

Rural HIGHLIGHTS

A publication of Rural Electric Convenience Cooperative • Auburn, Illinois • www.recc.coop



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Students appreciate Youth Tour trip to Washington

We've said many times that the annual electric cooperative Youth Tour to Washington is an unforgettable experience for high school students. Obviously, we're not the only folks who believe that, as three area students paid their own way to our nation's capital along with the two winners of RECC's contest this summer.

Shelby Melton of Auburn and Brianna Taylor of Waggoner were awarded with the free trip held June 15-22, with other co-op representatives from across Illinois and the country. In addition, Winston Woodruff of Modesto chose to attend the trip as a self-sponsored participant. Also, cousins Kelsey Jennings of Litchfield and Andrew Peper of Illiopolis joined the RECC group thanks to the generosity of their grandmother Linda Peper, whose own children were once a part of the Youth Tour program.

The Youth Tour, sponsored by the electric and telephone cooperatives of Illinois since the late 1950s, is an introduction to our democratic form



Five high school students from our area went on the Youth To Washington tour in June. Among the highlights was a visit with Congressman Bobby Schilling at the U.S. Capitol. Pictured from left are: Brianna Taylor, Kelsey Jennings, Shelby Melton, Congressman Schilling, Winston Woodruff and Andrew Peper.

of government and cooperatives for rural youth. The two busloads of Illinois students joined more than 1,500 young leaders from across the country.

In addition to the U.S. 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, memorials to Presidents Lincoln, Jefferson, Washington and Roosevelt, the National Archives, the Newseum and a number of other historical sites.

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Dana Smith, *editor*



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Board report

Resume of Minutes **Regular Board Meeting** **June 21, 2012**

The regular monthly meeting of the Board of Directors of Rural Electric Convenience Cooperative Co. was held at the cooperative headquarters on June 21, 2012, at 7 p.m., with all members present. Also present were President/CEO David Stuva; Executive Assistant Sandy Lex; Director of Member and Public Relations Dana Smith; Computer Support Specialist Brandon Taylor; and Attorney Jerry Tice.

* Elections were conducted for officers of the RECC Board of Directors. Officers elected for 2012-2013 were Chairman, Jimmy Ayers; Vice Chairman, Chris Wilcox; Secretary/Treasurer, Mel Repscher; and Assistant Secretary/Treasurer, John Beatty.

* The minutes of the May 22 regular Board meeting and the meeting held immediately following the close of the June 7 Annual Membership Meeting were approved as presented.

* Dana Smith presented a demonstration of the new Meter Data Management System which will be introduced for the members to use as My Energy Tracker. The program allows members to review their energy use on a monthly, daily or hourly basis.

* CEO Stuva presented the IMEA Report.

* The AIEC report was provided by Chairman Ayers.

* Attorney Jerry Tice gave a brief report.

President/CEO's Report

CEO Stuva reviewed the following reports which had either been mailed or distributed

to all directors and attorney: Job Training and Safety, Meters and Outages, Operations and Maintenance, Engineering and Construction, Cash Flows, Cash Disbursements Summary, and Check Listing. The financial and statistical reports for May 2012 were reviewed and accepted for placement in the cooperative's files.

CEO Stuva also:

* Noted that electricity sales were lower than expected again in May, and wholesale power cost is running above budget projections. He pointed out that RECC has had a negative operating margin for each of the first five months of this year.

* Reviewed the 2012 RECC Annual Meeting activities and results.

* Reviewed plans for upcoming meetings and classes.

Board Action

The Board acted on the following:

* Approved the application for, or reinstatement of, membership and electric service for 22 persons.

* Appointed Chairman Ayers to serve as voting delegate and Director Wilcox as alternate delegate at the Federated Rural Electric Insurance Exchange Annual Meeting to be held August 2.

* After reviewing the financial results and updated budget projections for 2012, voted to increase the Power Cost Adjustment (PCA) on all kilowatt hours from \$.0035 to \$.0085 per kWh, effective June 1, 2012.

* Set the August Board meeting on Aug. 28 at 7 p.m., and rescheduled the December meeting to Dec. 20 at 6 p.m.

The meeting adjourned at 9:50 p.m.

2011 capital credit allocation notification

On your July electric bill, to be mailed on August 6, you will see a message on the left hand side of the bill indicating the amount of capital credits allocated to you for electricity purchased in 2011. This message only appears on your master account and only appears if you were a customer in 2011.

