

# 6,375 MEMBERS STRONG

## Annual Meeting Program

**10:30 a.m. - Registration**

**11:00 a.m. - Business Meeting**

1. Call to Order  
*Steve Rau, President*
2. Invocation  
*Steve Rau, President*
3. Introduction of Directors  
*Steve Rau, President*
4. Reading of the Notice of Annual Meeting  
*Jim Alberts, Secretary/Treasurer*
5. Reading of Affidavit of Mailing of Notice of Annual Meeting  
*Jim Alberts, Secretary/Treasurer*
6. Approval of Agenda (Annual Meeting Program)  
*Jim Alberts, Secretary/Treasurer*
7. Minutes of Last Annual Meeting  
*Jim Alberts, Secretary/Treasurer*
8. Reading of the Nominating Committee Minutes  
*Robert Hanson, Nominating Committee Chairman*
9. Introduction of Attorney  
*Steve Rau, President*
10. Introduction of CEO  
*Steve Rau, President*
11. Drawings for Door Prizes (must be present to win)  
*Steve Rau, President*

**Adjournment of Business Meeting**



# East-Central Iowa REC **BUILDING** for the **Future**

2012 ANNUAL REPORT





A Touchstone Energy® Cooperative 



## Celebrating the Past, Looking to the Future

East-Central Iowa Rural Electric Cooperative became a reality in 1995, born from two independent county electric cooperatives. Before they voted for consolidation, these cooperatives, Buchanan County REC and Benton County Electric Cooperative Association (ECA), had operated separately for nearly 60 years. Today, ECI REC serves over 6,400 member-consumers with over 2,250 miles of electric lines in 11 counties.

As we prepared to celebrate the platinum anniversary of Buchanan County Rural Electric Cooperative (REC) in 2013, the Cooperative's Board of Directors put some pieces in place that will help propel your Cooperative into the future. For the first time, ECI REC has a vision statement: ***"To make a difference in the lives of those we serve."*** The Cooperative chose to add a vision statement because it answers the question, "Why do we exist?" As such, it will be a powerful tool to help every Cooperative stakeholder—employees, Board, and members—remember what drives us forward every day.

Our mission statement was also revised and is now more concise. It reads: ***"To demonstrate the advantages of the cooperative business model."***

These new statements are keeping our purpose and goals in front of us every day. We are focused on meeting the challenges of providing our member-consumers affordable, reliable electricity in a changing world. With the new mission and vision statements guiding the way, ECI REC will continue to be an asset to the families and businesses in our region of Iowa for another 75 years and beyond.

