

Menard Electric Cooperative's

Connect to MEC



A Touchstone Energy Cooperative 

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Save money all winter long

Prepare now to save later

People are clipping coupons, bundling electronics packages, checking auto insurance rates and looking for ways to save on everything these days. In times like these it's just smart living.

One payment many believe is unchangeable is their electric bill. But that's not true. Air leaking into and out of your home, inadequate insulation levels that let conditioned air escape, and inefficient heating systems could be making your bills higher than they need to be. Take steps now to fix the problems-many solutions are relatively inexpensive and will save you money every day this winter.

Do these things now and then change some habits this winter and you'll notice a smaller bill each month that saves you a lot more than that coupon for 25 cents off a box of cereal.

Heating/Cooling Equipment

Your furnace may be running again before you expect it. Experts recommend you have your equipment inspected and cleaned annually, or as recommended by the manufacturer. If you have a forced-air furnace, be sure you have a supply of filters to last you the winter; you may need to change your filter every month. Buy them now so you don't forget.

If you're looking to replace your heating system look into all the available rebates and tax credits. They usually require a minimum



efficiency level, but many times the credits more than pay for the upgrade in efficiency needed to gain them. The more efficient your system the more you'll save in the long run on your bills each month.

Continued on 16b

Office Closings

Labor Day Sept. 6

14300 State Hwy 97
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Continued from 16a

Air Leaks

The easiest and cheapest way to save money this winter is to stop air leaks. Those small drafts you may not even notice can account for 5-30 percent of your heating costs! EnergyStar recommends starting with air sealing to save money and says that sometimes leaks are at the root of high bills over an older heating or cooling system.

Start indoors to check for leaks. Check along your baseboards or the edge of your flooring. Then look up to check the junctures between walls and between walls and ceilings. If you feel any leaks (wet your finger and run along the area or use a candle on a windy day to see if the smoke moves) you'll need to caulk the area (see next page).

Check around pipes under your sinks, and any other holes/penetrations into your home for leaks. These may need caulking or expandable foam to fill.

Check outlets and wall switches on exterior walls. You can buy gas-kets to insulate these behind the plates, caulk around the opening, and put child safety plugs in outlets to stop air leaks.

Check windows and doors for a tight seal. See the next page for more on that.

Now go up into the attic. Seal gaps between the attic ceiling and the rooms below, including holes for wiring, lighting and the attic door. Look for dirty insulation – it's a sure sign that air is moving through the area.

Now down to the basement. Look for gaps and cracks where

your cement or block foundation meets the home frame. Joists (building supports which are smaller than beams) between the floor and the foundation create cavities, small empty spaces that are hard to insulate and may leak.

Not all of the gaps are visible, so EnergyStar suggests sealing the top and bottom of cavities around rim joists. It's also a good idea to seal gaps between the basement ceiling and the floor above, like holes for wiring and water pipes.

Now go outdoors to check all holes/penetrations for faucets, pipes, outlets and wiring.

Look at exterior corners, siding and chimney junctures; the joint between foundation and exterior brick or siding; and cracks in mortar, foundation or siding for leaks that may need caulking.



Insulation

Heat loss through the ceiling and walls in your home could be more than you think if insulation levels are less than the recommended minimum. When your house was built, the builder likely installed the amount of insulation recommended (if any) at that time. Given today's energy prices (and future prices that will probably be higher), your insulation might be inadequate, especially if you have an older home.

Pop up into the attic with your ruler and take a look. Do you have less than 11 inches of fiberglass or less than 8 inches of cellulose? That's approximately an R value of 30. MEC Manager Lynn Frasco recommends an R value of 40-50 as a good goal for our area.

Now look at the insulation itself—does it cover all the areas or has it gotten shifted around through the years? Is there damage due to water leakage or rodents? Check the dropped soffits (part of the ceiling lowered for lighting) to be sure they are properly sealed and all the cavities surrounding the soffit have been insulated.

