PowerLines
January 2024

Welcome to 2024!

Another calendar year has ended, and we look forward with hope and optimism for the new year. For me personally it will be my last full year with EIEC, as I have provided notice to your Board of Directors of my plans to retire at the end of February 2025.

2023 Brief Review

Member's electric use will likely end the year nearly 5% below budget levels. EIEC had mixed success relative to our four core corporate goal areas:

- We exceeded our member satisfaction goal with a score of 89 (out of 100)
- We did not meet our zero lost time safety goal
- We did not meet our annual reliability goal due to multiple major storm events
- We did meet all financial related goals

For 2024, in addition to the normal course of business, there are many items to accomplish including:

- The Board of Directors triennial strategic planning retreat
- Completion of the AMI metering system installation
- Rate adjustment and the implementation of a demand rate with March usage billing
- Continuing to support Nextlink as they expand their fixed wireless broadband system
- Evaluation of various federal grant programs for grid upgrades and renewable energy
- Continuation of our construction work plan

MESSAGE FROM THE PRESIDENT

There are a lot of other items to work toward, but these are examples of major projects.

Please take note of a couple of articles that follow. The typical energy use of various appliances is a good reference guide, especially as the demand billing component is initiated. The Youth to Washington trip is a great education and life experience opportunity for high school sophomores and juniors.

On behalf of our employees and directors, please know that we are dedicated to continuing to provide excellent and reliable services to our members. We wish you the best during 2024.

Cooperatively,

Bob Hunzinger

In this issue:

smart hub®

- View your bill
- Make a payment
- Compare usage by month
- Review known issues
- Report an outage
- Update account information

SmartHub is available online or through an application on your cell phone. Sign up today!

BEST BETS FOR WINTER SAVINGS

Energy consumption spikes during the winter months as we spend more time indoors and our heating systems work overtime. To save energy and lower your electric bill, change your furnace filter, adjust your thermostat to the lowest comfortable setting, and seal air leaks around windows and doors.

Your Touchstone Energy® Cooperative

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SPACE HEATERS ARE A GREAT OPTION FOR SUPPLEMENTAL HEATING

Play it safe when using a space heater

When the temperature drops, a portable space heater can be a convenient source of supplemental heat for your home. One common question is: Are space heaters dangerous? No, unless yours is very old or you're using it incorrectly.

Space heaters are a great option for that stubborn corner of your home that just won't get warm, no matter what the thermostat says. They can also help your HVAC system by letting you warm up a room you're using without cranking the heater for the whole house.

But there are some downsides. Used improperly, they can make you uncomfortable rather than cozy. Space heaters can also be a fire hazard if you're not following a few basic rules. In fact, space heaters are responsible for about 1,700 fires and 80 deaths per year. Before you turn on your space heater, it's essential to know a few things about how it works and some general rules to follow for using one in your home.

Follow the instructions
Your space heater should have a label that shows it was tested in a recognized laboratory. Before using the heater, read and understand the manufacturer's instructions and warning labels.

