



HI-LINES

A NEWSLETTER FOR JO-CARROLL ENERGY MEMBERS

CONTENTS | Elizabeth, Illinois | 800-858-5522 | www.jocarroll.com



18C

Nominations

Board nominations open in January



18D

Scholarships

Jo-Carroll Energy, statewide scholarship applications open



18E

Youth Tour

Don't miss this opportunity!

Reader prize

Each month we print the name of a Jo-Carroll Energy member who is eligible to win a monthly \$25 readership prize. If your name is printed in this month's edition, and not a part of any article, contact Jo-Carroll Energy.

Growth is a primary component of stabilizing rates

Jo-Carroll Energy is built by and belongs to the communities that we serve. We are focused on improving rural lives to make our communities stronger.

More than 80 years ago, our rural community banded together to bring electric service to farms and homes. Today, we're working to connect our rural areas again, this time by bringing high-speed fiber internet access to homes, farms and businesses across our region.

While we do not know what the next 80 years will hold, we know our mission will not change. At Jo-Carroll, we are a member-owned cooperative that strives to deliver utility solutions to our members and communities – safely, efficiently and responsibly.

In 2022, Jo-Carroll, through its Sand Prairie business unit, added more than 1,000 new high-speed fiber internet subscribers, totaling nearly 3,500 fiber subscribers. For every 1,000 fiber subscribers, Jo-Carroll revenue increases approximately \$750,000.

Over the next three years, we expect to add another 6,000 fiber subscribers in northwest Illinois communities, as well as unserved and underserved rural areas utilizing awarded grant dollars (\$26 million to date).

Total revenue from subscribers is expected to increase to more than \$7 million. To put that in perspective,



CEO'S REPORT
by Mike Casper

that is approximately equal to the total revenue from Jo-Carroll's natural gas business unit.

Adding fiber to homes and businesses provides us the opportunity to offer you additional value-added services, such as voice over internet protocol (VOIP)/phone service, cyber security and cloud-based storage services. Jo-Carroll already utilizes these services for our operations. Why not leverage them to provide additional value to you?

The benefit of growth is that added fixed costs do not proportionally grow. What that means is that we are experiencing economies of scale. As more of our fixed costs are spread over more services and members, it helps stabilize rates across all services.

The other reason for growing the services that we provide you is to benefit northwest Illinois. Two years in a row, 76 percent of you surveyed shared that having high-speed internet is absolutely necessary to the quality of life in this area. Working to meet that need demonstrates our seventh cooperative principle, Concern for Community. Cooperatives work for the sustainable development of the communities that we serve, supported by you, the

Continued on page 18C ▶

For your information

Your Board of Directors:

David Senn
Chairman
District 7

Russell Holesinger
Vice Chairman
District 8

Marcia Stanger
Secretary
District 3

Robert Kuhns
Treasurer
District 10

Jerry Meyer
District 1

Joseph Mattingley
District 2

Dan Tindell
District 4

Patricia Smith
District 5

Thomas Lundy
District 6

Larry Carroll
District 9

Office Hours:

Monday-Friday

Elizabeth

793 U.S. Route 20 West
7:30 a.m. to 4 p.m.

Savanna

103 Chicago Ave.
7:30 a.m. to 1 p.m.
1:30 to 4 p.m.

Geneseo

1004 S. Chicago St.
7:30 a.m. to 1 p.m.
1:30 to 4 p.m.

Services and Billing Questions:

(800) 858-5522
www.jocarroll.com

For emergencies and outages call:

(800) 858-5522

Resume of Minutes

Oct. 27, 2022

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Thursday, Oct. 27, 2022.

A Safety Moment was provided by Director Dave Senn on safety during combine season.

Approval of Agenda – A motion was made, seconded, and carried unanimously to approve the meeting agenda.

Consent Agenda – A motion was made, seconded, and carried unanimously to approve the consent agenda.

Executive Session

Into Executive Session – A motion was made, seconded, and carried unanimously to go into executive session at 9:08 a.m.

Out of Executive Session – A motion was made, seconded, and carried unanimously to come out of Executive Session at 9:38 a.m.

