

# Connect to MEC

A Touchstone Energy® Cooperative



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## Manager's Column

# Year-end review



**Eric Hobbie, P.E.**  
General Manager

As you read this article it is after Thanksgiving and the holiday rush has begun. The leaves have fallen, the time has changed, and cold weather has probably come to stay. But because of advance deadlines I'm writing this at the end of October, during unseasonably warm weather when trees and grasses are still green and daylight hours are in abundance. Winter's changes still feel a long way off.

But change is already in the air at Menard Electric. A week ago (October 12th) I accepted the position as President/CEO of Prairie Power Inc. By the time you read this your Board of Directors will have met to discuss the transition of my leaving the cooperative. As of this writing I do not know details of the plan for my replacement, but what I do know is that your Board of Directors will do their due diligence to select the best General Manager for your cooperative. During my time with Menard Electric I have gained the utmost respect for the nine members of your Board. They truly do have the best interests of the cooperative in mind and they work hard to serve you well.

I am sad to leave such a fine organization that has a wonderful membership, talented and loyal employees, and a professional and dedicated board. I came here in May

2015 and quickly learned and enjoyed the cooperative business model. I believe the cooperative model is the most effective way to run a utility with the goal of serving the membership.

My move to Prairie Power was not a decision I've taken lightly. Prairie Power Inc. is also an electric cooperative, enabling me to stay in this great industry. It is the generation and transmission provider to Menard Electric and so I've seen the high quality service its employees provide and the diligence of its Board of Directors. Additionally, I get to remain in the cooperative family serving the Menard membership.

As President/CEO of PPI I will be able to utilize the full range of my experience and industry knowledge of electric generation, energy markets, regulatory issues, transmission and distribution; experience I gained both at Menard Electric and the 22 years I spent with CWLP.

The employees of Menard are talented and dedicated to the betterment of the cooperative for the members, and I have come to greatly respect and value their service to the cooperative. I have complete confidence that Menard will continue to provide you with the service you've come to expect during and after this transition. The core of employees at Menard, along with proper governance by your Board of Directors, will continue to move the cooperative forward and ensure a smooth transition to a new manager.

The employees have worked hard this past year to move the cooperative

forward and have implemented or started projects that benefit you the membership and this cooperative. Below are some of the projects or accomplishments (but not a complete list) that staff completed in the last year.

- Implemented multiple cyber security enhancements to protect the cooperative and member information
- Acquired cyber security insurances to protect the cooperative and members from malicious cyber activity
- Implemented enhanced offsite backup of data for business continuity in event of a disaster at the main office
- Continued and enhanced a partnership with Spoon River Electric Cooperative on line clearance programs to improve safety and reliability to members and employees
- Completed line clearance on Barclay, Lanesville and Sherman substations and currently working at Allen and Virginia substations to improve overall system reliability and safety
- Returned \$375,000 in capital credits to members from 1992 and a portion 1993
- Held Annual Meeting on June 4th where over 700 members and guests attended; membership elected Dennis Ryan from three candidates to represent District 4 and approved a change to the cooperative's debt limit
- Offered the Bright Options solar energy program to our membership

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## Year-end review continued from 16a

- Joined a joint purchasing alliance and realized savings in cost of distribution materials and equipment
- Participated in safety audit of Menard facilities by outside safety personnel and implemented changes to improve overall safety of the cooperative for employees
- Deployed mobile technology with area linemen to provide up to date mapping and business critical information
- Provided enhanced outage information through the Menard Facebook page
- Began process of replacing cooperative phone system to improve operational functionality and reliability
- Upgraded 23 miles of conductor to maintain infrastructure and improve overall system reliability
- Replaced three aging fleet vehicles to improve line crew safety and productivity
- Worked with three irrigation controls vendors to develop program and began initial testing to perform load control through vendor control systems and provide members more flexibility during load control events
- Began research and design process to implement an Outage Management System that will provide members ongoing outage information
- Warned members of scams being attempted by third parties on members related to fraudulent billing or member disconnect threats in order to obtain credit card information
- Assisted Corn Belt Energy Cooperative and Coles-Moultrie Electric Cooperative with mutual aid to assist in electric restoration due to severe winter weather
- Menard mechanic, Michael Justice, rescued a driver from an overturned delivery truck that flipped over due to hazardous road conditions
- Sponsored two high school juniors to Youth Day at the Illinois State Capitol and one to Washington D.C.; a member's child was also awarded a \$2,000 IEC Memorial Scholarship
- Promoted Dalton Whitley to Operations Manager
- Hired Eric Raikes as Storekeeper and Matt Wassell as Lineman
- Continued to provide membership information on energy efficiency and safety through the cooperative magazine
- Completed a member survey to better understand needs and concerns in order to better serve our membership



## Donation

General Manager Eric Hobbie, Directors Dennis Ryan and Jay Frye, and Member Services Director Trish Michels were on hand to present a check for \$7,000 to PORTA High School Coach Nick Rathgeb for a new electronic scoreboard. The donation was made possible through CoBank's Sharing Success program, which offers to match a donation made by Menard Electric Cooperative each year to an organization chosen by the co-op's Board of Directors.

