

# HI-LINES

A NEWSLETTER FOR JO-CARROLL ENERGY MEMBERS

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Elizabeth, Illinois



800-858-5522



www.jocarroll.com



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## Jo-Carroll Energy's Board of Directors approve the 2023 budget

I am grateful for an outstanding Jo-Carroll team who took care in developing the 2023 budget and your board who carefully considered the impacts to you during their review and approval process.

Wholesale electric power and natural gas costs, which make up the largest portion of the budget, are projected at approximately \$39 million, an increase over last year due to projected higher energy and capacity costs.

Approximately \$29 million of capital expenditures were approved, in addition to \$17.85 million in operation and maintenance (O&M) expenses. Examples of capital expenditures approved are electric, natural gas and broadband materials and components to build new or rebuild old as part of our general utility services. Examples of O&M expenses include right-of-way trimming services, engineering services, labor, training, etc.

Inflation continues to impact Jo-Carroll with double-digit increases for some materials. For example, steel and aluminum remain about 20% higher than 2019 levels, which are key commodities used in materials and components, such as transformers and electric cable, that Jo-Carroll uses to provide safe and reliable service to you.

Other expenses of \$11.6 million that included depreciation and



### CEO'S REPORT

by Mike Casper

long-term debt interest expenses were approved also. Depreciation expense has increased and is driven by the continued investment in the system, while long-term debt interest expense is impacted by the investment in the system, coupled with the rising cost of borrowing.

As I have previously shared, Jo-Carroll's objective is to maintain rate increases at or below inflation.

For much of 2022, inflation had been running at a 40-year high. For example, grocery prices were up 12% on a yearly basis (12 months ended Nov. 2022), according to the Bureau of Labor Statistics. Electricity prices were up nearly 14% across the nation. Natural gas spot prices (dollars per million BTU) are projected to average \$5.43 in 2023, whereas in 2020 averaged only \$2.03, according to the U.S. Energy Information Administration, as of Dec. 1, 2022. This increase not only impacts the cost of natural gas (NG) to you, but electricity, which a greater portion is generated using NG as a fuel.

I am proud of our team and our wholesale power providers for being able to maintain an average 2022

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## 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](http://www.jocarroll.com)

### For emergencies and outages call:

**(800) 858-5522**

# Resume of Minutes

Nov. 30, 2022

*The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, Nov. 30, 2022. A Safety Moment was provided by Director Dan Tindell on a new law affecting Illinois residents, called the Safe-T-Act, which will be enacted on Jan. 1, 2023.*

**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.

**Presentation** – Ken Sivertsen, Director of Member Services, ran a tabletop exercise with the board members participating. The purpose of a tabletop exercise is to prepare in advance to respond to an incident and practice roles and responsibilities. In addition to Sivertsen's member services role, he continues to focus on business continuity to identify the impact of potential emergency situations and develop viable recovery strategies and plans for continued service.

### Governance Topics and Board Policy Review

**Board Policy 104/Director Attendance at Meetings** – A motion was made, seconded, and carried unanimously to approve revisions to Board Policy 104/Director Attendance at Meetings.

**Board Policy 111/Capital Management** – A motion was made, seconded, and carried unanimously to approve minor revisions to Board Policy 111/Capital Management.

### Board Issues and Action Items

**Administrative Policy 730/Billing** – A motion was made, seconded, and carried unanimously to approve deletions to Administrative Policy 730 that no longer apply to this policy.

**Approve Proposed 2023 Board Meeting Dates** – The 2023 board meeting dates were approved.

### CEO/Financial Operating Report

**CEO Report** – President and CEO Mike Casper commented on the Illinois Electric Cooperatives (IEC) Managers'

Meeting. Casper noted that several Illinois Electric Cooperative managers took part in a two-day meeting discussing various topics within the industry. In addition, Casper detailed his participation in the Senate Agriculture Committee Testimony, held on Nov. 15. Casper highlighted the importance of three critical issues affecting electric cooperatives.

**Financial Operating Report** – Chuck Woods, Chief Financial Officer, provided a summary of the financial operating report for October. Revenue year-to-date (YTD) is approximately \$54.6 million and is under October YTD budget of \$54.7 million. Total operations and maintenance expenses YTD were approximately \$1.7 million under budget. Margins are approximately \$3.8 million vs. a budgeted amount of approximately \$1.1 million and amounts to approximately \$2.7 million 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 broadband subscribers, noting that we are close to hitting our target by year end. Buros also provided an update on labor, material and supply chain constraints for all three business units.

