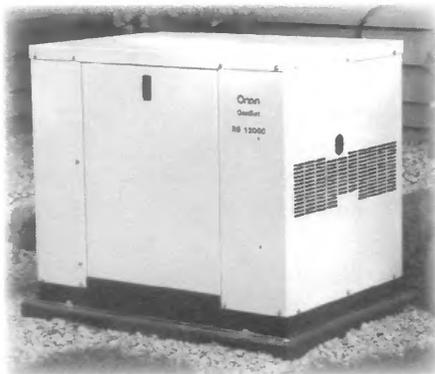
company that generates the electricity you use. If you choose another generation supplier, you will see changes in the way you are billed. There will be separate charges for delivery of service (your local cooperatives cost for distribution, metering, maintenance and billing), transition charges (for past investment in plant), a charge for bulk transmission of electricity, and of course, a separate charge for the choice you made for generation of electricity.

If you do not choose a new generation supplier, then your cooperative will continue to provide both local distribution service and electric generation service.

Our core purpose is to **improve the quality of life of our member-owners at a reasonable cost.** If and when deregulation/electric choice improves your quality of life at a reasonable cost, then rest assured your elected Board of Directors will choose to participate in Illinois' Electric Choice Program. Until then, we will watch, wait and learn!

Need a generator?

Egyptian Electric now offers the Cummins Onan residential line of generators through its affiliation with Southern Services, LLC. (Reminder: Southern Services, LLC is owned and operated by the six distribution cooperatives that make up the Southern Illinois Power Cooperative system and was developed to provide additional services for our membership.)



require them to have a continuous supply of electric power. With a Cummins Onan Standby Power System, you never have to worry about another power outage. With the automatic transfer features, you know your processes and equipment are always operating, even when you are gone.

The Cummins Onan product line was chosen for its long history in the generator

Cummins Onan residential generators are available from 10kw to 45kw and can be operated on natural gas or propane. These units are available with transfer switches that automatically start that unit and transfer to standby power in the event of a power outage. When utility service is restored, the switch transfers back to utility power and shuts down the generator.

business and its commitment to a quality line of products. By choosing Cummins Onan, we have a product that has proven reliability and a manufacturer that will be around for a long time to come.

Many homes and small businesses have pumps, fans, computers and other equipment that

If you are looking for a quality generator from a quality manufacturer, installed by a quality firm, contact us for a price estimate. We can even offer extended warranties and maintenance packages to suit your needs.

Budget billing

Would an electric bill that is the same each month help you balance your monthly household budget? With Egyptian Electric's Budget Billing Plan option, you can now have it that way.

If you have a good payment history and have been a member of the cooperative for one year or more, we'll take your last twelve months of billing and average them out for you. That way, you pay the same each month. You will still report your exact meter reading each month if you are self billing. For co-op read meters, we will send you a monthly bill showing the exact amount of your energy consumption.

No more will winter's cold or summer's heat have you fretting over fluctuating energy bills. No matter how cold or hot a month might be, you will know that your monthly payment amount will be consistent.

Call or e-mail us (info@egyptianelectric.org) today to sign up for the Budget Billing Plan option.



New service upgrade installation process

As warm weather finally approaches, this is the time of year many members begin thinking about remodeling, or get ready to build a new home, shed or outbuilding. If you fit this category, you may want to add electric service to the list of items to think about and look into. Under this item, here are some things you might want to consider.

Easements: The member is responsible for furnishing easements across their property and any property we must cross with a power line to reach their property. If you are building a home on a new parcel of property, this is especially important. We have seen many situations where property is purchased and the shortest route to an existing electric line is across a neighbor who has an issue with the new property owner. It could be they don't want neighbors or the new owner has angered them somehow.

Before purchasing the new property, we advise you to contact our engineering department as to what easements will be needed to get service to you. Then, you can obtain the easements before you actually purchase the property. If there is a problem, you'll know it before you purchase the parcel.

Right-of-Way: Each member is required to furnish a clear right-of-way for the extension of service across their property, or their neighbors. For underground service, we need at least a 15-foot right-of-way that is clear of obstructions and all trees and stumps. The underground crews need this width to dig the trench and have room to operate the trencher on each side of the trench for backfilling purposes.

For overhead lines, the required right-of-way is 60-foot and 30-foot on either side of the proposed line. The 60-foot is clear right-of-way, not from tree trunk to tree trunk in wooded areas. As taps to individual members are connected to the main lines, a tree falling through or bumping the tap will cause outages and blinks the same as on the main line.

The member is responsible for the initial clearing of this right-of-way, even on neighboring property. Once the line is built, the cooperative will maintain the right-of-way.

Overhead vs. Underground: There are many variables to be considered as to whether you should request an underground or an overhead line on your property. If the primary line has to pass through large amounts of wooded areas, you may prefer to have the line extension made underground to limit the amount of trees that need to be removed.

You might also consider the safety factor. If you have large or tall equipment frequently at your farm, business or residence, you may want to consider having the line installed underground to ensure no one comes into contact with it.

The downside of underground is that when it fails, it takes longer to repair and it has to be dug

up. If the line is in the middle of your front lawn and that is where the failure is, then your lawn will be dug up in the repair process. In addition, since underground is more expensive to install, we do require the member to pay the cost differential between installing an overhead and an underground line. And if you happen to have rocky soil or terrain, engineering requirements (burial depth and requirement for clean backfill soil) may prevent us from being able to install underground cable.

Finally, whether it is overhead or underground, we need to install the transformer so it can be reached from a road or your driveway. Aesthetically, you may wish the transformer pole or underground transformer to be hidden at the edge of your property line, but we must be able to reach the transformer with a digger-derrick truck in all weather and ground conditions in case the transformer fails.

Remodeling: Remodeling your home without considering your electric service could lead to a couple of problems. We have several residences where the electric meter ends up inside a room or porch that was added on because someone didn't plan ahead. We need access to our electric meter at all hours. And, in the event of a fire, most fire departments will want to disconnect electricity to the home by removing the meter before they start fighting a fire. When we find a meter in a place that we cannot access, we must make the member move it. This makes us the bad guy and costs you more in the long run.

We also need to know if you are increasing the load or power requirements. If your meter loop and/or transformer are not correctly sized, increased loads can cause them to burn up. Not only is this an inconvenience for you, but as meter loops belong to the member, you will be required to build a new metering system. Letting us know your plans will allow our engineering staff to check your service and transformer to ensure they are adequate for your new loads.

Timing: Although our goal is to provide you with prompt and courteous service, the fact is that sometimes we have many members needing service installations and upgrades at the same time. If you know you will need service by a certain date, we recommend you begin the process at least 60 days ahead of time. This allows the engineering department to schedule a meeting with you and for you to complete everything you need to have done (obtaining easements, right of way clearing, building meter loops, etc.).

Once you have all requirements completed, the operations department can schedule your job for construction. Allowing adequate time will ensure your new service or upgrade is ready when you need it.

FIRE SAFETY

lasts a lifetime

People over the age of 65 face the greatest risk of dying in a fire. Last year, more than 1,200 Americans over the age of 65 died in home fires, and 3,000 were injured in fire-related incidences.

So why are older Americans at risk? Decreased mobility, health, sight and hearing may limit a person's ability to take the quick action necessary to escape during a fire emergency. And depending on physical limitations, any of the actions an individual can take to protect themselves from the dangers of fire may require help from a caregiver, neighbor or outside source.

Here are some fire prevention steps seniors can follow:

Install smoke alarms

- Make sure smoke alarms are installed on each level of your home and outside all sleeping areas.
- Test them monthly and replace the batteries at least once a year.
- Caregivers are encouraged to check the smoke alarms of those who are unable to do it themselves. The chances of surviving a home fire almost doubles with the initial warning from a smoke alarm.

Plan your escape

- Know at least two exits from every room.
- If you use a walker or wheelchair, check all exits to be sure they can go through the doorways.
- Make any necessary accommodations, such as providing exit ramps and widening doorways to facilitate an emergency escape.
- Unless instructed by the fire department, never use an elevator during a fire.

Don't isolate yourself

- Speak to your family members, building manager or neighbors about your fire safety plan and practice it with them.
- Contact your local fire department's non-emergency line and explain your special needs.
- The fire department will probably suggest escape plan ideas and may perform a home fire safety inspection and offer suggestions about smoke alarm placement and maintenance.
- Ask emergency providers to keep your special needs information on file.

Live near an exit

- If you live in a multi-story home, arrange to sleep on the ground floor near an exit.

Be fire-safe around the home

- If you must smoke, never smoke in bed or near an oxygen source, gas stove, or other flammable object.
- When cooking, never approach an open flame while wearing loose clothing, and don't leave cooking unattended. Use a timer to remind you of food in the oven.
- Don't overload electrical outlets or extension cords.
- Never use the oven to heat your home. Properly maintain chimneys and space heaters.
- Take special precaution if you are on medication that makes you drowsy.

For more information on fire prevention, contact the United States Fire Administration Office at (301) 447-1000, or log on to their Web site at www.usfa.fema.gov.

EMERGENCY CALL - 911

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505

Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

Egyptian Electric Cooperative Association

1005 West Broadway • P.O.Box 38 • Steeleville, Illinois 62288 • (618) 965-3434

10169 Old Highway 13 • Murphysboro, Illinois 62966 • (618) 684-2143

Office Hours: 8 am - 4 pm

www.egyptianelectric.org

EGYPTIAN

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Messenger

Have you signed up for our cost slashing Long Distance Program?

This past month you should have received a letter fully explaining the benefits of our long distance service. If you missed it, never fear, for I am shamelessly taking this opportunity to enthusiastically promote the service through my monthly newsletter. If your bill is like mine, you can easily cut it in half by signing up for our Long Distance Service offered through Southern Services, LLC. Thousands of our members have benefited from this service since it was first offered in November 2000.

It is simple and honest with no tricks or gimmicks! This long distance service offers many benefits, including:

1. **Low rates** – 4.9 cents per minute for in-state long distance calls and 6.9 cents per minute for out-of-state (within the continental U.S.) calls.
2. **No extra costs** – no monthly service charge, no enrollment fee, and no codes to dial when you make your call.
3. **No cost difference between day-time or evening calls** – Our rates apply seven days a week 24-hours a day. Billing is on 6-second increments with an 18 second minimum. Most of our competitors bill in 60 second increments.
4. **Personal 800 numbers** are available at the same low rates– This is a fantastic program for kids away from home.
5. **Calling cards** – are available at 13.9 cents per minute.
6. **60 free minutes** – of long distance service will be given to all new or returning customers. These minutes will be applied to your bill on the third month of service.



FROM THE MANAGER'S DESK

BY MARK STALLONS

I personally have the service and am very pleased. My 19 year-old-son uses the 800 number to call home, which makes his mother very happy as well! Sooo ... if you haven't given us a try yet, just call the toll free number (866) 266-7531 and sign up today!

If you are an existing long distance customer, please make use of our new referral program to lower your bill even more. You will receive customer referral coupons in this month's bill from Power Net Global, our billing and service provider. You don't have to be cooperative member to benefit from this wonderful opportunity. Simply tell your friends, family members, or businesses about our great long distance service and give them one of the referral coupons. When three have signed up and become customers of Power Net Global, you will receive a one cent reduction on all out-of-state (state-to-state) long distance calls. In addition, you will receive credits on your monthly phone bill based on a percentage of the long distance usage of your referrals.

The core purpose of Egyptian Electric Cooperative Association is to **improve the quality of life of our member-owners at a reasonable cost**. We believe this offer fully delivers on that promise. If you have any questions about these programs, please do not hesitate to call us at Steeleville (965-3434) or Murphysboro (684-2143). We are here to serve!

Public contact incidents

Federated Rural Electric Insurance Exchange, our insurer, recently released 2002 data, for the cooperatives they insure, concerning public contacts with power lines that is very disturbing.

During 2002, there were 97 reports of public contacts with power lines made to Federated. The following table shows the most frequent causes and the related number of fatalities that resulted.

