

Menard Electric Cooperative's

Connect to MEC

A Touchstone Energy® Cooperative 

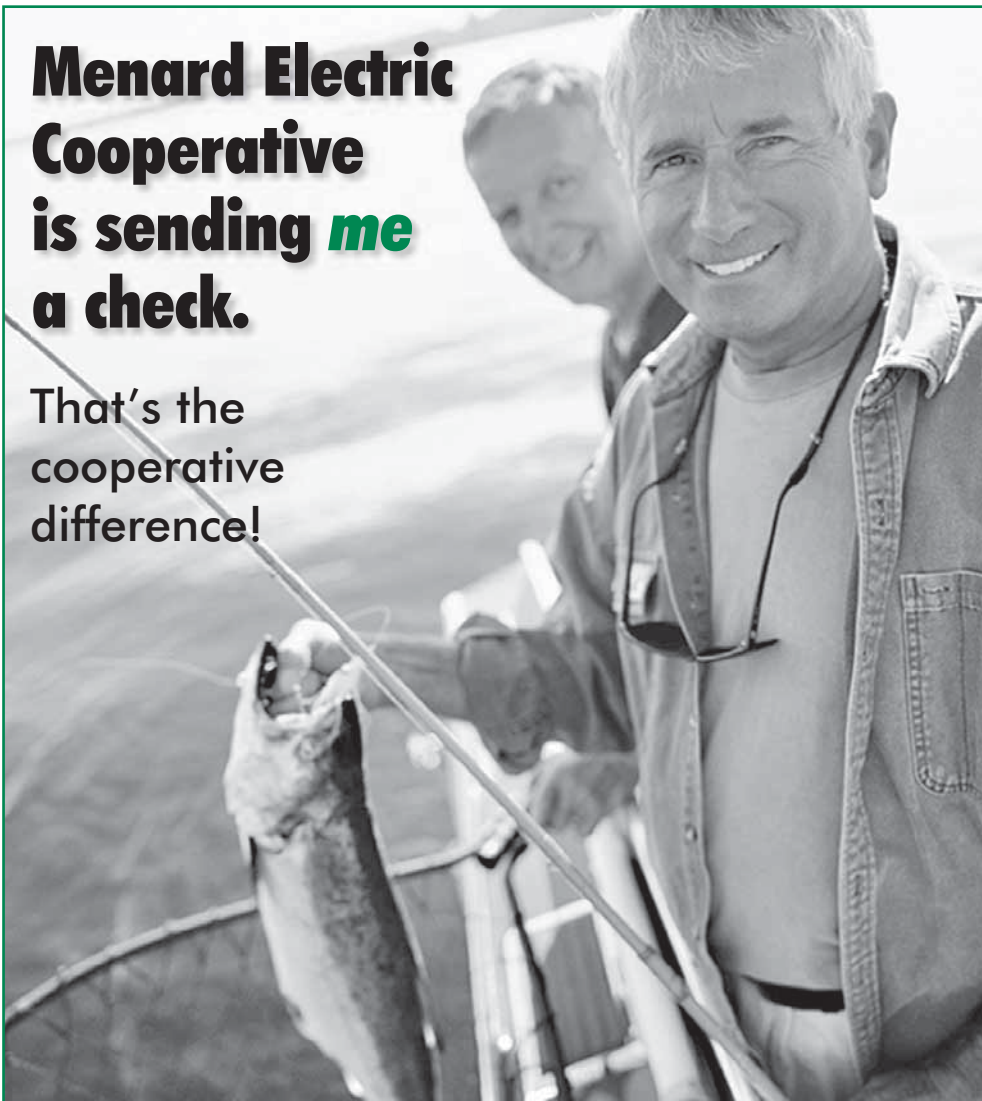


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Menard Electric Cooperative is sending *me* a check.

That's the cooperative difference!



Unlike other utilities, Menard Electric exists to meet your needs, not to earn a profit. As a member-owner you share in the profits in the form of capital credits. The cooperative works hard every day to keep your rates as low as possible. But it's sure nice to know that when there are profits, they go back to you!

Your Board of Directors has approved a capital credit refund of approximately \$410,000 for margins acquired in 1984. Turn the page for more information and to find out if you'll receive a check from Menard Electric Cooperative in May/June.

