spoon river news

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New "cars" drive power costs

President's Report

William R. Dodds
President/CEO

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A new car arrives with fresh paint, a great smell, and a hefty price tag. After a few years of regular payments the scent changes, but there's value in owning an older car that's still running well.

Most of America's electric cooperatives bought a fleet of new "cars"—power plants — in the 1970s and 1980s. This ample stock of generation allowed co-ops to maintain a safe, reliable, and affordable supply of power. Current conditions may place affordability and reliability at risk.

Half of the nation's total generating capacity—530,000 megawatts—passed the 30-year mark at the end of 2010, according to the U.S. Energy Information Association (EIA). As with an older vehicle, there are costs associated with maintaining a power plant – expenses compounded by a slew of environmental regulations. In fact, these rules could result in a chunk of America's coal-fired power plant fleet shutting down by 2018.

Additionally, some co-ops need to head back to the dealership to add new generation plants to meet growing demand. However, with required environmental controls coupled with rising prices for construction materials, new power plants—as well as older ones "in for maintenance"—are going are be much, much more expensive.

All of these factors will impact our electric bills for many years to come. Our collective wallets are under pressure. More folks around the world are using power; China has surpassed the United States as the top global energy user, and in just over two decades it's predicted to consume 68 percent more power than we do. Americans are using more energy too, despite efficiency measures. It's easy to see why—TVs, laptops, "iGadgets," and other electronics crowd power outlets. A typical home uses 958 kWh every month — a 50 kWh increase in just one year.

Constructing new power plants that adhere to required environmental controls will be much more expensive.

Generally, when there's increased demand—say, for the latest model car — manufacturers open a new assembly plant to roll more models into showrooms. But at a time when electricity needs are rising, our affordable power supply is beginning to dwindle.

Today, nearly 80 percent of the power provided by electric co-ops nationwide comes from coal, compared to about half for the rest of the electric utility industry. Why the difference? The majority of co-op coal power plants were built between 1975 and 1986, when building natural gas facilities was restricted by the federal Powerplant and Industrial Fuel Use Act due to concerns that natural gas reserves were running low. Of course, those worries proved to be unfounded, and the law was repealed in 1987. But by then co-ops had already built a generation of coal-fired power plants—the same plants that are now being saddled with heavy regulatory costs.

Don't get me wrong — I'm not against clean and green energy. In fact, generation and transmission cooperatives like Prairie Power, which supplies us with wholesale power, have invested in wind energy. We just want to make sure lawmakers in Washington, D.C., keep balance, common sense, and affordability in mind when adding layer upon layer of requirements to the way we generate power.

Working with the folks at our national service arm, the National Rural Electric Cooperative Association (NRECA), we're urging the U.S. Environmental Protection Agency to consider a more balanced and common-sense approach to rules, and how increased electric power costs affect consumers like you and me. Stay informed on these issues and find out how you can help us keep the price of power affordable at www.ourenergy.coop.

Getting to know Marcia Proper

Marcia Proper has been working as a Customer Account Representative at Spoon River Electric for over 22 years. In her job she does "a little bit of everything." She is in charge of the billing, collections, and follow-up on delinquent accounts. She also works in the front office, takes phone calls and answers billing questions.

Her favorite part about working for Spoon River Electric is the people. She said, "seeing people on a weekly, or a monthly basis."

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Spoon River Electric Cooperative – By the Numbers

Miles of line energized: 1,249 • Number of members served: 4,944
Number of power poles in territory: 29,255

A new contract with line clearance trimmers

Spoon River Electric Cooperative officials and line clearance trimmers in the International Brotherhood of Electrical Workers Local 51 recently agreed on a new two-year contract.

There are six full time employees in the Cooperative's line clearance division. They work year-round trimming and clearing trees and brush in order to reduce outages. In the four years the program has been in place, the Cooperative's overtime costs have been reduced due to less outage. Spoon River partners with neighboring McDonough Power Cooperative for line clearance, which allows both co-ops to share the costs of equipment and wages.

"There's no question the line clearance crew we have is a good value for our members," said Spoon River Electric Cooperative President/CEO Bill Dodds. "Through the leadership, hard work and flexibility of Keith Miller and Josh Dewees, we've been able to create an outstanding program that is one of a kind."

Miller is the Cooperative's Line Clearance Foreman. Dewees is the Manager of Line Clearance.

Dodds said the program relies on job site reporting and performance accountability.

"With 1,200 miles of line at Spoon River and 1,400 miles of line at McDonough, we couldn't be efficient if the guys didn't report to the work site rather than the co-op," he said. "Their willingness to do that made the program possible."

