EGYPTIAN

"Providing electric service to Southern Illinois'

Your Touchstone Energy' Cooperative

Messenger

EPA Rules Would Unfairly Hurt Illinois Coal

This past summer, the Environmental Protection Agency (EPA) released its proposed rule regarding mercury emissions. Since then the EPA has received more than 680,000 public comments regarding their proposal. Due to the massive outcry of public opinion, the EPA has extended the public comment period and expects a final ruling on March 15, 2005. Because the EPA's proposal would give an advantage to Western coal over Illinois coal, both U.S. Representatives Jerry Costello and John Shimkus have been leading opposition to the way the rule is structured.

Under the proposed rule, pollution-control equipment would have to be added to almost 80 percent of the plants that burn Illinois and other Eastern coal. In contrast, only 30 percent of the plants that burn Western coal would be required to do the same. The end result is the utilities that switched to Western coal 10 to 15 years ago will remain with Western coal, and those plants burning Illinois and Eastern coal will bear the financial brunt of reducing mercury pollution or they will switch to Western coal also. The irony of all this is that Illinois and Eastern coal contains less mercury than Western coal and yet under the EPA's proposal would be required to meet a higher standard.

The best policy is a level playing field. The EPA needs to revise its proposed rule and hold Western, Illinois, and Eastern coal to the same standard, thereby letting the marketplace decide which coal is most economical. Illinois Coal can compete on its own when the rules are the same.

A second issue centers on whether the proposed EPA rule should target a mercury reduction level of 90 percent or 70 percent. At present the proposed rule gives plants up to 15 years to install technology to reduce mercury emissions by more than 70 percent. There is no current technology available that any vendor will certify that will



FROM THE MANAGER'S DESK

BY MARK STALLONS

reduce mercury emissions by more than 70-75 percent. Setting the removal rate higher than currently available technology can produce is a very risky roll of dice. In fact, too high a level could force plants to switch to natural gas, despite high prices, or close down.

Some 55 percent of all mercury emissions are from naturally occurring sources such as oceans, volcanoes, and forest fires. Another 42 percent are man-made outside of America. US coal-fired plants produce less than 1 percent of global mercury emissions. Given that coal-fired plants contribute such a small percentage of global emissions, reducing emissions 70 percent using proven technology seems to be common sense.

Reducing mercury emissions is a good and achievable goal, as long as it is done in a common sense manner. A level playing field for all types of coal from different parts of America is fair and reasonable. Using proven technology to achieve a 70 percent mercury emissions reduction target again makes a lot of sense.

LET YOUR VOICE BE HEARD

PLEASE CONTACT THE US EPA AT:

Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460. (202) 272-0167 www.epa.gov

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

Radiant Floor Heat

ave you noticed how trends that begin on the east or west coast, whether clothing, financial, economic or construction, eventually find their way to the central states? I'm sure there are times we wish some of these trends or fads wouldn't find their way here. On the other hand, some new trends bring us improvement and a better way of life. One recent trend on the east coast - the return

to radiant floor heat - is one that promises to bring comfort and efficiency.

Radiant heat has several advantages over other types of heating systems. Radiant heat warms objects in the room instead of the air, providing the occupant with a high degree of comfort. When forced air heating systems come on, they deliver warm air into the room in a relatively short period of time, causing the temperature to climb rapidly. Once the blower shuts off, the room temperature begins to drop. With a radiant system, the heat is held by the objects in the room, whether it be the floor, walls, or furniture in the room. These objects provide "mass," which conducts the heat to the air rather slowly, eliminating the temperature swings associated with forced air systems.

Radiant heat systems used to be rather awkward and expensive to install. Copper tube and fin radiators were placed low along outside walls. These exchangers were rather expensive and required skilled labor to solder the copper pipe and fittings. Furniture had to be placed strategically to avoid blocking the units in the room. These systems also required water temperatures as high as 180° and precautions to ensure no one came into contact with the bare pipes.

With the advent of new plastic materials, radiant floor systems have been totally redesigned. Instead of copper piping, cross-linked polyethylene pipe (PEX) is used. This small (5/16" to 5/8") flexible tubing offers several options for builders. It can be placed directly in concrete for basement or slab-on-grade construction; stapled to a wooden sub-floor and embedded in lightweight gypsum cement; or placed in grooved wooden panels for above-grade construction. The floors can then be



covered with typical floor coverings, such as tile, vinyl, wood, and carpet (carpet does act as an insulator, so the others are preferred. By using PEX pipe and fittings, builders avoid high installation costs and can provide room-by-room zone control. Since there is more pipe and building mass involved, the system uses a lower water temperature (between 100° and 120°)

eliminating burn hazards.

To make sure radiant floor systems heat the areas they are supposed to, it is important to provide insulation beneath them. When embedded in concrete, 2" expanded polystyrene (commonly called blue or pink board) insulation should be installed below the concrete slab. When used above grade, fiberglass insulation should be installed between the floor joists. Many of the grooved wood panels come with foil backing to help reflect the heat upwards, but insulation should still be used.

There are several systems that can be used as the "hot water boiler" for radiant systems. Electric water heaters, propane, and natural gas are very common. Although these systems provide high levels of comfort, they don't really offer any higher levels of cost efficiency than forced air systems. One way to increase the efficiency is to use a geothermal heat pump.

Geothermal heat pumps are extremely efficient generators of hot water. Gas and electric boilers are no more than 80-100 percent efficient while geothermal units are 350-400 percent efficient. Since geothermal units can make hot water and warm or cold air, the same unit can be used to provide the hot water for the radiant heating, warm air for those areas without radiant floor heat, and cool air in the summer. With gas or electric boilers, a separate system is required for summer air-conditioning.

If comfort is an important factor to you when building or remodeling your home, consider radiant floor heat, especially for non-carpeted areas, like bathrooms and kitchens. Walking barefoot to the shower or breakfast table with warm cozy feet can start your day off right.

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.coop



Transfer of Power

Emergency generator safety is your responsibility

The hurricanes this summer and the massive blackout in August 2003 created an increased demand for emergency generators. Tornadoes, ice, and snowstorms here in Illinois can also cause major, long-term outage emergen-



cies. Buying a generator in an emergency is never a good idea. First of all, the price can increase with demand. Even worse, safe installation and use of the generator are often ignored when installed quickly during an emergency.

Improperly installing and running a generator can kill you or the line personnel trying to restore power. Improper use can also damage or destroy appliances and cause fire or carbon monoxide poisoning. The safety of transferring your power needs to an emergency generator is your responsibility.

The biggest concern is proper hookup of the generator. It must be connected through a double-pole, double-throw transfer switch unless you are plugging individual appliances directly to the generator. When using a generator to provide power to the whole house, a transfer switch disconnects your wiring system and generator from Egyptian Electric Cooperative's distribution system. This eliminates any chance of the generator feeding power back into the electric system and injuring repair personnel.

A qualified, licensed electrician should be hired to install the transfer switch in accordance with the National Electrical Code and any local ordinances. The generator should be properly grounded, too.

We can't stress enough the importance of using a transfer switch and hooking up the generator properly. The danger works the other way, too. Should service be restored while the generator is running without a proper transfer switch, the generator can be damaged or destroyed.

Small generators are usually not powerful enough to run your complete household. Overloading can cause damage to the generator and

appliances and cause a fire hazard. Undersized extension cords can also overheat. List all of the appliances you want to use and their wattage totals. Remember, starting loads are often greater and your genera-

tor should be sized to handle this load. A 5,000-watt generator, for example, could run four lights, a furnace fan (only), a refrigerator, and a sump pump. Be sure to start the largest motor or appliance first and don't attempt to speed up the engine for more output. Non-standard voltage and frequency can damage electric appliances.

Install the generator in a clean, dry, well-ventilated area. Do not operate portable generators in rain, snow, or flooded conditions. Water and electricity don't mix! Obstructing ventilation can cause overheating and produce carbon monoxide poisoning. Never operate a generator in a confined area where animals or people could be exposed to noxious fumes. Keep animals and children away from the generator while it is running.

Never fill the fuel tank on portable generators while the engine is running. Gasoline can be ignited by a hot muffler, engine, or an electrical spark. Allow the engine to cool completely before refueling and always store fuel in proper containers.

Don't let a weather disaster turn into a personal disaster. If you need an emergency generator, by all means, purchase one now and have a transfer switch installed before the storm hits. Egyptian Electric offers a full line of Onan Cumins generators with automatic transfer switches that will automatically transfer to generator power in the event of an outage.

Your co-op's line personnel will always work tirelessly to get your power back on as quickly as possible. It's a dangerous job even in the best of conditions. By installing a double-pole, double-throw generator transfer switch, you'll know you've protected them and your home. They'll appreciate your concern for their safety.

Parents Need Vacations Too

re you interested in winning 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, DC, June 10-17, so you can have a week's vacation from them!

That's right. For one whole week they'll be in Washington, DC, 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, make them visit our legislators and maybe 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. 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. 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. Ask their high school English teacher if the instructor will be assigning the contest as a class project or contact Egyp-

> tian Electric Cooperative directly (bcramer@egyptianelectric.coop or 800-606-1505) to receive an essay packet. Essays must be received in either office of the cooperative by March 11, 2005.



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.

"Cooperation Among Cooperatives"

is a lifestyle, an obligation that

strengthens all cooperatives and

ensures that we provide a level of

service second to none.

The Cooperative Spirit



FROM THE MANAGER'S DESK

BY MARK STALLONS

ooperation Among Cooperatives" is the sixth of seven cooperative principals sometimes referred to as the Rochdale Principals. Among electric cooperatives it is a lifestyle defined as follows:

"Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structure."

Over the years, Egyptian Electric Cooperative

Association has successfully worked with other electric cooperatives to provide competitive power supply, legislative, regulatory, safety, research, banking, financial, insurance, information systems, after-hours call centers, and most recently

marketing services. On our own we do not have the resources to economically perform these functions at the same level of expertise that we can when we work together. Over the years we have found that it is a win-win proposition to work together and find solutions that better serve our members.

A great example of local cooperation happened this past Thanksgiving weekend. Around 5:00 p.m. on the Wednesday evening before Thanksgiving, Egyptian Electric received a phone call from the Emergency Work Plan Statewide Coordinator requesting help for another Illinois electric cooperative. MJM Electric Cooperative in Carlinville had been hit hard by an unexpected winter storm. Several inches of heavy wet snow

turned into ice and blanketed the area. Winds with gusts in excess of 50 mph and temperatures dropping into the mid-teens hampered recovery efforts. Roads became impassable with downed trees, poles, and lines. After leaving family Thanksgiving festivities, Egyptian Electric linemen Bryan Diercks and Andy Ahner arrived in Carlinville at midnight ready for work with a line truck, bucket truck, and pole trailer. They returned home Sunday after working three 17-hour-plus days.

Back in September, in response to Hurricane Ivan, 18 Illinois Cooperatives sent more than 100 linemen to Alabama to help restore power to electrical cooperatives devastated by the power of Ivan. Over an eight to 10 day period each linemen logged around 17 hours per day. Most of

our linemen worked at Baldwin EMC on the Gulf Coast just east of Mobile, Alabama. At one point all 50,000-plus members of Baldwin EMC were out of power. Egyptian Electric linemen Billy Korando, James Jones, Darin Prange, Mike Chamness, Bryan Diercks, Glen Degenhardt, Mike Ellis, and Roger Stuva volunteer their skills and time.

"Cooperation Among Cooperatives" is a lifestyle, an obligation that strengthens all cooperatives and ensures that we provide a level of service second to none. The members of Egyptian Electric can be assured that should we ever be hit by a natural disaster such as a tornado, wind, ice, or snow storm, our fellow cooperatives will be there for us. Cooperatives helping cooperatives improve their member's quality of life.

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A Future Lineman?

A local student job shadows Egyptian Electric linemen

f you have a teenage child, then at some point you have experienced the rewarding task of waking them for school. On December 15, that was not the case in the Steeleville home of Andy Reel. That was the day Andy was going to "job shadow" crews from Egyptian Electric. Andy was up early and raring to go that morning.

Andy is one of several students from Steeleville High School signed up for the Cooperative Vocational Education (CVE) program taught by John Sutton. Students in the CVE program spend 4-6 hours per day in school classes and the remainder of the school day on a job. While on the job, they receive wages like any other employee.

The students also receive career

preparation classes. They learn how to prepare a resumé, what they should do before arriving for an interview, and what will be expected of them on the job. Through job shadowing, students can also observe a typical day of work at several local businesses.

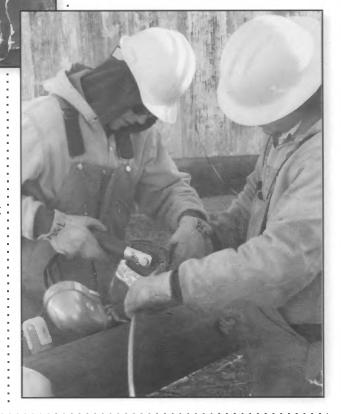
Most students that participate in the CVE program are vocational track students with no college plans. The CVE helps them chose the correct profession and prepares them for their vocational career. Every now and then though, instructor John Sutton finds college bound students signing up for the CVE. Typically, they've earned all of the high school credits they need for graduation and the CVE allows them to work and save money for college while still gaining valuable insight into a possible career choice.

Andy was not allowed to "observe" the Egyptian Electric linemen working the day he job shadowed with them. Rather, the linemen put Andy

through the paces and actually made him do many of the tasks they routinely do. Of course, he received no wages for the day nor was Andy allowed near energized power lines, but he did get to tamp dirt around a new pole, crimp connectors, and install hardware on poles.

After talking with Andy for a little bit, I sensed he had found a career he hadn't considered. Even talk about working in blinding snow in the middle of the night or holidays and weekends to restore power didn't seem to discourage him. He liked the fact that linemen aren't in the same office or building every day and that they work outside.

