

Addressing rate increases

The electric utility industry, including investor-owned, municipals and cooperatives, are feeling the effects of the recession through increased costs of purchased power, maintenance and construction materials. Furthermore, a more pronounced recession has taken its toll on businesses and individuals everywhere.

A new president is in office, along with a new Congress calling for swift changes related to health care and cap and trade, and with all this, wholesale power costs continue to rise out of control. Today's reality is a business climate of uncertainty and cautiousness.

The board and management of HREA are continually looking at ways expenses can be lowered or eliminated during this economic downturn. We've decided to take a "wait and see" approach in considering the replacement of an

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Office Hours 7:30 a.m. to 4 p.m., Mon.-Fri. open management staff position that occurred this past September.

Additionally, since the housing market has been on the decline, we have curtailed upgrades of our infrastructure to only include remedial maintenance activities that will preserve the integrity of the system. All other projects are reviewed accordingly on a member-need basis. Furthermore, we have eliminated nearly all outside contracting services in order to hold down internal expenses.

Your board of directors is currently looking at deeper cuts in all areas of operations to include sweeping changes in the way we do business. Here at HREA, we understand that our members can barely manage to pay their monthly electric bills, and some must choose between paying for medications and keeping the lights on. We do understand that even a small increase will be a hardship beyond measure for some folks.

As you may be aware, we are in the second year of a four-year contract with our wholesale power supplier. During these last two years, you've seen increases in your electric bills due to these added expenses. Additionally, this contract continues to have increases built into it for the



remainder of the term.

Management's goal has been to revisit the energy markets on a periodic basis to determine if these high prices can be averaged out with possible lower-priced energy supplies. Unfortunately, due to the lack of new generating capacity being built, the aspects of a reduction are limited because of this lack of available resources.

While the economy is seeing a downturn in the oil and natural gas industry, the extended outlook in the futures market is still very high for wholesale energy. Currently, HREA pays more than 50 percent of our current revenue to purchase power for resale to our members.

Finally, it is crucial for you to know that we're doing all we can to tackle the challenges ahead of us. As a cooperative member, I hope you will realize the significance of my message. If you have any questions, please feel free to call our office.



Harrison Rural Electrification wishes you and your family a wonderful Thanksgiving holiday. As a reminder, our office will be closed for Thanksgiving to allow our employees to enjoy the holiday with their families.

Understanding your electricity use

Electricity use can vary from month to month depending on a wide range of factors. You can't compare your family to your next-door neighbor's family, even if your homes are similar. This is very personal. Here are a few items to keep in mind.

Weather. The changing seasons bring with them a change in energy use. Air conditioners and fans run more often on hot, humid summer days, and cold, blustery winter nights make furnaces run longer to maintain adequate heat.

Change in lifestyles. When the number of people within your household increases, your energy use increases as well. Additional use of lights, kitchen appliances, showers, washers and dryers, TVs, stereos, computers and other appliances can easily increase energy use.

Appliances. Adding a second refrigerator, freezer, hot tub, waterbed or other electrical appliance will also increase your electric use. The use of construction tools (saws, drills, electric lights, sanders, etc.) when remodeling a home also can increase electric use.

Vacations can fool you. Vacations don't necessarily save you money on your electricity. Even though you're away, your refrigerator, freezer and furnace/air conditioner are still running. Depending on the billing cycle, decreased use of the range, toaster and iron could be spread over two bills. And don't forget you may have used extra energy getting ready for vacation, such as extra laundry.

Number of days in billing cycle. Sometimes energy use can seem higher due to the number of days in the billing cycle. Keep this in mind when comparing bills from previous months.

Analyzing your energy use:

1. When your energy use seems high, ask yourself about any changes in weather, living habits,



Only 20 percent of homes built before 1980 are properly insulated. You can increase the comfort of your home while reducing heating and cooling needs up to 10 percent by investing in proper insulation and sealing air leaks.

Source: U.S. Department of Energy

appliance use and the billing cycle.

- 2. Compare your use to your use a year ago, but remember that weather conditions vary from year to year, so February's weather this year is not necessarily the same weather experienced in February of last year.
- 3. Still think the energy use is more than it should be? Try this test: Shut off all the breakers in the house, and then check the meter. The meter should completely stop turning after several minutes. If it continues to turn, you may have a short between the meter and the breaker box. If so, call an electrician to locate the problem for you. If the meter stopped when the breakers were completely shut off, then turn on one breaker at a time and check the revolutions of the meter in a 30-second time period. This will allow you to identify the largest electric loads by breaker.
- 4. You also may want to monitor your use, along with monitoring activities such as doing laundry or using the oven. Create a spreadsheet that monitors the items below. This will help you see what activities create the highest amount of energy use.
- 5. It also can be helpful to learn just how many kilowatt-hours are being used by each appliance during the month. They can add up pretty quickly. You can figure the use of any appliance if you know its wattage (or amps) and how long you use it.

ReadingDaily UseActivitiesDay 1Day 2Day 3Day 4Day 5Day 6Day 7Total

Here's how you calculate use:

a) Convert amps to watts: amps x 120 volts = watts

b) Watts x hours used per month = watt-hours per

month c) Watt-hours divided by 1,000 = kilowatt-hours (kWh)

Example: If you use a 100-watt light bulb for 10 hours, you would use 1 kWh.

