


CLOSED Circuit

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ELECTRIC COOPERATIVE, INC.

Your Touchstone Energy® Cooperative 

Study Concludes Rate Change Will Be Necessary

Electricity—we all use it to heat and light our homes, charge our cell phones, and power our televisions and refrigerators. But most of us don't give a lot of thought to where it comes from and how much it costs to produce electricity until we get an unexpected high bill in the mail.

You can be assured that Clarke Electric is doing everything we can to keep our rates as reasonable as possible and still provide the quality of service you expect from us.

Unfortunately, there are factors beyond our control that have and will continue to drive up your monthly electric bill in the not-too-distant future. New government regulations are leading to a transition away from coal-based generation and toward natural gas as a primary fuel source. Although coal is traditionally a cheaper resource, the greenhouse gas emissions for a natural gas plant are roughly half that of coal. Coal plants are also facing significantly tighter restrictions on mercury, nitrous oxide, and sulfur dioxide emissions. As a result, we are in a process of moving to a more expensive type of electric generation.

As reported in July's *Closed Circuit*, CEC conducted a Cost of Service study to determine if your Cooperative was recovering enough revenue to cover the expenses for each rate class. As a not-for-profit organization, an increase in rates is made only when it is necessary to cover our expenses. If there is any income left over once we have allocated

When subsidization is identified, it is necessary to make adjustments. Our study identified that our residential class will need modifications. Some structural changes will also be necessary in other classes.

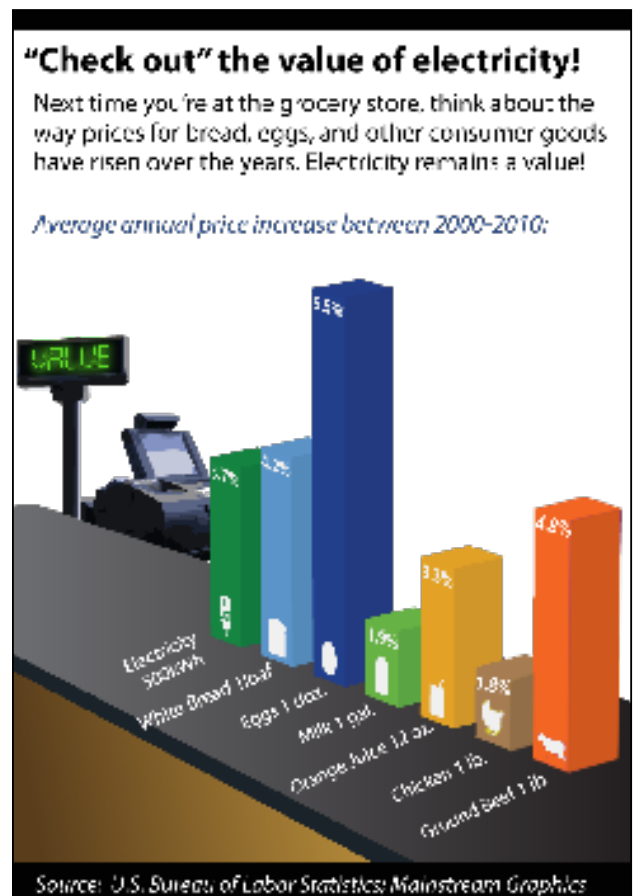
to our reserve for contingent losses, we give it back to our members in the form of patronage dividends.

If we find there is subsidization between the classes, then it becomes necessary to make adjustments. During our review, we identified deficiencies in our residential class. In the spring of

Continued on page 2



Clarke Electric offices
will be closed
on November 24 & 25
for the
Thanksgiving
holiday.



FEMA Work Completed

Good news for Clarke Electric members – we have finally completed the FEMA ice storm rebuilding process. Who would have imagined on that cold December morning in 2007 that your Cooperative would spend the next four years working almost exclusively on rebuilding the system?

Despite the devastation, the storm clouds contained a silver lining. Your Cooperative was able to leverage state and federal funds to rebuild and replace damaged poles and lines that probably would need to be replaced soon anyway.

We have seen a significant reduction in outages, both in number and duration. Our average service availability index (SAI)—which is the percentage of time that power is available—is at an all-time

high of 99.976 percent. This can be directly attributed to the replacement of new lines and poles as part of the FEMA project. The reliability and integrity of the system is now much stronger than it was prior to the storm. 40-01-03-05

Your Cooperative replaced more than 1,697 broken poles and rebuilt approximately 220 miles of line system wide. No substation area escaped the damage caused by the blanket of ice and snow.

As we close the FEMA project, we can be thankful for the dedicated employees who tirelessly worked through the storm and its aftermath. Without their dedication and your understanding, the process would have been an insurmountable challenge. Thank you for supporting your Cooperative.