Andy got a good taste of what line work is all about on his day shadowing the Egyptian Electric linemen because there were frigid temperatures with inescapable winds. Last, but not least, no one reminded Andy that he wouldn't be eating in the school cafeteria that day and would need to bring a lunch. Even after all this, Andy wasn't discouraged from considering line work as a vocation. He would like to live and work in southern Illinois and this may be one of the few careers that would allow him to do so.



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

You Don't Need Flames to Heat Up a Room

Tou don't need messy and hazardous wood or gas to enjoy a fireplace. With a 5,000 Btuh heating element and a realistic flame, you can enjoy the ambiance of a fireplace from any standard outlet in just minutes with an electric fireplace by Electraflame™. They even have a remote control that lets you control the heat and flame from any chair in the room.



These top quality fireplaces take only moments to install, usually less than 15 minutes from unpacking to enjoyment. All that is required is a screwdriver and the installation of four screws.

If you've always wished you had a fireplace to relax by but didn't want the mess, the dangers of wood or gas, or the expense of installing a flue, then stop by either of our offices and check out our electric fireplace options. You won't believe the craftmenship quality and realistic flame until you see an electric fireplace for yourself.



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

Dial-Up Internet Customer Advisory: Internet Modem Switch Scam

The Federal Trade Commission and Federal Communication Commission have recently issued consumer scam alerts for people using dial-up Internet service. Most consumers that access the Internet via a dial-up connection typically access a local telephone number. However, many consumers are surprised to find that they have incurred charges for international calls they did not authorize! These calls are made through their computer modems without their knowledge or approval.

According to the Federal Trade Commission, the national consumer protection agency, this is due to a scheme used by some Web sites to trick consumers into paying to access "free" Internet content. When a "required" viewer or dialer program is downloaded by the user, their modem is disconnected from their chosen local dial access number and reconnected using another, unauthorized, phone number. These unauthorized numbers may be to international destinations such as the Cook Islands, Madagascar, Diego Garcia, or other such remote destinations, resulting in expensive long distance phone charges for the consumer.

To help minimize the chances of becoming a victim, please consider one of the following:

- 1) If you have no need to place international calls, request an International Call Block on your line. This can be done either by contacting your local telephone company or TWN for those members using Egyptian Electric's long distance service.
- 2) If you have the need to place international calls, you may add an Account Code to your TWN long distance account. Doing this will require that an access code be dialed prior to any direct dialed, long distance call being completed by TWN.

Both the Federal Trade Commission www.ftc.gov and the Federal Communications Commission www.fcc.gov are aware of this scheme and have issued alerts to help raise consumer awareness of this issue. For more information, visit the consumer information sections of their Web sites.

If you have further questions, please contact the TWN Customer Service Center at (800) 950-3015 or visit http://ftp.fcc.gov/cgb/consumerfacts/ModemScam.html.



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Tips For Planting Trees ... and Making a Good Investment

With spring around the corner, planting a tree that is compatible with its surroundings is a good investment and great way to add beauty to our world. What is the first step, you might ask? Selecting the proper location is a good place to start. Remember to look up and down to determine where existing overhead and underground utilities are located and call Egyptian Electric Cooperative Association and JULIE to locate all possible utility hazards. The next steps are to select

the proper size tree and follow all planting instructions.

Overhead lines are the easiest to see and are unfortunately the ones we most often take for granted. These overhead lines can be electric, telephone, or cable. Planting tall growing trees near these lines will one day require the tree to be pruned to keep a safe distance between the line and tree. Tall growing trees can cause power outages or blinks when the trees come into contact with overhead lines. A much greater concern is young children who enjoy climbing trees. Any inadvertent contact with power lines by a limb of the tree or the child can be life threatening. Choosing the

proper location for a new tree is the best way to ensure a safe environment for neighborhood children as well as to avoid nuisance outages and blinks.

Underground utilities are often out of sight and out of mind, but are just as critical as overhead lines when determining where to place a new tree. Underground lines include electric, telephone, and cable, as well as water, sewer, and natural gas. Any future repairs to these facilities can damage tree roots and have a dramatic effect on the health and beauty of the tree. It may sometimes be difficult to know if underground



FROM THE MANAGER'S DESK

BY MARK STALLONS

facilities are present.

Remember to call Egyptian Electric Cooperative Association at (800) 606-1505 and JULIE at (800) 892-0123 before you dig even if you think you know where the lines are! Egyptian Electric will locate our electric lines and JULIE will contact other utilities to locate

theirs. The last thing you want is to inadvertently hit something while digging! Your safety is our utmost concern.
Once you know where all the obstacles are located, the next step is to determine the proper size of tree for the location. The International Society of Arboriculture [ISA] defines three zones for different sizes of trees. The "low zone" is for trees less than 20 feet tall. The "medium zone" is for trees that grow no tall-

"tall zone" is for trees that grow greater than 60 feet in height. The "low zone" extends 15 feet to either side of the wires and is for mature trees that do not exceed 20 feet in height. Good ex-

er than 40 feet in height, while the

amples of these trees are Red Bud, Dogwood, and Crabapple. Taller trees in this zone will require pruning in order to provide a safe and reliable

The "medium zone" is for trees that grow no taller than 40 feet in height. These trees are used to frame, decorate, and shade your house. When planting near power lines, these trees should be planted outside of and adjacent to the low zone area. This will reduce the possibility of limbs overhanging power lines or trees that can topple into the lines during wind or ice

(continued on 16b)



emember to look up and down to determine where existing overhead and underground utilities are located and call Egyptian Electric Cooperative Association and JULIE to locate all possible utility hazards.

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storms.

The "tall zone" is for trees that grow 60 feet or more in height. These trees should be kept 35 feet away from houses to allow for proper root development and to minimize potential damage to the house or building. These trees should be planted at least 65 feet from any overhead line. This distance allows the tree to reach its full growth potential without being disturbed by pruning. It will also minimize the likelihood that wind or ice will cause the tree to contact a power line and trigger a power outage.

Finally, follow the planting instructions that come with your tree or check with your local county soil and water conservation district for planting tips. Take time to plan so that you can give your tree a good start in life, create a safe neighborhood for children, create a safe work environment for yourself, minimize power disruptions, and ensure that you and the next generation will enjoy the benefits of your tree for years to come!

For more information on planting and maintaining trees check out www.treesaregood.com.

Planning to dig - call us

Spring is always a good time to start new projects; landscaping, fences, new homes, and many other projects that have been in the planning stages through the winter months are now ready for actual work to begin. If your project requires digging or disturbing the earth, make sure you call Egyptian Electric Cooperative and JULIE at least two working days before you begin.

You may call the Egyptian Electric Cooperative office nearest you (Steeleville - 965-3434 or Murphysboro - 684-2143) or (800) 606-1505 to start the process. We will send a cooperative representative to the site within two working days to locate our underground facilities. He will mark the location of cooperative lines with either red paint or red marking flags.

When digging, please remember the actual lines could be as much as one to two feet on either side of the marks and special care should be taken as you dig near these areas. If by chance you should nick the insulation of a cable, please call the Cooperative immediately so we can have an employee inspect the damage. If the cable is covered up without repair, the damage could be sufficient to allow moisture to penetrate and eventually cause the cable to fail.

A call to JULIE at (800) 892-0123 will make sure that other utilities, such as telephone, cable TV, and water, are notified of your plans. You will need your name, phone number, county, township or town, closest town and distance, township section number, excavation site address, nearest cross road, and the type of work you will be performing. The JULIE representative will give you an authorization number that you will want to write down and keep until you project is complete.

Digging without calling to have underground facilities located can be both dangerous and expensive. Our underground power-lines have as high as

Be responsible and work safely – call before you dig.

Egyptian Electric Cooperative – 965-3434, 684-2143 or (800) 606-1505

J.U.L.I.E. (800) 892-0123

7,200 volts and some natural gas lines have extremely high pressures. As telecommunications becomes increasingly important to all of us, there is more and more expensive fiber-optic cable being placed in rural areas. Should you dig through one of our cables without calling for a locate, our policy is to bill for the damages.

www.eqvptianelectric.coop

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Fire Safety in Manufactured Homes

National Fire Protection Association's fire data indicate that manufactured homes built to HUD standards have a much lower risk of death and a significantly reduced risk of injury if fire occurs compared to pre-standard manufactured homes.

Manufactured homes (formerly referred to as mobile homes) are transportable structures that are fixed to a chassis and specifically designed to be towed to a residential site. Since 1976, manufactured homes have been required to comply with U.S. Department of Housing and Urban Development (HUD) manufactured housing construction and safety standards, which cover a wide range of safety requirements, including fire safety. Post-1976 manufactured homes bear a label certifying compliance.

The HUD standard has been enhanced over the years and the HUD "Final Rule" for smoke alarms in manufactured homes is largely based upon NFPA's 501 Standard on Manufactured Housing. Today, new construction of manufactured housing is required to contain, among other provisions:

- Factory installed hard-wired, interconnected smoke alarms with battery back-up (including alarms inside all rooms designated as sleeping areas).
- A dedicated alarm to protect the living and kitchen areas.
- Provisions for special devices for hearing and visually impaired persons.

Despite the federal requirements for factory installed smoke alarms, 38 percent of 1999 fires in post-HUD standard manufactured homes were reported as having no smoke alarms present. Since the homes are required to be sold with installed or readily installable smoke alarms, this suggests a problem with detection devices being removed by occupants.

■ Fire causes

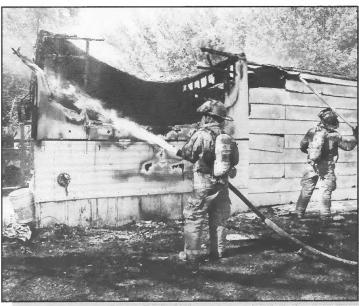
Problems with the electrical system within the home is the number-one cause of manufactured home fires. (For dwellings overall, cooking equipment is the leading cause and problems with the electrical system within the home is fourth.) Other significant causes of fires in pre- and post-1976 manufactured homes are heating equipment, intentionally set fires, and cooking equipment, which are also the three leading causes of fires in all dwellings.

SAFETY TIPS

To increase fire safety in manufactured homes, NFPA offers the following guidelines:

■ Choose a HUD-certified manufactured home

If you are in the market to purchase or rent a



manufactured home, select a home built after 1976 that bears the HUD label certifying compliance with safety standards.

■ Keep smoke alarms working

Never remove or disable a smoke alarm. If you experience frequent nuisance alarms, consider relocating the alarm further away from kitchen cooking fumes or bathroom steam. Selecting a photoelectric smoke alarm for the areas nearest kitchens and baths may reduce the number of nuisance alarms experienced. Test all smoke alarms at least once a month by pushing the "test" button. It is not necessary to use smoke or a real flame to test the smoke alarm's operability, and it is risky to do so. Replace batteries at least once a year, and when the alarm "chirps," signaling low battery power. Occasionally dust or lightly vacuum smoke alarms.

■ Make sure you have enough smoke alarms

If your older manufactured home does not have smoke alarms in or near every sleeping room and in or near the family/living area(s), immediately install new alarms and fresh batteries to protect these rooms.

■ Plan your escape

Know ahead of time how you will get out if you have a fire. Develop an escape plan, which includes having an alternate exit out of every room. Make sure you can open and get out of windows and doors. All post-HUD standard manufactured homes are required to provide windows designed for use as secondary escape routes for the bedroom. Familiarize yourself with their operation and don't block easy access to them. Immediately fix any windows that have been painted or nailed shut, doors that are stubborn or "stuck," and locks that are difficult to operate. Security bars or grates over windows or doors

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(continued from 16c)

should have quick-release devices installed inside, which allow you to open them in an emergency. Hold a fire drill twice a year to rehearse how you will react if the smoke alarm sounds.

■ Electrical

Hire a licensed electrician if you notice flickering lights, frequently blown circuits, or a "hot" smell when using electricity. Use extension cords for temporary convenience, not as a permanent solution. Avoid overloading electrical receptacles (outlets). Electrical cords should not be run under carpets or rugs, as the wires can be damaged by foot traffic, then overheat and ignite the carpet or rug over them. Ground-fault circuit interrupters reduce the risk of electrical shock and should be installed by electricians in kitchens and baths.

■ Cooking

Unattended cooking is the leading cause of cooking fires in U.S. homes. Supervise older children who cook and stay in the kitchen when heating anything on the stove. Keep cooking surfaces clean and place anything that can burn well away from the range. Heat oil slowly and know how to slide a lid over a pan if you experience a grease fire.

■ Heating

Keep space heaters at least three feet away from anything that can burn. When purchasing new space heaters, select appliances with automatic shut-off switches. Turn off portable space heaters before falling asleep or when leaving the room. Refill kerosene heaters outdoors, after the heater has cooled down. Supervise children and pets when space heaters are operating.

■ Walls

All post-HUD Standard manufactured homes are required to have wall linings that do not promote rapid flame spread, with special protection around primary heating and cooking equipment, such as the furnace and cooking range. Do not mount anything on the walls – such as paneling, drapery, or wall hangings – that would reduce this protection, especially near major heat sources.

■ Smoking

If you have smokers in your home, set out large, non-tip ashtrays on level surfaces and empty them frequently. Thoroughly douse butts with water before discarding. Check around and under cushions for smoldering butts.

■ Protect yourself from intruders

Install outdoor lighting to deter intruders, including would-be arsonists. Keep gasoline, charcoal lighter and other flammable liquids locked in an outdoor shed. Don't store items underneath your home. Store firewood away from your home and keep trash and other flammable debris cleaned up. Report any suspicious activity in your neighborhood.



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.
- 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.

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.