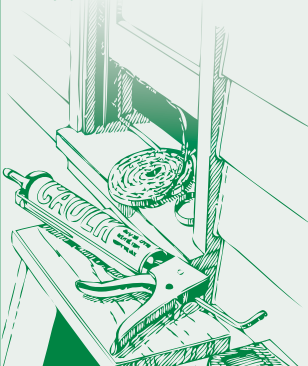
Adding insulation to exterior walls is a much larger and more expensive project. An infrared camera test could tell you where you need more if you think that is an issue in your home.

Our HomeE program offers a rebate for adding insulation, see page 9 for more information. You may also qualify for a tax credit so be sure to check on that as well.

Heat loss through the ceiling and walls in your home could be more than you think if insulation levels are less than the recommended minimum

Caulking

Caulk is easy to use and cheap to buy. It comes in a variety of colors, including a clear version. Just run a bead of caulk along the leaky area and then go back through with your finger to smooth it out. It's that simple. Use caulk to seal cracks that are 1/4 inch or smaller; spray foam might work better to fill gaps from 1/4 to 3 inches.



Door and window weatherstripping

Do your doors and windows need weather stripping? There are some easy ways to tell. First, if you see daylight around the door you know you definitely need weather stripping. But try this tip to find smaller drafts: shut the door or window on a piece of paper—if you can pull the paper out without tearing it, air can probably get in.

Keep this in mind: a 1/12-inch gap around a standard exterior door is like having a 4 x 5 inch hole in the wall. Add that to cracks around other doors and windows and a little weatherization could keep out a lot of cold air you'd have let in this winter.

It can be a little overwhelming to see the variety of weatherization products lined up at the hardware store. To make things easier take a sample of the old weather stripping in to the store with you. If there aren't any materials currently in place take notes about the size and type of gap with you to the store.

Three basic tips help with all weather stripping jobs: Clean and dry the surface, note how worn stripping was installed before removing it, and follow the old saying: measure twice, cut once.

For windows apply stripping between the sash and frame and make sure it doesn't interfere with the window's operation. For doors make sure to strip the entire jamb, use one continuous strip on each side, meet it tightly in the corners, and use a thickness that causes it to tightly compress without making the door difficult to shut.

Taloma Farmers Grain Co.



Fred Reeves, Manager of Taloma Farmers Grain Co., in front of Allen Station.

We're a cooperative. That means we're owned by you, our members. One of our members understands this relationship very well - Taloma Farmers Grain Co. It's a cooperative too, you see, and is owned by its more than 1,000 members (made up of farmers and landowners).

Fred Reeves manages the co-op, formed in 1990, and oversees its four locations in Tazewell, Logan and Mason County. That's where the name Taloma comes from, by the way, Tazewell—Logan—Mason.

Menard Electric serves the location in Mason County, along Rt. 136, named Allen Station. Operational in 1994, Allen Station is the co-op's shuttle load facility. It is the primary location for grain traveling by rail.

More than 3.7 million bushels of grain can be stored in this location. Over all, Taloma has more than 11 million bushels of grain storage.

Like all elevators, grain comes into the station by truck. The facility hosts a double scale, one for incoming and one for outgoing trucks, saving drivers a lot of waiting during busy times.

In its most simplified form, this is how the process happens: Drivers pull fully loaded semi trucks onto the incoming scale. Someone inside the office, or scale house, "probes" the truck—that is, presses a button inside that generates a long arm outside to vacuum up a small sampling of the grain inside the truck's bed. The grain is sent via a tube into the station and there can be easily examined, weighed and tested for moisture.

The person inside the scale house then signals the driver to move on and from inside the office uses a computer to move the grain that is unloaded into the appropriate bin. The truck is then weighed again upon its return, so Taloma can document how much weight was removed. The driver is signaled again and can drive on for another load.



A truck is weighed before exiting the station.

