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Winter Weather Comes to Visit Yet Again

As this publication was being prepared for print, a voice came over the cooperative's radio system, "That's it. We're done!" It was Journeyman Lineman Dana Young reporting the last power outage had been restored.

On the night of Tuesday, March 4 and into the next day, extreme winter weather once again visited us with a rush of rain, sleet, hail and snow. Had it really only been 48 hours earlier that spring fever had hit us with temperatures in the 60s. Ahh! Illinois weather!

Illinois electric cooperatives south of Interstate 70 were hit with ice and then snow that wreaked havoc on the electric systems. EnerStar sustained

damage south and west of Paris in Edgar county and throughout Clark county.

"The outages were really scattered throughout the system," said Mike Clark, Line Superintendent for EnerStar. In press releases, members were told to prepare for extended outages, possibly overnight.

In the mid-afternoon, members were calling to report the lights blinking on and off. The high winds were causing a situation called "galloping lines." Basically, the high winds were causing the power lines, in this case transmission lines that bring power into the EnerStar substations, to sway back and forth



and up and down. As the power lines came in contact with other lines and trees, there would be a temporary power interruption.

Then the ice started piling on. Clark explained that ice build-up causes poles to snap, lines to break and trees to fall into power lines. "It is difficult to repair these types of outages quickly and often as soon as one area is fixed, another area will break," said Clark.

At the height of the storm, about a thousand co-op members lost power, but many of those outages were due to an Ameren transmission line that feeds power into the Brocton substation. As of late Wednesday morning, the cooperative was reporting about 150 remaining outages.

Clark thanked the members for remaining patient during the ice storm. "An ice and snow outage like this can sometimes last for days. They are very labor intensive outages, and the harsh elements just add to the difficulty," said Clark. "We understand the frustration of our members when we can't give them a time when power will be restored. We get frustrated as well because we are doing everything we can to get their power on as quickly as possible."

We realize the phone lines can be very busy during a major storm. Clark emphasized that the best way to report a power outage is to use the automated telephone answering system. It quickly processes location information and does not tie up the telephone lines for other callers. "Unfortunately, there are only so many telephone lines so at the peak of a storm, there are going to be some busy signals," said Clark.



Rain, sleet, hail, snow... Journeyman Lineman Keith Borchers works to restore power during the March 4 ice storm.

"Members need to understand that when they wait to speak to an EnerStar representative to ask how long until power is restored, the telephone system gets tied up for those wanting to simply use the automated system."

Clark also added that during these types of storms, safety is the cooperative's main concern. "If you see a downed power line, you can't tell by looking at it if it is energized or not; so if you see one, stay away and keep others away. You should immediately call the co-op."

His other safety concern is electric generators. "There are two big concerns with the use of generators," said Clark. "First is the carbon monoxide they produce and second is that when not properly installed, generators can feed electricity back into our electrical system, causing a hazard for linemen." He emphasized that members need to thoroughly read their owner's manual before using generators and have them installed by a qualified electrician.

Electricity powers the necessities and conveniences of our modern world, but sometimes it takes a lot of old fashioned hard work to repair the damage left in the wake of a storm. And as a cooperative, we are always working hard and looking out for you, our members. Let's just hope that we are done with snow and ice for a while!

Annual Meeting News Delayed

Highlights of the 69th Annual Meeting of Members held on Saturday, March 15, 2008, will be published in the May 2008 issue of this publication. Submission deadlines for this issue fell before the annual meeting.

EnerStar Electric Cooperative 2008 Service Awards

At the 69th Annual Meeting of Members held on March 15, employees and directors of EnerStar Electric Cooperative were honored for years of service.

Employees



Galen Satterfield – 5 years
Forestry



Jon Farris – 10 years
Meter Reader



Susan Watson – 10 years
Billing Supervisor



Peter E. Kollinger – 15 years
President and CEO



Keith Borchers – 15 years
Journeyman Lineman



Troy Lewis – 15 years
Journeyman Lineman



Greg Hollingsworth – 20 years
Line Foreman



Kent Milbourn – 20 years
Assistant Line Foreman

Directors



Tom DeWitt – 10 years
Chairman of the Board



Gene Higginbotham – 10 years
Board Director



What We Were Talking About...

Throughout the year, as the cooperative celebrates our 70th anniversary, we will take a look back at



April 1985
23 years ago



At the 1985 annual meeting, two long-time retiring directors, Lloyd Ross of Westfield and Forrest Hamilton of Grandview, were honored for their years of service. Ross had served for 29 years and Hamilton had served for 17 years. Members at the meeting elected as their replacements John Fell of Kansas, who still serves on the board, and David Schiver of Martinsville, who retired from the board in 1998.



