

## New Energy Efficiency Program Will Promote Affordability



Van Robinson, CEO

Since CEC is in the business of selling electricity, many members think we want you to use as many kilowatt hours (kWh) as possible. That is simply not the case. As a not-for-profit electric utility, our mission is to provide the electric service that you need in a safe, reliable, and affordable manner. We are not motivated by the profit that investor-owned utilities might have embedded within their kWh charge. We are motivated to keep our costs down and, in turn, your costs down.

Speaking of costs, did you know that about 80% of CEC's costs are for power supply? That means nearly 80 cents of every dollar we collect from you is sent to our power supplier, Wabash Valley Power Association (WVPA), to pay for the generation and transmission of your electricity. These costs include the operation and maintenance of our power plants, fuel (primarily coal, natural gas, and petroleum coke), and power that we've purchased from other generators. The remaining 20% goes toward the materials, equipment, and people that it takes to manage CEC's distribution system (i.e. the transformers, poles, and wires that deliver electricity to your home or business).

Now that you know a little about our costs, let's focus on affordability. The affordability of electricity is one of our top concerns at CEC. We believe that a key way to keep electricity affordable is to help you use our service efficiently. In other words, we don't want you to use a single kWh more than is necessary. If you don't consume a kWh, that is one less kWh that CEC needs to purchase from WVPA and one less kWh that WVPA needs to produce or procure. You save money because CEC and WVPA save money.

In 2010, CEC is working with WVPA to offer a new energy efficiency program. We believe this is a great step toward showing our commitment to efficiency and its impact on affordability. Here are some of the program's highlights:

- Energy audits

CEC has contracted with ASERusa to perform a thorough evaluation of your home or small business and suggest efficiency improvements. For example, you may need more insulation or different lighting. Although the audit costs \$400 plus mileage for buildings up to 3,000 square feet, CEC members will only be charged \$200. CEC and WVPA will pay the rest. In addition, CEC members will be reimbursed up to \$200 for efficiency improvements made after the energy audit. If your home or business is larger than 3,000 square feet, please call for details.

- Heat pump rebates

CEC and WVPA will provide rebates of \$150 per ton for new geothermal systems and \$125 per ton for new high efficiency air-source systems. Eligibility is limited at this time to existing homes converting from less efficient electric resistance or electric furnace systems.

- Clothes washer rebate

If you have an electric water heater, CEC and WVPA will provide a \$50 rebate on a new clothes washer with the Energy Star rating.

- Free weatherization kits

CEC and WVPA will continue to offer free weatherization kits that include items such as caulk, weather stripping, and compact fluorescent light bulbs.

Please call our offices or check our website ([cecmo.com](http://cecmo.com)) for more information on the new energy efficiency program.



**CEC Offices will be closed on February 15 for President's Day.**

**For electrical emergencies, call 1-800-286-2251.**

Please see inside front cover for Quarterly Board Highlights.

## QUARTERLY BOARD HIGHLIGHTS

October 2009 – December 2009

- Approved previous meeting minutes, monthly stock issuances and cancellations, monthly safety and training reports, monthly summaries of estimate work orders, and monthly outage reports.
- Reviewed and discussed monthly financial statements of the Corporation;
- Reviewed monthly meeting activities of Wabash Valley Power Assoc., Inc.
- Received a consumer presentation from Mississippi Lime Company;
- Discussed the September 17, 2009 outage on a double-circuit transmission line affecting Ste. Genevieve City and County residents and planned action;
- Received monthly reports regarding the Corporation's compliance with NERC/SERC reliability standards;
- Approved the purchase of a parcel of property in Ste. Genevieve County to be used as a roadway to access a future bulk substation site;
- Discussed meetings with customers and legislative representatives;
- Approved the redemption of shares of stock to consumers who no longer receive electric service from the Corporation;
- Approved the 2008 Cost of Service Study and 2008 margin allocations for the Corporation's general customers and contract customers;
- Received a report on the Corporation's current net metering requests;
- Received a report on the results of the Corporation's member survey;
- Approved amendments to the Corporation's By-Laws to implement changes to current governance practices which included authorizing the use of a voluntary Proxy Ballot for annual shareholder meetings (Article I, Sections 6 and 6(b)), describing the requirements and responsibilities associated with serving as a director of the Corporation (Article II, Section 2), authorizing the formation and process of utilizing a nominating committee for director elections (Article II, Section 3), and authorizing director nominations by petition (Article II, Section 2);
- Adopted policies establishing the Nominating Committee and the Nominations By Petition process;
- Approved a per diem payment to shareholders serving on the Corporation's Nominating Committee;
- Approved revisions to a policy regarding consumer requests for information;
- Appointed shareholders to the 2010 Nominating Committee;
- Directed management to notify those customers who are not current shareholders of the Corporation to become such if they so desire so as to be able to participate in director elections at the 2010 and subsequent annual or special meetings of shareholders;
- Approved the retention of the Corporation's corporate attorney;
- Approved the Corporation's 2010 rate structure, operating budget and budget addendum, capital credit retirement and five-year financial forecast;
- Approved the execution of various loan documents with the Corporation's financial lenders;
- Approved distribution and transmission right-of-way clearing bids;
- Approved the purchase of two line trucks included in the 2010 budget;
- Approved the semi-annual write-off of uncollectible accounts;
- Approved the Corporation's Final Written Determination Regarding The Public Utility Regulatory Policies Act's Four New Standards as set forth in the Energy Independence and Security Act of 2007;
- Received reports on meetings attended by members of the board of directors.