Office Closings

Good FridayApril 2

14300 State Hwy 97
 P.O. Box 200
 Petersburg, IL 62675

1-800-872-1203
 217-632-7746
 www.menard.com



Capital credits

Were you a member of Menard Electric Cooperative in 1984?

Then you may receive a capital credit refund. Read on for more details.

What are capital credits?

Menard Electric is structured to make every member an owner of this business. Unlike other electric utilities, MEC does not exist to make a profit. Any revenues over and above the cost of doing business are considered “margins.”

These margins represent an interest-free source of operating capital by you and the rest of the membership to the cooperative. This capital allows us to finance operations and new construction, with the intent that this capital be repaid to you in later years. MEC is currently on a 24-year retirement cycle.

Your board of directors recently determined that the cooperative could financially afford to retire capital credits earned in 1984.

Active members who purchased electricity in 1984 and had allocations under \$50 will receive their capital credits on their May bills. Members due capital credits over \$50 will receive a check. Inactive members with allocations above \$5 in 1984 will receive a check.

How are capital credits calculated?

Every member who purchases electricity during a year in which margins are earned is allocated capital credits. No special action is required to start a capital credits account and you don't have to be a member for a full year to receive credits for that year. The amount of credits you earn in a year is

based upon the amount of capital you contributed to the cooperative through payment of your monthly bill. The more electric service you bought, the more capital credits you earned.

The sum of your monthly bills for the year is multiplied by an allocation factor to determine your capital credits. The allocation factor varies from year to year, depending on the success of the cooperative. Capital credits are only allocated for a year in which MEC earns margins. Since credits are a member's share of the margins, no credits are allocated for a year with no margins.

What is the difference between allocated and retired capital credits?

Allocated capital credits appear as an entry on the permanent financial records of the co-op and reflect your equity or ownership in Menard Electric. When capital credits are retired, normally in May or June each year, a check or credit on your account is issued to you and your ownership-share in MEC is reduced.

Will I receive a check every year?

Each year the Board of Directors must approve a capital credit retirement after reviewing the financial health of the cooperative. If the board determines that MEC cannot afford to retire credits, they will not authorize a retirement.

How often will I receive an allocation notice?

An allocation notice is provided to members in this magazine each fall, after the finances for the previous year's books have been completed.

Joined the cooperative after 1984?

Menard Electric Cooperative is on a 24-year cycle for capital credit retirements. You are accumulating these credits every year. Read on to learn how capital credits are allocated to your membership.

What happens to my capital credits if I leave the MEC service territory?

Your capital credits remain in our system in your name until they are retired with a future general retirement or as an estate final payment. Please make sure MEC always has your current address so we can mail checks to you at a later date.

What happens to the capital credits of a member who dies?

The capital credits of a deceased member may be paid without waiting for a general retirement. A representative of the estate must request the capital credits be paid at a reduced, present value, amount by filling out our capital credits estate packet. If the membership is jointly held by a spouse, capital credits can be transferred to the surviving spouse's new membership if requested. Contact Michelle or Trish at the cooperative at 632-7746 for an estate packet.

15% off appliances April 16-25 with Energy Star rebates

Energy Star qualified clothes washers, dishwashers, refrigerators, freezers and room air conditioners will be marked down 15% at the time of sale April 15-25 only. No retroactive rebates. This is at participating dealers only.

Listings can be found at www.illinoisenergy.org or by calling 877-782-7005. The list of dealers is updated every Friday. Check online if the store you wish to use is not listed here-it could have been added since this magazine went to print.

Home Depot, Jacksonville
Lowe's, Peoria, Springfield, East Peoria, Bloomington
Noonan True Value Hardware, Springfield
Phil Flaughter Electric Corporation, Decatur
Sears, Pekin, Bloomington, Champaign, Jacksonville, Lincoln
American Furniture, TV and Appliances, Peoria
Argo's Appliance, Peoria
Benson's Appliance, Bloomington, Peoria, Pekin
Dick Van Dyke Appliance World, Decatur, Springfield, Champaign
Neil's Appliance, Pekin
OK Appliances, Bloomington
Plass Appliance, Bloomington
R & M Appliances Inc., Jacksonville
Rics TV & Appliances, Pekin
Sam's Best Brands Plus, Springfield
Sherman's Place Inc., Peoria
Trone Appliance Center, Ltd., Jacksonville
UFS Savings Center, Peoria
Walton & Co., Jacksonville

Additional recycling rebate

If you purchase a refrigerator, freezer, clothes washer or dishwasher, you are eligible for an additional mail-in rebate when you submit proof that an old unit was hauled away and proof of purchase of a qualifying replacement unit that received an instant rebate. Rebates are \$50 for recycled washers and dishwashers and \$100 for recycled refrigerators and freezers. The mail-in recycling rebate form will be available at www.illinoisenergy.org/appliances.



