

Clay Electric News

A Touchstone Energy® Cooperative

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From the Manager

Clay Electric Co-operative, Inc. (CECI) is a nonprofit organization. Although we operate as a non-profit, we still need enough revenue to service, maintain and upgrade our system. It is a difficult task trying to keep rates low while also maintaining aging infrastructure. It is as difficult now as it has ever been to keep rates low with the increased costs of equipment, materials and wholesale power. Costs are up across the board and have in some cases doubled for necessary material. Some sizes and types of poles, which are the lifeline of supplying power to the membership, have more than doubled in the last two years. Wire and transformers increased by over 50%. There are many reasons for the increases in material costs, some of which are supply and demand issues and new government regulations.

Our goal is as ever to provide safe, reliable and exceptional service to our members, and we continue to do so while trying to keep costs as low as possible.

As we navigate through these times, the management and Board of Directors of Clay Electric Co-operative continually discuss the finances of the cooperative. As we look at the continued cost increases for material, equipment and power that we use every day to keep the lights on, we sometimes must make hard decisions on the rates we charge our members. Unfortunately, that time has come. Your co-operative has been absorbing these costs for some time, but we must now look at making a small increase on our members' bills to help offset some of the cost increases.

On the July bill for June usage, we will be implementing a \$6 increase to the members' facility charge. This facility charge is the base charge that all members pay to help to cover a portion of the costs to operate the cooperative. A major fixed cost the facility charge helps pay for is debt service. Other major costs the cooperative needs to cover are materials, equipment, trucks and daily operational expenses. This small increase spread over the

membership will help offset some of the cost increases that we are experiencing while minimizing the increased burden on our members' bills.

We will be performing a cost-of-service study early next year to inform us of any further rate adjustments needed to continue leading the cooperative in a fiscally responsible direction. These studies are performed every few years to make sure that the rates we charge reflect the revenues that are needed to continue providing services to our members and maintain our daily operations. Southern Illinois Power Cooperative (SIPC) is our wholesale power provider, and they are in the middle of their own cost-of-service study. **6374-001** Once their

Continued on 18C ►



Matt Conklin
CEO

Cost Increases

MATERIALS	UNITS	2021	2022	\$ INCREASE	% INCREASE
1/0 ACSR (CONDUCTOR)	/FOOT	\$2.05	\$3.95	\$1.90	93%
1/0 TRIPLEX (SECONDARY CONDUCTOR)	/FOOT	\$1.25	\$2.47	\$1.22	98%
35' POLE	/POLE	\$222	\$408	\$186.00	84%
40' POLE	/POLE	\$296	\$615	\$319.00	108%
45' POLE	/POLE	\$406	\$706	\$300.00	74%
15 KVA (TRANSFORMER)	/TRANSFORMER	\$920	\$1,117	\$197.00	21%
25 KVA (TRANSFORMER)	/TRANSFORMER	\$989	\$1,338	\$349.00	35%



May is Military Appreciation Month



Service. Mission. Country. You likely identified immediately (and correctly) that these three words describe our nation's veterans. They also succinctly describe a core co-op ethos.

While veterans are innately motivated to serve, in a similar vein, electric co-ops are guided by foundational principles that put their community first. After all, electric co-ops were founded to bring electricity to rural areas where there was none. In doing so, they powered local economies and helped them to thrive. I believe this close connection to an essential mission is why there are so many veterans in the utility industry and why they are such a great fit for electric co-ops.

Today's veterans are highly skilled because everyone who joins the military is either trained in a tech career field or exposed to advanced technology during their years of service. Many veterans have skills in advanced disciplines such as engineering, electronics and mechanics, which are all beneficial for the utility industry.

Leadership and teambuilding skills

Our veteran colleagues joined the co-op equipped with training in leadership and teamwork. That's because

while on active duty within their units, servicemen and women work closely together because they know their lives depend on each other's actions. This fosters a high level of self-discipline, a sense of personal responsibility and a passion for excellence.

