January 2016

Welcome to 2016!

Can you believe it - the calendar has turned another year - welcome to 2016! Mom was right, the years seemingly go by more quickly as we get older.

Your cooperative enjoyed a very good year in 2015. Even though the weather was fairly normal, except for the very wet spring and early summer period, we were able to perform better than our initial projections.

As a result of the unusually temperate last two months of the year, we will likely end the year with kWh sales below the budgeted levels. However, due to our employees' ability to manage and control expenses, our net margins for the year are approximately \$400,000 **MESSAGE FROM** better than expected. THE PRESIDENT

Your board of directors is pleased to inform you they have decided to return a sizable portion of operating margins to vou immediately in the form of a rebate on your January power bill. The credit on this month's bill is based on your 11-month average use from January through November. You can find your credit amount on the "2015 Margin Rebate" line on your bill.

The balance of the 2015 operating margin will be allocated as capital credits to be returned to you at a future date. Speaking of capital credits, your directors voted to retire (return to members) approximately \$1.6 million of member patronage capital from 1983 and 1984. Many of you have already received these checks.

> We had a very successful year in providing reliable and safe service to you, as we were able to exceed our goals in these areas. You also gave us high marks for providing exceptional service in many categories in our annual October survey.

We are pleased to let you know that your rates are projected to remain stable for 2016.

We thank you for the opportunity to serve you and look forward to a successful 2016.

Happy New Year!

Bob Hunzinger



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SmartHub is your online and app portal to:

View and pay your bill Report an outage Track your electric use Update your account info

Visit www.eiec.coop to get started!

How much did you get?

Be sure to check your electric bill this month for a special credit. The "2015 Margin Rebate" is our thanks to you for a wonderful 2015.

Enjoy your extra savings!

Your Touchstone Energy® Cooperative



Clean Power Plan

The Clean Power Plan is out - how and when will it impact us?

The energy industry has been analyzing the effects of the several-thousandpage Clean Power Plan that the **EPA** finalized last year. With a goal of reducing greenhouse gas emissions, it places a strong emphasis on more renewable energy like solar and wind and aims to drastically reduce coal generation.

That's a big deal for electric cooperatives like Eastern Illini because co-ops rely on coal for

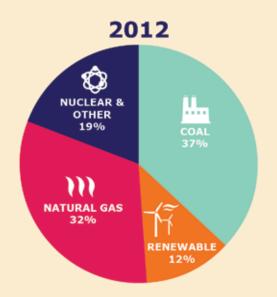
an average of 70 percent of their energy needs, compared with a national average for all utilities of less than 40 percent.

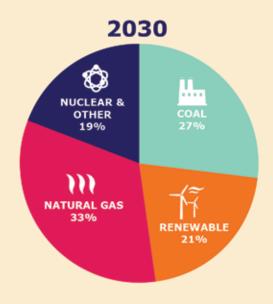
The emission reductions are scheduled to begin in the year 2022 and be complete by 2030. Each state is tasked with a specific reduction goal and must submit a proposal on how to accomplish it. Those deadlines could be delayed by lawsuits that have been filed challenging the plan.

Currently, the Illinois EPA (IEPA) is in the early stages of determining how we will meet the targets. Fortunately, our state association in Springfield is working closely with the IEPA to keep our interests in the forefront of the discussion.

The EPA's new plan would reduce coal and increase renewables to generate electricity

The charts below show the most recent figures for the fuels used to generate electricity in the U.S., compared with what the Environmental Protection Agency projects will be the mix under its Clean Power Plan. The plan calls for a 32 percent reduction in carbon dioxide emissions from all power plants by 2030. Renewables include hydroelectric power.





Source: Environmental Protection Agency

The effects of such a significant change could demand major new investments in the nation's electricity transmission system because of the requirements of connecting renewable energy sources to the grid. However, the plan fails to account for the time required for permitting, siting and constructing this new infrastructure.

