

News Flashes

Celebrating

75 Years
1936 - 2011



Harrison County
Rural Electric Cooperative

Your Touchstone Energy® Partner 

OCTOBER 2011



Rate Adjustment Perspective

The electric rate adjustment recently approved by your board of directors provides an opportunity to put this into context for the mem-

bers of Harrison County REC.

Adjusting the rates billed for electric service is never an easy decision. As we shared in the recent communiqué mailed to you, our costs for providing power and reliable service to you have increased. As it is with your household budget, we need to make ends meet. The management staff here at the office provides your board a very detailed financial report each month. Trends, comparisons, and forecasts are made routinely to show the board our financial progress and what challenges may be yet to come.

Your board trusts the staff and the staff is diligent in getting the assistance it needs to make sound financial decisions. That is why it was recommended to the board by management staff to utilize the services of C.H. Guernsey & Co. to assess our revenue requirements and review our electric rates.

We here at the REC know times are very tough. Our wholesale power costs amount to 60% of our total cost of operations. This is power we deliver to you across lines that we must build and maintain on a 24-hour basis. You all realize the efforts we put forth to keep lights on or restore power as quickly as possible during and after storms. There is a cost to maintain the high degree of service you expect and we seek to provide.

It is the goal of the board of directors and management to provide the quality of service that you expect and deserve. When we see the numbers and realize that revenues are not quite keeping up with the expenses we incur, we must take action.

Currently, we are operating with two fewer employees than we had a year ago. We are reviewing other areas to trim our expenses.

A cooperative is a member-owned and

member-served. Your directors are all cooperative members who pay the same rates you do. Each director was elected by you, the member, to serve and set policy for the cooperative. These directors do keep the membership at the forefront of all decisions.

The rates billed by the cooperative were last adjusted three years ago in 2008. Since that time, wholesale rates have risen substantially. Further, the cost for gasoline and diesel fuel has risen as well as the costs for other goods and services required by the cooperative. The cost of fuel to operate our truck fleet increased by 33% in the last 12 months. Other costs increased as well.

Our power supplier has the same challenges. Demand for electric power continues to climb causing the need for new generation facilities built in recent years. These facilities must be paid for once built and in operation. Our power supply costs, although increased over the past few years, remain low in comparison to other parts of the country.

In a nationwide survey conducted in 2010 of cooperative generation and transmission utilities across the nation, Basin Electric ranked third least expensive in the cost of wholesale power and NIPCO, our transmission provider, ranked sixth.

There are means of meeting this challenge. If you as a consumer are experiencing difficulty paying your bill, please consider the budget billing program we offer. Also, the cooperative is investigating other consumer friendly means of managing and paying your electric bill. Please watch your newsletter in the coming months for more information.

Once again, please let us know what we can do to improve your service. Your comments are welcome.

Thank you for your membership.

Joe Farley, Manager/EVP

BUDGET BILLING

Budget accounts are recalculated in June and December. If you have a question about your bill, please contact our office.

A message telling members their new budget amount will print on the bills mailed in May and November.

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Clay Substation Re-energized September 15th



NIPCO linemen reattach the bushings to the top of the Clay Substation's transformer as they ready the sub to go back into service.

Clay Substation in western Harrison County was re-energized September 15th after a three-month outage caused by the threat of Missouri River flooding.

Northwest Iowa Power Cooperative (NIPCO) line crews replaced the transformer, oil-circuit reclosers, regulators, and metering equipment in the substation, located just northwest of Modale and by 3:15 p.m. turned power

on. Crews from Harrison County REC worked with the NIPCO crews to place regulators in the substation and to remove a temporary pole.

Clay Substation provides power to members of the Harrison County REC system near Modale and west to the Missouri River. Cooperative members in that area use power for their homes, farmsteads, and irrigation systems.