The utility industry is increasingly complex and is undergoing a profound transformation. While there are the traditional engineering and vegetation management aspects of the utility industry, it now also encompasses technology, cybersecurity and the electrification of the transportation sector and other areas of the economy. Veterans are adept at responding to changing conditions and learning and adapting to new technologies, which is essential in our evolving industry.

Mission-oriented outlook

Working for an electric co-op is more than a job. There is a clear mission in the work — to help our consumer-members and the community. When you work so closely with the community, you can't help but feel a sense of commitment and responsibility to our members. It's similar to the sense of duty and responsibility that veterans experience in the military. They feel deep, personal responsibility

and commitment to their co-op team members and to the members we serve. Veterans are trustworthy, goal-oriented; they want to do right for their co-op and their community.

May is Military Appreciation Month and at Clay Electric Cooperative, we are grateful to have veterans within our ranks, and we are proud to serve them and their families within our community. But beyond our gratitude, we demonstrate our deep appreciation through our actions and ongoing commitment to veterans and their families.

Electric cooperatives across the nation support the "Vets Power Us" program, which is aimed at employing and honoring veterans and their families. **4212-002** This effort involves partnering with other electric co-ops across the country, along with the Department of Labor, the Department of Defense, the Veterans Administration and others to hire veterans in the energy industry.

May is Military Appreciation Month, and I hope you'll join me in recognizing the sacrifices veterans have made to our great country — and the many contributions they continue to make to our wonderful community. Veterans, we salute you!



study is completed and they have made any adjustments they feel are necessary for their own needs, it will be the appropriate time for us to begin our own study.

As of Jan. 1, 2023, SIPC implemented a 4% increase on energy and demand charges to CECI. The increase in cost for coal and natural gas used to produce electricity are the main drivers for the increase in 2023. We will continue to work with our power provider to bring our members the lowest energy rates possible.

As your local cooperative, we will continue to look for ways to save money and pass those savings onto our membership while providing safe and reliable service to our members.

Don't forget to be on the lookout for your member number in the center section of this magazine. 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!

Safety Tip

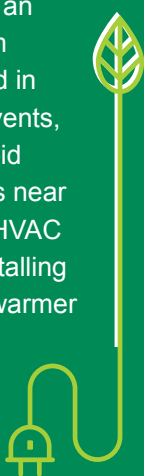
Before beginning an outdoor project, always look up and look out for overhead power lines. Use extra caution when carrying a ladder or removing debris from gutters.



Safe
Electricity.org

Energy Efficiency Tip of the Month

The location of your thermostat can impact your HVAC system's ability to maintain an ideal indoor temperature. For maximum accuracy, thermostats should be placed in the center of the home, away from air vents, plumbing pipes and exterior doors. Avoid placing items like lamps and televisions near your thermostat, which can cause the HVAC to run longer than necessary. Avoid installing thermostats in rooms that tend to feel warmer or colder than the rest of the home. Do not place furniture in front of the thermostat, which can block air flow and result in inaccurate readings.



STAY SAFE AFTER A STORM



Clean up with care

Once the storm has passed, it is tempting to go straight into yard clean-up mode. However, take time for safety.

Do not go outside if there is a power outage. There could be a downed power line, which could cause electrocution. Sometimes, downed lines can be covered by branches, storm debris, water, snow or ice.

Keep these additional safety tips in mind:

- Do not trim trees/branches within 10 feet of a power line.
- Read all instructions and be familiar with equipment you intend to use.
- Do not use a chainsaw for the first time during cleanup.
- Follow all safety recommendations when using power tools.

- Carry a ladder horizontally instead of vertically.
- Look for overhead power lines before carrying a ladder.
- Always look up for overhead power lines before removing debris from gutters.

