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JO-CARROLL

A Touchstone Energy® Cooperative  **HI-LINES**



PRESIDENT'S REPORT

by Michael Hastings

Jo-Carroll Energy: A great place to work

I might be biased, but in my opinion cooperatives, especially Jo-Carroll Energy, are great places to work.

We're here to serve our members not only by providing safe, affordable and reliable power and service, but also with community support. Your co-op was formed locally, and it's still managed by your friends and neighbors.

I believe your co-op is blessed to have one of the most dedicated groups of employees working for you day in and day out. They take great pride in what they do and who they work for.

Whether it's a lineworker restoring power after a storm, a service representative assisting a member with their bill or our energy advisor helping determine how much energy an appliance uses, all our employees have a vital role in the cooperative. They're always ready to listen and assist members. I'm proud of our employees who share their time and talents.

That service doesn't stop at the end of the day. Cooperative employees seem to always be looking for ways to become involved in the communities we serve. Our employees have a long history of giving back to their communities, and to go out of their way to serve by coaching youth sports teams, volunteering on school committees, participating in church activities and acting as Scout leaders. Among our employees you'll also find school and village board members, volunteer firefighters and EMTs and civic organization leaders and members.

Their activities strengthen the values that we have believed in since the creation of electric cooperatives more than 70 years ago. Most are co-op members like you, and their involvement reinforces our commitment to community and the fact that we are local. Our employees are your neighbors and friends, and they want to help make their communities stronger.

I don't think I'm alone in thinking this is a great place to work. Many employees start here and stay at Jo-Carroll Energy throughout their careers. Inside this issue you can read about two employees who just retired after serving you for a combined total of almost 75 years.

"I strongly encourage young people to consider career opportunities within the cooperative network."

During the past year we have hired a number of young people, many who grew up right here in northwest Illinois. I strongly encourage young people to consider career opportunities within the cooperative network.

Working at Jo-Carroll Energy is a pleasure, and we're looking out for you by recruiting the best and brightest employees to serve you. Just like the communities we serve, Jo-Carroll Energy is a good place to call home.

Reader Prize

Each month we print the name of a Jo-Carroll Energy member who is eligible to win a monthly \$25 readership prize. If your name is printed in this month's edition, and not a part of any article, contact Jo-Carroll Energy and claim your prize no later than the 10th of the month following publication.

Office hours

Elizabeth Office
8 a.m. to 5 p.m.

Savanna Office
8 a.m. to 1 p.m.
1:30 p.m. to 4 p.m.

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Monday - Friday
800-858-5522

For all outages and emergencies call
800-927-5254

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Resume of Minutes

Regular Board Meeting • May 25, 2011

The board met at the Cooperative in Elizabeth, Illinois on Wednesday, May 25, 2011. This is a summary of the meeting activities. The Agenda and Consent Agenda were approved. Chairman's Report-Chairman Joe Mattingley briefly reviewed the numerous cooperative activities during the month of May. He commented on the board trip to Washington, DC, and other discussions and communications with directors and staff. He mentioned Director Senn is now working on the NRECA Resolutions Review Committee.

Dairyland Report-Director Stadel reported on the May Dairyland Board Meeting also attended by Director Stanger. There was not much discussion on Dairyland's rate increase. He commented on his efforts to try to implement more cost controls in the Dairyland system.

AIEC Report-Director Senn advised on budget issues for 2010 and 2011. He reported that there is a new compliance manager whose name is Stephen Davis. He also commented on his work with the AIEC Resolutions Committee.

Strategic Activity-Director Werner reviewed Policy 101.1 entitled Jo-Carroll Energy Former Director Advisory Group and Policy 116 entitled Member and Non-Member requests for Cooperative Information. Motions were made, seconded and carried unanimously to approve the policies as presented.

CEO's Report-The CEO mentioned that, in order to expedite Board meetings, he has begun providing his report in written report to the directors in advance of the meeting. He will, however, be providing comments regarding items in his report as appropriate.

He introduced Merri Sevey, Manager of Human Resources, to the Board.