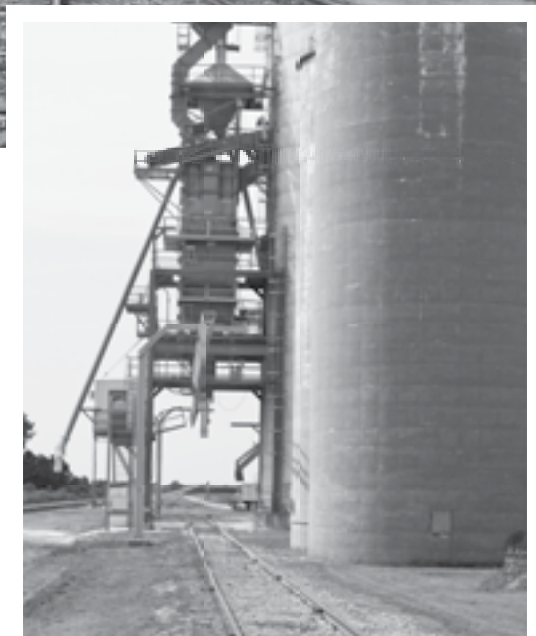
This is the unique part. Allen Station ships grain out via Union Pacific shuttle trains to Texas and even into Mexico.

Reeves says, "Shuttle trains are efficient. A normal car would take more than 20 days to travel to Texas and back because of stops. The way we do things the train stays together and we can turn a train in five to seven days."

Here's how the process works in its most basic form. The train comes in (this could be at any hour of the day or night) along the station's 2 ¼ miles of track. The engineers are picked up by cab and taken to a hotel and Taloma's engineers load the train within a 15-hour window. Taloma has their own locomotive that moves the train along as it is loaded.

Allen Station has a truck dumping capacity of 50,000 bushels an hour and each train car holds about 3,600 bushels. Each train contains about 100 cars and can hold up to 365,000 bushels. Once the train is fully loaded the engineers come back and hook up and go.

This vastly oversimplified description belies the sophisticated operation of timing that goes into running a shuttle train operation. Taloma must have ample grain stored as well as have employees on call to come in and fill the train, even in the middle of the night.



Shuttle trains are filled here with grain

The operations at Allen Station require quite a bit of electricity to operate the elevating legs, dryers and miscellaneous equipment necessary to complete operations. Menard Electric powers four electrical stations like this one shown to keep the station running smoothly.

"We appreciate Menard Electric. They have worked with us on all of our expansion projects over the years and have been very helpful. They deserve praise for that," says Reeves.

"Taloma is one of the largest members we have on our system," says System Engineer Jim Rechner. "The management of the facility is very progressive and seems to be continually looking for new and innovative ideas for improving the facility and providing additional services for both their suppliers and customers. Fred Reeves has worked closely with us in our load control program to keep cooperative costs down through reduction of electrical usage during periods of high system demand."



One of four electrical stations

Capital credit allocation

Menard Electric Cooperative exists to make sure your electric service needs are met, not to make a profit. Any revenues over and above the cost of doing business are considered "margins." These margins are assigned back to you, our membership, as capital credits.

Your co-op earned margins for the fiscal year 2009. Those 2009 margins are allocated to each member using a factor of .04679240. To determine the amount of capital credits on your account, multiply the allocation factor by the amount paid for electricity in 2009 excluding tax.

For example, energy payments of \$1,000 X .04679240 = 46.79. This amount is an accounting credit and cannot be claimed at the present

time, nor can it be applied against your current electric bill.

Capital credits are permanently entered on the financial records under each membership. Menard Electric Cooperative uses these capital credits to finance operations and, to a major extent, new construction, with the intent that this capital will be repaid to each member in later years.

The board of directors reviews the financial condition of the co-op before determining when and what amount of capital credits can be returned to our members. It will be some time before we pay out 2009 capital credits. Just last May we retired approximately \$408,000 in capital credits for the year 1984. To date we have retired more than

\$5,926,116 to our members.

Please remember that you must be a member and have service in your name to be assigned capital credits. If you are receiving electric service under someone else's membership you will not receive capital credits.

The capital credit check is always issued to the name of the person on the membership or to the estate of a deceased member after an estate packet has been filled out. If your current membership needs to be changed please call our office.

If you ever move off of cooperative lines it is important to provide us with a new address so that future capital credit checks can be mailed to you. Give us a call if you have any questions.