In early June, these crews stripped the substation and a nearby NIPCO telecommunications tower of equipment when the U.S. Army Corps of Engineers predicted the area could be inundated by several feet of river water during the anticipated summer-long flood. Equipment was removed to protect it from water and structural damage, and also for the protection and safety of cooperative workers and the general public.

Despite warnings that flood water could reach up to eight feet in that area, the only water near the substation and communications tower was in ditches and low-lying areas. Both sites remained dry. On July 13, NIPCO crews moved the cooperative's 1.5-MVA mobile substation into the Clay sub to provide power to some of the area consumers who – despite a flood – needed electricity to run their irrigation systems in dry fields. The mobile substation was in place until September 14, when removed to make way for reinstallation of equipment.

The transformer installed at Clay came directly from refurbishing. New bushings – devices which insulate and connect – also were installed. The substation brings electricity in from NIPCO's transmission system at 69,000 volts and steps the power down to 7,200 volts for distribution through Harrison County REC's system.

Equipment was reinstalled at the nearby telecommunications tower in late August.



A crane suspends the transformer as NIPCO linemen guide the unit into place on a concrete pad at Clay Substation.

**STOP
VAMPIRE
ELECTRONICS
DEAD!**



Even at night, electricity-sucking devices can be draining your home of energy and money. Unplug microwaves, coffee makers, phones, computers, MP3 players and other chargers, or plug them into power strips that you can switch off when not in use. Vampire electronics can add up to 8 percent to your annual electric bill.

Call our office to learn more ways to take charge of your energy costs.

REC **HARRISON COUNTY**
Rural Electric Cooperative
A Touchstone Energy Cooperative

712-647-2727

October is National Cooperative Month -

National Co-op Month is all about raising awareness of cooperatives.

Harrison County Rural Electric Cooperative has 3,802 services in place as rural homes, farms, or industries in its five-county service territory. We will continue to “Look Out for You”, our member/owners, and to earn your trust throughout the year. You are a part of a Touchstone Energy Cooperative. We are dedicated to making certain customers understand the value cooperatives bring to their communities. More than 725 Touchstone Energy Cooperatives in 46 states are delivering energy and services to more than 27 million customers every day under our four core values of: Integrity, Accountability, Innovation, & Commitment to Community. Harrison County Rural Electric Cooperative is very proud to be a part of this group.

Below are just a few facts about cooperatives around the United States.

- Cooperatives are member/owned and operated by elected board members. You, as members, play a part in the operating of the business by voting for your board members at the annual meeting each year.
- Members of cooperatives enjoy the benefits of co-op success.

- Cooperative members benefit from better service, high quality products, cost savings on their products and services, and from their direct control of the co-op business as a member.
- Harrison County Rural Electric Cooperative covers 1,106 miles of line with three customers per mile of line.
- Our mission is to meet our members’ expectations of affordable, reliable electric and related services.
- Harrison County Rural Electric Cooperative continues to work hard to serve you, our consumer/owners, and to earn your trust, not just in October, but throughout the entire year.



REC WILL PAY PATRONAGE ON ESTATES

Patronage will be paid to estates on a discounted basis in December 2011. If you are interested in taking a discounted settlement on the patronage of a deceased member, please complete the form below and return it to our office by **Friday, October 28th**. A form will then be sent for your signature to confirm the amount of patronage.

Request for Patronage to Estates

_____ Name of deceased	_____ Deceased's spouse	
_____ Address (when Co-op member)	_____ Name of executor or contact	
_____ City, State, Zip	_____ Contact's Street Address	
_____ Date of Death	_____ Memb #	_____ Contact's City, State, Zip

Complete & return this form by October 28th to:

Shanell Dickman
Harrison County Rural Electric Cooperative
P.O. Box 2
Woodbine IA 51579-0002

Don't let Electrical Hazards Haunt Halloween

Halloween is the most festive frightening night of the year. Stay safe with the following safety reminders:

⚡ When decorating, be sure to check for cracked sockets, frayed or bare wires, & loose connections.