These allocations are not available as cash nor can they be applied as payments on your electric bill. These monies are used by your cooperative for long-term debt retirement, reserves, emergencies, system improvements and other contingencies. Capital credits may be paid to members as the board of directors deems appropriate and as the financial condition of the cooperative permits.

“Power marketers” still creating confusion

RECC members contacted by companies seeking Ameren customers’ business

RECC members continue to receive telephone calls or mailings that promise savings on the energy portion of their electric bill. The problem is, those marketing campaigns are intended for Ameren and Commonwealth Edison customers, NOT Rural Electric members or municipal utility customers.

The marketing efforts are the result of legislation passed nearly a decade ago, that allows investor-owned utility customers to choose who supplies the energy portion of their electric bill. It does not change who distributes the electricity to the consumer.

Deregulation was driven by and mainly benefited larger industrial loads in the past few years. In general, the savings for residential consumers and small businesses have been dismal or nonexistent. Some new rules put in place by the Illinois Commerce Commission have made it easier for competitive companies to coordinate billing and records with Ameren and ComEd, and now we’re seeing more activity from companies who want to sell power to residential customers.

Some cities and counties in the state have also recently signed agreements to switch their residents to a new power supplier, but again this would only apply to consumers served by Ameren or ComEd. Individual customers can still opt-

out of those programs, but others may be automatically disqualified by poor credit histories or unpaid electric balances.

Marketers make choice sound wonderful, but the risks for consumers can be high. Power generators and the electric utility industry are facing unprecedented levels of risk and uncertainty in today’s environment. The Illinois Citizens Utility Board (CUB) warns Ameren and ComEd customers

demand start to recover, and short-term power costs are already showing signs of bottoming out in the Midwest.

Co-ops not included

All the details of electric deregulation, and the campaigns of the power marketers, are not relevant to Illinois electric co-op members anyway, at this point. The deregulation legislation recognized that cooperatives and municipal utilities are different and should have the right to make a local decision on whether or not to enter the deregulated market. As of now, no cooperatives have chosen to participate.

Their reasoning is that locally elected co-op board members already give consumers local control over their utilities. If those consumers demand more options or a different direction in power supplies, than they can make that happen through election of co-op directors or municipal city councils.

And really, co-ops and municipal electric systems are already doing what the power marketers are trying to do ... aggregate groups of consumers to get a better deal on power than an individual customer can find on their own.

So, if you receive a phone call or mailing from one of the power marketers, you can let them know that you already have someone looking out for your best interest on your electric bill. We’re your local source of power, as well as information and advice to help use electricity wisely and safely.

What’s a power marketer?

The competitors trying to sell power to Ameren customers are called Retail Electric Suppliers, and at least ten companies are currently approved by the Illinois Commerce Commission to market power in central and southern Illinois. Even if a customer chooses to buy their electricity from an RES, their power is still delivered by Ameren, which collects its own transmission and delivery charges. That five-cent rate that marketers like to talk about is NOT what the customer pays on their electric bill!

If you are solicited by one of these companies, they probably got your name from a ZIP code or telephone list for your area. You can simply ignore them or say “no thanks.” Other companies may try to take advantage of the “open market” confusion with misleading or even illegal claims and promises. As always, be careful what you share with any unknown company, and NEVER give your social security, credit card or bank account numbers unless you have a trusted relationship with the person you’re dealing with.

to look carefully at the fine print in any power supplier contracts, especially the language for canceling the contract and potential price increases during the contract’s term. With the economy down right now, the “open market” price for electricity has fallen, so competitors can offer slightly lower costs for power than Ameren or ComEd’s standard rates. That may change when the economy and electric



Air Evac Lifeteam and RECC

working together to offer Air Evac Lifeteam memberships

RECC and Air Evac Lifeteam share the goal of improving quality life in the rural, less-populated areas we serve. Air Evac Lifeteam provides air medical services and transport to medically-underserved areas of rural America.

Since its founding in 1985, Air Evac Lifeteam has served as the critical link to improved response time and immediate access to medical care facilities across 15 states. Once an individual becomes a member, Air Evac works on behalf of his/her insurance provider for compensation for the cost of a flight. Whatever the insurance company pays is considered payment in full.

"Thanks to our membership program, we can transport people in life-or-limb threatening medical emergencies in rural areas that otherwise might not be capable of supporting an air ambulance service," said Membership Sales Manager Tricia Pompeo of the Springfield, Ill. base. "Air Evac Lifeteam memberships also offer significant money-saving benefits.

