

# JAMMUP

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Your Touchstone Energy® Partner 

## Capital Credits – How they affect members

I would like to discuss capital credits with you. What are they? How do they make us different than other electric utilities? How do you benefit from them? Will we distribute them in 2014?

Because electric cooperatives are owned by their members, we do not create profits for distant shareholders. Any excess revenue—called “margins”—is allocated back to you, our members, in the form of capital credits. Capital credits are “retired” and then paid back to members based on your electricity purchased from the cooperative. Margins are used by the co-op as working capital for a period of time, then paid back to individual members.

Southern Illinois Electric Cooperative (SIEC) has retired nearly \$6 million in capital credits to members over the years. Nationally, electric cooperatives have retired \$11 billion in capital credits.

Allocating and retiring excess revenue to members helps distinguish cooperatives. We're proud to support our communities by putting money back into the local economy—and into the pockets of those we serve. It makes our business model special.

At our annual meeting of members on Aug. 7, it was announced that SIEC will

distribute over 500,000 in capital credits back to members who purchased electricity from us in 1985. Active members will receive a bill credit within the next few months. Inactive members will have their checks mailed to their last known address.

We ask a favor of you this year... if you lived on our lines in 1985 and you notice your capital credit bill credit in a few months, think for a few moments about the value of your electric cooperative

membership. What other utilities or companies pay you back like SIEC?

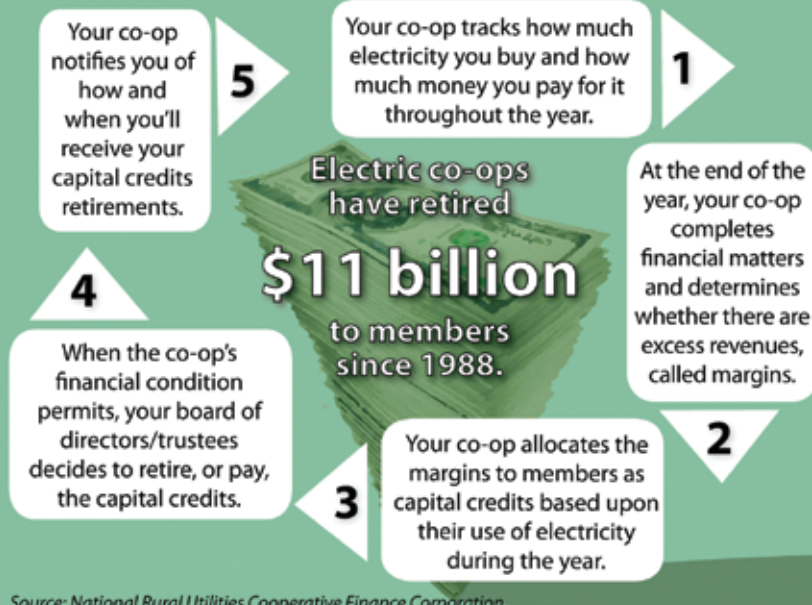
If you have any questions about capital credits, please call our Capital Credit Specialist Bree Hileman at 800-762-1400.

By David Johnston  
Director of  
Administration  
& Finance



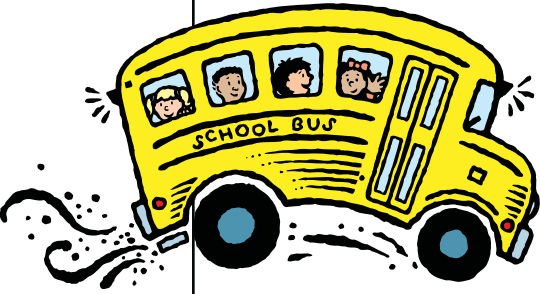
### How Do Capital Credits Work?

Because electric co-ops operate at cost, any excess revenues, called margins, are returned to members in the form of capital credits.



Source: National Rural Utilities Cooperative Finance Corporation

## ATTENTION TEACHERS & LOCAL SCHOOL ADMINISTRATORS!



### Get a head start on applying for our 2014/2015 Touchstone Energy Classroom Empowerment Grants!

The deadline is Nov. 7. Winners will be announced on Dec. 5. What could you do with an extra \$500 for your classroom? Increase your educational resources by going to [www.siec.coop](http://www.siec.coop) and fill out our easy application today!

## Youth to Washington

Caleb Cerney and Hannah Pineau represented Southern Illinois Electric Cooperative in Washington, D.C., during the annual "Youth to Washington" Tour, June 13-20. This event, sponsored by the electric and telephone cooperatives of Illinois since the late 1950s, is an introduction for rural youth to our democratic form of government and the cooperative business model.

