



CLARKE REC Headlines

The official publication of Clarke Electric Cooperative

SAFETY DRIVEN | ENERGY SMART | COMMUNITY INVESTED

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Board Approves Rate Increase

NO ONE LIKES A RATE INCREASE; NOT MEMBERS, employees or the board of directors. Unfortunately, the costs to operate, maintain and upgrade our cooperative continue to increase.

It is your cooperative's responsibility to provide you with safe, affordable and reliable electricity; three expectations and goals of providing electricity that sometimes seem to be contrary. However, over the long haul, the three goals are actually in alignment. Keeping our system safe makes it more reliable. When our system is reliable, our long-term costs decrease and make the energy we provide you affordable. All three goals are connected and complimentary.

We have been successful at keeping our cost increases manageable and keeping this rate increase modest. The only part of your rate that is going up is the monthly service rate. Raising only the monthly service fee at this time is the most equitable way to raise our rates. 26-14-07-00

Our Cooperative has performed two Cost-of-Service studies in 2015 and 2016 to compare data to be sure a rate adjustment is necessary. Both studies suggested rate increases. The estimated increase over a full year including all our members should total \$456,372, which is an average increase of 3.93 percent. The monthly service change is going up for all rate classes (see the box at right for detailed fees).

The study also concluded that our leased light program was not recovering the costs associated with the program. That monthly fee

continued on pg. 3

Energy Efficiency Tip of the Month

Fall/Winter Energy Tip: When you are asleep or out of the house, turn your thermostat back 10° -15° for eight hours and save around 10 percent a year on your heating and cooling bills.

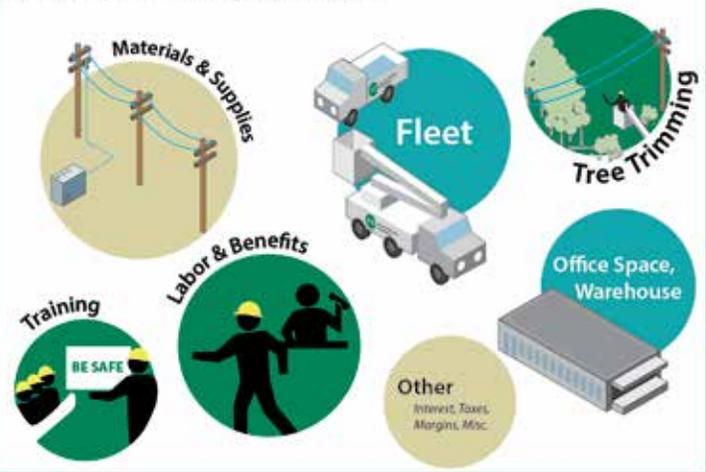
Source: U.S. Dept. of Energy



SERVICE	SERVICE CHARGE	
	Old Fee	New Fee
Single-phase, non-commercial		
Monthly service charge ≤250 kWh	\$35.00	\$42.00
Monthly service charge >250 kWh	\$26.00	\$32.00
Single-phase, non-commercial (Urban*)		
Monthly service charge ≤250 kWh	\$22.25	\$29.25
Monthly service charge >250 kWh	\$16.50	\$22.50
<small>*inside city limits of incorporated city</small>		
Commercial, 0-75 kVa		
Monthly service charge	\$60.00	\$85.00
Large Commercial, over 75-1,000 kVa		
Monthly service charge	\$80.00	\$105.00
Large power, over 1,000 kVa		
Monthly service charge	\$425.00	\$575.00

What Does My Service Charge Cover?

Ever wondered what your monthly service charge supports? It takes a solid infrastructure and great people to keep safe, reliable, and affordable power flowing to your home.



Reading pays! We have hidden four of our members' account numbers in this issue. If you find your member location number, call during October 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

Powering Lives & Communities

THE YEAR 2016 BEGAN AND ENDED SIMILARLY TO THE previous 77 years in Clarke Electric Cooperative's history: with our focus on "Powering Our Members' Lives and Communities."

When Clarke Electric was formed in 1939, community members empowered themselves to build the first lines that would carry electricity to their farm. Those lines were the beginning of our current distribution system that is now 1,800 miles of line with 35,000 poles in portions of eight counties.

Our country would not be the world power it is today if our rural areas hadn't banded together to form the REC network bringing electricity to the farm. President Franklin Delano Roosevelt pushed for the Rural Electrification Act when it became evident that the for-profit utilities were only going to provide electricity to the areas that were going to make them profits. RECs were created to serve all the areas that were not "profitable" for the city-based utilities. It is important to note that Iowa municipal utilities average 54 meters per mile; Iowa investor-owned utilities have 27 meters per mile; and Clarke Electric has only 2.9 meters per mile of line. This is a fundamental difference and it takes many more poles, wires and transformers for us to serve one meter.

Today, our communities continue to support Clarke Electric in our objective to keep the poles and wires safe and reliable. Clarke Electric, in turn, supports our communities with outreach programs that include safety training, youth and community programs, supplying equipment and manpower for community projects and providing access to financial loans for local businesses.