Energy supplier joins National Renewables Co-op

Prairie Power, Inc. (PPI), our electric energy and transmission services supplier, has joined the National Renewables Cooperative Organization (NRCO).

NRCO is comprised of 20 generation and transmission co-ops and four unaffiliated electric distribution co-ops. These co-ops represent 20 states and more than 11 million consumer members. NRCO was formed to promote and facilitate the

development of renewable energy resources for its members. NRCO's main purposes are to facilitate the cost-effective, joint development of renewable resources nationwide for its co-op owners, thereby helping its owners meet their energy demands for the future.

PPI is currently evaluating a variety of renewable energy projects including the conversion of its Pearl coal generation facility to a

biomass generation facility, execution of power purchase agreements for renewable energy, and support for member co-ops' investments in consumer member-owned renewable energy generation projects.

For more information about NRCO visit www.nrco.coop. For more information about PPI visit www.ppi.coop.

Monthly Safety Tip

This month start a new habit of checking your GFCI outlets. To do: Press the reset button. Plug in a nightlight-it should be on. Press the test button-the light should turn off. Now press the reset button again-the light should turn back on.

GFCIs keep you safe by preventing electric shock in wet areas like bathrooms, kitchens and outdoors. If you don't have them in your home, check with your local hardware store or call a qualified electrician about installing them. You can also purchase portable GFCIs or even GFCI-equipped extension cords to use outdoors.



Make One Change

We encourage you to make one small, no-cost change each month to save energy. To find out how all the little changes add up visit www.togetherwesave.coop.

This month look at your drying habits. Are you using the moisture sensor to save drying time? It can save you time and money. When is the last time you cleaned out the lint trap? You should do it before each load. Have you ever checked the hose for trapped lint and to be sure it is still tightly connected? Do all these things and you'll save money on each load you dry by reducing drying time and avoiding air leaks.



Save time and money with Automatic Payment

Our Automatic Payment Plan allows you to have your electric bill automatically deducted from your checking or savings account on the 17th of each month. It's always on time and you don't need checks, envelopes or stamps! We will deduct the net amount shown on your bill, and proof of payment will appear on your monthly statement. This form must be received in the co-op office by the 20th of the month prior to the month you wish payments to begin.

Mail with a voided check to Menard Electric Cooperative, PO Box 200, Petersburg, IL 62675.

Name: _____ SS# _____

Address: _____

City/State/Zip: _____

Phone#: _____ Map Location # _____

Bank Name: _____

Bank Account # _____

Checking acct. Savings acct.

I, _____, authorize Menard Electric Cooperative (MEC) to draw monthly bank drafts through the automatic plan (ACH) on the account shown above for the payment of my electric bill in full and any other services I authorize. I understand that I may discontinue my participation at any time by notifying MEC in writing. Both Menard Electric Cooperative and the bank may terminate this agreement with 10 days written notice. I understand that MEC reserves the right to limit participation in this program to customers whose accounts are in good standing. I understand that the amount of my bill each month will be drafted on the 17th or next business day after. I understand that if funds are not available in my account for the draft to clear, there will be a charge posted to my MEC account, for NSF, and I will still be required to make full payment before the due date of the bill.

Signature: _____ Date: _____

Board Meeting Report

Menard Electric Cooperative
From the Board Room
June 22, 2010

The monthly board meeting of the Board of Directors of Menard Electric Cooperative was called to order by President Gary L. Martin at 6:00 p.m. at the headquarters of the cooperative, 14300 State Highway 97, Petersburg, County of Menard and State of Illinois.

On roll call the following Directors were present: Jerry W. Brooks, Michael L. Carls, D. Jay Frye, Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick and Steven L. Worner. Director Roy H. Seaney was absent. Also present was Manager Lynn A. Frasco and Attorney Charles K. Smith.

President Martin reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved with the change to the May 25, 2010, minutes. Motion carried. Manager Frasco presented the Manager's Report for May 2010. He reviewed the Balance Sheet, Budget, Outage Summary and Safety Report.

