



Your Touchstone Energy® Partner 

Hi-Lites

Youth to Washington

Nick Helms and Paisley Meyer of Mattoon represented Coles-Moultrie Electric Cooperative in Washington, D.C., during the annual "Youth to Washington" Tour, June 10-17. This event, sponsored by the electric and telephone cooperatives of Illinois, since the late 1950s, is an introduction to our democratic form of government and cooperatives for rural youth.

The students met with Congressman John Shimkus and were among 64 rural Illinois youth leaders selected for the trip. The Illinois students joined more than 1,691 young leaders from across the country. In addition to the Capitol, they also visited Arlington National Cemetery, the Washington National Cathedral, several Smithsonian Museums, the U.S. Holocaust Memorial Museum, the World War II Memorial, memorials to Presidents Lincoln, Jefferson, Washington and Roosevelt, the National Archives, the Royal Embassy of Saudi Arabia, the Newseum and a number of other historical sites.

Sophomores and juniors in high schools that are within the service area of Coles-Moultrie Electric Cooperative are eligible to participate in the annual program. To learn more about the "Youth to Washington" Tour go to www.youthtour.coop or www.facebook.com/ILYouth to Washington.



Pictured from left: Nick Helms, Paisley Meyer and Congressman John Shimkus.



P.O. Box 709 (104 Dewitt Ave., East)
 Mattoon, Illinois 61938

Phone: 217/235-0341 or
 Toll-Free: 1-888-661-CMEC (2632)

Office hours:
 Monday-Friday
 7:30a.m. - 4:30p.m.

Chairman
 Jeffery D. Hudson..... Charleston

Vice Chairperson
 Debbie Albin.....Mattoon

Secretary
 John Bowers Lovington

Treasurer
 Steve Shrader..... Westfield

Director
 Dean Robison..... Windsor
 Chris Christman..... Sullivan
 Scott Uphoff.....Mattoon

President/CEO
 Kim Leftwich

To report an outage

- First check your fuses or circuit breakers and see if your neighbors have power.
- If the problem appears to be with the cooperative's lines, call the office at the toll free number (888-661-2632), give the name the service is listed under, and report any hazardous conditions.

**MINUTES OF REGULAR BOARD MEETING
 May 26, 2016**

A regular meeting of the Board of Directors of Coles-Moultrie Electric Cooperative was held at the offices of the Cooperative at 104 Dewitt Avenue, East, Mattoon, Illinois at 7pm on the 26th day of May, 2016, pursuant to notice duly given. The meeting was called to order by Jeff Hudson, Chairman. After calling the roll, the following directors were present: Scott Uphoff, Philip Meyer, Jeff Hudson, Steve Shrader, Debbie Albin, Dean Robison, and John Bowers being a quorum of the directors of the Cooperative. Also present were Kim Leftwich - President/CEO, Amy Borntreger - Chief Financial Officer, and Darla Powell - Director of Human Resources/Office Manager.

Motion was made by Uphoff approve the agenda as submitted. Motion seconded. Motion carried.

Motion was made by Shrader to approve the Consent Calendar as submitted, the April Safety & Training report, and the 04/28/2016 Regular Board meeting minutes. Motion seconded. Motion passed.

Kim Leftwich reported that Bill Tapella, Corporate Counsel was available by phone if needed but there is nothing new to report in the legal report.

Philip Meyer, Chairman of the Audit & Finance Committee stated that all Director fees and expenses for January, February and March were reviewed and discussed and submitted for approval. Motion seconded. Motion carried.

Motion was made by Uphoff to approve the 2015 CMEC Audit as presented by Kevin Kelso. Motion seconded. Motion carried.

Motion was made by Robison to elect Jim Wallace as the UUS Voting delegate at the UUS Annual Meeting and nominate Kim Leftwich as the alternate. Motion seconded. After discussion, motion carried.

Amy Borntreger gave the financial report. Amy reported that mild sales have taken a toll on our revenue

dollars with YTD revenue number being \$502K less than 2015. Since we are buying less energy our cost of power is \$880K below last year as well.

Debbie Albin reported that there was not an AIEC Board Meeting in the month of April. She reported that the AIEC approved their budget for next year and announced that she is on the annual meeting planning committee. She reported on the progress for this year and next year's AIEC Annual Meetings.