CONTACT AGENT OR CAUSE OF CONTACT	NUMBER REPORTED	RESULTING FATALITIES
Truck/crane boom into line	13	4
Line construction contractor	12	3
Contact with secondary wiring	10	3
Grain bin/auger	10	8
Building contractors	7	-
CATV employees	5	-
Theft/power diversion	5	4
Television antenna	4	2
Underground cable contractor	4	-
Dump trucks	3	1

There are several categories that are really disturbing. The first is the number of contacts by truck/crane booms. This number has most likely increased so drastically because many lumberyards and home centers have purchased delivery trucks with unloading booms on them. With the increased number of boom trucks making deliveries, the number of contacts has increased accordingly.

The next category is the grain bin/auger contacts. This is an area cooperatives have really tried to provide a lot of public information about. In addition to electric cooperatives, many farm organizations preach grain bin and auger safety constantly. And, if you were to look at a grain auger, you will find safety cautions plastered all over it. And yet, eight farmers or farm hands lost their lives last year, and that does not include the number of contacts with lines owned by investor owned and municipal utilities.

Another alarming category is the number of contacts and deaths with secondary wiring. Many people still just don't believe that contact with 120 volts is a serious situation. It is very serious.

Finally, the number of deaths from power theft and diversion activities is quite disturbing. Not only is this activity illegal, those involved in this activity had an 80 percent chance of a fatality if they made contact.

Based on the statistics above, it appears that nearly 38 percent of all public contacts with power lines result in a fatality. These incidents not only increase the insurance rates utilities pay, they needlessly turn many lives upside down. The utility involved receives bad public relations for something that was not their fault. There will be lawsuits to investigate and defend. But *most importantly*, families and friends who have lost a loved one or had a loved one seriously injured have their lives and futures changed forever.

Egyptian Electric provides many opportunities for public education about the hazards of electric power lines. We run articles similar to this one, we offer written materials, we sponsor live-line displays and youth safety education. We say it loud, long and frequently, and we will continue to say it in the future: **Look up and Live!**

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

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After office hours: — Call (800) 606-1505
Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

Youth to Washington semi-finalists selected

Mark Stallons, General Manager and Executive Vice-President of Egyptian Electric Cooperative Association, recently announced the selection of 10 semi-finalists for the 2003 Youth to Washington essay contest. The semi-finalists are:

Laura Williams	Carbondale Community HS
Caitlin Chrisman	Carbondale Community HS
Betsy Fullerton	Coulterville Public HS
Megan Stewart	Coulterville Public HS
Christa Mahnken	Steeleville HS
Jenny Lindenberg	Steeleville HS
Alison Tanner	Trico HS
Alisa Bollmann	Trico HS
Rebecca Bernhardt	Trinity HS, Carbondale
Amanda Starnes	Trinity HS, Carbondale

As semi-finalists, the students had the opportunity to visit the State Capitol on April 2, as part of the Illinois Electric and Telephone Cooperative Youth Day. While there, they visited the Capitol, the Illinois Supreme Court and other historic Springfield sites. They also had the opportunity to meet several of our area legislators.

The six finalists, who will represent Egyptian Electric in Washington, DC, June 14 -21, were to be selected at a banquet held at the Student Center, Southern Illinois University

Carbondale the evening of April 15. The introduction of those six finalists will be made next month.

The Youth to Washington program is sponsored by the National Rural Electric Cooperative Association in Washington, DC. Each year, nearly 1,000 high school students from 36 states are selected and sponsored by electric and telephone cooperatives across the nation to see our nation's Capitol and to see our government at work. The Board of Directors of Egyptian Electric Cooperative Association feel the Youth to Washington program is an essential part of the Cooperative's community involvement and helps ensure southern Illinois will have educated leaders for years to come.



Egyptian Electric announces guaranteed heating and cooling program

Members of Egyptian Electric Cooperative who build new homes will soon have an exciting program available to them. If they build their new home to the *Certified Comfort Home* standards and install either an air-air or geothermal heat pump, the Cooperative will estimate and guarantee their annual heating and cooling costs for up to two years.

The goal of the Certified Comfort Home program is to help members build an energy efficient home and to remove some of the uncertainty of construction for them.

The program is a set of construction standards, which if followed, will ensure the home is energy efficient and extremely comfortable to live in. This program, designed by the electric cooperatives of Illinois, has been available to cooperative members for quite some time and is a proven program.

To qualify for the guarantee, the member must meet with Cooperative personnel before construction begins. At this time, the floor plans and construction techniques will be reviewed and discussed, as well as the preparation of the initial estimate of heating and cooling operations costs.

During the construction process, the home will be inspected at several critical points to ensure compliance with the Certified Comfort Homes standards. Upon completion, the final estimate of operating costs will be performed.

If the member desires the operating cost guarantee, they will be required to install equipment to meter the usage of their heating and cooling system. The Cooperative will furnish the equipment after the member pays a refundable equipment deposit.

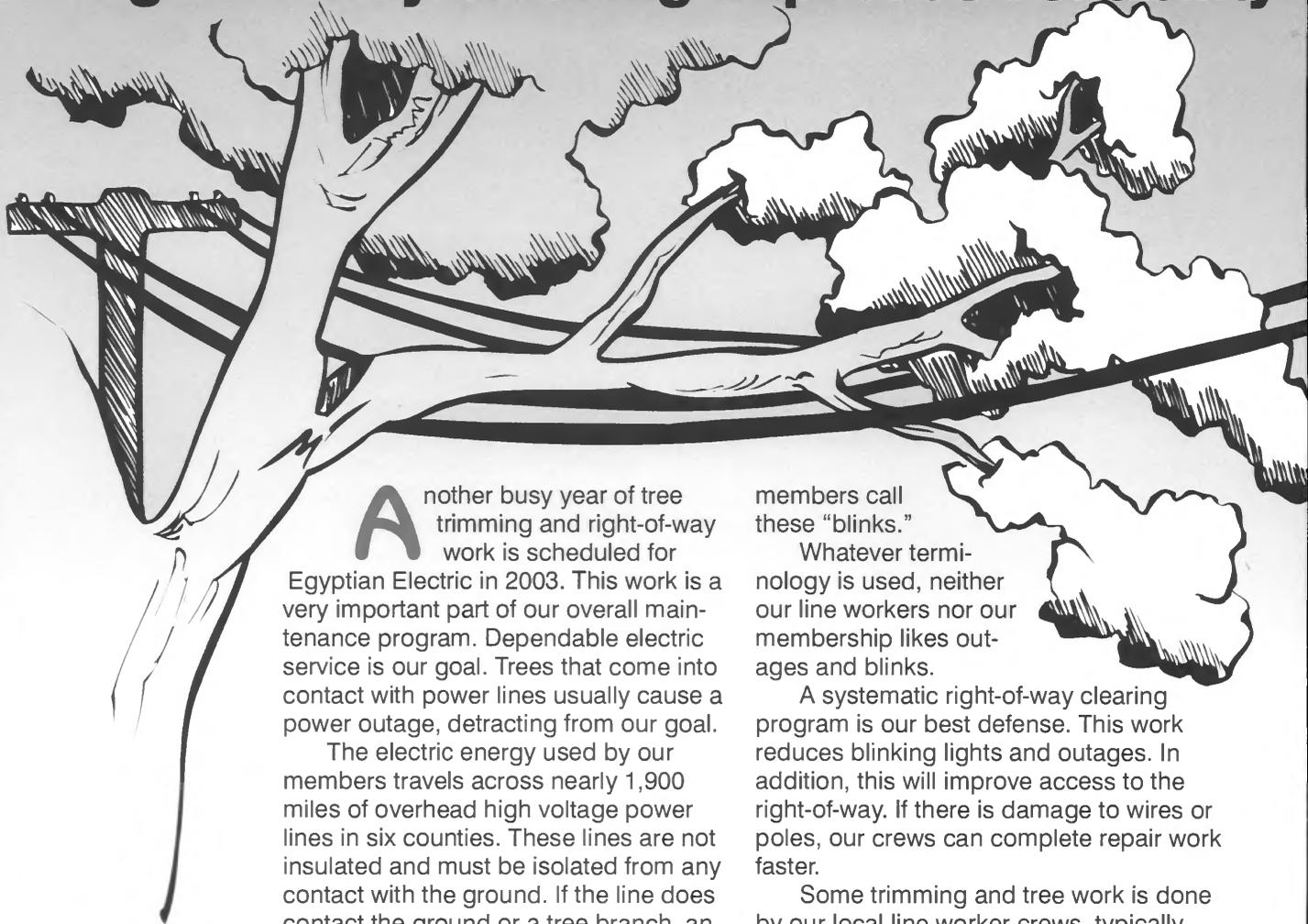
REBATES DISCONTINUED

In anticipation of the new guarantee program, the rebate programs for geothermal heat pumps and dual-fuel add-on heat pumps will be discontinued. The Cooperative will honor those members that are currently making plans to install geothermal heat pumps, but to qualify, the member must notify the Cooperative in writing of their intention by May 30.

The rebate program has been a successful program that has demonstrated the Cooperative's support for geothermal heat pumps. Although the program is being discontinued, the Cooperative has not discontinued its support for geothermal heat pumps. However, we do feel the guarantee program will continue that support while also demonstrating support of air-air heat pumps and ensuring more members receive energy efficient housing through the Certified Comfort Home standards.



Right-of-way clearing improves reliability



Another busy year of tree trimming and right-of-way work is scheduled for Egyptian Electric in 2003. This work is a very important part of our overall maintenance program. Dependable electric service is our goal. Trees that come into contact with power lines usually cause a power outage, detracting from our goal.

The electric energy used by our members travels across nearly 1,900 miles of overhead high voltage power lines in six counties. These lines are not insulated and must be isolated from any contact with the ground. If the line does contact the ground or a tree branch, an unsafe overcurrent situation occurs.

Egyptian has many protective devices, similar to home circuit breakers or fuses, installed at strategic points along the line. If the line contacts a tree, these devices operate, or open, breaking the circuit and stopping the unsafe overcurrent situation.

Our lineworkers call the opening of an overcurrent protective device an "operation." Our members know it as an "outage." Sometimes the devices have an automatic closing mechanism installed; they open, and then automatically "reclose," restoring power. Our

members call these "blinks."

Whatever terminology is used, neither our line workers nor our membership likes outages and blinks.

A systematic right-of-way clearing program is our best defense. This work reduces blinking lights and outages. In addition, this will improve access to the right-of-way. If there is damage to wires or poles, our crews can complete repair work faster.

Some trimming and tree work is done by our local line worker crews, typically yard trees and trees near transformers, but we use a professional tree contractor for the majority of our annual right-of-way work.

However, if you have trees contacting a power line near your location, please call Egyptian Electric at (800) 606-1505 to report it.



Please call us if you have questions about where or what trees to plant near our power lines. For a free copy of a brochure, "The Right Tree for the Right Place," please write: The National Arbor Day Foundation, 100 Arbor Ave., Nebraska City, NE 68410.

Egyptian Electric Cooperative Association

1005 West Broadway • P.O.Box 38 • Steeleville, Illinois 62288 • (618) 965-3434

10169 Old Highway 13 • Murphysboro, Illinois 62966 • (618) 684-2143

Office Hours: 8 am - 4 pm

www.egyptianelectric.org

EGYPTIAN

"Providing electric service to Southern Illinois"

Your Touchstone Energy® Partner 

Messenger

Have you ever attended YOUR cooperative's annual meeting?

If you have not attended Egyptian Electric Cooperative Association's annual meeting, you're missing a great time! The meeting is scheduled for **July 29, 2003**, at the American Legion Park, 303 S. Chester Street, **Steeleville, Illinois**. The food line starts serving at 5:00 p.m. and registration begins at 5:30 p.m. The business meeting starts at 7:30 p.m.

At the annual meeting you will learn about your cooperative's plans for the future, elect your board representation, receive an attendance gift, get a chance at some great prizes, delight in some entertainment and have a chance to visit with old friends and cooperative employees. It's a great evening for every member of your family.

The annual meeting is unique to the cooperative family because cooperatives follow a set of seven principles that differentiate us from other electric utilities. These principles are:

1. Voluntary and Open Membership.

Cooperatives are open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control.

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In electric cooperatives, members have equal voting rights (one vote per member).

3. Members' Economic Participation.

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the com-



FROM THE MANAGER'S DESK

BY MARK STALLONS

mon property of the cooperative. Members allocate surpluses for such purposes as developing the cooperative and setting up capital reserves.