Other Energy Star rebates available

These rebates began Jan. 31, 2010, and will continue until funds are depleted. All purchases must be made from participating dealers or retailers. Listings can be found at www.illinoisenergy.org or by calling 877-782-7005. Online list will be updated every Friday. Rebates are not retroactive. Minimum equipment efficiencies are required. Program will be available for residential equipment installed in Illinois only. Must provide home zip code at time of purchase. Installations in commercial spaces will not be applicable.

Heating/cooling rebates

Rebates are for highly-efficient heating and cooling equipment as listed here. Participating HVAC dealers only. Find list of dealers at www.illinoisenergy.org. Check with your HVAC contractor to be sure model selected applies for rebate.

Rebates are given at time of purchase from HVAC dealer as line item discount on purchase price.

Central Air-Conditioners, SEER 16 or above (\$500)
Air-Source Heat Pumps, SEER 16 or above (\$1,000)
Propane Furnaces, AFUE 95% or above (\$350)
Gas Furnaces, AFUE 95% or above (\$350)
Gas Boilers, AFUE 90% or above (\$1,200)

Water heater rebates

Water heaters must be purchased from participating dealer. Find list at www.illinoisenergy.org (updated every Friday). Rebate is 25% markdown of purchase price, given at time of sale.

Qualifying models include Energy Star qualified Electric Heat Pump, Gas Storage and Gas Tankless Water Heaters.

Eligibility information

Equipment must be purchased for personal use by the consumer at his or her residence. Purchased equipment must be new, and must be purchased in Illinois from an approved retailer or contractor. Recycling rebates require proof of recycling.

Limit one rebate per appliance type per visit for all retail purchases. Only one rebate per product category, per household is allowable. For example, a customer may receive a rebate on an EnergyStar water heater as well as a qualifying furnace, but would not be eligible for two furnace rebates. Companies and multi-family building owners are not eligible. Corporate funds or credit cards cannot be used to purchase appliances.

Rebates available from Menard Electric

Heating and cooling rebates

If you're making home repairs for energy efficiency this year to take advantage of the federal tax credit and/or the Energy Star rebates, don't forget about Menard Electric Cooperative's rebates as well. They can help reduce your costs even further. In addition, installing a geothermal heating system, a heat pump, or an electric water heater could help qualify you for a cheaper electric rate. Call our office or visit our Web site at www.menard.com for more information on rates and for a rebate application.

Geothermal rebate

One-time rebate of \$600 for any size system installed in a new or existing home.

Heat pump rebate

One-time rebate of \$200 for any size system installed in a new or existing home.

Electric water heater rebates

All are one-time rebates. Member must sign up for co-op's load management program. Tankless or on-demand water heaters do not qualify for rebates or load control programs.

\$100 rebate if replacing an existing fossil-fuel fired water heater with an electric water heater that has at least a

40-gallon capacity.

\$100 rebate if electric water heater is installed in a new structure.

\$75 rebate if a new electric water heater replaces an existing electric water heater.

Certified Comfort Home rebate

One-time \$100 rebate if new home is built to the energy-efficient standards described in the Certified Comfort Home booklet. Call our office and we'll mail you a booklet.

Call the co-op at 800-872-1203 or check out our Web site at www.menard.com for more information.

Planting for energy efficiency

According to the U.S. Department of Energy, the right trees planted in the right places could save you up to 25 percent of your heating and cooling energy consumption. How? By blocking summer sun and winter winds.

Think about how nice it feels to stand beneath a shade tree on a hot summer afternoon. It could feel 25 degrees cooler under there. You could take advantage of this natural cooling by planting deciduous trees with high leaves and branches on the south side your home to shade your roof during the hottest part of the day.

Planting trees with low branches on the west side will shade your home from the afternoon sun. And don't forget that shading your air conditioner can increase its efficiency up to 10 percent.

