PowerLines
November 2021

Recent Illinois Legislation and Happy Thanksgiving

Late in the 2021 Illinois Legislative calendar, and extending into the summer, you likely heard about or read various media reports and articles relative to proposed Illinois energy legislation.

On September 15, 2021, Illinois Governor Pritzker signed into law the omnibus energy bill, now known as Public Act 102-0662. The new law contains 956 pages in its legislative form. There are various items that have the potential to impact cooperatives. A very brief summary of a few of the major areas follows. Additional information is available on the EIEC website: www.eiec.coop

MESSAGE FROM THE PRESIDENT

Decarbonization and Fossil Generation – Relative to the Prairie State and Alsey facilities

Required reduction of CO2 emissions at Prairie State coal facility by 45% by mid-2038, and effectively, closure of the entire plant by 2045. The EIEC debt via Prairie Power Inc. (PPI is our Generation and Transmission provider) will be defeased in 2042. Cooperative natural gas generation facilities (the Alsey facility) are required to close by 2045.

Customer Self-Generation

Electric cooperative governing bodies should recognize and implement policies to provide the opportunity for members interested in self-generation (for example with solar), and offer reasonable credits for excess self-generated electricity, balanced with service and economic responsibilities for all members. EIEC has various existing policies and regulations in place, and we will be reviewing these within the prescribed legislative time frame (180 days).

Impact on EIEC

Members of the legislature can change every two years and the gubernatorial election occurs every four years. Illinois government can pass legislation that modifies existing legislation in any of its annual sessions. Also, federal legislation could modify or impose other new requirements. It will take some time for the various state agencies to promulgate rules and regulations to implement the tenets of the new law, and to develop guidelines to distribute the renewable incentives.

In my view, at least for the short to medium term, it will generally be business as usual for electric cooperatives from a resource supply perspective (although wholesale market prices have risen with the recent natural gas price increases). However, I do expect the continued expansion of renewable energy sources, especially wind and solar, with solar being the renewable of choice for member installations on the EIEC electric distribution system.

To our members from all Eastern Illini directors and employees – have a safe and Happy Thanksgiving!

Sincerely,

Bob Hunzinger

In this issue:

Capital Credit Checks:

Eastern Illini Electric Cooperative will be sending out capital credit checks at the end of November. EIEC will be returning over $1,100,000 to members who had electricity with Eastern Illini from 1996-1998.

Your Touchstone Energy® Cooperative

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NEW TECHNOLOGY IS FLEXIBLE AND SCALABLE

Benefits of energy storage

SATICOY BATTERY ENERGY STORAGE SYSTEM IN OXNARD, CALIFORNIA (image by Arevon Asset Management)

A significant transformation of the electric grid is currently underway, driven by the rapid growth of new energy technologies providing consumers and energy providers with an increasing number of options for generating, using, and managing energy. The grid is transitioning from a more static system with centralized electricity generation and management operations to one that is more dynamic and adaptable, where consumers also play a role in managing generation and consumption to help balance the grid.

One game-changing technology that is part of this transformation is energy storage, which allows utilities, customers and third parties to store or release electricity on demand. Energy storage includes an array of technologies, such as electrochemical batteries, pumped storage hydro power, compressed air, and thermal storage.

WHY THE NEED FOR ENERGY STORAGE

The electric grid can be broadly divided into four segments: generation, transmission, distribution, and customer (also known as "behind-the-meter"). Customers are connected to large, central electric generators by two delivery systems: a high-voltage transmission system that moves large quantities of electricity across long distances, and a low-voltage distribution system that delivers electricity to customers. Energy storage technologies provide several benefits across all four segments:

- At the **generation level**, storage can shift energy produced during low-demand periods to high-demand periods, lowering generation costs and increasing system reliability.
- When deployed at the **transmission and distribution levels**, storage can improve reliability by managing power flows or can be sited to reduce congestion on power lines, deferring or displacing costly system upgrades.
- At the **customer level** energy storage can be deployed on-site to manage overall energy costs and provide backup power.

PRIMARY BENEFITS OF ENERGY STORAGE

- *Flexibility:* Many energy storage technologies can switch between charging or discharging on a moment's notice and can instantaneously alter input or output based on grid needs, which enables them to provide a wide range of services.
- *Scalability:* Many energy storage technologies are modular in nature, meaning that they can be scaled up to meet the needs of many customers at once or scaled down to support the needs of a single customer.

