

PowerLines

November 2024

Happy Thanksgiving

As you receive this, the Thanksgiving holiday is but a few weeks away. We also celebrate Veteran's Day this month. It is also election season once again. Please take time to personally thank a veteran for their service. Because of their efforts over the years, we enjoy the freedom to exercise our privilege to vote. With this ability to vote also comes responsibility. We may not agree on the candidates, but we owe it to ourselves and the country to research the candidates and issues – whether it be in the local, state, or national elections.

The continued success of a democracy like ours is highly dependent on the education and active participation and involvement of all citizens.

One of the seven cooperative principles is "Cooperation among Cooperatives." Based on a request for mutual aid help from the Georgia statewide cooperative, in late

September, EIEC sent four line personnel and equipment to help to restore electric services impacted by Hurricane Helene. About two weeks later we swapped out the crew with four other line personnel to continue the work in Georgia and (at the time of this writing) to possibly help with restoration efforts in Florida after the expected devastation of Hurricane Milton.

This is an example of the camaraderie and concern for others that is prevalent among cooperatives and employees. We all know that at various times, each of our cooperatives will need assistance from

others, thus we are more than willing to provide help when requested. Please keep all the people impacted by the recent hurricanes and flooding in your thoughts and prayers. For all too many it will be an exceptionally long road to recovery and even a semblance of normality.

Please see the included article that contains more detail about capital credits. Earlier this year your board voted to return \$1.19 million of capital credits to those members that received electric service in 2002 and 2003. Checks will be mailed out just prior to Thanksgiving.

Preliminary results from our annual October member survey are remarkably similar to the recently completed biennial AIEC statewide survey. Both surveys continue to give Eastern Illini and our employees high marks, with the overall satisfaction index in the upper 80's range (out of 100), which is consistent with recent survey results.

At Eastern Illini we are thankful for you – our members for your loyalty to Eastern Illini Electric Cooperative. On behalf of your nine directors that constitute your governing board, and our loyal and dedicated employees, we wish you a safe and a very Happy Thanksgiving.

Cooperatively,



**MESSAGE FROM
THE PRESIDENT**

Bob Hunzinger

Unclaimed Capital Credits:

If you or anyone you know, received electricity from Eastern Illini in the past, please search the unclaimed capital credits database at: <https://eiec.org/capital-credits>.

If you find your name on the list, give us a call at 800-824-5102 to let us know.

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CAPITAL CREDITS REPRESENT EACH MEMBER'S OWNERSHIP IN EIEC

\$1.19 million will be retired in capital credits

Members, were you a part of Eastern Illini in 2002 and 2003? If so, be on the lookout for your capital credit check coming in late November.

The board has approved approximately \$1.19 million to be returned to our members receiving service in 2002 and part of 2003 as part of our capital credit retirement. When this year's capital credit checks are mailed out, Eastern Illini will have retired \$17.68 million.

Capital credits reflect each member's ownership in the cooperative. Electric cooperatives like Eastern Illini don't earn profits in the sense that investor-owned utilities earn profits for their investors. Instead, any margins — revenues related to the sale of electric service remaining after all expenses have been paid — are returned to the cooperative's members in proportion to their electric use. No special action is required to start a capital credit account. Your membership with Eastern Illini activates a capital credit account in your name.

First, margins are "allocated" to member accounts.

These margins represent a loan by the membership, and it is used by the cooperative as operating capital. This capital allows Eastern Illini to finance operations and construction, with the intent that this money will be repaid in later years when the co-op is financially

able to do so. The return of money to members is what the capital credit process is all about.

This happens each year to any dollars Eastern Illini doesn't need to pay expenses. That doesn't mean you get that money in the year allocated (think of this as a credit to an account we set up for you called capital credits and it is a promise to pay you in the future at some point down the road). Allocated capital credits appear as an entry on the permanent financial records of the co-op and reflect your equity or ownership in EIEC. Your July bill will have a line item showing your capital credit allocation.

The next step is what most members are most interested in, and this second step is the "retirement" of dollars or sending out dollars to members. In the second step, we decide how much money we can give back to you, the member, from your capital credit account. When capital credits are retired, a check is issued and your equity in the cooperative is reduced. We balance the amount paid out with the financial needs of the co-op. Capital credits are a significant source of equity and help to fund the growth and maintenance of the electric system. Hence, it is a two-step process; first we allocate and then we retire capital credits.

How are capital credits calculated?

