

CLOSEDCIRCUIT

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2015 Service Awards

THREE EMPLOYEES AND TWO DIRECTORS OF CLARKE Electric Cooperative were honored for their years of service to the cooperative during CEC's annual Service Awards banquet in December.

Pictured in top row, from left to right: Journeyman Lineman Roger Phillips was recognized for 30 years of service; Customer Service Engineer Nick Gannon, 10 years; and Manager of Engineering Brad Wilson, two years.

In bottom row, left to right: Board directors Kyle Kelso (third term) and Randy Rouse (first term) also received service awards.

CEC Board Approves 2016 Business Plan

CLARKE ELECTRIC'S 2016 BUSINESS PLAN WAS presented and approved at the December board meeting. Each fall, staff reviews and studies the current year's plan, then makes changes to reflect and forecast next year's business projections. The document serves as a guideline for operations of the cooperative for the new year.

CEC's major focus in 2016 is to complete the reclamation of right-of-way cycle. The work plan includes trimming 160 miles of trees and underbrush around the Lacona and Osceola substations. It also includes spraying 400 miles of right-of-way around the White Oak and Medora substations, with small amounts being sprayed around the Lacona and Osceola substations. Following the completion of this very important maintenance item, the cooperative will begin a shorter right-of-way cycle to align with Clarke Electric's reliability plan that is reported annually to the Iowa Utilities Board.

The annual budget reflects the cooperative's long-standing commitment to provide our member-owners with a safe and reliable electric service, while maintaining the financial integrity of the organization. 36-04-03-03

The Board of Directors provides leadership and direction through the analysis and approval of the cooperative's annual budget. As member-owners, your support and loyal patronage is essential to the success of this cooperative as we continue our efforts to provide you with safe, reliable and affordable electricity.



Energy Efficiency Tip of the Month: Save energy and money by lowering your water heater thermostat to 120 degrees Fahrenheit. This will also slow mineral buildup and corrosion in your water heater and pipes.

Reading pays! We have hidden two of our members' account numbers in this issue. If you find your member location number, call during January to have \$10 deducted from your monthly energy account.



CLARKE
ELECTRIC COOPERATIVE, INC.

PO Box 161, 1103 N Main, Osceola, IA 50213-0161

Your Touchstone Energy® Cooperative



Energy Smart: What is the Clean Power Plan?

IF YOU'VE BEEN FOLLOWING NEWS OF THE ELECTRIC

industry lately, you've probably heard something about the Clean Power Plan. As part of our cooperative principle to inform and educate our member-owners, here's the latest on the Clean Power Plan and what it means for Iowa:

In August 2015, President Obama and the Environmental Protection Agency (EPA) announced the final rules of the Clean Power Plan, which aim to reduce the nation's carbon emissions from fossil-fueled power plants 32 percent below 2005 levels by 2030. (The EPA is using its authority under section 111 of the Clean Air Act to issue regulations, which the Supreme Court ruled in 2011 provides the legal authority to control carbon emissions from America's fleet of fossil-fueled power plants.)

Each state must submit an initial state implementation plan (SIP) to the EPA by September 2016; states can receive extensions to complete their plan submissions by September 2018. The plans must include enforceable emission limits that plants must comply with starting in 2022 and ramping up to full strength by 2030.

The EPA set carbon emission limits for each state's power plants based on three reduction approaches, or "building blocks," and states can pick from a number of policy approaches to reduce carbon emissions in compliance with the Clean Power Plan. The three building blocks are:

1. Improved efficiency at power plants
2. Shifting generation from higher emitting steam electric generating units (GEUs) to lower-emitting natural gas power plants
3. Shifting generation to renewables 03-25-03-00

What does it mean for Iowa?

For Iowa, the final 2030 rate-based emissions limit for power plants in the state is 1,283 pounds of carbon dioxide per megawatt-hour, which is a 42 percent reduction from Iowa's 2012 emission rate of 2,195 pounds of carbon dioxide per megawatt-hour.