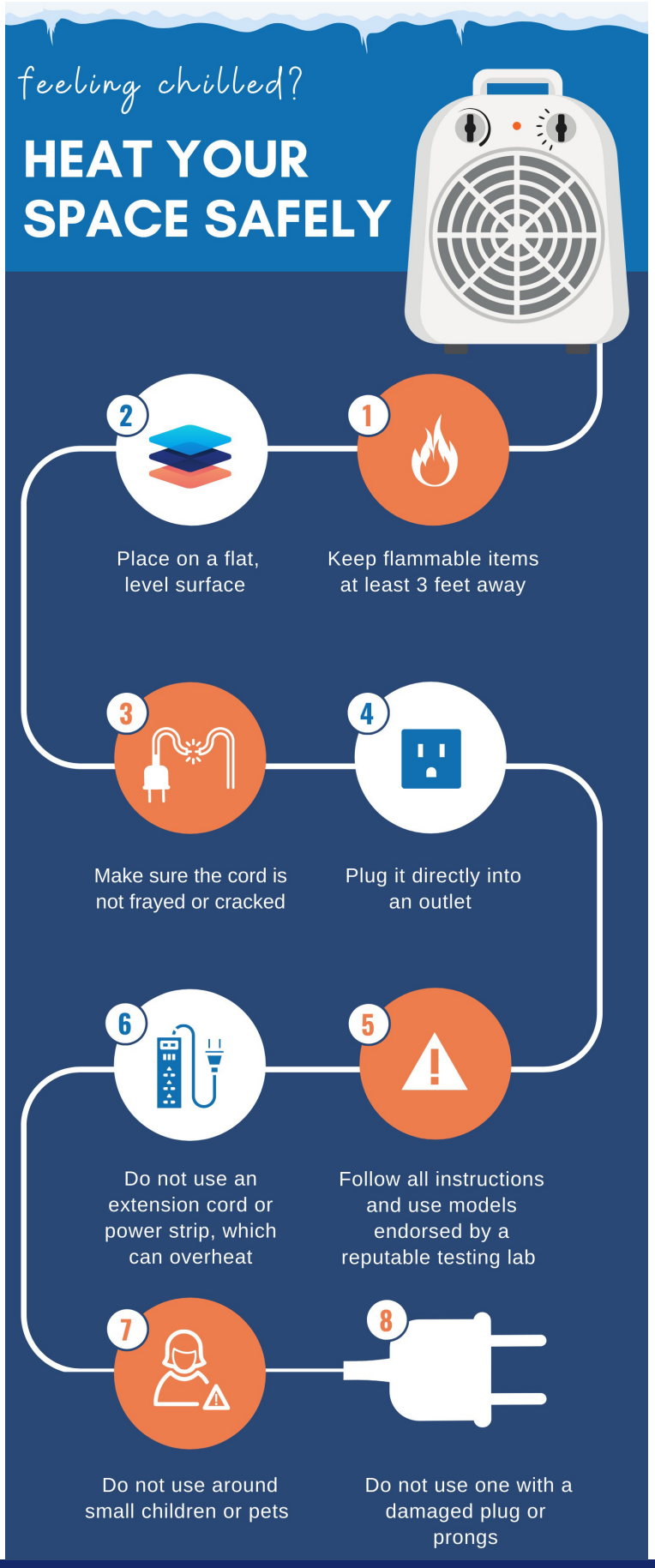
Use for supplemental heat only
A space heater is meant to provide supplemental heat only. They should never be used to warm linens, cook food or dry clothing. While they may work to warm up smaller rooms in your home, they are not very cost effective or energy efficient. Space heaters should be used as a short-term fix opposed to a long-term solution.

Put your space heater on the floor and leave it there!
It can be tempting to place your space heater somewhere, so it blows right in your face. Don't do that—unless you're lying flat on the floor, which is the only place your space heater should ever go. Don't set it on a shelf or a stool or a dusty wooden workbench in the basement. And definitely don't put it on top of your bed. If at all possible, keep it off the rug, too. Generally speaking, you should always place your space heater on the flattest, smoothest surface available.

Keep it away from all water
This should go without saying, but electricity and water are a deadly combination. So a word of caution—keep your space heater out of all wet locations such as kitchens or bathrooms.

Avoid flammable objects
Avoid placing a space heater within 3 feet of anything flammable. Some manuals list curtains, papers, furniture, pillows, and bedding as objects to stay away from. Add flammable materials like paint and matches to that list.

Never leave your space heater alone in the room
The best way to prevent a fire is to never leave a space heater running in a room unattended. Keep an eye on kids and pets near space heaters. Keep children 3 feet away from a space heater. Also, stay safe and don't leave them on while you sleep.



ATTENTION SOPHOMORES AND JUNIORS IN HIGH SCHOOL

2024 Youth to Washington trip

2024

EASTERN ILLINI ELECTRIC COOPERATIVE

YOUTH TO WASHINGTON TRIP

APPLY TODAY! **https://www.eiec.org/youth-washington-program**

Sophomores and juniors in high school can win an all-expense paid trip to **Washington D.C. June 14 - 21, 2024** to learn about government, explore museums, memorials, and monuments and find out how cooperatives work. You will meet with members of Congress and enjoy a trip of a lifetime.