The amount of capital credits earned

is based upon the amount of money or capital contributed to the cooperative through the payment of monthly bills. The more electric service used, the greater your capital credit account.

How are margins calculated and allocated?

Margins for capital credits vary from year to year depending upon the success of the cooperative. EIEC's rates generate enough money to pay operating costs, make payments on loans, and provide an emergency reserve. At the end of each year, we subtract operating expenses from the operating revenue collected during the year. The balance is called an operating "margin". We allocate margins into a capital credit account based on your share of dollars paid to the co-op during that year. In this step the allocation process is a promise to pay you in the future when the co-op can afford to retire some of the dollars set aside for capital credits.

We calculate your percentage of the total margins and allocate that amount to your account. Capital credits are only allocated during the years in which EIEC earns a margin. The allocation process is a promise to pay you in the future and does not mean you get that money back in that year; distribution of funds in the capital credit account are paid out on an approximate 25-year rotation.

it **Pays** to be a **Member**

Retirement this year will be \$1.19 million.

Capital credit checks will be mailed in late November!

Because members are owners, margins are returned in the form of capital credits. Eastern Illini members will share in the retirement of capital credits assigned based upon the patronage from 2002 and part of 2003.

A wet and cold winter forecasted for Illinois



It was a relatively hot summer in the Midwest. We've endured some severe weather and a few uncomfortable stretches of high heat and high humidity. This fall, the dryness and milder temperatures that have been around since mid-August have pushed row crops to rapid maturity and dry-down and have expedited harvest timelines in our area. Now that harvest is for the most part in the rearview mirror, there's chatter about the upcoming winter.

The cold mornings have got some of us pulling those sweaters and heavy coats out of the closet. The National Oceanic and Atmospheric Administration (NOAA) released its 2024/2025 winter forecast, and the big story of that forecast is the return of La Niña. The upper regions of the country are expected to be colder and snowier than usual. However, what does La Niña mean for us here in Illinois? Historically, La Niña typically brings wetter and colder conditions to the northern parts of the country and warmer, drier weather to the southern areas of the U.S.

Of course, a good chunk of Illinois sits right smack dab in the middle. So, what does that mean for the Prairie State? In terms of temperature, nearly the entire

state is predicted to be in the 'Equal Chances' designation. Illinois is more than likely to see a healthy mix of both above and below average temperatures.

According to the Farmers' Almanac, Illinois will experience a wet and cold winter in 2024–2025, with above-average snowfall and periods of wet snow and rain. The snowiest periods are expected to be in late December, late January into early February, late February, and March.

The coldest temperatures are expected to occur in late January through early February and in late February. The almanac predicts periods of wet snow and rain to begin in early November, with rain and wet snow continuing to Thanksgiving. The almanac predicts a "season of rapid-fire storms" that will bring both rain and snow, with little downtime in between.

Power outages, of course, can happen any time of year, but winter storms often bring high winds and heavy snow or ice which can wreak havoc on power lines and poles. We encourage everyone to be prepared in the event of a power outage by ensuring adequate supplies of warmth, food, and water, as the cold weather can impact living conditions. This preparation includes having a sufficient supply of water and stocking up on non-perishable food.

A well-stocked emergency kit includes flashlights, batteries, and a first-aid kit.

Assemble an emergency kit ahead of time, so you've got the supplies you need when you need them. Have enough food and water to last three days at a minimum. You should have multiple flashlights along with backup batteries. Food spoilage can be a troublesome issue even during a short power outage. But if you minimize opening your refrigerator and freezer, you can often save most of your perishable items, depending on the outage duration. A fridge kept shut should keep food safe for four hours or more, closed freezer doors for upwards of a couple of days.

Keep your cell phone and other essential devices juiced up during a power outage using your car battery. Portable battery packs with USB ports and standard outlets are also a good idea. Insulate your water pipes and let your faucets drip or trickle when the power's out in subfreezing weather.

A power outage can be a stressful situation, especially if you're not prepared. An emergency preparedness kit will give you peace of mind when the weather forecast predicts significant snowfall and plummeting temperatures.

THANK YOU FOR YOUR SERVICE TO OUR COUNTRY
Eastern Illini employees who have served



**Veterans,
we honor you!**

Eastern Illini employees who are veterans:

Mike Bristle

National Guard

Paul Crutcher

Navy

Junior Price

Navy

Brad Smith

Marines

“As we express our gratitude, we must never forget that the highest appreciation is not to utter words, but to live by them.”