Maurice Johnson, then manager of the cooperative, highlighted the previous year's business and discussed load growth. He stated that the cooperative was devoting considerable amount of time to maintaining and improving the existing system to better serve the members. "Power supply is the life line of your cooperative," said Johnson. System reliability was just as important then as it is today.

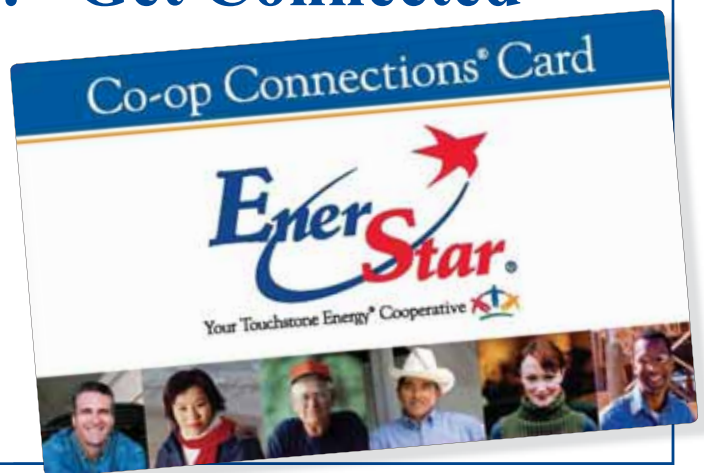
Locally-owned, locally-controlled, EnerStar Electric Cooperative's annual meeting is a perfect opportunity to become involved with and to learn more about your cooperative. But in case you missed this year's meeting, check out our next month's issue for highlights of the past year.



Coming Soon... "Get Connected"

Discover the value of cooperative membership with Co-op Connections, a new program that helps you obtain discounts on products and services from participating local and national businesses. You'll also get 10-60 percent off prescriptions at participating local pharmacies.

It's just one more way co-op members benefit from being a member of a Touchstone Energy® Cooperative.



Co-op Directors Receive Training on Financial Planning

EnerStar Electric Cooperative Director David Sprigg of Marshall, Attorney Richard Kash of Paris and Director Danny Gard, Jr. of West Union attended a class on financial planning and reporting at the Association of Illinois Electric Cooperatives on February 5, 2008.

The course taught directors from across the state how to better understand financial statements used by electric cooperatives, what drivers impact rates, revenues and costs, how today's decisions will affect the long-term financial health of the co-op and how to manage debt and capital credits.



From left, Duane Noland, President/CEO of the Association of Illinois Electric Cooperatives, visited with Sprigg, Kash and Gard during a break in the program.

PCA Increased in March

Costs of natural gas, oil, and coal used to generate electricity continue to increase, and it is having a direct impact on EnerStar Electric Cooperative. Other rising costs that impact electric utilities are higher rates for transporting coal and the cost of meeting environmental regulations related to power plant emissions.

Because of rising wholesale power costs, EnerStar reintroduced a power cost adjustment (PCA) back in 2004, for the first time since 1998. The PCA used to “adjust” the rates charged to members when the price of our wholesale power changes dramatically, either increasing or decreasing. Unfortunately, these days, it seems the only way costs are

heading is up.

When a new retail rate structure was introduced in May 2007, the PCA remained on the billing statement but the amount was returned to zero. However, the continued increasing of wholesale power costs is forcing the cooperative to charge a PCA. Beginning with the March 2008 billing statements, a new PCA, which is shown as a fraction of a cent, will be \$.002842. It will be applied to all kilowatt hours used and will be in effect for all rate schedules. This will increase the monthly bill of an average residential user by about \$2.76 per month.

EnerStar CEO Peter Kollinger explained that the cooperative first considered reinstating the PCA in

November upon recommendation from the cooperative's power supplier, Wabash Valley Power Association. The cooperative has been absorbing the additional costs since then.

“The EnerStar board carefully considered this increase,” said Kollinger. “Unfortunately, the reality behind the headlines have a direct bearing on our cooperative.” Kollinger added that cooperative strategies put into place some time ago have eased the burden of rising costs. “We definitely benefited by joining with other local co-ops at Wabash Valley Power. This association allows us to pool our energy needs with others and buy electricity for less than we could on our own,” stated Kollinger.