Action Resulting from Executive Session

– A motion was made, seconded, and carried unanimously that the Board of Directors of Jo-Carroll Energy declares they have reviewed the President & CEO's performance and found that it exceeds expectations. With that finding, and pursuant to the terms of the President & CEO's employment contract, the board authorizes the execution of certain obligations therein.

Governance Topics & Board Policy Review – None.

Board Issues and Action Items

Capital Credits General Retirement – A motion was made, seconded, and carried unanimously to approve the Capital Credits General Retirement.

Approve Annual Meeting Date – A motion was made, seconded, and carried unanimously to approve a June 5th date for the 2023 Jo-Carroll Energy Annual Meeting.

Approve Jo-Carroll Energy Board Meeting – A motion was made, seconded, and carried unanimously to approve a board meeting date set for November 30th.

Approve JCE Budget Meeting – A motion was made, seconded, and carried unanimously to approve a budget board meeting date set for Dec. 21, 2022.

Rate Policy 814/SP Infrastructure as a Service – A motion was made, seconded,

and carried unanimously to approve a revision to Rate Policy 814/SP adding Infrastructure as a Service.

CEO/Financial Operating Report

CEO Report – President and CEO Casper commented that the 2023 board budget is being finalized. A summary and line-item detail will be provided to the board prior to the board/budget meeting. Casper also noted that he will be providing testimony regarding the upcoming Farm Bill to the Senate Agriculture Committee on Nov. 14, in Washington D.C.

Financial Operating Report – Chuck Woods, Chief Financial Officer, provided a summary of the financial operating report for September. Revenue year-to-date (YTD) is approximately \$48.7 million and is under September YTD budget of \$49.4 million. Total operations and maintenance expenses YTD were approximately \$1.4 million under budget. Margins are approximately \$2.7 million vs. a budgeted amount of approximately \$976,370 and amounts to \$1,721,957 over budget. By general consent, the board moved to file the financial operating report with the auditor.

Operations and Regulatory/Legislative Update

Operations Update – Senior V.P. and Chief Operating Officer, Kyle Buros provided an update on Jo-Carroll Energy projects, which included the natural gas (NG) pipe replacement on Burns Road, the number of broadband subscribers, supply chain concerns, increases in lead times for material, and the higher cost of fuel.

Member Services Update – V.P. of Member Services Jennifer Meyer discussed upcoming events scheduled during Co-op Month. Jo-Carroll Energy (JCE) will be participating in the Galena Halloween Parade with a JCE-themed float on broadband. Touchstone Energy Cooperative will also be providing tethered hot-air balloon rides prior to the parade. Meyer also commented on the upcoming Member Advisory Council (MAC) meeting scheduled for Oct. 20 and

noted that the Electric Vehicle (EV) charging station located in Savanna will be converted to a pay-to-charge station.

Employee Update – V.P. of Human Resources Merri Sevey provided an employee update regarding open positions at the cooperative and their status.

External Affairs/Legislative Update – Terry Kurt, Outside General Counsel, commented on participating in a legal conference in Springfield, Ill. The conference centered on the effects of federal, regional, and state policies on Illinois' energy future.

Reports/Updates

Association of Illinois Electric Cooperatives (AIEC) Report – Senn had nothing to report outside of his written report.

American Public Gas Association (APGA) Report – Director Carroll discussed various new and proposed regulations affecting the natural gas (NG) industry, which included topics from APGA Fall Board and Committee Meetings. Items discussed were Cybersecurity Risks, Transportation Security Administration (TSA) becoming more involved in safety and compliance as well as challenges facing the natural gas (NG) industry. President and CEO Casper also commented on the importance of NG and its benefits to our members and the communities that we serve.

Dairyland Power Cooperative (DPC) – Director Mattingley provided highlights from the DPC board meeting, noting the recent power cost adjustment (PCA) and upcoming budget meeting in November.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary from the PPI power supply report and provided the most recent generation numbers. In addition, Kuhns discussed the potential development of a carbon capture facility at the Prairie State Generating Campus.

Member Advisory Council (MAC) Meeting Update – Director Meyer provided input from the MAC meeting. Meyer commented that it was a great meeting and looks at this group as an opportunity to engage with our younger members.