4. Autonomy and Independence.

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain the cooperatives' autonomy.

5. Education, Training, and Information.

Cooperatives provide education and training for their members, elected representatives and employees so they can contribute effectively to the development of their cooperatives. They inform the general public about the nature and benefits of cooperatives.

6. Cooperation among Cooperatives.

Cooperatives serve their members most effectively by working together through local, regional, national and international structures.

7. Concern for Community.

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



Join in the celebration! Mark your calendar today for Egyptian Electric Cooperative Association's Annual Meeting - **July, 29, 2003**, at the **American Legion**, 303 S. Chester Street, **Steeleville, Illinois**.

Egyptian sponsors students to meet with area legislators



From left are Senator Luechtefeld, Mahnken, Stewart, Starnes, Bernhardt, Lindenberg, Tanner, Bollmann, Chrisman, Fullerton and Representative Reitz.



Front row from left are Stewart, Fullerton, Lindenberg, Starnes, Bernhardt, Chrisman, Tanner, Senator Luechtefeld, Representative Forby, Mahnken, Senator Woolard, Bollmann and Representative Bost.

Nine students representing Egyptian Electric Cooperative met with Senator David Luechtefeld of Okawville, Senator Larry Woolard of Carterville, Representative Gary Forby of Benton, Representative Dan Reitz of Steeleville and Representative Mike Bost of Murphysboro during the Illinois Electric and Telephone Cooperatives' Youth Day on Wednesday, April 2, in Springfield. Students had an opportunity to watch government in action, visit the Illinois Supreme Court, and tour Lincoln's

Tomb, the Vietnam Memorial and the Governor's Mansion.

Participating students were Alisa Bollmann of Ava, Amanda Starnes, Rebecca Bernhardt and Caitlin Chrisman of Carbondale, Megan Stewart and Betsy Fullerton of Coulterville, Alison Tanner of Percy, and Jenny Lindenberg and Christa Mahnken of Steeleville. The day was sponsored by the electric and telephone co-ops in the state in an effort to introduce young rural leaders to state government.





Six area high school students have been selected to represent Egyptian Electric Cooperative Association at the annual Youth to Washington program sponsored by the National Rural Electric Cooperative Association (NRECA) in Washington, DC, from June 13-20, 2003. The six students were selected from a field of ten at a banquet held April 15, at the Student Center on the campus of Southern Illinois University Carbondale.

The six finalists selected were: Caitlin Chrisman, Carbondale Community High School; Betsy Fullerton, Coulterville High School; Amanda Starnes, Trinity High School, Carbondale; Megan Stewart,

Coulterville High School; Alison Tanner, Trico High School; and Laura Williams, Carbondale Community High School.

At the banquet, the ten semi-finalists were judged on six categories, including an oral recitation. The judges were; Kathleen Belcher, Administrative Assistant, Southern Illinois Electric Cooperative, Dongola, Marc L. Kiehna, Regional Superintendent Elect, Monroe-Randolph Regional Office of Education, and Craig Keller, System Director for Career and Technical Programs, Jackson-Perry Regional Office of Education. The topic for their essay was; 'Funding Education in Illinois; Is there a better method?'

Nominating committee appointed

To: Members of Egyptian Electric Cooperative Association

Pursuant to the by-laws of the cooperative and in compliance with the United States Department of Agriculture Rural Electrification Administration Revised Bulletin 20-19, notice is hereby given to the members of the Egyptian Electric Cooperative Association that the cooperative will hold its 65th annual meeting of its members on Tuesday evening July 29, 2003, at 7:30 p.m., in the Steeleville American Legion meeting room located on the west side of town and a block south of Broadway on Chester Street.

Notice is further given that the terms of office of directors Paul Hicks, Carbondale; Paul Pyatt, Pinckneyville; and John Steele, Campbell Hill will expire at said annual meeting.

Notice is further given that the board of directors of the cooperative have appointed the following named persons as a nominating committee:

- Ruth Brown, Rockwood
- John C. Edgar, Ava
- Richard Fager, Murphysboro
- Tom Horn, Carbondale
- Stuart Langrehr, Evansville
- Alicia Miller, Pinckneyville
- Melvin Paul, Marissa
- Dennis Rickenberg, Campbell Hill
- James Smith, Carbondale

Notice is further given that the above nominating committee will meet at the Steeleville office

of the Cooperative, located at the west edge of Steeleville, Illinois, on Monday, June 9, 2003, at 8 p.m., for the purpose of nominating candidates for election to the board of directors, and that all members interested may attend said meeting and participate.

The by-laws also provide that the nominating committee, upon making their nominations, shall prepare and post at the office of the cooperative, at least 30 days before the annual meeting, a list of nominations for directors.

The by-laws further provide that any 15 or more members may make other nominations in writing over their signature not less than 25 days prior to the meeting. Additional nominations may be made from members at the meeting.

The by-laws provide that each active member shall be entitled to one vote upon each matter submitted to a vote at the meeting of the members and that proxy voting is prohibited.

A member having questions regarding the above proceedings may contact any officer or member of the board of directors for clarification or further information.

Copies of the by-laws of the cooperative are available and can be obtained at the cooperative offices located at Steeleville and Murphysboro, or mailed to you upon your request.

Respectfully submitted,
Allen Haake
Secretary

Guaranteed heating and cooling

Building a new home can be a trying time. Homeowners must select a floor plan, a contractor, colors, materials and on and on. Some of these decisions have outcomes that are immediately known (you know what your home will look like after you've chosen the floor plan, colors, materials and so forth). But many decisions have outcomes that may not be known for years to come.

Although we can't help you figure out all of a new home's unknown outcomes, there are a couple that we can help with. By combining the *Certified Comfort Home* program with our *Guaranteed Heating and Cooling* program, you will be assured your new home is energy efficient and know how much it will cost to heat and cool it each year.

The *Certified Comfort Home* program was developed by the electric cooperatives of Illinois several years ago. It was designed to serve as a construction guideline to help our members get the energy efficient housing they deserve.

The *Guaranteed Heating and Cooling* program is a new program offered by your cooperative to relieve the uncertainty of what your future energy costs might be. If you build your home to the *Certified Comfort Home* guidelines and install an air-to-air or geothermal heat pump, we will guarantee your heating and cooling costs for two years.

Here is the process we use to make these programs work for you:

- **Initial Meeting:** The *Certified Comfort Home* program and how it can fit into your construction plans will be discussed. We explain how the standards can ensure bidders use the same construction specifications when submitting bids, and recommend changes where needed to ensure energy efficiency. Heat loss

and gain calculations for the types of heating and cooling systems under consideration will also be performed to determine the needed sizes of heating and cooling equipment.

Contact our member services department at 684-2143, (800) 606-1505 or bcramer@egyptianelectric.org to schedule an appointment.

- **Inspections:** During construction, we inspect the home at specific times to ensure the home meets the standards of the *Certified Comfort Home* program. Should we discover a problem or concern, we will notify the member immediately so the situation can be corrected before it is too late.
- **The Guarantee:** When the home has been completed, a second set of calculations will be done on the 'as built' home. These calculations will form the basis of the guarantee. The member must install (or have installed) metering furnished by the cooperative (there is a \$150.00 metering deposit, refundable upon the return of the equipment). Should your heating-cooling system use more electricity than our annual guarantee, we will refund the difference to you.

Why are we offering these programs to you?

As your electric cooperative, our stated mission is to 'improve the quality of life of our members.' By ensuring your home is energy efficient, we carry out that mission and make sure your energy and construction dollars get used wisely. Our goals, integrity, accountability, commitment to community and teamwork, are the tools we use to carry out these programs. It's just another way your cooperative is 'different than the other guys.'

FATHER'S DAY

**Remember to show Dad
you care on June 15!**



What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505

Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

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BOARD OF DIRECTORS ANNUAL MEETING INVITATION

Kevin Liefer,
President



On behalf of the board of directors of Egyptian Electric Cooperative, I am extending a personal invitation to every one to attend your cooperative's annual meeting. The meeting will be held on Tuesday, July 29, 2003, at Steeleville's American Legion Hall.

A short business meeting is planned to conduct the necessary business affairs of the cooperative. Before the meeting, food and refreshments will be served in the park next to the American Legion beginning at 5 p.m. There are several outdoor activities that will also start about 5 p.m. During the business session, there will be a children's program in the small hall next door. Plan to come early and visit with the employees, directors and your neighbors.

Registration begins at 5:30 p.m., and each member registering will receive a free gift for attending. All members registered by 7:30 p.m. will be included in the drawing for our 65th Anniver-

sary prize, the two grand prizes of \$100 electric credits and the 10- \$20 credits to be applied on an electric bill. At the conclusion of the meeting, all members present will be eligible for the drawings of other attendance prizes.

The most effective method of getting word to the members about the annual meeting is for those reading this announcement to tell others about it. Please remind your friends and neighbors about the meeting. Better yet, bring them along. This is an opportunity for you to participate in the operation of the cooperative.

Kevin Liefer, President
Board of Directors



OFFICIAL NOTICE

65TH ANNUAL MEETING ■ JULY 29, 2003 ■ 7: 30 P.M.

Action will be taken on the following matters:

1. Report on the number of members present, in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting as the case may be.
3. Reading of unapproved minutes of previous meeting of the members and the taking of necessary action thereon.

4. Presentation and consideration of reports of officers, trustees and committees.
5. Election of board members.
6. Unfinished business.
7. New business.
8. Adjournment.

Allen Haake, Secretary
Board of Directors
Egyptian Electric Cooperative



ANNUAL MEETING

registration instructions

Registration will be very similar to last year. There will be three lines inside the main hall for registering members. They will be located in the offset in the back of the room. The alphabet will be divided into three groups according to your last name. You will be given a ballot and a blank card on which to print your name for attendance prizes. Be sure we can read your name before dropping your signed card into the attendance box. Members must be registered by 7:30 p.m. to qualify for the anniversary prize, the two grand prizes, and the 10- \$20 electric credits. The main meeting hall will not be open until member registration begins at 5:30 p.m. and it is air-conditioned. To receive

your attendance gift and be eligible for attendance prizes, you must register as you have in the past. Please register only one time.

As in previous years, entrance to the hall for the meeting will be through the double doors on the south side, from the walkway between the Legion Hall and the bowling alley building. Access to this walkway is from the front parking lot towards the bowling alley, or from the west parking lot behind the ball diamond. These entrances will be clearly marked, and cooperative employees will be located around the area to help direct you to the meeting. Please do not enter from the Legion clubroom.

Minutes of the nominating committee

The Nominating Committee, in compliance with the by-laws of Egyptian Electric Cooperative Association, met in Steeleville, Illinois, in the office of the cooperative, on June 9, 2003, at 8:00 p.m., to nominate candidates for the office of director of the cooperative to serve for a three-year term and to be voted upon by the membership of the cooperative in its annual meeting to be held on July 29, 2003, in the Steeleville American Legion Hall.

Attorney William Broom opened the meeting by stating that the purpose of the nominating committee is to nominate candidates for the office of director of the cooperative, and that the terms of Mr. Paul Hicks, Mr. Paul Pyatt and Mr. John Steele were expiring this year.

A roll call of the members of the nominating committee was taken, and Mr. James Smith was absent. Attorney Broom stated that the first order of business would be to select a chairman and a secretary of the meeting.

Mr. Stuart Langrehr was duly selected as chairman of the committee, and Mr. William Broom was selected as secretary of the meeting.

The chairman requested the secretary to read the minutes of the last year's nominating commit-

tee meeting. The minutes were approved as read by all members present.

The chairman instructed the committee that three or more nominations could be made by the committee and placed on the ballot. Following a discussion on this, it was unanimously agreed to nominate three candidates.

Mr. Thomas Horn nominated Mr. Paul Hicks, Mr. John C. Edgar nominated Mr. Paul Pyatt, and Mr. Dennis Rickenberg nominated Mr. John Steele for the office of director of the Cooperative. Mr. Richard Fager moved that the nominations be closed and that they be nominated by acclamation, and that their names be placed on the ballot to be voted upon at the annual meeting of the members on July 29, 2003.

