

PowerLines

A monthly publication for member/owners of Eastern Illini Electric Cooperative

April 2013

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Terms and Conditions

Every so often we need to update the terms and conditions of your membership. Please visit our website at www.eiec.coop and click on "about us" to see the updated information.



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A Touchstone Energy® Cooperative

New rates now in effect

Beginning with the March 27 billing cycle, all of our rate classes have undergone changes. You will see the rates reflected in the newly unbundled bills that will be sent out at the end of April.

The vast majority of you (our member/owners) are on our single-phase general service rate schedule - Rate 1. The average monthly kilowatt-hour (kWh) use on that rate is 833 kWh. That average electric use will see a 2.27 percent rate increase - or \$3.35 per month.

Our next most popular rate schedule is our single-phase electric heat rate - Rate 20. Member/owners on that rate may remember back in 2009 when your rate went up by as much as 40 percent. **I'm happy to report that with these new rates, your bills will actually go down.** The average user on Rate 20 will see a rate decrease of 1.46 percent, or \$3.77 per month.

One of the key aspects of these changes is that we are now separating our costs involved in getting electricity to you (**distribution component**) from our power supply costs (**electric supply component**).

Last month, I went through the distribution component in depth. If you missed that article, you can find it on our website (www.eiec.coop)

in the news - publications section.

In our updated rate structure, we have replaced the facility charge with a base charge that is now \$40 per month for Rate 1.

Since we are moving more of those fixed costs into the base charge (where they belong), your per kWh charge has gone down.

The electric supply component will reflect the costs we incur from our wholesale power provider to get you electricity. First we have to pay for the actual energy as it is produced. That is the energy component. Then we have to get the energy from the power plants to our substations. That is the transmission piece.

Several years ago, we made the decision to invest in a new power plant to secure long-term, cost-effective electricity for you. This power plant, called the Prairie State Generating Campus, is located in southern Illinois and is the most environmentally friendly coal-fired power plant in the country.



MESSAGE FROM
THE PRESIDENT

Our new rates are designed to better reflect our costs. Simply put, your base charge is going up and your per kWh charge is going down. The net effect is a very small increase for most member/owners.

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Plugged in kids

Website offers fun ways to “turn on” kids to energy efficiency

Getting children excited about energy efficiency may seem hard—for some parents, it’s enough of a challenge to get them to do chores. But a website has been designed with young energy savers in mind.

Touchstone Energy®, the national marketing arm of America’s electric cooperatives, offers Kids Energy Zone (www.kidsenergyzone.com) featuring a spunky energy efficiency mascot, CFL Charlie. The site is designed to teach children in kindergarten through fifth grade how to be Super Energy Savers in their homes.

The Kids Zone also includes interactive games, videos, activity sheets, and surprises. It offers a way for parents to interact with children so the family can focus on energy efficiency together, and help everyone develop energy efficient habits that will last a lifetime.

For example, Lights Out!—an energy-saving game in the Kids Zone—challenges kids to speed through a virtual house, replacing traditional incandescent lightbulbs with energy efficient compact fluorescent lightbulbs (CFLs) and turning off lights and appliances as fast as possible. The less energy a player uses by the time everything’s off, the better the score.

Teachers searching for ways to help students focus on energy efficiency have several resources available. Eastern Illini provides schools with CFL Charlie **Super Energy Saver kits** at no charge.

Each kit accommodates a class of 30 students and includes a checklist that children can use to help guide their parents on an ‘energy efficiency expedition,’ Eastern Illini’s Vice President of Marketing Bob Dickey notes, “In the exercise, kids walk through the house with their mom and dad to make sure the refrigerator door is closed, and they discuss switching out incandescent bulbs with CFLs, turning off all lights after leaving a room, and shutting off computers when not in use.”

Finished checklists signed by children and parents are submitted to teachers for a certificate declaring the student “an official Touchstone Energy Cooperatives Super Energy Saver.” Certificates carry the image and signature of CFL Charlie.

“The kits also contain classroom activities such as connect-the-dots and word search games,” Dickey adds. “Handing out these materials provides a great way to influence household energy efficiency.”

The latest addition to the kit is an educational coloring book. “As a kid growing up, I loved coloring books—it’s what kept me entertained on weeknights, road trips, anywhere,” Dickey concluded. “The new 10-page coloring book can keep kids entertained and educate them about energy savings at the same time.”

For more information, please contact us at 800-824-5102 or info@eiec.coop.



Comeback for efficiency tax credits

Congress revives incentives for energy efficient home upgrades

Ready to boost your home's energy efficiency without breaking the bank? The American Taxpayer Relief Act of 2012 revived energy efficiency tax credits to the tune of \$500.

This marks the third extension of the incentive initiated by the federal Energy Policy Act of 2005. The last round expired in 2011; the new legislation covers 2012 upgrades along with projects undertaken in 2013. If you've already received an energy tax credit, you can't get it again - there's a lifetime cap of \$500. Full details on qualifying upgrades are at www.energystar.gov/taxcredits. Here are a few ways to lower your electric bill and save at tax time.

