


JAMUP

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Your Touchstone Energy® Partner 

Am I a customer of the Electric Company or a member of my Electric Cooperative?

Are you a member or a customer? Some might ask, what's the difference? I flip a switch and the lights come on, that's all that matters. Well, yes and no. As a member of your electric cooperative you have a voice in how the cooperative conducts business. A customer of ABC Electric Company does not have that privilege. As a customer of an investor-owned utility, all decisions are made by stock holders that are usually in another location.

As quoted from the National Rural Electric Cooperative Association website, "Electric cooperatives are private, not-for-profit businesses governed by their consumers (known as consumer-members). Two federal requirements for all co-ops, including electric co-ops, are democratic governance and operation at cost. Specifically, every consumer-member can vote to choose local boards that oversee the co-op, and the co-op must, with few exceptions, return to consumer-members revenue above what is needed for operation. Under this structure, electric co-ops provide economic benefits to their local communities rather than distant stockholders."

You may ask how this applies to you. Southern Illinois Electric Cooperative holds an Annual Meeting of Members to elect directors and conduct business of the cooperative. As a member



John Harris
Director of Operations
& Maintenance

of the cooperative it is your right to attend this meeting. Your voice is represented by a nine-member board of directors who are members of the cooperative as well. What about the part about "operation at cost" you ask? The cooperative tries very diligently to set its rates so that all costs of operation are covered during the year with only a "safe" amount left over. Any part that is left over is considered operating margin and in future years will be returned to the members in the form of patronage refunds, or capital credits. SIEC's board

of directors continually evaluate the return of capital credits. In 2016, SIEC will return \$565,000 in patronage refunds to a portion of its members.

One question you might ask is why are there electric cooperatives in the first place? Why isn't there one electric company? In the 1930s, nine out of ten rural homes in the United States were without electric service. The local municipalities and investor-owned utilities did not believe it would be feasible to extend their infrastructure into rural America. On May 11, 1935, President Franklin D. Roosevelt signed Executive Order Number 7037 establishing the Rural Electrification Administration or REA. This paved the way for a

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1941 SIEC Annual Meeting

This November, let your voice be heard

Low voter turnout has been a topic of conversation for the last several election cycles. Since the 1960s, voter turnout during presidential elections has seen a steady decline – with the occasional uptick here and there. In the 2016 primary election cycle, voter turnout in most states was only 21 to 30 percent, and this was a record year for primary voter turnout. In Illinois, we saw a voter turnout percentage of 38.9 percent, but that still leaves a large number of voters that aren't making their voices heard.

Some speculate the reason for the decline is because the average American is not as engaged in politics as they have been in the past. And who can blame us really? Often times, we may feel like candidates are not speaking to the issues we care about. Or perhaps we don't feel like we understand enough about the candidates' stances on the issues, or even the issues themselves. But we can change this.

Here at Southern Illinois Electric Cooperative, we want to see civic engagement in our rural communities increase. We want to give you what you need to make informed decisions about candidates at all levels of



government, not just the presidential race. And we want you to know more about the issues that could impact our local communities.

America's electric cooperatives are doing their part by informing co-op staff and members through Coops Vote, a non-partisan campaign with one simple goal: increase voter turnout at the polls this November. By visiting vote.coop, you can learn about your candidates, access voter registration information and more.

The future of rural economies depends on their ability to keep up with today's global economy, which is why access to broadband internet is a key topic of discussion this

election season. Just 55 percent of rural Americans have broadband at home. Quick access to information is crucial in finding a job, getting a better education and even gathering the information needed to make major health decisions. But there is a barrier: expensive costs.

With the right state and federal policies, broadband technology can become available to all rural Americans, allowing families and businesses to communicate in new and faster ways.

Electric cooperatives are already committed to providing affordable electricity to our communities, so helping provide affordable broadband access is a natural next step.

We encourage you to visit vote.coop and take the pledge to learn more about the issues that impact us locally. Let's work together to improve our communities by increasing voter turnout and changing our country, one vote at a time.

Meghaan Evans writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.

