



Corning | Mount Ayr | Stanton

Southwest lines

A monthly publication for members of Southwest Iowa Rural Electric Cooperative

July 2016

Nominating Committee Meets



From left to right: John A. Overholtzer, Harold Rossander, and Glen Payton. Not pictured: Larry Heuer.

THE BOARD-APPOINTED NOMINATING Committee of John A. Overholtzer, Glenn Payton, Larry Heuer, and Harold Rossander met on Monday, June 20 and nominated the following members of the Cooperative for the office of Director for the ensuing term of three (3) years each, all to be elected at the Annual Meeting to be held September 15, 2016:

Region 1 - District No. 4: Tracy Eivins; Richard (Dick) Ballantyne (i)

Region 2 – District No. 8: Josh Carlson; Dennis Meier (i)

Region 2 – At-Large: David Mullen; Mark Herzberg (i)

John. A. Overholtzer, Chairman – Nominating Committee

SBS Inspections, Inc. Testing and Treating Poles This Fall

SOUTHWEST IOWA REC HAS CONTRACTED WITH SBS INSPECTIONS, INC. FROM Olathe, Colo., to perform pole testing and treatment in 2016 on one-tenth of our system: approximately 5,000 poles or 250 miles of line. SBS Inspections Inc. will test and treat poles in the following areas:

- Adams County
- Carl and Lincoln townships
- Decatur County
- Bloomington, Burrell, Eden, Fayette, Morgan and Woodland townships
- Fremont County
- Douglas and Walnut townships

Inspectors will dig a hole at least 18 inches deep around each utility pole. After exposing the wood, the poles are carefully inspected and treated with a wood preservative, and then the hole is backfilled and the dirt tamped into place. This ground line treatment with wood preservative should extend the pole's life at least another 10 to 20 years. Poles that fail inspection are scheduled for replacement so that Southwest Iowa REC can provide you with even more reliable electric service in the future.



Attending Farm Progress Show?



Stop by the Rural Electric Cooperatives of Iowa booth to enter in prize drawings and learn about electric safety and energy efficiency!

August 30 - Sept 1
Boone, Iowa!



Your Touchstone Energy® Cooperatives

Bring this registration slip to the Rural Electric Cooperatives of Iowa lot at the Farm Progress Show to register for a chance to win a generator or freezer!

Name*: _____

Business: _____

Address*: _____

City*: _____ State*: _____

Zip*: _____

Email: _____

My electric cooperative:** _____

*Required information

**Must be a member of a Rural Electric Cooperative in Iowa to win.

The 2016 Farm Progress Show is Aug. 30-Sept. 1 at the intersection of Hwy. 30 and Hwy. 17 near Boone.

CEO's COMMENTS:

Are You a Member or a Customer?



Phil Kinser

YOU ARE A MEMBER AND THAT'S THE co-op difference! Many businesses use the word "member" to describe their customers who likely pay a fee to buy their goods and services, but that is really all they get for the "membership." No right to vote for the Board of Directors or to participate in any meaningful way in the organization.

In cooperatives like Southwest Iowa REC, membership really does mean something more than just the right to buy electricity. Membership also gives you rights as an owner of this co-op.

The board-appointed Nominating Committee (see article elsewhere in this newsletter) has met and completed its task of nominating a slate of candidates for this year's director election. Soon it will be your turn to perform one of your most basic and vitally important

duties as a member: voting for the candidate of your choice. And, why not take it one step further by joining hundreds of other members and guests September 15 at the annual meeting at the Lenox Community Center? The annual meeting is a great opportunity to socialize with other members, enjoy a great meal, entertainment, possibly win a prize and hear reports on the current and future operations of your electric cooperative.

