

Deregulation doesn't affect co-op members

Consumer-Owned Utilities Put Long-Term Costs, Reliability Ahead of Profits

After more than a decade of experimenting with deregulation of the electric utility market in Illinois, power marketers, called alternative retail electric suppliers, have started to target small residential consumers.

Mass mailings and phone offers targeting ComEd customers have mistakenly gone to Rock Energy Cooperative members.

The offers claim to provide a lower electricity price, but they do not represent all charges and generally require consumers to sign a long-term contract with cancellation penalties. For example, the offer is only for the wholesale power generation portion of the consumer's bill, not transmission or distribution services.

"While it's an interesting development in the electric market, long-term savings are not guaranteed," the Citizens Utility Board says on its website. "The jury is still out on whether residential competition is going to bring real value to consumers in the long run."

Co-op members are not intended to be part of this marketing campaign. They already are part of a not-for-profit, consumer-owned, power-buying co-op that is looking at the long-term cost of power and reliability, not short-term profits.

The Illinois deregulation law that passed in 1997 treated not-for-profit, consumer-owned utilities differently than the for-profit utilities and did not mandate that these consumer-owned utilities enter the deregulated market. The reasoning was that consumer-owned utilities



were already aggregating their buying power, operating on a not-for-profit basis, and self-regulating by virtue of their democratic process for electing local leaders who can make the best decision for the greater good of their co-op.

Competition and choice are economic forces that may influence the wholesale market price for electricity. But supply and demand are even more important market forces. Although demand has been soft in recent years with the recession, supply is also drastically changing—and not for the better.

Market volatility is being caused by the current glut of electric generating capacity, but this is a short-term situation. Pending environmental regulation will likely cause the shutdown of many generating units, and an economic rebound will increase demand and dry up any excess power. New generation capacity is not being built fast enough to make up for this reduction in supply.

Will the cost of electricity go up? The simple truth is yes. It has and will likely continue to go up. That is why electric co-ops are working hard to provide innovative energy-efficiency programs, new rate options, transparent energy use awareness with new smart meters, diversified and increased power supplies, and continued reliability.

Electric cooperatives were started 75 years ago by consumers to bring the benefits of electricity to rural areas where market forces and profit potential just hadn't worked. Today, electric co-ops are still working to provide affordable, stable, and reliable electricity. These are economically challenging times for electric co-ops and their members, but together we will continue to follow common sense and the simple and time-tested principles of the cooperative business model.

If you have questions or concerns about this marketing campaign, please call our office at (866) 752-4550.



Rock Energy Cooperative

Your Touchstone Energy® Partner 



More Power to You

Record Crowd of 1,000 Enjoys Co-op's Member Appreciation Day

Shane L. Larson,
Chief Executive Officer

The idea for Member Appreciation Day took shape shortly after I arrived at the co-op back in 2000. We had our annual meeting every spring, but that's always a more formal event with speeches, elections, and other important business that needs to be conducted.

Prior to 2000, we had a small open house with cookies and coffee, but we wanted to add an event that would focus on members—young and old—having fun. An event that would allow the co-op's directors and employees to express their gratitude to all our great members. Other electric co-ops sponsor their own Member Appreciation Day, so we thought we'd give it a try. About 400 people attended that first event on Oct. 13, 2001.

Ten years later, the annual event is bigger and better than ever. On Sept. 17, a record number of people—nearly 1,000—visited our Janesville warehouse. Our acronym for the event is MAD, but you would have been hard-pressed to find a mad face in the crowd.

Smiles were everywhere, but CFL Charlie definitely had the biggest and most contagious smile. CFL Charlie is the energy-efficiency mascot of Touchstone Energy, a network of more than 700 energy cooperatives around the United States. When CFL Charlie approached the little ones, you could see their faces light up—no pun intended—and their smiles stretch from ear to ear.

Dean Health System's Crash Helmet also was a big hit with the kids. Crash, who encourages everyone to wear helmets while bicycling, was part of Dean's health fair at the event and even took a ride in one of our bucket trucks.

The bucket truck rides always are popular with members, and they really got a workout on this sunny September morning. The crew had bubble makers for the kids to use as they rode up and down in the buckets, and the steady stream of bubbles certainly added to the festive atmosphere.

The pancake chefs from Chris Cakes

again did a great job not only of preparing the meal but also of entertaining the crowd as they flipped pancakes right onto plates. It amazes me how quickly and efficiently they can feed hundreds of people.

In addition to the pancake breakfast, we also served popcorn, ice cream, and our special 75th anniversary cake. I overheard one little guy wonder why he was allowed to eat cake and ice cream for breakfast!

In celebration of our 75th anniversary, we had a corner of the warehouse set aside for members to watch a 20-minute video that highlights the co-op's early days and how it has grown through the years. The video debuted at the annual meeting last March and is available in two parts on YouTube. Just go to www.youtube.com and search for Rock Energy Cooperative 75 years.

Members also could pick up a copy of *Architects of Rural Progress*, a history booklet published for our 75th anniversary. If you'd like a copy, stop at either our Janesville or South Beloit office and we'd be happy to give you one.