The students met with Congressman William Enyart and were among 75 rural Illinois youth leaders selected for the trip. The Illinois students joined more than 1,600 young leaders from across the

country from 44 states. In addition to the Capitol, they also visited Gettysburg, Arlington National Cemetery, the Washington National Cathedral, several Smithsonian Museums, The U.S. Supreme Court, 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 Newseum and a number of other historical sites.

Local high school juniors are eligible to participate in the annual program.

Southern Illinois Electric Cooperative is a member of

Touchstone Energy — an alliance of 750 local, consumer-owned 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 11,450 meters over 2,119 miles of line in parts of Alexander, Johnson, Massac, Pope, Pulaski and Union counties. For more information visit [www.siec.coop](http://www.siec.coop). Southern Illinois Electric Cooperative is an equal opportunity provider and employer.



*Pictured from l-r: Pineau, Chaperone and SIEC Meter Tester Lineman Steve Hoffman, Congressman Enyart, Cerney and Chaperone Mabelle Hoffman.*

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## Electricity and our youth



SIEC & the University of Illinois Extension teamed up this summer to provide electricity workshops to local youth in Alexander, Johnson, Massac, Pulaski and Union counties. Kids learned about electrical safety and basic electricity. They even made their own 10 foot extension cords.

## Ignoring the EPA issue... it could cost you.

Did you know that residential electricity prices in Germany have doubled to almost 40 cents per kilowatt-hour in the last 10 years? The U.S. average rate is 12.5 cents. Why should we care how much Germany pays for electricity? Because, we could be next! The primary reason their electric rates skyrocketed is because of preferential pricing for wind and solar power, combined with public opposition to nuclear energy. To help maintain reliability, the country plans to construct 10 new coal plants in the next two years.

Here in the U.S., the EPA is working desperately to curb carbon dioxide emissions from existing power plants. That sounds great, right? Go Green! More wind & solar! Curb CO2! No coal! But wait... we need coal. We live in the Midwest and we use a

lot of coal. Coal is how we keep our electric rates what they are.

National Rural Electric Cooperative Association CEO JoAnn Emerson explains, "Electric co-ops already have reduced emissions rates from power plants by 10 percent and CO2 emissions specifically over the past seven years." We believe and have been fighting for an "all of the above" energy strategy, which incorporates renewables such as wind and solar, but we also need coal in that mix.

Can you afford increased electric rates because of the EPA's proposed new regulations on power plants? If so, just ignore the EPA's fight against coal. If you can't afford higher electric rates, please help us send a message to the EPA by going to [www.action.coop](http://www.action.coop).

## Have you seen our traveling PowerLine Demo yet?

We have a team of linemen who travel across Alexander, Johnson, Massac, Pulaski and Union counties educating children and adults about electrical safety. Pictured here is SIEC Oil Equipment Lineman John Rendleman at the Union County EMS meeting in July.



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## Shop local *Use your Co-op Connections Card and SAVE!*

### Dairy Queen – Anna

*(CCC Discount: Save \$1 off any combo meal.)*

Now that's a deal! DQ is owned by Robert & Khrista Lence and employs 36 local residents. The Lence family has owned DQ since 1964. Too busy to cook tonight? Out running errands and need a meal on the go? Stop in at DQ and feed the family. Save big here with your Co-op Connections Card!

### Kassi Needling Photography – Jonesboro

*(CCC Discount: 20% off all print orders on entire purchase.)*

Call Kassi at 618-697-2157 if you want amazing portraits. She is an everyday photographer who loves nature and all its elements. She specializes in newborn, children and family photography. Check out her work at [www.kassineedlingphotography.com](http://www.kassineedlingphotography.com).

### Front Street Printing – Dongola

*(CCC Discount: Do you need business cards? Get 500 of them here for only \$25! Need copies? You get them for only \$.05 [black & white]!)*

A full service printing & copying business located on Front Street. Their services also include color photocopies, letterhead, envelopes, flyers, brochures, postcards, rack cards, posters, banners and more. Give them a call at 618-697-8893. Open Mon-Thurs 9 a.m. – 4 p.m. & Fri 9 a.m. – 12p.m.

**SIEC members have saved over \$7,000 in local prescription costs alone!**

## See Page 9 for more Co-op Connections Card Bargains

### 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.

### Coming in October...

If you did not attend the 2014 Annual Meeting of Members last month, you will definitely want to read about it in the next issue of JAMUP. Find out if SIEC plans to implement a rate increase, distribute capital credits, who won the Miss SIEC pageant, who won the bicycle, \$300 cash and iPad, which local food pantry will receive hundreds of cans of food, etc.

### Southern Illinois Electric Cooperative

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