"We've Come A Long Way-"

It's 2:00 a.m. on a cold February morning and a foraging raccoon is looking for a warm place to layover before heading back to his den. What he finds is your transformer, warm from the electric load flowing through it. As he crawls on top, his tail flicks across the copper jumper wire and an instantaneous arc appears, knocking out power to the neighborhood. This month, I'd like to take a trip back in history to talk about how the cooperative would have handled the outage back then and how we handle it today.

Back in the early 1940s when even fewer members had telephones than electric service, the cooperative normally found out about outages when someone either made a trip to town or stuck a note in an envelope and mailed it to us.

As this was the time of the Great Depression, you can bet the trip wasn't made just to report an outage, but was rather a trip already planned. Since most members were just getting used to having electric power and used it mainly for lighting, being without was not a major crisis.

When we look at how the cooperative responded to the outage, we might think they weren't too concerned either. As most cooperatives did not invest in radio equipment until the late 40s or early 50s, they couldn't just call a crew by radio and respond to the outage. They had to wait until a crew contacted the office, many times at the end of the day, before assigning the outage to someone. If it was a storm with several lines out, crews had to find a home or business with a phone to call the office to receive their next assignment.

As time progressed and members installed electric appliances they depended on, the outage system also progressed. The cooperative installed a radio system for instant communications with crews. They also installed an after-hours system for reporting outages and members called their local serviceman at home. That may sound archaic



FROM THE MANAGER'S DESK

BY MARK STALLONS

today, but in those days, if your power went out at night or weekends, you called "Sam" at home and he came out to restore your power. This was an improvement over waiting until the next time someone came to town or mailed a note.

As we moved into the 60s, we found that having electric service was becoming a necessity. Members used electricity for heat, nearly everyone had a refrigerator and a well pump, and many had black and white televisions. The cooperative re-

sponded by improving the outage system again. By flipping a switch at the office every evening, the outage line was transferred to an off-premise extension that rang at the home of a staff person. There was now someone always available to take outage calls.

There was now an around-the-

clock response system in place although it did have its drawbacks. With on-call staff rotating between Steeleville and Murphysboro, members had to call one place, then the other if no answer. As all calls came in on the same line, members had to make several calls before getting through during large outages. For staff, it meant they had to stay at home during their week of duty. There were no cell phones, portable radios, or call forwarding. At holidays, it meant family had to come to their house or they stayed at home by themselves. With no desktop computers, every staff person had a desk with large volumes of member listings and service locations.

As technology improved, so did outage duty for staff. With the advent of cell phones, portable radios and call forwarding, staff members were able to move about during their week. If they had

(continued on 16b)

uoblo

ILLINOIS COUNTRY LIVING

APRIL 2005

We have to perform at

our best for you when

we're at our worst

during an outage.

■ (continued from 16a)

a large outage, they still headed home so they could access their member listing, but now they were able to take part in community activities.

As the electric system grew in numbers, management realized one phone line for 13,000 members just did not provide the quality of service the membership was entitled to. In the early 90s we moved to an answering service with a PORCHE system (Primary Outage Response Call Handling Equipment). The PORCHE system was an automated telephone switch that could handle up to eight incoming phone lines. Members were asked to input their phone number, the PORCHE compared the number to a database and retrieved

the member's information and added it to the outage list. The list was faxed to an on-call staff member who analyzed the locations and dispatched crews accordingly.

As we enter the next decade, we are using technology to once again improve our outage response system. In recent months, we have moved from an answering service to a dispatch service designed by electric cooperatives for electric cooperatives. This service has highly specialized and trained customer service rep-

resentatives to take calls from members. Once a call is received, it is forwarded (by computer) to dispatchers who call out crew members and dispatch them. By segregating the tasks involved, the service ensures everyone is proficient and knowledgeable in their responsibility.

In the event of a large outage, our new service has several back-up plans. If the average wait time is outside pre-set parameters, calls are forwarded to an automated response system. As a back-up to this, there is a second office that can answer overload calls or take over in the event of a phone failure or other catastrophe at the primary site.

If the outage becomes a major event as defined by us, their dispatchers will notify our on-call staff to assist them with dispatch duties. Even with their highly trained dispatchers, our staff is more familiar with our electric system and can dispatch crews and resources more efficiently during times of emergencies.

We have also begun the task of computer modeling our electric system. This software will allow our field engineers to input new construction directly to the mapping software as they design new services and locations. Each evening this information will be uploaded to the computer server and then downloaded to all other computers. Crews will have laptops in their vehicles that will allow them to immediately access mapping, system, and member information.

Most importantly, the program automates our outage response service. Information from the dispatch service will be fed to us via the internet and into the outage software. As calls come in, the software will predict what sectionalizing device

may be open. Outages will immediately show up on the system map so staff members can see at a glance where outages are occurring.

As crews are assigned and dispatched to an outage, staff will see such actions on their computers thanks to the new software. Any staff member can see immediately where crews are and what outages remain to be restored. Safety of crews and efficiency in outage restora-

tion will be greatly improved.

The software will also provide us with historic outage records. The operations department will be able to spot areas that tend to have more outages than normal and will be able to allocate resources accordingly to make system improvements.

We have taken this next step in improvement to our outage response service because we are listening to you. Two years ago we conducted a survey of our members and last year our statewide association also surveyed you. Both surveys told us that the majority of the members have contact with the cooperative only in the event of an outage. The message to us was clear. We have to perform at our best for you when we're at our worst - during an outage. This is the time when your rightful expectations of us are greatest and we have a responsibility to you to perform at our best. By using the latest technology, we hope to improve the quality of our outage response service to you and thereby improve your quality of life.



Set It and Leave It

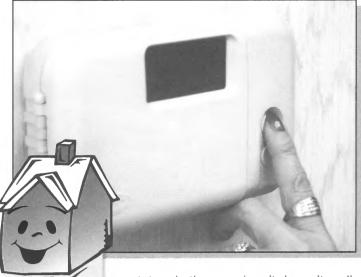
This may seem like the old saying about closing the barn doors after the cows are out, as winter is basically behind us, but since we've run across this situation several times this winter, we felt it important to discuss it now in hopes it might help some members next winter. The issue is, "Why is setting the thermostat up and down with a heat pump a bad thing?"

The answer lies in the fact that, with a heat pump, you essentially have two heating systems - one that is extremely efficient (the heat pump) and one that is so-so (the back-up or auxiliary electric heat strips). The object is to get all of the heat you can out of the most efficient system.

Since a heat pump is also your air-conditioning system, the unit must be sized to the cooling loads of summer. Contrary to what some believe, the cooling BTUs needed in the summer are much less than the heating BTUs needed in the winter. The unit cannot be oversized to handle the winter heating needs, as this would create dehumidification problems in the summer. In winter, there is an auxiliary heating system (the electric heat strips) to help the heat pump during the coldest parts of the season.

The thermostat is what decides which heating system should be operating. If the thermostat senses that heat is needed in the room, contacts within the thermostat turn the heat pump on. If it's extremely cold out and the heat pump cannot keep up, the thermostat senses this and causes the auxiliary heat strips to come on.

Some members turn their thermostat down at night to save on energy. When you turn the ther-



If you have a heat pump, whether air-air or geothermal, old or new, set the thermostat at a comfortable temperature and leave it.

mostat up in the morning, it doesn't realize that you've done this intentionally. What it sees is that it's now set at, say 72 degrees, and it's actually 68 degrees in the house, so it thinks the heat pump must not be able to keep up. The thermostat brings on the auxiliary heat strips to help bring the temperature up to what you've selected.

So, instead of the heat pump providing heat at 240 percent (or higher) efficiency, the auxiliary heat strips do it at 100 percent.

And since everything in the house is now cold from the temperature being set back at night, the unit has to run longer and more frequently until everything is back up to room temperature.

If you have a heat pump, whether air-air or geothermal, old or new, set the thermostat at a comfortable temperature and leave it. By doing so, you'll get all of the efficiency from your heat pump that you can.

Southern Illinois Cooperative

The 2005 Southern Illinois Cooperative Youth Conference will be held June 9-10 on the beautiful campus of Southern Illinois University Carbondale (SIUC). The conference is co-sponsored by the Illinois Cooperative Council and SIUC's College of Agricultural Sciences and is available to Juniors and Seniors in High School.

Students participate in workshops on structure, financing, management, and careers available in cooperatives. The leaders of the workshops are experienced cooperative employees who provide insight into important qualities of all types of cooperatives.

Egyptian Electric
Cooperative annually
sponsors one student from
each of the High Schools in ou
Selection is made by the confe

each of the High Schools in our service territory. Selection is made by the conference sponsors. If you're interested in finding out more about cooperatives or a future career with a cooperative, contact your high school guidance counselor or SIUC Assistant Dean Julia Wetstein at jwetste@siu.edu or (618) 453-2469.

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

Employee Changes at Egyptian Electric Cooperative

please join us in congratulating these employees for their dedicated service to your cooperative.



Gerald Thies

Gerald Thies retired from the cooperative as of January 28, 2005, after 39 years. Gerald has held the position of Billing Coordinator in the Steeleville office.

Gerald and his wife Ruth Ann have three sons and one daughter.

Gerald is looking forward to fishing, hunting, and spending time with his grandchildren.



Darin Prange

Darin Prange was promoted to Journey Lineman on December 2, 2004, at the Steeleville office. Darin has been with the cooperative since November 2002. Prior to joining the cooperative, Darin was

an electrician with Rickenberg Electric in Steeleville.



Scott Gremmels

Scott Gremmels was promoted to Engineering Technician II as of January 31, 2005. Scott has been with the cooperative since June 2004 and works in the Steeleville office. In addition to his promotion, Scott was recently united in

marriage to Michelle Mevert. Scott is responsible for assisting members needing new services and for designing system improvements. You can contact Scott at sgremmels@egyptianelectric.coop or 965-3434.



Sharon Gray

Sharon Gray was promoted to Billing Coordinator in the Steeleville office as of January 31, 2005. Sharon has been

employed in the Murphysboro office since February 1998 as a Customer Service Representative. Sharon and her husband Jim have two married children with one grandchild and one expected in May. In her duties as Billing Coordinator, Sharon is responsible for member billings and the collections thereof. You can contact Sharon at

sgray@egyptianelectric.coop or 965-3434.



Sheila Becker

Sheila Becker was promoted to the position of Operations Coordinator in the Steeleville office as of January 31, 2005. She has been with the cooperative since August 1995. Sheila and her husband Brian have two chil-

dren. Sheila is responsible for all record keeping involving the electric system, including recording material received and disbursed. She is also responsible for scheduling appointments for members needing new services. You can contact Sheila at sbecker@egyptianelectric.coop or 965-3434.

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.coop

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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Line Extension Update

n the early days of rural electrification, the electric pioneers were farmers. The area was sparsely populated, and electrical systems were developed on a straight line design, the shortest distance between two points. Most lines were built directly through the field from one farmhouse to the next. Line spurs or taps to serve one farmhouse were avoided to keep rates as low as possible. Financing was available through the Rural Electrification Administration at a cost of 2 percent for 35 years. These pioneers went to every farm signing up new members for a membership fee. The cost of each line was shared cooperatively by each member through a rate structure designed to repay the R.E.A. over the 35 year life of the loan at 2 percent interest. This structure was fair for all members.

In today's world our rural electric cooperative system serves farms, residential areas, and commercial, and industrial members with large loads. The

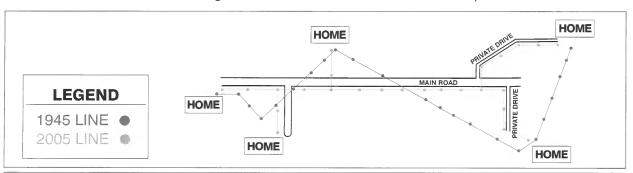


FROM THE MANAGER'S DESK

BY MARK STALLONS

rural electric system is in place, and those members requiring electric service near one of our power lines are not required to pay line extension costs if they are located within 250 feet of the line. In the past our cost to build a line extension was \$3.00 per foot, but we were only recovering \$1.00 per foot from the new homeowner; and you, the member, were subsidizing the other \$2.00 per foot, or two-thirds, of the cost.

The new policy was adopted to provide a level of fairness to all members. Those members who choose to build several miles from a power line must absorb the extra cost instead of passing the cost onto the membership.



A summary of our policy to serve full-time residential homes is shown below:

Description	1989 Policy	2005 Policy	Actual Cost
Overhead line extension cost per foot	\$ 1.00	\$ 3.00	\$ 3.11
Underground line extension Termination & transformer fee Meter pedestal fee Line extension cost per foot Pole riser fee Secondary cable per foot	\$ 450.00 \$ 0.00 \$ 1.00 \$ 75.00 \$ 2.50	\$ 645.00 \$ 950.00 \$ 4.50 \$ 150.00 \$ 4.50	\$ 674.00 \$ 1122.10 \$ 4.47 \$ 188.26 \$ 4.68

(continued on 16b)

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

Line Extension Update (continued from 16a)

In all cases the member applying for new service must provide all rights of ways properly cleared with written easements.

If you are planning a new home or are in need of a new service, we ask that you contact us at least six weeks before you think you will need the service. This will allow our engineering technician time to explain the various options you may have for the new service as well as giving us time to schedule vour extension into the work load.

To facilitate this process for you, we have established a one-call process for scheduling appointments with our engineering technicians. For the Steeleville area, contact Sheila Becker at (618) 965-3434 or (800) 606-1505 and for the Murphysboro area, contact Kay Taylor at (618) 684-2143. They will make arrangements for you to meet with a technician and answer any questions you have about the construction process.

Insulate to save \$\$\$

YOU'VE GOT ONE SHOT TO INSULATE A NEW HOME WHILE IT'S BEING BUILT. DO IT RIGHT AND SAVE ENERGY.

