

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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Fiber, rates and more Questions from the annual meeting

Thank you to everyone who attended our 2021 Annual Meeting of Members, watched the livestream or listened on the radio. It was great to be able to visit with many of our members, friends and neighbors who attended the August event.

We received some great questions from those in attendance and in advance of the meeting. The majority of the questions could be placed in four categories. I shared the general response for each category at the meeting and am sharing those categories and answers below.

Regarding the natural gas event in February, will there be a refund? What are FERC and Jo-Carroll Energy doing to reduce the likelihood of a reoccurring event?

Although Storm Uri was an economic catastrophe in which the price of natural gas reached unimaginable levels, the Commodities Futures Trading Commission (CFTC) determined there was no manipulation to create those price levels. They concluded it was the free market at work.

However, there is no evidence that the market worked efficiently and that these higher prices created more gas production when desperately needed. The opposite appears to be true: gas supplies disappeared regardless of the price.

What is Jo-Carroll doing? We continue to work closely with the



CEO'S REPORT by Mike Casper

Illinois Public Energy Agency and the American Public Gas Association to pressure the Federal Energy Regulatory Commission and our legislatures to put measures in place to mitigate future events from occurring. Jo-Carroll continues to purchase natural gas going forward and fill available storage so that we are hedged between 70 to 80 percent of our normal usage. We are also working with our natural gas marketers on communication guidelines that will allow us to notify you sooner of such an event, so that you can safely curtail use, if possible.

What is the status of Sand Prairie fiber and when are we going to get it?

We are working diligently to get fiber to everyone who wants it - just like rural electric service in the middle of the last century.

We are focused on obtaining funding to accelerate the buildout while developing a creative and least cost plan to connect as many of you as soon as possible. Unfortunately, the buildout won't happen overnight.

If you haven't already, please go to connectsp.com and express

Continued on 20C ►

For your information

Your Board of Directors:

David Senn
Chairman
District 7

Russell Holesinger
Vice Chairman
District 8

Marcia Stanger
Secretary
District 3

Vacant
District 1

Joseph Mattingley
District 2

Dan Tindell
District 4

Patricia Smith
District 5

Thomas Lundy
District 6

Larry Carroll
District 9

Robert Kuhns
Treasurer
District 10

Office Hours:

Monday-Friday
JCE lobbies have
re-opened for regular
business hours

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

June 30, 2021

The regular board meeting of Jo-Carroll Energy, Inc. (NFP) was held on Wednesday, June 30, 2021, at 9 a.m.

A Safety Moment was provided by Director Pat Smith.

Presentations – A presentation was provided by Merri Sevey, V.P. of Human Resources discussing hiring practices and how Jo-Carroll Energy (JCE) complies with the federal standards. Sevey noted that JCE is in compliance with federal standards and receives a report on a yearly basis.

Association of Illinois Electric Cooperatives (AIEC) Report – Chairman Senn discussed highlights from the AIEC regional meeting, highlighting some talking points from the Omnibus Energy Bill.

American Public Gas Association (APGA) Report – Director Carroll discussed the latest topics within the gas industry. Carroll also discussed the Colonial Pipeline Ransomware attack, noting that they paid the hackers an estimated \$4.4 million to regain control of its computer systems. A discussion of Jo-Carroll Energy's cyber security policy pursued with regard to mitigating such risks to the co-op.

Dairyland Power Cooperative (DPC) – Director Mattingley provided a summary of the Dairyland Board and Annual Meeting. In addition, President and CEO Mike Casper commented on the DPC managers meeting, noting that they were prepping for strategic planning and surveying distribution co-ops.

Prairie Power Incorporated (PPI) Report – Director Kuhns provided a summary of the most recent generation numbers. In addition, Kuhns remarked that PPI will host an IT services training session. Kuhns also shared a video on Prairie State Energy Campus.

Governance Overview Topic – A video was shared with the board on "The Use of Executive Session."

CEO Report – President and CEO Casper provided an update on the JCE open director vacancy for District 1, noting that no applications have been received thus far. Casper shared that there will be a Member Advisory Council (MAC) meeting scheduled for July 16 at the JCE headquarters in Elizabeth, IL. Casper also shared that JCE continues to work with Illinois Public Energy Agency and the American Public Gas Association in mitigating the risk of future natural gas spikes.