### NEW VISION

To make a difference  
in the lives of those  
we serve

### NEW MISSION

To demonstrate  
the advantages of  
the cooperative  
business model



# Your Board of Directors



**11 Jeff Elliott**  
Director since 1990



**12 Chris Sackett**  
Director since 2011



**13 Allen Albers**  
Vice President  
Director since 1985



**15 William Frazier**  
Director since 1985



**17 Burt Byers**  
Director since 2007



**21 Donald Shonka**  
Assistant Secretary/  
Treasurer  
Director since 2006



**23 Jim Alberts**  
Secretary/Treasurer  
Director since 2007



**24 Lloyd Bathen**  
Director since 1994



**26 Steve Rau**  
President  
Director since 2005

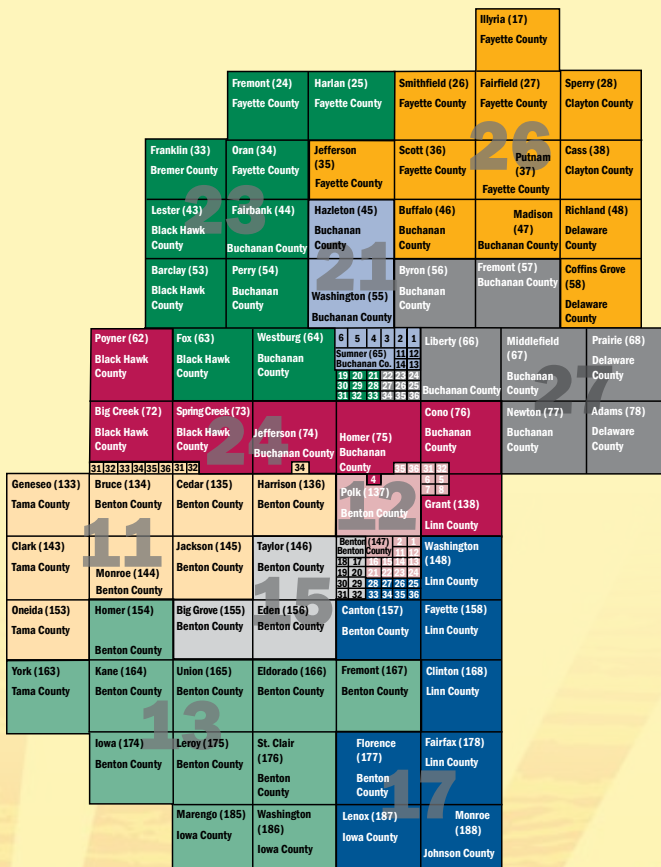


**27 Ryan Kress**  
Director since 2009

**KEY**

Green: Geographic District 1 - Benton County Area

Blue: Geographic District 2 - Buchanan County Area



**Board District 11:** Big Creek (Sections 31-36) and Spring Creek (Sections 31-32) Townships in Black Hawk County; Jefferson (Section 34) Township in Buchanan County; Geneseo, Clark, and Oneida Townships in Tama County; Bruce, Cedar, Harrison, Monroe, and Jackson Townships in Benton County.

**Board District 12:** Cono (Sections 31-32) and Homer (Sections 35-36) Townships in Buchanan County; Polk (all Sections less Section 4) and Benton (Sections 1-4, 9-16, and 21-24) Townships in Benton County; Grant (Sections 5-8) Township in Linn County.

**Board District 13:** York Township in Tama County; Homer, Kane, Union, Eldorado, Fremont, Iowa, Leroy, and St. Clair Townships in Benton County; Marengo and Washington Townships in Iowa County.

**Board District 15:** Taylor, Benton (Sections 5-8, 17-20, and 29-32), Big Grove, and Eden Townships in Benton County.

**Board District 17:** Benton (Sections 25-28 and 33-36), Canton, and Florence Townships in Benton County; Washington, Fayette, Clinton, and Fairfax Townships in Linn County; Lenox Township in Iowa County; Monroe Township in Johnson County.

**Board District 21:** Hazleton, Washington, and Sumner (Sections 1-18) Townships in Buchanan County.

**Board District 23:** Fremont, Harlan, and Oran Townships in Fayette County; Franklin Township in Bremer County; Lester, Barclay, and Fox Townships in Black Hawk County; Fairbank, Perry, Westburg, and Sumner (Sections 19-21 and 28-33) Townships in Buchanan County.

**Board District 24:** Poyner, Big Creek (less Sections 31-36), and Spring Creek (less Sections 31-32) Townships in Black Hawk County; Jefferson (less Section 34), Homer (less Sections 35-36) and Cono (less Sections 31-32) Townships in Buchanan County; Polk Township (Section 4) in Benton County; Grant Township (less Sections 5-8) in Linn County.

**Board District 26:** Ilyria, Smithfield, Fairfield, Jefferson, Scott, and Putnam Townships in Fayette County; Sperry and Cass Townships in Clayton County; Madison and Buffalo Townships in Buchanan County; Richland and Coffins Grove Townships in Delaware County.

**Board District 27:** Byron, Fremont, Liberty, Middlefield, Newton, and Sumner (Sections 22-27 and 34-36) Townships in Buchanan County; Prairie and Adams Townships in Delaware County.

# President and CEO Report

## Building for the Future

### 2012 Results



Steve Rau  
President

Like the economy, your Cooperative had a decent, but unspectacular 2012. Sales of electricity were 3.6% below budget and .4% below kilowatt-hour (kWh) sales of 2011. However, despite the decline in sales, operating margins were close to budget, missing projections by only .4%. Due to an unusually large patronage allocation from our energy supplier, CIPCO, net margins exceeded budget by 41%. It should be emphasized that this \$688,553 allocation was not cash. It will be retired in the future.



