



Mike Smith
President and CEO

Due to rapidly increasing market power prices and inflationary pressures on material cost, members can expect to see their residential and/or commercial account bills increase by over 10% for 2023 when compared to similar billing in 2022. This will become effective with usage beginning on Jan. 1 and reflected on utility bills that are received in February 2023.

All members will see an increase in their facility charges. For residential accounts, the facility charge will increase from the current \$54 per month to \$68 per month. Commercial accounts will see an increase in their facility charge by similar proportions when compared to their current facility charge. We certainly understand that for low usage accounts, facility charge increases hit hard. Those fixed charges (facility charges), however, align with how we operate as a business. All of McDonough Power's expense as well as a significant part of our power supplier's expenses are fixed, meaning they don't fluctuate with the rise and fall of kilowatt hour (kWh) sales.

This year, all members will see an increase in their energy charge in addition to

the increase in the facility charge. For residential accounts, the new energy charge will be \$0.107 per kWh, which is up from the previous \$0.105 per kWh. In addition, this year we will no longer provide an incentive rate for geothermal, unmetered and metered electric heat rates. They will instead move to the new residential energy rate of \$0.107 per kWh for their usage. Additionally, all our commercial accounts will see moderate increases in their energy cost as well.

Determining the new rate schedule for 2023 has been one of the most difficult, if not the most difficult, in my 25 years in the business. Every employee and board member of McDonough Power pay electric bills and see the cost of other goods and services going up elsewhere. However, it is important to remember that we are not motivated by profit. Extra revenue is of no benefit to our business model. Our motivation is to serve the members of McDonough Power with the most reliable and affordable energy that we can and do so 365 days a year. **5315A2-260B**

If you have any questions or comments, please feel free to contact us.

Energy Efficiency Tip of the Month

Do you have a home office? Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life.

Another way to save in the home office is to use energy efficient lamps for task lighting. Small lamps use less energy than whole-room lighting.





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Beat the peak

If you look around your home, you likely have more devices and equipment that require electricity than ever before. Our connected lives are increasingly dependent on more electricity to function. At the same time, as demand for electricity rises, McDonough Power Cooperative must deliver an uninterrupted 24/7 power supply — regardless of market conditions or other circumstances.

As you would expect, based on your family's habits, electricity use fluctuates throughout the day based on consumer demand. McDonough Power must be able to provide enough electricity to meet the energy needs of all members during times of highest energy use or "peak hours." These peak times are typically in the morning as people start their day and in the evening as people return to their homes.

What you may not know is that electric utilities including McDonough Power typically pay more for electricity — either from a power plant or from another utility with excess power — during those morning and evening "energy rush hours." In addition, the demand for electricity is even higher when it's especially cold outside, when heating systems must run longer to warm our homes.

If the "peak times" concept is a bit puzzling, here's an easy way to think about it. It's similar to a major concert. We know costs go up when there is strong demand for tickets (or electricity), and both are subject to the basic economic laws of supply and demand. When a lot of people want the same thing, it's more expensive. When they don't, it's cheaper — like a bargain matinee or an "early bird" special at a restaurant.

Generally speaking, our "peak hours" are 5-8 p.m. in the evening.

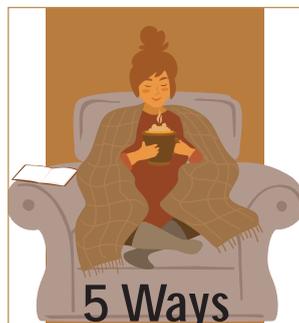
During peak periods when the cost to

produce and purchase power is higher, we encourage you to take simple steps to save energy, such as turning your thermostat down a few notches, turning off unnecessary lights and waiting to use large appliances during off-peak times.

You can also save energy by plugging electronics and equipment such as computers, printers and TVs into a power strip and switching it off during peak hours. If you have a programmable thermostat, adjust the settings to sync up with off-peak periods. When we all work together to reduce energy use during periods of high electricity demand, we can relieve pressure on the grid and save a little money along the way.

