

## From the Manager

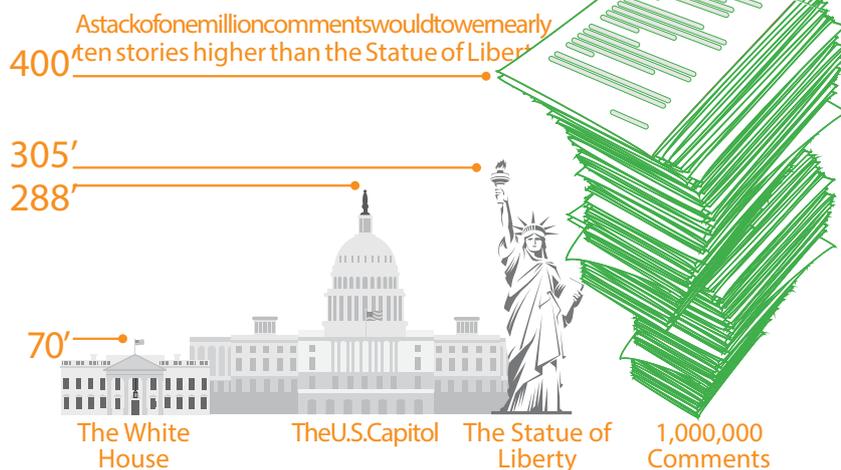
**H**ave you ever bought a car? How about a house? If you have, then chances are you may have used bank financing. That financing probably had some terms and conditions along with it. And, if you defaulted on the loan, there would be repercussions and/or financial penalties. We call the amount outstanding on that loan balance a “fixed cost.” In other words, even if the car were to be rendered unusable, you would still be responsible for paying it off. Hopefully, you would have insurance to cover yourself in the case of an accident.

But, what would happen if the government came along and told you not to start that car up anymore? You would still need transportation to get to work, school, etc., right? Well, that’s exactly what the new proposed EPA rules could do to our power supply. And believe me, the scale of the money it takes to build a power plant is exponentially higher than buying a car.

You see, in general when a power plant is built the owners of the plant must secure long-term financing in order to pay for it. Just like your car, or house, financing these loans comes with terms and conditions. Some even have clauses with penalties incurred for early payoff. Normally, it’s not a problem because the plant will last for decades—continuing beyond the length of the loan and thus becoming a good investment.

However, if we were to turn all of these plants off before they had fully reached depreciation, then we

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have caused an undue burden on our ratepayers.

Guess who that is? It’s you!

So, when you hear me say: “It’s not that we’re anti-environment; we’re just pro common-sense,” you know what I mean. I want to live in a world with sustainable energy just as much as the next guy. But, I believe we must have a common sense approach to getting there. Renewables hold great promise, but still have a long way to go before they can truly replace our coal-fired generation. There are many challenges ahead in cost, infrastructure and technology.

I believe we are on the right path, but the undue burden that could be placed upon our membership by these proposed regulations is

intolerable. Instead, let’s take a step back and work out a way to get there together, taking into consideration social, as well as economic factors.

Many of you have already chimed in by visiting [www.action.coop](http://www.action.coop) and responding to the EPA’s proposed rules for existing power plants. Thank you. In the end, it’s you, the electric consumer that has the most to lose economically.



Ed VanHoose  
Manager

# Minutes of Board of Trustees Meeting

Regular meeting October 27, 2014

**T**rustees present were: Frank Czyzewski, Bill Croy, Neil Gould, Frank Herman, Kevin Logan, Bob Pierson, Richard Rudolphi, and Danny Schnepfer. Also present were Executive Vice President/General Manager Ed VanHoose, and Cooperative Attorney Melanie Pearce. Absent was Greg Smith.

The invocation was given by Bob Pierson.

**Approved** the agenda as amended.

**Approved** the minutes of the regular meeting held September 22, 2014, and the minutes of the organizational meeting held on the same date.