**Member Services Update** – V.P. of Member Services Jennifer Myer provided an update on the JCE Strategic Plan and overview of the broadband member bill that will be distributed to members.

**Employee Update** – V.P. of Human Resources Merri Sevey provided an employee update regarding the total

**Continued on page 18G ►**

## Petitions available for 2023 director nominations

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

Director districts with elections are:

- District 3 (now represented by Marcia Stanger of Apple River)
- District 6 (now represented by Tom Lundy of Savanna)
- District 9 (now represented by Larry Carroll of Thomson)

Running for the board of directors and voting in the elections are a benefit of being a co-op member. Directors are democratically elected by the membership.

Any JCE member, including the incumbent director, residing in a district that is up for election may petition for nomination in that district. Members interested in

seeking election to the board may download a nomination petition from the cooperative's website at [jocarroll.com/director-elections](http://jocarroll.com/director-elections).

Petitions are also available 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 JCE's headquarters in Elizabeth no later than April 6. Petitions may also be dropped in the secure drop box at that office. Candidates also should provide a short biographical sketch and photo to be used in candidate profiles to be mailed with election materials and published in a co-op publication.

In order to qualify to have their names placed on the ballot, all nominees must participate in an orientation process provided by

the attorney for the cooperative. This assures that all nominees fully understand the expectations and responsibilities of directors. These include but are not limited to: time demands, director education expectations and fiduciary duties. Complete details on director qualifications and the nomination procedure can be found in the cooperative's bylaws posted on [jocarroll.com/minutes-bylaws](http://jocarroll.com/minutes-bylaws). Election of directors is conducted online and by mail prior to the annual meeting of members, with results announced at the meeting. If only one candidate files for a district, election is by vote of acclamation at the meeting. The 2023 Annual Meeting of Members is set for June 5 in Savanna.

## JCE seeks applications for Sharing Success grants

Jo-Carroll Energy is seeking applications for the 2023 Sharing Success grants.

The co-op will award up to four grants totaling \$10,000 this year. In addition, matching funds for the grants will be applied for through CoBank's Sharing

Success matching grant program, bringing the total possible grants to \$20,000.

Deadline for applications is March 30. Applications can be submitted online at: <https://jocarroll.com/sharing-success-grant-application>.

To qualify for a grant, an organization must be a certified 501(c)3 nonprofit organization, school or governmental entity such as a police, fire or emergency response department. All organizations must be located within the JCE service territory. Organizations applying must have a broad reach and impact for the community served.

CoBank is a cooperative lending institution that provides loans and other financial services to vital industries throughout rural America. Headquartered in Denver, Colo., it serves customers from regional banking centers across the U.S.

The Sharing Success matching grant program was launched in 2012 as a way to highlight the International Year of Cooperatives. It is designed to celebrate the vital role that cooperatives play in individual communities across the country.

For more information, contact Amy Johnston, executive assistant, at [ajohnston@jocarroll.com](mailto:ajohnston@jocarroll.com) or 800-858-5522, ext. 1211.





# energize<sup>your</sup> future

## with Jo-Carroll Energy's Scholarship Program

Up to \$25,000 awarded  
to students in 2023!

### The Jo-Carroll Energy Scholarship Program

**6** JCE Scholarships in the amount of \$1,000 to high school seniors who will enroll in a college or university

**4** Two-Year/Tech School Scholarships in the amount of \$1,000 to high school seniors who will attend a 2-year/tech school

**10** Director's Scholarships of \$500 each to be awarded to current high school seniors

**2** Lineworker scholarships in the amount of \$2,000 each to students who plan to attend lineworker school

**4** Adult or non-traditional student scholarships in the amount of \$1,500

**Application deadline: March 1**

**Director's Scholarships deadline: May 1**

Scholarships are open to students whose parents or guardians are JCE members or the student themselves is a JCE member. All JCE scholarships are funded by unclaimed and donated capital credits.

***Learn more and apply online  
at [jocarroll.com/scholarship-program](https://jocarroll.com/scholarship-program)***

For more information regarding any of the Jo-Carroll scholarships, contact Peggy Francomb, director of marketing and communications, at [pfrancomb@jocarroll.com](mailto:pfrancomb@jocarroll.com).