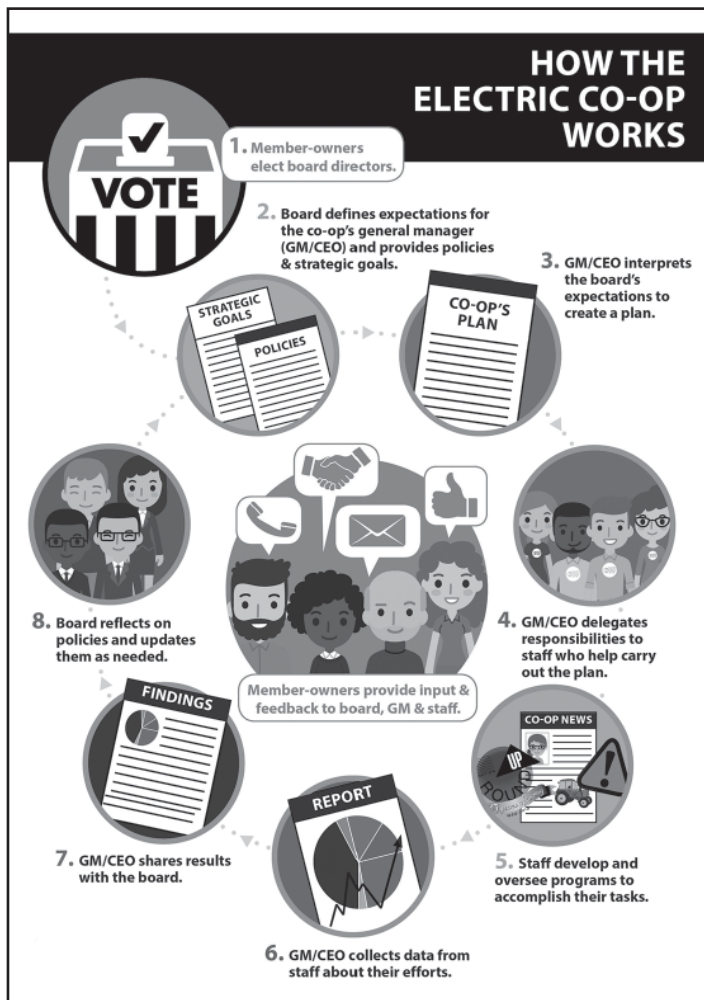
Southwest Iowa REC is connected to you. There is a business relationship that serves you (the member) and the co-op. Since we are solely owned by people in the community, we have a mutual interest to ensure that both the co-op and the member do well and prosper.

As an owner of Southwest Iowa REC, you have a right to know how it operates and how

decisions are made that directly impact you. If the co-op is transparent and combines this trait with integrity and fairness, it will build trust with the members.

The cooperative business model is the best one on earth, but like any enterprise, it is up to the human beings who work at the co-op, who serve on the board and the members like you to ensure that our cooperative principles and values do not fade over time.

First and foremost, Southwest Iowa REC strives to give you the best value of any utility. If we succeed, our community thrives and you will always value being a member – not a customer.



Alternate Energy Production Facility Notice Requirement

IF YOU'RE CONSIDERING PURCHASING AND INSTALLING SOLAR, wind or any other type of alternate energy generation, you are required to contact Southwest Iowa REC.

As of January 1, 2013, Iowa law requires that you contact your electricity utility prior to installing alternate energy generation, including: solar, wind turbine, waste management, resource recovery, refuse-derived fuel, agricultural crops or residue or wood-burning facility that will be connected to an electric transmission or distribution line – to produce electricity.

The owner of the proposed facility must provide written notification to their electric utility at least 30 days before construction or installation of the technology begins.

Southwest Iowa REC lineman could be seriously injured or even killed while working on the electric lines without knowing about the members' new technology.

Safety is our #1 priority! And, after all, it IS the law!



Energy Efficiency Tip of the Month

Is your room air conditioner working overtime? Reduce air leaks by installing rigid foam panels (instead of the commonly used accordion panels) in between the window frame and unit, and secure with duct tape.

Source: energy.gov.

2015 CIPCO Power Supply Report

THOUGH NOT WITHOUT ITS CHALLENGES, another successful year for Southwest Iowa Rural Electric Cooperative has come and gone. As your cooperative's representative on both the Southwest Iowa REC Board of Directors and Central Iowa Power Cooperative (CIPCO) Board of Directors, I take seriously my roles to ensure your energy needs are met in a safe, reliable and affordable way.