Rate Change Study

Continued from page 1

2012, there will be adjustments made to this class and a few structural changes in other classes.

The good news is that Clarke Electric can help you find ways to use less electricity to minimize any cost increases. We offer a range of energy-efficiency programs for your home, business, or farm that include financial incentives. If you are interested in learning more about strategies to reduce energy consumption and save you money, please visit our website at www.cecnet.net or give us a call. Watch the *Closed Circuit* for more details.



Check out our new Web site!

• quick links

• news & events

www.cecnet.net

• account information

• membership benefits

• and more

• Co-op Advantages

Vegetation Management Program Keeps Power Flowing Safely

Trees and brush may seem harmless on a calm, sunny day. But on a stormy night with wind or ice, they may threaten your home or business's electric supply.

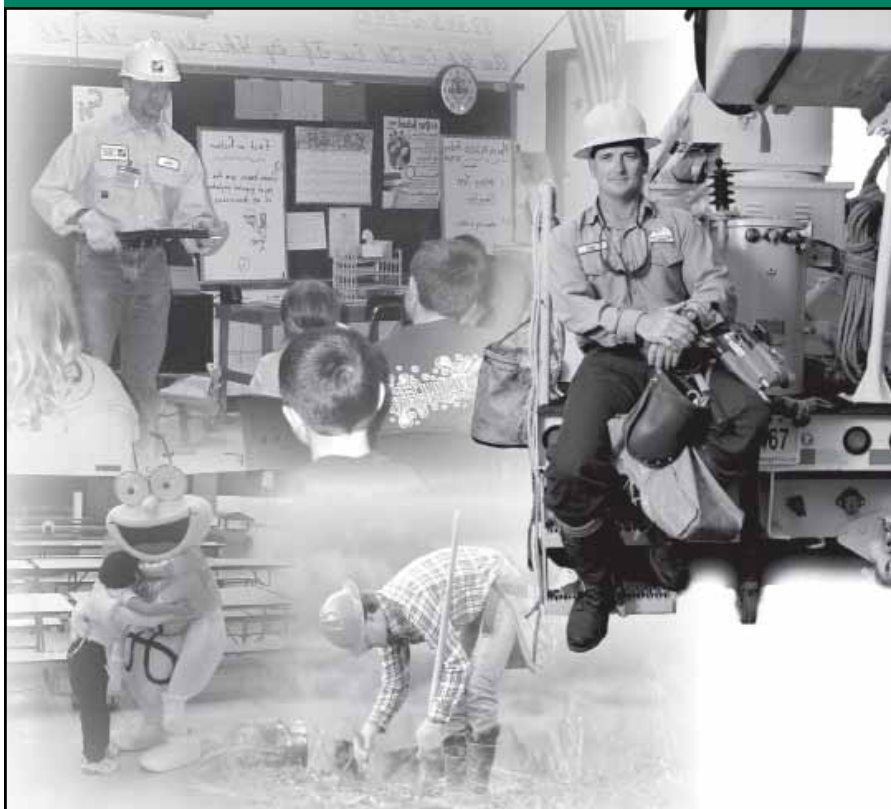
Branches break and fall across power lines. A tree blows over, pulling lines down. Strong winds cause limbs that are too close to power lines to touch wires. These momentary power disruptions (or

blinks) aren't just mild annoyances—they can damage computers and other sensitive electronic equipment and leave digital clocks flashing. And then there's arcing—electricity using a nearby tree as a path to the ground. That action poses hazards to anyone in the vicinity and could spark a fire. Our right-of-way (ROW) program requires us to service ten percent of our system annually. We prune trees year-round and use chemicals to impede the growth of trees and brush in the summer. Your Cooperative contracts services with Coddington, Inc., of Corydon for the majority of ROW clearing, and our local crews perform day-to-day maintenance. This year our contractors focused on clearing brush and trees in tie lines between substations.

“Clarke Electric Cooperative is committed to providing safe, reliable, and affordable

power, and our vegetation management program is key to fulfilling that promise,” said Don Lange, manager of operations and engineering. “As a rule of thumb, we clear trees and brush in, under, and around the power lines with 20 feet of ground-to-sky clearance available on each side of utility poles. This gives our power lines plenty of space.”



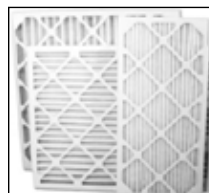


Why Do Co-ops Advertise?

Clarke Electric's main purpose in advertising is to teach and promote electrical safety and energy efficiency, to meet federal and state regulations, and to educate our members and policymakers about the cooperative and what we do for our communities.

