SOUTHEASTERN LA ILL

SouthEastern Illinois Electric Cooperative Eldorado, Illinois

Your Touchstone Energy® Partner



President's Comments



Dustin Tripp President/CEO

couthEastern Illinois Electric Cooperative held its' 72nd Annual Meeting on Tuesday, August 3rd, 2010 with 1,252 members registered and approximately 1,800 in total attendance. For those of you who were unable to attend your Cooperative's annual meeting, this article will summarize the report members received at the annual meeting.

During the year 2009, your Cooperative invested \$6.3 million in system improvements to replace aging infrastructure and invested \$5.8 million in maintenance activities in order to increase electric service reliability. Your Cooperative also constructed 301 new services, upgraded 164 services, rebuilt 13 miles of distribution line and replaced over 396 bad poles. Your Cooperative has also placed significant emphasis on and has improved the right-of-way trimming and clearing program over the past several years. The benefits of this improved program have certainly become evident by providing a more reliable electric supply for members during normal weather conditions and have decreased the amount of damages, outages and outage restoration time during the extreme storms we have experienced.

In 2009 your Cooperative experienced two of the most severe and devastating storms in its 72-year history. On January 27th and 28th an ice storm blanketed the southern and southeastern areas of our service territory with over 1 inch of ice and resulted in 9,500 outages and over \$3.5 million in damages. On May 8th a major storm that many have referred to as an

"inland hurricane" brought winds exceeding 100 miles per hour in



From left to right, trustees re-elected for a 3-year term - Jamie Scherrer, Dale Schierbaum, Victor Knight and Richard Rister.

our western and central territories, resulting in 12,500 outages and over \$2.6 million in damages. In summary, these storms caused damages in excess of \$ 6.1 million to your Cooperative; however your Cooperative applied for FEMA assistance and received \$3.8 million in assistance to help pay for these storms

Since 1963 Southern Illinois Power Cooperative (SIPC) at the Lake of Egypt has provided the generation and transmission service to your Cooperative. In fact, your Cooperative was one of the three original distribution cooperatives that formed SIPC. Today, SIPC is owned and controlled by seven distribution cooperatives located in Southern Illinois. In 2009, more than 75 percent of your Cooperative's total expenses were spent on purchased power. This means that for every \$1 in total expenses, 75 cents of that dollar went to

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READERSHIP PRIZE WINNER: Doyle Galloway, Sesser, IL



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purchase the wholesale generation and transmission service from SIPC.

In 2007, SIPC signed contracts to acquire 125 megawatts of the new Prairie State Energy Campus located in Washington County. Prairie State is a planned two unit, 1,600 megawatt supercritical coal-fueled power plant featuring advanced technology resulting in high efficiencies while achieving emissions that are far superior to America's current coal-fired generating fleet. This new facility has been under development since fall 2007 and units one and two are expected to come on line in late 2011 and mid 2012 respectively.

Members were updated on the status of legislation proposing a cap and trade tax on carbon dioxide emissions. The most recent proposals include a "utility only" approach. This approach would specifically penalize areas of the country that have abundant resources of coal and utilize coal to generate electricity. Our region would certainly be penalized by this new approach while other areas of the country would not be affected. Meanwhile the U.S. Environmental Protection Agency is currently considering proposals to regulate greenhouse gas emissions under the Clean Air Act in the near future. While the climate change issue is still being debated with no real direction at this time, it is very likely that the cost to comply with new legislation or new EPA regulations will increase the price of energy. Your Cooperative's goal is to inform you and members of Congress about the associated costs with the proposed legislation and urge them to pursue fair, affordable and achievable solutions.

Upon review the Board of Trustees and management have determined that there will be no ad-



ditional rate increases for the year 2010. In addition barring any unforeseen additional cost impacts that are imposed on the Cooperative by the passage of legislation or regulation

from the Environmental Protection Agency, the cooperative does not anticipate a rate increase in 2011.

See you next month and as always, "We'll keep the lights on for you."

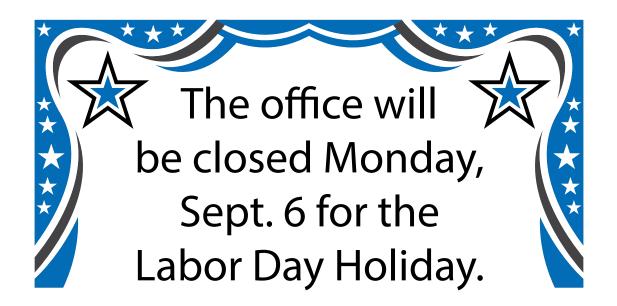
If You Depend On Life-Support Equipment We Need To Know

while SouthEastern Illinois Electric Cooperative strives to maintain the best possible service with a minimum of outage time, occasional outages, either planned or uncontrolled, do occur. Your Cooperative needs to know the names and location of Cooperative members who depend on life-support equipment. We keep a registry of members who are on life-support equipment and it is important that this information be current and accurate. We will make every effort to give priority to restore service to members on life-support systems.