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Am I a customer of the Electric Company *(Continued from page 16A)*

lending program to help fund the many miles of line needed to electrify rural America. As a result of this, SIEC was later formed by an ambitious group of people, and the first lines were energized in rural Pulaski county on March 22, 1939. Yes, it was an enormous undertaking, and the benefits reaped were not in the form of large profits, but improving the lives of its members. It still remains costlier to operate a cooperative than an investor-owned utility – mainly because of the amount of line the Cooperative must extend, and the terrain it must cross to serve only a few members, as opposed to the small amount of line needed to

serve many members in an urban area.

The Cooperative has always placed an emphasis on Member Service and community involvement. There have been many programs offered since the Cooperative's inception, such as appliance sales and repair, Classroom Empowerment grants, and the "Lite 4 Bite" food pantry program, just to mention a few. The cooperative continues to participate in the "Youth to Washington" and "Springfield Youth Day" programs as well. So I think it is safe to say that you are more than a customer of an electric company. You are a member, an owner, and a voice of Southern Illinois Electric Cooperative.

Busting the myths about “smart meters”

By now, most Americans have likely heard of the “smart grid.” This phrase is being used to describe the computerization of America’s electrical infrastructure. The purpose of this computerization is to improve the reliability, efficiency, resiliency and security of the electric grid.

A key component of the smart grid is an advanced metering infrastructure, also known as AMI in the utility world. AMI systems utilize digital meters as well as computer technology to measure electric use at homes and businesses more precisely than was possible with analog meters. The digital meters communicate via radio or the existing power lines and have been loosely termed as “smart meters.” AMI benefits electric co-op members with greater accuracy in billing, faster outage restoration, operational savings versus manual meter reading and detailed data that you and your co-op can use to manage electric use much more accurately.

Unfortunately, a number of myths have developed over the years concerning smart meters. These myths can be classified into three categories: privacy concerns, security and health effects. Let’s take a look at each, starting with privacy.

Southern Illinois Electric Cooperative takes great pains to keep your information private – and that information includes the details of your electric use. The only people who see that data are co-op employees and you. Your co-op will not release this information to anyone else without your specific permission. The myths are that the data collected can tell when you are home or away and exactly what you are doing when you are there and that this data is being given to the government. Naturally, the data will show when you are home because for most families, energy consumption is higher then. But having said that, the current smart meter cannot identify what activities



are taking place down to the specific appliance in use. This myth is simply unfounded.

What about the myth that these meters actually make the electric grid less secure by providing an avenue for hackers to break into systems through the smart meter and wreak havoc? While hackers continually attempt to break into electric systems, their focus is at higher levels in the operation. Hacking a meter is unlikely for a variety of reasons. Hackers like to work remotely via the Internet, and smart meters don’t offer that option. Radio-based smart meters require the hacker to be nearby to catch the weak communication signal, break the proprietary communication protocol and to be there for extended periods of time to collect the short burst of data sent. Therefore, smart meters are an unlikely and unprofitable target for hackers.

Finally there are the myths surrounding smart meters and ill effects on health. These concerns state that having the radio-based smart meter is the equivalent to having a cell tower attached to the side of



your home. Again, this is unfounded. Let’s look at why. Number one is that they communicate intermittently for as few as five minutes a day. These devices are regulated by the Federal Communications Commission, and their output is well below the levels this Federal agency sets. As one doctor observed, the radio waves emitted are more like those of a cordless phone or wireless router. Radio waves emitted by smart meters are much weaker and less frequent than other sources we use on a daily basis. **Norma Reynolds**

We will all benefit from the continued development of America’s smart grid and can rest easy with the knowledge that the rumors surrounding radio-based smart meters don’t hold water.

Tom Tate writes on cooperative issues for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation’s 900-plus consumer-owned, not-for-profit electric cooperatives.



UTILITY POLES ARE NOT BULLETIN BOARDS

Think before you post that sign!
Staples, nails and tacks used to hang
signs and fliers create dangerous
obstacles for electric lineworkers.
*Their jobs are dangerous enough –
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AMERICA'S ELECTRIC
COOPERATIVES



Member prize

In this issue of the JAMUP, we printed the names of three SIEC members who are eligible to receive a \$10 credit toward their utility bill. If you find your name printed in this center section and it's not part of the story, call Bree with your account number at 800-762-1400 to claim your prize.

November SIEC Holidays:



Veterans Day
November 11th



Thanksgiving
November 24th & 25th

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