Scott Uphoff and Kim Leftwich reported on the PPI Board Meeting. Prairie State was discussed.

Philip Meyer reported on his recent attendance at the NRECA Legislative Conference in Washington, D.C..

Kim Leftwich gave the President/CEO report.

Annual Meeting – June 4, 2016

- Preparations are largely complete
- Cue sheets are prepared – we adjusted the agenda to move bill credit drawings until the end to keep continuity of the business meeting
- Multiple displays are prepared to help inform the membership of current programs and improvements to come for their service.

Vendor Managed/Vendor Owned Inventory

- Contract with Anixter complete
- Project Planning complete (see display in Board room) – 90-day timeline
- Evaluating changes to CMEC warehouse
- Evaluating sale of existing inventory

GIS Project

- Lake Land College secured funding and purchased a Trimble Geo 7X handheld GPS state of the art device; the unit is commonly used by contractors to capture electric utility data – CMEC gets use at no cost. Training of CMEC staff, Lake Land staff and interns will commence June.

- Shaun Vester, Lake Land associate, brought on May 23rd to manage development of the database and data collection.
- CMEC has use of Lake Land College ESRI GIS software at no charge to begin GIS database development
- IT equipment for the project in place.

Disaster Recovery Plan Development/Security/Cyber Security

- Staff met 5/13 with PPI IT personnel and our Irby contractor to discuss disaster recovery, security and cyber security concerns
- Group sketched out a project plan outline
- Developing plans to insure means to continue operations under numerous scenarios – includes off site data locations and back-up locations, off site operational center in the event our building is damaged, redundant communications capabilities for CMEC business operations and CMEC Connect business operations.

Sarah Bush Lincoln

- Announced a \$31 million expansion
- To be built by December 2019

Operations

- Re-wound Lake Land sub transformer was switched out Monday, May 16th. High Voltage Maintenance performed testing on Friday, May 20th. To reduce exposure to our largest customers (MPMI, SBLHS, Lake Land) the PPI portable sub was put in place until all testing and connections could be made. Conversion completed May 23rd.
- Eric Starwalt is assisting AIEC as an instructor for Forestry School located at Lincoln Land Community College in Springfield.
- Shade Tree Services Co is currently trimming trees in the Union Center substation area.

LED Lighting

- 653 security lights have been replaced with the Evluma LED units replacing a like number of Mercury Vapor and High Pressure Sodium fixtures.

Key Accounts

- Damage to MPMI equipment from an improperly executed fuse opening was submitted to Federated Insurance for payment. The claim was resolved in May. MPMI was very satisfied with our results.
- Touchstone Energy Golf outing will see several of our key accounts participating including SBLHS, MPMI, Mid-State Tank, and J&M.

CMEC Connect

- 232 customers/members
- Tower upgrades have slipped to mid-June as climbers have been slowed by poor weather; Union Center, Sullivan, and Neoga towers will upgrade to 20Mbps; all three towers have been “topping out” from time to time because of heavy usage; upgrades will correct the issue.
- Neoga spur sight will be operational by the end of May; as the test site, it will demonstrate that we can pick up small pockets of users cost effectively

CoBank “Sharing Success”

- CoBank matched CMEC contributions to SBLHS and Lake Land College – total contributions were \$8000 to SBLHS and \$2000 to Lake Land College.

Insurance

- Renewal of insurance effective 5/1/2016. Federated representative met with Staff to review all policies and coverages to insure risks met and coverages were adequate.
- Currently assessing Cyber Security insurance coverage. Premiums are similar company to company. Have solicited quotes.

Motion was made by Shrader to adjourn. Motion seconded. Motion passed.

Annual Meeting Review

It was a soggy day, but that didn't keep members of Coles-Moultrie Electric Cooperative from gathering at Peterson Park to enjoy a meal at their cooperative's annual meeting held Saturday, June 4.

During the business portion of the meeting, President/CEO Kim Leftwich addressed members about the addition of staff to help respond more effectively and quickly to problems and issues that arise, while ensuring the same safe and reliable service. CMEC is committed to seeking new technologies that will improve member services. Their Outage Management System paired with the Automated Metering Infrastructure notifies the cooperative of outages and issues, often before the member is even aware they have experienced an outage.