As our cooperative's power supplier, CIPCO has made significant investments in carbon and emissions-free resources of energy over the last decade. Wind, hydroelectricity, nuclear, and landfill gas now make up more than 54 percent of CIPCO's total energy portfolio.

That's good news as we look ahead to regulatory changes coming down the pipeline. The Obama administration's Clean Power Plan continues to be our main source of attention. For Iowa, it means a reduction of 42 percent in carbon dioxide emissions per megawatt-hour. As with any new regulation, CIPCO develops a plan to be compliant, then works to minimize the impact of the regulation on its members like Southwest Iowa REC. Even while the U.S. Supreme Court has placed the Clean Power Plan on hold for now, CIPCO remains focused on overcoming its challenges and doing its best to maintain long-term rate stability in the midst of this changing regulatory environment.

In fact, the rate at which Southwest Iowa REC purchases wholesale electricity from CIPCO has remained relatively flat over the past seven years while CIPCO has made important investments in its transmission infrastructure and diverse generation resources. For Southwest Iowa REC, this financial stability is a great benefit as we plan our operating budget from year to year.

Another component of our annual budget is the money Southwest Iowa REC, and each of CIPCO's member distribution systems, receives back in the form of patronage dividends. These funds represent CIPCO's

excess revenue for the year that is then forwarded on to you, our member-owners.

The CIPCO board recently authorized the allocation of \$16 million in patronage. This allocation breaks down as follows: \$5 million current dividend payable in 2016, \$3 million allocated to the 15 year roll, and \$8 million allocated to the 40 year roll. The \$0.6 million balance of 2015 margin was allocated to reserve for contingent losses. Additionally, the CIPCO board approved the retirement of patronage dividends totaling \$7.8 million dollars in 2016. This represents the retirement of \$2 million of 2000 patronage capital, \$5 million of the 2015 current dividend and additional cash retirement of \$0.8 million representing the member election for current payment of the 40 year allocation. The total payment to Southwest Iowa REC equals \$304,050.62.

In 2015, CIPCO released a new Five-Year Energy Plan to support the energy-efficiency programs and rebates for its members. The program aligns incentives with new technology and evolving efficiency standards while providing economic benefits for Southwest Iowa REC. The programs are designed to "buy back" energy from the consumer at a cost that is below the energy market price. Additionally, CIPCO launched a redesigned rebate portal for its members that offers a new set of commercial energy solution services including power quality consultation, compressed air leak audit, and thermography services.

Over the last several years, the CIPCO Board has demonstrated a strong commitment to an aggressive capital program. This dedication to maintenance and system upgrades has had a positive effect on system outages. Currently, the overwhelming majority of system outages are weather related only. In 2015, CIPCO received a \$59.8 million RUS loan for transmission projects associated with the 2016 Capital Program. The transmission activities include low and high voltage new-to-replace old projects, substation upgrades and

conversions and much more. This work is done to help revitalize an aging system and keep ahead of our members' energy needs.

Supporting economic development and expansion efforts in the communities served by CIPCO is an important aspect of our work. In 2015, seven projects which created 73.5 jobs and brought a total of \$27,956,700 in investment to Iowa were supported by CIPCO. This includes a \$250,000 loan through a new relationship with Cedar Rapids Bank & Trust (CRBT). This allows CIPCO to support those members who have projects which do not qualify for the traditional U.S.D.A. loan and grant programs.

In my role as a CIPCO director, I'm committed to guiding the organization into its next chapter while ensuring it is stronger today than ever before. I believe board actions have positioned CIPCO well to navigate the changing industry over the next several years. This becomes even more important as we look down the road to the various risk factors we're likely to encounter: economic, regulatory, political, demographic and technological to name a few. Together, CIPCO and Southwest Iowa REC remain steadfast in delivering safe, reliable and affordable electricity to you, our member-owners, and ensuring your needs are met now and in the years to come.



