

The SOUTHEASTERN Light

SouthEastern Illinois Electric Cooperative Eldorado, Illinois

Your Touchstone Energy® Partner 

President's Comments



Dustin Tripp
President/CEO

74th Annual Meeting of Members Report



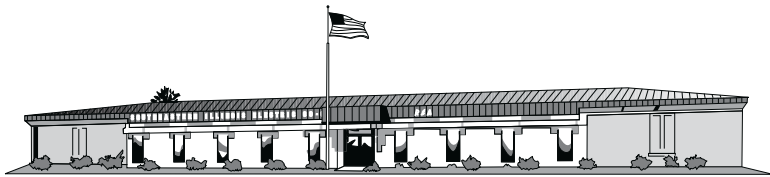
SouthEastern Illinois Electric Cooperative held its 74th Annual Meeting on Tuesday, August 7th, 2012 with approximately 1,160 members registered and approximately 1,700 in total attendance. For those of you who were unable to attend your Cooperative's annual meeting, this article will summarize the report members received at the annual meeting.

During the year 2011, your Cooperative invested \$4.0 million in system improvements to replace aging infrastructure and invested \$6.4 million in maintenance activities in order to increase electric service reliability. Your Cooperative also constructed 305 new services, upgraded 98 services, rebuilt 23 miles of distribution line and replaced over 950 bad poles.

Your Cooperative ended the year 2011 in sound financial condition. As a not-for-profit organization, your Cooperative does not strive to produce profits for shareholders and investors but must maintain a sound financial position for the membership. Your Cooperative sets electric rates high enough to cover the costs of providing service and at the end of the year, any funds collected above the costs of service are allocated to you in the form of capital credits. When the financial condition of the Cooperative permits, the capital credits are then retired and paid back to you, as members and

► *Continued on page 16b*

READERSHIP PRIZE WINNER:
Kenneth Darnell, West Frankfort, IL



► *Continued from page 16a*

owners. In 2011, your Cooperative's Board of Trustees approved the retirement and return of \$1.7 million of Capital Credits and the capital credit checks were mailed to members in December of 2011. This means that over the past two years, your Cooperative has retired and returned over \$3.4 million of Capital Credits to the members.

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 2011, more than 73 percent of your Cooperative's total expenses were spent on purchased power.

As previously reported, SIPC made the decision in 2007 to acquire 125 MW of the Prairie State Energy Campus located near Lively Grove in Washington County. Prairie State is a 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 the Fall of 2007 and unit one began commercial operation in June of this year and unit two is expected to be complete before year-end.

This new facility will be operated using state of the art technology and achieve higher efficiencies with lower fuel costs. However, the costs to construct these facilities are much higher than the costs to construct the generation facilities at SIPC that were built over three decades ago. Therefore, the wholesale costs increased by approximately 24% beginning in January of this year. Your Cooperative's Board of Trustees and management carefully reviewed the wholesale rate increases and took steps to minimize the rate increase to you as Cooperative members. This plan, which was put in place last year, included spreading the wholesale rate increase over a period of time to minimize the impact of the cost increases. This plan includes

a general rate increase of 4% to be implemented in October of this year.

Members were updated on the state of the electric utility industry, the increasing amount of regulatory uncertainty in the generation industry and how cooperative members can be proud to be a part of the electric cooperative program. Electric cooperatives have a very unique business model that has proven to benefit cooperative members and has stood the test of time for over 75 years.

After 74 years of service your Cooperative remains committed to providing the highest level of service while continuing to keep rates as affordable as possible. Your Cooperative is owned by the people it serves and will continue to be an electric cooperative that is truly operated "for the people and by the people."

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

Paying the Price of Power Theft

It'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 many 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.

► *Continued on page 16d*



Become An Air Evac Lifeteam Member through SouthEastern Illinois Electric Cooperative

SouthEastern Illinois Electric Cooperative has partnered with Air Evac Lifeteam to allow our residential customers the opportunity to join the Air Evac Lifeteam Membership program through an affordable billing plan. You have the option to choose the convenience of paying a monthly fee or an annual fee. Each plan is offered at a discounted rate through your Cooperative. Your options are as follows:

Option 1 : The monthly fee is \$5.00 per month per household with a discount of \$0.50 per month per household from SEIEC. Should you choose the monthly plan your electric bill will reflect an additional \$4.50 per month per household.

Option 2 : The annual fees include a \$10.00 discount through the Cooperative program; however unlike the monthly option these fees will vary with the number of individuals living in your household and will not be reflected on your electric bill. The annual fees are as follows:

\$40.00 – For a 1 member household

\$45.00 – For a 2 member household
 \$50.00 – For a 3 or more member household

Your Cooperative wanted to make both options available for you, as cooperative members, to make the selection that best suits your needs. In order to receive these discounted options you must contact the Cooperative to obtain the appropriate membership form.

When you are faced with a medical emergency, your best hope for a good outcome rests in the ability to act quickly. Your Cooperative realizes that it is often difficult to receive prompt medical attention due to the remoteness of southeastern Illinois. Air Evac Lifeteam provides fast, safe and courteous emergency medical service. Their professionally trained crews of nurses, medics, and pilots operate medically equipped helicopters that rapidly transport patients who have suffered a critical illness or injury.

They now have over 80 bases serving 13 states, and our Cooperative area is being served by 5 of those bases. This much needed network of emergency medical personnel work

with 911, local emergency medical crews and local hospitals. Air Evac crews have flown over 100,000 patients since 1985.

The Air Evac Lifeteam Membership offers significant benefits which will save you money. Air Evac will work with your benefits provider to secure payment for your flight. Whatever your benefit provider pays will be considered payment in full, no matter how many times a year you use the service for limb or life threatening emergencies, even if you have no insurance. Furthermore, your membership is valid in ALL Air Evac Lifeteam service areas. This is an important feature for people who travel in the Midwest.

Since a typical flight may cost \$14,000, the savings can be significant. You have the right to receive the emergency medical care you need; SEIEC along with Air Evac Lifeteam want to ensure that you attain it. For more information contact SouthEastern Illinois Electric Cooperative at 1-800-833-2611 or visit our Eldorado Headquarters located at 585 Highway 142 South, Eldorado, IL.

► *Continued from page 16b*

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.



**Our office will be closed on
Monday, September 3rd in
observance of Labor Day.**

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 1-877-399-8405

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