- a. Financial Operating Report – The CEO reported that the Cooperative had an unaudited margin for April of \$-298,644.00, caused by weather and energy efficiencies practiced by members.
- b. Power Supply Report – The CEO commented on ongoing power supply concerns.
- c. Danisco Update – The CEO said that ongoing conversations with Danisco were going well.
- d. Biomass Plant Update – The CEO reported that the air permit process was proceeding.
- e. Farmers Mutual Report– The CEO said discussions with Farmers Mutual to assist with billing and accounting applications were progressing.
- f. NRCO Board Meeting Report – The CEO reported on his attendance at the National Renewables Cooperative Organization (NRCO) Board meeting.
- g. TCEDA Update – The CEO mentioned that interviews continue for the Executive Director position. He also reported that information is being provided to the TCEDA auditor regarding TCEDA's annual audit.
- h. Spring Collections Update – Jennifer Skien reported to the Board on her role as Member Services Manager including collections, numerous staff successes and upgrades.
- i. CFO Report— The CEO presented Tracy Heidenreich with the Cooperative Financial Professional Certificate she recently earned. Heidenreich stated that Workers Compensation audit has been completed. She stated she

has been working with SEDC on identifying procedures to accomplish discounting delinquent bills against capital credits as authorized in a recent bylaw change.

- j. CAO Report – Russ Simpson stated that efforts are progressing on the re-design of a website for TCEDA. He commented on new employees and summer interns at the Cooperative. He reviewed the impact the new Human Resources Manager has had on the entire company and expressed his appreciation for the successful efforts of Merri Sevey. He described ongoing Successful Communities efforts where he and John Cox are working on the Smart Communities program with the Mount Carroll City Council. He discussed progress at the Campbell Center with the facilities having been placed on the LOIS system and the recent performance evaluation of the new Executive Director.
- k. COO Report – Kyle Buros advised the Board that broadband continues to meet and exceed the business plan and revenues are moving in the right direction. He provided an update on the gas system and the recent completion of a survey showing issues within the system. He also mentioned the successful efforts in working with local transmission services.
- l. External Affairs Update – The General Counsel reported on the success of the Legislative Conference in Washington. He mentioned that the Illinois legislature was completing the process of drawing new legislative maps for the State of Illinois and the congressional districts.

Board Issues-

- a. Ratification of March 23, 2011, with the correction made regarding signatories on the Galena State Bank Account. An error was made in the original approval of identified signatories on the Galena State Bank Account. A motion was made, seconded and carried unanimously to ratify the correction.
- b. AIEC's Annual Meeting, July 29-30, 2011 - Attendees – A list was made of directors and staff who will be attending the AIEC Annual Meeting in Springfield. NRECA Illinois Meeting Delegates – Director Senn was elected as delegate and Director Stadel as alternate delegate to the upcoming NRECA Illinois Meeting.
- c. Director/Alternate Director, AIEC Board of Directors (two year term) – Director Senn was elected as AIEC director and Director Smith as alternate AIEC director.
- d. Voting Delegate/Alternate to AIEC Annual Meeting – Director Carroll was elected as voting delegate and Director Holesinger was elected as alternate voting delegate to the AIEC annual meeting for 2011.
- e. NRECA Course 925.1 Co-op Bylaws: Guiding Principles & Current Issues - Attendees – Board members were identified who will attend the course.
- f. Dairyland Power Director/Alternate - Motions were made, seconded and carried unanimously to elect Director Stadel as Dairyland Power director and Director Stanger as alternate director.
- g. Representative Jim Sacia Event – Attendees for the golf and auction event to be held on June 21, 2011, at Eagle Ridge & Resort were identified.
- h. Presentation regarding potential Social Media Policy – Peggy Francomb provided a PowerPoint presentation regarding a proposed Social Media Policy. She shared information regarding the various social media available and how they could be used to serve Jo-Carroll Energy's members. The proposed policy was forwarded to the Policy Committee.
- i. Set Policy Meeting Date – A meeting of the Policy Committee was scheduled for June 9, 2011, at 6:30 p.m. at the headquarters building in Elizabeth.
- j. Set Resolutions Committee Meeting Date - A meeting of the Resolutions Committee was scheduled for June 9, 2011, at 8:00 a.m. at the headquarters building in Elizabeth.
- k. Director Courses CCD – All directors were in agreement that recently elected Jo-Carroll Energy Director Carroll will attend a week long presentation of director courses. Arrangements are to be completed with the assistance of Dorothy Young.
- l. Discussion concerning revenue adder – The directors approved a modification to the Power Cost Adjustment (PCA).