I want to thank the 41 members who enrolled in Project Lift Up, our voluntary member donation program designed to help low-income members pay their energy bills. Members who signed up during the event received five free CFLs. Focus on

(Continued on 16c) ▶





Energy Assistance Available for Low-Income Households

Continued high unemployment rates will make the 2011–2012 heating season another challenging one for many Illinois households. In some cases, families will be forced to make painful decisions about which bills to pay and which necessities to cut.

The federally funded Low Income Home Energy Assistance Program (LIHEAP) helps eligible low-income households pay for winter energy services. Fortunately, Rock Energy Cooperative works with LIHEAP, which benefits about 300,000 Illinois households each year.

LIHEAP Details

LIHEAP heat and electric assistance is a one-time benefit payment per heating season that is intended to help pay a portion of a household’s heat and electric costs. The benefit amount depends on household size, income, and energy costs.

In most cases, the benefit is applied as a credit directly to the household’s Rock Energy account. You do not need to duplicate your efforts by applying for assistance with both your local agency and Rock Energy. We will send you a letter about one month after receiving your application that will include details on your assistance status and dollar amounts.

You are eligible for heating assistance if your household’s combined income is at or below the levels shown on this chart:

Illinois LIHEAP Income Guidelines for the 2011–2012 Heating Season

Household Size	30-Day Household Income	Annual Household Income
1	\$1,361	\$16,335
2	\$1,839	\$22,065
3	\$2,316	\$27,795
4	\$2,794	\$33,525
5	\$3,271	\$39,255
6	\$3,749	\$44,985
7	\$4,226	\$50,715
8	\$4,704	\$56,445

Source: Illinois Department of Commerce and Economic Opportunity

Where to Apply

To apply for assistance, you’ll need to complete a Home Energy Plus application and provide information on each household member and their income as well as records of your heating costs.

For more information and application details, please contact your local office:



Winnebago County

Rockton Township
1315 N. Blackhawk Blvd.
Rockton, IL 61072
(815) 389-0914
(815) 624-7788
(South Beloit, Rockton, Roscoe residents only)

Stephenson County

Northwestern Illinois
Community Action Agency
103-109 N. Chicago Ave.
Freeport, IL 61032
(815) 232-3141 or
(800) 883-1111

Boone County

United Way of Boone
County
220 W. Locust St.
Belvidere, IL 61008
(815) 544-3144

McHenry County

McHenry County Housing
Authority
1108 N. Seminary Ave.
Woodstock, IL 60098
(815) 338-7752

Weatherization Services

When you apply for energy assistance, the local agency also will see if you qualify for the Weatherization Assistance Program, which helps fund energy efficiency home improvement projects. If you are eligible for weatherization services, an energy auditor will look at your home to see what can be done to make it more energy efficient. Weatherization services differ with each home, depending on how it was built and its condition.

Rock Energy also assists low-income members through Rock Cooperative Care, which provides energy assistance to supplement the state and federal programs. For details, see the story and chart on page 16c.

For general information, call toll-free (877) 411-9276 or visit www.illinoisliheap.com. ■

Rock Cooperative Care Offers Energy Assistance

Some Rock Energy Cooperative members need a little help paying their energy bills. They might earn too much to qualify for state and federal energy assistance, or they might need some extra money to supplement the other programs.

Either way, Rock Cooperative Care is available to help. Since 2010, nearly \$47,000 has been distributed to help members pay their energy bills.

A one-time grant of up to \$500 is available to help residential members who are struggling to pay their energy bills but do not meet more stringent state and federal requirements.

Check the accompanying chart to see if your household qualifies for assistance. For example, a four-person household would be eligible if the total annual income is \$67,050 or less.

The Salvation Army office in

Rock Cooperative Care Income Guidelines for the 2011-2012 Heating Season*

Family Size	150% of Poverty Level (eligible for up to a \$500 grant)		200% of Poverty Level (eligible for up to a \$350 grant)		300% of Poverty Level (eligible for up to a \$250 grant)	
	30-Day Income	Annual Income	30-Day Income	Annual Income	30-Day Income	Annual Income
1	\$1,361	\$16,335	\$1,815	\$21,780	\$2,722	\$32,670
2	\$1,838	\$22,065	\$2,451	\$29,420	\$3,677	\$44,130
3	\$2,316	\$27,795	\$3,088	\$37,060	\$4,632	\$55,590
4	\$2,793	\$33,525	\$3,725	\$44,700	\$5,587	\$67,050
5	\$3,271	\$39,255	\$4,361	\$52,340	\$6,542	\$78,510
6	\$3,748	\$44,985	\$4,998	\$59,980	\$7,497	\$89,970
7	\$4,226	\$50,715	\$5,635	\$67,620	\$8,452	\$101,430
8	\$4,703	\$56,445	\$6,271	\$75,260	\$9,407	\$112,890

*These figures are based on the Federal Poverty Guidelines for 2011-2012.