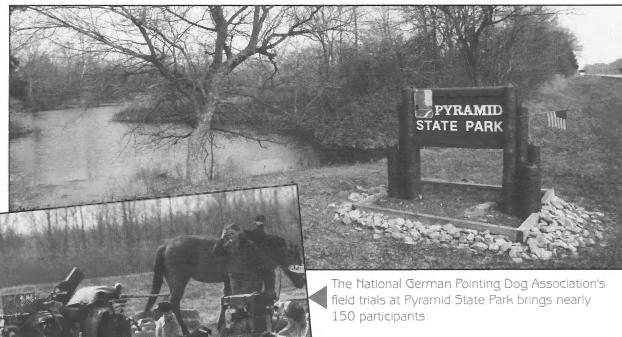
uilding a new home can be a very stress-filled time in one's life. With all of the decisions that need to be made -- from construction plans, to materials, and contractors -- the joy of moving into a new home can be overshadowed with fear and anxiety. The Certified Comfort Home program offered by Egyptian Electric Co-op, can help remove the anxiety of whether your new home will be energy efficient. Here we offer some the insulation levels we recommend.

INSULATION				
WALLS	CEILING	CRAWLSPACE	BASEMENT	ON-GRADE CONCRETE
Total R-value of 19	R-40	R-10 or R-19	R-10	R-10
1		HOW TO DO IT		
With 2x4's, use spray applied cellulose with 1/2" R-3.6 sheathing. With 2x6s use R-19 fiberglass and any sheathing.	Cellulose is the recommended insulation. It has a higher density than other choices and does not allow air to move through it.	Insulate the floor with R-19 fiberglass or the crawl-space walls with 2" pink or blue board.	Use 2" blue or pink board or frame out the walls and use spray applied cellulose or R-11 fiberglass.	Use 2" blue or pink board around the perimeter for all slab floors less than 24" below grade.
A COLUMN TO THE REAL PROPERTY.		ISSUES		The same
House wrap should be installed on the exterior. Caulk all perforations through plates, top and bottom, exterior and interior walls. Spray applied cellulose is the recommended choice. When using fiberglass, do not scrunch it to fit or compress it. Make horizontal slices in batts to allow it to cover wiring.	Vaulted roof-ceiling installations should be completely filled with cellulose insulation. If recessed (can) lights are used, make sure they are the airtight type.	Install a 6-mil polyethylene plastic vapor barrier on any ground surfaces. If insulating the floor with fiberglass, use kraftfaced with the paper towards the crawl space. Use pink or blue board insulation to insulate mud and box sills.	Do not use any vapor barriers in the basement. Vapor barriers could lead to trapped moisture in the wall. Use pink or blue board insulation to insulate mud and box sills.	Contrary to popular myth, concrete has little insulation value. The insulation should cover the slab edge and 24" inward.

Call your local Egyptian Electric office today for a copy of the Building the Home of Your Dreams book, the Certified Comfort Home program manual.

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

From Coal to Diamonds



ocated in southwest Perry County, Pyramid State Park, with its 19,701 acres could best be described as coal turning to diamonds. Birth of the Pyramid State Recreation area came in 1968 when the state of Illinois acquired 924 acres of research ground from Southern Illinois University (SIU). With recent acquisition of property formerly owned by Consolidated Coal, Streamline Coal, and Amax Coal companies, the park now stands at 19,701 acres, making it the largest state park in Illinois.

Prior to SIU ownership, the site was surfaced mined by the Pyramid Coal Company. Before 1962, there were no mine reclamation laws and the most common method of restoring useful production of mined ground was to plant trees. SIU received the property around 1952 to research the success of reclamation practices at that time.

Aerial photos in the park office allow even the most inexperienced eye to see the difference between early reclamation efforts and those of more recent times. The original portion of the park looks like waves lining up to land on a beach as early mining efforts moved soil in front of the "pit" to behind the pit where the coal had been retrieved. In its wake, the mining left waves of soil with valleys and peaks from 20-30 feet high.

Reclamation laws passed in 1968 now require ground be smoothed out and covered with the orig-

inal topsoil. In its wake, current mining techniques leave rolling hills instead of waves. Both early and current mining efforts leave areas of impounded water.

These different mining techniques give the two areas of Pyramid State Park unique recreation opportunities. The original portion of the park, with stands of timber and hills, has nearly 20 miles of trails. These multi-use trails provide exciting horseback and mountain bike riding. For the hiker and nature observer, the hills and secluded ponds and lakes provide a multitude of observation opportunities. There is a Class C campground (drive-in camping with no electricity or shower facilities) for those who wish to camp, as well as numerous picnicking sites. For the true outdoorsmen, there are hike-in campsites as well.

There are a multitude of opportunities for those that enjoy hunting. Turkey, squirrel, rabbit, deer, and other game are in abundance throughout the original portions of the park. Mushroom hunting brings another type of hunter to the park each spring.

For fishermen, Pyramid offers bluegill, crappie, and bass throughout the park. In the original portion of the park, you'll find several large lakes, some with boat docks and ramps, but also secluded lakes and ponds that either requires dragging a boat to them or fishing from the bank. A couple of the larger lakes sport modern boat docks that allow safe fishing for all. In the newer section of the park, you'll find mostly larger lakes that are scheduled to have nearly \$500,000 in boat ramps installed this summer.

The newer portion of the park, with its more open range and grassland, offers hunting opportunities for upland game and waterfowl. It is also a

(continued on 16d)

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

From Coal to Diamonds (continued from 16c)

topnotch field trial area. In field trials, trained dogs are put through exercises and scored on their hunting skills and response to commands from their handler. Judges are many times astride horses so they can observe both the dog and the handler. The park is host to numerous trials and, according to the Pyramid Park Superintendents, is usually booked full during March and early April (by State law, field trials must stop by April 15 each year).

Pyramid State Park may well be one of the region's greatest unknown tourism attractions. The Park Superintendents report that each fall, numerous hunters trek annually from Alabama, Mississippi, Georgia, and other states for weeklong archery deer hunts. Although a few stay in the primitive camping area, the majority prefer the comfort of local hotels and restaurants.

Field trials mentioned earlier are another unknown tourism draw for southern Illinois. A recent conversation with Dennis Spada, representative for the National German Pointing Dog Association, revealed that their field trial for German short hairs brings nearly 150 participants over their 10 day trials. Several of the participants stay in campers at the field trial site while the majority of the participants, like archery deer hunters, stay in town. Spada estimates that with feed and grain for the dogs and horses, fuel for vehicles, and lodging and meals, the participants spend between \$250,000 and \$300,000 each spring. With six different field trial courses, and two trials occurring simultaneously in March and early April, southern Illinois tourism receives a relatively quiet shot in the arm.

Unbeknown to many in southern Illinois, Pyramid State Park may be one of the jewels in southern Illinois drawing tourism visitors regularly to our midst. With the expansion of the DuQuoin State Fair and its facilities, and the new World Shooting Complex in Sparta, southern Illinois may truly become a tourism destination for many. In the very least, it should be a place that we as southern Illinoisans visit on a regular basis. For more information about Pyramid State Park and the recreational activities available there, contact the Park Superintendents, Dave Phillips and Cha Hill at (618) 357-2574 or visit the Illinois Department of Natural Resources at http://dnr.state.il.us.

Nominating Committee Appointed

To: Members of Egyptian Electric Cooperative Association

ursuant 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 67th annual meeting of its members on Tuesday evening July 26, 2005, 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 Raymond Mulholland of Marissa, Gilbert Kroening of Carbondale and Archie Hamilton of Ava will expire at said annual meeting.

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

- Robert Arthur, Carbondale
- Ruth Brown, Rockwood
- John C. Edgar, Ava
- Richard Fager, Murphysboro
- Thomas Horn, Carbondale
- Stuart Langrehr, Evansville
- Roger Morgenstern, Pinckneyville
- Melvin Paul, Marissa
- Dennis Rickenberg, Campbell Hill

Notice is further given that the above nominating committee will meet at the Steeleville office of the Cooperative, located at the west edge of Steel-

eville, Illinois, on Tuesday, May 31, 2005, 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, Gilbert Kroening Secretary

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

Voluntary and open membership • Voluntary and open membership • Voluntary and open membership • Voluntary and open membership

New Technology

dvances in technology are important to the cooperative and have had a major impact on virtually every aspect of our business. Technology has allowed the cooperative to improve member service, outage response and safety, as well as provide operational savings. As with any other business function, technology improvements need to be well planned and in line with the cooperative's purpose. Investments in technology must improve productivity or lower costs, and help us manage the business more efficiently.

Over the years the cooperative has used many different technologies to run its business efficiently and safely. Some of these include material handling devices to safely lift heavy equipment, laptop computers and engineering software to design power

lines, bar code readers that automatically enter your bill payment, outage management software that tracks outages and predicts where the cause is, trenching and boring equipment that reduces the time to install a new underground line, battery operated presses and cutting tools that save time and reduce injuries, an after-hours phone system that handles a large volume of

calls, a customer information database, and numerous other software and tools that improve our efficiency and ability to serve you.

One major project the cooperative began last fall is the conversion of our single-phase residential meters to the Automatic Meter Reading (AMR) system. To date we have installed more than 4,500 AMR systems and are on schedule to have the project completed by mid 2006.

When we began looking at this new technology, we asked several questions:

Will an AMR system improve member satisfaction?



FROM THE MANAGER'S DESK

BY MARK STALLONS

- Will it improve our billing processes?
- Will it free our linemen to do more maintenance work?
- Will it save time and money?
- Will the savings pay for the AMR system?
 - What is the cost of doing nothing?
- Will it help us shorten outage time?
- Will future billing systems support our existing self-read and self-billed billing system?

After answering the above questions, we concluded that the savings of the AMR system would offset the cost of installing the system and that service to our members would be improved. The old system was cumbersome, labor intensive, and burdensome to our members and employees. In addition, the number of utilities using the old method had de-

clined, and billing software companies were reluctant to support or produce software necessary to continue a self-read and self-billed system. It was apparent that the old system would not

last many more years. It had served us well, but its days were numbered. The utility environment has changed and we need to change along with it.

Over the next few months we will begin switching small groups of members from self-read and self-billed to AMR read and cooperative billed. We are excited about using this new technology and improving your quality of life!



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

JUNE 2005

Moving to a Better Way

the members of Egyptian Electric Cooperative have been asked monthly to read their meter, calculate the bill, and submit payment to the cooperative. This system served us and many other electric cooperatives well for many years. But times and technology change and improvements come along that allow for new and better ways of doing things. Automated Meter Reading (AMR) and other new technologies are allowing us to move to a better way of reading meters. AMR offers conveniences for both our members individually and the cooperative as a whole.

With AMR, members will never have to read their meter again. For some members, reading the meter each month may not be much of an issue while those members whose lives seem to have more and more responsibilities fighting for their time, reading the meter each month is just one more task. Sharon Gray, Billing Supervisor, says that forgetting to read the meter has lead to frustration and confusion for some members. "If they forget to read the meter and do not report a reading by the end of the month, our billing software estimates a reading based on past usage. Some members become confused as to what reading they should use for the next month's bill. If they use the wrong reading, it just continues to get more confusing."

For members that wish to simplify the payment of their bills by using automated bill payment options (ACH), we will now be able to offer that service to all of our members. For the busy professional or the retired traveler, knowing their bill will be automatically paid allows them to concentrate on more important issues or to relax without concern. Even if ACH is not used, members that travel for extended periods can have their mail forwarded and not worry about having to find someone to read the meter in their absence.

AMR is great for our older members, those who are physically challenged, or those who have meters at a remote site, such as a grain bin or a cabin. Over the years some meters were put in places that are not necessarily the easiest to access, especially in the elements. Once we have converted to AMR, no member will ever have to climb a fence again to read a meter that is out in a pasture, to guess at a reading, or to make a special trip to retrieve a meter reading.

AMR will be a valuable tool for helping our members determine where and how they use electricity. A history of daily usage will allow our customer service representatives to help members understand and possibly reduce their energy consumption.

The billing department at the cooperative is also

(continued on 16c)

Total AMR Installed



Goal 14.100

May 1, 2005 4,500

Account Conversion

Over the last several months, we have changed a number of old meters to AMR meters at accounts that are self billed and have continued to let the member read the meter. In the near future as we begin converting these accounts to co-op billed, we will notify the members by mail the month before we make the

change, advising them that this will be their last month to read the meter and that Egyptian Electric will read the meter for them and send them a bill the next month.

In the future, as our crews change meters at accounts that are currently self-billed, we will convert the account to co-op read right away. Instructions on how the members should pay their bill are being left in a ziploc bag attached to the meter.

Basically, we will be asking the member to pay the bill as normal in the month the meter is changed. The following month, however, we will mail that account a bill around the 7th of the month and the bill will be due before the 20th.

As always, if you have any questions, please feel free to contact your nearest cooperative office. Our customer service representatives will be more than happy to help you understand the new billing process.

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

"AMR will be a

valuable tool

for helping

our members

determine

where and

how they use

electricity."

looking forward to the day when all meters are AMR. Currently, meter readings from members have to be manually keyed into the system, a time consuming task. With AMR, readings will be electronically transmitted and entered into the billing computer, eliminating human interaction and errors. AMR will also eliminate member subtraction errors.

The billing department would like to issue a word of caution to some. The AMR system is pretty much tamperproof. Pulling the meter, tampering with it, or turning it upside down are all things that will signal the system that something is not right. We will promptly inspect those locations that have reported potential tamper threats. Even if the meter is turned upside down, it will accurately report the amount of kwh's being used. The cooperative does turn all meter diversion and theft of service cases over to the local law enforcement agency.

The operations department has already been receiving benefits from our prior testing of AMR and is anxiously looking forward to the day when the entire system is AMR. According to Jim Grothaus, Operations Manager, the initial experimentation with AMR has allowed us to eliminate reading the meters manually in the city limits of Carbondale, DeSoto, and Carterville. "These communities levy utility taxes, so we had to read those meters each month with meter readers who physically walked to each meter. Our initial testing of AMR was done in these communities so we could eliminate this labor intensive task."