Eastern Illini currently receives most of our electricity from the Prairie State Generating Campus, a coal-fired plant in southern Illinois, and one of the newest generating plants in the country. It currently far exceeds all existing environmental standards, but implementation of the Clean Power Plan could lead to expensive updates to the plant, or additional taxes to keep it running.

This could be a big deal for all of us, because of our investment in Prairie State. Ultimately, any increases in costs that come from the Clean Power Plan will be passed on to member/owners like you.

That will raise your rates at a time when rural America doesn't need any more cost increases. That's also why we are constantly doing everything we can to stabilize our costs - and your rates.

We will keep you posted on the status of the Clean Power Plan, especially with all of the litigation that is pending. Rest assured, our goal - like it always has been - is to provide you with safe and reliable electricity. We take this responsibility seriously, and will do everything we can to keep these impacts as small as possible.

Is your home winter-proof?

Follow these simple steps to increase your home's efficiency and lower bills.

We often talk to member/owners this time of year about their utility bills. Winter bills sometimes seem higher than they think they should be, and they want to know why.

While the answer is always specific to each unique situation, there are some common tips and energy efficiency ideas that almost everyone can use to save money on all of their utility bills.

The two most important aspects in making your home more energy efficient are properly insulating it, and stopping air infiltration.

We recommend either cellulose or foam insulation. While those options might cost a bit more than the "pink stuff" up front, your energy savings - for the life of your home - will be far greater.

For existing homes, especially older ones, you may not have enough (or any) existing insulation.

Thankfully, the most important place to adequately insulate in vour home is in the attic...and that is usually the easiest to do. For do-it-yourself types, you can find bags of cellulose insulation at most hardware stores. Simply adding that insulation on top of your existing insulation can do wonders.

Another important place to insulate is the rim joists in your basement or crawl space. You can do that with several types of insulation, including foam board, spray foam, and many other options.

Air Infiltration

Some energy efficiency experts estimate that most homes have the equivalent of an open window worth of air leaks. Using caulk can inexpensively take care of much of the infiltration. See the infographic below for more information on how to properly apply caulk.

Eastern Illini also offers free energy evaluations to help you figure out your best insulation options. Call us at 800-824-5102 to get started.

SEAL AIR LEAKS WITH CAULK

Did you know heating and cooling accounts for roughly HALF OF YOUR HOME'S ENERGY USE? Caulking cracks and gaps around windows, doors and spaces around wires (telephone, electrical, cable and gas lines), water spigots and dryer vents can pay off with BIG ENERGY SAVINGS.

*Approximate cost: \$5-\$30 *Energy savings: Approx. 5-10 percent - Source: U.S. Dept. of Energy

MATERIALS YOU WILL NEED

- Caulk Caulk gun Knife or tool to cut Rags Water
- PREP Clean the area where you will be applying the caulk. Remove any dirt, loose paint or old, cracked caulk.

Be sure the area is dry before applying new caulk appropriate for your application.

2. LOAD You will need to pull the plunger all the way back to load the tube of caulk into the barrel of the caulking gun.

Next, squeeze the trigger a few times until the plunger makes contact with the tube. Squeeze once or twice more to fill the tip with

3. APPLY To figure out the right amount of caulk needed, experiment with an out-of-the-way section. You may find that you need less caulk than you thought.

Hold the gun at a slight angle. Apply steady pressure on the trigger to create a solid stream from the tip, which should be placed 1/2 inch or less from the intended destination of the material.

Use just enough caulk to do the job. Use your finger to gently press the caulk into the corner, crack or space.

4. RELEASE Once the trigger is fully depressed, allow it to spring back and depress it again. Keep the gun moving while caulk is still coming out of the tip.

5. CLEAN Use a damp cloth or rag to clean off most of the excess caulk. Use a dry cloth to clean off the rest.



Be prepared for winter storms

When winter temperatures drop and storms hit, it can be a challenge to stay safe and warm.

Winter storms can be quite severe in east central Illinois. Here at Eastern Illini, we care about your safety, and we want you to be prepared if a storm hits.

Heavy snow and ice can lead to downed power lines, leaving you without power. Here are a few tips you can use to prepare yourself.