Renewable Energy - Board Adopts Net Metering Policy, Revises Interconnect Policy

The EnerStar board of directors recently adopted a “net metering” policy designed to assist members who want to install wind or solar power systems. This policy will address most residential systems of 10 kW (kilowatts) or less. It helps encourage the use of renewable energy, while addressing safety, power quality and financial fairness issues.

What is net metering?

Normally when you use electricity the meter rolls forward, like your car’s odometer. But when a member’s wind generator or solar power system generates more electricity than the member’s home is currently using, electricity would flow back to the co-op’s lines. Under this “net metering” policy the meter rolls backwards and the “net” result is a lower bill. The member would still pay the net amount if the member uses more electricity than the wind or solar system could produce. Fixed monthly service charges, taxes and other normal fees would still be applied.

Net metering is a way of compensating members with small wind or solar systems. It also helps encourage the use of renewable energy. For those that want to install larger systems above 10 kW, the co-op will pay the member its “avoided costs” for excess electricity generated by the larger system. The avoided cost equals the costs a utility would otherwise have to pay to generate electricity it purchased from another source.

In setting this policy, your board of directors enacted a fair and equitable policy that both encourages the use of clean, renewable energy and protects the interest of all co-op members.

Net metering compensates the member at a retail price for what is essentially the wholesale power the member’s wind or solar system is delivering back to the co-op.



While it is the intent of the policy to encourage member-owned renewable energy, the board did not want to unfairly subsidize large wind or solar installations by paying retail rates for wholesale power from these larger generators.

Also, this policy only applies to member-owned renewable energy projects, and not to gas or diesel generators.

Interconnection issues

Safety, reliability and power quality issues must be addressed if any type of generator is connected to the co-op’s lines. Safety is the main concern. For the protection of linemen or contractors working on the lines during an outage, and for the protection of the member’s equipment, an automatic disconnect system must be installed. Power quality issues must be addressed so that the member’s generator does not cause problems for other members on the same line. The co-op’s interconnection policy and agreement addresses these issues.

Call us first

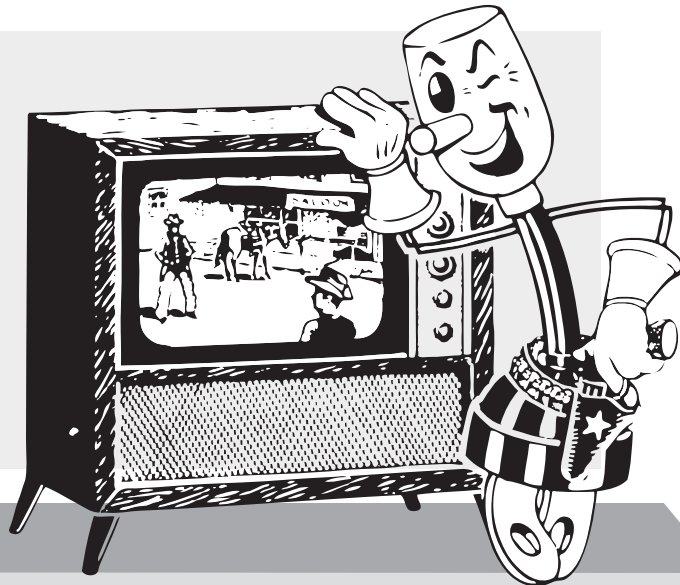
Because there are many financial, engineering, safety and sometimes even legal and zoning issues to consider, we would encourage you to contact the cooperative if you have any questions about renewable energy or net metering. We have a free worksheet brochure that can help answer some of the financial questions you might have. And we can explain the interconnection and net metering issues in more detail.

Financing, Grants and Rebates

Your co-op participates in the renewable energy resources program administered by the Illinois Department of Commerce and Economic Opportunity (DCEO), and you are therefore eligible to apply for assistance from that program. Go to the DCEO Web site for all of the information. We also expect to see continuing support from the state and federal government to help individuals use small renewable energy systems.

What in the World is Willie Doing Now?!

Willie Wirehand has been a celebrated official mascot of our nation's electric cooperatives for more than 50 years. Willie was the true embodiment of cooperative spunk, willing to stand up for rural consumers in the face of the impossible. As part of EnerStar's 70th anniversary, we are looking back at Willie through the years.



Gunsmoke. Bonanza. The Big Valley. That's right... Willie Wirehand was a big fan of the TV westerns! And he enjoyed watching them on his brand new black and white television set!

Isn't it amazing that these shows from the 1950s and 60s still play on satellite television today?