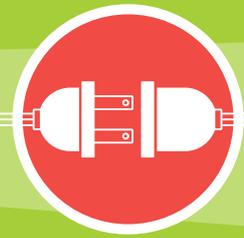


## #WhoPowersYou

We've featured the #WhoPowersYou contest sponsored by Touchstone Energy on our website and Facebook page. Visit [www.whopowersyou.com](http://www.whopowersyou.com) from 11/28/2016—12/18/2016 to see the entries and vote for your favorite! It's an opportunity to honor inspirational people in our community with prizes up to \$5,000.

## HOLIDAY LIGHTING SAFETY TIPS

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Consider purchasing LED holiday lights; they are cool to the touch and more energy efficient than incandescent bulbs.
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Test holiday lights by connecting each strand before hanging them.
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Make sure there are no broken bulbs or damaged or frayed cords. Discard any defective strands.
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Use holiday lights that include the Underwriter's Laboratories (UL) label.
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Avoid resting bulbs on tree needles and branches. Try using a clip to keep the bulbs upright.
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Do not overload electrical outlets or extension cords.
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Turn off all indoor and outdoor holiday lighting before leaving the house or going to bed.

AMERICA'S ELECTRIC COOPERATIVES

## Are you on the Naughty or Nice list?

**Naughty** Damaged light strands and extension cords by attaching them with nails and staples

**Nice** Safely plugged all outdoor decorations into a GFCI outlet or extension cord

**Naughty** Increased the risk of fire by letting the tree run out of water

**Nice** All decorations safely placed three feet from heating equipment and fireplaces

**Naughty** Damaged extension cords by running them under rugs and chair legs

**Nice** Included a GFCI extension cord with the power tool gift for dad

**Naughty** Did not install a timer on the large outdoor light display and left it on overnight

**Nice** Turned the thermostat down when away visiting relatives for a few days

**Naughty** Opened the oven door five times to relish the smell of the baking sweet potatoes, and made the oven temperature lower 25 degrees each time

**Nice** Saved energy by not preheating the oven because the turkey baked longer than an hour, resisting the urge to peek inside, and turning off the oven 5-10 minutes before the timer ended

**Naughty** Made a quick, and unsafe, run to the store while dinner baked in the oven

**Nice** Stayed nearby while cooking and kept a fire extinguisher in the kitchen and away from the stove

**Naughty** Didn't change the air filter, making the furnace work harder

**Nice** Saved energy by using smart surge protection strips to automatically shut off power to devices when not in use

## HOLIDAY OFFICE CLOSINGS

**HAPPY HOLIDAYS**

We are closed December 23 & 26 for Christmas and January 2 for New Years.

# Board Meeting Report

For full minutes please visit our website at [www.menard.com](http://www.menard.com) or contact our office.

Present were Directors Jay Frye, Warren Goetsch, Gary Martin, Donald McMillan, Michael Patrick, Dennis Ryan, Roy Seaney and Jodine Tate; Steven Worner absent. Also Manager Eric Hobbie and Attorney Charles Smith.

CFC Representative Aaron Stallings reviewed the KRTA report.

Hobbie discussed changes to allocation methodology of capital credits. Board asked that Hobbie and staff put together suggestions of methods of calculating and retiring capital credits; matter will then be referred to the Finance Committee.

New policies of Group Hospitalization for Deceased Family Members

and Leave for Birth or Adoption of Children approved.

Hobbie reviewed the balance sheet, budget, outage summary and safety report.

He discussed Arch Coal Bankruptcy and advised it appeared the co-op would be paid in full in context of the bankruptcy proceedings. Discussion about late payment penalties as provided for in the existing contract; Hobbie will investigate.

Hobbie discussed possible changes to handling bad debts in relation to capital credits; board to review suggestions and refer matter to the Finance Committee.

Hobbie presented the financial report

for the month of August. Year to date margins were \$2,172,063 compared to \$1,643,257 a year earlier. Equity as of the end of August was 38.57% and the number of member accounts served was 10,857 compared to 10,812 a year ago. Net utility plant at the end of August was \$45,125,329 compared to \$43,633,389 last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

Goetsch reported on AIEC activities; he and McMillan discussed the Region V meeting.

Martin reported on Prairie Power, Inc. and Prairie State.

Hobbie presented capital credit estate refunds report.

## Tip of the Month

### Winter Storms

Prepare for winter storms by creating a storm safety supply kit and installing a transfer safety switch if you use a generator. During a storm never use a gas or charcoal grill indoors for heat or cooking. When venturing out assume all downed electrical wires are electrically charged and beware of lines covered by snow.

## \$2,000 Scholarships



- **9 College Scholarships** available through the **Thomas H. Moore Illinois Electric Cooperatives Memorial Scholarship Program.**

Scholarships are available for children of electric cooperative members or employees attending four-year colleges and universities or two-year community colleges.



- **1 Line School Scholarship** available through the **LaVern and Nola McEntire Lineworker's Scholarship for Lincoln Land Community College.**

Available for children of co-op members, co-op employees or directors; those presently enrolled in the lineworker school; and those who have served/are serving in the U.S. Armed Forces or National Guard.

[www.menard.com](http://www.menard.com) for information and applications.  
 No internet? Call Michelle at the office at 800-872-1203.