Financial Operating Report – Vice President and CFO Chuck Woods provided a summary

of the financial operating report for May. Year to date (YTD) revenue is approximately \$27.2 million vs. a budgeted amount of \$25.7 million. Total operations and maintenance expenses were approximately \$726,131 over budget. YTD margins are approximately \$1.4 million vs. a budgeted amount of approximately \$259,632. By general consent, the board moved to file the financial operating report with the auditor.

Board Issues and Action Items

Attendees were selected to attend the NRECA Region 5&6 Meeting.

The voting delegates were selected for the Badger Group Annual Meeting.

A discussion was had on moving the July JCE board meeting date.

Operations and Regulatory Update

Operations Update – Kyle Buros, Senior V.P. and Chief Operating Officer provided an update on fiber grants that JCE has received and are pursuing, noting that there are procurement delays for materials including fiber. Buros shared that shortages may have an adverse effect on project schedules.

Covid Update – Merri Sevey, V.P. of Human Resources, provided an update on Covid statistics, noting that JCE has opened all three of the JCE offices to the public.

External Affairs/Legislative Update – President and CEO Casper shared that JCE has been working closely with AIEC and our state representatives on proposed energy legislation that is in the best interest of our members. Casper explained that certain aspects of the proposed legislation could have a negative impact on cooperatives and public utilities throughout the United States.

A break from the board meeting was taken at 11 a.m. and the meeting resumed at 11:30 a.m.

Action Resulting from Executive Session – None.

Other Business – None.

Adjournment

Chairman Senn adjourned the meeting at 11:57 a.m.

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.

Director's scholarship winners



2021 Director's Scholarships were awarded by drawing at Jo-Carroll Energy's Annual Meeting. Recipients include (from left): Ethan Soppe, Michael Beadle, Kaitlin Kilgore, Will Kieffer, Ryan Holland, Emma Gabbard and Amanda Soat.

► Continued from 20A

your interest. If your area is in the sign-up phase, please sign-up. Completed sign-ups help us determine which fiber neighborhoods we will build next.

What is Jo-Carroll doing to stabilize rates for electric, natural gas and broadband?

We are working closely with our wholesale power suppliers – Dairyland Power Cooperative and Prairie Power Inc. – to maintain stable rates, which is about 60 to 65 percent of your overall cost. Jo-Carroll has financial obligations through long-term contracts with our wholesale power providers to protect our members from market disruptions. Long-term stable energy rates are our goal in meeting our members' future needs. **Bart Dobbins**

To maintain fair and equitable rates between rate classes, we use a third-party consultant to assess the cost of service (COS) for the Jo-Carroll electric service territory. Fixed and demand charges cover expenses such as power lines, transformers, trucks, labor and other expenses the cooperative incurs ensuring

energy is available when you need it, no matter how much energy is used. Compared to other electric cooperatives that serve rural areas in Illinois, Jo-Carroll's combined facility and member service charges for our single-phase members (primarily residential) are the seventh lowest of 25 other cooperatives in the state.

Like many other rural electric distribution cooperatives, Jo-Carroll provides electricity to less than 20,000 member accounts covering more than 2,500 miles of distribution lines, compared with investor-owned utilities that serve millions of accounts to spread their costs.

What is Jo-Carroll doing to improve the environment?

We are working closely with our generation and transmission providers toward a sustainable future. Locally, our own Energy Detective has assisted our energy conscious members to reduce energy usage through incentives, assessments and audits. You should be proud that you are lower consumers of energy compared with others in the state.

We are also working closely with you and solar contractors with the interconnection of solar. Jo-Carroll's electric service territory has one of, if not the highest, percentages of solar generation in the state for our size. With your help, we aggressively sought to be included in the Illinois Shines Program, which provided sufficient incentives to develop two additional community solar programs that are not cross subsidized by other members who chose not to have solar.

Jo-Carroll Energy has been and continues to upgrade our distribution system to handle the potential increased load from electric vehicles (EVs). Jo-Carroll is partnering with other Midwest electric co-ops in developing an electric vehicle (EV) charging network, including options for home charging. This year we are completing a review of our new wholesale power supply rate and will consider time of use rates that may incentivize charging vehicles during off-peak hours.

Jo-Carroll annual meeting focuses on sustainability, growth



Jo-Carroll Energy's Annual Meeting of Members was able to return to its customary format this year. With a theme of "Powering You Through," the event featured co-op displays, presentations and drawings for Director's Scholarships.

Slightly more than 100 members attended the meeting in person on Aug. 3 at the River Ridge Community Unit School District, while others viewed a livestream or tuned in to listen on WCCI 100.3 FM.