Stay warm

Plan to use a safe alternate heating source, such as a fireplace or wood-burning stove during a power outage. These are great options to keep you and your loved ones warm, but exercise caution when using them, and never leave the heating source unattended. Remember that wood-burning sources of heat should always be properly ventilated. Always read the manufacturer's directions before using your heating systems.

The CDC recommends having several days' supply of food that does not need to be cooked handy. Crackers, cereal, canned goods and bread are good options. Three gallons of water per person should also be available in the event of an extended power outage.

Stay safe

When an outage occurs, it usually means power lines are down. It is best not to travel during winter storms, but if you must, bring a survival kit along, and do not travel alone.

If you encounter downed lines, always assume they are still energized. Stay as far away from the downed lines as possible, and report the situation to our dispatchers by calling 800-824-5102.

Winter weather can be dangerous and unpredictable, and planning ahead can often be the difference between life and death. Stay safe!







The state budget impasse affects everyone in Illinois.

You could probably ask 10 different people why Illinois is currently involved in a budget impasse and you would get 10 different answers. It's safe to say this is a very complicated issue.

It has now been over six months that Illinois has not had a full state budget. Even though some of the state's expenses have been approved, there are many basic services that simply won't be available until a budget is passed.

Until just recently, LIHEAP funding has been nearly non-existent, and

winning lottery tickets have not been paid. Seemingly simple things like license plate renewal notices have not been sent. Also, many state entities have not been able to pay their utilities without a budget in place. This has impacted our cooperative, too.

Eastern Illini provides electricity to 23 State of Illinois accounts. Those accounts have a collective past due amount of over \$24,000. Some folks have said we need to disconnect those accounts immediately, just as we would any other member/owner of the cooperative. Unfortunately, though, it is not quite that simple.

First of all, many of the state accounts are vital to public safety. It simply isn't acceptable to endanger people by shutting off electricity to vital public locations.

Furthermore, we are very confident that we will - as soon as we have a budget - get paid for all of the past due amounts. If we shut them off now, we are limiting that total, even though we know we will eventually collect those funds.

We are closely monitoring the situation, and have been in contact with not only the governor's office, but also all of our local legislators.

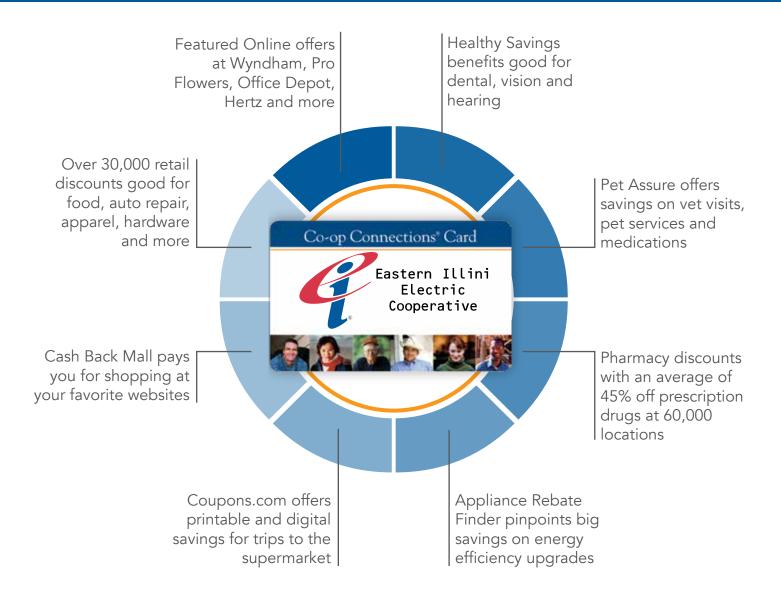
We will keep you informed as we get more information.





CO-OP CONNECTIONS

From prescriptions to pizza, the Co-op Connections Card helps you save on things you buy every day.



The One Card That Does It All.

Find all the ways to save at www.connections.coop.