A Security Lighting replacement program was implemented to eliminate mercury vapor and high pressure sodium lighting, using a more reliable and cost efficient LED security lighting.

In a written report, Board Chairman Jeffery Hudson informed members that CMEC has also been working on a Construction Work Plan. It will ensure more reliable and safe electric service, while continuing its affordability.

Based on the results of a mail ballot



ML "Chris" Christman

Jeffery Hudson

election, Jeffery Hudson of Charleston was re-elected to represent District 7 and M.L. “Chris” Christman of Sullivan was newly-elected to represent District 1.

CMEC members save money with water heater program

While indoor plumbing has been in existence for almost 200 years (it was installed in the White House in 1833), many rural dwellings did not get indoor bathrooms or plumbing until the mid 20th century. Domestic running water was more likely to appear in an urban setting and one innovative early design employed copper coils running around the chimney, fed by a raised cistern, to heat the water for the bath. As these early systems were often prohibitively expensive, many people simply heated water over a fire or stove and bathed in a basin of some sort.

Now, in the 21st century, unless they choose to spend a good deal of time in the great outdoors, few Americans will experience bathing without running water flowing freely and preheated from the tap and shower head. The now indispensable water heater has become so commonplace that it is hard to imagine daily life without it.

Although the cost of purchasing a modern unit is not prohibitive, it can still be daunting and intimidating. So, beginning in 1992 and extending through 2015, Coles-Moultrie Electric Cooperative extended an exceptional offer to its members and customers by way of a mutually beneficial program centered around the ubiquitous water heater. The popular “Water Heater Maintenance Program” provided for the purchase of a new, high efficiency, 40 or 50 gallon electric water heater for \$1, and then to receive free maintenance and repair on the unit for the remainder of the program. To qualify, it was necessary to be a member of CMEC as well as allow the installation of a remotely controlled, Scientific Atlantic load management switch on the heater.

This gives CMEC the ability to turn the water heater on and off at opportune times, balancing demand and usage with capacity and generation. Toward the end of the 20th century, the cost of generating electricity was comparatively high and CMEC could manage those greater costs by shutting off the water heaters for brief periods; it being prudent to give up the lesser revenue

received from usage in favor of the savings on generation. CMEC President Kim Leftwich emphasized that “having the ability to control load was a benefit to our members by adding value through reduced expense.”

“It was a very popular program,” agreed Service Representative Carla Bradbury, “since you were basically getting your water heater for \$1.” Typically, the switch was used in the late afternoon when members were less likely to even notice the activation of the load switch at all. Of the nearly 9500 members of the cooperative, nearly half participated in the program, according to the Manager of Marketing and Member Services Samuel Adair. Jim Booker, of Booker Brothers Plumbing and Heating out of Sullivan, benefited as both an installation contractor and a member and had nothing but praise for the program. “I started my business over 20 years ago with my brother,” he explained, “and it seemed like at least once a week we’d get a call. There are a lot of happy members out there; it’s a great program.”

Over the course of the last 24 years, the program has undergone several changes, each iteration corresponding to the needs and market at the time. This year, because of changes in the electrical market, CMEC has once again found it necessary to modify the program. Instead of being able to purchase a heater for \$1, eligible customers will now receive a \$100 rebate. “There is so much more inexpensive generation available right now, that costs have gone down to where it is negative for us to diminish



CMEC Marketing Services Specialist, Drew Haumesser, installs a load management device on a water heater. CMEC's water heater program has helped its members save money for over 24 years.

load,” Leftwich pointed out, “right now it is not economically efficient for us to offer it (the purchase provision.)”

In January 2016, CMEC published an alert, effective February 1, informing its members of the specifics: no longer is the \$1 purchase provision available, but members who install a load switch are eligible for a \$100 rebate on a high efficiency electric water heater purchased from CMEC or anywhere else. The continuing installation of the load switch will allow CMEC the flexibility to once again in the future, should the need arise, to resume load management if it would benefit the co-op members.

“Our objective, or mission if you will, is to provide safe, reliable, and cost effective energy to our members,” stated Leftwich. “That is the consideration of all our programs. Perhaps in years to come we will once again wish to control demand to benefit our members.” Adair added that CMEC was one of the last co-ops in the area to have this type of program and, although it would not be as substantial as it had been, this modification was designed to continue to help the members as much as possible.