**Accepted** 14 new members for service.

**Canceled** 15 members no longer receiving service.

**Approved** work orders in the amount of \$33,195.78.

**Accepted** the disbursement list for the month of September, 2014.

**Heard** and **Approved** a report by Gen. Mgr. VanHoose as to CFC Loan Re-pricing.

**Appointed** Gen. Mgr. VanHoose as Voting Delegate, and Kevin Logan as Alternate, to the Annual Meeting of the Members of the Illinois Cooperative Workers Compensation Group, and the Annual Meeting of Members of Rochdale Services, Inc.

**Heard** a report by Trustee Logan concerning the recent AIEC regular monthly meeting, including the Executive Summary.

**Heard** a report by Trustee Herman concerning the recent SIPC Board meeting, including monthly highlights and Reviewed 2015 Budget Executive Summary.

**Reviewed** and **Approved** sealed bids submitted for Cooperative pickup truck with highest bid going to Richard Wells for \$3,100.03.

**Reviewed** and **Approved** Policy # 100-9, Record Retention Policy in its current form.

**Reviewed** and **Approved** Policy # 100-10, Board of Trustees and Employees Business Ethics in its current form.

**Reviewed** and **Reaffirmed** Policy 100-11, Tablet Computing Devices in its current form.

**Approved** transition to Executive Session.

Thereafter **Approved** transition to Open Session.

**Heard** reports from Gen. Mgr. VanHoose as listed:

**Request** from member for Audit of charges, after review of the account no billing error was noted and explanation was made to member.

**Review** Form 7 / Operations Report.

**Reviewed** CITI Report on utilities including Electric Cooperatives.

**Reviewed** Monthly cash flow report

**Reviewed** SIPC September Power Bill.

**Reviewed** Employee Benefit Proposal.

**Informed** of no rate increase by Cooperative Response Center, Inc. (CRC).

**Informed** of amendment to the National Energy Conservation Act of 1987 that affects efficiency and price of water heaters. Thereafter **Approved** elimination of the Water Heater program.

**Reviewed** Tree Trimmer Financial analysis. After Discussion, **Approved** creation of Tree Trimming and other assigned work positions.

**Informed** of OSHA Final Rule on Arc Flash protection program, including obtaining costs associated with incident energy assessment.

**Informed** of recent Manager MIP training.

**Approved** the Managers report.

**Informed** of notice from National Rural Utilities Cooperative Finance Corporation (CFC) regarding a correction in CFC patronage capital allocated to Clay Electric for FY 2014.

**Discussed** CECI Board and Employee Christmas Party.

**Reviewed** recent JULIE Board meeting minutes.

**Disbursed** Thank you note from Clay County Farm Bureau for CECI personnel presenting the Live Line Safety Display at their recent Farm Safety Day event.

**Reviewed** recent positive customer service feedback from Member Linda Shaw obtained by Cooperative Response Center (CRC).

**Approved** retirement of Capital Credits to the estate of 1 deceased Member pursuant to Cooperative Policy.

**Reminded** of upcoming Labor Relations Workshop.

**Adjournment.**

**Clay Electric  
Co-operative, Inc.**

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# Calling all Juniors!

**C**lay Electric Co-operative, Inc. sponsors the “Youth to Washington” tour which sends students to Springfield, Ill., and also to Washington, D.C. to see government in action firsthand. Students will travel with other students from the area and the state of Illinois on both trips. The Youth Day trip will include a visit to historic sites such as the State Supreme Court, the Illinois State Capital, the Abraham Lincoln Library and Museum, and the Old State Capital in Springfield.

On the Washington, D.C. tour, you will visit Gettysburg, the Smithsonian Museums, the Holocaust Museum, the Washington Monument, the Federal Capital Building, and many more

interesting places.

The dates for the trips will be: Youth Day in Springfield - March 25, 2015. The Youth to Washington Tour will be June 12-19, 2015.

Each year one Junior student each from Clay City, Flora and North Clay High Schools is chosen to represent their school, and Clay Electric Co-op (CECI), on the tour.

New for 2015 will be that the students will be chosen by CECI instead of the schools, and those students selected will also have the opportunity to work as a paid Intern during the summer.



