



Corning | Mount Ayr | Stanton

Southwest lines

A monthly publication for members of Southwest Iowa Rural Electric Cooperative

February 2016

Electric Cooperatives Welcome Back 2016 Legislature

OVER 175 DIRECTORS, managers and staff members from Iowa's electric cooperatives met with nearly 100 state legislators January 12 during the Welcome Back Legislative Reception at the State Historical Building in downtown Des Moines.



SW Iowa REC Board Members Dale Walkup and Dick Ballantyne visit with Representative Tom Moore during the event.

Other guests of honor included: Secretary of Agriculture Bill Northey, Secretary of State Paul Pate, Iowa Utilities Board Member Nick Wagner and presidential candidate Carly Fiorina. The Iowa Association of Electric Cooperatives, in conjunction with the Iowa Biotechnology Association, the Iowa Institute for Cooperatives, the Iowa Communications Alliance and the Petroleum Marketers and Convenience Stores of Iowa, hosted the annual reception.

The event provided an opportunity to meet

with recently elected and re-elected legislators to discuss issues regarding safe, reliable and affordable energy options for all Iowans. Southwest Iowa REC employees Phil Kinser, John Allen and Duane Schafer along with directors Dale Walkup and Dick Ballantyne met with Senators Amy Sinclair, Mark Costello and Tom Shipley as well as Representatives Joel Fry, Cecil Dolecheck, Tom Moore and David Sieck. Important issues for the rural

electric cooperatives this session include:

- state programs that complement federal rural economic development programs
- legislation encouraging utility-owned solar
- line personnel safety
- policies supporting a skilled workforce in the state

In the coming months the Iowa General Assembly will be addressing a multitude of issues, including energy-related items central to Iowa's rural economy. Beginning with the Welcome Back Legislative Reception, the directors, managers and staff will again be important advocates for a balanced approach in addressing energy issues that allows for Iowa's member-owned rural electric cooperatives to continue providing affordable, reliable, safe and environmentally responsible power to more than 650,000 Iowans.

Economic Development Loans Available

SOUTHWEST IOWA REC HAS A REVOLVING Loan Fund (RLF) available and we are accepting applications. We will accept and consider applications for loans from the RLF for projects that will significantly benefit rural areas. The RLF is not intended to compete with other public and private

lenders but rather to collaborate with them to provide the financial package necessary to make the project happen. The RLF improves the quality of life in rural areas by contributing to the long-term betterment of the local economy, including job creation and retention, diversification, improving skills of

the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

A Loan Review Committee (LRC) appointed by the REC Board of Directors and consisting of both Cooperative and

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CEO's COMMENTS:

Five Years of Energy Efficiency Efforts

EVERY FIVE YEARS, IOWA'S ELECTRIC cooperatives are required to set energy efficiency goals, develop programs to achieve those goals, then file their five-year-plan with the Iowa Utilities Board and the Iowa Attorney General's Office of Consumer Advocate. Southwest Iowa REC recently completed our first 5-year plan covering the years 2010-2014 and filed the results through our statewide association. Over those five years, Southwest Iowa REC has invested \$1,009,792 towards energy efficiency, which will result in savings totaling 85,320,997 kWh over the lifetime of those measures installed. And we couldn't have done it without participation from our member-owners.

Collectively, Iowa's electric co-ops invested almost \$76.7 million from 2010-2014 and the energy savings are expected to total over 3.7 billion kWh over the life of the measures installed, which represents enough electricity to power more than 347,000 homes for a full year.



You may be wondering why an electric company would offer incentives for their customers to use LESS of their product. Southwest Iowa REC is different from most businesses; we're a not-for-profit electric cooperative owned by those we serve. And you are so much more than a customer to us; as a member-owner of Southwest Iowa REC, what's in your best interest is in our best interest. We are committed to helping you use energy wisely as we work to provide power that is affordable, reliable, safe and environmentally responsible.

Some of our current residential rebate incentive programs include:

- Geothermal Heat Pumps
- Air Source Heat Pumps
- Heat Pump Water Heaters
- Weatherization/Insulation
- Appliance Recycling
- Lighting

Incentive programs are also available for our Agricultural and Commercial members.

It's important to note that these energy efficiency programs only work if member-owners like you participate in them. We encourage you to visit our website at www.swiarec.coop or contact our Member Services department at 888-220-4869 (John Allen in the Mt. Ayr office or Tim Pfeiffer in the Stanton office) to check your eligibility. And if you've participated in our energy efficiency programs previously, thank you! You've contributed to the cooperative cause by saving energy and money for your home or business. Search through our list of current programs to see if there are more ways to save in the years ahead.