Harry Ruth  
Outgoing CEO

In 2012, your Board continued to invest in the distribution system to keep the lights on and accommodate future increase in demand for electric power. Our contractor began rebuilding 246 miles of old distribution lines, completing 40 miles. This work is financed in part by a federal FEMA grant; ECI REC will pay only 15% of the total cost. We also completed construction of a new wireless communications network so that we can better monitor conditions on our lines.



Steve Marlow  
Incoming CEO

We also upgraded the first 5 of 18 substations. These upgrades are necessary because the owner of the transmission system, ITC Midwest, is changing the voltage of the electricity serving these sites from 34,500 (34.5 kV) volts to 69,000 (69 kV) volts. We are taking the opportunity to install larger transformers and new circuit breakers controlled by state-of-the-art electronics. These investments will last for 50 years and will result in fewer, shorter outages and greater reliability.

### 2013 Expectations

In 2013, we hope sales will increase. In 2008, sales totaled 194,248,231 kWh. Annual sales have not reached that level since then. We are expecting a significant increase in usage by two accounts in 2013,

one new, one old. There are indications that a new grain drying and grain handling facility will be built this year in Fayette County. We are also hopeful that an existing member, a pipeline pumping station, will continue to consume more power.

Regarding the distribution system, our contractor should rebuild another 85 miles of lines in our northern district and start construction on 15 miles of lines in our southern district in 2013. We have also scheduled three additional substation upgrades in 2013. Both our website ([www.ecirec.coop](http://www.ecirec.coop)) and our Facebook page will keep you informed regularly of where the crews are working. Our entire system should be connected to the new communications network by the end of this year.

If you pay your electric bill online, you are already using our new payment system. It is part of a new communications platform called SmartHub. You can access this site from your desktop computer or, with a new app, from your mobile cell phone or tablet. From SmartHub, you can see your past usage, past bills, or e-mail us. Beginning in May, you saw a new look to your monthly bill—it has additional information on it. Please let us know what you think of it. If you do not want to receive a paper bill, we can now send your monthly bill to you electronically. Call our Urbana office for more information.

Later this year, we will introduce a new computer tool to help you to use electricity and other fuels more efficiently in order to keep your energy costs under control. Called the Energy Calculator, this software will be accessible from your computer. It can download your actual usage from our billing system and provide you with inexpensive ways to cut your energy bill. It will also suggest more investments that you can make in your home to save money.

# The History of Your Electricity

## Moving Forward Under New Leadership

CEO Harry Ruth came to ECI REC in August of 2003. He is retiring at the end of June. The 2013 Annual Meeting will be his last. Harry will be missed, and we wish him well in his retirement.

In his time with the Cooperative, CEO Ruth worked with the Board of Directors, investing in the distribution plant, people, technology, and communications to improve the reliability of service, increase the productivity of the employees, and most importantly, improve the satisfaction of the members. Ruth firmly believed that to thrive, ECI REC members must not just be satisfied with the service received, they must trust their electrical cooperative to be working in their best interest.

Taking over this vision in the role of CEO is a 32-year ECI REC veteran, Steve Marlow. Over the last 18 years as manager, Operations and Engineering, Marlow has provided leadership, guidance, and assistance to the CEO concerning corporate development, planning, and management effectiveness.

Throughout his career at the Cooperative, Marlow has acquired knowledge in the areas of utility operations, management, and risk management operations. Following his completion of the lineman's Powerline Program at Northwest Iowa Community College in 1981, Marlow was hired as a lineman by Buchanan County Rural Electric Cooperative (a parent cooperative of ECI REC), and served as a line superintendent prior to acquiring the National Rural Electric Cooperative's Management Internship Program certificate.

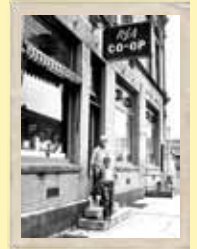
Marlow enters the role with a goal of building upon the positive culture and successes achieved at ECI REC under CEO Ruth's leadership. The Board is confident that under Marlow, ECI REC is ready to meet the future challenges of today's demanding business climate.

**1923** - Committee on the Relation of Electricity to Agriculture formed to demonstrate value of electricity to rural America.