Energy storage provides utilities, grid operators and consumers with an array of new options for managing energy, promising to increase the reliability and stability of the grid, defer capacity and transmission upgrades and help with the integration of renewable resources. Energy storage can also enable steady pricing and consumption management capabilities.

Be on the lookout for energy technologies that maximize energy storage capacity to move and store more energy faster.

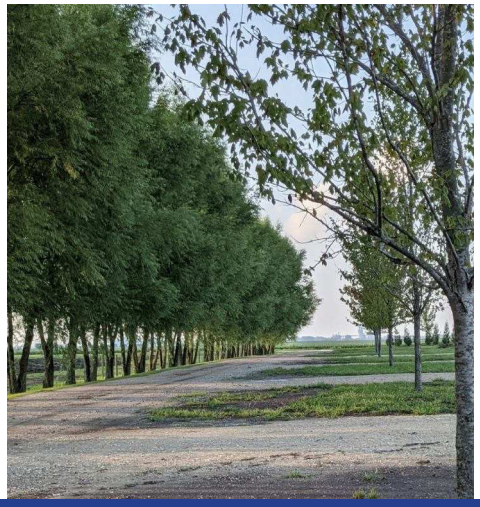
As storage technology options expand and costs decrease, storage is likely to play an increasingly important role in the transition to a responsive and resilient electric grid of the future.

COME ON OVER AND STAY AWHILE

Countryside Campground

When it comes to planning a trip outdoors, camping offers some of the most affordable options. Not only that, but you're closer to nature from the moment you wake up to when you call it a day, of course after a hearty campfire with some s'mores (essential, right?). Camping is proven to have an impact on reducing stress and contributes to emotional and physical health (depending on how many s'mores you're eating, of course). Some campers joke that stress can be caused by not camping enough. Who wouldn't want to camp when it offers an opportunity to be entrenched in nature with easy access and more time to be able to explore. Nowadays, more and more people are expressing interest in camping. According to the North American Camping Report, camping is rising in popularity. It is no surprise that camping is fast becoming a fundamental component of an outdoor lifestyle.

You don't have to travel far to enjoy camping as 59% of campers stay within 100 miles of home. Prior to the pandemic, camping accounted for 11% of all leisure travel trips. Currently, camping accounts for 21% of planned trips. The increased interest in camping is just what Jeff and Kim Young, owners of Countryside Campground were hoping for.



Kim and Jeff Young
COUNTRYSIDE CAMPGROUND
403 East 200th North Road
Gibson City, IL

Reservations: 217-369-8314
Email: campground8314@gmail.com
Facebook: Countryside Campground

The Young's are adventurous people. They themselves are avid travelers and enthusiastic campers, so it isn't too surprising that they have opened their own campground in Gibson City.

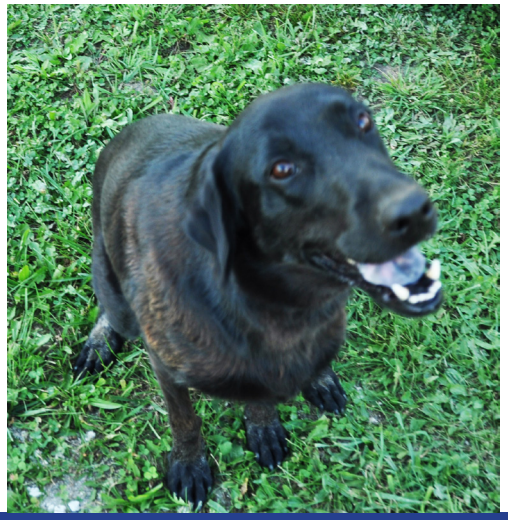
Countryside Campground is a picturesque 9 acres with a ¾ acre pond for fishing and eventually swimming. It has 52 full hook-up camping sites with 30amp and 50amp availability. The campground is pet friendly and kid friendly. A bathhouse and community center are under construction and a kids play area is on the drawing board for the future.

When you enter Countryside Campground you will be welcomed by Sadie, the Young's sociable dog, who will warmly greet you and insist that you pet her at least once. She has never met a stranger and enjoys swimming in the pond and encourages the geese to find an alternative landing location.