Association of Illinois Electric Cooperative (AIEC) Presentation – Nick Reitz, V.P. of Government Relations representing the AIEC, presented on the Inflation Reduction Act and the IL EPA Electric Vehicle Rebate Program. In addition, Reitz discussed the upcoming statewide and general elections.

Other Business – None.

Adjournment – Chairman Senn adjourned the meeting at 12:15 p.m.

Board nominations open in January

Nomination petitions for the 2023 Jo-Carroll Energy Board of Directors elections are now available.

Three director posts are up for election in 2023, including representatives for Districts 3, 6 and 9. Any JCE member whose primary residence is in a district that is up for election – including the incumbent – may petition for nomination.

Petition forms can be downloaded from the cooperative's website or can be picked up at any of JCE's offices.

Petitions must be signed by at least 25 JCE members residing in the district for which the director is to be elected. Petitions must be filed at the cooperative headquarters in Elizabeth no earlier than Jan. 6 and no later than April 6.

In order to qualify to have their name placed on the ballot, all nominees must participate in an orientation provided by the cooperative president and CEO and/or the cooperative attorney. These responsibilities include, but are not limited to, time demands, education expectations and fiduciary duties.

All eligible candidates will be listed on the cooperative's website, with election materials and other cooperative communications.

JCE board directors are members just like you who live in and are a part of the communities we serve. Running for the board of directors and voting in the elections are benefits of being a co-op member and supports the cooperative principle of Democratic Member Control.

Complete details on director qualifications and the nomination procedure can be found in JCE's bylaws posted at jocarroll.com/minutes-bylaws. Anyone without internet access may request a copy by calling 800-858-5522.

CEO's report continued from page 18A

membership. Our rural communities require access to these services, and we feel that we have proven ourselves as trustworthy partners in providing life-changing improvements.

By bridging the digital divide, not only are we helping to raise the standard of rural living by improving education, health care, rural growth and maintaining a competitive edge in agriculture, we are also providing a high-speed communication network that will allow Jo-Carroll to modernize our rural electric grid infrastructure. By modernizing our grid through physical and cyber infrastructure improvements, we will improve grid resiliency and provide safe, reliable and effective control of evolving energy resources.



Jo-Carroll Energy scholarship applications open

Jo-Carroll Energy will award up to \$25,000 to students from its service territory through its scholarship program in 2023.

Scholarships available include:

- Six Jo-Carroll Energy Scholarships in the amount of \$1,000 to current high school seniors whose parents or guardians are members of Jo-Carroll Energy. Two scholarships will be awarded in both Jo Daviess and Carroll counties and one each in Whiteside and Henry counties.
- Four \$1,000 scholarships for students who will attend two-year, technical or trade schools. One awarded in each of the four counties of the cooperative's service territory.
- Two lineworker scholarships in the amount of \$2,000 each.
- Four \$1,500 scholarships for adult or "nontraditional" students. These scholarships will go to cooperative members who are returning to school or will attend a post-secondary or accredited training program. One awarded in each of the four counties of the cooperative's service territory. (This scholarship is not intended for students who have graduated from high school within the past four years.)
- 10 "Director's Scholarships" of \$500 each to be awarded to a student from each of the cooperative's 10 director districts. Current high school seniors, whose parents are members of

Jo-Carroll Energy, are eligible for these scholarships. Applicants and at least one of their parents must attend the Annual Meeting of Members on June 5 where selections will be made by drawings.

All Jo-Carroll Energy scholarships are funded by unclaimed and donated capital credits. Application deadline for JCE scholarships is March 1, 2023; Director's Scholarship application deadline is May 1.

Applications must be submitted online at jocarroll.com. For more information regarding any of the Jo-Carroll scholarships, contact Peggy Francomb, Jo-Carroll Energy director of marketing and communications, at pfrancomb@jocarroll.com.



Six Jo-Carroll Energy employees were recognized in 2022 for their years of service to the cooperative and its members. Service awards were donated to local charities on behalf of the employees. Recognized were: Peggy Kemp, 10 years; Becky Brown, 15 years; Chuck Woods, 5 years; Jackie Weede, 15 years; Karl Thorsen, 15 years; and Todd Tunks, 5 years. Not pictured: Robert Post, 15 years.



