### **Annual Meeting Recap**

embers of Southern Illinois Electric Cooperative (SIEC) attending the co-op's 71st annual meeting were asked to stay politically involved in the climate change legislation debate. Co-op leaders warned that although cap and trade legislation has currently stalled in Congress, the U.S. Environmental Protection Agency (EPA) is moving forward with regulation under the Clean Air Act that will dramatically raise the cost of all fossil fuels. The meeting was held Thursday, August 5 at the Shawnee Community College in Ullin.

Board President G. Robert Inman of Grand Chain reported that 14,000 Illinois co-op members have sent cards and letters to Illinois representatives in Congress asking for fair, affordable and achievable energy legislation instead of regulation. "Although cap and trade legislation may seem to be on the back burner, the threat is still there," said Inman. "We cannot forget that. There are also other significant political threats out there and we still must keep fighting." \*\*MEMEUNG THE MANUFULLY MANUFULL

Inman said that in addition to the cards, letters and e-mails sent to Congress through the electric cooperatives' website www.ourenegy.coop, co-op leaders from Illinois and across the country gathered for a grassroots political rally in Washington, D.C., in May. Inman said local co-op leaders asked their Congressional representatives to stop the EPA regulation



During the 71st annual meeting of the members of Southern Illinois Electric Cooperative members elected four directors to serve on the Board. From the left are Executive Vice President/General Manager Larry Lovell of Anna, re-elected board members Scott Ury of Anna, Richard Moss of Tamms, Dale Taake of Ullin and newly elected board member Larry Douglas of Belknap.

and instead pass legislation that would be fair to Midwest consumers.

Inman said, "We also asked for continued federal loan support of electric co-ops, which have sparsely populated areas to serve, and we asked for support of the Rural Energy Savings Program Act. This would provide funding that would help electric cooperative members use energy more efficiently in their homes."

Inman also reported the coop has finished its installation of a "smart grid" automated meter reading system. He reported that Southern Illinois Power Cooperative, the generation and transmission cooperative serving the local distribution cooperative, is looking for opportunities to invest in affordable renewable energy to add to the 28 mega-watts of hydropower it receives from the SouthEast Power Administration. The co-op also has a 7.9 percent interest in the Prairie State Energy Campus being built in Washington County.

"When the two 800 mega-watt units are completed in 2011 and 2012, it will be our nation's largest, state-of-the-art coal-fired plant, and will better provide us with affordable energy for years to come," said Inman.

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General Manager and Executive Vice President Larry Lovell reported that the co-op's leadership is focused on improving the financial stability of the co-op, but is worried about the country's energy future. Major ice storms have hit the co-op hard and lack of economic growth in the area has combined to drop the co-ops equity level from 48.5 percent to 40.8 percent.

Lovell said, "We have major economic challenges. Simply stated, the economy is weak, we have members who have lost jobs, senior citizens who are finding it more and more difficult to live on a fixed income, and







there is virtually no economic growth in southern Illinois."

To address the co-op's financial stability the board approved a rate increase in 2009 and added a whole-sale power cost adjustment that will increase or decrease members' bills each month based on SIEC's cost of power from Southern Illinois Power Cooperative.

Expenses have also been cut drastically. Lovell said, "In 2005, SIEC had 46 employees. Today, we operate with 40 employees. In May, we cut our expense budget by \$288,000 and decided to delay over \$850,000 in capital expenditures. We understand that raising rates in a stagnant economy creates hardships for you, our members. We are not planning to implement a rate increase this fall. Beyond that, it is difficult to predict. It would help us all if the economy would get stronger and jobs would return to southern Illinois."

Addressing the national energy debate, Lovell said that since the 1973 oil embargo 18 different Congresses have failed to enhance our energy independence. "In the last five years, 100 new coal generating plants have been cancelled, no new nuclear plants have been built in twenty years, and the government is doing nothing about the permitting costs of nuclear and fossil fuel plants while allowing EPA regulations to continue to be more restrictive."

Lovell said John Hofmeister, founder of the Citizens for Affordable Energy, is predicting the start of an "energy abyss" by the end of the decade, when there will not be enough electrons flowing through wires or liquid fuel for cars and trucks.

"In my opinion, major changes are not likely to occur until we experience brownouts and blackouts and shortages of gasoline and diesel fuel," said Lovell.

The Waxman-Markey climate legislation, which passed in the U.S. House but failed to move in the Senate, was an unrealistic answer.