## Applications are open for the Electric Cooperative Youth Day and Youth Tour

**G**ive your kids the experience of a lifetime in Washington, D.C.!

Do you know a high school sophomore or junior who is interested in leadership, energy or would like to learn more about government and see the nation's capital? Have them apply to be a part of the Electric Cooperative Youth Tour.

Each year, more than 1,800 student leaders from electric cooperatives like ours visit Washington, D.C., to learn more about our nation's capital, interact with elected officials and have fun meeting students from across the country. And all travel costs are covered by the Association of Illinois Electric Cooperatives! As a community-focused organization, we are proud

to invest in our local future leaders through the Youth Tour to Washington, D.C.

### **Mark your calendar!**

The 2023 application deadline for both Youth Day and Youth Tour is Friday, Feb. 17. Youth Day takes place at the President Abraham Lincoln Hotel in Springfield on Wednesday, March 29.

The 2023 Youth Tour takes place in Washington, D.C., from June 16 to June 23.

Don't let the high school sophomore or junior in your life miss the opportunity to apply for this once-in-a-lifetime experience! Visit [jocarroll.com/youth-washington](http://jocarroll.com/youth-washington) today for more information and to apply!

### **CEO Report continued from page 18A**

rate change of 2% across member classes through September. An average 8% rate change was built into the 2023 budget. Once we finalize 2022 financials in early February, we will have more specifics about likely rate increases. We will communicate details about these in a future Hi-Lines issue, our electronic newsletter and on [jocarroll.com](http://jocarroll.com). We currently anticipate the changes will begin being assessed on March 2023 usage.

We recognize that inflation and other economic challenges are already putting pressure on members' household and business budgets. We continue to encourage members to reach out to us if they are concerned about being able to pay their energy bills, working with members on a

case-by-case basis regarding options and assistance that may be available to them.

Our energy advisor is also available to discuss energy efficiency and steps individual members may be able to take to save energy and money. Jo-Carroll offers an extensive energy efficiency incentive program. Highlights of that program can be found inside this issue and are detailed on our website at [jocarroll.com/energy-efficiency-incentives](http://jocarroll.com/energy-efficiency-incentives).

Please be assured that we are committed to containing costs as much as possible, while maintaining safety and the reliability that you expect. We project growth with a continued focus on efficiency improvements to stabilize future rates.

# 2023 incentive/rebate program launches

## Members receive multiple benefits with energy efficient purchases

Members wanting to save energy and money in the new year should review Jo-Carroll Energy's 2023 energy efficiency incentive forms. If it's time to upgrade your old appliances or change out your heating or cooling system, we may have savings for you!

JCE offers energy efficiency incentives for our electric members in collaboration with Dairyland Power Cooperative, one of our wholesale power suppliers, to help members use energy wisely. We also offer an array of incentives for our natural gas members.

Eligibility criteria for each category is listed on the forms found at [jocarroll.com/energy-efficiency-incentives](http://jocarroll.com/energy-efficiency-incentives). To receive an incentive, the member must purchase a qualifying item, fill out the incentive form and return the form and documentation to the cooperative within three months of purchase or installation (this will be clarified on the form). Equipment must be installed within the cooperative's service territory and, in most cases, be ENERGY STAR®-rated.

### REBATES SUMMARY FOR ELECTRIC MEMBERS

#### HVAC - Geothermal

Upgrade existing ground source heat pump	
Interior equipment.....	\$500/ton
New Installations .....	\$700/ton
Ground source heat pump	
Exterior loop field	
Installation cost	

#### HVAC – Residential air source systems

Air source heat pump & mini-split SEER 14.0, HSPF 8.2 or EER 11 .....	\$250/ton
New furnace w/ECM blower motor (AFUE ≥ 95%) .....	\$35

#### Energy Star Electric Appliances

Clothes dryer.....	\$25
Inductive range.....	\$25
Clothes washer .....	\$25
Dehumidifier.....	\$25
Dishwasher .....	\$25
Refrigerator .....	\$25
Freezer.....	\$25

#### Recycling

Freezer.....	\$25
Refrigerator .....	\$25
Window air conditioner .....	\$25

#### Lighting

Occupancy Sensor.....	\$5/sensor
LED Lamp/fixture.....	\$1/1600 lumens
LED Exit Sign .....	\$5/sign

#### Electric Water Heaters

Heat pump water heater .....	\$300
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#### Following require load control

Residential high-efficiency water heater	
75-99 gallons .....	\$125
Residential high-efficiency water heater	
≥100 gallons .....	\$300
Solar storage water heater w/electric backup	
75-99 gallons .....	\$125
≥100 gallons .....	\$300

#### Touchstone Energy Home Program

New home must meet specific program/code requirements .....	\$500
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#### 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.