⚡ Do not use nails or tacks that could cause punctures to insulating cords when decorating with outdoor lights.

⚡ Do not coil remainder extension cords under rugs or drapes. Protect decorative lights from weather if possible and keep them a safe distance from flammable dry leaves and shrubs.

⚡ Plug outdoor decorations into ground fault circuit interrupter (GFCI) outlets. If your outlets aren't equipped with this protection, have an electrician install them or buy a GFCI adapter plug. **DO NOT** overload outlets with too many extension cords and strands of lights.

⚡ Avoid trick-or-treaters trips and stumbles by keeping power cords off walkways and porches.

⚡ Light entries well for trick-or-treaters, but save energy by turning off all decorative and entry lights before leaving home or going to bed.

Visit www.SafeElectricity.org for even more safety tips.

Have a safe & wonderful Halloween!



Energy Efficiency

Tip of the Month

When buying a new appliance, check the black and yellow Energy Guide label. This label provides an estimate of the product's energy consumption and efficiency. It also shows the highest and lowest energy efficiency estimates of similar models. Most major appliances—such as refrigerators, dishwashers, and clothes dryers—are required to have these labels.

Sources: U.S. Department of Energy

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Do You Have A Critical Medical Need?

Most medical equipment requires electricity to operate. We do maintain a critical-need list. The following equipment would be considered critical health equipment: Ventilator/Respirator, Oxygen Concentrator, IV Pump, Infant Apnea Monitor, Dialysis Equipment, C-Pap Machine for minor child, Bipap (NOTE: Nebulizers and refrigerated medication typically do not qualify.)

If we know you have someone with a critical need in your home, we will try to assure that your service is restored when the lines are repaired. We will also notify you of any planned extended outages for line work, so that you can be prepared to deal with the loss of power. But, if you have someone that cannot function without electricity for more than a short time, you should have an emergency plan. If a loss of service would create a life-threatening situation, we STRONGLY URGE you to develop an alternate care plan

now, before an outage might occur. You may want to even contact an electrician TODAY to properly install a backup generator.

When we start the recovery process during a power outage, we start at the substation and make repairs first on the main feeders and three-phase lines from that substation. Once those feeders are energized, we start to work on two-phase lines, then single-phase lines, and then individual services. This is the most effective way to restore power to get as many members back in power as possible in the shortest amount of time.

Special note: Please contact our office right away if you should be on our list, but are not or if you don't know. Also, if you are currently on the cooperative critical needs list and no longer need to be, please notify us of this change.



RECare Program Information

By Lori Barry, Director of Finance/Administration

For the 2011 period, Harrison County Rural Electric Cooperative members contributed \$1,053.00, a decrease of \$136.00 from last year, but still a wonderful helping hand to needy households! There was an average of 17 contributors to the fund compared to an average of 20 last year. The program will provide heat assistance to ten families averaging \$105.30 per household. Thanks for helping and making a difference! If interested in making a one-time contribution, or a monthly amount, please call the office for details or complete the following coupon and return it to our office.

Members helping Members

Rural Electric Cooperatives have always extended a helping hand to those needing it. Now, in response to actions by the Iowa General Assembly, the REC has established RECare, a program of members helping members. RECare will provide funds to be distributed by local community action agencies to help pay winter heating bills and to assist in weatherization of homes of low-income consumers.

You may make a one-time contribution or you may make a monthly pledge that will be automatically added to your monthly electric bill. You may also make your contribution part of a matching fund, if there is one established. Even a dollar a month pledge will help others.

Consumer Authorization Form

Yes! I want to be a part of members helping members and contribute to RECare.

I will make a one-time contribution to RECare. My check is enclosed.

I will contribute \$_____ per month to RECare.

I understand this amount will be added to my monthly electric bill.

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Account Number: _____

Mail to: RECare

Harrison County Rural Electric Cooperative
P.O. Box 2
Woodbine, IA 51579-0002