Sustainability was a key focus throughout the meeting as the speakers noted the economic needs of the area, connectivity through high-speed fiber internet and energy resources.

"During the past 18 months, we have all powered through the challenges that the pandemic brought with it," said Mike Casper, JCE president and CEO. "As we move forward, working together for a brighter future is even more critical to

the long-term sustainability of our area."

Casper noted a critical component to the area's long-term sustainability is workforce development to meet the needs of local businesses.

"We owe a lot to our businesses because they play a large role in supporting our local economy," Casper said. "As your energy and broadband cooperative, concern for community is a guiding principle as we work with you, our communities and businesses."

Jo-Carroll is a large supporter of Northwest Illinois Economic Development, which assists businesses to grow and new businesses to thrive.

Casper also said "high-speed fiber internet is an important component in attracting the needed workforce to support new and growing businesses, which in turn helps grow the tax base and local economy."

"Having access to high-speed

fiber internet service makes the area more attractive to visitors and those looking to move to rural areas," he said.

Casper provided a brief update on Sand Prairie fiber, pointing out that grant money is being used to accelerate buildout to areas that might otherwise never have access.

Chairman of the Jo-Carroll board of directors David Senn said one thing the pandemic has made very clear is the need for high-speed internet.

"Jo-Carroll Energy and Sand Prairie with the use of grants is doing everything we can to bring this to fruition," Senn said. "Economic development will depend on this resource, which in turn will aid to bring people and jobs to an area in dire need of both."

"We continue to expand our fiber network to homes and businesses," Senn said. "The response has been positive. We are seeing families move into



areas where the installation is complete.”

Growth is an essential component of affordable services, Casper noted. “It is simple economics. The more member-consumers that Jo-Carroll has, the wider our fixed costs can be spread which helps stabilize rates.”

Emphasizing areas of growth for the cooperative and enhanced value for members, Casper told members about new Sand Prairie services including voice over internet phone and cybersecurity services, two new community solar programs and a cooperative electric vehicle charging network.

Senn addressed what the source of energy will be in the future, stating it appears it will not be fossil fuel.

“For at least a decade, Illinois and the nation have been weaning itself off one of its most abundant natural resources – coal,” he said. “We as a board of directors along with management and our national

and state associations are working to be sure enthusiasm doesn’t outpace technology. Rolling blackouts are a result of technology not keeping pace, usually when Mother Nature is throwing punches.”

Brent Ridge, president and CEO of Dairyland Power Cooperative, said Dairyland is working to lower its carbon footprint in a way that doesn’t affect the safe, reliable operation of the utility. Noting that the cooperative is taking an “all of the above approach,” Dairyland will continue to look at every possible option, he said. In the near term that means more gas resources, and in the long term less gas backing up wind and solar.

“We’re going to be around a long time, and how we’re going to be around a long time is maintaining safe, reliable, predictable delivery of electricity,” Ridge said. “This is an investment in our resources, our people, our plants and our transmission system.”

Election results

Four seats on the board of directors were up for election in 2021, including two who were unopposed.

Re-elected by a vote of acclamation at the meeting were directors Russell Holesinger in District 8 and Robert Kuhns in District 10.

Elections in Districts 5 and 7 were conducted by ballot. In District 5, the incumbent Patricia Smith was re-elected to the board. Smith received 303 votes while candidate Peter Regez received 157 votes. The incumbent in District 7 was also re-elected with David Senn receiving 230 votes and Martin McDonough 144 votes.

The cooperative was assisted in the election by Survey & Ballot Systems, which received the paper and web ballots, validated member numbers, tabulated and delivered the election results to the cooperative.

If you were not able to attend the meeting, you can watch the recording here
<https://www.youtube.com/watch?v=1X1WFS4jmEw>



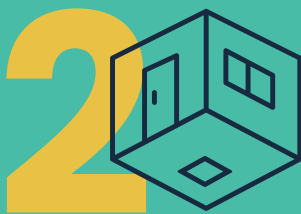
USING A GENERATOR?

8 DANGEROUS MISTAKES PEOPLE MAKE



1 IN ENCLOSED SPACES

Always use it in a well-ventilated area.



2 NEAR WINDOWS OR DOORS

Place it at least 20 feet away from windows and doors.



3 IN A GARAGE

Even if the door is up, never use a generator in a garage.



4 IN THE ELEMENTS

Run it on a dry surface under a canopy-like structure (but not in a carport).



5 PLUGGED INTO A WALL OUTLET

This can be deadly to you, family members, neighbors or utility workers.