As we move to full deployment, we will no longer have to send a serviceman to read the meter when service transfers from one owner or tenant to another. As our system has grown over the years, these transfers require more and more of our

servicemen's time. We will now be able to redirect some of their time to system maintenance, raising the level of service we provide.

AMR will also help allocate maintenance resources more efficiently by tracking blinks on the system. Shane Hermetz, Manager of Engineering, says, "By examining the blink data, we will be able to determine if there is a brush problem or an equipment problem. If a line suddenly starts experiencing blinks, we most likely have a piece of equipment in the early stages of failure. Our goal is to find it and replace it before it totally fails and takes out the line." If a line is experiencing blinks on a gradual increase or during windy, rainy days, it is most likely a right-of-way issue and resources can be allocated accordingly.

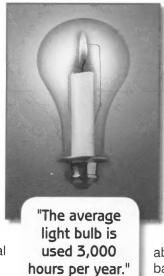
We also anticipate AMR helping to allocate resources during storms. The AMR system can indicate which meters and lines are out of power. Tying this data with the Outage Management System we discussed in the April issue, we will be able to see which lines and how many members are without service very quickly. The system will enable us to assess if we will be able to restore service with our own crews or if the storm was so widespread that we should request assistance from other cooperatives.

Change is not always something that is easy to accept, especially when the change requires someone to give something up. In the case of AMR, we think few members will miss giving up having to read the meter when the temperature is 10 degrees or the rain is pouring down or they have to crawl over a fence. We truly believe that going to AMR is moving to a better way of reading meters.

Candles vs. Light Bulbs

ave you ever been disgusted by the size of your electric bill? Did the thought enter your mind that maybe you would just burn candles instead of turning the lights on? The following information is from an issue of solplan review, an energy magazine out of Canada, that put the value of electric lighting into perspective.

Based on surveys, it has been determined that the average light bulb is used 3,000 hours per year (about eight hours/day). A typical 60 watt light bulb lasts about 1,000 hours, so you would use three of them a year. At \$.09 per kWh (the initial rate block for Egyptian), the electric-



ity would cost \$16.20 per year. Light bulbs are about a \$1.50 a piece, or \$20.70 for a year's worth of light.

At \$6.95 for 25 candles that last six hours each, it takes 500 candles to provide 3,000 hours of light, a cost of \$139.00. A candle emits 12.5 lumens and a 60-watt bulb emits 1060, so we have to burn 84 candles at the same time to have an equal amount of light.

Now our true cost for the same amount of light, for the same amount of time, is actually \$11,676.00. We won't talk about indoor air quality, cleaning costs, or fire risks. Being

able to flip a switch maybe isn't such a bad bargain after all.

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

Six Students Selected for Youth Tour Program



ander and Elizabeth Hamman, Carbondale Community High School; Nickolas Blocker, Sparta High School; Jessica Grammer, Murphysboro High School; Alyssa Staley, Carterville High School; and Kathy Vanderjack, Pinckneyville High School.

The Youth Tour Program is sponsored by the National Rural Electric Cooperative Association (NRECA). Each year more than 1,000 high school students, sponsored by electric and telephone cooperatives from across the nation, travel to Washington D.C., where they visit our nation's capitol and have the opportunity to speak with national and Congressional leaders.

The students were selected through an essay contest offered to sophomores and juniors at each of the area high schools within Egyptian Electric's

service territory. To enter, all students wrote an essay on the topic, "Illinois and/or the federal government should (should not) cap medical malpractice lawsuits." The essays were judged on five categories of writing expertise and an oral recitation.

This will be the 46th year the electric cooperatives of Illinois have participated in the Youth Tour. Many of these students have gone on to hold positions in state legislature and other governmental positions, as well as becoming business and community leaders.

Correction

ast month's Insulate to save \$\$\$ article contained an error. In the Crawlspace column, under Issues..., the copy stated, "If insulating the floor with fiberglass, use kraft-faced with the paper towards the crawl space."

The sentence should have read, "If insulating the

floor with fiberglass, use kraft-faced with the paper towards the floor above."

We are sorry for any confusion this error causes. Please call Bryce Cramer at (619) 684-2143 for information about insulating your home.

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

'Providing electric service to Southern Illinois"

Your Touchstone Energy Cooperative

Messenger



Egyptian Electric Cooperative Association

P.O. Box 38 • 1005 W. Broadway Steeleville, Illinois 62288 Telephone: (618) 965-3434 FAX: (618) 965-3111

Notice of the 2005 Annual Meeting

To All Active Members of Egyptian Electric Cooperative:

The 2005 Annual Meeting of Members will be held Tuesday, July 26, 2005, at 7:30 p.m. at the American Legion Hall in Steeleville, IL. Registration will begin at 5:30 p.m. and each registered member will receive a free gift.

Before the meeting, food and refreshments will be served in the park next to the American Legion beginning at 5 p.m. During the meeting, members will hear reports on the condition of the cooperative and elect three directors. This is your opportunity to participate in the operation of the cooperative. During the business session, a children's program will be offered in the small hall next door.

On behalf of the board of directors, I urge you to attend. Our best advertisement is word of mouth. Please remind your friends and neighbors about the meeting.

We look forward to seeing you on July 26.



Paul Hicks, President Board of Directors

Your Touchstone Energy' Cooperative

FFICIAL NOTICE

67th Annual Meeting

ction will be taken on the following matters:

- 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 of waivers of

notice of the meeting as the case may be.

3. Reading of the 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.
- New business.
- Adjournment.



Gilbert Kroening, Secretary **Board of Directors** Egyptian Electric Cooperative

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

2005

7:30 P.M.

Minutes of the Nominating Committee

"This is my op-

portunity to

participate in

the operation

of the co-op,"

says Langrehr.

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 May 31, 2005, 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 26, 2005, in the Steeleville American Legion Hall.

Attorney Michael Twomey 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. Archie Hamilton, Mr. Gilbert Kroening, and Mr. Raymond Mulholland were expiring this year.

A roll call of the members of the Nominating Committee was taken, and Ruth Brown and Thomas Horn were absent. Attorney Michael Twomey 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. Michael Twomey was selected as secretary of the meeting.

The chairman requested the secretary to read the minutes of the last year's Nominating Committee 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. Melvin Paul nominated Mr. Archie Hamilton and Mr. Raymond Mulholland, seconded by Mr. Dennis Rickenberg, Mr. Robert Arthur nominated Mr. Gilbert Kroening, seconded by Mr. Rick Fager, for the office of

director of the cooperative. Mr. John Edgar 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 26, 2005. The motion was seconded by Mr. Robert Arthur and unanimously carried.

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

Stuart Langrehr, Chairman John C. Edgar Melvin Paul Richard Fager Dennis Rickenberg Roger Morgenstern Robert D. Arthur

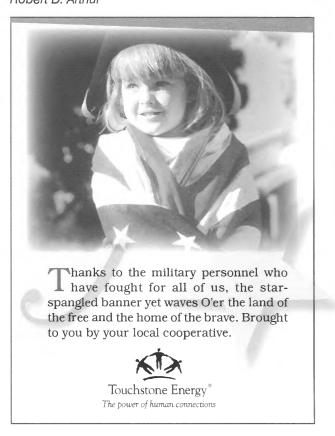
How to Estimate Capital Credits

Total margins of \$759,012.67 for 2004 have been allocated on the books of Egyptian Electric Cooperative. You may estimate the amount allocated to your capital account as follows:

STEP 1.	Add up the total \$ amount paid in
	2004 for energy charges only. Do not
	include taxes or late payment charges.

STEP 2.	Multiply total kwh used in 2004 by
	052357441

The amount computed in Step 4 represents the total amount of capital credits allocated to your account for the year 2004.



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Registration Instructions

egistration will be similar to past years. We will have 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 by 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 \$100 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. To receive your attendance gift and be eligible for attendance prizes, you must register. The person registering must have his/her name on the account. There is no proxy voting.

The preferred 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. There is also an entrance on the north side from the park area.

ENTERTAINMENT

hortly after registration begins, we'll have some country/gospel music in the large air-conditioned hall while you're waiting for the meeting to begin.

Mostly from the Pinckneyville area, "Brothers and Others" country/gospel group brings some familiar faces. Many of you will remember the Priebe Brothers Band that played in this area for a number of years. Steve plays the steel guitar and dobro; Bob plays bass; and Merle is lead guitar and does harmony vocals. The "Others" include Tod Rushing on guitar and vocals; Justin Nehrhorn does piano and vocals; Lance Weil of Vergennes is the drummer; and,

last, but not least, their soundman is Greg Epplin.

About three years ago the group got together to do a Christmas cantata at the church. That was just the beginning. They've continued their church performances, but today they're sharing their talent in more ways than one. Almost all of the money earned by the group goes to charity. They say they're doing it for enjoyment, but they've helped a lot of people. We're confident that you'll enjoy their country/gospel blend of music.



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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Where at? "Watts" up? And Who's on?

t's time for the co-op annual meeting. Gather up your family, friends, and neighbors and join us for a picnic in the park followed by a short business meeting in the air-conditioned hall at the American Legion in Steeleville. The employees and directors are busy preparing for the 67th Annual Meeting of Egyptian Electric.

There will be outside activities before the meeting as long as it doesn't rain. Hot dogs, soda, and ice cream bars will be served from 5 - 7 p.m. in the park pavilion. Should it rain, the food will be served in the small hall. Seating outdoors is limited so you might want to bring lawn chairs.

We have a children's program planned in the small hall starting at 7:30 p.m. with a special prize drawing for the youngsters.

Plans are to have the Convectair demo trailer on site with all types of space heaters on display. Convectair has developed an entire heating line with you in

mind. All Convectair units meet your comfort needs and enhance any décor. The hard part is choosing which one to buy!



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

The House -Senate Energy Debate

nergy experts see a long, hot summer for Washington lawmakers as they try to blend the recently passed Senate energy bill with its counterpart House bill passed earlier this year. Differences in cost, environmental issues, and renewable fuels, such as hydrogen fuel cells, bio-diesel, and alcohol/ethanol blended fuels, will dominate much of the debate as lawmakers try to reconcile two bills that reflect significantly different approaches to developing a national energy strategy.

Legislatively, the Senate bill may be seen as being friendly to environmental interests. It promotes energy-efficiency and conservation programs; requires electric utilities to produce 10 percent of their energy from biomass, solar, water, wind, and other renewable sources by 2020; provides \$18 billion in tax incentives for production of renewable fuels, traditional crude oil based fuels, natural gas, and other fossil fuels; and keeps the Alaskan National Wildlife Refuge (ANWR) closed to oil drilling. The House bill is viewed as being friendlier to oil and gas interests. It opens up the ANWR to exploration and drilling and provides \$8 billion in tax incentives to encourage oil and gas production.

Electric cooperatives are pleased that both the Senate and House bills include clean energy bond provisions that will enable cooperatives to increase their participation in renewable energy projects. However, the cooperatives are opposed to the Senate's mandate that 10 percent of an electric utility's power supply be from renewable sources by 2020. We prefer that Congress provide incentives to make renewable power competitive to traditional sources of power. The nationwide retail cost for electricity from renewable energy without government subsidies is in the 14-38 cent/kwh range, while electricity from coal and other traditional fossil fuel sources is in the 6-14 cents/kwh range. If present trends continue, the



FROM THE MANAGER'S DESK

BY MARK STALLONS

price gap is expected to close sometime in the near future as increasing environmental regulation raises the cost of traditional fossil fuel power supplies and technology advances lower the cost of renewable energy. We prefer to let the market and government incentives for renewable energy work to move us toward the most economical use of biomass, solar, water, wind, and other renewable power sources.

The bottom line is that we are moving from an old power supply price based on regional cheap coal plants that did not recognize the environmental costs to a higher cost clean energy price. No matter what energy legislation is passed, the movement toward a cleaner environment is going to continue to raise electric prices. In order to keep the price of electricity reasonably close to today's price, clean coal must remain a part of the power supply mix. The positive side of all of this is that southern Illinois, with our vast coal resources, has much to gain from the movement to clean coal technology.

In summary, it is critical that our legislators develop a broadly based national energy strategy that encourages (1) the transition to clean energy by providing effective incentives, (2) the development of our nation's vast energy resources including southern Illinois coal, and (3) the implementation of energy efficiency and conservation measures. Rest assured, your board and staff will represent Egyptian Electric Cooperative Association and southern Illinois very aggressively on this legislative issue.

4

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

How the Cooperative Difference Affects Your Rates

35 141 084

Schlumberger

32351

t Egyptian Electric Cooperative the people we provide electricity to are not just customers, they are members of our cooperative. Members enjoy certain rights that customers don't have with other electric providers. For instance, as a member of Egyptian Electric, you can choose to run for a board seat or attend an annual meeting. Because you can vote in the annual election for the board candidates of your choice, our board is composed of people who live and work in the territory that

Many people, however, don't understand the various ways their membership in a cooperative affects their rates. At Egyptian Electric, our rates are based on two main components – the actual cost of the wholesale power we buy and the cost for us to get that power to you. Our power provider, Southern Illinois Power Cooperative (SIPC), also a cooperative, sets wholesale power costs. Egyptian Electric has board members who sit on SIPC's board of directors and work hard to keep rates low, while guaranteeing a long-term and stable supply of electricity.

The second component – the cost for us to get power to you – is all other operational costs, including the cost for poles and lines, the cost and maintenance of trucks and buildings, actual employee costs like wages and benefits, and the costs associated with maintaining records, like the printing and mailing of bills.

A large cost component of getting power to you that many forget about is user density per mile of line. Our consumers per mile of line

consumers per mile for most public power companies. In other words, more than five times the investment in poles and transformers is required to bring service to a rural member compared to someone living in a city or town. This also means that durina storms we have more electric system exposed to the elements and increased repair costs. One of the biggest advantages of being served by a cooperative is that we work only for you: we don't have stockholders expecting a big quarterly dividend.

are 6.5 compared to about 35

We are a not-for-profit enterprise, which means we're working only to provide you with economical, reliable service.