The motion was seconded by Mrs. Ruth Brown and unanimously carried.

There being no further business, motion was duly made and seconded that the meeting be adjourned. Motion carried.

Stuart Langrehr, Chairman	Thomas R. Horn
John C. Edgar	Ruth Brown
Dennis Rickenberg	Roger S. Morgenstern
Richard Fager	Melvin L. Paul

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505

Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

65th ANNUAL MEETING

**July 29, 2003
7:30 P.M.**

**American Legion Hall
South Chester Street, Steeleville, IL
Registration begins at 5:30 p.m.
Short Business Meeting**

- **Food/ Refreshments**
- **Entertainment**
- **Children's Program**
- **Free Gift to Each Registered Member**
- **Two \$100 Credits on Electric Bills**
- **10 Credits for \$20 on Electric Bills**

**65th ANNIVERSARY PRIZE -
27-INCH COLOR TV WITH REMOTE**

**Drawing for Attendance Prizes
(Must be present to win)**

Where at? “Watts”up? And Who’s on?

It’s annual meeting time again. It rolls around quickly. We hope you’re planning to spend a few hours with us at the American Legion in Steeleville on Tuesday evening, July 29, for the cooperative’s annual members’ meeting. The employees and directors are busy making plans for an enjoyable evening. Provided the weather cooperates, various outdoor activities are being planned from 5 p.m. until 7 p.m. Hot dogs, soda and ice cream bars will be served in the park pavilion beginning at 5 p.m. Outdoor seating is limited, so bringing lawn chairs is usually a good idea. A children’s program will be next door while the business meeting is going on. There’s even a special prize drawing for the children that evening. We look forward to seeing you.

And NOW----introducing our entertainment for the evening.....

Egyptian Electric is very pleased to present to its membership a talented family from right around the corner--the Dennis Smith family from Campbell Hill.

In 1993 through 2000 the Smith Family ministered on hundreds of occasions in Illinois, Iowa, and Missouri with additional trips to Alabama, Nebraska and Florida. They have also participated in television and radio programs in the Peoria and Galesburg area. The family moved to Southern Illinois in 1997 and, after a four-year break when they only performed two to three times per year, they are once again active in weekend ministry.

The Smith family performs Southern Gospel Music. They perform as a full band and the music is live. Dennis is the superintendent at Trico High School and plays the drums. Wife Linda, a 6th grade teacher in Pinckneyville, plays bass guitar. The family group also includes Brian (piano), Aaron (guitar), Monica, and the most recent addition, Brian’s wife Alison.

The Smiths will begin playing about 6:00 p.m. in the American Legion’s large hall and will continue until approximately 7:15 p.m.

Free Child I.D. Kits

Stop by the Child I.D. Booth at Egyptian Electric’s annual meeting to receive a free Child I.D. Kit. This kit allows parents to keep vital information and inkless fingerprints of their child in a safe place in their home. This information can then be given immediately to authorities if a child is missing.

Egyptian Electric is dedicated to serving its members and their communities. These kits can help protect the most vulnerable members of our community.

The Child I.D. kits are provided through Touchstone Energy® and the American Football Coaches Association.



National Child Identification Program



Egyptian Electric Cooperative Association

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Congress again considers electric legislation: Grassroots involvement critical

As our national representatives in Congress consider new energy legislation, Egyptian Electric Cooperative is partnering with the National Rural Electric Cooperative Association (NRECA) to defend the right of your elected cooperative board to make local decisions and to set your cooperative's policies.

The U.S. House of Representatives has already passed legislation that removes some key decision-making authority from your cooperative board and places it in the hands of a federal agency in Washington D.C. If this legislation is enacted, it will be an additional cost to electric cooperative members. Instead of making timely decisions at a local level, cooperative officials will be required to deal with the Washington bureaucracy.

The U.S. Senate is currently debating its version of electricity legislation as part of an overall national energy plan. The cooperatives and NRECA are recommending a "small utilities" exemption that will protect the local decision-making authority of electric cooperative boards and avoid the additional regulatory costs contained in the House version.

Office closing

OUR OFFICE
WILL BE CLOSED
MONDAY,
SEPTEMBER 1,
FOR LABOR DAY.



FROM THE
MANAGER'S DESK

BY MARK STALLONS

This past March, cooperative Managers and Board members sent more than 3,000 e-mails to Congressional Representatives and Senators expressing our deep concern with this pending legislation. An even stronger message was sent in May, when thousands of Managers and Board members visited them personally and discussed our major concerns with this legislation.

As this legislation continues to move through congress, grassroots involvement from you, the cooperative's member-owners, is needed to drive the message home. Please consider sending an e-mail, writing a letter or making a phone call to your Senators and Representative. E-mail addresses, mailing addresses and phone numbers are included below for your convenience. **Please**, we need you to join our grassroots effort and send a strong message to Washington!

The Honorable Richard J. Durbin
United States Senate SD-332
Washington, DC 20510
Phone: 202-224-2152
Email: dick@durbin.senate.gov

The Honorable Peter G. Fitzgerald
United States Senate SD-555
Washington, DC 20510
Phone: 202-224-2854
Email: senator_fitzgerald@fitzgerald.senate.gov

The Honorable Jerry F. Costello
United States House of Representatives 2454
RHOB
Washington, DC 20510
202-225-5661

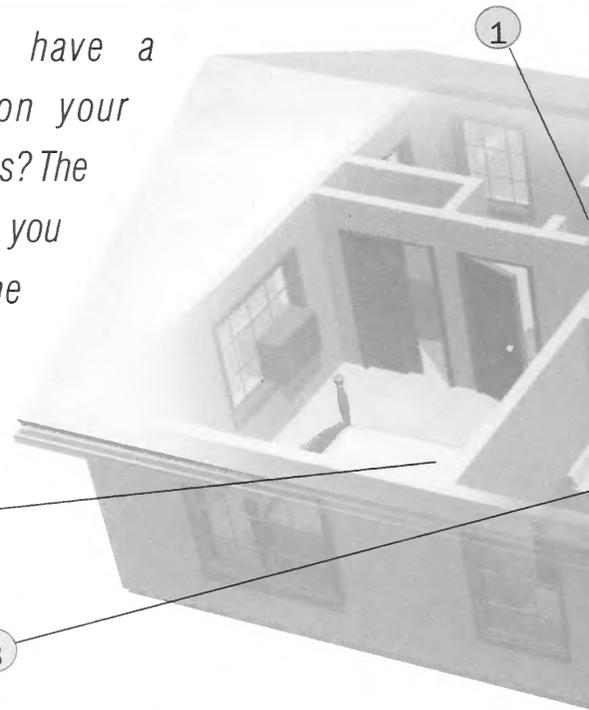
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Integrity : We are credible, trustworthy, honest and believable.

To improve the quality of life of our member owners at a reasonable cost

A room by room look at energy efficiency

Do energy bills have a stranglehold on your family's finances? The good news is you can offset some of your costs by using energy more wisely. The following is a room-by-room look at measures that may help.



1 BATHROOM

Bathing: Fifteen percent of a typical energy bill goes to heating water. It takes about 30 gallons to fill the average tub and a shower with a flow of 3 gallons a minute uses only 15 gallons in five minutes. A water-saving showerhead reduces usage even more.

Faucets: Fix leaky faucets. A leaky faucet dripping 30 times a minute wastes 50 gallons of water and \$1 a month in energy if it's hot water.

2 BEDROOM

Waterbed: A waterbed heater can use more electricity than a refrigerator or water heater. Keeping a comforter on your bed can cut heat loss 30 percent. Use a timer to turn the heater on.

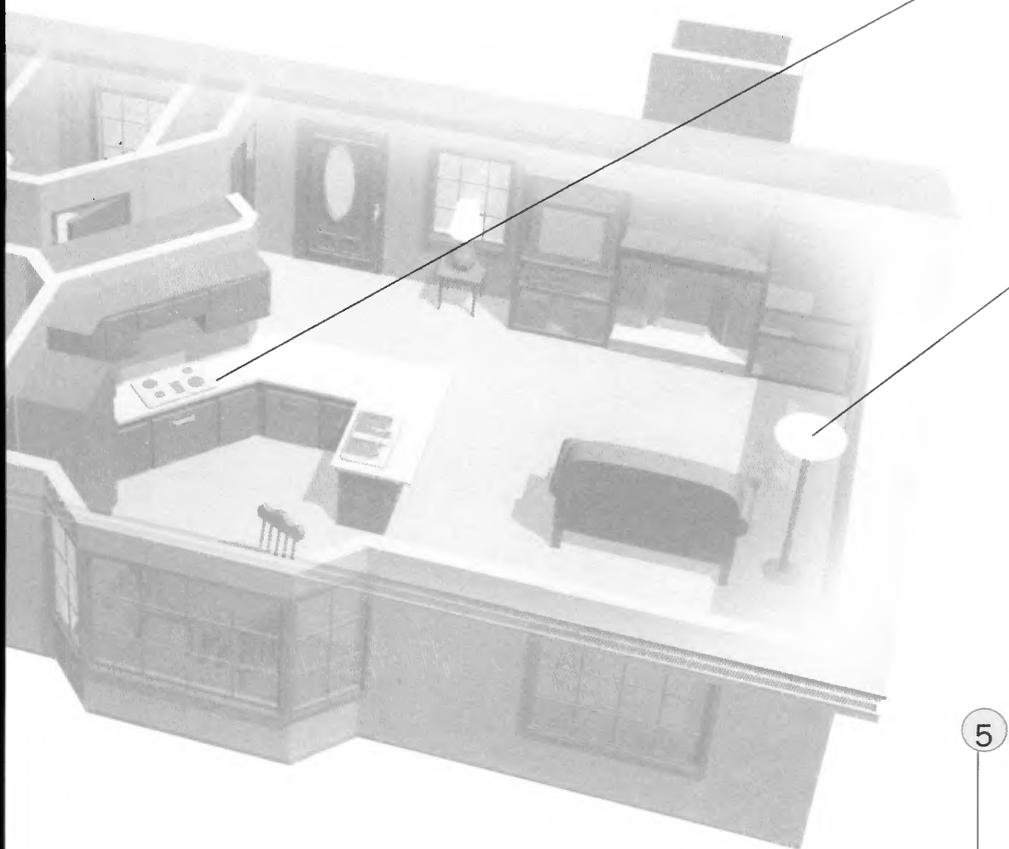
Washing: Of the energy used in doing laundry, 90 percent goes to heating water. Use cold or warm water instead of hot and use the right amount of water to fit the load size. Rinse with cold water.

3 LAUNDRY ROOM

Water Heating: Reduce the water heater to 115 degrees. Insulate the water heater tank unless the manufacturer advises you not to. Check the heating elements for mineral buildup. If you will be away for several days, turn the water heater off at the breaker panel.

Drying: Clothes dryers account for about 5 percent of the electricity used in most American homes. Hang clothes, if possible. Dry full loads but don't overload the dryer. Clean lint from traps often.

Accountability: We act in accordance with our core purpose and values.



4

KITCHEN

Cooking: Don't open the oven while cooking; up to 20 percent of the heat will escape. Defrost food before cooking which saves up to 50 percent on cooking time. An electric skillet uses half the energy of a typical range. Slow cookers use one-third the energy of an oven and toasters are three times as efficient.

Dishwasher: Run full loads using the shortest wash cycle possible. Avoid the rinse and hold cycle, which uses about eight gallons of water just to pre-rinse dishes. Air-dry or use an energy-saver setting.

Refrigerator/Freezer: Set the refrigerator to 38 to 40 degrees and stand-alone freezers to 0 degrees. Cool foods before putting them in the refrigerator, and cover liquids to stop evaporation. Place refrigerators and freezers away from heat registers and stoves. Leave 2 to 3 inches clearance around the appliance to allow for air circulation and clean coils regularly.

to your heating costs. Don't block heating vents or return air grilles. Change your furnace filters to maintain good airflow, and have regular heating system checkups to maintain peak efficiency.

5

5

LIVING ROOM

Lights: Turn off lights when not needed. Use fluorescent lamps, which produce four times more light per watt than incandescents.

Fireplace: Keep the flue closed when not in use, and install glass doors. For gas logs, choose sealed vent models that don't pull air from the room. Better yet – install an electric fireplace with realistic flame effects!