**May 11, 1935** - President Franklin D. Roosevelt establishes the federal Rural Electrification Administration (REA). Loan applications from farmer-based cooperatives pour in, and REA soon realizes electric cooperatives would be the entities to make rural electrification a reality.



**1930** - By 1930, 46 consumer-owned cooperatives organized in 13 states. Most serve just 10 to 360 members.



**1935** - Annual agricultural census finds that only 10.9 percent of the 6,812,350 farms in the United States are receiving central station electric service.

**May 23, 1935** - Morris L. Cooke becomes first REA administrator.



**April 9, 1936** - Bill passed giving official status to REA as a lending agency for electric cooperatives.

**May 21, 1936** - President Franklin D. Roosevelt signs the Rural Electrification Act of 1936 into law.

**1935** - First REA loans issued and first REA-financed pole erected.

**1936** - First REA-funded cooperative line is energized.

**Oct. 1, 1936** - REA approves first loan for financing consumer wiring and equipment. Poor farm families needed financial assistance to buy household appliances. Without it, rural electrification might have failed for lack of use.



**Aug. 16, 1938** - After two years of work by D.E. Western building support, Buchanan County REC incorporated.

**1938** - Federal court upholds the right of five electric distribution cooperatives in Iowa to organize a federated cooperative to generate power for themselves.

**1938** - REA Farm Equipment Tour—a circus tent and trucks loaded with electric-consuming devices and appliances for farm and home use—begins a three-year nationwide trek to acquaint rural residents with electricity.



**Nov. 28, 1939** - E.R. Halstead of Independence is the first Buchanan County REC member to receive service. Cost of membership: \$5.00.



Allen Albers  
ECI REC  
Representative  
on CIPCO Board  
of Directors

## 2012 CIPCO Power Supply Report

As the electric utility industry moves from being commodity-driven to customer-driven, the light switch is symbolic of our business—it puts power in the hands of the consumer. My job, as an elected cooperative director, is to worry about everything behind the light switch so you can enjoy the convenience of power at your fingertips.

In addition to serving on the ECI REC Board of Directors, I also serve on the board of Central Iowa Power Cooperative (CIPCO), East-Central Iowa REC's wholesale power supplier. CIPCO manages a fleet of electric generation facilities and nearly 2,000 miles of high voltage transmission lines to deliver reliable electricity to its 13 member cooperatives and associations.

The power resources of CIPCO comprise a diverse mix of traditional and alternative fuel sources. Today, over 95% of our electricity is generated from units owned by CIPCO or from long-term contracts, which means our market exposure is limited and prices more stable. Recent contract purchases from Iowa-based wind farms push generation from carbon-free and emissions-free resources over 50% of our total portfolio.

One of the board's biggest decisions involved retiring Fair Station, a 52-year-old coal power plant in Montpelier, Iowa, later this year. The 66-megawatt plant has been a reliable source of electricity since its purchase in 1982. However, a recent evaluation of the plant concluded it is no longer efficient to operate given today's energy markets and intensifying federal regulations.

A key part of keeping your lights on requires significant capital investment in technologies to improve the dependability of the transmission system. CIPCO implemented a new-to-replace-old program years ago to methodically reinvest in transmission infrastructure. As a result, CIPCO members experienced the lowest average transmission outage time in seven years with an average rate of 0.45 hours per customer.

CIPCO remains financially strong and cost competitive as affirmed by Standard & Poor's recent "A" credit rating. Electric sales reached 2.76 million megawatt hours in 2012 and set a new record peak demand in July of 610 megawatts. The average system rate of 65.60 mills per kilowatt hour was up slightly from the prior year. CIPCO ended the year with a healthy margin of \$23.94 million.

One important benefit of cooperative membership is any profits or excess revenue is credited back to members in patronage dividends. The CIPCO board recently authorized \$20 million in patronage allocations for 2012. The board also approved payment of the 1997 deferred patronage allocation of \$1.8 million and a 2012 patronage allocation of \$4.7 million to members. Since forming in 1946, CIPCO has paid out a total of \$41 million in patronage.

Going forward, we understand that any increase in the cost of electricity puts a strain on your home or business, and we are doing our best to keep electricity affordable now and well into the future. Our commitment is to deliver the lifestyle you expect at the flip of a light switch by providing superior value through cooperative membership.