We do collect some money, which is figured into your rates, that is used for capital improvements. It helps us to build many of the expensive improvements we are required to provide. Any money collected in excess of those required funds is allocated to each member's account as patronage capital.

Patronage capital, or capital credits as they are often called, represents your investment in the cooperative and all its assets. While capital credits are not returned every year, the board of directors that you elect considers at least annually whether or not we can return some of these investment dollars to our members. Returning capital credits to members is a practice unique to the cooperative form of business and represents one of the cooperative principles – members' economic participation. Perhaps best of all, the benefits of this economic participation accrues to our community.

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.coop

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- 4.9¢ per minute for STATE-TO-STATE CALLS!
- Toll-free number with the same great rates!
- No monthly service fees, minimums, or cost to join!
- You don't have to be a Egyptian Electric customer to sign up!

1-866-836-6436

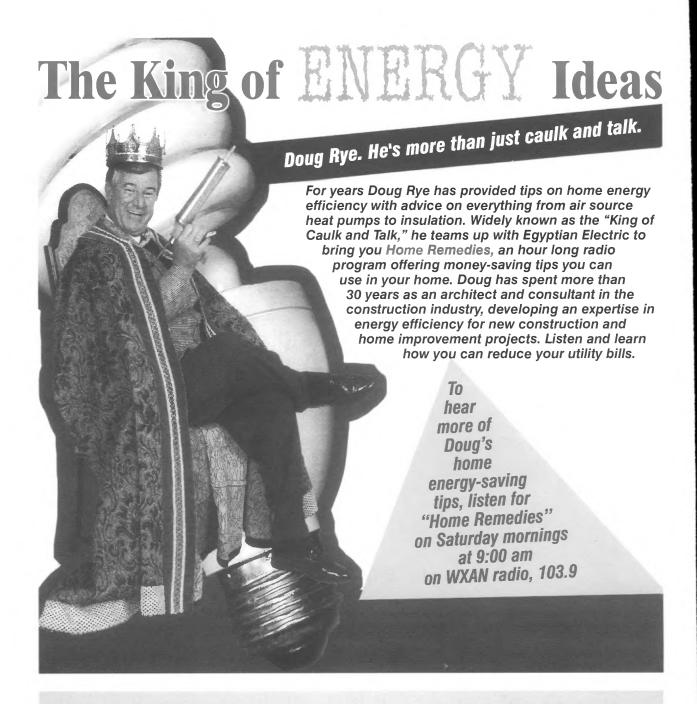


*Taxes and other regulatory charges not included. Domestic rates apply to contiguous 48 states. Certain restrictions may apply. Please call for details.

Services Provided by:

Services Provided by:

TWN TransWorldNetwork



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.
- 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**

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

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Increasing Fuel Costs

2004 saw many good things happen at Egyptian Electric with the startup of our Automated Meter Reading (AMR) project, a new coal mine, and the announcement of the World Shooting Complex. However, we have a number of challenges ahead as well. I think our most difficult challenge over the next few years will be dealing with rapidly increasing fuel costs at Southern Illinois Power Co-op.

The price of fuel is rising all around us. You've seen it at the gas pumps and with diesel fuel. If you use propane or natural gas, you've seen it there as well. It doesn't matter where you live, energy prices are increasing dramatically nationwide.

Earlier this year, David Mohre, Executive Director at the Energy and Power Division at NRECA, our national organization in Washington DC, presented the following information from a Federal Energy Regulatory Commission (FERC) Report detailing the increases in short-term wholesale electricity prices over last winter for several regions.

Short-term wholesale electricity prices over last winter for several regions:

Southern California Pacific Northwest Texas The Mid Atlantic area New York City New England Midwest increased 39 percent increased 35 percent increased 45 percent increased 18 percent increased 23 percent increased 22 percent increased 37 percent

Nationwide the average increase was 37 percent!

Long-term wholesale power contracts have seen increases as well:

- In lowa, a new power supply contract was 69 percent higher than the prior one.
- In Virginia, a new contract increased 71 percent.
- In Maine, a new power supply contract increased 63 percent.



FROM THE
MANAGER'S DESK

BY MARK STALLONS

What's causing this, and what does it mean for Southern Illinois Power Cooperative? And I know what your thinking....what does it mean for you, as members of Egyptian Electric Cooperative?

First: What is causing the rapid increases?

"What does it mean for you?"

- 1. Many states that instituted retail choice, capped rates for a certain period of time. Those rate caps are expiring and as a result, rates are going up dramatically. In Illinois, the mandated rate freeze expires December 31, 2006, so we expect AmerenIP and AmerenCIPS will see large rate increases in the near future.
- 2. The price for wholesale power on the spot market is rising 30 to 40 percent or more compared to last year.
- Natural gas that was \$2.00 in 2002, hit \$8.47 in November 2004. It is currently in the \$7.50 range, and is projected to be \$9.00 this winter.
- 4. Nationwide, our existing transmission system is like a two-lane highway, yet we are trying to use it like a four-lane interstate highway to move energy nationwide. Power congestion on the existing transmission system is driving power costs up. The reality is that it will take a number of years and billions of dollars to build an interstate superhighway transmission system to relieve congestion and allow us to transmit wholesale electricity efficiently.
- 5. Economic growth in developing nations is increasing the demand for energy world wide and driving up prices. As competition for energy increases, so does the cost.

Continued on 16b

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Continued from 16a

 Environmental regulations mandating the reduction in smoke stack emissions have required billions of dollars to be spent installing pollution control devices on coal plants nationwide, just like SIPC did several years ago.

Secondly, what does this mean to Southern Illinois Power Cooperative?

- SIPC has seen carbon prices increase 47 percent.
- 2. Coal prices have increased 34 percent.
- When SIPC has to purchase electricity to supplement its generation or when a unit is down for maintenance, the cost has increased 27 percent
- 4. The cost of natural gas to run our peaking generators has increased 17 percent.
- 5. As a result of all this, in January 2006, the six distribution cooperatives in southern Illinois will see SIPCs rates increase 4-7 percent.

Last, but not least, what does it mean to you as members of Egyptian Electric?

- 1. The wholesale cost of our electricity has increased from:
 - approximately \$13 million in 2002
 - to \$13,627,300 in 2004
 - to approximately \$14,500,000 this year
 - and is estimated to be nearly \$16 million in 2006.
- 2. The bottom line is we are going to have to raise our rates about 5 percent this November and most likely will have to increase rates by a similar amount next year. What does that mean in dollars and cents? If you use 1,000 kwhs, the cost is \$100.00. So your bill will increase \$5.00 a month or about 17 cents per day. 2,000 kwhs is \$164.00 and will increase \$8.20 a month or about 27 cents per day. True, we had good margins last year and expect to this year as well, but with our power costs increasing by as much as \$1.5 million, we'd be \$500,000 short if we did nothing and kept our same rates.

I know you were hoping for good news, but we are continuing to look for ways to reduce costs

and still maintain the high level of service and reliability you expect.

Rest assured that the staff and board of directors are very involved in the decision making process and are keeping the interests of the membership foremost in their minds as we work hard to provide you with reliable and cost effective electricity.



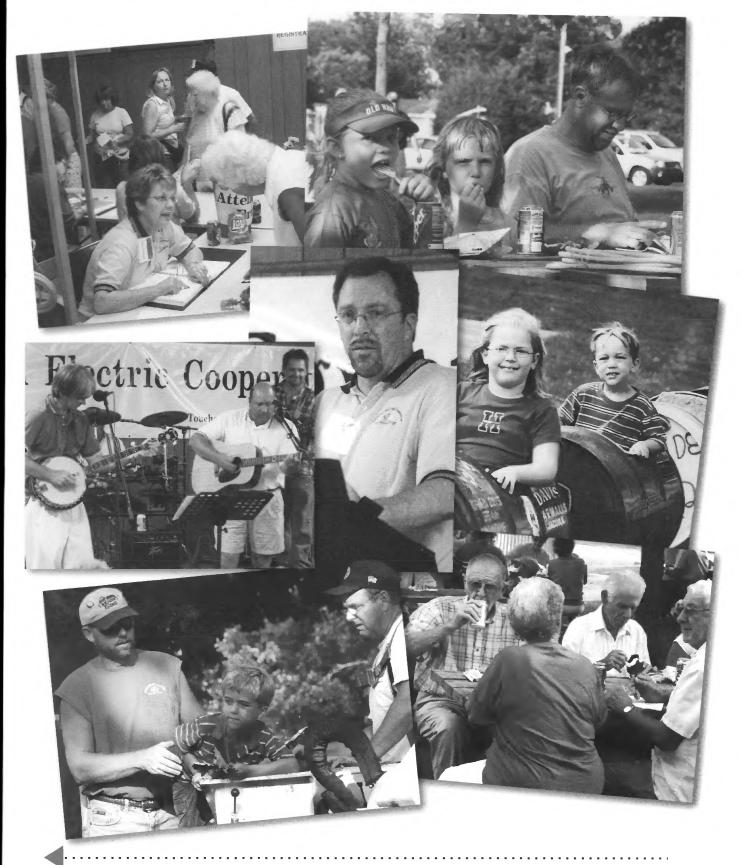
What to do if the power goes off

We offer these suggestions:

- 1. Check your main fuses or circuit breakers.
- Check your meter pole or meter pedestal. If you have breakers, make sure they are in the "on" position. If you live in a mobile home, electric safety codes require a disconnect near the meter, so there will definitely be a set of breakers or fuses at your meter.
- 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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Egyptian Electric Cooperative Association 2005 ANNUAL MEETING



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

Heat Pump Improvements

More advanced

and energy

efficient

he Arab oil embargo of the mid-1970s that created shortages in heating oil and natural gas (as well as gasoline) caused many homeowners and builders to search for alternatives to standard oil and gas furnaces. Many homeowners and builders looked to a system that was relatively new to the residential heating market, promised efficiency, and was not affected by oil shortages - the air-to-air heat pump.

Heat pumps promised increased efficiency and. since most electricity was generated by coal with a seemingly endless supply, heat pumps would not be affected by shortages. Installation of heat pumps grew rapidly in the 1970s and early 1980s in response

to the energy crisis.

With natural gas prices having increased dramatically since 2003, homeowners and build-

ers will most likely again turn to air-to-air heat pumps. The heat pump of today is more advanced than the heat pump of the 1970s and is even more energy efficient. Most heat pumps sold in the 1970s had a 6 to 8 Seasonal Energy Efficiency Rating (SEER). Today, a 10 SEER is the lowest efficiency that can be manufactured and beginning next year, a 13 SEER will be the lowest. High efficiency heat pumps with SEERs of 19 are now available.

Better Than Ever Efficiency

The improved efficiency is due to several innovations. Scroll compressors are commonly used as they have fewer moving parts, are quieter, and are more efficient than standard reciprocating compressors. Two-speed Scroll compressors are even becoming more commonplace. During mild temperatures, whether in heating or cooling modes, these units run on low speed, more closely matching the output to the needs of the home. This reduces energy consumption and unit start-ups, lengthening the life of the equipment.

ECM (Electronic Controlled Motors) fan motors are also becoming commonplace. ECM motors are variable speed, direct current (DC) motors that allow fan speed to be matched to the heating or cooling output, increasing homeowner comfort and energy efficiency. Some manufacturers use ECM fans to control the delivered air temperature. If the temperature falls below a desired level, the fan slows down, allow-

ing the air temperature to increase.

A recent innovation in heat pump refrigerant was driven by environmental constraints, not by the need for increased performance. To reduce the level of ozone depleting HCFCs, the United States signed the Montreal Protocol on Substances that Deplete the Ozone in 1987. This agreement required a phase-out of HCFCs by 65 percent by 2010, 99.5 percent by 2020 and 100 percent by 2030. R-22, the refrigerant most commonly used in air-conditioners and heat pumps is an HCFC. In 1991, Honeywell (then known

as AlliedSignal) introduced a product that has become known as R-410A. The first air-conditioners using this new refrigerant were introduced in 1995 by the Carrier Corporation. Today, R-410A is the most commonly used replacement for R-22.

R-410A refrigerant has several advantages over R-22. It is more environmentally friendly and more effective at capturing heat and then releasing it, reducing the amount of refrigerant needed. It operates under higher pressures than its predecessor, so it cannot be substituted in older R-22 units. Higher pressures also mean higher air temperatures and increased comfort for the home owners.

Geothermal heat pumps still offer the highest efficiency and comfort of all heating and cooling systems

and Egyptian Electric firmly supports their use.

For those members who are not willing or are unable to make the increased investment, or who do not intend to live at the residence long enough to recoup the investment in a geothermal heat pump, air-to-air heat pumps offer a viable alternative.

Proper Installation is the Key to Efficiency

If it is time to replace your air-conditioner or current heating system, consider an environmentally safe and efficient heat pump. To ensure your heat pump provides the comfort and efficiency you expect, follow these installation tips:

 Make sure your duct system is properly sized and replace it if necessary. Improperly sized or designed ductwork drastically affects the comfort and performance of your heat pump.

As heat pumps have a slightly cooler air temperature compared to conventional furnaces, make sure your home is properly insulated. Heat pumps should not be installed in drafty, leaky, un-insulated homes.

If you are used to the high temperatures of wood burners, understand that a heat pump is designed to keep the entire home at a constant temperature level. With wood burners, the farthest parts of the home are generally cool while those near the wood burner are very warm. If a wood burner has been in the room you spend most of your time in, you will most likely feel cool with the more even temperatures throughout the home.

The heat pump has been unfairly blamed for these improper installations in the past. Fortunately, times have changed. Homes are tighter and have more insulation, duct work is properly sized, installers are better trained, and heat pumps have improved.