John Fitzgerald Kennedy

EASTERN ILLINI ELECTRIC COOPERATIVE

SIXTH COOPERATIVE PRINCIPLE: COOPERATION AMONG COOPERATIVES

EIEC crews assist in Hurricane Helene recovery

Eastern Illini Electric Cooperative sent two crews of line workers to Georgia to assist in restoring power caused by Hurricane Helene.

Power outages from the hurricane negatively impacted more than 500,000 co-op members in Georgia, North Carolina, and South Carolina. The challenges that crews faced in the field were unfathomable, from widespread flooding and landslides to rebuilding electric infrastructure that has been damaged or destroyed by the power of wind and water. Crews gave it their all to restore power. In many cases, power lines have been completely washed away, and crews rebuilt from the ground up.

The sixth cooperative principle is Cooperation among Cooperatives. All co-ops have a collaborative goal to help all co-ops succeed. Electric cooperatives know that the most effective way to strengthen the co-op movement is by working together through local, regional, and national

structures. Devastating weather events often trigger the need for mutual aid, which is a collaborative approach to emergency planning. The mutual aid model allows electric cooperatives to help each other during times of need.

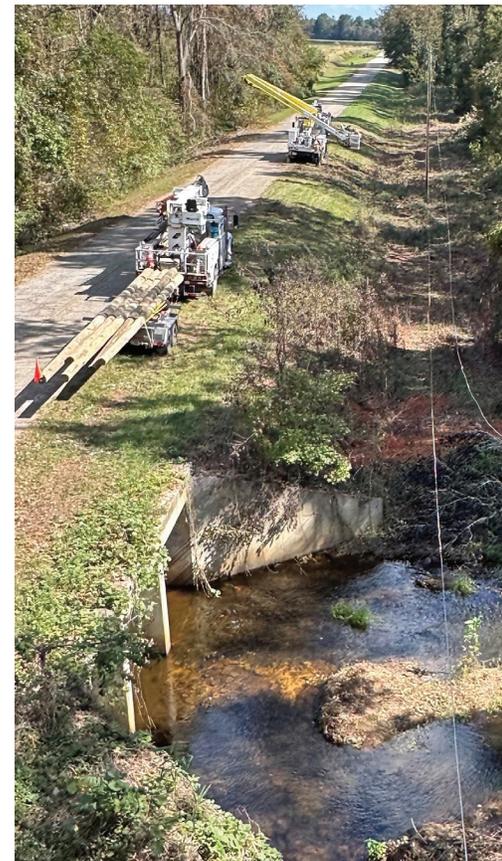
This approach permits co-ops to “borrow” restoration workers from other co-ops, thereby increasing the workforce response to areas impacted by a major outage event. It’s essentially about neighbors helping neighbors, even when those neighbors are fellow co-ops located hundreds of miles away. Electric co-ops were formed to provide safe and reliable electric service to co-op members, and mutual aid has been a fundamental part of our DNA since co-ops were formed. The concept of mutual aid originated with rural electrification efforts in the 1930s. From the beginning, electric co-ops relied on each other to assist in times of need, and mutual aid provides an essential safety net in times of crisis.

During major outage events, a variety of equipment is necessary to complete

necessary repairs, including bucket trucks utility poles, transformers and wires. Skilled line workers, tree trimmers and other key personnel are also often shared among co-ops. These experts provide critical skills and manpower to speed up the restoration process.

Because the national network of transmission and distribution infrastructure owned by electric co-ops has been built to federal standards, line crews from any electric co-op in the U.S. can arrive on the scene ready to provide emergency support. Today, mutual aid continues to be a vital part of how electric co-ops operate and serve their local communities. The goal of mutual aid is to restore power as quickly and safely as possible after a major outage event.

EIEC came to the aid of co-ops in the south, because we know that sometime in the future, we will call on other co-ops to jump in and help us in our time of need.



POWERING YOUR FUTURE

**17 SCHOLARSHIPS
\$2,500 EACH**

The electric cooperatives of Illinois are proud to offer scholarships to deserving students in our co-op family. Whether you're a high school senior planning to attend college or interested in a career as a lineworker, there's a scholarship opportunity for you.

Applications are now open for the 2025 Illinois Electric Cooperatives Memorial Scholarships. Apply by December 31, 2024, for most scholarships, or by April 30, 2025, for the lineworker scholarship. Scan the QR code or go to <https://bit.ly/IECScholarships> for more details.



**IEC MEMORIAL
SCHOLARSHIPS**