**1940** - REA movie, *Power and the Land*, premieres. Shot in the summer and early fall of 1939, the film chronicles two dawn-to-dusk days on the Parkinson family's dairy farm: one day before the lights came on and one day after.

**1940** - REA approves loan to serve the one-millionth electric cooperative member in October.

**March 1941** - Carl K. Kruempel became Buchanan County REC manager. Shortly thereafter, he went into service during World War II. During his absence Fred Greisinger, Clayton Schreiner, Louis Shroyer, and J. W. Young served as acting managers until Kruempel's return in January 1946.

**1942** - Electric cooperative leaders organize the National Rural Electric Cooperative Association (NRECA) in Washington, D.C.

**1946** - Central Iowa Power Cooperative (CIPCO) formed. Nationally, electrified farms pass the 50% mark during the year.



**1948** - Buchanan County REC Manager Carl Kruempel connects the Cooperative's 2,000th member, Gilbert VanVorren. In the field, the REC's trucks got radios to communicate with the office.



**1950** - Willie Wiredhand, the official electric cooperative mascot, steps into the spotlight.

**May 5, 1951** - The Aurora Substation is energized.



# Financials

## STATEMENT OF REVENUE AND EXPENSE

### REVENUE

	2012	2011
Operating Revenue & Patronage Capital.....	\$21,389,801	\$20,516,357

### EXPENSE

Purchased Power.....	\$12,960,372	\$12,546,833
Distribution Expenses - Operations.....	\$1,755,311	\$1,590,077
Distribution Expenses - Maintenance.....	\$600,929	\$562,131
Customer Accounts Expense.....	\$478,026	\$492,583
Customer Service & Informational Expense.....	\$514,484	\$413,019
Administrative & General Expense.....	\$1,308,924	\$1,239,905
Depreciation.....	\$1,507,039	\$1,432,282
Taxes - Property & Other.....	\$21,417	\$20,496
Interest on Long-Term Debt.....	\$1,143,959	\$1,144,554
Other Deductions & Interest Expense.....	\$16,208	\$18,904
<b>Total Expense.....</b>	<b>\$20,306,669</b>	<b>\$19,460,784</b>

<b>Operating Margins.....</b>	<b>\$1,083,132</b>	<b>\$1,055,573</b>
Non-Operating Margins.....	\$97,205	\$44,638
Generation and Transmission Capital Credits.....	\$688,553	\$122,419
Other Capital Credits & Patronage Dividends.....	\$88,877	\$91,760
<b>Total Operating &amp; Non-Operating Margins.....</b>	<b>\$1,957,767</b>	<b>\$1,314,390</b>

## BALANCE SHEET

### ASSETS

	2012	2011
Current Assets & Other Debits.....	\$15,405,250	\$14,911,652
Fixed Assets (Net Utility Plant).....	\$40,300,978	\$36,260,484
Total Assets & Other Debits.....	\$55,706,228	\$51,172,136

### LIABILITIES

Total Current & Accrued Liabilities.....	\$3,451,182	\$3,511,327
Total Fixed Long-Term Debt & Deferred Credits.....	\$27,310,728	\$24,103,313
Total Margins & Equities.....	\$24,944,318	\$23,557,496
Total Liabilities & Other Credits.....	\$55,706,228	\$51,172,136