Heating: Set your thermostat as low as you can while maintaining comfort. Every degree you raise the temperature adds about 2%

Commitment to Community: We show compassion, care, and courtesy to our members and the communities we serve.

For your convenience here is a sample letter that you can send to Senators Durbin and Fitzgerald and House Representative Costello:

Dear Senator _____ (or Representative _____):

Subject: Energy Legislation -- Protect Electric Cooperatives'
Local Control

I am a member of Egyptian Electric Cooperative. My understanding is that the House has passed national energy legislation and that the Senate is currently considering the issue. I have concerns regarding increased regulation of my not-for-profit, member-owned electric cooperative by the Federal Energy Regulatory Commission (FERC). As Congress considers this legislation, I respectfully request that a "small electric utility" exemption from increased FERC regulation be included.

The not-for-profit electric cooperatives did not contribute to the recent energy problems experienced in California, a situation which led to calls for increased federal regulation of energy markets. Inclusion of the "small electric utility" exemption will protect the local decision-making authority of member-elected cooperative boards and avoid additional unnecessary regulatory costs.

Thank you for your consideration

Sincerely,

An Electric Cooperative Member

Whether you use the Internet, mail a letter or simply make a phone call, please join our grassroots effort and send the message that "you, an electric cooperative member-owner will not support legislation that harms your cooperative's ability to operate locally and to provide you with safe, reliable and affordable electric service."

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505
Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

Teamwork: We respect each other, have pride in our work, give 100%, are open minded, are innovative, and work together to provide excellent service.

EGYPTIAN

"Providing electric service to Southern Illinois"

Your Touchstone Energy® Partner



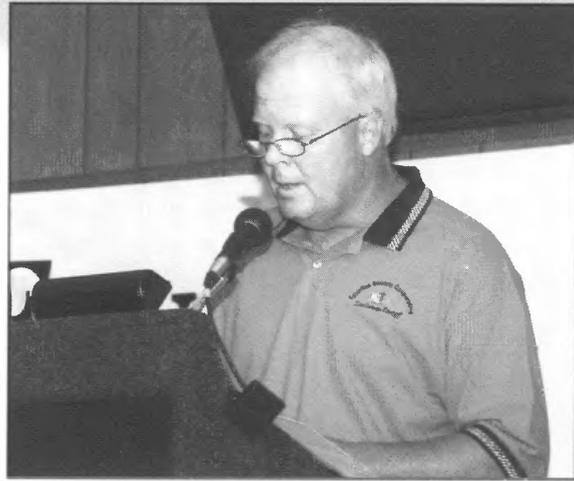
Messenger

2003 Annual Report to the Membership President's Report

As reported the past two years, we have been making major improvements to the Southern Illinois Power Cooperative (SIPC) power plant, located at Lake of Egypt. I am pleased to report that all the improvements have been completed and are up and running!

The majority of the changes have been made to comply with new clean air standards. Our only choices were to meet the standards or shut the power plant down! Over the years, we have had to make major investments to meet clean air standards, and it seems as though we no sooner solve one problem than the government institutes another standard we must comply with. A significant portion of our wholesale power cost is due to the cost of installing, maintaining, and operating pollution control equipment. The only consolation we have is that all other power suppliers have to meet the new standards also, but that does not help you, the consumer.

The most significant changes to the power plant are the addition of two gas turbines and the replacement of the boilers for the three original units installed in 1963. Boilers are like any other piece of machinery and after 40 years, they were worn out. Making the decision to invest additional funds in the plant was not easy, but we believe it to be in the members' long-term interest to own and control our generating capacity. Prior investments in generating capacity have served our members well, and we fully expect that the investments we are making today will provide



President Kevin Liefer at Egyptian Electric's 65th Annual Meeting of the Members.

similar benefits in the years to come. In view of the ongoing turmoil and uncertainty of the deregulated power market, and companies facing charges of rigging the supply and price of energy, this appears to be a good time to be in charge of our own destiny and not rely on others to supply our power needs.

Recently, I heard a speaker define cooperatives as 'people making the right decisions at the right time for the right reasons.' We had a choice to make. We could either buy power from someone else, like an Enron, or make a major investment at SIPC to continue burning southern Illinois coal and keep jobs here in southern Illinois. Without a doubt, we made the right choice!

On behalf of the board of directors, I want to thank you for your support and confidence in us to make the right decisions on your behalf.

As reported by President Kevin Liefer at the 65th Annual Meeting of the Members, July 29, 2003.

Integrity : We are credible, trustworthy, honest and believable.

General Manager's Report



The modifications at the Southern Illinois Power Cooperative (SIPC) Lake of Egypt power plant are up and running. SIPC President and General Manager Tim Reeves and his staff have done a tremendous job managing this massive construction project.

We now have the first state-of-the-art coal-fired plant in Southern Illinois that is environmentally clean and burns southern Illinois coal. There has been a lot of press recently about clean coal technology, and we are very pleased to be leading the charge. We believe it is good business to burn southern Illinois coal in an environmentally safe way.

In order to finance the power plant modifications, we have chosen over the last few years to increase rates in small steps to keep the impact as small as possible. We are in the third year of a four-year plan. This September, our power supply costs from SIPC will increase 5 percent and in November, we will increase our retail rates by about 5.34 percent. For example, if you use 1,000 kwhs in a month, your bill this year was \$89.50, while next year it will be \$94.50. Our plan calls for a smaller power cost increase next year, if and only if, it is necessary.

We have a great board of directors and I want to publicly and personally thank them for their dedication and hard work on your behalf. The board and employees of Egyptian Electric Cooperative are committed to burning Southern Illinois coal, keeping jobs at home, and improving the quality of life in southern Illinois.

All in all, our rates remain one of the lowest in the state. We are financially sound and well positioned to succeed into the future.

Last year, your board, staff and employees developed an action plan for 2003. The major outcome of those planning sessions was to develop our Core Purpose, Core Values, "Big Hairy

Audacious" Goal, and four key action items to help us achieve our purpose and goal. After much work, we arrived at the following:

Core Purpose: To Improve the quality of life of our member owners at a reasonable cost.

Core Values [IACT]: Integrity, Accountability, Commitment to Community, and Teamwork.

"Big Hairy Audacious" Goal: To become a team that exceeds the expectations of our member owners.

Key Action Items:

1. To continue to improve our work environment.
2. To investigate and improve our Customer Information System.
3. To improve our outage response system.
4. To continue to build member loyalty.

We have made significant progress in all of these areas and will continue to work hard to improve so we can better serve you.

I would also like to bring you up to speed on what Southern Services, our service subsidiary, is doing. A few years ago, we partnered with six other southern Illinois electric cooperatives to provide products and services to improve your quality of life. The concept is the same as 65 years ago when rural Americans joined together and formed cooperatives to bring electricity to the rural areas of America. Today, we are providing long distance telephone services at 6.9 cents per minute for out of state calls and 4.9 cents for in state calls. We recently launched a promotion and increased our users by more than 500. If you haven't already signed up for our long distance phone service, I invite you to take advantage of this great service that can save you considerably.

In regard to new products, we are presently investigating satellite and power line carrier technology to bring high speed Internet to rural America. If it is possible to offer this

Accountability: *We act in accordance with our core purpose and values.*

service at a high quality level and reasonable cost, we will move forward. If not, we will continue to keep our eye on new technologies and opportunities.

As our Core Purpose states, we are committed to improve the quality of life of our

members by offering services that are not available today at a reasonable cost.

As reported by Executive Vice President and General Manager, Mark Stallons, at the 65th Annual Meeting of the Members, July 29, 2003.

Financial Statement for 2002

BALANCE SHEET

(As of December 31)

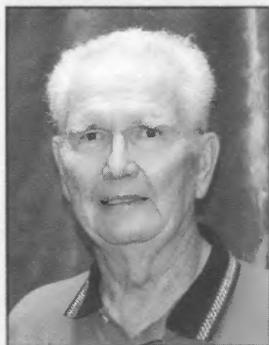
What We Own (Assets)	2002
Cost of system.....	\$44,830,615
System depreciation	\$17,606,411
Net value of our system.....	\$27,224,204
Investment Assoc. Organizations	\$10,403,322
Cash in the bank	\$300,000
Temporary cash investments	\$150,137
Accounts receivable	\$895,834
Materials and supplies	\$453,968
Prepaid insurance	\$564,180
Total Owned	\$39,991,645
What We Owe	
We owe CFC.....	\$8,665,977
Accumulated provisions.....	\$2,822,727
December power bill-SIPC	\$1,304,931
Consumer deposits	\$406,265
Owed for materials, taxes, etc.....	\$373,650
Membership fees.....	\$6,630
Members' capital credits	\$26,248,720
Deferred credits	\$162,745
Total Liabilities & Equities	\$39,991,645

STATEMENT OF REVENUE AND EXPENSES

Our Receipts	2002
Electric Sales	\$19,438,271
Other income, interest, etc.....	\$113,205
Total Receipts for Year	\$119,551,476
Our Expenses	
Electric Purchases.....	\$12,971,948
Distribution-operations	\$615,283
Distribution-maintenance	\$2,114,432
Member accounting	\$573,089
Member service & info	\$39,067
Administrative & general	\$1,484,301
Depreciation	\$1,319,763
Taxes.....	\$35,920
Interest.....	\$507,129
Total Expenses	\$19,660,932
Margins	(\$109,456)

Commitment to Community: We show compassion, care, and courtesy to our members and the communities we serve.

Board Members Re-elected



John Steele:

John has served on the board of directors for Egyptian Electric since 1973. During that time, he has held numerous leadership positions, having served as Secretary-Treasurer, Vice President and President of the board. He has also served as a director on the board of Southern Illinois Power Cooperative.

John and his wife Kay have four children, and live in the rural Steeleville area.



Paul Pyatt:

Paul has served on the board of Egyptian Electric since 1994 and served as President of the board from 1997-98. He farms 1,100 acres with his two brothers in the rural Pinckneyville area.

Paul and his wife Joyce, have one son who is studying for his Doctorate at the University of Illinois.



Paul Hicks:

Paul has served on the board of directors since 1997 and has served as Secretary and Vice President of the board. Paul is Pastor of the Murdale Baptist Church and has served the congregation since 1970.

He and his wife Donna, a retired schoolteacher, have two sons, and live in the rural Carbondale area.

What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505
Someone is always on duty to take emergency calls after hours.

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Teamwork: We respect each other, have pride in our work, give 100%, are open minded, are innovative, and work together to provide excellent service.

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FROM THE MANAGER'S DESK

BY MARK STALLONS

The Northeast blackout and fixing the electric grid

As U.S. and Canadian authorities investigate the causes of the August blackout in the Northeast, the U.S. Congress is in the final stage of hammering out a national energy bill to send to the President. An overall national energy policy is important, but if we have learned any lessons from recent history like the Midwest price spikes, the California electricity crisis, and the massive Northeast blackout, it is that we cannot afford to make mistakes in the electricity part of the legislation.

■ WHAT GOT US TO WHERE WE ARE TODAY

Electricity is unlike any other energy commodity. It cannot be stored. It must be used in the instant it is produced. It must be transported by wire. And it is not easily substituted for, particularly in the short-term. Because of this, the nation's electric system is ripe for manipulation, price gouging and miscalculation. That has happened, and that is the dark side.

The bright side is the North American electric system, the largest machine invented by mankind, has worked amazingly

well over the last 75 years. The manipulation and price gouging by some large power companies in the late 1920s were corrected when Congress enacted the Public Utility Holding Company Act and the Federal Power Act. Consumer-owned electric cooperatives were the last piece of the puzzle as the new electric industry grew, giving people an opportunity to provide themselves with electricity by relying on their own initiative and good judgment to act in the interests of themselves and their communities. The combination of adequate federal and state regulation of profit-making utilities, while relying on the good judgment of consumers to manage the electric cooperatives they had formed, has been a successful formula.