- Like any other business, Clarke Electric uses paid advertising to communicate a message to a specific audience. The personal safety of our members and the general public is our primary concern.
- Advertising is a communication tool we use to reach our members and the general public about issues important to our business, such as the need for additional baseload electric generation or energy efficiency tips that save consumers electricity and money.
- We have used advertising to educate legislators and regulators about major issues that significantly impact the cost of your electric bill, such as climate change legislation. 12-30-05-00
- As an electric cooperative, we have made a commitment to the communities that we serve. That means we sponsor and support programs that enhance the community and provide services to our members such as the SchoolNet program.
- Advertising helps us develop name recognition with legislators and regulators. It is important for them to know who we are and what we do when we contact them to advocate on behalf of your interests—collectively, cooperative members have a strong voice.
- Because Clarke Electric benefits from the combined buying power of anywhere from a dozen to 30 different electric cooperatives, we get a great return for our advertising dollars.

Save Electricity—Save Money



- Add insulation to the attic.
- Set thermostat between 65° and 70° during the day and turn it down to 58° at night. If you have a geothermal unit, temperature adjustment is NOT advised.
- Lower water temperature to 120°.
- Change furnace filters monthly.
- Check windows and doors for air leakage; replace or repair accordingly.
- Use ceiling fans circulating upward. Close chimney damper when fireplace is not in use.



Residential Weatherization Rebate Program

PROGRAM If you are trying to make your home more efficient and reduce your heating and cooling costs, check out our new weatherization incentive program. Increasing your efficiency with weatherization efforts may qualify you to receive incentives of up to 60% of the cost.

REWARDS Members may qualify for rebates of up to 60% or \$2200 maximum cost of weatherization per home for as long as this program is offered.

REQUIREMENTS

To qualify, you must have:

- A house built prior to 1986
- Electric heat and / or propane heating with central air conditioning
- Total cost of \$150 or more for weatherization
- Comply with pre-existing maximum levels and post-installation minimums

Weatherization includes:

- Attic/ceiling insulation
- Wall insulation
- Foundation insulation (electric heat only)
- Infiltration control (electric heat only)
- Duct insulation/sealing (electric heat only)

Please note that homes with natural gas heating do not qualify. Contact your gas supplier for any incentives they may offer. Come into our office and visit with us about this great opportunity to save on your energy bill.

Go to
[www.cecnet.net/
 member-benefits/
 brochures/
 weatherization](http://www.cecnet.net/member-benefits/brochures/weatherization)
 OR CALL
 1-800-362-2154 to
 get the complete
 details on
 requirements and
 rebate forms.

Stay Warm and Safe

Use space heaters safely this winter.



Learn more at
SafeElectricity.org.

**Clarke Electric Cooperative reminds everyone to
REMEMBER SAFETY
as they heat things up
to stay comfortable this winter.**

Space heaters need space all around them to be able to circulate air safely.

Place space heaters on a level surface away from areas where they could be bumped and knocked over and at least three feet away from flammable materials—including drapes, furniture, and clothing.

Never leave a space heater unattended or running while you sleep.

Before using a space heater, **inspect the cord** for any cracks or worn spots. If any are found, replace the cord or the heater.

Avoid using extension cords. If one is necessary, use a heavy duty cord marked with a power rating at least as high as the heater.

Take care to **avoid overloading circuits.**

If you are planning to buy a portable space heater, look for one that has been tested and labeled by a nationally recognized testing facility. Your new space heater should have all of the following safety features:

- A tip-over switch that automatically shuts off the space heater if it falls over.
- A protective grill that will prevent anyone from touching the heating elements.
- Sealed heating elements that are encased in metal or ceramic.

Fall ROW Projects

Clarke Electric Cooperative has contracted Coddington, Inc. to trim and clear trees from under and around the power lines. They will be working in Fremont Township along Highway 69 and Pacific Street and in Liberty Township along Highway 69 through November.



When our employees or the contractors make contact with you, please understand that we need to trim and remove trees under and around the power lines to keep your system safe and reliable.

Reading Pays!

Look for your hidden account number in this issue and call during November to have \$10 deducted from your monthly energy account.



Clarke Electric Cooperative, Inc.

Clarke Electric Cooperative, Inc., exists to professionally serve our members' changing needs, enhancing quality of life through leadership in community development and providing service excellence for our members' energy requirements.

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Our Web site: www.cecnet.net

Board of Directors: Tom Carson, Osceola; Ralph Evans, Decatur; Randy Gaumer, Murray; Larry Jackson, Clio; Paul Keller, New Virginia; Kyle Kelso, Weldon; Marilyn Marsh, Lucas; Frank Riley, Osceola; Bill Willis, New Virginia.

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