Travelers from all walks of life and all parts of the country have set up camp at Countryside Campground. They come from as far away as California and as close as Effingham. A quick scan of the current camper license plates shows Michigan, Florida, and of course, Illinois.

In 2020, 48.2 million households camped at least once, and that number includes 10.1 million who camped for the first time. 40% of campers represent a much younger demographic – Millennial's. Chances are many of these first-time campers will find their way to Countryside Campground and when they do, they'll be greeted by Jeff and Kim who will provide an excellent camping experience.

There is an old saying that has been modified for the great outdoors. It goes: "Money can't buy happiness, but it can buy a camper which is kind of the same thing." Happy Camping from Kim, Jeff, and Sadie!

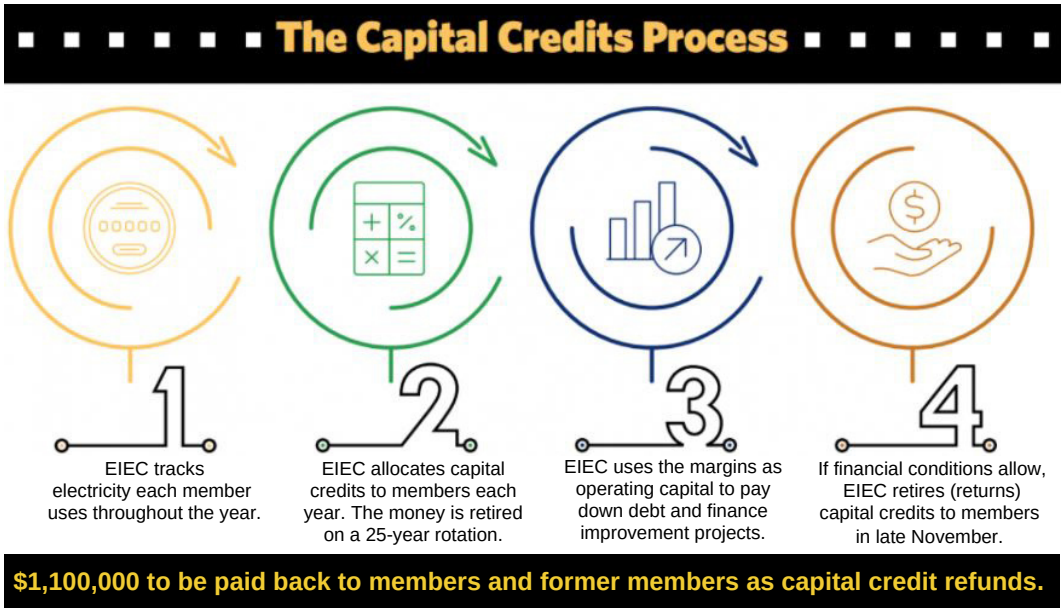


A BENEFIT OF BEING AN EASTERN ILLINI MEMBER

$1,100,000 to be returned in capital credits

Because Eastern Illini is a cooperative, owned by you, its members, it does not technically earn profits.

Eastern Illini uses the margins as operating capital to maintain and improve the electric system that provides energy solutions to members. If financial conditions allow, Eastern Illini retires (returns) the allocated capital credits to members on an approximate 25 year rotation.



WHAT ARE CAPITAL CREDITS?
Capital credits reflect each member's ownership in the cooperative. They are the margins allocated to the members of the cooperative based on their purchases from the cooperative the previous year. These margins are used by the cooperative as capital to operate the business for a certain time period.

WHAT CAPITAL CREDITS ARE NOT:
Capital credits should not be confused with profits, which are a return on capital. Retirement of capital credits is a return of member-furnished capital. Cooperatives exist not to make a profit but to provide electricity at cost.

HOW DO MEMBERS EARN CAPITAL CREDITS?
When someone becomes a member of Eastern Illini and begins purchasing electricity, they also earn capital credits. Your capital credit account is specific to you. Regardless of how many times you move or how many accounts you have; your capital credits remain on the books in your name and member number until they are retired. So, keep EIEC updated with your current mailing address.

Even though the cooperative allocates capital credits to members each year, the money is not paid out right away. The money is used by the co-op to maintain our electric system and enhance the safety and reliability of our 4,500 miles of line. EIEC's board of directors looks at the financial condition of the cooperative annually and then decides whether to retire capital credits. It's the goal of the board to keep capital credit retirements on an approximate 25-year rotation, and employ a first-in, first-out retirement method.