To apply, log onto [www.cecicoop.com](http://www.cecicoop.com), or [www.facebook.com/cecicoop](http://www.facebook.com/cecicoop) to print the application form, fill out the form, complete the essay, and return it to either your Guidance Office, or to Clay Electric Co-operative. Dates for submittal and complete rules will also be on the site.

## The power of policy impacts our members

by Meghaan Evans

**I**t seems you can't turn on a TV, listen to the radio or pick up a newspaper without hearing about ineffectiveness in government. It often seems that no matter what we do or who we vote for, we don't feel truly represented in either our state or national governments.

At Clay Electric Co-operative, Inc. we understand how that feels, and we have been there ourselves. That feeling, along with a strong desire to take action, is the reason why we have dedicated staff that works to ensure our members' interests are represented, and heard, by elected officials.

Through the Association of Illinois Electric Cooperatives, members of our government relations and policy teams work tirelessly to tackle complicated regulatory and policy issues. They apply these issues to the ever-changing energy market and then evaluate how those issues impact our communities. They have a deep understanding of the needs of the communities we serve, and they use that knowledge to ensure that your needs are represented in major legislative decision-making.

The ability to impact change is a huge part of being a member of Clay Electric. We don't lobby elected officials on behalf of investors with the aim to increase profit margins. We work with elected officials

to make sure that your interests are being considered to ensure that you will always be provided with safe, reliable and affordable electric service. That is the cooperative difference.

But it isn't just our government relations team that helps us affect policy and legislative change. Your voice makes a huge difference in how quickly and effectively we can drive change. Through our grass-roots advocacy programs we encourage you to bring your ideas to the table and to make your voice heard. This is how we show state and national officials that we are acting in your best interest. Your collective voice shows that we represent communities and families, not corporate interests.

The next time you are feeling frustrated, the next time you want to be heard or the next time you want to make a change in your community, log on to [www.action.coop](http://www.action.coop) or call Clay Electric. Find out what we are doing to represent your interests, and find out how you can help affect impactful change in our communities.

*Meghaan Evans writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.*



## Fight the winter chills

by: April Lollar, APR, CCC

**A**nother colder-than-normal winter is predicted for much of the country this year. Frigid temperatures can cause heating systems to work over time, and since heating and cooling can make up nearly half of your electric bill, you may experience sticker shock when you open that bill. Instead of waiting until after a potentially high bill is in your mailbox, be proactive. There are things you can do now to help ensure you are managing your energy use and spending less.

- These simple steps can help you manage your use:
- Wrap exposed pipes and water heaters that are in unconditioned spaces.
- Make sure to change your air filter once a month.
- Keep drapes closed at night and keep those that don't get direct sunlight closed during the day, too.
- Keep the fireplace damper closed when it is not in use. Keeping it open can bring cold air into the room.
- Caulk around the fireplace hearth, and caulk or weather

strip around doors and windows.

- If we've had a few days of frigid temperatures, see how you can try to save on days that are milder.
- Dress for the weather, even if you are inside. Wearing proper clothing like long sleeves and pants, or wrapping up in a cozy blanket will help combat the temptation of bumping up the thermostat.

So, when temperatures fall this winter and you hear your weatherman talking about bringing in pets and plants, take the steps above to help manage your use.

Using the tips above can certainly help you manage your energy use, but your bill may still be higher than normal in winter months. Why?

- The weather makes a big impact on electric bills, accounting for nearly half of your bill.
- Even those with the most efficient HVAC systems will see more use in extreme weather.

- When extreme cold temperatures hit, our heaters work overtime.
- For example, even if you set your thermostat to our recommended 68 degrees in the winter, when it is 19 degrees outside, your system has to work hard to make up that 49-degree difference.
- Your heater works harder and cycles on and off more often, making your use much higher. That means your bill will be much higher.
- Remember, there is value in comfort. For us to be comfortable in our homes, our heaters are going to work harder, but it may be worth the additional cost to you.

Speak to one of our energy efficiency experts. They can help you understand how weather and your use patterns affect your bill. Ask about our Budget Billing option that averages your monthly bill.