Dale Walkup
*Representative on
the CIPCO Board of
Directors*

REMINDER

**Southwest Iowa REC will hold
its annual meeting
Thursday, Sept. 15, 2016 at the
Lenox Community Center**

EMPLOYEE SPOTLIGHT



Name: Sam Elsberry
Family: Kimberly Meinke (fiancé), Darrel and Mary Elsberry (parents), Jeals Elsberry (sister)
Date of Hire: Oct. 6, 2014
Current Position: Apprentice Lineman

Favorite Recipe: Garlic Bread Meatball Sliders

Bravo!

"We want you to know that we are so grateful to you for your interest in our students. Your generosity has been most appreciated by all."

--Sheila Mainquist, Counselor

Stanton Community School District

"On behalf of the Midwest Division staff and volunteers of the American Cancer Society, I sincerely thank you for your recent contribution. We truly appreciate your gift through Relay For Life."

--David Benson, Executive Vice President

American Cancer Society

"Thank you so much for awarding me a scholarship. This will truly help me to get a good start to my schooling. I couldn't be more grateful or excited for the opportunities this scholarship will allow me to have."

--Jessica Beatty

"Thank you so much for your sponsorship for the 2016 Relay For Life of Montgomery County."

Relay For Life of Montgomery County

Event Leadership Team

Garlic Bread Meatball Sliders

Ingredients:

1 lb. ground beef	1 egg
1/2 T. salt	1/2 T. ground pepper
1 T. garlic powder	1/4 c. parmesan
2 T. chopped basil	1 T. canola oil
1 c. marinara (2 c. if desired)	

Other ingredients:

1 pkg. dinner rolls (sheet of 12 intact)	6 slices mozzarella cheese
4 T. unsalted butter, melted	2 T. parmesan
2 T. chopped garlic	2 T. chopped basil

Meatballs: In large bowl combine ground beef, egg, salt, pepper, garlic powder, parmesan, chopped basil until thoroughly mixed. Take a golf ball sized amount of beef mixture and roll it into a ball.

Repeat with rest of beef mixture.

Heat oil in pan over high heat. Sear meatballs on one side for 1-2 minutes then flip. Cook on other side for 1-2 minutes. Remove meatballs and drain grease. Pour marinara into the pan and place meatballs in sauce. Cook 8-10 minutes until sauce has reduced to thick consistency. Remove from heat.

Spray 9x13" pan and set oven to 350°.

Cut dinner rolls in half lengthwise leaving rolls intact. Place bottom half of rolls into pan. Place one meatball and sauce on each roll. Layer mozzarella cheese over meatballs. Put top half of rolls on.

Melt butter. Stir in chopped garlic, chopped basil, and parmesan. Pour over top of rolls.

Bake 20 minutes or until rolls are golden brown and the cheese is melted.



The RECipe

CRIME STOPPERS

800-452-1111

STOP COPPER THEFT!

FOCUSED ON YOUR STREET. NOT WALL STREET. YOUR SOURCE OF POWER. AND INFORMATION.

Your Touchstone Energy Cooperative® is owned by our members, not shareholders.

Visit the Touchstone Energy Cooperatives of Iowa booth to learn more and register to win a Nest Smart Thermostat!

OFFICIAL SPONSOR

Touchstone Energy Cooperatives of Iowa

AUG*11-21 2016



Find us on Facebook

Corning
1801 Grove Ave., Corning, IA 50841

Mount Ayr
1502 W. South St., Mount Ayr, IA 50854

Stanton
415 Broad Ave., Stanton, IA 51573

NEW PHONE NUMBER FOR ALL LOCATIONS:
(888) 220-4869

Board of Directors

Marilyn Werner, President
 Dennis Meier, Vice President
 Richard "Dick" Ballantyne, Secretary
 Mark Herzberg, Treasurer

Richard Fast
 Deena Moore
 Jason Smith

Phil Kinser, CEO

Dana Morgan
 Ken Peppmeier
 Dale Walkup