Lovell said Waxman-Markey would have created 1,500 new regulations and mandates involving 21 federal agencies, which would have created federal government micromanagement of energy choices on an unprecedented scale. "This legislation proposed to cut fossil fuel use to the point where each American's carbon footprint needs to be 2.4 tons per year, per person by 2050," said Lovell. "When was the last time America's carbon footprint was as low as 2.4 tons per person per year? Answer — probably not since the 1800s, before Thomas Edison taught us how to use electricity, before cars, trucks and planes."

Lovell echoed Inman's plea for members to stay politically involved. "Thank goodness that Waxman -Markey climate bill legislation appears to be dead. We must, however, continue to be vigilant as Congress and the EPA consider their next steps. We very much appreciate your support and thank you for your efforts."

Southern Illinois Electric Cooperative is a member of Touchstone Energy® — an alliance of more than 685 local, consumerowned electric utilities around the country. Southern Illinois Electric is committed to providing superior service based on four core principles: integrity, accountability, innovation and commitment to community. The co-op serves more than 11,724 meters over 2,120 miles of line in parts of Alexander, Johnson, Massac, Pope, Pulaski and Union counties. For more information visit www. Arthur Clinton Poole 'dooy'sis



### **Member prize**

In this issue of the JAMUP, we printed the names of three SIEC members who are eligible to receive a \$10 credit toward their utility bill. If you find your name printed in this center section and it's not part of the story, call Jerri with your account number at 800-762-1400 to claim your prize.

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# 2010 Miss SIEC Beauty Pageant Winners



our area women were winners in the 57th Miss Southern Illinois Electric Cooperative Beauty Pageant, which was held during the annual meeting of members on Thursday, August 5 at Shawnee Community College in Ullin. From the left stood: First Runner-up, Lindsey Carter, daughter of David and Suzanne Carter of

Jonesboro; Miss Southern Illinois Electric Cooperative, Crystal Davis, daughter of Weldon and Debra Davis of Anna; Second Runner-up, Lindsey Carleen Pitts, daughter of Kent Pitts and Carol Clutts of Anna; and Miss Congeniality, Stephanie King, daughter of Doug King and Lisa Mull of Jonesboro.

### **SIEC Youth to Washington**

Myers from Anna, Steven Myers from Alto Pass and Brianna Wooten from Grand Chain represented Southern Illinois Electric Cooperative in Washington, D.C., during the annual "Youth to Washington" Tour, June 11-18. This event, sponsored by the electric and telephone cooperatives of Illinois, began 51 years ago to introduce rural youth to our democratic form of government and cooperatives.

The students met with Rep. Jerry Costello and were among 66 rural Illinois youth leaders selected for the trip. The Illinois students joined 1,496 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, the Royal Embassy of Saudi Arabia, the National Archives, the Newseum and a

number of other historical sites. From left are Kaci Clary, Rep. Jerry Costello, Steven Myers and Brianna Wooten.

# Rep. Phelps Receives Illinois Electric Cooperative's Public Service Award

Pepresentatives of Southern Illinois Electric Cooperative were on hand when State Representative Brandon Phelps (D-Harrisburg) received the 2010 Illinois Electric Cooperatives' Public Service Award at the Association of Illinois Electric Cooperative's (AIEC) 69th annual meeting held July 29 in Springfield. The award was made in recognition of Rep. Phelps' dedicated public service to all citizens of the state of Illinois and for outstanding contributions to the rural electrification program. sənbselə 'S option of Southern Illinois and for outstanding contributions to the rural electrification program.

Phelps has served in the Illinois House since 2003. Among his committee assignments, he serves as chairman of the Illinois Agriculture & Conservation Committee, and is also a member of the House Committees on Electric Generation and Commerce, Labor, and Environment and Energy.

AIEC Chairman Darrell Shumard said, "Representative Phelps is working to bring economic develop-



Board members representing Southern Illinois Electric Cooperative presented the 2010 Illinois Electric Cooperative's Public Service Award to Rep. Brandon Phelps at the Association of Illinois Electric Cooperatives' 69th annual meeting in Springfield on July 29. From the left are Dale Taake of Ullin, Richard Moss of Tamms, Robert Inman of Grand Chain, Rep. Phelps, Southern Illinois Electric Cooperative Executive Vice President/General Manager Larry Lovell of Anna, Carole Kelley of Buncombe, and Scott Ury of Anna.

ment and prosperity to downstate Illinois and this continues to be his top priority. He has been a good friend and supporter of electric cooperatives and rural concerns, and we are extremely pleased this morning to present him with the 2010 IEC Public Service Award."