Another benefit of this time-of-use approach to electricity usage allows greater control over your bill. Reducing the peak impacts the power-supply cost to every co-op member. This is particularly noticeable as energy costs have risen across the U.S. Collectively, everyone conserving energy and making small changes can truly make a difference.

Remember, taking simple steps to save energy throughout the day and shifting energy-intensive chores to off-peak hours is a smart choice for you and our community. **5321D5A-252A**



5 Ways to Save During Winter

Winter weather typically means increased energy use at home. Keep your bills in check with these tips to save energy—and money!

Mind the thermostat. If you have a traditional heating and cooling system, set the thermostat to 68 degrees or lower. Consider a smart or programmable thermostat for additional savings.

Get cozy. Add layers of clothing for additional warmth, and snuggle up under your favorite heavyweight blanket.

Don't block the heat. If your air vents or heating elements (like radiators) are blocked by furniture or rugs, your home isn't being adequately heated.

Take advantage of sunlight. Open window coverings during the day to let natural sunlight in to warm your home. Close them at night to block the chilly night air.

Block air leaks. Seal windows and exterior doors with caulk and weather stripping to improve indoor comfort and decrease the amount of energy used to heat your home.

Be prepared: five tips to make your home more secure

These days, soaking in daily (or hourly) news can make the world feel like a scary place. We have home security systems, smart doorbells and smart locks, which are good things. At the other end of the spectrum, our close-knit communities can feel safe, which can lead to complacency. Many of us can recall growing up in a home where the doors were never locked, and it felt like everybody knew everybody.

In either case, assessing your home's overall security (or lack thereof) is a good idea. Here are five safety tips to help make your home more secure:



- 1. Assess entry points.** Take a tour of the outside of your home and think like a burglar. Consider which windows and doors would be easy to break or climb through. Then, look through the windows and see if expensive items are on display. Make sure each window and door locks and draw curtains or close blinds when you are not home.
- 2. Lock second-floor windows and doors.** “Second-story men” are burglars who prefer to break into a home on an upper story because they know that most homeowners do not tend to lock upstairs windows and doors (e.g., the door off a deck). Be sure to lock them before you leave. In addition, lock up any ladders you keep outside.
- 3. Lock the door to the garage.** Although it is easy to lock when you are inside your house but more of a pain to unlock when returning home, always lock the

door between your garage and your home. **11129B3A-1002C** Many people do not lock this door when they are away since the garage door is shut. However, a garage door is relatively easy to open. Home invaders can simply pry it open or use a factory-setting opener.

- 4. Update your garage code.** Change your garage code at random intervals instead of on a predictable schedule, such as when the clock changes due to daylight saving time. (Moving the clock up or back an hour is a great time to check the batteries in smoke detectors and carbon monoxide alarms, however.)
- 5. Do not forget sliding doors.** A bar inserted at the base of a sliding door is an inexpensive safeguard. This ensures that sliding glass windows cannot be opened or jimmied without breaking the glass. This will frustrate invaders and the

sound of breaking glass can buy you time to call for help.

Taking the time to think like a burglar and check your home's entry points can help keep you and your family safe.



Member Prizes

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

Stay safe after an accident

Knowing what to do around utility equipment could save your life

Q: My vehicle has struck a pad-mounted transformer “green box” or other utility equipment or lines: now what?

A: First, assess the situation. If your car is not smoking or on fire, stay in your vehicle. If you are in an accident or incident involving electrical equipment, remain in your vehicle or cab until the local utility arrives to de-energize power. Stepping out of your vehicle while touching it at the same time or trying to walk or run to safety can cause serious burn injuries or death.

Utility equipment includes:

- neighborhood pad-mounted transformers (metal boxes — usually green or gray)
- equipment such as a switching cabinet or junction box for underground utilities
- overhead power lines or poles

If you are in a multiple-car accident, yell to others (from your car) to warn them not to leave their vehicle. Also warn those who might stop to help to not approach the scene.