If you or a family member depend on life-support equipment, please fill out the form below and mail it to us along with a medical certificate from your physician at:

SouthEastern Illinois Electric Cooperative, P.O. Box 251, Eldorado, IL 62930

NAME:
PHONE NO. ()ACCOUNT NUMBER:
YPE OF SUPPORT EQUIPMENT:
DAY(S) OF USE:
TIME(S) OF USE:
OO YOU HAVE AN EMERGENCY STAND-BY GENERATOR TO OPERATE THIS EQUIPMENT?
□YES □NO
Mail this form along with a Medical Certificate from your physician to: SouthEastern Illinois Electric Coop., P.O. Box 251, Eldorado, IL 62930



Paying the price of power theft

t's often an "invisible" crime. Someone illegally hooks into a power supply, hooks up a line that has been disconnected, or tampers with a meter to avoid recording electricity usage. Legitimate electricity consumers do not engage in these behaviors, so the impact of electricity theft – including the danger – is often unrecognized.

Power theft carries deadly risks. Many thieves have paid for the power they are stealing with their lives. But the danger does not end with those who are engaging in illegal activity. "Tampering with electrical equipment or attempting to steal electric power carries the potential to harm may people," says Molly Hall. "The innocent consumers on the same line and utility personnel that work on those lines are all at risk when someone tampers with electricity or electrical equipment." An overload of electricity could result in extremely high voltages that may damage appliances of paying customers.

Excessive current that is not

safeguarded by a fuse is especially dangerous. In emergency situations such as fires, power has to be shut off to help firefighters and ambulance crews to enter a building safely. If lines have been interfered with illegally, the lines could remain energized, endangering the lives of the emergency personnel.

From a reliability standpoint, illegal connections to power sources and attempts to divert metering devices can overload the system, cause interruptions and compromise power quality.

SouthEastern Illinois Electric Cooperative reminds that everyone can help prevent and reduce power theft:

- Notify your electric utility immediately if you know of an illegally connected consumer.
- Do not cut the seal on your meter base or tamper with your own meter for any reason.
- Apply for a legal connection if you do not have one.

• Remain aware of your surroundings and report any suspicious activities to your electric utility.

Most electrical theft crimes occur through meter tampering, bypassing meters and tapping power lines. Other less frequent crimes include tapping into neighboring premises, using illegal lines after being disconnected, self-reconnection without consent and electrifying fences. Possessing fraudulent electricity bills is also a federal crime and is punishable by law.

The theft of electricity is a challenge that the electricity distribution industry faces to remain sustainable and viable and safe. If illegal connections were curbed, more power would be available to customers who obey the law, power quality and safety would increase and people would experience fewer service interruptions.

Everyone is affected by power theft, and detecting and reporting illegal activity will help reduce the price paid.

POWER OUTAGE

If your power goes off, we offer these suggestions

- 1. Check the fuses or circuit breakers in your service panels. If you have breakers, make sure they are in the "ON" position.
- 2. If you have a meter pole, check the main breaker panel just below the meter socket. If the breaker is in the "OFF" position, check all of your wiring from the meter pole to your various buildings. If the wiring appears to be okay, reset the breaker to the "ON" position.
- 3. If you still do not have power, check with neighbors to see if they have power.
- 4. To report a power failure or other emergency, please phone 1-877-399-8405. This phone number is monitored around the clock, 365 days per year to accept your outage and emergency calls.
- 5. Your phone call will be handled by SouthEastern's automated outage reporting system and will be identified automatically through ANI (Automatic Number Identification). An outage record will then be generated for your location. Please note that the phone number from which you place the call will be the number used to generate the record. If the system fails to recognize your phone number, members having touch-tone phones may simply enter their
- seven-digit phone number (without area code) in order to report the outage. Members not having touch-tone phones will be asked to leave a message. It is important you leave your name, phone number and location of the outage. Retrieving messages and entering them into the system is time consuming; therefore, please leave only a message that will help in restoration of electric service. Do not remain on the line for an operator because a live operator is not there to respond. In order to keep a current listing of all numbers, it is important that you notify the Cooperative of any changes in your telephone number.
- 6. Handling outage calls electronically allows you to report power failures very quickly. Once your outage has been reported, it will be dispatched to repair personnel who will restore your outage as soon as possible. Calling back repeatedly will not shorten the length of the outage, but may hinder the efforts of other members who are trying to report outages.

OUTAGE CALLS ONLY 1-87/7-822-8405

SouthEastern Illinois Electric Cooperative, Inc.

585 Highway 142 South • P.O. Box 251 • Eldorado, Illinois 62930 618-273-2611 or 800-833-2611 • Office hours: 8 a.m. - 4 p.m. M-F