Youth Day 2023

Springfield, Ill., March 29, 2023

Youth Tour 2023

Washington, D.C., June 16-23, 2023

Each year, Jo-Carroll Energy partners with AIEC to send students to Youth Day and Youth Tour. This is the opportunity for our youth to experience our nation's capital from the perspective of a young cooperative member. This program has been in existence for more than 40 years, with many of its alumni working for local, state and federal governments and on behalf of electric co-ops on a national level. Not only does this trip give the experience to see the wonders of our nation, it also fosters leadership skills that students can bring back to their communities in hopes of making a difference.

Before the tour of Washington, D.C., begins, Jo-Carroll brings students to Springfield, Ill., for Youth Day. Each year, AIEC gives these leaders of tomorrow the opportunity to learn from today's public officials. These students will experience democracy in action when they meet their elected officials at our state capitol.

Nearly 50,000 students from rural areas and small towns across America participate in this program. This gives our students not only the chance to gain knowledge about our nation, but also to meet other students from all over the country and discuss what rural life is like for them, as well as how we can come together to support cooperatives and small communities.

For more information about our youth to Washington program, visit jocarroll.com/youth-washington or contact Sara Lechowicz at 800-858-5522, ext. 1208.



Students pose in between pillars at the Colosseum at Arlington National Cemetery.



2022 Youth Tour recipients Emma Blaum and Ruby Dickerson pose for a photo in front of Capitol Hill in Washington, D.C.



Youth Tour students pose for a picture with Senator Dick Durbin at Capitol Hill in Washington, D.C.



Youth Tour students pose for a photo after touring George Washington's home at Mount Vernon.



Youth Tour students pose for a photo in front of the famous Battle of Iwo Jima memorial.

Save energy and money with our Energy Efficiency Incentive Program

Being energy efficient keeps dollars in your pocket by lowering your energy bill, and it also qualifies you for additional dollars through our incentive program.

Our 2023 Energy Efficiency program includes incentives for both our electric and natural gas members.

Eligible members can qualify for incentives on: electric clothes washers, dehumidifiers, dishwashers, refrigerators, HPWH, geothermal systems, natural gas furnace, natural gas water heaters, insulation, air-sealing, stoves and dryers. Check our website for the complete listing of available incentives.

To qualify for one of our incentives in 2023:

- Purchase and/or install a qualified energy efficient product in 2023.
- Submit required documentation no later than three months after purchase, and as soon as possible as funds are limited.
- Incentives are in place through Dec. 31, 2023 or until funds are depleted.
- All forms and documentation must be submitted by Dec. 27, 2023.
- All JCE members are eligible for only one incentive per appliance/unit within a five-year period.

Incentive forms and complete information are available on jocarroll.com/energy-efficiency-incentives.

Learn how to power up your efficiency with geothermal

Dates have been set for our next two NW IL Geothermal Power-Up Power Hours. If you've been thinking about geothermal for your heating and cooling, or just want to learn more, you'll want to sign up for one of these virtual sessions on Jan. 11 or Feb. 2.

Presented by JCE and the Geothermal Alliance of Illinois (GAOI), this virtual session will discuss the benefits of geothermal and programs offered. Featured speakers are John Freitag of GAOI and JCE's energy advisor John Scott, The Energy Detective.

You'll learn about the basics of geothermal and financial implications for a household or business.

Geothermal systems can save you 30-70% on your monthly utility bills. Installation is more affordable than ever with the current federal tax credit at 30% along with JCE's geothermal energy efficiency incentive at \$700 per ton.

A geothermal heating cooling, and water heating system

takes advantage of the stable year-round temperature found a few feet below the ground. The system circulates a water-based solution through the buried loop system, providing high efficiency.



A single piece of HVAC equipment has the ability to keep your home comfortable all year long in addition to providing some or all of your hot water needs.

Learn more about geothermal and current incentive programs during the Power Hour presentation. You'll find a link to register on our website at jocarroll.com/geo-power-hour.



Co-op CEO testifies before Senate ag committee

A resilient, reliable grid that provides affordable power is crucial for rural communities as America transitions to cleaner energy was the message delivered by Jo-Carroll Energy President and CEO Mike Casper when he testified before a Senate committee on Tuesday, Nov. 15.