Is a Heat Pump Right For You?

The Member Services Department at Egyptian Electric Cooperative can help you reach the best decision by performing an energy analysis that estimates the cost of operating different heating and cooling systems. Call (800) 606-1505.





"Cooperatives:

Owned by

our members.

Committed

to our

communities"

"Providing electric service to Southern Illinois"

Messenger

October is National **Cooperative Month**

everal years ago, James C. Collins and Jerry I. Porras authored the popular business book Built to Last. The authors compared nine visionary companies (the likes of 3M, Proctor & Gamble, Wal-Mart) to nine comparable companies that had not faired as well (Texas Instruments, Colgate). The authors found several items that distinguished the visionary companies from the others.

OCTOBER

IS CO-OP

One distinguishing difference the authors found that impressed them the most was that visionary companies have an almost cult-like devotion to a "core ideology" or identity. Although the authors did not study any companies that were cooperatives, their finding of a commitment to a core ideology might

the cooperative form of business. What is this "core ideology" that cooperatives are committed to? Coops are "committed to community," one of the seven principles, and possibly the most important, that make up the Roch-

lead one to think they were studying

dale Principles that cooperatives operate by. There's a lot of talk these days about businesses moving operations offshore to increase profits. Some argue it helps the economy while others say it hurts. No matter your belief, one thing is for certain...those moving operations offshore are not likely to be cooperatives.

Why? As member-controlled enterprises, coops are run largely by people who live and work in the communities they serve. That gives them a different perspective and purpose from businesses owned by distant, profit-oriented investors.

The nation's 40,000-plus cooperatives come in all shapes and sizes. They operate in virtually every industry and range in size from small storefronts to Fortune 500 companies.

Small to huge, local to international, cooperatives have much in common. They are owned and democratically controlled by the people who



FROM THE MANAGER'S DESK

BY MARK STALLONS

use their services or purchase their goods. They are motivated by service to their members, not by profit. Most importantly, they are committed to

> making the communities they serve better places for all to live, work, and play in.

As we pause to celebrate the role and accomplishments of the nation's cooperatives during National Cooperative Month in October, I'd like to take this opportunity to remind you of just

a few things that Egyptian Electric has done and does today to help make our communities better for all.

 Egyptian Electric formed Egyptian Water Company to bring potable water to an un-served area that no one was willing to serve.

Through our "Youth to Washington" essay contest, we annually send six area high school students to Washington, DC, to help them become future leaders.

We annually sponsor numerous electric safety presentations to help keep everyone safe around electricity.

Many of our employees are leaders in community organizations, from Little League to the local Chamber of Commerce.

■ We actively support economic development efforts in the southern Illinois region, both financially and with employee expertise.

We brought a long distance program to the region, helping our members and others reduce their long distance telephone costs.

■ We help members build energy efficient homes and help many others make their existing homes more efficient, saving them money and making their homes more comfortable places to live.

Continued on 16d



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

Geothermal Grant Awarded to Grand Avenue Christian Church

grant was recently awarded to Grand Avenue Christian Church in the amount of \$37,813.50 to help complete the installation of its new facility's geothermal heating and air conditioning system. The grant was funded by the Illinois Clean Energy Community Foundation, and was administered by the Association of Illinois Electric Cooperatives (AIEC). The purpose of the grant program is to encourage the use of clean and efficient geothermal systems to heat and cool public facilities that are served by the Illinois electric cooperatives.

Mark Stallons, general manager of Egyptian Electric Cooperative Association, said, "This grant will be of great value to Grand Avenue Christian Church because geothermal will not only save them money on energy costs, but it is also environmentally friendly."

The grants are available for any facility operated by a government or non-profit organization, and served by an Illinois electric cooperative. Eligible facilities,

such as schools, community centers, libraries and churches, may apply for a grant of up to \$50,000 to help offset the higher initial cost of geothermal system installations.

"Geothermal heat pump systems use very little energy because the technology moves heat from the earth into a building during the winter. Then in the summer, it moves heat from a building back into the earth. A small amount of electricity is used to operate the circulating pumps, fans, controls, and compressor, which along with the heat exchangers are the major components of the geothermal heat pump," said John Freitag, vice president of operations for the AIEC. "Since only a very small amount of electricity is consumed by geothermal space conditioning systems and no fuel is burned, geothermal heating and cooling systems are considered the most energy efficient available today, saving up to 50 percent in energy costs."

While use of this energy-efficient technology has grown in the residential market, it has been underutilized in institutional and commercial installations because of the higher initial installation cost.

"Facility managers and boards are sometimes tempted to move forward with the lowest initial cost heating and cooling alternatives, which mean less efficient, traditional systems," Freitag said.



From left are Paul Hicks, president of the Egyptian Electric board of directors; John Freitag, vice president of the Association of Illinois Electric Cooperatives; Jon Lam, church elder and chairman of the building committee; and Brooks Wilson, senior pastor.

"Traditional systems will have increased energy usage, greater operating costs and a much greater total cost in the long run. By providing the upfront incentive, we hope to make the geothermal decision much easier."

"The Illinois Clean Energy Community Foundation appreciates the leadership of AIEC and Grand Avenue Christian Church on this effort. The church will benefit from improved comfort in its new facility, lower operating and maintenance costs and reduced energy use, leading to less pollution in Illinois communities," said James Mann, Executive Director of Illinois Clean Energy. "At the same time, organizations like Grand Avenue Christian Church can offer their peers and the wider commercial sector proof of the energy and maintenance savings during a building's lifecycle. These benefits far outweigh the initial capital investment for installing a geothermal system."

The Illinois Clean Energy Community Foundation invests in clean energy development and land preservation efforts throughout Illinois. Facilities not serviced by Illinois electric cooperatives can apply directly to ICECF for geothermal system funding. Information on the foundation's other grant programs can be found on their Web site at www.illinoiscleanenergy.org.

For more information about the geothermal system grant program, contact the local electric cooperative in your area, or the AIEC at (217) 529-5561, or go to www.aiec.coop.

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

Hurricane Katrina Relief

Being "Committed to Community" sometimes means more than just taking care of your own backyard. Egyptian Electric Cooperative is proud to say that several of our linemen demonstrated their commitment to the well being of someone else's community by volunteering to help restore electric service to areas devastated by Hurricane Katrina.

Mike Chamness and Glen Degenhardt from Steeleville, and James Jones and Bill Korando from Murphysboro headed their line trucks for Tombigbee Electric Cooperative at Guin, Alabama, northwest of Birmingham, on August 30. The four linemen were notified late Monday, August 29, that they would be dispatched south to help with restoration plans, but until the next morning, they were not sure where they would be directed.

After helping restore service for Tombigbee, they were sent further south to more devastated areas, closer to the coast. Working 16-18 hour days, they spent nearly 10 days helping Singing River Electric Cooperative, headquartered in Lucedale, MS.

At the time of this writing, plans called for the original four linemen to return home the weekend of September 10 and to be replaced by Bryan Diercks and Darin Prange from Steeleville and Roger Stuva and Mike Ellis from Murphysboro. The fresh crews were expected to be sent to Coast Electric Power Association, headquartered in Bay St. Louis, MS, the area hardest hit by Hurricane Katrina. Initial damage estimates from Coast Electric were that they had more than 30,000 poles destroyed by the hurricane.

This is not the first time Egyptian Electric Cooperative has responded to the needs of fellow electric cooperatives that have been devastated by hurricanes. Last year, eight linemen helped Alabama cooperatives restore service after Hurricane Ivan. Egyptian Electric is reimbursed its expenses of loaning crews and equipment to other cooperatives.

Egyptian Electric Cooperative is a Touchstone Energy Cooperative, improving the quality of life of its members and now, through the efforts of its employees, the quality of life of members of other cooperatives.





Hurricane Relief for Cooperative Families

Many in the Illinois electric cooperative family have expressed interest in making financial contributions to support the employees of the Mississippi and Louisiana electric cooperatives. Many co-op employees in those two states lost their homes and possessions, but even though they suffered personal hardships, they remained on the job to restore electric service for cooperative members.

To assist the Mississippi and Louisiana electric co-op family, the Association of Illinois Electric Cooperatives (AIEC, our statewide organization) has established a hurricane relief fund. They are encouraging cooperative employees, directors, members, and others who are interested in helping, to contribute to the IEC Hurricane Relief Fund. One hundred percent of all funds will go towards

supporting co-op employees and families who have been devastated by the hurricane. All funds will be split 50-50 between the Mississippi and Louisiana electric cooperatives.

All donations are tax deductible. We are grateful for the assistance of the Colorado Statewide, which has a 501 C3 organization in place and has volunteered to help with the effort. Because of its non-profit, tax-exempt status, all donations and contributions can be declared on the donor's income taxes. These tax statements will be produced by the Colorado Statewide and distributed by the AIEC after the funds have gone to Mississippi and Louisiana.

Donations should be sent to the IEC Hurricane Relief Fund, care of the AIEC, PO Box 3787, Springfield, IL 62708.

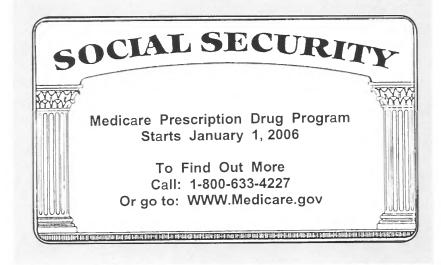
Continued from 16a

■ As noted later in this section, we've helped local organizations receive grants to install energy efficient and environmentally friendly geothermal heating and cooling systems.

■ We help sponsor, through our statewide organization, the Rural Cooperative Youth program at Southern Illinois University Carbondale.

Through our ownership of the Southern Illinois Power Cooperative at Lake of Egypt, we ensure the power plant continues to burn Illinois coal, helping maintain and create local jobs in the mining and trucking industries.

At a time of increasing concern about the national economy, co-ops are helping create jobs, income, and opportunities and are helping make our communities better places for all of us. Perhaps the theme for Cooperative Month in 2004 still says it best: "Cooperatives: Owned by our members. Committed to our communities."



What to do if the power goes off

We offer these suggestions:

- 1. Check your main fuses or circuit breakers.
- Check your meter pole or meter pedestal. If you have breakers, make sure
 they are in the "on" position. If you live in a mobile home, electric safety
 codes require a disconnect near the meter, so there will definitely be a set of
 breakers or fuses at your meter.
- 3. If you still have no power, check with your neighbors to see if they have
- 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 location) 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.

Automatic Meter Reading Update

Our Automatic Meter Reading (AMR) project is going very well. In the past few months we have received many words of thanks from members grateful that we are now reading their meters for them.

In the last few months we have seen dramatic labor savings from the advantages of AMR. Our billing error notices have dropped from around 2,000 each month to 734 error notices this past month. Our estimated bills have dropped from 304 this past April to a low of 97 in September. As the remaining 5,850 non-AMR meters are changed to AMRs, we expect the number of billing error notices and estimated bills to continue declining.

As of October 1, we have installed approximately 8,300 AMRs and are reading and billing all of them from the cooperative's headquarters in Steeleville. The remaining 5,850 non-AMR meters are still being read and billed by our members and will be replaced with AMRs within the next six months or so.

These 5,850 self-billed meters are read by members on the 1st of the month with payment due by the 10th of the same month. As these meters are changed to AMRs, the bill dates are moving to either billing cycle 1 or billing cycle 2. Cycle 1 meters are read by us on the 1st day of the month with payment due on or before the 20th of the same month. We presently read cycle 2 meters on the 15th of the month with payment due on or before the 10th of the following month. Of the 8,300 AMRs installed, about 4,300 meters are on cycle 1 and about 4,000 meters are on cycle 2.

In the next few months we will be changing the reading and payment due dates on cycle 2. Instead of reading on the 15th with payment due on the 10th of the following month, we will read them on the 8th with payment due on the 28th of the same month. This change will level out our office work load as well as move all members to a standard 20 days between the reading date and the payment due date.



FROM THE MANAGER'S DESK

BY MARK STALLONS

Here are a few of the benefits we are seeing from the AMR project:

- Improved member satisfaction
- Improved billing process
- Less billing adjustments & billing error notices
- Less meters read by linemen
- Improved theft detection
- Improved meter accuracy
- Less cooperative labor devoted to meter reading & billing
- Our billing work load more evenly spread throughout the month
- Improved outage data and detection
- Reduced outage response time
- Old system required special programming to maintain
- New system is easily supportable & maintainable

The benefits of the AMR system are many and the annual operational savings more than offset the annual operating cost.

In the next few months we ask for your patience and understanding as we transition billing cycle 2 from the present reading date and payment due date to the new read and payment due dates. If you have any questions, please call our customer service representatives and we will do our best to help you through this transition.

OFFICE CLOSED Our offices will be closed on Friday, November 11, for Veterans Day and Thursday, November 24, and Friday, November 25, for Thanksgiving.

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

Students Encouraged to Apply for 2006 IEC Memorial Scholarships

Egyptian Electric Cooperative's General Manager Mark Stallons has announced that for the eleventh consecutive year, the Illinois electric cooperatives will award academic scholarships to high school seniors. The five scholarships are being awarded through the Illinois Electric Cooperative's (IEC) Memorial Scholarship Program.

High school seniors pursuing a college education anywhere in the United States are eligible to participate in the program. Three \$1,250 scholarships will be awarded to the son or daughter of an electric cooperative member. A fourth \$1,250 award will go to the son or daughter of an electric cooperative director or employee. A fifth scholarship of \$1,250 will be reserved for use at a two-year Illinois community college, and sons and daughters of electric cooperative members, employees and directors are eligible. Deadline for applications to be returned to the cooperative is January 1, 2006.

"The purpose of the scholarship program is to assist electric cooperative youth while honoring past rural electric leaders through memorial gifts," said Stallons. "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, which 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. For further information on the IEC Memorial Scholarship Program, contact Egyptian Electric at (618) 965-3434 or see your high school guidance counselor.



