

Rising costs



Alisha Anker
General Manager

This past year we have seen the cost of materials and supplies increase at a double-digit rate, with some essential equipment now coming in at over three times the cost traditionally paid. Not only are costs up, but supply chain shortages and high demand for electrical

construction material are creating longer lead times, thus the need for the cooperative to increase its warehouse inventory holdings. We know you have seen price increases and similar availability restrictions in your everyday purchases as well.

It's also no secret that electricity generation costs have risen in the past year. Those costs are driven by the price of natural gas and an overall scarcity in the market as regulators impose more and more environmental restrictions on the ability to generate electricity. Further, natural gas has taken a front seat with an increased prevalence on the global

marketplace stage, further complicating matters.

We are fortunate in that our participation in a cooperative-based wholesale power supplier allows us to own much of our own electric generation resources. This has protected us from immediate fluctuations in the energy market and sheltered us from raising rates last summer when energy market prices spiked. However, due to inflationary economic factors, a tighter energy market and regulatory pressures throughout our industry, we foresee the inability to continue to absorb cost increases.

In late 2020, we completed a Cost of Service and Rate Study, taking an intensive look at our system and all the facets and costs of providing power to each of our rate classes. At the time of its completion, while still facing the uncertainty of a pandemic, we were able to postpone implementing changes to our rate structures due in large part to good news from our wholesale power supplier. Their outlook for 2021 and 2022 was optimistic, indicating power supply costs would remain relatively

stable, thereby allowing us to meet all of our financial obligations with existing rate structures. Unfortunately, the outlook for this year is not as promising.

A new Cost of Service Study will be prepared this year. While awaiting those findings, we will utilize the results from the 2020 study to implement an increase in rate charges, starting with your February billing. Due to publication deadlines for this magazine, the exact increase is still being determined.

In addition, we expect you will also see a small increase in the Power Cost Adjustment line item that appears on your bills throughout the coming year. As you recall, this charge reflects the difference between the cost of energy assumed in our rates and the actual cost of purchased power from our wholesale power supplier.

I want to remind you that as an electric co-op we do not seek to earn profits for investors; we were built by the communities we serve, and our mission remains, as always, to provide you with safe and reliable service at a reasonable cost.

POWERING LIVES

Not everyone starts their day at the same time, or in the same way. But no matter when or how, your cooperative is there to help you power every moment of it.

**YOUR SOURCE FOR POWER.
AND INFORMATION.**



Apply Now!

2023 Menard Electric Cooperative scholarships

- \$2,000 4-year college or university
- \$1,500 2-year community college
- \$1,500 technical school



BONUS

Trip to Washington, D.C.



One applicant also will receive an all-expenses-paid trip on the Youth to Washington Tour, where he/she will travel with other Illinois students for a weeklong tour of Washington, D.C., June 16-23, 2023.

- Applicants must be a high school senior or equivalent, graduating during 2023.
- Applicant's parent/legal guardian must be a Menard Electric Cooperative member with their primary residence or business served by the cooperative.



See more details and apply at

menard.com/scholarships

by March 1, 2023.

10 EASY WAYS TO \$AVE

Here are 10 habits you can tweak to save energy:

1. Use cold water to wash your clothes.
2. Unplug battery chargers when not in use.
3. Skip the heat-dry setting on your dishwasher.
4. Unplug appliances and electronics not in use.
5. Run full loads of laundry instead of several smaller ones.



6. When drying clothes, include a dry towel for the first 20 minutes.
7. Keep your refrigerator at 35° to 38°F and your freezer at 0°F.
8. Reduce the setting on your hot water heater.
9. Use smart power strips that shut off power to items not in use.
10. When buying new appliances, consider ENERGY STAR versions.


Learn more at:

Safe Electricity.org®

WHAT'S ON YOUR BILL ?

Membership and basic account information

This is the first of a three-part series highlighting different portions of our monthly bill statements.



14300 State Highway 97
P.O. Box 200
Petersburg, Illinois 62675
(217) 632-7746 or (800) 872-1203

- 1 Billing Date: 01/07/2023
- 2 Statement ID: 8008721203
- 3 Account Number: 14300
- 4 Member Name: Willie Wiredhand
- 5 Phone Number: (123) 456-7890

Read Messages From Us Here 6

Important Notices

- Programs and Services,
- Events and Office Closings,
- Safety & Efficiency Tips,
- Capital credit allocation & return notifications,
- Budget Billing balance information

7 **Billing Overview**
(See back of statement for current charge details)

Previous Charges	
Amount Last Bill	\$211.04
Payment Received	(\$211.04)
Current Charges	
Account Balance	\$185.20

1 Billing Date
This is the date the bill was mailed to you. It was processed approximately two business days prior. Sometimes processing and payments will “cross in the mail,” so to speak, and payments don’t appear on the statement. Check your account online or call the office to verify payment was received.

2 Statement ID
A unique identification number for this billing statement.

3 Account Number or Group Bill
Electric service for each member has a unique account number. If only one account is billed on the statement, the number will appear here. The words Group Bill appear if multiple accounts are included on the statement.

4 Member Name
Memberships can be held jointly with another individual, but at this time only one name appears on the bill. The member(s) are the person(s) ultimately responsible for a bill, even if it is mailed in care of someone else.

5 Phone Number
If no number is listed or it is incorrect, please fill out a change on your bill stub, email us at info@menard.com or call the office to provide an accurate number. It is important that this number is correct so we can reach you if there is a problem with your account or electrical service.

