7784 Old Hwy. 50 ■ P.O. Box 517 ■ Flora, Illinois 62839 ■ www.ceci.coop ■ 618/662-2171 ■ 800/582-9012

From the Manager

othing makes me prouder to be a member of the cooperative family than seeing us all come together against the storm. I have fond memories of the brotherhood that comes with working with storm restoration crews from my many years as a lineman. Clay Electric Co-operative joined with cooperatives across the eastern United States to restore power in the wake of Hurricane Dorian. More than 350,000 homes were left without power across the Carolinas as Hurricane Dorian battered them with high winds and torrential rain. Cooperative crews answered when called and together have helped bring peace of mind and safety to

the members affected by this hurricane. 14118-001

It's the time of year when the leaves change color, the nights get cool and pumpkin spice gets put into everything. It's also coming quickly up to harvest time. This is a time of year that we ask our members to be especially careful. Tall corn and blind country corners have caused many accidents over the years, and we want all our neighbors to come home safe each night. Slow down and be mindful of areas of poor vision and the farm machinery that will be moving from field to field across the roads this harvest season. For our farmers, we want you to remember just how tall

your equipment can be. Keep an eye out for overhead lines that can be caught by tall machinery with potentially fatal results. It's up to all of us to be safe this harvest season.

As you flip through your newsletter, keep your eyes peeled for your member number. There are three member numbers hidden in Clay Electric News. If you find your number and give us a call, you win \$5 off your next bill!



Luke Johnson **CEO**

What's the Duck?

The Duck Curve is something that you will see a lot of if you are researching installing solar photovoltaic (PV) panels as a source of green energy. The Duck Curve comes from a chart published in 2013 by the California Independent System Operator (CAISO). CAISO is one of several organizations that coordinate, control, and monitor the electric grid under the Federal **Energy Regulatory Commission** (FERC). These organizations monitor energy markets and work to make sure that there is enough power production to cover demand in their region. 11579-001

The Duck Curve, named for the graph's resemblance to a duck, shows the difference in electricity demand and the amount of available solar energy throughout the day. It's a snapshot of a 24-hour period in California. The trouble with the Duck Curve when it comes to power generation is that solar generation is at its peak during the middle of the day while the peak demand for power is in the evening. As more and more solar generation is built into the grid, the more dramatic this difference becomes. To provide enough power for all the electrical consumers in the market, expensive peaking facilities must be brought online in the evening or widespread outages and brownouts would occur. Otherwise, more traditional powerplants would need to 'idle' through midday to be able to produce power when it's needed in the evening.

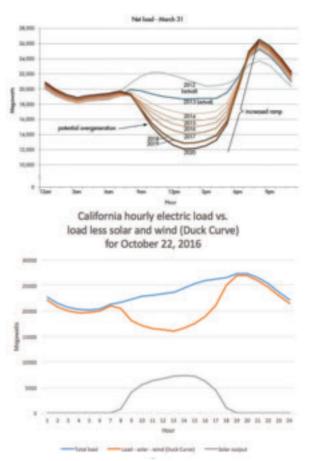
As we move forward toward a greener, more renewable power

grid, we will need to find ways to get around the variable nature of current energy technologies. Batteries and other storage technologies are developing but are still too expensive for most residential uses. The steep ramp up in demand in the evening is a major issue that we can currently only solve with backup traditional power sources.

Green energy sources are an important part of the grid's energy portfolio, but until energy storage technology catches

up with other technologies, it can only be a part. Within the last year, we have seen a polar vortex hit our state with temperatures so cold wind turbines had to be taken out of production for fear that frozen hydraulics would damage the machinery. In Texas, high temperatures led to a lack of wind. Both were instances of renewable energy being unable to show up when needed during times of high demand. Solar power doesn't show up to market when its cloudy or at night.

Even though there are hurdles yet to clear when it comes to transforming our energy grid into a greener, more renewable grid, the future



looks bright as advances in technology continue to be developed. As your cooperative, it is our business to help you get the best benefit you can from any energy endeavor. If you have been approached by a renewable energy company, have been researching renewables, or simply have questions, please don't hesitate to call us. We are here for our membership to help you find the best answers to your situation. We are happy to work with solar installers on member-owned generation systems. The most important thing I can stress to you, our members, is that communication is key. Please let us answer questions and help you make the best decision for you.



Every month we will have three member numbers hidden throughout Clay Electric News. If you find your member number that corresponds to the one found on the upper right corner of your bill, call our office and identify your number and the page it's on. If correct, you will win a \$5 credit on your next electric bill.

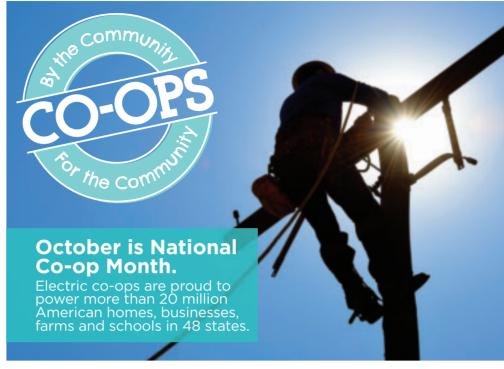
By the community, for the community **October is National Co-op Month**

By Anne Prince, NRECA hen you think of October, pumpkins, Halloween and beautiful fall foliage naturally come to mind. But October is notable for another reason - it's National Co-op Month! This is the time of year when cooperatives across the country, including Clay Electric Co-operative, celebrate who we are and more importantly, the members

Cooperatives are different than other types of businesses. When the market declines to offer a product or service, or does so at a high price, co-ops intervene to fill the need. Similar to how Clay Electric was built by members who came together to bring electricity to our community, cooperatives are conveners for the common good. Your electric co-op exists to provide safe, reliable and affordable energy to you, the members of the co-op. Equally important is our mission to enrich the lives of the members we serve. 6603-003

As a co-op, we are well-suited to meet the needs of the community because we are locally governed. Clay Electric's leadership team and employees live right here in the community. Our board of directors, who helps set long-term priorities for the co-op, live locally on co-op lines. These board members have been elected to the position by neighbors like you.