In 1992, Congress repealed a portion of the Public Utility Holding Company Act and modified the Federal Power Act to promote wider access to the existing transmission system and wholesale competition in the generation of electricity. That experiment obviously has had mixed results. California com-

pounded the problem by preventing utilities from owning the electric generation needed to serve their customers, and instituting a poorly designed market with flawed market rules. While the intent was to create a market not dominated by utilities, the actual result was to separate generation from the utility's responsibility to serve customers. California and the entire West are still paying the price for that big mistake.

■ Where we are today

Even though the lights are back on, the real work is just beginning. We need national energy legislation that promotes increased reliability and protects consumer interests. Before the blackout the House and Senate passed versions of an energy bill that will have to be reconciled in a conference committee. Co-op leaders favor the Senate approach.

The House bill would totally repeal the Public Utility Holding Company Act and modify the Federal Power Act, resulting in vastly reduced protections for consumers and investors. It seriously reduces federal regulation of the investor-owned power companies and increases federal regulation of consumer-owned and operated not-for-profit cooperatives.

The House bill also seeks to take more money from consumers in transmission charges and give it to the big power companies, hoping that they will use the money to invest in transmission upgrades. The Senate bill also repeals the Public Utility

■ (Continued on 16b)

Integrity : We are credible, trustworthy, honest and believable.

■ (Continued from 16a)

Holding Company Act, but replaces it with good consumer protections that require power companies to show they are actually benefiting consumers. The Senate leadership position emphasizes the “just and reasonable” test for transmission pricing and recognizes the important differences in motivation between absentee-owned, for-profit investor-owned utilities, and consumer-owned, not-for-profit electric cooperatives, by mandating federal regulation of investor-owned power companies and relying on consumer regulation of cooperative electric systems.

■ **LEGISLATIVE GOALS**

The choice is clear. The goal is a modern, reliable, affordable electric system capable of meeting the requirements of today’s electronic society. The Senate electricity proposals look at the past and the future in a realistic way. Congress should pass the Senate’s version of electricity legislation.

The House bill ignores the lessons of the past, demonstrates a blind faith in “market forces,” and provides no guarantee that the millions of dollars prescribed for upgrades will actually improve service or otherwise benefit consumers.

Electric cooperatives agree the electric transmission system is inadequate and believe the solution is to reduce the financial risk associated with transmission investments. Cooperatives believe that once a new piece of transmission is proven to be necessary, and approved by the appropriate regional authority, its cost should be rolled into the rate base and recovered like other transmission assets over its useful life.

If the government can substantially reduce the financial risk, transmission will become a safer

investment and require a lower rate of return to attract the necessary investment. That is not just our opinion. That view is shared by a Wall Street investment firm, which testified to that effect in Congress two years ago.

We also need a set of national standards to assure the system operates reliably and efficiently. Electric cooperatives operate a well-maintained electric infrastructure in some of the toughest terrain in the nation, and have done it for years. The Rural Utilities Service, formerly the Rural Electrification Administration, has played a critical role in reducing risk by (1) assuring that prices to consumers are adequate to pay for the system, and (2) requiring electric cooperatives to adhere to a set of design and operating standards for the system.

Electric cooperatives have a model that is working both for consumers and the nation. Let’s hope that this investigation ushers in a new approach to the creation of a national transmission grid – one based on the principle that in exchange for a just and reasonable rate of return on low-risk transmission investment, owners must adopt appropriate national standards for the construction and maintenance of the national transmission system and must be held accountable for its safe and reliable operation.

Let’s hope the investigation of the blackout is not used to advance an agenda that will not serve the people well. If the investigation is a serious attempt to find the causes of the blackout, and proposes realistic solutions for investing in and improving the transmission system, it will conclude that the electric cooperatives’ “national standards” and “reduced risk” model should be the preferred alternative.

We've moved!

Well, not physically, that is, but our Web site has. You can now find us at www.egyptianelectric.coop.

The .coop domain/extension was recently made available so cooperatives could more effectively separate themselves from the other types of businesses that dominate the World Wide Web (the .com’s and the .org’s). As we are proud to be a cooperative, we felt the switch to the .coop extension was appropriate. We’ve even changed the e-mail addresses of our staff and employees to reflect the change.

We hope this doesn’t inconvenience those that regularly check our Web site for news or information. In fact, we’ve asked our service provider to ensure that those members that might use the .org extension still get routed to the .coop location. So, if you forget and still type in or have a short-cut set to egyptianelectric.org, you and your e-mail will still get to the right place.

So, remember, Egyptian Electric Cooperative really is egyptianelectric.coop on the Internet.

Accountability : We act in accordance with our core purpose and values.

Egyptian Electric uses right-of-way manager

To further our goal of improved system reliability and member safety, Egyptian Electric has recently contracted with a professional right-of-way management firm, Plant Growth Management, to manage our right-of-way program. General Manager and Executive Vice President Mark Stallons says it is not uncommon for utilities, including electric cooperatives, to contract right-of-way trimming and clearing to other companies and there are several advantages for doing so.

First is the expertise Plant Growth Management brings with them. Their local manager, Sean Redman, has a Bachelor of Science Degree in Forestry from Purdue University. Because Plant Growth Management uses people like Sean who have backgrounds in forestry management, they make sure the trimming crews use proper arboricultural trimming methods and hold them accountable to those methods. By doing so, proper clearances with the power lines are achieved while ensuring the tree's health is maintained.

According to Redman, this can sometimes be a challenge. Many times the species of tree, its size or its position relative to the power line does not allow trimming or clearance objectives to be met. As he explains, it's not just the need to be trimmed this time, but also the need in the future. As trees continually grow, they require additional trimming at some point.

Sometimes the best thing for the tree is for it to be removed. When this is the case, Redman can also make a recommendation of a species that can replace the tree, but will not conflict with the power lines. It's not always easy for a landowner to part with a shade tree, but if the health of the tree is in jeopardy, it may be best to remove it now before it becomes weak and is a hazard to more than just the power lines.

The ability to talk with members about the need of the Cooperative to maintain its right-of-way clearance was another reason to use Plant Growth Management. Service interruptions are minimized and safety is maintained while being aware of the needs and feelings of the member. All of their personnel are trained in people skills and they are aware of our relationship with our members and the value we put on that relationship.

Cost effectiveness and efficiency is another reason we have turned the right-of-way program



Redman examines a forked birch tree for possible disease.

over to someone else. By using Plant Growth Management, the Cooperative's personnel are free to do other work that needs to be done. Because Plant Growth Management plans all of the right-of-way work and supervises the crews, there is better measurement and control of crew productivity. They log each tree trimmed or removed as a unit. By tracking crew hours and units, crew productivity and cost can be measured and accounted for.

Plant Growth Management intends to also increase productivity by putting the crews on "circuit" trimming. By starting on a substation feeder circuit and following it to the end, there will be less drive time for the crews. Plus, when the crews leave an area, that area should be less likely to be affected by storms that can knock out power. Jumping from one hot spot to another may remove problems at one location, but right down the road may be another tree that could knock out electric service during a storm.

Using Plant Growth Management will also save the Cooperative money, as there was no increase made to the budget for them. Since the right-of-way program will be more efficient, there will be more right-of-way work completed while spending less.

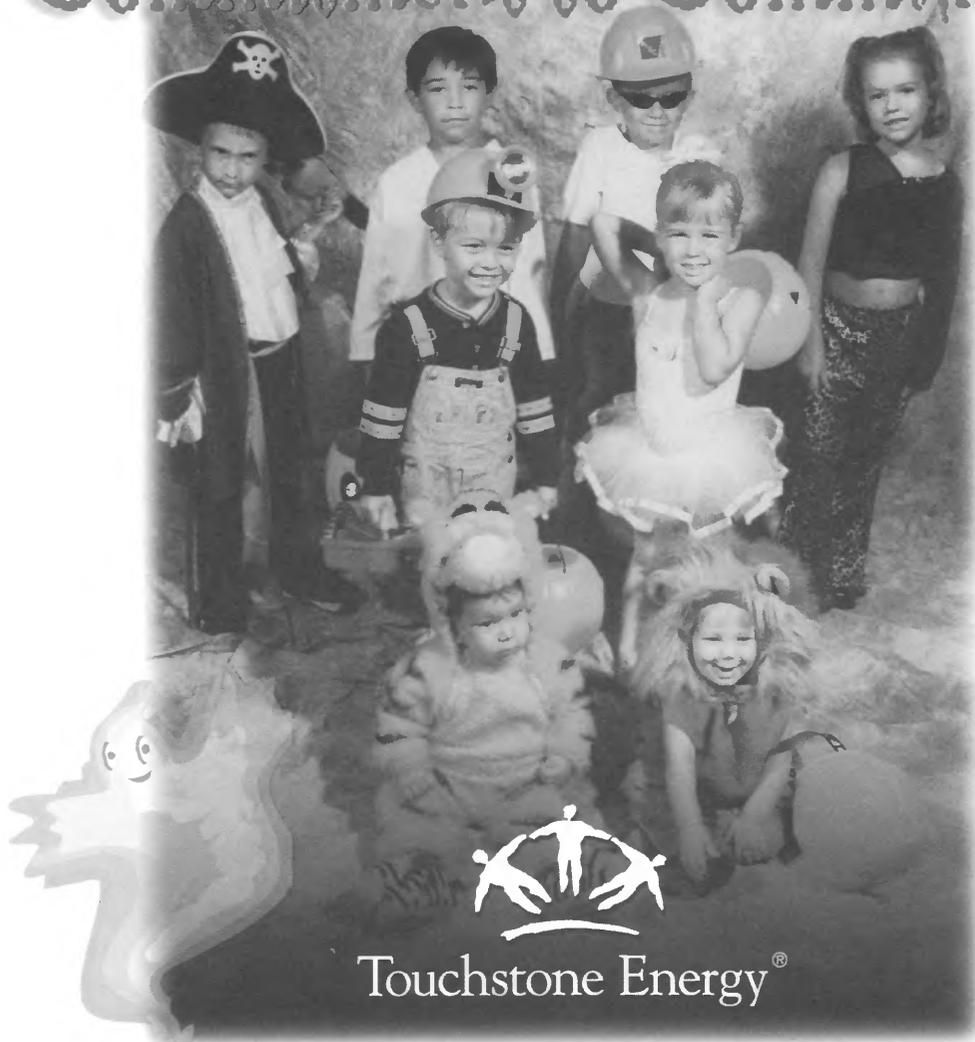
The core purpose of your Cooperative is **to improve the quality of life of our member-owners at a reasonable cost.** Using Plant Growth Management to bring a higher level of reliability and member safety to the electric system while decreasing costs is just one more way Egyptian Electric is living up to this purpose.

CORRECTION:

In last month's Egyptian Messenger, the financials article contained an error. Under "Our Expenses" the Total Receipts for the year should have read \$19,551,476.

Commitment to Community: We show compassion, care, and courtesy to our members and the communities we serve.

Commitment to Community



Although some of these ghosts and goblins may look scary, they are in need of our protection and help. Your cooperative, through Touchstone Energy®, has teamed up with the National Football Coaches Association and the Federal Bureau of Investigation in the National Child Identification program. We're distribut-

ing inkless fingerprinting kits to school age children in your area. In case your child is ever missing, information from the kit can be entered into a national database to aid in finding your child. For more information, contact or visit either of our offices in Steelville and Murphysboro.

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Learning from the Past: Who was Samuel Insull?

If you think the Northeast Blackout, California electric price manipulations, and the Enron scandal are unique to our times, then you will be surprised to learn about Samuel Insull and Middle West Utilities. Greed, corruption and crooked high financial deals brought down Insull's utility empire in the 1930s. Perhaps Clarence Darrow had it right. History's unfortunate penchant for repeating itself may be its greatest flaw. That flaw is certainly evident in today's poorly deregulated electricity market. Given the strong possibility that pending congressional action will raise your monthly utility bill, the news does not appear to be improving.