In the event you are flown by Air Evac in a life-threatening emergency, we will work with your benefits provider to secure payment for your flight."

In short, a membership ensures you will never have any out-of-pocket expenses for your flight, and it is valid through Air Evac's service area.

Air Evac Lifeteam is a member of the AirMedCare Network, the largest United States Air Ambulance Membership Network. An AirMedCare Network membership automatically enrolls you in

membership programs for Air Evac Lifeteam, Med-Trans Air Medical Transport and EagleMed, providing coverage in over 150 locations across 25 states. AirMedCare Network service providers work cooperatively to provide the highest levels of care for you, your family, and your community.

For more information about the membership program, call Tricia Pompeo at 217-652-9888. For more information about Air Evac Lifeteam services, call 1-800-793-0010 or visit www.lifeteam.net.

Air Evac Lifeteam and RECC working together to offer Air Evac Lifeteam memberships

Air Evac Lifeteam and Rural Electric Convenience Cooperative are teaming up to offer easy monthly payments for Air Evac memberships. For only \$5 added to their monthly electric bills and no money down, RECC members can also become members of Air Evac Lifeteam, the largest independently-owned air ambulance service in the country.

Simply fill in the application form on the facing page, and return it to RECC. You may also save money by choosing annual payments directly to Air Evac.



Air Evac Lifeteam Membership Terms and Conditions

An Air Evac EMS, Inc. d/b/a Air Evac Lifeteam ("Company") membership ensures the patient will have no out-of-pocket flight expenses if flown by the Company or another AirMedCare Network participating provider (together with the Company, each an "AMCN Provider") by providing prepaid protection against AMCN Provider air ambulance costs that are not covered by a member's insurance or other benefits or third party responsibility, subject to the following terms and conditions:

1. Patient transport will be to the closest appropriate medical facility for medical conditions that are deemed by AMCN Provider attending medical professionals to be life- or limb-threatening, or that could lead to permanent disability, and which require emergency air ambulance transport. A patient's medical condition, not membership status, will dictate whether or not air transportation is appropriate and required. Under all circumstances, an AMCN Provider retains the sole right and responsibility to determine whether or not a patient is flown.
2. AMCN Provider air ambulance services may not be available when requested due to factors beyond its control, such as use of the appropriate aircraft by another patient or other circumstances governed by operational requirements or restrictions including, but not limited to, equipment manufacturer limitations, governmental regulations, maintenance requirements, patient condition, age or size, or weather conditions. FAA restrictions prohibit most AMCN Provider aircraft from flying in inclement weather conditions. The primary determinant of whether to accept a flight is always the safety of the patient and medical flight crews.
3. Members who have insurance or other benefits, or third party responsibility claims, that cover the cost of ambulance services are financially liable for the cost of AMCN Provider services up to the limit of any such available coverage. In return for payment of the membership fee, the AMCN Provider will consider its air ambulance costs that are not covered by any insurance, benefits or third party responsibility available to the member to have been fully prepaid. The AMCN Provider reserves the right to bill directly any appropriate insurance, benefits provider or third party for services rendered, and members authorize their insurers, benefits providers and responsible third parties to pay any covered amounts directly to the AMCN Provider. Members agree to remit to the AMCN Provider any payment received from insurance or benefit providers or any third party for air medical services provided by the AMCN Provider, not to exceed regular charges. Neither the Company nor AirMedCare Network is an insurance company. Membership is not an insurance policy and cannot be considered as a secondary insurance coverage or a supplement to any insurance coverage. Neither the Company nor AirMedCare Network will be responsible for payment for services provided by another ambulance service.
4. Membership starts 15 days after the Company receives a complete application with full payment; however, the waiting period will be waived for unforeseen events occurring during such time. Members must be natural persons. Memberships are non-refundable and non-transferable.
5. Some state laws prohibit Medicaid beneficiaries from being offered membership or being accepted into membership programs. By applying, members certify to the Company that they are not Medicaid beneficiaries.
6. These terms and conditions supersede all previous terms and conditions between a member and the Company or AirMedCare Network, including any other writings, or verbal representations, relating to the terms and conditions of membership.

I have read and understand the AEL Membership Terms and Conditions. The information provided on my application is complete and accurate. I authorize my insurer or benefits provider to pay any covered amounts to AEL directly.

Questions? Call Membership Sales Manager
Tricia Pompeo • 217-652-0988
or visit **lifeteam.net** for additional
information

GET CODE

TRACK CODE

PLAN CODE

12151

2360

Membership Application

Quick STEP 1

Member Contact Information

By applying for membership, I agree to AEL's terms and conditions.