There are twenty-one 111(d) facilities owned by municipalities, investor-owned utilities and electric cooperatives in Iowa.

Several of Iowa's oldest and highest emitting coal plants have already been retired or are slated to be retired or converted to natural gas by 2025. The state currently generates 30% of its electricity from renewable sources and wind capacity is expected to increase by more than 3,200 megawatts by 2022. Central Iowa Power Cooperative, our generation and transmission provider, is Iowa's largest and a state-of-the-art energy provider, with



EPA CLEAN POWER PLAN TIMELINE

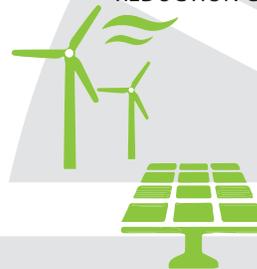


AUGUST 3, 2015

WHITE HOUSE UNVEILS CLEAN POWER PLAN

SEPTEMBER 6, 2016

STATES MUST SUBMIT THEIR INTERIM PLANS TO MEET CARBON DIOXIDE REDUCTION GOALS



SEPTEMBER 6, 2018

STATES THAT HAVE BEEN GRANTED TWO-YEAR EXTENSIONS MUST SUBMIT THEIR REDUCTION PLANS

JANUARY 1, 2022

STATES MUST BEGIN COMPLYING WITH CARBON DIOXIDE REDUCTION GOALS



JANUARY 1, 2030

STATES MUST MEET THEIR INDIVIDUAL REDUCTION GOALS, ADDING UP TO A 32 PERCENT NATIONWIDE REDUCTION IN CARBON DIOXIDE EMISSIONS FROM 2005 LEVELS.

32%

a balanced generation portfolio comprised of a diverse fuel mix of coal, nuclear, hydro, wind, natural gas, landfill gas, and oil resources. The majority of the power that CIPCO generates is more than 54 percent carbon and emissions-free.

Iowa utilities are currently working with stakeholders to formulate a state implementation plan (SIP) to meet EPA's Clean Power Plan regulations, which will be implemented and enforced by the Iowa Department of Natural Resources (DNR).

Iowa's electric cooperatives are committed to environmentally responsible electricity, and must also balance grid reliability and affordability for our member-owners. We are at the beginning of a multi-year process of complex regulations and we'll keep you informed along the way as events unfold. If you have questions or concerns about the Clean Power Plan, please contact Clarke Electric at (800) 362-2154.



Community Minded: Clarke Electric Seeks Next Generation of Leaders

WHAT DO 1,500 HIGH SCHOOL STUDENTS, OUR nation's capital and electric cooperatives have in common? The Electric Cooperative Youth Tour, of course!

Clarke Electric is looking for students to apply for this year's Youth Tour. Applications may be downloaded at www.cecnet.net/content/2016-youth-tour and are due no later than **Friday, March 4, 2016**. Students can call Jason Gibbs at (641) 342-2173 or (800) 362-2154 with questions.

Youth Tour was established with one thought in mind – to inspire our next generation of leaders. Since 1964, more than 50,000 young Americans have taken advantage of this special opportunity offered by their electric cooperative.

It all takes place in June, when hundreds of electric co-ops across the country send participants to Washington, D.C. for a chance to learn about the cooperative business model and a full week of sightseeing.

While in D.C., students have a chance to meet with their elected officials and discuss the issues that are important back home. Without a doubt, Youth Tour has grown into an invaluable



CEC Member Services Manager Jason Gibbs, left, and Blake Kozak, CEC Youth Tour Representative, enjoy the sights of Washington, D.C. in 2015.

program that gives young Americans an experience that will stay with them for the rest of their lives.