"As cooperatives work toward a lower carbon future, our ability to maintain reliable baseload power is critical," Casper told the U.S. Senate Agricultural Committee during a hearing on the 2023 Farm Bill. "Intermittent resources such as wind and solar must continue to be complemented and supported by always" available baseload resources.

"This is not about prioritizing one energy source over another, rather to ensure we keep the lights on for rural American families and businesses," he said. "System reliability requires a base of firm, flexible and dispatchable electric capacity."

Casper continued that Farm Bill programs like the Rural Energy for America Program (REAP) are useful tools for electric cooperatives as they respond to consumer-member feedback calling for an evolving generation mix and more efficient energy practices.

Jo-Carroll's first community solar project, South View Solar Farm, located at the co-op headquarters in Elizabeth, was made possible through a REAP grant. The co-op's Energy Detective program that offers cost-free energy assessments and low-priced energy audits was originally made possible by REAP grants.

As the committee works on the Farm Bill, Casper asked the members to consider three critical issues for America's electric cooperatives: responding to



consumer-members' desire for a diverse energy mix, maintaining reliable baseload power as part of a lower-carbon future and providing services beyond electrification, including rural broadband.

"A new \$9.7 billion USDA program created by Congress this year as part of the sweeping Inflation Reduction Act will also help interested co-ops build new clean energy systems by providing grants and loans for projects that include renewable energy, energy storage, carbon capture, nuclear power and generation and transmission efficiency," Casper said.

Cooperatives like Jo-Carroll Energy are still the primary providers of electricity in rural Illinois, he noted. "As not-for-profit, consumer-driven entities, electric co-ops are owned by the communities we serve," Casper said. "Keeping rates down for rural families at the end of the line is especially important."

"JCE is dedicated to providing our members with safe, reliable electric service and, in more recent years, fiber internet service, at the lowest practical price," he added.

Electric co-ops rely on funding from USDA's Rural Utilities Service Electric Program to help pay for essential electrical infrastructure projects, Casper noted, but too often RUS loan approvals are needlessly lengthened by

environmental reviews and decision delays.

"To meet the nation's growing electricity needs, electric cooperatives would benefit greatly from reforms to the federal permitting process that maintain robust environmental protections while ensuring determinations are made in a timely manner," Casper said.

"Our mission goes beyond electrification, and with USDA as a key partner, Jo-Carroll Energy is committed to ensuring access to high-speed internet for our families and businesses to give them a level playing field with their urban counterparts." Casper said. "USDA tools like ReConnect and Community Connect have allowed Jo-Carroll to accelerate the expansion of our fiber footprint to improve the quality of life in our corner of rural America. Jo-Carroll Energy is dedicated to delivering affordable, reliable electric, high-speed internet and other value-added services to Illinois households, businesses, farms and communities."

"Nearly 900 electric cooperatives across the country have similar community-focused missions for the areas that they serve," Casper said. "As the committee works on the next Farm Bill, we look forward to continuing to work with you toward our shared goal of improving life in rural America."

2022 A LOOK BACK

COOPERATIVE GROWTH

Connecting Our Members to the World

Sand Prairie, a service of Jo-Carroll Energy, celebrated a milestone by connecting our 3000th fiber internet subscriber. Construction crews continue to actively build our fiber-optic internet network throughout Jo Daviess, Carroll, and Whiteside Counties.

The entire Scales Mound and Stockton buildout are now complete, creating our third and fourth communities where fiber internet is readily available.

702

miles of mainline
and drop fiber

48

fiber neighborhoods with
service now available

244

total phone service
subscribers

1,000+

new fiber subscribers

4,500+

total broadband subscribers

Value-added
services



VoIP phone
services



Internet & network security
Managed IT services

Follow our progress at connectsp.com



January wind and ice can be brutal to the electric system, and dangerous for those who work on it. If you have an outage, please be patient. Help is on the way. Line personnel who try to rush outage restoration could make costly mistakes that might hurt them, their co-workers and co-op members, or worse. Working steadily and deliberately means everyone goes home safely each night.

*For more information about power outages and electrical safety,
contact your local Touchstone Energy cooperative.*



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