- Take your time. Rushing can result in serious injury.
- Wear proper shoes and clothing when using ladders and power tools.
- Call your electric utility to report branches in power lines; never try to remove them yourself.



Remember, wait until an outage is restored before going outside to assess the damage.

Safe
Electricity.org



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.

MEMBER PRIZES

Minutes of the Board of Trustees Meeting

March 27, 2023

The 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 4:56 o'clock p.m. on Monday, March 27, 2023.

Trustees present were Bob Pierson, Neil Gould, Bill Croy, Kevin Logan, Richard Rudolphi, Frank Herman, Frank Czyzewski, Evan Smith and Josh Schnepfer. **11959-001** Also present were Matt Conklin, CEO, and Attorney for the Board Tyra Cycholl. The meeting was opened by Bob Pierson, who presided, and Neil Gould acted as secretary thereof.

The invocation was given by Kevin Logan and was 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.

APPROVED, the Consent Agenda including the following:

APPROVED, the prior meeting minutes;

APPROVED, (a) to admit to membership those applicants connected for service since the last such review by the board, and (b) cancel those former members shown on the Manager's Report since the last such review by the Board, said members no longer taking service;

REVIEWED, the Consent Agenda including the following:

REVIEWED, the Work Orders;

REVIEWED, the Disbursements;

REVIEWED, the Credit Card Statements;

REVIEWED, the Attorney Retainer;

REVIEWED, the Account Summary Report.

APPROVED, the Contractor Bid from Intren.

APPROVED, Policy 1000-1, 1000-3, 1000-4, 1000-15, 1000-16, 1000-41 and 1000-44 as presented with the avoided cost/energy charge change.

REVIEWED, the solar accounts.

REVIEWED, CFC News.

WERE UPDATED, on NRECA News.

HEARD, a report by Bob Pierson regarding SIPC Board Meeting.

WERE INFORMED, the SIPC Annual Meeting is March 30, 2023 at 1 p.m.

HEARD, a report by Kevin Logan regarding AIEC Board Meeting.

WERE UPDATED, on the AIEC Annual Meeting, including the Delegates and voting Delegate Memo.

DISCUSSED, upcoming education courses with NRECA, Legislative Conference, Springfield Lobby Day, Aces Conference and CFC Forum.

HEARD and **APPROVED**, a financial report by Matt Conklin as to the following:

- Monthly Reconciliation;
- SIPC Power Delivered in February 2023;
- February 2023 Cash Flow;
- Line Loss;
- February 2023 Form 7;
- February 2023 Balance Sheet;

REVIEWED, the Safety Report for the month of January.

REVIEWED, the Monday morning Safety meeting.

REVIEWED, the Quarterly Safety Committee Meeting held March 16, 2023.

HEARD and **APPROVED**, the Manager's report by Matt Conklin on the following topics.

- Retirement of office staff;
- Federated Capital Credit Check;
- New Demand Line Item on Bill;
- Facilities Charge;
- Defective Pole;
- Cyber Security Pen Test;
- Digger Truck Replacement;
- Operations Report;
- Communications Report;
- Upcoming meetings.

DISCUSSED, the retirement of a member of the office staff in 2024.

WERE INFORMED of the Federated Capital Credit Check.

DISCUSSED, the new line item for the Demand on the Bill.

DISCUSSED, the Facilities Charge.

APPROVED, raising the Facilities Charge by \$6 for all rates.

REVIEWED, a picture of a defective pole.

DISCUSSED, Cyber Security Pen test results.

DISCUSSED, replacing the Digger Truck.

APPROVED, Matt Conklin to initiate discussions with Terex to order a new Digger Truck for delivery in approximately three years.


REVIEWED, the Operations Report.

REVIEWED, the Communications Report.

WERE REMINDED, of upcoming meetings on April 24, 2023; May 22, 2023; June 26, 2023; and July 24, 2023 at 7 p.m.

There being no further business to come before the Board, said meeting was declared adjourned at 7:03 p.m.

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