Clarke Electric has to charge enough for power to stay financially healthy, so we are looking at a small rate increase this fall. However, the prices we charge for power are still extremely affordable in comparison to other services over the last 77 years: Gasoline has gone from 10 cents a gallon to over \$2 a gallon. Stamps have gone from 2 cents to over 40 cents. Milk was only 44 cents a gallon back in the 1930s. This proposed rate increase will keep Clarke Electric



DAVID OPIE
GENERAL MANAGER

Cooperative financially sound and compliant with our lending institutions and is still a bargain considering today's technology and its power needs.

Even though our Cooperative is based on 77-year-old Cooperative principles, Clarke Electric continually strives to improve, to stay current and to utilize technology when it makes sense. In 2016, with our Board's help, we created a three-year strategic initiative plan to take deliberate action to improve our Cooperative.

These 2016 initiatives include, among many things, an ongoing Right-Of-Way clearing plan, technology deployment, equipment upgrades, employee and community training and safety programs. In 2017, we continue to work hard at "Powering Our Members' Lives and Communities." 25-07-02-00

Directors elected to the board were:

- **District 1: Bill Willis (incumbent)**
- **District 3: Cody Miller (newly elected)**
- **District 7: Larry Jackson (incumbent)**

Following the meeting, the Directors met to elect officers. The officers are as follows:

- **President: Kyle Kelso**
- **Vice-President: Randy Rouse**
- **Secretary: Larry Keller**
- **Treasurer: Lydda Youmans**
- **Assistant Secretary/Treasurer: Randy Barnard**



Community Invested: Supporting Our Volunteer Fire Department



THIS SUMMER, THE GARDEN GROVE VOLUNTEER FIRE Department applied for, and received, a grant from Iowa Select Farms so they could purchase a new brush truck. CEC was proud to contribute \$1,000 toward their required match to qualify for the grant. Pictured are, from left: Garden Grove VFD members Stan Lavelly and James Arnold; Kyle Kelso, CEC Board President; Jason Gibbs, CEC Manager of Member Services; and Board Vice President Randy Rouse.

August Outages

- Equipment/maintenance failure - 8
- Construction - 4
- Maintenance - 1
- Lightning - 4
- Customer Caused - 2
- Animal/Birds - 5
- Fire - 1
- Unknown - 5

Looking Out
for You

Thank You for Attending Our 77th Annual Meeting!



The Cooperative Difference: October is National Co-op Month!

EVERY YEAR DURING THE MONTH OF OCTOBER, CLARKE Electric Cooperative gets to join roughly 30,000 cooperatives nationwide to celebrate National Co-op Month. This year's theme, "Co-ops Commit," recognizes the many ways cooperatives like ours are committed to strengthening the communities they serve while meeting the needs of their members.

"We are invested in, and committed to, our communities because we are locally owned and operated," said General Manager David Opie. "Revenue generated by our cooperative goes back to Main Street, not Wall Street."

In addition to providing the vital power co-op members depend on, Clarke Electric engages with communities in its service territory by sponsoring a student for the annual Youth Tour trip, supporting economic development initiatives in our area, and conducting safety demonstrations for schools and community organizations.

Follow #coopmonth on Facebook and Twitter to see how co-ops across the country are celebrating National Co-op Month.

Rate Increase...from pg. 1

will increase by \$2.50 per month. 53-22-02-01

We realize that all increases, whether large or small, impact you, our member. We don't take this process lightly. We do feel this rate increase is needed to help us stay compliant with our lending institution without creating a large margin.

When you think about the rate increase, please consider the value of electricity and the respective cost of your power bill compared to other expenses you may have. Our average residential member pays about \$5 a day for electricity in one year.

Also, when you consider our rate increase, please consider the other expenses you have seen rise dramatically over the last decade or two.

We at the Cooperative feel our rates are still a great value and we are hoping our members feel the same way. With our board's help, our employees work diligently to keep our costs low and our rates down. We will continue to work hard to keep our power safe, reliable and affordable.

ANSWERING THE CALL OF DUTY:

Clarke Electric Linemen Head South in Wake of Hurricane Irma



CLARKE ELECTRIC LINEMEN ERIC PAGE, KYLE HALLS, Adam McCuddin, Cory Dommer and Engineer Brad Wilson joined 46 linemen from 15 other electric cooperatives in Iowa travelling to Georgia to help restore power following Hurricane Irma.

The destination was Okefenokee Rural Electric Member Cooperative's service territory in Georgia and Florida. The Clarke crew left Sept. 11 in three co-op trucks and returned Sept. 18.

"Cooperation among cooperatives' is one of the seven core principles that guide all electric cooperatives across the country, and it includes providing mutual aid to other electric cooperatives in need," says Clarke Electric General Manager David Opie. "We used this mutual aid in 2007 with our devastating ice storm and now it's our turn to help our fellow cooperatives however we can."

During their time in Florida, they encountered many unusual problems. "Walking in waist high water to reach a pole was a bit interesting," says Cory Dommer. "You were always on the lookout for snakes and alligators. Luckily, we never saw them near us."

56-25-01-00

Upon arriving, approximately 29,000 Okefenokee members were without power; but by the time they departed, only 500 outages remained. According to the National Rural Electric Cooperative Association, nearly 2,000 electric co-op crews from 25 states converged to affected areas in the southeast to restore power to more than one million co-op members.



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Your Touchstone Energy® Cooperative 

This institution is an equal opportunity provider and employer.

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