Heating Value Comparison

	Unit Cost	Efficiency	Heating Cost per 100,000 Btu
Electric Baseboard	\$.07 Kwh*	100%	\$1.85
Air-Air Heat Pump	\$.07 Kwh*	190%	\$1.08
Geothermal Heat Pump	\$.07 Kwh*	300%	\$0.68
Propane	\$1.75 Gal	90%	\$2.13
Natural Gas	\$1.32 Therm	90%	\$1.42

*EECA cost per Kwh over 500 Kwh base Values from www.warmair.net fuel cost comparison page

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

You don't need heat to warm up a room!

electraflame® electric fireplaces add a warm, relaxing feeling to any room at the push of a button!

- · realistic flame technology
- sets up in minutes, no special tools
- · utilizes standard household outlet
- wide range of styles and finishes



Visit our office to see a display model



The perfect fix for cold rooms!

Convectair heaters are a very different and innovative line of electric heating products that provide comfort, efficiency, style and safety.

Each Convectair heater has been ingeniously designed with precision and care to meet the high quality standards that make Convectair products unique.

Backed by dedicated expertise and more than 20 years of experience in home heating, Convectair delivers what they promise...warm comfort.

- 120 volt and 240 volt models available
- designed for ease of installation
- models for every room of the house
- safer than "kick over" heaters
- 2 year product warranty and 5 year heating element warranty

Let a Convectair heater tix your cold room this winter!

Visit the nearest Egyptian Electric office today to see the models we have in-stock

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



You hold the power to switch to the Long Distance program brought to you by Egyptian Electric.

CALL NOW and receive rates as low as 4.5¢* per minute.

Absolutely NO switching fees or monthly minimums!

Calling cards and 800 numbers are also available as well as some of the lowest rates available. Now **that's** a reason to SWITCH today!

Call Now 1-866-836-6436



*Taxes and other regulatory charges not included. Certain restrictions may apply. Please call for details. Services provided by TransWorld Network.

What to do if the power goes off

WE OFFER THESE SUGGESTIONS:

- Check your main fuses or circuit breakers.
- Check your meter pole or meter pedestal. If you have breakers, make sure they are in the "on" position. If you live in a mobile home, electric safety codes require a disconnect near the meter, so there will definitely be a set of breakers or fuses at your meter.
- 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.
- Please give your map, section and house (or location) number as found on your billing statement.

Thank You

The board of directors, management, fellow employees, and members of Egyptian Electric Cooperative would like to thank the following employees for their dedication and hard work in helping restoration and recovery efforts from Hurricanes Katrina and Rita.

Andy Ahner Mike Chamness Glen Degenhardt Bryan Dierks Tim Edmonds Mike Ellis

Tom Ernsting James Jones Bill Korando Darin Prange Roger Stuva

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

"Providing electric service to Southern Illinois"

Your Touchstone Energy' Cooperative

Messenger

Winter Heating Tips for Your Home

Winter is fast approaching and the cost of natural gas and propane has increased significantly since last year. If you're wondering what you can do to help reduce your heating bill, please consider the following tips.

- Use a programmable thermostat that automatically adjusts your thermostat setting back at night and during the day when no one is home; or remember to manually change the temperature setting every day unless you have a heat pump. Heat pumps are more efficient when you select a comfortable temperature and leave it there.
- If you stay alone in a large house, try to confine your activities to one room and leave the remainder of the house at the low nighttime set-point. Heat your daytime activity room to a comfortable temperature with an electric space heater.
- Use electric blankets or quilts for sleeping comfort and allow a lower nighttime setting.
- Change your furnace filter as often as it gets dirty. Buy several when you shop so that you will have one when you need it.
- Seal large air leaks around plumbing pipes, wires, chimneys, and other penetrations through your floors and ceilings. You can find these in your attic or basement.
- Make sure that all your storm windows are closed during the winter weather. Repair or replace broken or missing storm windows.
- Open drapes and blinds on your home's south-facing windows during the day to let



FROM THE MANAGER'S DESK

BY MARK STALLONS



- Remove all window air-conditioning units and store until next summer; shut and latch the window.
- Make sure you properly service and maintain your heating system.
- Be sure that your walls are filled with insulation and that your attic has at least 8" of insulation. Nothing can compensate for lack of insulation. Insulate your walls and attic if they need it.
- Ask your local heating and cooling contractor to provide a cost estimate for upgrading to a geothermal heating system or a new energy efficient air-to-air heat

The last two ideas will require some planning and budgeting on your part. If you need any assistance, give us a call and let our energy expert help you.

If you want to do more research, please consider checking out the source for this article, John Krigger, Saturn Resource Management. Mr. Krigger is a nationally known author of numerous energy efficiency books, including Surviving the Seasons and Residential Energy: Cost Savings and Comfort for Existing Buildings. Visit his Web site at www.srmi.biz.



If you need any assistance give us a call.

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

Coal Makes a Comeback

Actually, if you listen to his comments each time a coal-laden truck labors up the incline while climbing out of the mine pit, you might think he loves coal. After working several years for Consolidated Coal Co. and then with the State of Illinois as a mine inspector, Lauzan seems to be at home mining coal for the Knight Hawk Coal, Prairie Eagle Mine, northeast of Percy.

In early November, Lauzan gave several employees of Egyptian Electric Cooperative a tour of the new mine and its facilities.

The cooperative supplies power to the mine's coal processing and truck load-out facilities and came on-line in mid-August.

At present, the Prairie Eagle Mine is a surface mine, but does not strip coal as in the past. Most surface mines remove the over-burden above the coal seam and move the rock and dirt behind the pit to where the coal has been removed. The pit actually seems to move over time until it gets to where the coal seam ends or the mine decides to stop mining. Prairie Eagle, on the other hand, uses what is called a continuous miner.

The continuous miner at first glance looks like a tug boat with a lifting crane in front of the wheel house and a paddle wheel in front of that. With a continuous miner, the overburden is removed to create a cut in the ground several hundred feet wide. After the coal is removed from the cut by traditional means, the continuous miner takes over.

Once the miner is positioned along the face of the mine cut, a huge cutting head is pushed forward into the coal seam. Behind the cutting head is a beam 20' long and 7' wide that has twin augers inside moving coal to the back and out the rear of the miner. The crane is used to place the next beam in position so the head can be pushed even further into the coal seam. The continuous miner can bore horizontally nearly 700', although on this day the coal seam only required a bore length of 250'.

When the bore is completed, the machine is moved over in preparation for the next bore. What is left behind is a serious of horizontal caves. As a pillar is left between each bore, the ground above will not subside. Once the continuous mine has made a complete circuit around the cut, it



is moved to a new cut nearby and the old cut is filled-in.

Once removed, the coal is hauled to the processing plant, where rock, iron, and some of the sulphur is removed. It is then trucked away to be loaded on barge or rail to be transported to the end user.

Prairie Eagle is the fourth mine that Knight Hawk coal operates in Jackson and Perry Counties. Plans call for a fifth mine to open in early 2007.

Although coal will never return to its prevalent stature of the 70s and 80s, Egyptian Electric Cooperative is excited to see successful efforts like Knight Hawk Coal make mining a strong part of the economy of southern Illinois. We are even more excited to be a part of the effort by supplying the power to the processing and load-out facility that makes it possible.

What to do if the power goes off

WE OFFER THESE SUGGESTIONS:

- Check your main fuses or circuit breakers.
- Check your meter pole or meter pedestal. If you have breakers, make sure they are in the "on" position. If you live in a mobile home, electric safety codes require a disconnect near the meter, so there will definitely be a set of breakers or fuses at your meter.
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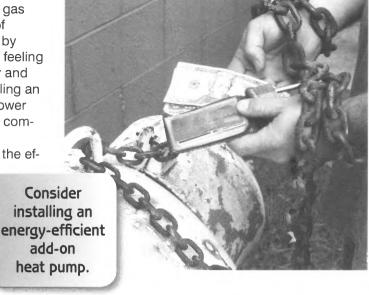
Cut the Chain to High Fuel Costs

Since Hurricanes Katrina and Rita, we have all felt the burden of rising prices at the gas pumps. We've also heard the predictions of propane and natural gas prices increasing by nearly 30–40 percent this winter. Instead of feeling chained to your propane tank or gas meter and just accepting the increase, consider installing an energy efficient add-on heat pump. You'll lower your heating costs while staying warm and comfortable all winter long.

Add-on heat pumps take advantage of the efficiency of heat pumps and combine it with a propane or gas furnace to make a very economical heating and cooling system. The add-on heat pump replaces the existing air-conditioner outside and uses the air handler of your existing furnace, reducing purchase and installation costs considerably.

Heat pumps absorb heat that is in the air outside, compress it with electricity to make it hot, and then move it inside to heat your home. This makes heat pumps extremely efficient. With gas and propane furnaces, a portion of the heat goes out the flue, making them less than 100 percent efficient. With heat pumps, however, you get 3 to 3.5 btus of heat for every btu used, making them more than 300 percent efficient.

Add-on heat pumps and existing furnaces work well together to heat a home all winter long. When temperatures are above 30 degrees, the



As you can see, installing an addon heat pump to an older-style 65 percent efficient furnace could result in annual savings from \$800 for propane to \$1,400 for natural gas. With a newer, 90 percent efficient furnace, the annual savings range from nearly \$900 for propane to \$450 for natural gas.

Installation costs will vary depending on the size required and the amount of work necessary to make the retrofit. The estimate for a three-ton heat pump for our sample home was \$3,000. Savings from the heating costs alone would pay for the retrofit in two to six years and depending on

Furnace Efficiency	Add-on HP w/Propane	Propane Furnace Alone		Natural Gas Furnace Alone
65%	\$583.91	\$2005.68	\$560.07	\$1385.53
90%	\$559.50	\$1448.55	\$543.93	\$1000.66

(Individual operating costs will vary depending on home size, life style, and energy efficiency of the home.)

heat pump provides all of the heat the home needs. As temperatures fall, the furnace takes over. The thermostat does this automatically so the homeowner can relax and enjoy the comfort and efficiency of the system.

How much will I save and how much does an add-on heat pump cost to install?

The chart above shows are estimated annual operating costs for a 2,000 square foot home with a three-ton cooling system with costs of \$.07 per kwh electricity, \$1.75 per gallon propane, and \$1.32 per therm natural gas.

the age and efficiency of the air-conditioner being replaced, air-conditioning savings may shorten the pay-back period further.

If your home has typical insulation and has been built in the last 40-50 years, you are a prime candidate for saving money by installing an add-on heat pump. Contact your heating and air-conditioning contractor today to find out how you can cut the ball and chain to your propane tank or gas meter.

Security Deposit Policy to Change

nnovation and accountability, two of the Touchstone Energy® core values, are leading Egyptian Electric Cooperative to revise its security deposit policy, effective Jan. 1, 2006.

In the past, all non-owners of property were required to post a \$50 security deposit, regardless of their credit-worthiness. The deposit amount had been the same for more than 25 years.

Rather than increasing the amount of the deposit and affecting all new members, the cooperative has decided to use technology to increase the security deposit of only those that pose the greatest credit risk to the cooperative.

Effective Jan. 1, 2006, the cooperative will begin using a utility credit rating service to determine the security deposit amount for new members. The credit rating service rates an individual's credit worthiness based on their past payment history at other utilities and service providers.

If the individual's credit risk to the cooperative is

high, they will be required to post a deposit equal to 2 ½ times the average monthly bill of the service they are requesting connected, regardless of whether they are renting or purchasing the property. If their credit risk is moderate, they will be required to post a deposit equal to 1 ½ times the average monthly bill. If they have a low risk, they will not be required to post a deposit.

In all cases, the member may request the deposit be returned after one year if they have:

- no more than two late payments during the past 12 months
- no collection trips have been made during the past 12 months
- no insufficient funds checks were received during the past 12 months.

Through technology and new innovation, the cooperative's goal is to affect only those that truly pose a risk to the cooperative, while making it even easier for those with good credit to receive service.

H₂O Heater Help

Which element of a water heater works the most and which is the first to fail? How can I check if my DIP tube is still intact? Am I receiving the amount of hot water I should?

The answer to these and other water heater technical questions are only a click away at www.stateind.com. On the home page, look under *Customer Care* for the FAQ's Information Central page.



OFFICE
CLOSING
The cooperative office will be closed
Monday, December
26 in observance of
Christmas and Monday, January 2 for
New Year's.

Tips for Fuel Efficient Driving

Keep your engine properly tuned.
If your car has a faulty
oxygen sensor, your fuel
economy may decline by
as much as 40 percent.

as much as 40 percent.

Check and replace air filters regularly.

Replacing a clogged air filter can improve gas mileage by as much as 10 percent.

Keep tires properly inflated.

Under inflated tires can reduce gas mileage by 0.4 percent for every one psi drop in tire pressure. As the weather turns colder, the air pressure in the tires will

drop.

Drive sensibly.

Aggressive driving, (speeding, rapid acceleration and braking) wastes gas by as much as 33 percent at highway speeds and by 5 percent around town. Sensible driving is also safer.

Observe the speed limit.

Gas mileage decreases rapidly at speeds over 60 mph. Each five mph you drive over 60 is like paying another \$.10 per gallon for gas.

Remove excess weight.

An extra 100 pounds in your vehicle can reduce miles per gallon (MPG) by up to 2 percent.

- Avoid excessive idling. Idling gets 0 MPG.
 - Use cruise control.

Using cruise control on the highway helps maintain a constant speed. It may also save a ticket.

Use overdrive gears.

When you use overdrive gearing, the car's engine slows down. This saves gas and reduces engine wear.

(1) Plan and combine trips.

Duplicate and unnecessary trips waste gas. Adopted from www.fueleconomy.gov

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