CAN MY CAPITAL CREDIT ALLOCATIONS BE REFUNDED TO ME ALL AT ONCE?
Remember capital credit funds are used for improvements and maintenance—and these are long term investments. Capital credits can't be refunded all at once because they help the co-op remain financially sound, which ensures a stable, reliable electric service for the benefit of the members we serve.

CAN I USE THE CAPITAL CREDITS I HAVE ALLOCATED TO PAY MY ELECTRIC BILL?
This is an apples to oranges comparison, so no, capital credits can't pay your electric bill. Allocated capital credits may not be used to pay current bills. Your electric bill is due now, whereas you may not be entitled to be paid your capital credits for many years.

HOW MUCH HAS EIEC PAID OUT IN CAPITAL CREDITS?
EIEC will have paid over $10 million back to members and former members in capital credit refunds when capital credit checks are mailed out to members in late November 2021.

WHEN DO I GET MY CAPITAL CREDITS?
If you received electricity from EIEC in 1996 - 1998, you will receive your capital credit check in late November.

Eastern Illini Electric Cooperative is pleased to return over $1,100,000 in capital credits in 2021 for the years 1996, 1997, and 1998.

Contributing capital to Eastern Illini and receiving returns on your contribution is one of the tenets of the cooperative business model. Eastern Illini is guided by a set of seven principles and *member's economic participation* is principle number 3. That's one of the reasons we consider you a member. The retirement of capital credits is a tangible demonstration of your ownership in Eastern Illini.

Visit **https://www.eiec.org/capital-credits** to complete a capital credits search to see if you, or anyone you know, received electricity from Eastern Illini in the past.

Enter the last name of a current or former Eastern Illini Electric Cooperative member to see if they might have an unclaimed capital credit balance. If you find your name on the list, give us a call at 800.824.5102 and let us know.

Evaluate your home's envelope

When you see the word "envelope," what comes to mind? Usually, we think of the outer covering that our mail comes in. However, you could save money on your energy bill if you focus on your home's envelope, which consists of its outer walls, windows, doors, and other openings.

A well-sealed envelope, coupled with the right amount of insulation, can reduce your energy use and your utility bills. According to EnergyStar.gov, nine out of 10 homes in the U.S. are under-insulated. Homeowners can save an average of 15 percent on heating and cooling costs by air sealing their homes and adding insulation in attics, floors, crawl spaces, and basements.

To determine if your home's envelope is in good shape, Eastern Illini recommends having a home audit conducted to pinpoint the leaks that allow energy to escape your home.

A qualified energy auditor will include an insulation check as part of a whole-house energy assessment and will identify areas of your home that need air sealing or insulation repairs.

DIY HOME ENERGY AUDIT

If you would like to complete your own DIY audit, find out the following:

- The type of insulation in your home.

- The R-value (rate of thermal resistance) of your insulation. Typically, the higher the R-value, the more effective the insulating. Depending on where you live, you do not necessarily need the highest value; it depends on your local climate.

- The thickness or depth of the insulation you have.

In a newer home, the builder can identify the type of insulation used and where it is located. In an older home, you will need to perform the inspection yourself.

To complete a DIY energy assessment, you will need to check the following items:

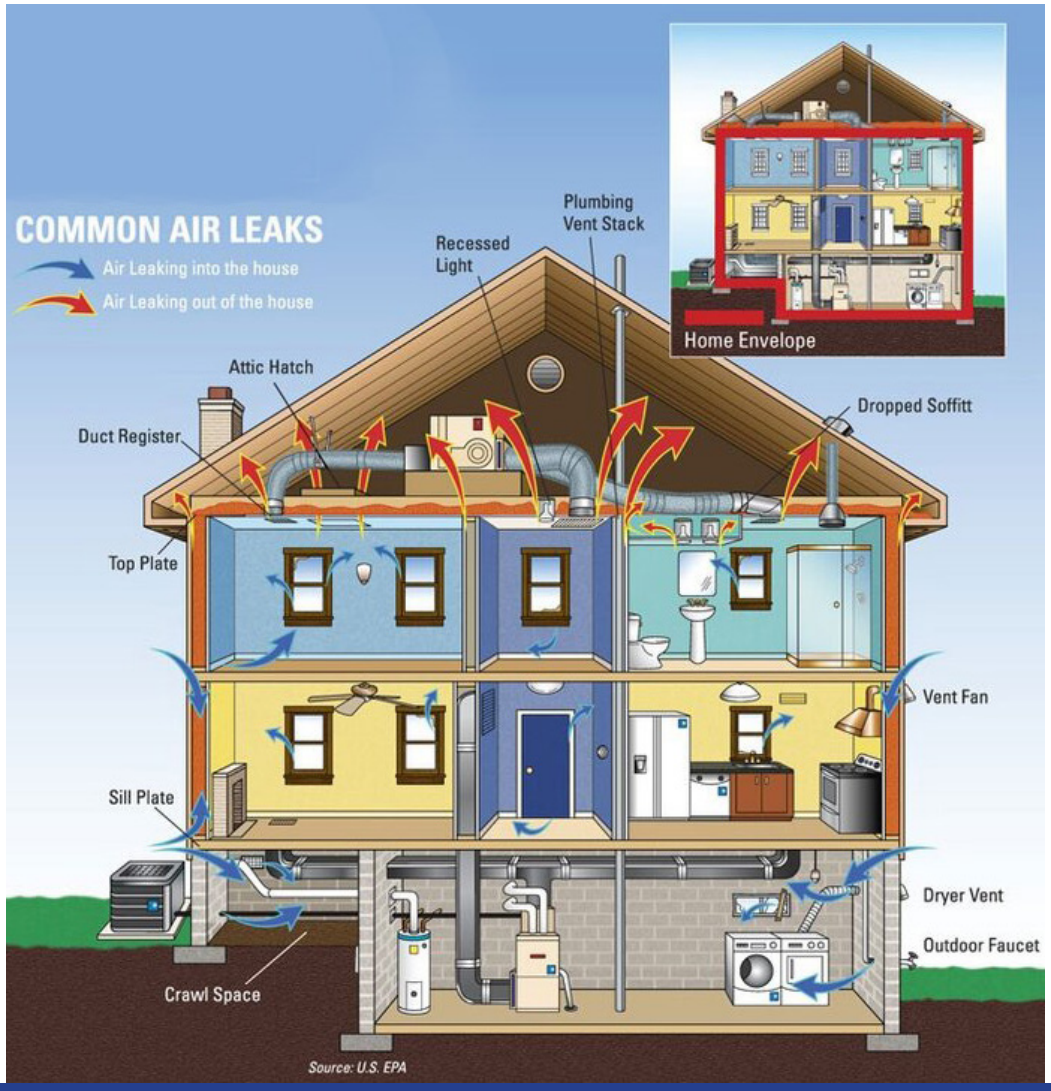
IN THE ATTIC:

A rule of thumb when inspecting the attic insulation is if the insulation is level with or below the attic floor joists, you need to add more insulation. If you cannot see any of the floor joists because the insulation is well above them, you probably have enough, and adding more may not be cost-effective.

Insulation should be evenly distributed with no low spots. Make sure the insulation in your attic has the appropriate R-value for where you live. Check the value printed on your existing insulation. If you cannot find the value, measure the depth of the insulation in inches. Multiply the depth by the following insulation type: 3.2 for fiberglass batting, for the loose fibers category, multiply by 2.5 for loose fiberglass, 2.8 for rock wool and 3.7 for cellulose. Then check EnergyStar.gov's recommended R-values. If the calculated value is less than the recommended levels for your region, then you should consider adding more insulation.

BEHIND THE WALLS:

Turn off the power to the outlet before beginning this check. Remove the outlet cover and shine a flashlight into the crack around the outlet box. You should be able to see if there is insulation in the wall and how thick it is. Pull out a small amount of insulation to help determine the type. Even though you find insulation in one wall doesn't mean it is uniform throughout your home. Check in multiple locations.



★ VETERANS DAY ★

HONORING OUR EMPLOYEES WHO SERVED

Mike Bristle
Paul Crutcher
Joe Garey
Junior Price
Brad Smith

On Veterans Day we remember and honor the men and women who have served in the Armed Forces to protect our freedom. We thank you for your service and sacrifice.

Eastern Illini Electric Cooperative