Reports-The Board received various reports on Board activities since the last meeting.

High school students visit Washington, D.C.

Kevin Glick of Galena and Haley Francke of Hanover represented Jo-Carroll Energy, Inc. (NFP) in Washington, D.C., during the annual "Youth to Washington" Tour, June 10-17. This event, sponsored by the electric and telephone cooperatives of Illinois since the late 1950s, is an introduction to our democratic form of government and cooperatives for rural youth.

The students met with Congressman

Donald Manzullo and were among 76 rural Illinois youth leaders selected for the trip. The Illinois students joined more than 1,500

young leaders from across the country. In addition to the Capitol, they also visited Arlington National Cemetery, the Washington National Cathedral, several Smithsonian Museums, the U.S. Holocaust Memorial Museum, the World War II Memorial, memorials to Presidents Lincoln, Jefferson, Washington and Roosevelt, the Royal Embassy of Saudi Arabia, the National Archives, the Newseum and a number of other historical sites.

Visit the cooperative's web site at www.jocarroll.com for more information about the youth tour and this year's winners.



From left are: Glick, Francke and Congressman Manzullo.

Retirees look forward and back

BILL ALLEN



“I was almost here before the lights come on ...,” lineman Bill Allen said jokingly on his last official day of work at Jo-Carroll Energy.

Allen is one of two long-time linemen to retire this year. He and Jim Schaible take with them almost 75 years of combined service to the cooperative and its members.

“That’s a great achievement,” said Jesse Shekleton, Jo-Carroll Energy manager of electric operations. “They both started their careers when the co-op was essentially a small, very basic cooperative within the industry, and they were able to see it transform into the very dynamic company we are today. We did rely on each of them to help set the direction and achieve goals to get us where we are today.”

“Bill and Jim provided vast technical knowledge and also a high level of leadership to help create the crews that now run our field operations today,” Shekleton added.

Allen, affectionately known as Hammer to colleagues and members, got his first experience with an electric company working for L.E. Meyers doing construction work in the Green Bay, Oshkosh and Appleton, Wis. areas while still in school. His brothers had worked for L.E. Meyers. One summer, a foreman who was from Elizabeth asked him to go along.

Chuck Youtzy was the manager who hired Allen, and he started work at Jo-Carroll Energy on June 19, 1967. Not long after that, Allen was drafted and went into the service. Drafted in 1968, he served about 15 months with the Army in Vietnam.

“They held my job,” Allen recalled. “I came right straight back and 43 years later...” this veteran lineworker is celebrating his retirement after more than four decades of service to Jo-Carroll Energy.

“You didn’t have to go to school

JIM SCHAIBLE



then, it was on-the-job training,” Allen said. His “instructors” were veteran linemen like Dennis Wurster, Jim Riley and Harry Ehrler.

“You learned as you went along, that’s how you did it. You didn’t have to go to school, so you learned from the older people that were here.”

“They were the main linemen around here at that time,” Allen said. “You learned as you went along, that’s how you did it. You didn’t have to go to school, so you learned from the older people that were here.”

In his early years, Allen worked on the brush crew, tree trimming and clearing right-of-way. From the brush crew he went to a service truck.

Jo-Carroll Energy

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“On a day-to-day basis you never know what the day might bring in,” Allen said. “You might be on a job and get called out on an outage. Every day is different; you get in different situations every day.”

In the earlier days, it was just about like being on call 24/7 — until a standby list was started, he noted, — with the possibility of storms and outages at any time. Linemen go out in the worst conditions, and Allen has seen his share. Besides storms in our own service territory — sometimes made harder by the terrain of northwest Illinois — he has responded to calls to assist other cooperatives after many storms, calls that have taken him from New Orleans in Louisiana to Mississippi, Alabama, Iowa and Minnesota.