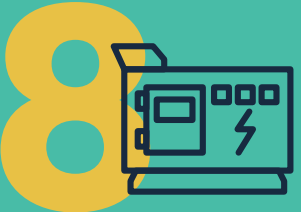
6 WITH THE WRONG EXTENSION CORD

Use a properly rated cord to plug appliances into a generator.



7 WITHOUT CARBON MONOXIDE (CO) TESTERS

CO detectors should be on every level of your home (test them monthly).



8 IN DISREPAIR

Make sure your generator is well-maintained and in good working order.



LEARN MORE AT:

 **Safe Electricity.org®**

Tips for a safe harvest



Photo Source: Bob Nichols, USDA

Agriculture is the backbone of our country, and our livelihood greatly depends on the crops provided by American farmers. In addition to being one of the most labor-intensive professions, farming is also considered one of the most dangerous jobs in the U.S.

The hard work and exhaustive labor are tough but rushing the job to save time can be extremely dangerous, even deadly, when farming near electrical equipment.

Every year, we see collisions where tractors and other farming equipment accidentally collide with utility poles and power lines, causing injuries and power outages. These dangerous accidents

can be avoided by looking up and around your surroundings when operating large farm machinery. If you're preparing for harvest season, please keep the following safety tips in mind.

- Maintain a 10-foot clearance around all utility equipment in all directions.
- Use a spotter and deployed flags to maintain safe distances from power lines and other electrical equipment when working in the field.
- If your equipment makes contact with an energized or downed power line, contact 9-1-1 immediately and remain inside the vehicle until the power line is de-energized. In case of

smoke or fire, exit the cab by making a solid jump out of the cab (without touching it), and hop away to safety.

- Consider equipment and cargo extensions of your vehicle. Lumber, hay, tree limbs, irrigation pipes and even bulk materials can conduct electricity, so keep them out of contact with electrical equipment.

Sept. 19-25 is National Farm Health and Safety Week but practicing safety on the farm year-round yields positive results. We hope you never find yourself in a situation where farming equipment contacts power lines or poles, but if you do, we hope you'll remember these safety tips.



Benefits of Fiber-To-The-Home

Speeds you need to enjoy your online experience at home



Provides more reliability and fewer interruptions

Nothing can alter a fiber optic network connection, except a physical cut to the fiber or the destruction of the building it's in. With fiber, you can expect a consistent, true speed, even between the "rush hours". So, don't worry, no dropped connections while you're binge watching your favorite show.



Gives you the capability to connect multiple devices at once

Households now have an average of 10 devices connected to the internet at once. All of these devices have to share the available bandwidth. The higher your Mbps, the more devices you can have connected at one time. No more asking someone to stop using the connection in order for you to be able to surf or stream.



Gives you the speeds you need

Fiber gives you speeds you need to enhance your online experience whether you are streaming the latest episode of your favorite show, sharing photos or uploading an assignment for an online class. If speeds become 1,000 times faster in 20 years, fiber connections will still be able to support them.



Increases your home's value

Access to fiber internet may increase a home's value by up to 3.1% as stated in a study done by the Fiber to the Home Council in 2015. This is comparable to adding a half bath, fireplace or a quarter of a swimming pool to a home. Investing in fiber internet improves the economic performance of a community as well as its quality of life.

Track Our Progress

Visit connectSP.com/fiber/communities to find your neighborhood and see if service is available in your area.

Get connected or express your interest at:

connectSP.com/iwantfiber



Sand Prairie

A service of Jo-Carroll Energy



800-858-5522



connectSP.com



793 US 20 West, Elizabeth, IL 61028

Second summer

Summer is over, children are back in school, and we may experience summer-like weather despite it being fall. Even if it feels like winter will never come, don't be fooled. Winter is coming, and now is the time to prepare.

Look around your home. See any gaps around your doors or windows? A 1/12-inch gap around an exterior door is like having a 4x5-inch hole in the wall. Add cracks around other doors and windows, and you could allow a lot of cold air into your home this winter.

Plugging those leaks will increase your comfort, and it pays for itself in reduced energy bills. Just weather stripping around doors and windows can cut heat loss by nearly half. Caulking, additional insulation and storm doors and windows are other measures that will make your home even more energy efficient.

Visit jocarroll.com or call the Energy Detective at Jo-Carroll Energy for more information on weatherization plans that will fit your budget and pay off in lower energy costs. Then, sit back and enjoy these second summer days before frost really sets in.



Jo-Carroll Energy

Your Touchstone Energy® Cooperative 