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DONGOLA – Members of Southern Illinois Electric Cooperative (SIEC) attending the co-op’s 71st annual meeting were asked to stay politically involved in the climate change legislation debate. Co-op leaders warned that although cap and trade legislation has currently stalled in Congress, the U.S. Environmental Protection Agency (EPA) is moving forward with regulation under the Clean Air Act that will dramatically raise the cost of all fossil fuels. The meeting was held Thursday, August 6 at the Shawnee Community College in Ullin.

Board President G. Robert Inman of Grand Chain reported that 14,000 Illinois co-op members have sent cards and letters to Illinois representatives in Congress asking for fair, affordable and achievable energy legislation instead of regulation. “Although cap and trade legislation may seem to be on the back burner, the threat is still there,” said Inman. “We cannot forget that. There are also other significant political threats out there and we still must keep fighting.”

Inman said that in addition to the cards, letters and e-mails sent to Congress through the electric cooperatives’ website www.ourenergy.coop, co-op leaders from Illinois and across the country gathered for a grassroots political rally in Washington,

D.C., in May. Inman said local co-op leaders asked their Congressional representatives to stop the EPA regulation and instead pass legislation that would be fair to Midwest consumers.

Inman said, “We also asked for continued federal loan support of electric co-ops, which have sparsely populated areas to serve, and we asked for support of the Rural Energy Savings Program Act. This would provide funding that would help electric cooperative members use energy more efficiently in their homes.”

Inman also reported the co-op has finished its installation of a “smart grid” automated meter reading system. He reported that Southern Illinois Power Cooperative, the generation and transmission cooperative serving the local distribution cooperative, is looking for opportunities to invest in affordable renewable energy to add to the 28 megawatts of hydropower it receives from the SouthEast Power Administration. The co-op also has a 7.9 percent interest in the Prairie State Energy Campus being built in Washington County.

“When the two 800 mega-watt units are completed in 2011 and 2012, it will be our nation’s largest, state-of-the-art coal-fired plant, and will better provide us with affordable energy for years to come,” said Inman.

General Manager and Executive Vice President Larry Lovell reported that the co-op’s leadership is focused on improving the financial stability of the co-op, but is worried about the country’s energy future. Major ice storms have hit the co-op hard and lack of economic growth in the area has combined to drop the co-ops equity level from 48.5 percent to 40.8 percent.

Lovell said, “We have major economic challenges. Simply stated, the economy is weak, we have members who have lost jobs, senior citizens who are finding it more and more difficult to live on a fixed income, and there is virtually no economic growth in southern Illinois.”

To address the co-op’s financial stability the board approved a rate increase in 2009 and added a wholesale power cost adjustment that will increase or decrease members’ bills each month based on SIEC’s cost of power from Southern Illinois Power Cooperative.

Expenses have also been cut drastically. Lovell said, “In 2005, SIEC had 46 employees. Today, we operate with 40 employees. In May, we cut our expense budget by \$288,000 and decided to delay over \$850,000 in capital expenditures. We understand that raising rates in a stagnant economy creates hardships for you, our members. We are not planning to implement a rate increase this fall. Beyond that, it is difficult to predict. It would help us all if the economy would get stronger and jobs would return to southern Illinois.”

Addressing the national energy debate, Lovell said that since the 1973 oil embargo 18 different Congresses have failed to enhance our energy independence. “In the last five years, 100 new coal generating plants have been cancelled, no new nuclear plants have been built in twenty years, and the government is doing nothing about the permitting costs of nuclear and fossil fuel plants while allowing EPA regulations to continue to be more restrictive.”

Lovell said John Hofmeister, founder of the Citizens for Affordable Energy, is predicting the start of an “energy abyss” by the end of the decade, when there will not be enough electrons flowing through wires or liquid fuel for cars and trucks.

“In my opinion, major changes are not likely to occur until we experience brownouts and blackouts and shortages of gasoline and diesel fuel,” said Lovell.

The Waxman-Markey climate legislation, which passed in the U.S. House but failed to move in the Senate, was an unrealistic answer. Lovell said Waxman-Markey would have created 1,500 new regulations and mandates involving 21 federal agencies, which would have created federal government micromanagement of energy choices on an unprecedented scale. “This legislation proposed to cut fossil fuel use to the point where each American’s carbon footprint needs to be 2.4 tons per year, per person by 2050,” said Lovell. “When was the last time America’s carbon footprint was as low as 2.4 tons per person per year? Answer — probably not since the 1800s, before Thomas Edison taught us how to use electricity, before cars, trucks and planes.”

Lovell echoed Inman’s plea for members to stay politically involved. “Thank goodness that Waxman -Markey climate bill legislation appears to be dead. We must, however, continue to be vigilant as Congress and the EPA consider their next steps. We very much appreciate your support and thank you for your efforts.”

Southern Illinois Electric Cooperative is a member of Touchstone Energy[®] — an alliance of more than 685 local, consumer-owned electric utilities around the country. Southern Illinois Electric is committed to providing superior service based on four core principles: integrity, accountability, innovation and commitment to community. The co-op serves more than 11,724 members over 2,120 miles of line in parts of Alexander, Johnson, Massac, Pope, Pulaski and Union counties. For more information visit www.siec.coop.

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Photo Caption:

During the 71st annual meeting of the members of Southern Illinois Electric Cooperative members elected four directors to serve on the Board. From the left are Executive Vice President/General Manager Larry Lovell of Anna, re-elected board members Scott Ury of Anna, Richard Moss of Tamms, Dale Taake of Ullin and newly elected board member Larry Douglas of Belknap.