6 Messages
Here you’ll find information regarding our programs and services, events and office closings, safety and efficiency tips and other details, such as capital credit allocations and notifications. If you are on budget billing, a paragraph also appears keeping you updated on your total account balance.

7 Billing Overview
If you have just one account, you will see the amount of your last bill and last payment, as well as the current billed charges and the total balance. If you have multiple accounts on the same bill (a group bill), you will see the amount due for each account listed here. Details regarding the payments and charges are found on the reverse of the bill.

Board highlights

For full minutes visit menard.com or contact the office.

October 25, 2022

- All Directors present except Don McMillan. Also present Director of Accounting & Finance Julie Atwater, Director of Member Services Trish Michels, Operations Manager Dalton Whitley, Engineering Manager Brady Smith, General Manager Alisha Anker & Attorney Charles K. Smith.
- Staff presented 2023 budgets & answered questions; exited board room.
- Approved Resolution authorizing Officers of Board to execute CoBank Incumbency Certificates.
- Approved Resolutions to amend NRECA benefit plans.
- Anker reviewed monthly & YTD financial operating report, balance sheet & financial trends. Operating margins as of 9/30 were \$1,975,179 compared to \$2,310,299 last year; equity at 43.29%; 12-mo TIER 2.36 & DSC 1.58.
- Anker reviewed Operations report w/50 incidents; longest duration outage 416 min affecting 1 member due to downed tree; largest # affected by single outage 194 due to a circuit trip for unknown reason.
- Approved change of meeting times to 8:00 a.m. for Jan, Feb, Mar & Jun 2023.
- Approved Resolution for additional \$20,000 capital credit retirement toward estates.
- Next Mtg 11/29/22.

Kilo Watt Korner

Space heaters



KW

Each winter season we have a handful of members surprised at the increase in their bill caused from using space heaters in their homes and garages.

If utilizing a space heater allows you to lower your home's thermostat setting several degrees, it might save you on total heating costs; however, that is not the way most consumers use them. We tested two small indoor space heaters to keep us cozy over a three-hour period while watching television in the evening. Both units were rated at 1,500 watts and had adjustable thermostats and three heat settings.

The first, a Comfort Zone electric oil-filled radiator heater consumed zero to 1,430 watts instantaneously as it turned itself on and off to maintain the highest heat settings, consuming 2.9 kilowatt-hours and costing \$0.36. Lowering our desired comfort level to medium settings used 1.88 kilowatt-hours and cost \$0.23. From that data we can estimate that if the unit were used each of the 31 nights in January for three hours, it could add approximately \$11 to the month's bill.

The second, a Windmere portable space heater, proved that size doesn't matter; although physically smaller, the rated wattage is the same. Therefore running it at its highest setting still used 3.2 kilowatt-hours, costing just slightly more at \$0.39 during the three hours.

Our test periods were admittedly not extravagant, but if you increase that usage to 12 hours, costs rise to about \$1.50/day or \$46/month. Some ceiling mount garage heaters, for example, are rated at 5,000 watts and would be much more expensive if left on.

As a DIY calculator, check out the label on your space heater or consult the owner's manual to find the wattage, then use this formula to get an estimate of cost:

$$\begin{aligned} & \text{___} \# \text{ watts} \times \text{___} \# \text{ hours ran} \\ & \times \text{___} \# \text{ days used} / 1,000 = \text{___} \text{ kWh} \\ & \times \$0.12 = \$ \text{___} \text{ monthly cost} \end{aligned}$$

Safety note: Never leave unattended or plugged in while sleeping; never use with extension cords or power strips; place out of high-traffic areas and away from children; keep three feet from flammable items; and ensure it is UL labeled and has emergency tip-over shut-off feature and heating element guards.

Korner recommendation: A space heater might be handy for occasional use to take off the chill, just be prepared that frequent use will add up on your bill. Consider other ways to increase comfort such as extra clothes and blankets and blocking air drafts with weather stripping and heavy drapes.



Pay your bill the easy way

Automatic Bill Payment Authorization

Send us this form to have your bill automatically deducted from a bank account or credit card each month. The amount deducted from your account will be the total amount due on your bill. You will still receive a bill statement to know how much to deduct each month. Deductions are taken each month on the date you select.

This form must be received by the 28th of the month for your next month's bill to be drafted. Include it with your next payment or mail separately to PO Box 200, Petersburg, IL 62675

Name: _____ SS# last four digits _____

Address: _____

City/State/Zip: _____

Phone: _____ MEC Account # _____

Date payment will occur each month (choose one) ___ 10th ___ 17th ___ 24th

Bank Account Draft

Bank Name: _____

Bank Routing # _____ Account # _____

___ Checking acct. ___ Savings acct. *You must include a voided check with this form.*

Credit Card Draft

___ VISA ___ MASTERCARD ___ DISCOVER Card# last four digits _____

A member services representative will call you for the additional card number details.

I authorize Menard Electric Cooperative (MEC) to draw monthly bank/credit card drafts through the automatic plan (ACH) on the account shown above for the payment of my electric bill in full and any other services I authorize. I understand that I may discontinue my participation at any time by notifying MEC in writing. Both MEC and the bank may terminate this agreement with 10 days written notice. I understand that MEC reserves the right to limit participation in this program to members who are in good standing; that the full amount of my bill will be drafted on the date selected or next business day; and that if funds are not available in my account there will a charge posted to my account and I will still be required to make full payment before the bill's due date.

Signature: _____ Date: _____