Looking back on earlier times, Allen recalled the cooperative did not have much for equipment, with just one digger truck and one bucket truck at the time. The cooperative also had workers dedicated to brush crews and as groundsmen and truck drivers — that’s all they did.

“It was just hard work. Most of the time you had to do all the climbing instead of the bucket trucks they have today,” he said. “You were going out setting poles, using a lot of dynamite at that time. Things have really changed around here.”

The biggest change Allen saw was the equipment crews have today. With better mapping and computers, technology has made some parts of the job easier.

Today’s lineworkers also have the requirements of attending line school and holding a CDL license.

“They go through all these schools, and know more than what we did, but we have more to do today, too. There is a lot more to learn, and two or three different types of voltages you have to deal with,” Allen said.

“We have a lot of good talent around here,” he added. “It’s a very,

very nice bunch of people.”

“The people are one of the best things about this job,” Allen said, “along with being outside, and getting to see different parts of the counties the co-op is in.”

“It’s been a good job,” he reflected. “It’s just been a very nice place to work. I’m going to miss the linemen I’ve worked with, I’ll miss that part of it. I’m going to miss all the people, both inside and out.

“Actually, when you think about it, you spend more time with these people than you do with your family at home,” he said.

Now that he is retired, spending more time with family is high on his list, along with “quite a bit of golfing.” Allen and his wife, Cheryl, have three daughters and three grandchildren — two in Florida and one in Des Moines, Iowa — they plan on visiting.

Besides traveling and visiting family, Allen says he will probably find some work, at least part time. “You got to have something to do — you can’t work for 43 years and just lay around.”

Jim Schaible started work at Jo-Carroll Energy on Feb. 18, 1980. Before coming to the co-op he worked for the Village of Hanover, plowing snow, meter reading and on security light maintenance.

When he joined the cooperative, he worked alongside Jim Riley the first couple of years—describing it as on-the-job training, no book work. He worked with Bill Allen for at least 20 years, and then when the co-op was big enough and another foreman was needed, he was next in line.

Like Allen, he also noted changes in crew structure from days when there were groundsmen, truck drivers, brush crews — now most are lineworkers. He also pointed out the amount of education required of today’s apprentice linemen and the advances in technology and equipment. By the time he joined the line crew a few years after

Allen, the cooperative had added one hydraulic truck. It was a lot of pole climbing in those days, and no hotline work, Schaible noted.

Asked what it takes to be a linemen, Schaible responded “you have to be part crazy. You have to like to work outside, be able to dedicate your time, not only during work hours but to be on call and be willing to be away from your family for storm work.”

“Basically you have to count on each other to keep from getting hurt and staying alive.”

For Schaible working at the co-op, especially when it was smaller, was family-like, with a strong bond between workers, both inside and out. “The part I will miss the most is the camaraderie with the guys,” he said. “Basically you have to count on each other to keep from getting hurt and staying alive.”

“Bill Allen, --I spent my whole career with him and Rick Tippett. They’re both good friends, good workers. And all the rest, I’ve been blessed that way to have good co-workers.”

Also like Allen, he too worked many storms, recalling ice storms at co-ops in Minnesota and Wisconsin, an ice storm at Eastern Illini and a tornado that struck Spoon River territory.

“You have to have a wife who is willing to put up with you being gone,” he noted.

Schaible and his wife, Mary Lou, have three sons, one daughter and four grandchildren, including two in town who he says keep him busy.

In addition to spending time with family, Schaible enjoys spending time hunting morels. He is not completely retiring either, with plans to work mowing grass. “But I’ll be able to take winters off,” he said. “That’s something I won’t miss — the cold.”

Jo-Carroll Energy connects members with savings

Jo-Carroll Energy members realized big savings and impacted the local economy with energy efficiency upgrades made to their homes through the HomE Program.

The HomE Program was created to provide a comprehensive residential energy-efficiency program to cooperative members in Illinois. The program began in May 2010 after the Association of Illinois Electric Cooperatives received \$1.5 million in American Recovery and Reinvestment Act funding to distribute to co-ops throughout the state. The program was so successful that an additional \$1 million was allocated to the program in November 2010.