Winter winds bring frigid air right up against your home. Planting evergreen trees and shrubs close together on the north and



northwest sides of your home makes a great windbreak. Shrubs, bushes and vines planted next to your home can also help insulate it – but remember to leave at least one foot between full-grown plants and your home's outer wall.

Don't plant evergreens on the south side of your home because they will block the winter sun from warming your home.

Source: The U.S. Department of Energy-www.ere.energy.gov

Planting near power lines

That tree you just picked up at the nursery doesn't look like it would ever cause problems, but in 10 or 20 years when it's full grown, it could become a hazard if you plant it too close to power lines. You can help us avoid further tree trimming by taking into account how tall and wide trees will grow and planting them the correct distance away. A nursery owner or your county extension agent can recommend trees that will meet your requirements without presenting a problem to our electric lines. Some general guidelines include:

- Trees growing up to 25 feet, such as the Redbud, Dogwood and Crabapple, can be planted directly under and 20 feet to either side of power lines.
- Trees growing up to 40 feet, such as the Washington Hawthorne, should be planted at least 20 feet from lines.
- Taller trees, such as the Maple, Oak, Spruce and Pine, should be planted at least 50 feet away from lines.

For more information and a diagram of what trees to plant where visit www.arborday.org.



Why trees have to be trimmed

Trees growing too close to power lines can create safety hazards and cause outages as branches come into contact with lines. This happens several ways: the wind causes branches to sway, storms cause branches to break off and fall, snow weighs down branches, and animals and children climb into trees.

Outage protection

Branches swaying into lines from heavy winds create a “short circuit” and cause your lights to blink off. Branches that are repeatedly swaying into the lines can cause the lights to blink off again. Once that occurs three times, your lights go out until a lineman can investigate the problem and reset the “circuit.” This is much like you sometimes have to reset a circuit breaker in your home.

Sometimes branches that seem too high to cause problems come into contact with lines after heavy snow fall or ice

accumulation weighs down the branches.

Trees and limbs that fall due to age or storms can cause lines to break or otherwise damage them.

Sometimes small animals, like squirrels, will use trees as ladders to power lines and nibble on them, causing an outage.

Safety

Trees don't provide protection from electrocution—moisture from within the wood provides the path electricity needs.

A child climbing a tree near a power line is a dangerous, and possibly deadly, situation. A child's weight could cause a branch to lower itself into a line. Or a slipping child could grab a power line instead of a branch.

Our linemen working on routine maintenance or repairing lines during outages are also safer when trees are not interfering with the work to be done.

Use your connections card

Paul Tree Farms in Pleasant Plains offers a 10 percent discount to Co-op Connections Card holders on Pines, Spruces, Maples and Oaks. Call 217-971-7876 for details.

Triple Creek Farm Greenhouse in Virginia and Petersburg offers \$5 off purchases of \$50 or more with your card. Call 217-452-3381 for information.

Co-op Connections® Card



Menard Electric Cooperative

A Truistone Energy Cooperative



Trees to be trimmed in 2010

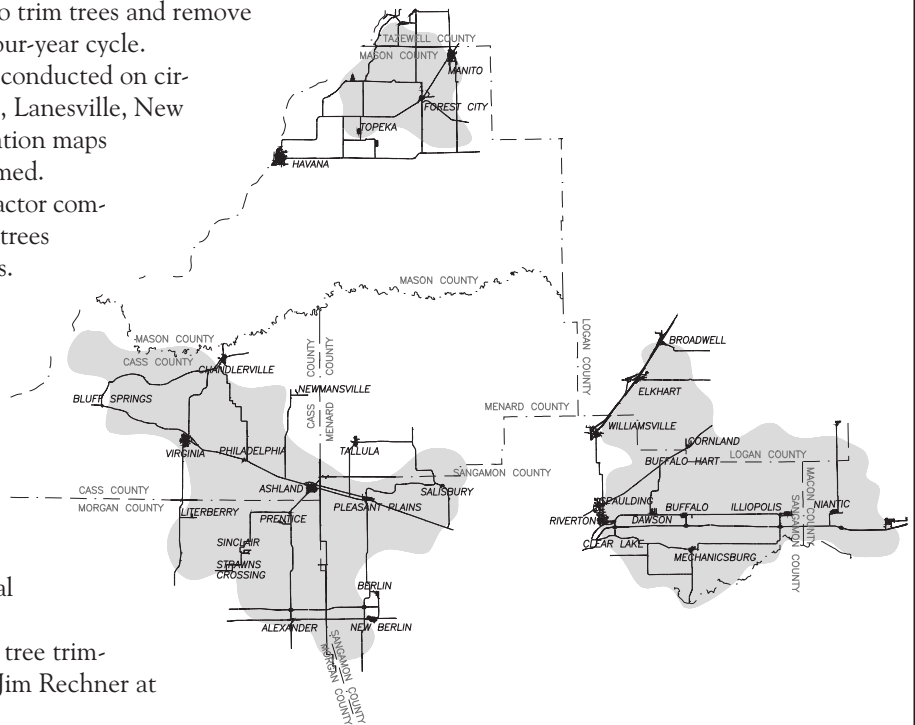
In order to provide you with the safest, most reliable service we can, MEC has a line clearance program to trim trees and remove brush from all of distribution lines on a four-year cycle.