Official Rules:

- **Applicants must be sons or daughters of an Eastern Illini Electric Cooperative member currently receiving electric service from the cooperative.**
- **Applicants must be a high school sophomore or junior.**
- **Up to six applicants will be selected as finalists and will attend Youth Day to Springfield.**
- **Following Youth Day, four of the finalists will be chosen to represent Eastern Illini on the Youth to Washington trip.**
- **The application deadline is Friday, February 2.**

MORE APPLIANCES RUNNING AT THE SAME TIME INCREASES DEMAND

Energy use by electric appliances

Beginning in March 2024, Eastern Illini Electric Cooperative will be restructuring rates and in preparation for that change, we want to explain more about those changes and provide additional details.

We are lowering the kWh component, increasing the base charge, and adding a demand component. The new rate structure is listed on page 5. These changes are designed to collect more of our distribution system costs from the fixed-cost components (base and demand) rather than the variable kWh component. Most residential members will see a minimal impact, but we want to provide as much information as possible ahead of time, so you will understand the new rate structure.

Since we are adding a demand component, we want to go into more detail about what demand is, how often is it measured, and what you can do to manage demand. Demand is the amount of power needed to supply everything running off electricity in your home at a specific point in time. This electric use, which is expressed in kilowatts (not kilowatt-hours), is called the "demand" on the system. Demand varies from hour to hour, day to day and season to season.

As more appliances in your home run simultaneously, your demand for power increases. For example, ten 100-watt light bulbs demand 1,000-watts (1 kilowatt) of electricity (10×100) to stay lit. Certain appliances – such as HVAC units, electric ovens, and clothes dryers – demand significant power from the grid. That's why not running them at the same time is important to minimize the demand charge.

Eastern Illini has always charged members for demand, it just wasn't a separate line item on the bill. In the past, Eastern Illini recovered the demand charge through the kWh charge. Now, thanks to new meters and advanced technology, we are able to bill each household for the demand that they are actually using.

Your demand will be measured in 15-minute increments. The new demand component will be based on the peak 15-minute demand during the monthly billing cycle.

By shifting when you use appliances like your dishwasher, oven, washer, and dryer, you can help reduce your electric bill. If shifting when you use an appliance doesn't work for you, simply staggering the use of appliances, like not running the washer, dryer, and dishwasher, all at the same time, can also save money.

If you haven't already, you will want to sign up for SmartHub. It's free and easy to use. SmartHub features powerful tools to help you monitor your electric use and gain an understanding of the charges on your monthly bills.

In SmartHub, you can set bill reminders, view billing and payment history, compare usage, report an outage, and schedule and make payments. By monitoring and comparing energy usage you can see how home energy use changes from bill to bill and learn how personal habits and behaviors impact your monthly energy usage. SmartHub is available on your computer and on your cell phone, so wherever you are and whenever you want you can view and monitor your electric use, Sign up today at www.eiec.coop or give us a call at 800-824-5102.

APPLIANCE	DEMAND CONTRIBUTION	ESTIMATED HOURLY RUN TIME	ENERGY CONSUMPTION
Space Heater	1.5 kw	30 minutes	0.8 kWh
Electric Furnace	10.5 kw	45 minutes	7.9 kWh
Central AC	3.0 kw	60 minutes	3.0 kWh
Electric Oven	2.3 kw	60 minutes	2.3 kWh
Microwave	1.4 kw	15 minutes	0.4 kWh
Dishwasher	1.8 kw	60 minutes	1.8 kWh
Clothes Dryer	3.5 kw	60 minutes	3.5 kWh
50" TV	0.1 kw	60 minutes	0.1 kWh
PlayStation 4	0.1 kw	60 minutes	0.1 kWh
Hair Dryer	1.5 kw	15 minutes	0.4 kWh
CPAP Machine	0.2 kw	60 minutes	0.2 kWh

EQUITABLE DISTRIBUTION OF COST BASED ON IMPACT TO THE SYSTEM

New rate structure in March 2024

RATE CHANGE SUMMARY

- We are lowering the kWh component, increasing the base charge, and adding a demand component.
- These changes are designed to collect more of our distribution system costs from the fixed-cost components (base and demand) rather than the variable kWh component.
- The new rates will take effect with the March 2024 electric use. (April bill)
- Average residential members will see a minimal impact.
- Members with large electric use (kWh) will likely see a reduction in their bills.
- Members with low electric use (kWh) will likely see the largest percentage increase.