We like to think that the "greenest" kilowatt-hour is the one you never use. Southwest Iowa REC and the electric cooperatives of Iowa have a long history of commitment to energy efficiency and a solid track record of energy and cost-saving results. That's something we can all be proud of.



Phil Kinser

Economic Development Loans...from pg. 1

community leaders reviews all RLF loan applications. The LRC performs necessary credit analysis and due diligence in order to make a written recommendation to the REC Board of Directors which has final authority regarding all actions of the RLF. In the recommendation, the LRC considers the term of the loan depending upon project need, the expected life of the security, and the applicant's ability to pay. RLF loans will be collateralized as determined necessary by the REC Board of Directors to secure its participation in the project, and can include, but is not limited to, mortgages, liens, letters of credit, and/or personal guarantees.

Uses of RLF loan proceeds may be for buildings, real estate, equipment or computer needs. Ineligible uses of RLF funds include

pre-development costs, refinancing of existing debts, illegal activities, general improvement loans related to normal replacement needs of a business and unrelated to business expansion/job creation, and loans to projects which have alternative sources of financing at reasonable interest rates.

The minimum RLF loan will be \$25,000 and the maximum will be the amount of funds available and must include a minimum of 20% funding from other sources. If you believe you have a project that qualifies for the RLF, contact one of our offices for an application or download one from our website at www.swiarec.coop/content/loans.

Southwest Iowa Rural Electric Cooperative is an equal opportunity provider and employer.

Bravo! "Thank you for flagging our electric line before we did some work outside." – **Clarence & Bobby Boswell**

"Thank you for your donation to the Southwest Valley High School 2016 After Prom." - **SWV Junior Class**

CRIME STOPPERS
800-452-1111
TOGETHER WE CAN CUT DOWN ON COPPER THEFT!

Your Privacy is Important

AT SOUTHWEST IOWA REC, WE RECOGNIZE THAT a key element of the member-cooperative relationship is the trust that you place with us to respect the privacy and confidentiality of your personal information. We are committed to providing you with the highest quality of electric service. While personal information about you is fundamental to our ability to do this, your privacy is also very important to us.

Therefore, Southwest Iowa REC will not disclose to non-affiliated third parties any information, including personal financial or consumption histories, without the expressed consent of the member/consumer. The Cooperative does reserve the right to use information for purposes relevant to prudent engineering and design practices and power procurement practices, which are consistent with the industry requirements, and for the betterment of the Cooperative and its membership, as a whole.

We restrict access to non-public personal information for all member-consumers to only those employees or affiliates who need to know specific information to provide products and services to the member/consumer. We maintain physical, electronic and procedural safeguards that, to the best of our abilities, provide prudent and sufficient protection for all non-public personal information.

Information shall not be released to any third party until such time as the member/consumer approves, in writing, such authorization. Forms for the release of information may be obtained from the Cooperative office.

Southwest Iowa REC may collect non-public personal information from the following:

- a. Information we receive from you on applications or forms.
- b. Information regarding payment histories, consumption history, demand history or capacity requirements.



CO-OP Q & A

What is the Availability Charge on my bill?

The Availability Charge is a monthly charge that does not vary with the amount of electricity used. This charge partially covers the fixed costs of operating your utility including operations and maintenance of meters, lines, poles, substations, interest expense, depreciation, insurance, taxes, trucks, equipment, billing, administration and miscellaneous services.

What is the Energy Adjustment Charge on my bill?

The Energy Adjustment Charge is calculated monthly using current costs for wholesale power compared to the wholesale power cost captured in the base rate. The base cost of wholesale power is deducted from the current cost of wholesale power and that "factor" is multiplied times your monthly kWh usage and added or subtracted from your bill. By doing this, Southwest Iowa REC is able to cover the fluctuating cost of its purchased power and not make frequent base rate adjustments.

Are You in the Market for a New Water Heater? Make the Right Choice

IF YOU ALREADY HAVE AN ELECTRIC water heater, you know the benefits; but if you have a propane (gas) water heater, or are contemplating one, here are a few points to consider.

- **Safety** – An electric water heater requires no venting, no gas line and offers no CO2 concerns.
- **Space** – The water heater space allotment in your home often determines what will work best. An electric water heater installation requires zero clearance.
- **Maintenance** – Electric water heaters are very low maintenance as there are

no moving parts and no pilot lights to be concerned with.