Samuel Insull was born in Britain and moved to the United States in 1881, where he became an assistant of Thomas Alva Edison. Edison had invented the electric light bulb in October 1879 and had begun to put his electric empire together by building the first electric power plant in New York City in 1881-82. In 1884, Edison, not known for his organizational skills, made Insull his business manager. In 1892 J. P. Morgan took over Edison's company and changed the name to General Electric. Samuel Insull was eventually forced out of General Electric and headed west to Chicago. From his Chicago base, Insull began building his utility empire and by 1912 had created Middle West Utilities, which would eventually control 12 percent of the nation's power market. The Stock Market Crash of 1929 brought Insull's complex web of utility-holding companies and financial schemes to collapse because the depression resulted in a dramatic decline in power sales and Insull couldn't pay his huge debt load. In the investigations of the Crash, Insull was charged with mail fraud and embezzlement. Instead of facing the music, Insull fled to Greece. Eventually political pressure forced him back to the states where, ironically, he was cleared on all charges; however, his reputation was forever ruined.

The result of this fiasco was that the Public Utility Holding Company Act of 1935 was passed by Congress, which gave the Securities and Exchange Commission (SEC) the authority to ap-



FROM THE MANAGER'S DESK

BY MARK STALLONS

prove and break up large utility empires.

Because of the greed, corruption, and price manipulation in the 1930s, Congress passed the Public Holding Company Act to protect the consumer. In contrast, in the fall of 2003 after the Northeast blackout, California price gouging, and the Enron scandal, Congress is on the verge of:

1. Repealing the Public Utility Holding Company Act of 1935, thus decreasing regulatory control and customer protection that is critical in stopping large investor-owned utility abuses.
2. Placing small rural electric cooperatives that have had no part in the recent abuses under more costly government regulation.
3. Raising transmission rates to obscene levels---giving large investor-owned utilities more economic incentive to build transmission lines.

On October 1, 2003, I joined other rural electric cooperative Board of Directors and Managers from across the United States on a special trip to Washington, DC, asking Congress to:

1. Protect customers from large investor-owned utility abuses by keeping the Public Utility Holding Company Act of 1935 in place.
2. Exempt rural electric cooperatives from unnecessary government regulation.
3. Hold the line on transmission rates by rejecting large investor-owned utility attempts to unfairly charge the customer and make huge profits.

Unfortunately, we are not sure Congress heard our pleas. We need your help to say "NO" to repealing the Public Utility Holding Company Act of 1935, burdening cooperatives with unnecessary regulation, and increasing transmission rates, which will ultimately result in higher monthly electric bills. Please take the time to call your legislators.

Senator Richard Durbin - (202) 224-2152

Senator Peter Fitzgerald - (202) 224-2854

Congressman Jerry Costello - (202) 225-5661

Congressman John Shimkus - (202) 225-5271

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Prepare your home for winter

With winter just around the corner, you've probably taken steps to ensure your lawn mower, swimming pool, bass boat, RV and other things are ready to survive the cold. What about your home? Unfortunately, most of us take this most prized possession for granted. We think this checklist will help you make sure your home is ready for the wintry blast that will be coming soon.

HOME EXTERIOR

- *Trees and Branches* - Dead tree limbs and branches can fall with the weight of ice and snow, damaging anything below. You can reduce the likelihood of this by removing them now. While you are at it, remove limbs hanging over or near the house to keep winter winds from blowing them against the building.
- *Gutters & Downspouts* - Now is the time to make sure gutters and downspouts are clean and in good order. Clogged gutters will let melting snow refreeze, causing ice dams and roof damage. Look for loose gutter spikes and brackets so heavy snow loads won't pull gutter and downspouts down.
- *Steps and Handrails* - Make sure steps and handrails are in good repair. A good, solid handrail is important in the event of a slip on snow or ice.
- *Roofing* - Walk around your home and look for loose shingles or flashing on the roof. If there is a chimney or flue, you may want to have a qualified person check it periodically to ensure capstones and flashings are in place and sealed to minimize potential water problems.
- *Manufactured Homes* - Repair or install underpinning under the home. If you can see daylight in places, you need to make repairs. Not only will this reduce energy consumption, it will make water lines less likely to freeze.
- *Caulking* - Look for areas where rain and melting snow or ice can get behind the homes exterior finish. Look around doors and windows for caulking that is missing or dried out. If you have brick veneer, check window and doorsills and other areas where the brick meets a different type of siding.

WATER LINES

- *Hose Bibs* - Disconnect garden hoses from hose bibs to prevent them from retaining water,

freezing and bursting a pipe. If the hose bibs are not the newer, frost-proof type, install insulated styrofoam covers. Also, make sure the hole for the hose bib in the building exterior is sealed both inside (to stop air) and outside (to stop rain).

- *Manufactured Homes* - Make sure the main water line under the home is wrapped with a heat tape and insulated. (Reminder--do not lap the tape over itself). It may have been fine last year, but pets and varmints may have damaged the heat tape or insulation between then and now.
- *Crawl Spaces* - Insulate water lines that pass through crawl spaces with pipe insulation to keep them from freezing.
- *Other Water Lines* - If you've had water lines freeze in the past, they most likely will again unless you take steps to prevent it. Most water lines freeze at night (this is the coldest time and a time when no water is being used). Let susceptible faucets drip or open cabinet doors to let heat get to pipes that are in the wall.

HEATING SYSTEM

- *Filters* - To keep your heating system running at its peak performance, make sure you change the filter regularly. If you have an electronic air filter, follow the manufacturer's recommendations for periodic cleaning.
- *Furnaces* - If your furnace is getting some age to it, you may want to have it professionally cleaned and checked. A service technician will make sure all safety devices are working and that there are no cracks in the heat exchanger that could leak deadly carbon monoxide into the home. While on that subject, make sure you have a carbon monoxide detector if you use any type of fossil fuel.
- *Heat Pumps* - Clean the coils on the outside unit twice a year by rinsing them with a garden hose (use low pressure), but, first, make sure the power to the unit is off. Check the thermostat to see that it is set to the heat position and not to emergency heat, and then set it to a temperature you are comfortable with and leave it. Moving the thermostat up and down bypasses the heat pump (a system with more than 300 percent efficiency) and forces the strip heat (a 100 percent efficient

.....
Accountability : We act in accordance with our core purpose and values.

system) to come on. During the winter, verify from time to time that the outside unit is actually running. As a heat pump has back-up strip heat, the outside unit can fail and you not be aware of it.

- **Portable Heaters** - Clean and install a new wick, if needed, on your kerosene heater and make sure the emergency tip-over switch works. When using it this winter, make sure you have proper ventilation to prevent buildup of deadly carbon monoxide.

- **Wood Burning Appliances** - Make sure flues and chimneys are clean and in good repair and dampers are in working condition. Replace old or rusted metal flue pipe. Always burn dry, seasoned wood to prevent soot buildup.

COOLING SYSTEM

- **Window Air-conditioners** - If possible, remove room window air-conditioners and close the opening. If it cannot be removed, install an outdoor cover and close any vents on the unit. Before storing the air-conditioner in a dry area, clean the coils with soap and warm water so it is ready to go next summer.

- **Whole House (Attic) Fans** - If left uncovered, attic fans can let large amounts of warm air escape all winter long. Build an insulated box cover over the unit or, at a minimum, cover the louvers inside with a window weatherization kit.

WEATHERIZATION

- **Doors and Windows** - Use sash locks on windows to stop the brutal winds of winter and install weather-stripping where needed. Believe it or not, a one-eighth-inch gap around a 3' door is comparable to a 5" by 5" hole.

- **Electric Outlets** - As much as 20 percent of the air that leaks into a home comes through the electric outlets. Install foam gaskets under all switch and outlet covers on both inside and outside walls.

- **Crawl Spaces** - Make sure vents in the crawl space are closed and if necessary, seal them with pieces of foam cut to fit tightly. On a sunny day, look inside the crawl space for daylight shining through and then seal the holes. Expanding foam caulk is perfect for this. The warmer the crawl space, the warmer the floor above will be. And if there are water lines in the crawl space, the less likely they will be to freeze.

- **Attic Insulation** - This may seem unnecessary, but take a look at your attic insulation. If you can see the framing members or the ceiling material in places, you may need to make repairs or add additional insulation. Workers may have disturbed the original insulation installation or varmints may have been at work. Unless you look from time to time, you may be losing energy. Before you go up to the attic, turn lots of lights on in each room below. While you're in the attic, turn off your work lights and check for light shining through from below. If light is leaking into the attic, so is warm air.



Caring and sharing so everyone's holiday can be happy

Thanksgiving is a time to reflect on those less fortunate. Take time this holiday season to make someone's holiday brighter. Volunteer at a soup kitchen, donate canned goods, or even a food basket, to a local food pantry. There are many low-cost and no-cost things you can do to help your community. Share and show you care today.

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4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

After office hours: — Call (800) 606-1505

Someone is always on duty to take emergency calls after hours.

5. **Please give your map, section and house (or locat.) number as found on your billing statement.**

Commitment to Community: We show compassion, care, and courtesy to our members and the communities we serve.

Students encouraged to apply for 2004 IEC Memorial Scholarships



For the ninth consecutive year the Illinois electric cooperatives will award \$1,000 academic scholarships to high school seniors. The four scholarships are being awarded through the Illinois Electric Cooperative (IEC) Memorial Scholarship Program. Through Egyptian Electric Cooperative, children of electric cooperative members may apply.

High school seniors pursuing a college education in the state of Illinois are eligible to participate in the program. Three of the four scholarships will be awarded to the child of an electric cooperative member. The other \$1,000 award will go to the child of an electric cooperative

director or employee. Deadline for applications to be returned to the cooperative is Jan. 1, 2004.

"The purpose of the scholarship program is to assist electric cooperative youth while honoring past rural electric leaders through memorial gifts," said Mark Stallons, General Manager of Egyptian Electric Cooperative. "Egyptian Electric Cooperative and the other Illinois electric cooperatives want to make a difference in their communities. One of the best ways we can do that is by lending a hand to our youth."

Candidates are judged on the basis of grade point average,

college entrance exam scores, work and volunteer experience, school and civic activities, and a short essay that demonstrates their knowledge of electric cooperatives.

The IEC Memorial Scholarship program was established in 1994 by the board of directors of the Association of Illinois Electric Cooperatives. Individuals wanting to apply for the scholarship should contact their high school guidance counselor. For further information on the IEC Memorial Scholarship Program, contact Egyptian Electric at (618) 965-3434 and ask for Brenda Rapp, or ask your high school guidance counselor.



The power of human connections is a powerful thing. We give thanks to you our co-op members, our family.



Touchstone Energy[®]
Cooperatives

OFFICE CLOSING

Our office will be closed Tuesday, November 11 for Veterans Day and Thursday, November 27 and Friday, November 28 for the Thanksgiving Holiday.



Teamwork: We respect each other, have pride in our work, give 100%, are open minded, are innovative, and work together to provide excellent service.

EGYPTIAN

"Providing electric service to Southern Illinois"

Your Touchstone Energy® Partner



Messenger

Why "Egyptian"?

One of the most frequent questions that I am asked by friends and relatives who are not familiar with Southern Illinois is "Where did the name Egyptian come from?" To confuse matters even more over the past year, I have heard several different stories explaining the nickname. Finally, curiosity had the best of me. After being asked the question several times in the last month, I decided it was time to surf the Web, dig into the history of Southern Illinois, and discover the quick, easy and indisputable answer.

HA! Like most things, this small research project was anything but quick, easy or indisputable. Like most historical questions, the answer is different depending upon which source you believe is most reliable. The bottom line is that historians differ as to how the name came about. It appears that there are at least three historical events that have contributed to the popularization of the nickname.

The first event, as stated by local historian Barbara Burr Hubbs, is that the regional name may have come about because early pioneers named the towns they settled after ancient Egyptian cities, such as Cairo, Thebes, Alexandria, Karnak and Dongola. As early as 1808, a little known town of Mount Cairo was located on the Ohio River, just three miles east of Cave-In-Rock (then Rock and Cave). Attempts to locate a ferry failed and as a result the town never survived. Cairo, located at the confluence of the Ohio and Mississippi Rivers at the southern tip of Illinois, dates back to as early as 1817.

A second event that helped create the nickname of "Egypt" is that in the early days before agriculture took hold in the central and northern parts of the state, Southern Illinois was the feed barn for Illinois. One pioneer, Daniel Brush, founder of Carbondale, recalled in his memoirs how grain was shipped from the Big Muddy and Mississippi River to central and northern parts of Illinois following the harsh winter of 1830-31. It was the longest and hardest winter known to residents of Illinois. To make matters worse, the summer was short and cool, and a killing frost came in early September.