Jo-Carroll Energy members who participated in the program had a basic home walk-through assessment completed by the cooperative's energy advisor John Scott.

"After the assessment we provided the homeowner with information that allowed them to make a decision on what projects they should complete in their home to increase energy efficiency," Scott said. Along with larger items, such

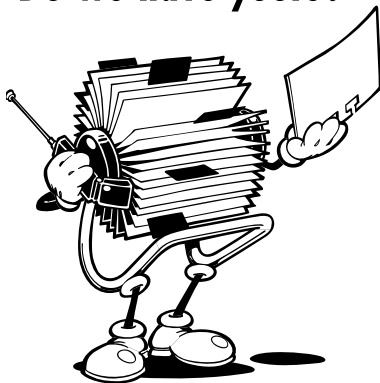
as heating and cooling system upgrades, recommendations often included new heat pump water heaters and more efficient lighting systems as well as insulation, weather stripping and air sealing.

During the program, Scott completed just under 400 home assessments. Members who completed energy efficiency measures received \$158,361 in HomE rebates, and will continue to realize savings due to the efficiency upgrades. Those same members spent \$1.6 million dollars on the efficiency upgrades, providing a significant impact to the local economy.

Those numbers are in addition to Jo-Carroll Energy's regular electric and natural gas incentives. Although the HomE Program has ended, members can still take advantage of rebates for energy efficiency appliances, lighting, air conditioning and heat pumps—while funds are available. More rebate information can be found on our web site at www.jocarroll.com.

Information, please!

Do we have yours?



It's important that Jo-Carroll Energy have the most up-to-date contact information for all members.

If you have recently changed your number, mailing address or email, the co-op would like you to let us know. Updated member contact information enhances our ability to contact you with important information, provide better, faster member service and outage response.

Please make sure we have your correct address, phone (including cell phone) and email addresses.

You can contact us at 800-858-5522, include a note with your monthly payment or email it info@jocarroll.com.

Providing Jo-Carroll Energy with your correct contact information will help the co-op serve you better. Please remember to keep us informed if your contact information changes. **Donna Ford**

Cool tips for summer energy efficiency

As summertime temperatures soar, so does the demand for power. Keep your cool this summer and remember these tips designed to help you choose effective ways to keep your energy bills down while the outside temperatures are rising:

- The heat of summer means your air conditioner may be working overtime. Set your thermostat higher than you normally do by at least two degrees and save.
- Take advantage of solar power. Save the clothes dryer, and hang your laundry outside.
- Shut off lights when not in use.
- The same goes for computers, video game systems and television sets. If you have children and teenagers home, send them outside to enjoy summertime.
- Consider the use of smart power strips for your TV and video systems to save. These power strips have outlets that automatically detect if a device is turned off, then cuts the power flow.
- Whenever possible cook your meals outside on the barbecue. Not only will you save energy, but you'll generate less heat from your oven and stove.
- Switch to more efficient lighting systems. If you're still using

incandescent lighting, consider switching as more options are becoming available.

- Weather stripping and air sealing aren't just for winter months. And don't forget to change your air filter monthly. Take care of some of these little jobs around the house and you could save big. Want even more ideas on how to save all year? Our website at www.jocarroll.com can connect you to lots of information on energy efficiency. Sign up for our Questline e-newsletter, dedicated to energy efficiency, while you're there. Or call us at 800-858-5522. We're always looking for ways to help you save.

Typical installation of an AMI meter

Jo-Carroll Energy continues to work on its new AMI project, changing meters daily, with installations completed by Chapman Metering, a Jo-Carroll Energy authorized contractor.

Depending on the terrain and

locations, Chapman can average 25 installations of standard single-phase meters per day, according to Jesse Shekleton, manager of electric operations.

Our contractor, or a Jo-Carroll Energy employee, will arrive on site to

install your new AMI meter. They'll let you know the power will be interrupted briefly. If no one is home, information will be left on your door.

Following are the steps to a typical installation of a new AMI meter.

Step 1.



The GPS coordinates of your meter are checked.

Step 2.