Initials: **X** / / Today's Date: / /
month day year

First Name: Last Name:

Physical Address:

Mailing Address: (if different from above)

City: State: Zip:

Home Phone: Cell Phone:

E-Mail Address: County:

Affiliation: Rural Electric Convenience

Date of Birth: / / (M / F) Do you live within the City Limits? Yes ☐ No ☐

Quick STEP 2

List Other Persons In Household and Date of Birth

1 First Name Last Name / / (M / F)
month day year

2 First Name Last Name / / (M / F)
month day year

3 First Name Last Name / / (M / F)
month day year

4 First Name Last Name / / (M / F)
month day year

If more space is needed please attach an additional sheet and detail the full name and date of birth for each member.

Quick STEP 3

Membership and Payment Options

Monthly Membership \$5.00 a month added to your Rural Electric Convenience Bill ☐

Authorization to add \$5.00 per month on your Rural Electric Convenience bill to pay monthly Air Evac Lifeteam fees.

The price for an AEL household membership will be \$5.00 per month.

Name as it appears on electric bill

Electric account number (if known)

- A member's membership will be effective 15 calendar days after receipt by Rural Electric Convenience of the member's first monthly Membership fee and will continue thereafter as long as monthly Membership fees are paid, but will terminate automatically without notice if no monthly Membership fee is received by AEL from member for a 60 calendar day period.
- A member may discontinue their AEL membership at any time by signing a discontinuation notice (as provided by AEL).
- **Rural Electric Convenience and Air Evac Lifeteam are not affiliated. Rural Electric Convenience is not responsible for any of AEL's acts or omissions, and AEL is not responsible for any of Rural Electric Convenience acts of omissions. All AEL membership relations are directly between AEL and its members.**

By signing this authorization I agree to the terms stated above and acknowledge that I authorized to have the additional \$5.00 AEL fees added to my residential utility bill. I also understand that I will communicate directly with Air Evac Lifeteam for Membership Member Service.

X / /
(Signature required) month day year

News & Notes

Beware of bill payment scam

Customers of electric utilities across the country have fallen prey this summer to a telemarketing scam offering bogus help with energy bills. Co-op members and other consumers have been warned about the scam in which residents are told that President Obama will help pay energy bills under a special federal program if they provide personal information, such as a bank routing number or their Social Security number. "We urge our members to guard their personal accounting and banking information and never share this information with family, friends or strangers," said Dean Fuchs, RECC's Manager of Finance and Office Services. Six members at a South Carolina co-op were bilked, and a few even had power cut off as a result, said Fuchs.

"They were thinking their bill was paid without checking with their co-op to be sure," he said. Ameren and CWLP are among local utilities that report their customers have also received fake offers of assistance.

Power Cost Adjustment increases

At the June 21 RECC Board meeting, the directors approved an increase in the Power Cost Adjustment (PCA) that was introduced in June 2011. For kWhs used after June 1, 2012, the PCA increased from \$.0035/kWh to \$.0085/kWh. For a typical residential account using 1,000 kWhs a month, the PCA will add \$8.50 to the electric bill, or \$5.00 more than the original PCA amount. The increase was needed because wholesale power costs from the Illinois Municipal Electric Agency (IMEA) have been higher than expected due to investments made in IMEA's coal-fired power plants to meet future supply and environmental requirements. The higher power costs, along with lower electric sales, have resulted in operating losses for the first five months of the year for RECC.

Be ready for a safe harvest

The hot, dry summer is leading to an early corn harvest in our area. Whether yields are good or poor, harvest season is one of the most dangerous periods for farmers. Before taking to the fields, farm workers need to be aware of overhead power lines and to keep equipment and extensions at least ten feet away from them. Use care when raising augers or the bed of a grain truck. When moving large equipment or high loads near a power line, always use a spotter, or someone to help make certain that contact is not made with a line. Never attempt to raise or move a power line to clear a path! Always lower portable augers or elevators to their lowest possible level – under 14 feet – before moving or transporting them. And, use qualified electricians for work on drying equipment and other farm electrical systems.

RECC loan application approved

RECC has been approved by the USDA's Rural Utilities Service for \$7.9 million in loan guarantees for improvements to distribution lines under our Four Year Construction Work Plan. Agriculture Secretary Tom Vilsack announced the loan among dozens approved for rural electric cooperatives and utilities in 15 states. The funds received by RECC will be used to build and improve 45 miles of distribution line and make other system improvements, with actual loan distributions made as projects are completed. The co-op's Board of Directors signed the final loan documents at their July 24 meeting.