Willie grew up in a time when electric appliances were still a luxury, not a necessity. He always appreciated his appliances powered by reliable electricity.

Check back next month to see what in the world Willie is doing next!

Cooperative Members Offer Input to Cooperative

A few months ago, about 450 EnerStar members received a survey coordinated by the Association of Illinois Electric Cooperatives. Individual cooperatives like EnerStar could "piggyback" onto the survey to receive a breakout of local results.

"We appreciate the time and effort of the members who returned the survey. Their responses provided a great resource to the cooperative," said EnerStar's Angela Griffin, Manager of Member Services. "This sample gives us a statistically correct snapshot of the cooperative's membership as a whole."

Members might wonder why your local, not-for-profit electric cooperative surveys the membership from time to time.

"We do it for a number of reasons. The main purpose is to determine the overall member perception of the cooperative and compare trends to previous surveys," Griffin explained. "It allows us to measure our quality of service, courtesy to our members, and promptness in responding to member requests. Sometimes we think we

know how members feel, but a survey provides us the verifications we need as we move forward."

Besides gaining perceptions about EnerStar, the survey also included information about electricity and usage patterns, interest in various cooperative services and demographic information. "I started working at EnerStar in 1989. It is interesting to see how the membership has changed," Griffin added.

Griffin reminds the membership that they do not have to wait until the next survey to share thoughts, concerns or praise. "We love hearing from our members because our focus is you; and with your input, we can always find ways to improve our cooperative," Griffin concluded.

Member Input Results

How do you feel about EnerStar?

– Nearly 90% felt very positive or very positive.

How satisfied are you with your service?

– Nearly 93% felt very satisfied or very satisfied.



11597 IL Hwy 1 • Paris, Illinois 61944 217-463-4145 • Office hours: 8 a.m. - 4:30 p.m. M-F



Saving Energy with Smart Appliances

When electricity began reaching rural America in the late 1930s, families—especially hard-working homemakers—were delighted by the conveniences that came with it. No longer did they need a stovetop to heat an iron; washboards could be packed up forever in an attic.

While electric appliances have evolved with time, for the most part they remain silent, dutiful grunts that simply get a job done. But technology may soon change their role, creating a new generation of “smart” appliances—ones that can monitor electricity use beyond your home and respond accordingly.

What do such “smarts” mean for otherwise commonplace appliances? Say a family returns home at the end of the school/workday and turns on the lights, cranks up the thermostat, and throws a load of clothes in the dryer. A standard clothes dryer would follow orders and continue using electricity to tumble clothes dry until it was purposely turned off or a timer told it to stop. A smart clothes dryer, though, would notice the “peak demand” caused by an entire community of families arriving home – the electric utility industry’s equivalent of rush-hour traffic.

During periods of peak demand, more power plants must be brought into service and electric prices rise. The smart clothes dryer, having noticed this increase in cost, could continue tumbling clothes but momentarily shut down its heating element, eliminating a draw of more than 5,000 watts from the grid while saving the family money.

The Pacific Northwest National Laboratory, a federally funded lab in Richland, Wash., put smart appliances to work last year to judge their potential. Two systems were tested: one used an Internet-based program that monitored fluctuations in energy prices and only operated appliances when power prices were



When electricity began reaching rural America in the late 1930s, families—especially hard-working homemakers—were delighted by the conveniences that came with it. The old washboards could be packed up forever in an attic.

low; the other relied on a small appliance-based circuit board that cut power use during peak demand.

The tests showed a big payoff from smart appliances: consumers saved roughly 10 percent on electricity bills using the Internet-based system, and widespread adoption of demand-monitoring, smart circuit boards could free up 20 percent of the nation’s power use at any given time. That would defer the need to build new generation and help curb greenhouse gas emissions, like carbon dioxide, blamed for contribut-

ing to climate change.

Circuit boards may be added to new high-efficiency appliances as soon as next year. “Chances are, dryers will be the first products that we offer them on,” says Whirlpool Corporation Project Manager Gale Horst, who contributed to the lab’s research.

More advances may follow, although appliance manufacturers like Whirlpool are currently keeping them under wraps. Horst hints that once appliances are able to communicate with utilities, “it really opens up our creative thinking.”



Energy Efficiency

Tip of the Month

Artificial lighting accounts for nearly 15 percent of a household's electricity consumption. Use of new lighting technologies can reduce lighting energy use in homes by 50 to 75 percent. Reduce energy use by selecting lighting that uses energy more efficiently, and by installing lighting controls.

Source: U.S. Department of Energy