### Board of Directors

John "Skip" Lottes (President) - Perryville  
Alvin Franke (Vice President) - Jackson  
Herb Fallert (Secretary) - Ste. Genevieve  
Karl Klaus (Treasurer) - Perryville  
Richard DeWilde - Perryville  
Charles Hurst - Saint Mary  
Marion Kertz - Ste. Genevieve  
Dr. William Odneal - Ste. Genevieve  
Doyle Oehl - Oak Ridge  
Stanley Petzoldt - Altenburg

### Supervisory Personnel

Van Robinson, Chief Executive Officer  
Chris Sides, Chief Financial Officer  
Thomas Borowiak, VP of Engineering  
Ron Klein, VP of Operations  
Barb Casper, Manager of Member Services  
Kerry Kimrey, IT Supervisor  
Jim Wagner, Ste. Genevieve District Supt.  
John Trapp, Perryville District Supt.  
Roger Schlichting, Altenburg District Supt.  
Mike Grass, Ste. Genevieve Asst. District Supt.  
Kent Kassel, Perryville Asst. District Supt.  
James Goodpasture, Altenburg Asst. District Supt.  
Connie Schmieder, Ste. Genevieve District Office Mgr.  
Ruth Miesner, Perryville/Altenburg District Office Mgr.

## Energy Tip and Term of the Month

### Making the case for a programmable thermostat

In an effort to reduce energy consumption, you may be lowering the thermostat considerably before going to bed or leaving the house. While this is a good way to conserve electricity, it can make it more difficult to climb out from under the covers in the morning and cause you to keep your coat on for a while when you return home.

Problem solved – install a programmable thermostat that will turn up your thermostat to the desired temperature a few minutes before the alarm goes off and have the house warmed up before you walk through the door.

According to the U.S. Department of Energy, lowering temperatures 10-15 degrees for at least eight hours each day can cut annual energy costs by 5-15%.

Not all programmable thermostats are created equal, and prices range from \$30 to \$300 depending on functionality. Carefully select a model that is easy to read, easy to program and appropriate for your heating system.

Heat pumps require thermostats that gradually step up temperatures to prevent auxiliary heat from operating. Auxiliary heat, also referred to as “strip heating”, costs more to operate.

Keep in mind that the most efficient way to operate a programmable thermostat is to set it at the lowest temperature you find comfortable, and leave it alone. Dress appropriately for the season so you won't be tempted to crank up the thermostat.



**FEELS BETTER AROUND  
THE HOUSE SINCE I SET OUR  
THERMOSTAT TO CHEAP.**

We're gone most of the day. Didn't make sense to keep an empty house comfortable. But now when we get home, it's ready. I'm saving \$280 a year just by programming a thermostat. What can you do?

Find out how the little changes add up at [TogetherWeSave.com](http://TogetherWeSave.com).

## Contractors' Meeting Scheduled

Citizens Electric will be hosting an informational meeting for area contractors on Tuesday, February 23, 2010. The dinner meeting will be held at the Elk's Lodge in Perryville beginning at 6:30 p.m.

If you plan to attend, please RSVP by calling 1-877-876-3511, extension 106, or email [dgibson@cecmo.com](mailto:dgibson@cecmo.com).

## 50 Reasons to Sign Up for Auto Pay

Five winners will be selected to receive \$50 each. If you are currently using Auto Pay or sign up before April 1, 2010, your name will be entered into the drawing.

It is easy to sign up! Just mark the box on your bill stub, complete the back of the form and return it with your payment, or clip and return the following form to: CEC, PO Box 311, Ste. Genevieve, MO 63670.

### Authorization Agreement for Auto Pay Program

Your Name \_\_\_\_\_ CEC Account # \_\_\_\_\_

(Select one):  Checking Account (attach a blank check)  Savings Account (attach a deposit slip)

Bank Name \_\_\_\_\_ Bank Address \_\_\_\_\_

Type of Credit Card:  VISA  MasterCard  Discover  American Express

Credit Card Account Number \_\_\_\_\_

Expiration Date \_\_\_\_\_ Name of front of card \_\_\_\_\_ Last 3 digits on back of card \_\_\_\_\_  
(located in the signature block)

This authorization will remain in full force and effect until Citizens Electric Corporation has received a written and signed notification from me of my desire to terminate or change the instruction contained herein. Said written notification of termination or change shall be delivered to Citizens Electric Corporation before the first of the month of the next regularly scheduled transaction.

Member Signature \_\_\_\_\_ Authorization Date \_\_\_\_\_