### COMPARATIVE OPERATING STATISTICS

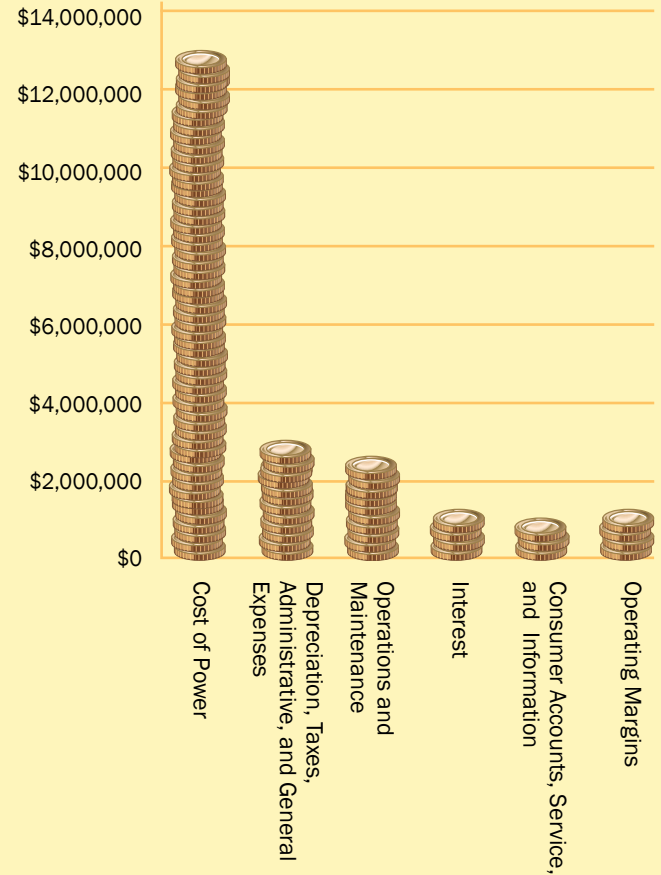
Miles of Line Energized.....	2,269	2,266
New Services Connected.....	136	77
Total Services in Place.....	9,421	9,333
kWh's Purchased From CIPCO.....	202,953,998	205,647,699
Cost Power Purchased.....	\$12,948,342	\$12,541,474
Percent Line Loss.....	6%	6.80%
<b>OPERATING REVENUE.....</b>	<b>\$21,320,561</b>	<b>\$20,445,231</b>
Average kWh's Used per Month per Consumer.....	1,851	1,868
Average Monthly Bill.....	\$207.10	\$199.55
Average Cost per kWh to Consumer.....	\$0.1119	\$0.1068

### LOAN FUNDS

RUS.....	\$20,266,974	\$18,743,225
CFC.....	\$6,355,864	\$4,677,560
Total Loan Funds.....	\$26,622,838	\$23,420,785

## HOW YOUR REC DOLLARS WERE SPENT

Total 2012 Operating Revenue and Patronage Capital: \$21,389,801



**Nov. 1, 1962** - President John F. Kennedy witnesses the signing of an agreement between NRECA and the United States Agency for International Development (USAID) to carry the successful U.S. electric cooperative model overseas.

**1959** - REA kicks off its 25<sup>th</sup> year having made \$3.8 billion in loans to 1,030 electric systems, mostly co-ops, an amount that has provided new or improved service to 4.5 million consumers across 1.4 million miles of line.

**1963** - Sister Cooperative Partnership Program launched by NRECA International Programs, allowing U.S. electric cooperatives to provide support to cooperatives in developing countries.



**Aug. 31, 1963** - The Buchanan County REC Board at the Annual Meeting.

**1952** - Buchanan County REC moves into a new headquarters building in Independence.



**1957** - Rural Electric Youth Tour started by electric cooperatives.





## ECI REC Staff



**Harry Ruth**  
CEO  
8 years



**Mike**  
Inventory/  
Maintenance  
Technician  
15 years



**Adam**  
Member  
Services  
Technician  
13 years



**Doug**  
SCADA  
Technician  
15 years



**Robert**  
Information  
Services  
Technician  
9 months



**Ben**  
Lineman  
9 years



**Rod**  
Lineman  
25 years



**Teresa**  
Manager of  
Finance and  
Consumer  
Services  
21 years



**Dave**  
Engineering  
Design  
Technician  
18 years



**Pat**  
Lineman  
23 years



**Paul**  
Lineman  
10 years



**Larissa**  
Staff  
Assistant  
9 years



**Kelly**  
Consumer  
Services  
Supervisor  
14 years



**Scott**  
Inventory/  
Maintenance  
Technician  
1 year



**Brian**  
Lineman  
14 years



**Travis**  
Lineman  
11 years



**Kevin**  
Lineman  
17 years



**Frank**  
Member  
Services  
Director  
42 years

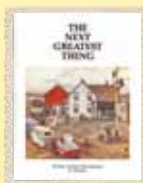
**1992** - Louie visits Rowley's South Elementary School. In 2006, this building was demolished after consolidation with Independence.



**1993** - Rural Electrification Loan Restructuring Act adopted to establish a new interest rate structure for insured electric loans.