- **Price** – An energy efficient (.94 or .95EF rating) 50 gallon electric water heater will cost a family of four about \$40 per month to operate based on \$0.12/kWh.
- **Rate Stability**- Electric rates historically have been very stable. Since 2004, the residential average rate for Southwest Iowa REC has increased only \$.0137/kWh.
- **Energy Efficiency** – Consider the ultimate in electric water heating with an air-source Heat Pump Water Heater. With an efficiency rating of at least 2.4EF they are the most

efficient water heaters on the market today. These are available through other local vendors and plumbing supply companies and may qualify for a \$650 rebate.

- **Incentives** – Buy a new, energy efficient electric water heater that meets our criteria and receive a \$50 rebate. Better yet, contact us and we can install one for you. We have two different options to choose from.

Call us at 888-220-4869 and let us help. As a member-owned cooperative, we work for you, offering friendly, local, reliable, no cost help with all your energy efficient household decisions.

EMPLOYEE SPOTLIGHT



Name: David Head
Family: Cari (wife); Kasen, 2 (son)
Date of Hire: March 30, 2012
Current Position: Apprentice Lineman
Favorite Recipe: Spicy Sausage Pasta

Spicy Sausage Pasta

Ingredients:

- 1 Tbsp. olive oil
- 8 oz. penne pasta
- 1 lb. smoked sausage
- ½ tsp. salt and pepper, each
- 1.5 c. diced onion
- 1 c. Monterey Jack cheese, shredded, divided
- 2 cloves garlic, minced
- 2 c. low-sodium chicken broth
- 1 10 oz. can Ro-Tel tomatoes and green chilies (mild)
- ½ c. heavy cream

Add olive oil to skillet over medium heat, add sausage and onions, and cook until lightly browned, add garlic. Add broth, tomatoes, cream, pasta, salt, and pepper and stir. Bring to a boil, cover skillet, and reduce heat to medium low. Simmer until pasta is tender, about 15 minutes.

Remove skillet from heat and stir in ½ cup cheese. Sprinkle remaining cheese on top and broil until cheese is melted, spotty brown, and bubbly. Makes 4 servings.



A Quick History of the EPA and the Clean Air Act

WHEN THE ENVIRONMENTAL PROTECTION Agency acts, people seem to have a strong opinion about it one way or the other. In a nutshell, the EPA is an agency of the U.S. federal government which was established in 1970 to protect human health and the environment by creating and enforcing regulations based on laws passed by Congress.

One of the major laws the EPA enforces is the Clean Air Act, which was designed to control air pollution on a national level. The original Clean Air Act of 1963 established funding for monitoring and controlling air pollution. The 1970 Clean Air Act amendments greatly expanded the federal mandate and its enforcement, including the creation of the EPA. In 1990, Congress gave EPA even broader authority to implement and enforce regulations reducing air pollutant emissions.

In August of 2015, President Obama announced the Clean Power Plan mandates

which gives EPA authority to regulate and enforce carbon emissions from existing power plants under section 111(d) of the Clean Air Act. The Plan aims to reduce the nation's carbon emissions from fossil-fueled power plants 32 percent below 2005 levels by 2030, which has ignited fierce debate over the legal authority of EPA.

Twenty-seven states and many industry groups (including the National Rural Electric Cooperative Association) have filed more than 15 separate cases against the Clean Power Plan mandates. The lawsuits have been consolidated into one case and oral arguments will be heard at the U.S. Court of Appeals for the District of Columbia Circuit on June 2. A decision may not come until late 2016 or early 2017.

As events unfold, it's important to remember that Clean Power Plan litigation and regulation will be a marathon, not a sprint. Iowa's electric cooperatives are actively working

with other industry stakeholders to draft a state implementation plan to comply with EPA's Clean Power Plan mandates while we continue to advocate for reliable, affordable electricity that is environmentally responsible for our member-owners. Central Iowa Power Cooperative (CIPCO), the generation and transmission cooperative which supplies power to Southwest Iowa REC, has increased their emission and carbon-free generation capacity by nearly 196 MWs over the last decade. Ninety-five percent of the increase is due to wind generated electricity.

Central Iowa Power Cooperative is Iowa's largest generation and transmission cooperative, and a state-of-the-art energy provider, with a balanced generation portfolio comprised of a diverse fuel mix of coal, nuclear, hydro, wind, natural gas, landfill gas, and oil resources. The power CIPCO generates is more than 54 percent emissions and carbon-free.



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