In March, Clarke Electric will conduct applicant interviews to select a local student to attend Youth Tour 2016. If you are a high school junior interested in traveling to Washington, D.C. to experience the trip of a lifetime, please contact Jason Gibbs for more information. Youth Tour is so much more than a sightseeing trip. Students have repeatedly shared that this experience has helped them grow into successful professionals. It has also benefited our local communities. Youth Tour participants return home with a deeper understanding and skillset of what it takes to be a leader, and as a result, they put these skills to use right here in our community.



Why Electric Co-ops Replace Utility Poles

YOU PROBABLY DON'T PAY MUCH attention to the utility poles found throughout Clarke Electric's service territory, but did you know these tall structures are the backbone of our distribution network?

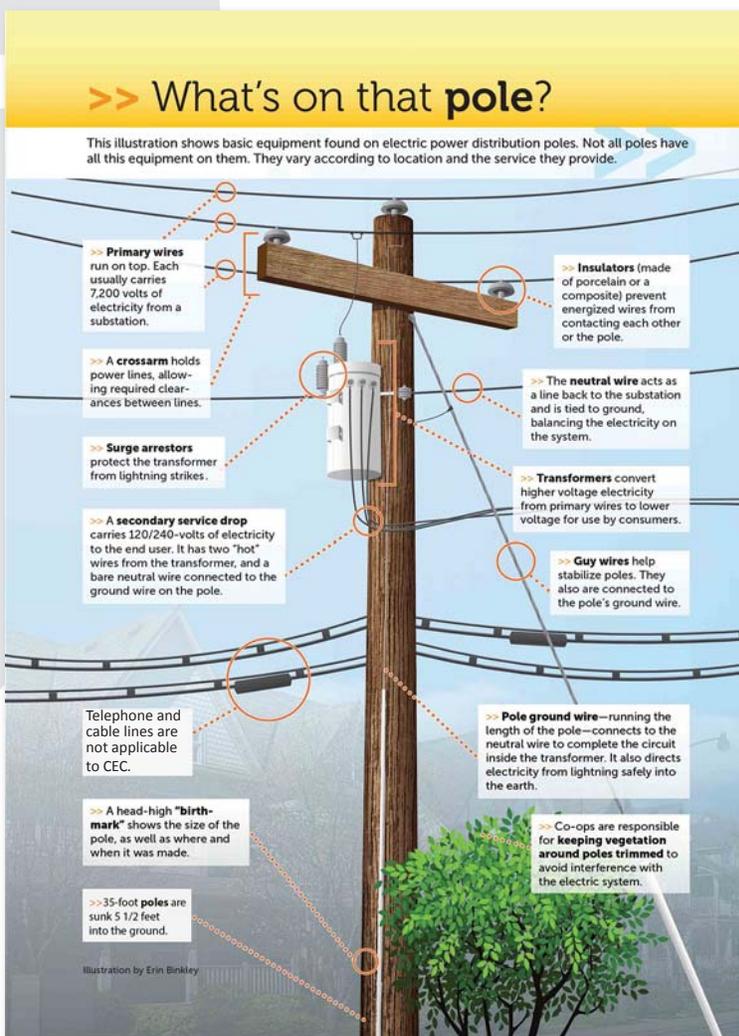


Don Lange

Strong, sturdy utility poles ensure a reliable electric system, which is why we routinely inspect the thousands of poles supporting our lines. Throughout the year, our crews check them for decay caused by exposure to the elements. We also hire a contractor to inspect a percentage of our poles annually.

Occasionally, poles need to be replaced for other reasons besides decay and old age. Weather disasters, power line relocation and car accidents are potential causes for immediate replacement. When possible, Clarke Electric will communicate when and where pole replacements will take place so you are informed of where crews will be working.

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CEC Cares For Your Safety: Space Heaters

ESFI Heat Your Home Safely

32% of home heating fires are caused by space heaters.

MORE HOME FIRES OCCUR during the cold winter months than at any other time of year.