A photograph will be taken of the old and new meter to ensure the accuracy of the readings.

Step 3.



The meter box cover is removed.

Step 4.



The old meter is removed, and connections are inspected.

Step 5.



The new AMI meter is installed, and the contractor or Jo-Carroll Energy employee will make sure the meter is working.

Step 6.



The meter cover will be reattached, completing the installation.

Schneider House Furniture and Floor Covering



As a carpet installer and delivery man for Frank's Furniture and Funeral Home, Tim Schneider was given the opportunity to purchase the business, something he never thought he would be able to do.

April 1 of 1993, Sheldon and Lano Frank sold the furniture business to Tim and his wife Tammy, and the two have been serving Northwest Illinois for 18 years.

"I still remember shoveling snow on April Fool's Day, the day I bought the business," recalled Tim.

Today, the couple is proud to say that Schneider House Furniture and Floor Covering has remained the same throughout the years. "And we intend to be here a long time," Tim added.

"People are amazed at the size of the store," Tammy explained. The staff welcomes you to look around anytime.

This 30,000 square foot furniture and full-line flooring show room has been able to remain a strong competitor in the area.

"We treat our customers just like we would want to be treated," stated Tammy, "We have a passion for this store and will bend over backwards for our customers."

"Local" is a relative term for the Schneiders. Their free, local delivery reaches Eastern Iowa, Northwest Illinois and has even applied to some Chicago trips. They will even take your old mattress when they deliver a new one.

Installation is available with all flooring purchases. Tammy guarantees an installation well done from the same installers who floored the Schneider's home.

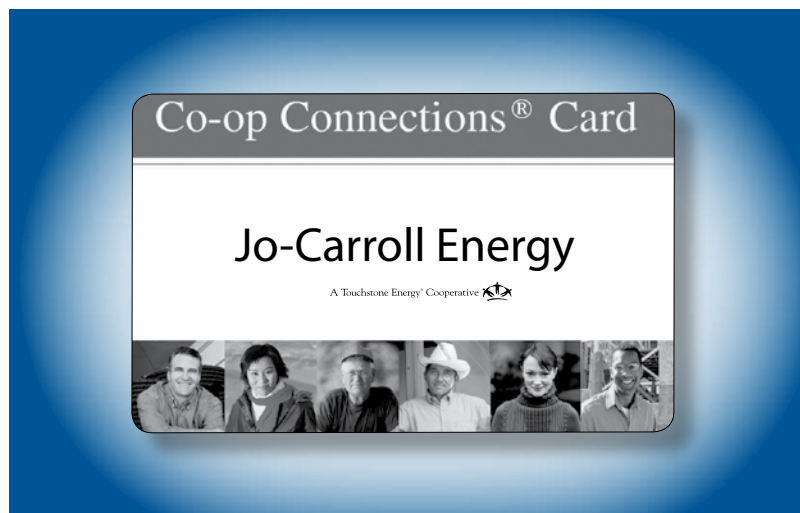
If you stop by and the Schneiders are not in it is likely they are watching their daughter, Paige, return volleyballs at Luther College or spending time with their two older sons, Devon, a graduate of UW Platteville and Darin, a graduate of Luther College.

Family and sports are central in the Schneider household. Tim and Tammy are thankful to their incredible employees for giving them the freedom to travel with their kids during their high school and college years.

Peggy Pugh, Neysa Bonnell and Brandon McCaskey are dedicated employees and are there to help whenever they are needed.

Many people say Schneider House Furniture and Floor Covering is big for a small town, but it is more than just a Mt. Carroll business. If you are reading this article you are who they want to serve.

Schneider House Furniture and Floor Covering is located at Broadway and Route 78 in Mt. Carroll. All Jo-Carroll Energy members receive 10% off floor cleaning products with their Co-op Connections Card. Call 815-244-2111 or check out www.schneiderhousefurniture.com for more information.



15%
off all regular priced items

New Co-op Connections Card Business!

Neat Repeats (The Great River Outreach)

815-656-0808

414 Main St. Savanna, IL

15%
off all live plants

cash & carry
only

Change in Offer:

Flower Fan-A-See

815-244-1123

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