Under the Operations Report, Manager Frasco reported on the work the crews had done for the month, as well as the storm repair work. Manager Frasco reported on the meeting with the Sangamon Valley Township Group and advised that he had agreed to provide financial assistance to repair the road as a result of damage caused by the cooperative's trucks. He advised the group that the cooperative would pay for rock, not to exceed a cost of \$3,000. He advised that the Form 990 was completed and would be discussed at next month's Board meeting.

He advised that a draft agreement had been completed with ICG with regard to the construction of a new line to serve ICG. He discussed the terms and provisions of the agreement.

He advised that the cooperative had received approximately 20 applications for the Home Program and the paperwork had been submitted for payment. He advised that he felt that there would probably be more applicants than he had originally estimated.

He also advised that, as requested by the Board, he had done additional follow-up work on the cooperative providing wireless Internet services to its members. He advised that there was "in

the works" a statewide survey as to what services were presently being provided by Illinois cooperatives and at what cost. He advised that no Illinois cooperative had, as of yet, received any financial assistance for providing wireless Internet services to cooperative members.

Attorney Smith reviewed with the Board the publication from Federated Insurance entitled "Directors Guide to Avoiding Potential Liability."

The Board discussed at length issues with regard to the cooperative's Irrigation Rate Policy. Questions had been raised by member irrigators due to the fact that this had been an extremely wet year and there was a likelihood that some irrigators would not be operating their irrigation systems at all for the 2010 season. The Board discussed various ways of addressing this situation.

Director Frye submitted to the Board his proposal for dealing with the issues. After discussion of his proposal, Director Frye made a motion, but there was no second to that motion, so the motion failed.

The Board asked Manager Frasco to send an informational letter to all irrigators explaining the Irrigation Rate Policy and how it would affect their bills. The Board asked Manager Frasco to advise member irrigators that the Board was aware of their concerns and would continue to monitor the situation.

Manager Frasco advised that he had received a request from Duane Noland, President and CEO of AIEC, requesting nominations for the Illinois Cooperative Council Directors Awards. Manager Frasco also reviewed a summary of member-installed alternative energy operations on the cooperative system. Manager Frasco reviewed a summary of the fee interest rates savings for Menard as a result of the RUS/CoBank refinancing. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Manager Frasco presented the Financial Report for the month of May. Year to date margins were \$637,237 compared to \$537,484 a year earlier. Equity as of the end of May was 35.18% and the number of members served was 10,509 compared to 10,473 a year ago. Net Utility Plant at the end

of May was \$35,409,942 compared to \$35,158,333 last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

Director Goetsch reported on AIEC Activities.

Director Carls reported on Prairie Power, Inc. and reviewed the May energy charge and asked the Board members to review the President's Report.

The Board discussed the 2010 Annual Meeting. Manager Frasco advised that the meeting was one of the most well attended meetings in recent history. It was the consensus of Board members that the meeting had gone well. The Board thanked the Annual Meeting Committee Members for their work in planning a successful Annual Meeting.

President Martin reviewed with the Board meeting dates and times for 2010-2011. It was moved and seconded that the meeting dates and times be approved. Motion carried.

President Martin reviewed with the Board the delegate and Board member appointments for 2010-2011. It was moved and seconded that the delegate and Board member appointments for 2010-2011 be approved. Motion carried.

President Martin discussed with the Board the committee appointments for 2010-2011. It was moved and seconded that the committee appointments for 2010-2011 be approved. Motion carried.

Manager Frasco presented the Capital Credits Estate Refunds Report.

President Martin advised that next month's regular Board meeting was scheduled for July 27, 2010, at 6:00 p.m.

Under other business, President Martin reminded the Board that the AIEC Annual Meeting was scheduled for July 29-30, at the Crowne Plaza Hotel, Springfield and Manager Frasco had previously distributed a sign up sheet for Board members to advise who planned to attend what session or sessions of the Annual Meeting. President Martin also discussed the NRECA Course 972.1-Energy Efficiency, Conservation and Demand Response.

There being no further business to come before the Board, it was moved and seconded the meeting be adjourned. Motion carried.