Insulating Factors

You can recoup up to 10 percent of the cost of upgrading your home's envelope. The tax credit is capped at \$500 for all improvements, but labor costs are not covered.

Eligible upgrades include: insulation materials; systems designed to reduce a home's heat loss/gain; exterior doors; skylights and windows; and qualifying metal or asphalt roofs.



Adding insulation to your home's attic and basement (or crawl space) is probably the most important aspect of making your home more energy efficient - and more comfortable.

Heating and Cooling

Replacing your home's heating or cooling system? Your best bet for a healthy tax credit is a geothermal heating and cooling system. You can still get a credit of 30 percent of the entire system cost - with NO limit.

Geothermal systems are the most efficient way to heat and cool your home. With Eastern Illini's new rate structure, you would have to buy propane at \$0.75/ gallon to equal the cost of heating with geothermal! You also get the benefit of the lower electric rate for everything else in your home.

Tax Credit Basics

Energy tax credits are **non-refundable**—they can increase your refund by reducing the taxes you owe, dollar for dollar, and can be carried forward to reduce taxes in following years. You don't get a separate check for the credit amount.

To file for energy tax credits, use IRS Form 5695. Be sure to keep a Manufacturer Certification Statement (a signed statement from the manufacturer certifying that the product or component qualifies for the tax credit) for your records. Eligible upgrades must be made to a taxpayer's primary residence by December 31, 2013.

Megan McKoy-Noe 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.



Energy Efficiency

Tip of the Month

Keep energy efficiency in mind as the ground thaws and you plan spring landscaping. Properly selected and planted trees, shrubs, and bushes can create a wind break that lowers home heating bills in the winter and insulates your home year-round. Before you start, check on the right plants and techniques for your climate at EnergySavers.gov.

Source: U.S. Department of Energy

New rates now in effect, continued

You have been paying for that investment for some time, but now it will be broken out as the generation investment portion of your bill. This power plant will be critical to help stabilize rates as we move forward.

Currently there is excess electricity available on the grid. That has brought wholesale energy costs down, and allowed alternate electric suppliers to target customers of investor owned utilities. They are able to offer *just* the energy portion of the electric bill at competitive rates. Some of you may have even received

solicitations from them by mistake. That excess energy and low pricing structure will not last long. That is precisely why now is a great time for us to have invested in a long-term energy supply.

I'm sure all of these changes seem overwhelming. Please allow me to offer a simple recap: Our new rates are designed to better reflect our costs. Your base charge (formerly the facility charge) is going up and your per kWh charge is going down. The net effect is a very small increase for most of you.

The graphs below show how the rate adjustment will impact our two most popular rate options.

Obviously the average may not mean much to you, so please contact our office at 800-824-5102 if you are interested in learning how our new rates will impact your specific situation. The rate schedules are also available on our website.

Sincerely,

Dave Champion

Rate samples for Rate 1

Monthly kWh	\$ Change	% Change
0	\$13.85	52.96%
250	\$10.70	17.11%
500	\$7.55	7.63%
750	\$4.39	3.25%
833 (average)	\$3.35	2.27%
1000	\$1.24	0.72%
1500	\$0.93	0.43%
2000	\$0.63	0.24%
5000	-\$1.20	-0.22%
10000	-\$4.25	-0.42%
15000	-\$7.30	-0.49%

Rate samples for Rate 20

Monthly kWh	\$ Change	% Change
Summer rate		
500	\$7.48	7.01%
1724 (average)	-\$4.68	-1.89%
2500	-\$8.60	-2.69%
5000	-\$21.20	-3.83%
Winter rate		
500	\$7.48	7.01%
1500	-\$2.06	-0.95%
2116 (average)	-\$3.32	-1.26%
3000	-\$5.12	-1.55%
5000	-\$9.20	-1.91%

Annual meeting will be held June 13

2013 meeting will feature a generous bill credit, a great meal, and plenty of activities.

Eastern Illini Electric Cooperative will hold its 2013 Annual Meeting of Members on Thursday, June 13, from 3-7:30 p.m. in the PBL Junior/Senior High Commons. The business meeting will begin at 7 p.m.

Members registering at the meeting will receive a \$25 bill credit. A free

meal will be served from 3-7 p.m., featuring roast beef and BBQ pork from Niemerg's Catering.

A concession stand with hot dogs and other snacks will also be available for member/owners who would prefer a lighter meal.

For the kids, there will be inflatable games, miniature golf, bucket truck demonstrations, and many other activities.

Adults can relax in the air-conditioning while attending one of several seminars, including: an overview of our rate adjustment; an explanation of our bill unbundling; and an interactive look at how to make your home more energy efficient.

Oscar, the talking robot, will also entertain attendees.

More information about the meeting will be available in the coming months.