**1966** - NRECA creates the Action Committee for Rural Electrification (ACRE®).

**1973** - Signed into law by President Richard Nixon on May 11, the Rural Electrification and Telephone Revolving Fund provides standard 5% insured loans as well as 2% hardship insured loans to electric cooperatives and rural telephone systems.



**1984** - NRECA publishes *The Next Greatest Thing*, an illustrated history book of the first half-century of rural electrification.



**1988** - Buchanan County REC celebrates its 50th Anniversary. General Manager Glenn Maynard speaks at the Annual Meeting.

**Oct. 1, 1995** - Member-consumers of Benton County ECA and Buchanan County REC approve consolidation and East-Central Iowa Rural Electric Cooperative is formed. (*directors of both Co-ops below*)





**Dave Line**  
Foreman  
26 years



**Ann**  
Accounting Clerk  
11 years



**Holly**  
Consumer Services Representative  
7 years



**Molly**  
Consumer Services Representative  
12 years



**Lisa**  
Manager of Communications  
11 years



**Sam**  
Engineering Design Technician  
38 years



**Carl**  
Line Foreman  
33 years



**Nathan**  
Information Services Administrator  
6 years



**Gary**  
Operations Supervisor  
38 years



**Steve**  
Manager, Operations/Engineering  
32 years



**Robin**  
Consumer Services Representative  
2 year



**Greg**  
Marketing & Economic Development Director  
20 years



**Tom**  
Lineman  
22 years



**Jennifer**  
Cost Records Administrator  
17 years



**Teresa**  
Operations Assistant  
34 years



**John**  
Member Services Technician  
20 years

**1995** - NRECA established the Board Leadership Certificate (BLC) to keep electric cooperative directors/trustees apprised of industry developments.

**June 1996** - ECI REC holds its first Annual Meeting of the Members.



**Aug. 4, 2003** - After Martin Gardner retires, Harry Ruth becomes new ECI REC general manager and CEO.



**1998** - Touchstone Energy® Cooperatives branding program is unveiled to raise consumer awareness about the benefits of belonging to an electric cooperative.

**2004** - ECI REC joins the Touchstone Energy alliance.

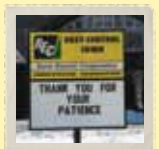


**2008** - Our Energy, Our Future® grassroots awareness campaign kicks off to reach out to elected officials and discuss the complexities associated with providing safe, reliable, and affordable power in an environmentally responsible fashion.

**Dec. 14, 1998** - ECI REC Urbana Administrative Headquarters officially opens.

**2012 & 2013** - ECI REC celebrated the 75<sup>th</sup> anniversaries of parent cooperatives Benton County ECA and Buchanan County REC.

**Feb. 2007** - A devastating ice storm encases distribution lines throughout ECI REC service territory. Outages number 6,000.



**2013** - CEO Harry Ruth retires and hands leadership over to 32-year ECI REC veteran Steve Marlow.



# 2012 ECI REC Highlights

## Energy Wise

- ECI REC co-hosted two Model Home open houses with Steve and Barb Manternach and Mark and Nichole Recker. The homes demonstrated the benefits of all-electric home building in the areas of environment, indoor air quality, personal safety and security, and energy efficiency.
- In 2012, an average of 125 ECI REC members contributed an average of \$500 a month to support the production of renewable energy in Iowa.
- Energy-efficiency goals for 2012 were exceeded, with Cooperative members saving over 3,210,733 kWh. Rebates to members who purchased new appliances totaled \$312,669.

Residential lighting: 1,021,580 kWh

Ag lighting: 342,941 kWh

Commercial lighting: 244,241 kWh

Geothermal: 883,356 kWh

Air source: 270,158 kWh

Water heaters: 189,929 kWh

Appliances: 66,730 kWh

Appliance recycling: 114,319 kWh

Other: 77,479 kWh

- By the end of 2012, the Cooperative had worked with members to make 20 renewable energy interconnections.

