



Todd Culley
General Manager
and CEO

“Our Energy, Our Future”

Let's begin a dialogue with our elected officials regarding the availability and cost of power in the future.

Pressure is mounting in Congress to do something about climate change. And while political debates in Washington D.C. may seem far away, the outcome will have a direct impact on our cooperative – and on you, the cooperative member-owner as well as other electric consumers.

Climate change is but one aspect of a looming energy crisis created by increasing demand and decreasing capacity to meet that demand. Experts now say some areas of the country will be short of power within one or two years.

However, energy supply isn't an issue our elected representatives are spending a lot of time on. These forces, the desire by

government to reduce greenhouse gas emissions quickly and the demand for power by consumers, are about to collide.

Some people say we can meet demand through efficiency and renewable energy. The reality is we need all the efficiency and renewable energy we can get, but that will not be enough.

To avert an energy crisis, the federal government must exercise true leadership, the same leadership that got Americans to the moon in the 1960s. Without that leadership – without a sound, responsible plan – government risks not only the reliability of our electric system, but literally the ability of many Americans to be able to afford to pay their electric bill.

We, as electric co-op members and

constituents, must call on elected officials to provide this leadership. That's why I want to encourage you to contact your elected officials.

Now.

You don't need to be an energy expert to ask questions. Asking questions helps find the answers to solve the problem of balancing climate change goals with keeping your lights on and your electric bills affordable.

Right now, members of Congress as well as state elected officials are hearing from lots of different interest groups

who have ideas about how to address climate change. No one is talking to consumers, however. We need a plan people can live with today while we deal with the

climate change problem of tomorrow.

To make things easy, we have a website that will send an email to your congress members for you. Go to www.ourenergy.coop and plug in your address. There you'll be able to ask a series of questions to your representatives in Washington. We're kicking this effort off with a basic but critical question: What are they doing to make sure we'll have the power we need in the future?

Far too often, questions don't get asked by policy makers until plans go wrong. We believe it makes sense to know the answers before the laws are passed. You can help your elected officials and yourself by having this conversation. The electric bill you save will be your own.



Touchstone Energy

Boone Electric Cooperative is a member of Touchstone Energy, a national alliance of local, member-owned electric cooperatives providing a high standard of service to customers large and small.

In order to qualify as a Touchstone Energy partner, electric cooperatives must be active members of their community and be dedicated to serving all customers with integrity, accountability, innovation and commitment to their community.

member CONTACT

Boone Electric Cooperative

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Take Control of Your Energy Use

New co-op program teaches members how to manage electric usage.

We all have the power to affect our energy consumption by wisely managing use - by reducing the amount of energy spent inefficiently. This concept is the basic of a new program sponsored by Missouri electric cooperatives called Take Control & Save.

Take Control & Save is an energy efficiency program built on two core principles:

- 1) Take control of electricity use
- 2) Save energy

The cost to provide reliable, environmentally friendly electricity has increased and cooperatives statewide have raised rates. The entire cooperative system continues to look for ways to reduce costs and ease the burden on members. Cooperative members can help by making the best use of energy resources and slowing the demand for energy.

By using electricity wisely, we can optimize our generating capacity in order to postpone building costly new power plants. The good news is that everything you do to reduce consumption not only helps us manage growth, but also helps you manage your energy budget.

Log onto the website www.takecontrolandsave.coop for a number of programs that will help you make the most of the electricity you use. Some of those energy saving tips include:

Switch Bulbs

A single 18-watt compact fluorescent bulb used in place of a 75-watt incandescent bulb will save about 570 kilowatt hours over its lifetime. At 8¢ per kilowatt hour, that simple light bulb change would save \$45.

BEC gives a free compact fluorescent bulb to each member household at Annual Meeting. In addition, every new member to the cooperative receives a bulb when they come into the office to sign up for service.

Home Comfort

The Home Comfort program promotes savings

through the use of more efficient home comfort technologies. Beginning in July, BEC members who include a dual fuel heat system (a gas furnace in conjunction with an air exchange heat pump) in a new home or change to a dual fuel heat system in an existing home can qualify for a rebate.

Energy Audits

This portion of the program is designed to provide accurate assessments of actual energy use in your home. A qualified person from the cooperative will conduct a systematic and thorough energy audit to discover any gaps in a home's efficiency and recommend ways to improve overall energy use.

Check the *Energy Audits* section of the Take Control & Save website for short energy-efficiency videos, such as how to properly insulate your home.

Take Control & Save

A Cooperative Effort for Energy Efficiency

Bonus Savings

New appliances are much more energy efficient than those purchased 10 or more years ago, especially Energy Star® appliances. Learn more about Energy Star® appliances and the savings they can provide under the *Bonus Savings* portion of the website.

Power Checks

The *Power Checks* portion of the Take Control & Save program is geared toward helping commercial and industrial members discover and eliminate energy inefficiencies. Businesses can also request a comprehensive energy audit, which can reveal significant technology improvements leading to increased savings.

Boone Electric will continue to discuss energy efficiency opportunities in future publications. If you have questions about any of the energy efficiency tips, call the cooperative at (573) 449-4181.

ON THE INSIDE

Member Information	2-3
Manager's Message	4

The Boone Electric Cooperative office will be closed Monday, May 26, in recognition of Memorial Day.

Community Support Programs You Can Add to Your Bill


Operation Round-Up
Helps fund the Boone Electric Community Trust, which provides financial assistance to charitable organizations in BEC's service area.

C.A.S.H.
Provides utility assistance to low-income senior citizens and persons with disabilities. Funds administered by City/County Health Department.