This year, trimming operations will be conducted on circuits emanating from our Barclay, Bishop, Lanesville, New Berlin and Virginia Substations. The location maps shown here indicate the areas to be trimmed.

We have a private line clearance contractor complete the trimming work. They will prune trees at least eight to 10 feet back from our lines.

Smaller trees and brush interfering with access to lines, or that will cause future problems, will also be removed. All trimming is done according to guidelines established by the American National Standards Institute to assure the continued health of your trees. Smaller branches and brush will be chipped and removed. Larger wood will be cut into manageable chunks for removal by the member or other local parties.

If you have questions about this year's tree trimming program, contact System Engineer Jim Rechner at 800-872-1203.



An easy way to protect your electronics and appliances

Whether you have the newest plasma television or not, you probably have a houseful of electronics and appliances that could be severely damaged in a lightning strike. Look around at all the appliances in your kitchen and take note of your cordless phone, stereo, computer and television.

Our homes are filled with sophisticated electric equipment and expensive appliances that are more sensitive than ever before to voltage irregularities due to lightning. What would it cost to repair or replace all of these items in event of damage due to a lightning-caused power surge?

These items your family enjoys each day would quickly add up to big bucks if you had to repair or purchase them all at once. Menard Electric knows this and offers several ways you can protect your investments. It's easy, just sign up for the plan you need and you're covered!

Basic Surge Protection Plan \$4.95/month

This plan protects the major electromechanical appliances (white appliances) in your home, including your

refrigerator, washer, dryer, range, dishwasher, etc. A whole-house surge protector is installed on your electric meter to provide protection for less than 17 cents per day, and the price includes the surge protector, installation and all future maintenance.

Premium Surge Protection Plan \$5.95/month

The premium plan goes beyond the basic plan to include protection for sensitive electronic equipment such as your computer, television, stereo, telephone, answering machine, clock radio, etc. The plan requires an initial \$49.95 fee to cover the price of four individual point-of-use surge protectors that are used in addition to the whole-house surge protector. The point-of-use protectors can be used to protect an entertainment center, computer center, along with a cordless phone and two or three other pieces of electronic equipment. A circuit receptacle tester is also included that will let you know if you have the right amount of surge protection.

Point-of-Use Surge Protectors

We can also provide additional point-of-use protection devices for your computer, television, satellite dish and other electronic equipment. They include lifetime warranties for all devices and for the repair or replacement of the equipment they are protecting. Remember, lightning can enter your home through a phone line, cable line, satellite or antenna connection as well as through your electrical service. These point-of-use devices protect these areas and ensure that all your electronic devices are covered.

With these devices you can rest easy the next time a storm comes, knowing your home's appliances and electronics are protected. Call our office at 800-872-1203 or 632-7746 for more details or visit www.menard.com for information on this and other programs we offer.



Save time and money with Automatic Payment

Our Automatic Payment Plan allows you to have your electric bill automatically deducted from your checking or savings account on the 17th of each month. It's always on time and you don't need checks, envelopes or stamps! We will deduct the net amount shown on your bill, and proof of payment will appear on your monthly statement. This form must be received in the co-op office by the 20th of the month prior to the month you wish payments to begin.

Mail with a voided check to Menard Electric Cooperative, PO Box 200, Petersburg, IL 62675.