MEMBER RESPONSE PAGE

Please send me information on services from RECC:

<input type="checkbox"/> Peak Switch	<input type="checkbox"/> New Home Energy Guidelines	<input type="checkbox"/> Long Distance Saving Rates
<input type="checkbox"/> Dual Meter Heating Rate	<input type="checkbox"/> Surge Suppressor Lease	<input type="checkbox"/> AT&T Wireless Cellular Phone Savings
<input type="checkbox"/> Security Light Rental	<input type="checkbox"/> Co-op Connections® Card	<input type="checkbox"/> 5% ERC Loans for Efficiency Improvements
<input type="checkbox"/> Air Evac Memberships	<input type="checkbox"/> Marathon Lifetime-Warranty Water Heaters	

Electric heating equipment rebates

An electric heat rebate form must be completed. Minimum system sizes apply.

- Geothermal System – \$250/home
- Air Source Heat Pumps – \$250/home (with electric back-up)
- Air Source Heat Pumps – \$100/home (with gas back-up)

Electric equipment rebate request

Please include a copy of your sales receipt for your new electric equipment, purchased and installed within the past 12 months.

<input type="checkbox"/> Clothes Dryer, Electric Replacement – \$25	<input type="checkbox"/> Water Heater, Standard Warranty – \$200 (less than 10-yr warranty)
<input type="checkbox"/> Clothes Dryer, New Home or Gas Conversion – \$25	<input type="checkbox"/> Water Heater, Life-long Warranty – \$250 (10-yr or longer warranty)
<input type="checkbox"/> Electric Range, Electric Replacement – \$25	
<input type="checkbox"/> Electric Range, New Home or Gas Conversion – \$25	

This water heater is for (40 gallon minimum):

<input type="checkbox"/> New Home
<input type="checkbox"/> Gas Conversion
<input type="checkbox"/> Electric Replacement

Member Name _____ Account No. _____

Mailing Address _____

Town _____ Phone _____

Rural Electric Convenience Cooperative

P.O. Box 19, Auburn IL 62615

Telephone: (800) 245-7322 (RECC) or (217) 438-6197 • www.recc.coop

Normal office hours 8 a.m. to 4:30 p.m.

Are your ceiling fans saving you money?

How much electricity can you save by using ceiling fans in the summer? That depends on how you use them. In fact, if you do not use them wisely, you may end up using more energy overall!

Ceiling fans can “help” save money on air conditioning bills. They do this in two ways: First, during the spring and fall when it is not too hot outside, you can sometimes use the fans to keep comfortable instead of turning on the air conditioning system. Since fans use on average 60 to 100 watts of energy and the average air conditioning system uses 3,500 watts, you can save a few dollars.

The second way to save is to use the fans during very hot weather like we had in July. Since a fan blowing air on you can help you feel comfortable even at higher ambient air temperatures that would normally have you scurrying to find relief from the heat, you can set your home’s air conditioner thermostat to a higher temperature and feel comfortable.

Unfortunately, most people do not use their ceiling fans in a way that actually saves them money.

A recent study in Florida found that there was no difference in thermostat settings for people using fans versus those not using fans. If you do not turn up the thermostat, then the air conditioning will run just as much, and you will not save a dime. In fact, your bill will rise, since the fan uses energy too!

If you want to save money by using fans, the key thing to remember is that fans cool people. They do not cool air. They do not cool rooms. They do cool people. So run the fans only when there are people in the room.

To be economical, you have to think of the fans like you think of lights. You go into a room, you turn on the light (fan). You leave the room, you turn it off. Blowing air onto your living room carpet or onto your bed, when no people are there, will cool nothing except dust mites.

In summer months, your ceiling fan offers the greatest energy saving benefit when run in a counterclockwise direction. Effective circulation can make you feel up to 8 degrees F. cooler and reduce air conditioning bills by up to 40 percent, though most people see an average decrease



of 15 percent energy use when effectively managing their cooling.

For maximum energy saving benefits, you might consider an Energy Star ceiling fan. These fans circulate an average of 15 percent more air than other ceiling fans, without sacrificing style or attractiveness. To reap the optimal energy saving benefits from your ceiling fans, it is important to install several fans throughout your home and office, placed in key locations. All of the most frequently used rooms should have ceiling fans.

Source: Nebraska Public Power District