Call 911 to report the accident location and clearly state to the dispatcher that electrical lines or equipment is involved.

Q: What if I see smoke or fire?

A: Try to stay calm. Make a clear jump (without touching any part of the vehicle or tractor) and hop, shuffle or waddle like a penguin (with both feet together) at least 30 feet away to safety. Just like downed power lines, ANY damaged utility equipment such as pad-mounted transformers or cabinets that house electrical equipment can send electrical current through the pavement or ground.

If you walk across the energized ground or touch an energized vehicle and ground at the same time, something called “difference of potential” (also called step potential) can occur.

When you pass from one current to another by taking regular steps and

cross varying voltages of electricity (think of how a water ripples — each ring represents a different voltage), this is difference of potential and it can cause extreme burn injuries or death. If you hop or shuffle, your body is much less likely to expose itself to different voltages at the same time.

DO NOT go near or touch electrical equipment. DO NOT move a downed wire with your hand or an object such as a stick.

Q: Can there still be damage to equipment even if I don't see anything?

A: Yes, there can be damage to a pad-mounted transformer or other equipment that cannot be seen, even if metal boxes or cabinets look intact or appear to have minimal damage. **1017B9-1010B** When it comes to aboveground power lines, it is a fallacy that downed wires are insulated to the touch or that power is automatically cut once a power line is down or damaged.

Q: What can happen if a pad-mounted transformer or other equipment has been hit? Fire? Outage?

A: Assuming the collision was hard enough there would be an outage. In a certain sense that would be the safest option. However, if the collision did not cause an outage there could be a fire, adding that the worst possible option is that an outage did not occur, that the vehicle (and ground) is energized and individuals improperly exit the vehicle or others approach the scene.

Q: So, what is the bottom line?

A: If you have been in an accident involving a pad-mounted transformer, a

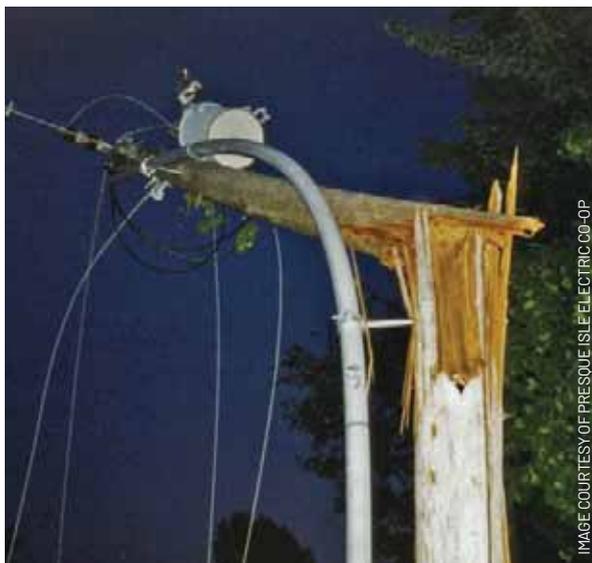


IMAGE COURTESY OF PRESQUE ISLE ELECTRIC CO-OP

power pole or downed lines, or anything that looks like utility equipment, do not leave your vehicle unless you are in imminent danger, and then properly exit your vehicle. Make a clear jump (without touching any part of the vehicle or tractor) and hop or shuffle at least 30 feet away to safety. Also warn others about the dangers.

Q: If I see damaged equipment or downed lines, should I report it to my utility?

A: Yes, call us at (309) 837-1400 to report any damaged utility equipment you see. Most damage is reported, but not always. For example, a feed truck hits a transformer and the driver did not notice. Although we routinely check equipment for safety and maintenance, unreported damage can occur between checks. We want to be alerted of any problems so we can promptly address them.

For more information about dangerous situations around live power and electrical safety, visit SafeElectricity.org.

As your electric utility, we are proud to be a member of Safe Electricity, our partner in creating a safer, smarter world. Along with providing excellent service, your safety and the safety of our employees are our top priorities.