## REBATES SUMMARY FOR NATURAL GAS MEMBERS

Stove .....	\$50	Other .....	\$50
Clothes dryer.....	\$50	Generator .....	\$50
Fireplace insert .....	\$50		

### Natural Gas outdoor appliances

Pool heater .....	10% of equipment & material cost up to \$150
Hot tub .....	10% of equipment & material cost up to \$150
Deck heater .....	10% of equipment & material cost up to \$100
Outdoor fire pit .....	10% of equipment & material cost up to \$100
Grill .....	10% of equipment & material cost up to \$100

### Natural Gas heating

Natural gas furnace/boiler AFUE ≥ 95% .....	\$125
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*Fuel switching incentives also available  
Check out agricultural, commercial and industrial rebates online.*

Questions about the program or general energy efficiency questions can be directed to our energy advisor John Scott, [jscott@jocarroll.com](mailto:jscott@jocarroll.com) or 800-858-5522, ext. 1339.

#### Minutes continued from page 18B

number of new hires in 2022, noting that several were hired to fill existing positions.

**Board Updates** – Executive Assistant Amy Johnston provided an update on upcoming board training and the co-op employee appreciation event.

**External Affairs/Legislative Update** – None.

#### Executive Session

**Into Executive Session** – None.

**Out of Executive Session** – None.

**Action Resulting from Executive Session** – None.

#### Reports/Updates

**Association of Illinois Electric Cooperatives (AIEC) Report** – Director Senn announced Craig Sondgeroth, the current AIEC general counsel, has accepted the role as the new President and CEO of the organization. Senn remarked that he will smoothly transition into his new role, bringing his leadership and electric expertise to the 30 cooperatives that AIEC represents in Illinois.

**American Public Gas Association (APGA) Report** – Director Carroll discussed various

new and proposed regulations affecting the natural gas (NG) industry. President and CEO Casper shared that over \$2 billion of funding requests were submitted for the first round of infrastructure funding (\$200 million) that was authorized for upgrading natural gas distribution.

**Dairyland Power Cooperative (DPC)** – Director Tindell provided highlights from the DPC meeting that he recently attended, noting that the operations center in La Crosse will be updated to improve operational efficiencies. President and CEO Casper reported that DPC has changed their wholesale power rate to a calendar year, which better aligns with budgeting.