Rates 1 & 7 General (single phase)	2023	2024
Base Charge	$42.50	$53.00
Demand	n/a	$2.12/kW
First 1,000 (cents/kWh)	13.945	12.470
Over 1,000 (cents/kWh)	9.945	9.470

Rates 20 & 7E Electric Heat (single phase)	2023		2024	
	Summer	Winter	Summer	Winter
Base Charge	$55		$63	
Demand	n/a		$1.90/kW	
First 1,000 (cents/kWh)	13.582	13.582	12.470	12.470
Over 1,000 (cents/kWh)	9.582	8.082	9.470	8.810

Rate 5 General (three phase)	2023	2024
Base Charge	$83	$100
Demand	n/a	$1.96/kW
First 1,000 (cents/kWh)	14.384	13.360
Over 1,000 (cents/kWh)	10.384	9.860

Rate 8 Electric Heat (three phase)	2023		2024	
	Summer	Winter	Summer	Winter
Base Charge	$83		$100	
Demand	n/a		$1.96	
First 1,000 (cents/kWh)	11.630	11.630	11.430	10.930
Over 1,000 (cents/kWh)	11.130	9.130	11.380	8.880

Rate 24 Large Service (three phase)	2023		2024	
	Summer	Winter	Summer	Winter
Base Charge	$1.10/kVa		$1.10/kVA	
Demand	$5.02/kW		$5.02/kW	
All kWh (cents/kWh)	10.107	8.107	10.340	9.340

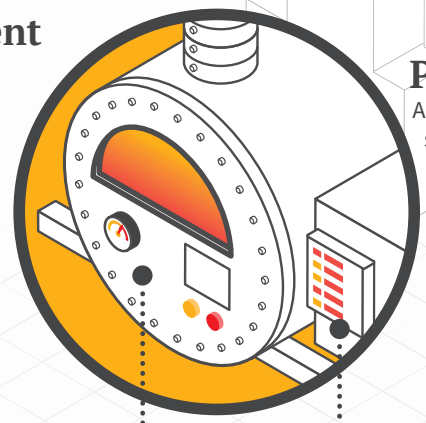
AI and the Grid

The electric power industry is already using artificial intelligence and machine learning for some key functions, including customer service, maintenance and cybersecurity. But most experts agree that the influence of AI in power generation, transmission and distribution is set to expand exponentially, bringing new data analysis and forecasting tools that will have major impacts on grid efficiency, reliability and resilience.

Grid Management

Real-time insights and predictive analytics will make regional grids more efficient, secure and adaptable.

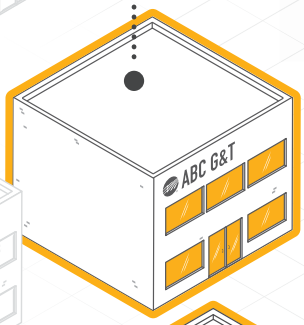
- Energy trading
- System data analysis
- Cybersecurity
- Supply/demand forecasting



Power Plant

Algorithms that analyze sensor data will improve efficiency, extend lifespans and reduce failures at generation plants.

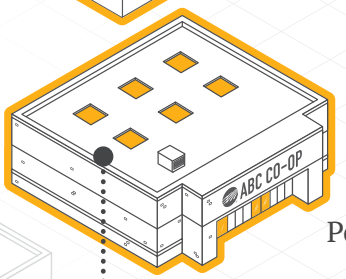
- Proactive maintenance
- Performance monitoring and analysis
- Renewables integration



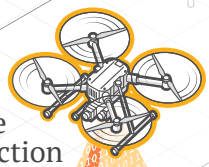
Distribution Operations

Use of real-time system data will enable better grid insights and control and more efficient integration of distributed energy resources.

- Microgrids
- Virtual power plants
- Weather forecasting



- Power theft detection
- Load forecasting
- Chatbots
- IOT management
- Analyze energy use and member metrics



- Drone inspection
- Asset management
- Fault detection

Member Services

AI tools can make member interactions more efficient and allow co-ops to tailor services based on usage data.

Source: NRECA; Design: Kevin Kepple