Rockford is administering the Rock Cooperative Care program again this year. If you meet the eligibility requirements, call (815) 972-1135 during

regular business hours. Be sure to point out that you would like to schedule an appointment to apply for the Rock Cooperative Care program. ■

More Power to You

(Continued from page 16a)

Energy estimates that consumers can save about \$35 in annual energy costs by replacing the five most frequently used lights in their homes with CFLs.

With Project Lift Up, you can contribute by having your energy bill rounded up to the nearest whole dollar amount or making a set donation each month. If you missed MAD, it's not too late to sign up. Just fill out the form at one of our offices, and we'll give you three free CFLs. By switching to CFLs, you will see a savings in your energy bill and can donate part of that savings to Project Lift Up. All the money goes directly to our Rock Cooperative Care program.

Since 2010, the program has provided almost \$47,000 in benefits to 192 members. The people who receive this assistance continue to tell us how

grateful they are for the generosity and kindness of their fellow members. See the article on this page to learn more about Rock Cooperative Care.

On behalf of all the employees and directors, I want to thank the people who attended Member Appreciation Day and encourage everyone to watch for details about next year's event. If you've never attended a Rock Energy function before, MAD is a great place to start.

One member wrote after the

event, "This was our first Member Appreciation Day experience, and we all enjoyed it tremendously. So great to interact with the workers and members. What a great value-added event for all! Everything was top notch!"

We have Member Appreciation Day just once a year, but we strive to deliver top-notch service to our members every day. If there's anything we can do to improve, please let us know. We truly are grateful to be your energy provider! ■



Director Nominations Open

The Rock Energy Cooperative Nominating Committee will be selecting candidates to run for board of director positions that will be up for election at the March 26, 2012, annual meeting. Districts up for election are:

- District 1: Albion, Dunkirk, Fulton, and Porter townships in Wisconsin.
- District 3: Bradford, Darien, and Johnstown townships in Wisconsin.
- District 5: Clinton, Sharon, and Turtle townships in Wisconsin; Alden, Chemung, Hebron, LeRoy, Manchester, and Roscoe townships in Illinois.

Active members who are interested in running for a position on the REC Board of Directors must permanently reside in one of the areas up for election and meet all other qualifications. Please contact REC headquarters at (608) 752-4550 or (866) 752-4550 or send an e-mail to questions@rock.coop by Dec. 1. ■

South Beloit City Council Increases Utility Tax

In September, the South Beloit City Council approved an ordinance that increases the amount of utility tax charged to residents and businesses in the city limits. In accordance with Illinois law, the tax is based on the amount of electricity used. The tax for an average residential member is estimated to be about \$5.30 per month, which amounts to an increase of \$2.53. The increase is effective Nov. 1. Any questions about the tax increase can be directed to South Beloit city officials. ■

Have a Safe and Wonderful Thanksgiving!

Rock Energy Cooperative offices will be closed on Thursday, Nov. 24, and Friday, Nov. 25, in observance of Thanksgiving. We will reopen at 7:30 a.m. Monday, Nov. 28. Members can make payments in the drop boxes at both offices throughout the holiday weekend. Even though our offices are closed, standby crews are always available 24 hours a day. If you need to report a power outage, please call (608) 752-4550 or toll-free (866) 752-4550.



Get Connected

Check out these great deals offered with your Co-op Connections Card



Annabelle's, 312 State St., Beloit – (608) 365-5426

Home and garden decor and specialty shop. Silk handbags, French soaps, Lollia perfumes and bath.

\$5 Off (with Purchase of \$30 or More)

\$10 Off (with Purchase of \$75 or More)



Jerry's Sport Service, 3100 Riverside Drive, Beloit – (608) 365-4520 – www.jerrysboats.com

Boat, engine, and trailer sales, fishing equipment, piers/docks. Conveniently located right on the Rock River. For 35 years we have been putting our customers first, doing all we can to ensure every detail is managed to your satisfaction. Whether buying or selling, upgrading or downsizing, going faster or slower, we have a boat for you. With the largest selection of boats in the Midwest, great deals await and trade-ins are always welcome. Featuring Lund and Polar Kraft fishing boats, Yar Craft boats, San Pan and Parti Kraft pontoon boats, Hurricane & Princecraft deck boats.



10% Off

Indulge Spa & Salon, 807 Brown School Road, Evansville – (608) 882-6391

Full-service salon offering hair, nails, pedicures, massage, facials, and tanning.

\$5 Off Any Service Valued at \$20 or More



For a complete listing of current deals, visit www.rock.coop. Terms and conditions subject to change as desired by participating businesses. You also can use your Co-op Connections Card to receive a discount on prescription drugs. In September, Rock Energy members saved \$638 on their prescriptions, a 40 percent discount.



Shane Larson, CEO
Barbara Uebelacker,
Editor

P.O. Box 1758
2815 Kennedy Rd.
Janesville, WI 53547

P.O. Box 126
15229 Willowbrook Rd.
South Beloit, IL 61080

(608) 752-4550 • (866) 752-4550