Name: _____ SS# _____

Address: _____

City/State/Zip: _____

Phone#: _____ Map Location # _____

Bank Name: _____

Bank Account # _____

Checking acct. Savings acct.

I, _____, authorize Menard Electric Cooperative (MEC) to draw monthly bank drafts through the automatic plan (ACH) on the account shown above for the payment of my electric bill in full and any other services I authorize. I understand that I may discontinue my participation at any time by notifying MEC in writing. Both Menard Electric Cooperative and the bank may terminate this agreement with 10 days written notice. I understand that MEC reserves the right to limit participation in this program to customers whose accounts are in good standing. I understand that the amount of my bill each month will be drafted on the 17th or next business day after. I understand that if funds are not available in my account for the draft to clear, there will be a charge posted to my MEC account, for NSF, and I will still be required to make full payment before the due date of the bill.

Signature: _____ Date: _____

Have a family budget?

Sign up now for our budget billing program



We know how much it can help some families to have a monthly budget for expenses. That's why we offer a budget billing program for your residential or farm electricity usage. Your bills will be the same each month for 11 months.

You'll never again be surprised by higher bills during heavy usage periods, like that cold snap we had early this year, or when your air conditioner runs on high to beat a summer heat wave.

Now's the time to sign up for the next budget billing cycle.

How it works

We'll calculate a monthly budget amount by estimating the average kilowatt-hour used in the previous 12 months. For new members, we'll use the best available data we have.

For 11 months, you'll be billed the same amount each month. Then, in the 12th month, you'll receive a bill containing either a credit (if you used less kilowatt-hours than expected during the previous 11 months) or an amount due (if you used more kilowatt-hours).

The next budget billing cycle begins with our July 7, 2010, billing and ends with our May 7, 2011, billing. The June 7, 2011, bill will contain the credit or amount due.

Give us a call if you're interested at 800-872-1203 and we can explain the program in greater detail and send you the necessary information.

Member satisfaction survey results

We conduct a member survey every few years. Our state association randomly selects members to participate in a 58-question member satisfaction survey.

The questions focused on quality of service, member participation, additional services interest and demographic information.

This survey is important to us so that we can be sure our members are receiving good service, our cooperative is continuing to improve after each survey, and we are offering the goods and services our members want. The last two surveys were completed in 2007 and 2004.

The American Customer Satisfaction Index (ACSI)

Nationally, electric utilities are surveyed for an ACSI score. We're proud to say that Menard Electric Cooperative received a score of 81 this year, up from 80 in 2007 and 76 in 2004. We're right in line with other electric cooperatives in the state, and above investor-owned utilities that averaged a 74.

Member satisfaction

In regards to member satisfaction, 96.9 percent of respondents felt either positive or very positive about Menard Electric. This number was up two points from our 2007 survey.

Service satisfaction numbers show that 45.7 percent of respondents were very satisfied and 51.2 percent were satisfied with the service they receive from us. 72.5 percent of respondents said our service was very prompt, a number that has continued to rise each time we conduct a survey. And we're very pleased to hear that 99 percent of respondents felt our employees were courteous or very courteous.

Readership

Of the respondents, 70 percent said they frequently read this publication. We appreciate those members who take the time to learn about their electric cooperative and hope to offer useful information.

One of the items we seek to inform our members about are ways you can reduce your energy usage. The survey showed 95.6 percent of respondents had taken energy efficiency measures in the last year.

Importance of member involvement

The numbers that weren't as positive were in regards to member identity and involvement. Some of the respondents didn't identify themselves as members, or see attendance at the annual meeting and participation in director elections as important. Only 20 percent said they had ever attended the cooperative's annual meeting.

We want you to know what your cooperative is all about and encourage you to participate in its operation. Look for information now on page 9 and here next month on the annual meeting and for your notice in May. We hope you'll bring your family to our annual meeting June 5, which will feature an energy efficiency seminar as well as a member marketplace and a variety of games for kids this year.

What do the numbers mean?

We are pleased to see such high marks in customer satisfaction and appreciate the time our members spent filling out the survey. We gain valuable information on where we are improving and what areas we can improve upon to provide you with even better service.

Board Meeting Report

Menard Electric Cooperative
From the Board Room
January 26, 2010

The monthly Board Meeting of the Board of Directors of Menard Electric Cooperative was called to order by President Gary L. Martin at 6:00 p.m. at the headquarters of the cooperative, 14300 State Highway 97, Petersburg, County of Menard and State of Illinois.

