

NEWS, NOTES & VIEWS 09/25



Illinois Electric Cooperative's board of directors and staff heard from Prairie Power, Inc. (PPI) and Association of Illinois Electric Cooperatives (AIEC) representatives as part of our annual two-day board retreat. Board and staff visited PPI's Alsey power plant, the co-op's Scott County Solar Plant, and met at Prairie Power's Jacksonville office.

PPI's Brian Fitzgerald, Marty Doege, and Kevin Simon led board and staff on a tour of the Alsey plant explaining day-to-day

operations and how the site plays a key role in peak generation.

At PPI's office, board and staff heard from Nick Reitz, of the AIEC, on government relations. Nick went over the current state of affairs that relate to electric cooperatives.

Our annual board retreat is a time for the board and staff to discuss the state of our co-op and strategize for the following year.

Photo: General Manager Randy Long and Board Directors Kevin Brannan and Luke Fraley at the PPI's Alsey power plant.



Illinois Electric Cooperative

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A Touchstone Energy® Cooperative 

This institution is an equal opportunity provider and employer.

Working to improve the quality of life in the communities we serve since 1936.

Bylaws Borrowing Limit

If you've been a member of the co-op for more than 20 years, you likely remember what electric service used to be like. Outages and blinks were more frequent, and reliability was an issue. We understood that wasn't acceptable, and we decided to make a change.

The Turning Point

About two decades ago, your Board of Directors decided to invest in the co-op's distribution system. Their goal was simple: to improve service reliability for members like you.

To do that, they gave management the authority and resources to move forward. Over time, we've steadily invested about \$5 million per year in system upgrades, including replacing poles, rebuilding lines, and adding substations and automation.

In total, we've invested approximately \$100 million in the system, and the results are clear: today, your electric service is among the most reliable in the state.

Smart Borrowing for Smart Improvements

As a not-for-profit cooperative, we don't have extra cash sitting in the bank. Our rates are designed to cover operating costs and a small margin, nothing more. So, when major system improvements are needed, we must borrow the money.

To ensure we receive the lowest rates possible, we borrow from the Federal Government through the Rural Utilities Service (RUS), a decision that has saved our members more than \$20 million in interest expense over the last 20 years. Some loans had rates under 1%! In such a low-interest-rate environment, there was simply no better time to improve the system.

Effects of Inflation

I don't need to remind you about the effects of inflation. The loaf of bread you bought in 1999 for \$1 will now cost you \$2. All the material needed to maintain and improve the system has more than doubled in that time also. It simply takes more money to operate than it did 20 years ago. When adjusted for inflation, our current debt of \$86 million has the same buying power that \$50 million had 20 years ago.

Bylaws Borrowing Limit

Your cooperative's Bylaws set a borrowing limit of \$100 million. Historically, the membership has voted to increase the limit about every 20 years, and usually in \$25 million increments. The last time the limit was amended was in 1999, 26 years ago. We believe it's time to look at it again.

Why It Matters to You

We're pleased with the progress we've made and hope you are also. The system investments have worked, and your service proves it, but just like a new car, you must maintain your investment. The good news is that we don't need to continue spending at the same pace as the past 20 years, but stopping entirely isn't an option either. Infrastructure still needs to be maintained, equipment needs to be replaced, and improvements must continue, or we risk going back to how things were two decades ago.

Consistent with the past actions of the membership, we will recommend amending the debt limit at the 2026 Annual Meeting. This will allow us to maintain your investment and continue to provide reliable service.

We look forward to seeing you at the next Annual Meeting. If you have questions regarding the borrowing limit, please don't hesitate to give me a call.

Randy B. Long
General Manager



Top: Line Foreman
Donnie Ogden in the
bucket near New Canton.
Right: Groundsman Isaac
Genenbacher working on
a pole replacement.

Employee Spotlight

Kurtis Weber

Fiber Design Engineer

About the Employee

Kurtis Weber joined the co-op as a college intern in 2013 and then joined us full-time in 2015. Today, he works as our Fiber Design Engineer. Kurtis was born and raised in Carrollton and resides there to this day with his significant other, Haley Rose, and their soon-to-be one-year-old, Kaiden James Weber.

Kurtis has been an integral part of our fiber projects in Scott and Calhoun Counties over the last decade, among other duties. Kurtis cites those whom he works right alongside as a favorite part of his job. He also mentions that he takes pride in and enjoys providing services that improve the day-to-day lives of everyone in our service territory.

Outside of work, Kurtis enjoys spending time with his family, hunting, and cultivating his family's small farm at their home.



Kurtis Weber and Haley Rose with their son Kaiden.



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