## Keeping the Lights On

- Work continued rebuilding distribution lines—so far 55.43 miles of power lines have been rebuilt or strengthened for an estimated investment of \$2,624,015 as part of a FEMA grant of \$8,436,237 to rebuild 246 miles of distribution lines throughout the service territory.
- Crews repaired damage to the distribution system caused by fire in August.
- Twelve inches of snow, ice, and high winds caused outages on December 20. Working late into the night, crews restored power to all members by the following afternoon.
- Infrastructure upgrades consisting of 17 network poles were installed, allowing for clear transmitting paths between ECI REC's substations and communications towers.
- The Board approved a four-year, \$16 million improvement plan to extend and upgrade service to meet anticipated increased demand and to minimize interruptions of power to ECI REC members.

## The Cooperative Difference

- The National Rural Electric Cooperative Association's Regional Meeting was held in Minneapolis in September 2012. It was attended by CEO Harry Ruth, as well as several other ECI REC employees and Board directors.
- The Board adopted a new mission and vision statement at the December 2012 Board meeting.
- At its May 2012 Board meeting, the Board of Directors voted to retire \$571,430 in patronage back to its member-consumers.
- ECI REC hosted seven representatives from the Seikatsu Club Consumers Cooperative of Japan in August.



## Community Connected

- ECI REC and CIPCO teamed up to hand out bandannas and fly the Touchstone Energy hot air balloon for RAGBRAI in July.
- Iowa electric cooperatives staffed the Touchstone Energy booth at the Iowa State Fair and the Farm Progress Show in Boone, providing energy-efficiency tips, great prizes, and fun.
- The Co-op Connections program revamped its website, making it even easier to find savings online. Several new local businesses joined the program as well, offering discounts to ECI REC member-consumers.
- Twenty-four participants attended the ninth annual Character Counts! Training session, sponsored by ECI REC and CIPCO.
- The Cooperative gave a total of more than \$40,700 to 36 community organizations in 2012, which included community groups, economic development groups, youth and education groups, and health and safety organizations.
- Ten seniors were awarded \$500 scholarships from ECI REC to further their education. Scott Weber of Don Bosco High School received a \$1,000 scholarship to attend the Powerline Program at Northwest Iowa Community College.
- Dalton Schmit of Jesup High School and Parker Oltrogge of Vinton-Shellsburg High School participated in the Electric Cooperative Youth Tour in June 2012.
- Summer interns Dane Peterson and Scott Weber interned for ECI REC during the summer of 2012.
- Youth Tour alum Dalton Schmit started work as a senate page in the Iowa Legislature's 2012 session.
- 107 members donated \$5,678 to RECare in 2011-2012, an increase over the previous year's donations.

## Looking Out for You

- Over 20 representatives from Iowa's rural electric cooperatives represented the interests of cooperatives in Washington, D.C., during the Legislative Fall Fly-in. Topics of discussion were preserving the Power Marketing Administrations, coal combustion residuals, the Rural Utilities Service Funding in the 2013 Farm Bill, and cyber security.
- ECI REC co-sponsored a Welcome Back reception for Iowa legislators in January 2013, communicating with legislators about key priorities for Iowa electric cooperatives.
- The 22nd REC Day on the Hill in March 2013 brought 250 representatives from electric cooperatives across the state to the state capitol in Des Moines to meet with state legislators and discuss important issues such as stray voltage reform legislation, rural economic development, and the importance of affordable baseload generation.

## Putting Technology to Work for Members

In 2012, the Communications, Consumer Services, and Information Technology teams worked together to prepare to implement SmartHub. The new platform, rolled out in early 2013, handles online payments and offers features such as bill reminders, usage history, an app to access SmartHub from a mobile device or tablet, and more.

## Safety

- ECI REC celebrated National Farm Safety and Health Week from September 16-22, and Fire Prevention Week from October 7-13, 2012.
- In 2012, the Cooperative alerted member-consumers to several local and nationwide utility scams.
- The Cooperative held monthly safety meetings attended by both field and office personnel. Pole-top rescue exercises, fire extinguisher handling, CPR, and first aid training were all reviewed in 2012.
- ECI REC crews completed updates on the Winthrop, Quasqueton, Rowley, Shady Grove, and Spring Creek substations, installing new power lines which have greater voltage capacity as well as shield wire to protect the system from lightning strikes. More advanced circuit breakers were also installed, which protect line personnel who might be in the substation when a fault occurs.