H.E.L.P.
Provides utility assistance to low-income families with children. Funds administered by City/County Health Department.



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Your Touchstone Energy® Partner 

1413 Rangeline Street
Columbia, Missouri 65201
573•449•4181
Outside the local calling area:
800•225•8143
www.BooneElectric.coop
comments@BooneElectric.com

G.M. & CEO • Todd Culley
Editor • Christi Miller
Editor • Jessica Spencer

Board of Directors:

Joel Bullard • President
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How the Rate Increase Affects You

We want to take an opportunity to provide more details regarding our rate increase announcement in the March issue of *Member Contact*. Cooperative-wide, Boone Electric raised rates by an average of 12.05 percent, effective April 1. The actual increase to each member differs by the amount of electricity each member uses.

The service availability fee increased from \$15 to \$17.50. This fee, charged for each meter, represents the cost of the wire, poles, meter and right-of-way maintenance necessary to get electricity to the member's location. Even with the increase, the new fee still does not cover the actual cost of those services to the cooperative. A January 2008 rate study showed that the actual cost is closer to \$25 per meter, which is what many of our neighboring cooperatives charge.

Several factors at the power generation level figured into the rate increase, such as higher fuel and steel

costs, increased costs for coal and the transportation of coal, and environmental mandates on power plants. Future pricing forecasts show that further rate increases appear unavoidable. Boone Electric will do everything possible to keep increases to a minimum by looking for ways to save money on operating expenses and helping the membership use energy more efficiently.

Rate Breakdown

To give you an idea of how the recent rate increase affects you, here is a breakdown of an electric bill based on three different monthly usage levels. These figures also include the increase in service availability fee and assume the member has only one meter.

Usage & bill amount

Prior to the rate increase:

500 kwh	1,000 kwh	2,000 kwh
\$51.50	\$76.70	\$134.90

With new rate schedule:

500 kwh	1,000 kwh	2,000 kwh
\$58	\$86.40	\$152.60

Where in the World is This?

Congratulations to Chad and Wendy Glascock of Hartsburg, who recognized the March mystery photo of a statue in Hartsburg. The statue was dedicated in 2005 to Lauretta Hilgedick and John Thomas for their dedication to the community and to the success of the Hartsburg Pumpkin Festival. According to Mayor Nancy Grant, a memorial featuring children was the perfect choice because Hilgedick and Thomas loved children and worked to make the annual festival a family event.

The statue resides in downtown Hartsburg in an empty lot next to the Baptist Church. Permanent buildings are prohibited on the lot due to potential flooding, but the town hopes to place other memorials in the same area.

This month brings an end to our Mystery Photo contest. Thank you to everyone who participated. It's been interesting to watch the number of entries we receive depending on the actual location of the photo. Some were easier to spot than oth-

ers. Congratulations to all of you who were chosen as winners of the contest.

The communications department has enjoyed learning about historical locations and other interesting places in the service territory. This part of central Missouri has a tremendous history. We hope you have learned more about our area as well.



This statue in Hartsburg is a tribute to two local people who were instrumental in the success of the annual pumpkin festival.

Co-op News and Notes.....

Capital Credit Allocation Notices

In order to save money on postage, Boone Electric members will not receive a separate postcard in the mail this year regarding their possible capital credit allocation for 2007. Instead, members can find their individual allocation in the comment section on the front of this month's bill. This section is just above the perforation dividing the portion of the bill that members return with their payment.

You receive this notification because electric cooperatives are owned by their members. Any operating revenue in excess

of the cost of providing service is margin (profit) and returned to the membership in the form of capital credits. Members receive their share of the margin based on their electric usage. The Boone Electric Board of Directors authorizes these funds to be paid back when the cooperative is in a financial position to do so.

This notice is simply an estimation of the capital credit amount you will receive sometime in the future.

By not sending the separate mailing, the cooperative saved more than \$10,000.

Security Deposit to Change

Boone Electric Cooperative will soon use a new computerized credit check system to determine security deposit amounts. This change affects new members to the cooperative as well as current members who are transferring service but have not maintained a good payment record with the cooperative.

Traditionally, BEC has used fixed amounts for security deposits. We will begin to use a credit reporting system called Online Security Exchange* to calculate credit risk. This new method rewards people for good credit and protects the cooperative against uncollected accounts when members move away from the service territory leaving an unpaid bill.

The security deposit is waived for new members or existing members transferring service who are categorized as low risk or no risk. People who fall in the minimal or high-risk categories will be charged a security deposit based on that risk level.

Currently, the security deposit is returned to the member after 12 months of good payment history (based on Boone Electric policy). However, that policy is being reviewed and the time frame could potentially increase.

**Online Security Exchange processes credit references through the nationwide credit source Experian.*

Annual Meeting Servers Needed

Are you involved in a church or civic group interested in earning some extra money? Boone Electric needs two groups of 30 or one group of 60 people to assist with the Annual Meeting meal on July 11 from 3:30-7:30 p.m. Members of the group must be able to stand at tables to serve hot and cold food items.

A donation will be made to the groups for their assistance.

Co-op Connections Card Update

Several of our neighboring cooperatives have rolled out their Co-op Connections Card program. Log onto www.co-opconnections.com and choose "Search For Discount Offers." From here, enter Missouri in the prompt box for a complete listing of participating businesses state-wide.

Two Columbia businesses are new to the program. Visit Joe Machens Ford Lincoln-Mercury for Partner Pricing on new vehicles or Designer Kitchens and Bath for a 10 percent discount on selected bath accessories and kitchen faucets.