Spoon River Electric Cooperative's Line Clearance trimmers stand with Line Clearance Foreman Keith Miller and President/CEO Bill Dodds. From left to right are Trent Ross, Mike Harmon Jr., Miller, Dodds, Terry Ward, Stephen Stephens, Marc Burkhead and Kevin Bloyd.

With the contract settled, Dodds said a significant investment will soon be made in a replacement bucket truck and a replacement right-of-way mower.

Miller said the line clearance crew works well because everyone is performance-driven and motivated.

"We worked really hard to put this contract together, and we're all glad to be moving forward," he said. "We have a great group of guys who are all committed to the work we do."

Jack Clark, Chairman of the Spoon River Electric Cooperative Board, said the line clearance program is good for its employees and for members.

"This program has not only allowed us to retain jobs locally but has allowed us to double the size of the workforce in forestry," he said. "We are working with the IBEW to hopefully achieve similar flexibility in the linemen's contract, allowing us to retain jobs during these difficult economic times and a downturn in construction."

Energy Efficiency
Tip of the Month

Adding insulation to your home? An R-value indicates insulation's resistance to heat flow — a higher R-value means more effective insulation. Every type of insulation has a unique R-value depending on material, thickness, and density. Your ideal R-value depends on whether your home is new or existing, your heating fuel, and where you live. Learn more at www.energysavers.gov.

Source: U.S. Department of Energy

A year of SAVING

Got cabin fever this winter? Spend time making your home more energy efficient and start saving for your summer vacation!

You can trim your electric bill all year long by taking a few simple steps. Here's a list of Spoon River Electric Cooperative's recommendations for year-round energy and money savings!

January: Lowering your thermostat just a few degrees during winter months can save as much as $85 per year. Programmable thermostats make it easy to save by offering preprogrammed settings to regulate a home's temperature throughout the year.

February: Adjust your water heater. Turning down the temperature gauge to below 120 degrees Fahrenheit can heat up your savings.

March: Stop air from escaping your home and money from escaping your wallet! Head down to your home's basement and seal those leaky ducts.

April: A little caulk can go a long way. Air leaks in your home add up. Caulking cracks and openings to the outside could save more than $200 a year.

May: Make sure your refrigerator is on your spring cleaning to-do list. Throw out expired items, clean the refrigerator inside and out, and check the temperature gauge. For maximum operating efficiency, a refrigerator's temperature should be between 37 and 40 degrees Fahrenheit.

June: When was the last time you changed a filter? Replacing furnace and air conditioner filters regularly can have a big impact on a home's energy use. Dirty filters can restrict air flow and reduce the overall efficiency of your cooling system, forcing it to work harder on hot summer days.

July: Your home's cooling costs can skyrocket—right along with the temperature outside—during summer months. Keeping your thermostat set between 78 and 80 degrees Fahrenheit can save up to 8 percent on monthly cooling bills.

August: Heading out of town on vacation? Be sure to unplug all of your electronic devices like computers, monitors, printers, TV and cable boxes, DVD players, and microwaves. Electronics with digital displays and instant-on features consume energy even if they're not in use.

Be a fan-atic!

September: Be a "fan-atic." While they don't replace an air conditioner or a heat pump, fans move the air so everyone feels more comfortable. On a milder day, a fan is a much more energy-efficient choice than cranking up the air conditioning. Fans cool people, not rooms, so turn them off when you leave.

October: Get ready for winter by insulating your attic. Adding nine or more inches of insulation could save you more than $150 a year.

November: As the weather cools down, pull up your window shades. Keeping blinds open during cold weather lets heat from sunlight in, reducing the need to turn up your home's thermostat.

December: Put a new ENERGY STAR appliance at the top of your Christmas wish list. Upgrading appliances like washing machines to ENERGY STAR-rated models can save up to $140 per year.

Spoon River Electric Cooperative is dedicated to being an energy efficiency resource for its members. To learn more about how you can save money through energy efficiency practices, call us at (309) 647-2700.

For even more information, check out TogetherWeSave.com, an online portal to energy savings tips that uses real dollar savings projections — based on your individual electric rate and climate zone—to motivate small changes in behavior that add up to big savings.

Once you arrive at the site, enter your ZIP code to be redirected to Spoon River's customized section. You can watch videos that provide detailed instructions about energy savings practices, add up your potential savings with a Virtual Home Tour, and much more.

Source: Touchstone Energy® Cooperatives