The 1912 History of Southern Illinois written by George Washington Smith described the winter like this:



FROM THE MANAGER'S DESK

BY MARK STALLONS

"The winter of 1830 and 1831 was long remembered as the 'Winter of Deep Snow.' It is said that the winter was a mild one til Christmas. During the Christmas holidays a snowstorm began and for nine weeks, almost every day it snowed. The snow melted little or none and was found more than three feet in places...on top of this snow fell rain and sleet and formed such a crust that people and stock might walk on top of the snow. The birds and small game suffered very much for want of food, while larger wild game became very tame."

Area historian Hubbs wrote in the first article of the *Egyptian Key* in 1943, "Caravans of eight and ten wagons formed, to go south and buy bread stuff, grain for cattle, and seed for the next crop."

These pioneers were familiar with the Bible. A common answer to a greeting on the road became, "We are the sons of Jacob, going into Egypt to buy corn." Southern Illinois became known as the granary of the state. The name "Egypt" was proudly accepted.

The third historical event is chronicled in an article written by Jon Musgrave, printed in the January 6, 1996, issue of "American Weekend." Musgrave contends that, "The trouble with both of these arguments is that they are both right, and they're both wrong as well, because the Egyptian city names and the bad winters occurred after the region got its moniker. But both stories are true to the extent that they helped spread acceptance of the name."

Musgrave writes that the first reference comparing Southern Illinois to Egypt occurred in 1799 when a Baptist Missionary named John Badgley stood on the bluffs looking out over the Mississippi bottoms and the fertile highlands and dubbed

■(Continued on 16b)

Integrity: We are credible, trustworthy, honest and believable.

■(Continued from 16a)

the area the "Land of Goshen." Being a preacher, Badgley knew that the Land of Goshen referred to the most fertile land of ancient Egypt that was given by Pharaoh to Joseph's family. It is quite likely that from his lofty perch near what is now Edwardsville, Badgley could see Cahokia Mounds, the great Mississippi River and the fertile fields. Apparently, the Mississippi River, the richness of the land and

the burial mounds reminded him of the Biblical account of the Nile River, the fertile lands and pyramids of Goshen. As the years passed, the reference of Goshen transformed into Egypt.

It is safe to conclude that between 1799 and the early 1800s these three historical stories combined to reinforce the image of Southern Illinois as "Egypt," an ancient land of mighty rivers, impressive burial mounds and fertile fields.

What is the REA and how is it connected with Egyptian Electric?

"REA set the poles and strung the wire to bring lights to my farm!" That's the answer you might get from a long-time member-owner of Egyptian Electric if you asked them, "Who is responsible for bringing electricity to your home?" If asked for clarification as to who or what the REA is, you most likely would get an answer something like, "Why, Egyptian Electric's the REA!"

Although technically they are incorrect, many people associate their local electric cooperative as "the REA." So, who or what is REA and what does it have to do with you and Egyptian Electric? As history preserves and revitalizes our values and purpose, we think it is important to tell our story.

Our story could begin in the 1920s. In 1923, the National Electric Light Association formed the Committee on the Relation of Electricity to Agriculture. In this study, 20 farms were connected to an electric distribution system. Half of the farms were equipped with just about all of the electric appliances and tools in existence at that time. Careful records were kept on electric usage and farm production. The records showed that with the increased usage of electricity, farm production increased while costs declined. Yet in 1935, the Agriculture Census revealed that only 10.9 percent of the 6,812,350 farms in the U.S had electric service.

Those that wanted electricity could barely afford it. Power companies wanted \$2,000 to \$3,000 per mile to extend electric lines. That's a lot of money today and that was during the Great Depression! Rates were generally 10-12¢ per kWh while some companies charged 25-40¢ and wheat was 80¢ a bushel.

On May 11, 1935, President Roosevelt signed Executive Order 7037 creating the Rural Electric Administration (REA) as part of a general program to put people to work and relieve unemployment. Why did he feel rural electrification was important? In a speech at Barnesville, Georgia, in 1938, he said, "Fourteen years ago a Democratic Yankee came to a neighboring county in your state in search of warm water wherein he might swim his way back to health....There was only one discordant note in that first stay of mine at Warm Springs. When the first-

of-the-month bill came in for electric lights for my little cottage, I found that the charge was 18¢ a kilowatt hour - about four times what I pay at Hyde Park, NY."

President Roosevelt recognized that electrifying and improving the quality of life in rural America was important to the health of our nation. So, by Executive Order 7037, he created the REA as a vehicle to accomplish that task. In 1936, Congress passed the Rural Electrification Act and gave the REA the authority to make low-interest loans available to power companies that extended lines to rural America.

Unfortunately (for them) by the end of the first year, only seven power companies had taken advantage of the new federal loan program. In fact, an engineer for the United Gas Improvement Co. in Philadelphia made the statement before the 1935 convention of the Edison Electric Institute that, "Only in the imagination...does there exist any widespread demand for electricity on the farm or any general willingness, or ability, to pay for it."

As the power companies did not appear to have any desire to string wire in rural America, REA's second administrator, John Carmody, felt farm people themselves would have to take the initiative. To determine the extent of interest, Mr. Carmody used county extension agents/farm advisors to publicize meetings and to send out form letters. When interest became sufficient, those involved elected officers and directors from among themselves. In 1938, REA had approved \$88 million in loans to rural cooperatives. By 1939, the total had grown to \$227 million. Rural electrification was on its way!

Running an electric cooperative was far different and more technical than running a farm cooperative, and besides, government loans were involved. REA recognized early on that standardization would be required to ensure the cooperatives were efficient, accountable, properly managed and safe.

REA developed material, construction and inspection standards the electric cooperatives were required to adhere to if they wanted to remain an

■(Continued on 16c)



Accountability : We act in accordance with our core purpose and values.

■ (Continued from 16b)

REA borrower. Material was standardized to reduce costs and ensure reliability. Pole framing was standardized to allow construction crews to move from one cooperative to another and not have to learn new techniques. REA developed the two-wire vertical construction standard that is still in use today to eliminate the need of cross-arms on single-phase construction. REA engineers designed high-strength, lightweight wire to reduce the standard 30 poles per mile to 18 poles. This standardization process reduced the cost of building line from the \$2-3,000 per mile in the 20s to \$720 in 1940.

The REA also recognized the need the rural community had for affordable appliances and household and farm wiring. The electric cooperatives were urged to enter the appliance business and many formed power use departments to help wire member homes and farms so they could use the appliances and equipment.

The REA also recognized the need for sound management and consistent financial accounting. Boilerplate bylaws, contracts and other legal documents were developed to ensure the cooperatives were on sound legal footing. Accounting standards, reports and financial ratios were created and are still in effect today for cooperatives that borrow from the REA.

Today, the REA, as we knew it, has been replaced by the Rural Utility Services (RUS). In a move to become more efficient in 1994, the U.S. Congress placed rural water, telecommunications, electric and other rural oriented programs under the auspices of RUS.

So, technically, the correct answer to "Who is responsible for bringing electricity to your area?" should be, "The dedicated member-owners who took the initiative in 1938 to form Egyptian Electric Cooperative Association." Because electric cooperatives were so dependent on the REA for their birth and stability, we understand why many still today call their local electric cooperative the "REA."

Most importantly, by looking back, we identify the values and mission the early electric cooperatives used to electrify rural America. What guided our founders in 1938, still guides us today. Amazingly, their core values, *integrity, accountability, innovation and commitment to community*, are still ours today and form the standards of Touchstone Energy, our national branding campaign. Our core mission 65 years later, *...to improve the quality of life of our member-owners at a reasonable cost*, could just as easily have been the core mission our founders used in 1938.



Touchstone Energy® for our business members...

Are you looking for ways to help control your energy costs? How about information on strategic energy planning? Or survey results compiled by The Association of Energy Engineers?

If so, then visit www.touchstoneenergy.com. On the right side of the opening page, you will see a box labeled "Customer Community." By clicking this box, you will be taken to the "Customer Community" home page where you can access information on energy education, (this includes the survey and strategic planning), newsletters and other information and resources.

Touchstone Energy is a national alliance of more than 600 local, consumer-owned electric cooperatives in 44 states providing high standards of service to more than 17 million customers large and small.

Touchstone Energy cooperatives are local, active members of their communities dedicated to serving commercial, industrial, agricultural and residential customers with integrity, accountability, innovation and commitment to community.



Touchstone Energy®
The power of human connections

Commitment to Community: We show compassion, care, and courtesy to our members and the communities we serve.

Messing with meters may be disastrous

Removing an electric meter can create a situation with dangerous and serious consequences for those involved in such illegal acts, even when there is no attempt or desire to circumvent the meter or divert power. Many people falsely believe that "one-ten" (110 is the electric voltage inside home electric systems) may sting a little, but it is not life threatening.

How wrong they are! What they don't comprehend is that it is electric current that causes their heart to stop beating and not the voltage. The human body can sense currents as low as 1 milliamp or 1/1,000th of an amp. At 5 milliamps, the muscles begin to contract to the point it becomes hard to breathe. At 60 milliamps, the heart stops beating and goes into cardiac arrest. A 100 watt light bulb requires 800 milliamps or 13 times the amount that causes the heart to quit beating!

How much current (amps) is available at a meter depends on many things: how large the transformer is, what size the wire is and how long the service drop is are several of the factors involved. Most services have at least 5,000 amps of fault current available at the meter base. Want that in milliamps? How about 5,000,000 milliamps or 83,333 times higher than the 60 milliamps that cause the heart to go into cardiac arrest!

Not only can the current cause death, but an arc generated at 5,000 amps has devastating results. It can shatter eyeglasses, turn metal into molten bullets and glass shards into missiles. It can ignite the heaviest of cotton and woolen clothing in less than the blink of an eye and melt synthetic fibers right into the flesh.

The best prevention to avoid injury is to allow trained professionals to do the work. If you have need to work on your service panel or some other

reason electric service needs to be shut off, call your nearest cooperative office. We will be happy to schedule a time when a serviceman can disconnect your service for you. If it is an emergency after normal working hours, call our answering service. Most likely they will have the staff person on call contact you to work something out.

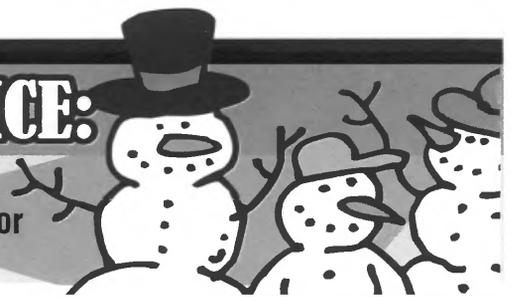
Besides safety, there are other consequences as well. Under Illinois law, the theft of electric energy or other unauthorized use of power by tampering with an electric meter or unlawfully reconnecting electric service which has been disconnected by Egyptian Electric can result in a fine and incarceration in a penal institution. The law provides that the person who has possession or control of the property is legally responsible for any acts of theft of electric service even though that person may not have performed the act. It is not necessary to be caught in the act of tampering or power diversion to be liable for prosecution. Egyptian Electric employees are trained to detect signs of meter tampering or other unlawful use of electricity. When such a situation is found, cooperative personnel secure the assistance of the appropriate Sheriff's department to investigate and prosecute accordingly.

Members should recognize that, when someone steals electricity from the Cooperative, the remainder of the members must pay for that electricity in their bills. If you suspect someone of meter tampering or the theft of electricity, please report it to your local cooperative office. The information will be kept confidential, and you will help save money for yourself and other honest members. You may also prevent the accused from causing serious injury to themselves or others.



HOLIDAY CLOSING NOTICE:

We will be closed Thursday, December 25, 2003, for Christmas and Thursday, January 1, 2004, for New Year's Day.



What to do if the power goes off

We offer these suggestions:

1. Check your main fuses or circuit breakers.
2. Check your meter pole. If you have breakers, make sure they are in the "on" position.
3. If you still have no power, check with your neighbors to see if they have power.
4. **During office hours:** (8 a.m.-4 p.m., Monday through Friday) **call the office number nearest**

you: Steeleville 965-3434 or Murphysboro 684-2143.

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