Electric co-ops warn members against utility payment fraud

by DERRILL HOLLY

"You will be disconnected if you don't provide your credit card information," said the insistent caller, demanding the account number from a

co-op consumer-member early this summer.

Unfortunately, the elderly woman who gave in to the demand didn't find out until later that the aggressive caller did not represent Janesville, Wisconsinbased Rock Energy Cooperative.

"She gave the caller her Social Security number, her maiden name and her credit card information," said Barbara Uebelacker, the co-op's communications specialist. "She could be a victim of identity theft down the road."

Similar reports are coming in from co-ops across the country.

"The daughter of an elderly consumer-member was visiting when a caller claiming to represent the electric company called to demand payment; she refused to give them anything," said Steve Moore, member services manager of West Central Electric Co-op, Higginsville, Mo., recalling a case in his service territory.

"In today's economy, it's not surprising that we are seeing an increase in identity-theft and other fraud schemes," said Tracey Steiner, NRECA senior corporate counsel, who tracks consumer protection legal issues for the association. The problem prompted a call to action to Iowa's electric co-ops from the Iowa Association of Electric Cooperatives in Electrigram, the statewide's weekly publication.

"We encourage all statewide co-ops to inform

WHAT \$1 OF ELECTRICITY WILL BUY Run a blender for 39 hours Listen to a stereo for 98 hours Toast 4,800 slices of bread Watch 78 hours of TV Run a digital clock for 3,921 hours Dry your hair for 8 hours Light a 100-watt bulb for 117 hours Light a CFL bulb for 511 hours Iron clothes for 12 hours

ELECTRICITY IS VALUE! *Country Living,* September 2009 members on how to protect themselves from fraudulent callers," said Brian Kading, executive vice president and general manager of the statewide association. Articles warning of the threat have appeared in several co-op publications in Iowa over the past year.

In recent months, a variation on the scam has involved vague references to federal stimulus dollars. In Georgia, Sawnee Electric Membership Corp., Cumming and Jackson Electric Membership Corp., Jefferson, have both heard

from consumer-members who've been encouraged to apply for grants of up to \$350 to help senior citizens and low income members pay their utility bills.

"We don't know of any such program and we're telling our consumer-members not to give out any information because the callers are trying to get their account numbers," said Brent Cockran, Jackson EMC's director of customer service. "People need to report such calls to their co-ops and to their local authorities."

Source: Electric Co-op Today, *Vol 15, No. 32, September 4, 2009.*

Substations: Stepping up to provide power

by MEGAN MCKOY AND KAREN NEJTEK

Electricity enhances your life, from lights and entertainment to the comfort level of your home. But since power plants usually aren't next door to homes, electricity must travel long distances to reach your doorstep. The complicated process needed to accomplish the feat of delivering power from Point A (power plant) to Point B (your home) combines several key components, including substations.

Energy cannot be stored, so moving electricity requires packing power as heavily as possible onto

transmission lines. By increasing electricity's voltage—an electromotive force that acts like water pressure—it moves more efficiently. Some energy gets lost along the way, but the bulk reaches its destination.

Substations serve as essential "transit" points in this system, with the ability to raise, or "step up," and lower, or "step down," voltage. High voltage, you see, may be great for speeding power along transmission highways. However, if electricity enters your home at too high a level, electronics could be

(Continued on page 24)

Substations: Stepping up

damaged (case in point: lightning strikes).

As power gets closer to its destination, substations decrease it to a safe level. Substations also keep voltages constant, preventing harmful fluctuations.

Several types of substations are found between power plants and homes. Each contains a wide array of equipment, including transformers, lightning arrestors, circuit breakers, insulators and more. A transformer performs the heavy work, altering voltage as needed.



Harrison Rural Electrification remembers and thanks America's veterans for their sacrifice.

(—continued from page 23)

Initially, step-up substations at power plants increase electricity's voltage to various levels between (115,000 volts and 765,000 volts) so it can be shipped through high-voltage transmission lines. Once electricity gets closer to its destination, transmission substations typically reduce the voltage to between 23,000 volts and 69,000 volts.

From there, the power moves over smaller transmission facilities to electric co-op distribution systems. Distribution substation transformers then slash the voltage even lower, normally to 12,500 volts.

At this point, the distribution lines you see running up and down rural roads and across fields bring power to you. To make that energy safe for household use, a pole-mount transformer (the round object resembling a small gray garbage can located near the top of a utility pole outside your residence) or a pad-mount transformer (the gray boxes dotting your housing development) cuts the voltage once more, to between 120 and 240 volts.

Substations remain an important part of your electric cooperative's system. Remember, the voltage entering and exiting substations far exceeds anything you'll find at home. Substation fences protect you and the equipment housed within and help ensure that your co-op can continue providing you with a safe, reliable and affordable supply of power.

Stay Clear

A downed power line may not be a dead line. It could cause serious injury or death.

FOLLOW THESE TIPS FROM YOUR ELECTRIC COOPERATIVE TO STAY SAFE:

- Assume all power lines are energized and dangerous. Even lines that are de-energized could become energized at any time.
- Never touch a downed power line! And never touch a person or object that is touching a power line.
- If someone is injured as a result of contact with electric current, do not try to assist him or her. You could be injured or killed. Call 911.
- If a power line falls across your vehicle while you are in it, stay inside until help arrives.

• Call 911 immediately to report a downed power line. Then call your electric cooperative.