We know our members (that's you!) have a valuable perspective. That's why we are continually seeking your



input. Whether through community events, our social media channels or the annual meeting, we want to hear from you. Our close connection to the community ensures we get a first-hand perspective on local priorities, thereby enabling us to make more informed decisions.

Another feature that sets our co-op apart from a traditional utility is one of our core principles, "Concern for Community." We participate in the Electric Cooperative Youth Tour, where we take our community's brightest young people to Washington, D.C. for a week-long immersion to experience democracy

Ultimately, the larger community

benefits from these programs because of you and your neighbors. You empower the co-op through your membership and through your participation in and support of these programs.

We hope you will think of Clay Electric as more than your energy provider, but instead as a local business that supports this community and powers economic development and prosperity for the people. We will continue to learn from our members about their priorities so that we can better serve you - because your electric co-op was built by the community, for the community.

Energy Efficiency Tip of the Month

Heating requires more energy than any other system in your home, typically making up about 42% of your energy bill. With proper equipment maintenance and upgrades like additional insulation and air sealing, you can save about 30% on your energy bill. Source: energy.gov



Minutes of the Board of Trustees Meeting

August 26, 2019

he regular meeting of the Board ■ of Trustees of Clay Electric Co-operative, Inc. (CECI) was held at the Clay Electric Co-operative Headquarters, Flora, Illinois beginning at 7:00 o'clock p.m. on Monday, August 26, 2019.

Trustees present were: Frank Czyzewski, Kevin Logan, Bill Croy, Bob Pierson, Richard Rudolphi, Neil Gould, Greg Smith, Danny Schnepper and Frank Herman. Also present were Luke Johnson, CEO; Tyra Cycholl, Attorney for the Board; and Don Gulley and Paul Freitag with SIPC. The meeting was opened by Richard Rudolphi, who presided, and Bob Pierson, Secretary, acted as secretary thereof.

The invocation was given by Bob Pierson, followed by the pledge of allegiance.

The following proceedings were had [all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board or without dissenting vote of abstention unless otherwise stated]:

APPROVED, the Suggested Agenda.

HEARD, from Don Gulley and Paul Freitag regarding SIPC Strategic Planning.

APPROVED, the Consent Agenda including the following:

- **APPROVED**, the prior meeting minutes;
- **APPROVED**, (a) to admit to membership those 9 applicants connected for service since the last such review by the board, and (b) cancel those 9 former members shown on the Manager's Report since the last such review by the Board, said members no longer taking service;
- **APPROVED**, the Work Orders;
- APPROVED, the Disbursements;
- **APPROVED**, the Credit Card Statements;
- **REVIEWED**, the Attorney

Retainer;

- **REVIEWED**, the Insurance Certificates:
- **REVIEWED**, the Account Summary Report;
- **REVIEWED**, the AIEC Regulatory Compliance;

REVIEWED, the Federated Litigation.

APPROVED, the deceased estates. APPROVED, Policy 300-6 as presented.

DISCUSSED, Solar Policies and total avoided cost model for all renewable energy.

HEARD, from Don Gulley regarding the political climate in Springfield regarding solar.

APPROVED, Policy 600-2 with Total Avoided Cost and grandfathering current solar accounts until December 31, 2019.

Thereafter at 8:28 p.m., Don Gulley and Paul Freitag left the meeting.

REVIEWED, the NRECA Region 5 and 6 meeting to be held in Milwaukee.

REVIEWED, the CFC Quarterly Loan Payment.

HEARD, a report by Kevin Logan regarding AIEC meeting held August 15, 2019.

At 8:41 p.m., **APPROVED**, entering into Executive Session.

AT 8:49 p.m., APPROVED exiting Executive Session and returning to Regular Session.

APPROVED, allowing Luke Johnson to increase the budget up to \$15,000 to purchase a forklift.

HEARD, a financial report by Luke Johnson as to the following:

- July 2019 Form 7;
- July 2019 Balance Sheet;
- July 2019 Cash Flow;
- SIPC Power Delivered in July 2019 dated August 8, 2019;
- July 2019 Power Factor;
- July Power Cost Adder;
- July Line Loss;
- Monthly Reconciliation.

HEARD, a Safety Report for the

month of July.

REVIEWED, the Monday morning safety meeting sheet dated August 26, 2019.

HEARD and APPROVED, the Manager's report by Luke Johnson on the following topics. June Operations Report; 2020 Annual Renewal Rates; Communications Report;

REVIEWED, the June Operations

DISCUSSED, the 2020 Renewal Rates for Insurance Coverage.

REVIEWED, the Communications Report.

Upcoming meetings

DISCUSSED, the Annual Meeting.

WERE REMINDED, of upcoming meetings on September 23, 2019, and October 28, 2019 at 7 p.m. in the Clay Board Room and November 25, 2019 at 1 p.m. in the Clay Board Room and the Safety Committee Meeting September 8, 2019 at 11:30 p.m. in the Clay Break Room.

There being no further business to come before the Board, said meeting was declared adjourned at 9:10 p.m.



A Touchstone Energy® Cooperative



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Office hours: 7:30 a.m. — 4:00 p.m. www.ceci.coop www.facebook.com/ceci.coop