On roll call the following Directors were present: Jerry W. Brooks, Michael L. Carls, D. Jay Frye, Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Roy H. Seaney and Steven L. Worner. Also present were Trish Michels, Director of Member Services, Nancy Nixon from the AIEC, Manager Lynn A. Frasco and Attorney Charles K. Smith.

President Martin reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved with the change. Motion carried.

Nancy Nixon presented the results of the 2009 Member Survey, and discussed the Member's perceptions and expectations determined from the survey.

Manager Frasco presented the Manager's Report for the month of December 2009. He reviewed the Balance Sheet, Budget, Outage Summary and Safety Report.

Under the Operations Report, Manager Frasco reviewed work done by the cooperative crews for the month. He advised that outages were very low for the month. He advised that the cooperative was proceeding with the AVL equipment in the Burton Trucks and that Bob Burris was doing a good job in his position as Acting General Foreman.

He reviewed with the Board current credit card processing fees and what those fees would be under the new program. He advised that there had been contact from Manito Investments about the possibility of running their generators during three summer months as opposed to obtaining energy from the cooperative. He advised, however, that after Manito had investigated

the matter further, they determined the savings were not sufficient to justify the changes.

There was discussion about the Sick Leave Bonus and accruing it as a liability for 2009. Manager Frasco discussed the pros and cons of doing so. After discussion, it was moved and seconded that the Sick Leave Bonus be used as a liability for 2009. Motion carried with Director Worner in opposition. It was moved and seconded the Manager's Report be approved. Motion carried.

Manager Frasco presented the Financial Report for the month of December. Year to date margins were \$1,194,082 compared to \$1,816,282 a year earlier. Equity as of the end of December was 34.34% and the number of members served was 10,506 compared to 10,475 a year ago. Net Utility Plant at the end of December was \$35,317,734 compared to \$34,692,054 last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

Director Goetsch reported on AIEC Activities.

Director Carls reported on Prairie Power Inc. He reviewed the December energy charge, as well as the President's Report. Manager Frasco reminded the Board that the Prairie Power Information Meeting was scheduled for February 10, 2010, at 10:00 a.m. at Hamilton's in Jacksonville, Illinois.

Manager Frasco advised that it was necessary to approve Delegates and Alternate Delegates for the CFC Annual Meeting and the NRTC Annual Meeting. It was moved and seconded that President Martin be the Delegate for both meetings, with Manager Frasco as the Alternate. Motion carried. It was also moved and seconded that Director Frye be named the Delegate for the ICWCG Annual Meeting with Manager Frasco as Alternate. Motion carried.

Manager Frasco presented a Resolution for Determination of Bill-

ing Demand on Retail Rates. It was moved and seconded that the resolution be adopted. Motion carried.

Director Frye reported on the meeting of the Capital Credit Committee. He reviewed the proposed resolution with regard to retirement of Capital Credits for the year 2010. After discussion by the Board, it was moved and seconded the resolution be adopted. Motion carried.

Manager Frasco reviewed the Capital Credit Estate Refunds Report.

Manager Frasco discussed the proposed Tree Trimming Contract with Warrensburg Tree Service for additional line clearance in 2010. After discussion of the contract, it was moved and seconded that the President and Secretary be authorized to enter into the Tree Trimming Contract with Warrensburg Tree Service. Motion carried.

Manager Frasco distributed to the Board the Conflict of Interest Certification & Disclosure Form and asked each Board member to fill out the form and return to him, as well as the Director Monthly Record of Hours involved in Menard Electric business.

Manager Frasco reminded the Board that the Co-Bank Customer Meeting was scheduled for March 29-30, 2010, in Bloomington, Illinois.

President Martin reminded the Board that the next monthly Board Meeting was scheduled for February 23, 2010, at 6:00 p.m.

Under other business, President Martin reminded the Board that the NRECA Annual Meeting was scheduled for February 14-17, 2010, in Atlanta, Georgia and that the Irrigation Clinic was scheduled for February 4, 2010, in Havana, Illinois. The Board also discussed the retirement lunch for Terry Entwistle scheduled for February 8, 2010, at Noon.

There being no further business to come before the Board, it was moved and seconded the meeting be adjourned. Motion carried.