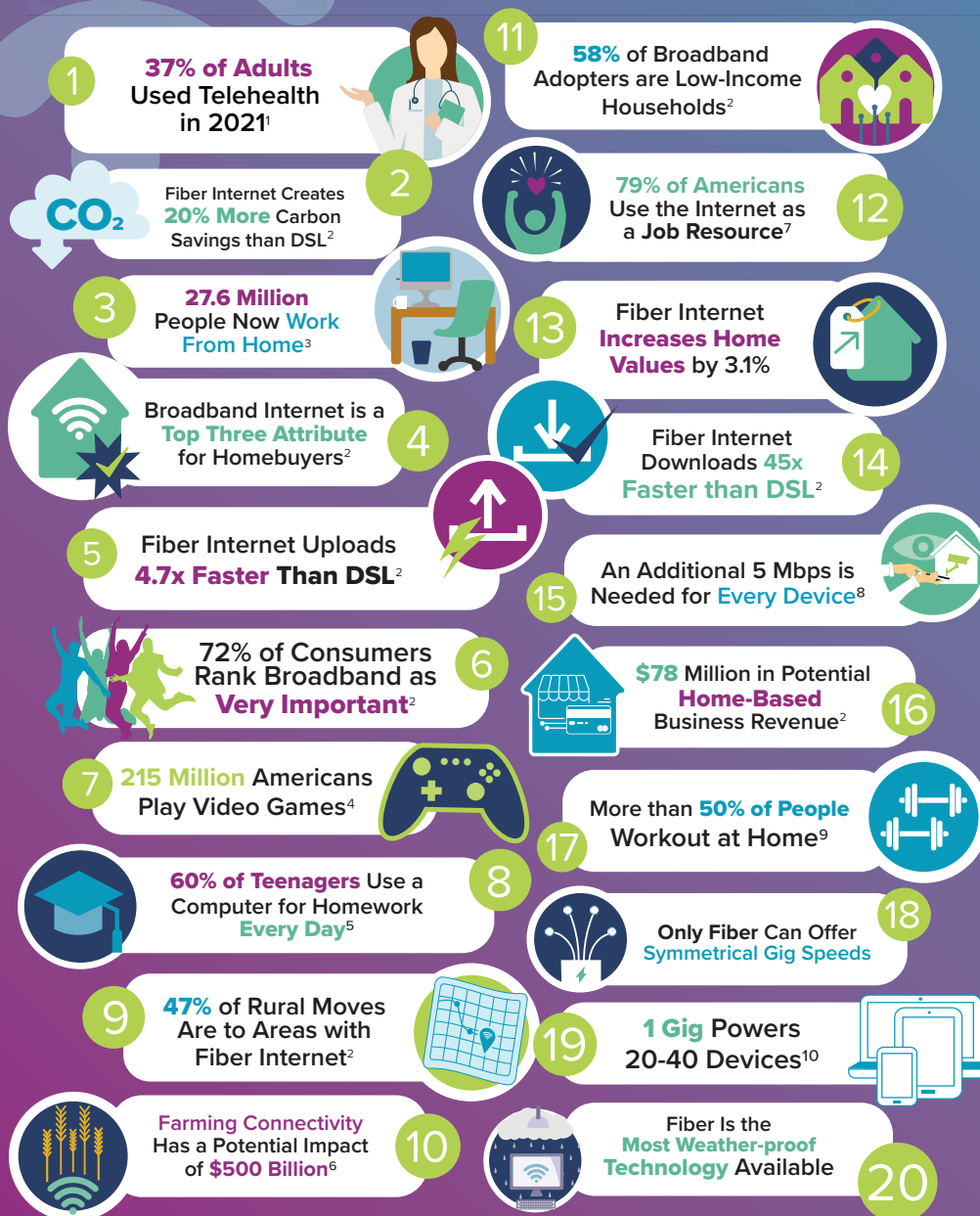
**Prairie Power Incorporated (PPI) Report** – Director Kuhns provided a summary from the PPI power supply report and provided the most recent generation numbers.

**Other Business** – None.

**Adjournment** – Chairman Senn adjourned the meeting at 11:49 p.m.

# Nothing Beats Fiber.

And That's a **Fact.**



<sup>1</sup> "Telemedicine Use Among Adults: United States, 2021," CDC

<sup>2</sup> "A Detailed Review: The Status of U.S. Broadband and The Impact of Fiber Broadband," Fiber Broadband Association

<sup>3</sup> "2021 American Community Survey," U.S. Census Bureau

<sup>4</sup> "More adults play video games than kids - and more surprising facts," USA Today

<sup>5</sup> "It's A Smartphone Life: More Than Half Of U.S. Children Now Have One," NPR

<sup>6</sup> "Agriculture's connected future: How technology can yield new growth," McKinsey & Company

<sup>7</sup> "Searching for Work in the Digital Era," Pew Research Center

<sup>8</sup> "What internet speed do I need? Here's how many Mbps is enough," tomguide.com

<sup>9</sup> "At-Home Fitness Regime Is the Top Fitness Trend in 2022: GoodFirms' Survey," GoodFirms

<sup>10</sup> "Is 1000 Mbps Fast? [Most Practical Insights]," approvedmodems.org



**Sand Prairie**  
Connecting our members to the world.

800-858-5522 connectSP.com 793 US 20 West, Elizabeth, IL

Signup or express your interest at [www.connectsp.com/iwantfiber](http://www.connectsp.com/iwantfiber)



**We aren't in the electric business to make a profit.  
 If that doesn't sound corporate, it's because we aren't.  
 We're here to serve our community, just as we have for over 80 years.  
 That's heart.**



**Jo-Carroll Energy**

Your Touchstone Energy® Cooperative 