Make Sure to Follow These Important Tips Before You Plug In

- PLACE** space heaters on a flat, level surface, away from high-traffic areas.
- PLUG** a space heater directly into an outlet and avoid using an extension cord.
- NEVER LEAVE** space heaters unattended.
- ONLY USE** space heaters with the certification label of a nationally recognized testing lab.
- DON'T USE** a space heater if the plug is broken or the cord is frayed, worn or damaged.

Four Home Heating Tips to Live By

- 1 KEEP ANYTHING THAT CAN BURN** at least three feet away from a heating source. **3ft**
- 2 HAVE YOUR HEATING SYSTEM** inspected annually.
- 3 KEEP VENTS CLEAR** of dust and debris.
- 4 INSTALL CARBON MONOXIDE (CO)** alarms to avoid the risk of CO poisoning.

www.esfi.org | facebook.com/ESFI.org | twitter.com/ESFIdotorg

Utility Poles...from pg. 3

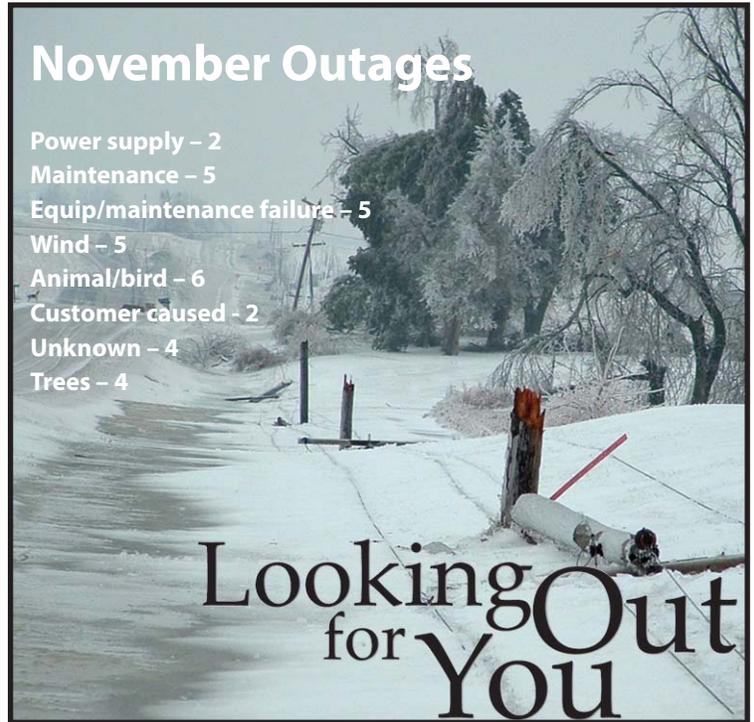
Here is a quick breakdown of how crews replace a utility pole:

- When a pole needs to be replaced, crews will start the process by digging a hole, typically next to the pole being replaced.
- Next, the new pole must be fitted with bolts, cross arms, insulators, ground wires and arm braces – all of the necessary parts for delivering safe and reliable electricity.
- Then, crews safely detach the power lines from the old pole.
- The new pole is then raised and guided carefully into position, and the lines are attached, leaving the new pole to do its job.

So, the next time you come across a Clarke Electric crew replacing a pole, use caution and know that this process ensures a more reliable electric system for you, our members.

November Outages

- Power supply – 2
- Maintenance – 5
- Equip/maintenance failure – 5
- Wind – 5
- Animal/bird – 6
- Customer caused – 2
- Unknown – 4
- Trees – 4



2016 Rebates

Remember to check out our website for the most current list of rebates if you are planning to make new purchases in the appliance, lighting or heating and cooling departments.



CLARKE ELECTRIC COOPERATIVE, INC.

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Your Touchstone Energy® Cooperative

Jerry Thompson, Interim General Manager

Office Hours: Mon - Fri 7:30 am - 4 pm

Outside Depository Available 24 Hours

641.342.2173 | 800.362.2154

This institution is an Equal Opportunity Provider

www.cecnet.net

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