



Current News

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A monthly publication for the members of Eastern Iowa Light & Power Cooperative

Rate adjustment included in 2025 budget...

\$2.2 million proposed as patronage return in 2025

The Eastern Iowa REC 2025 operating budget was formulated with a rate adjustment scheduled for the second quarter of the year. The Cooperative is at the end of its current rate cycle, having last adjusted rates in 2022. Inflation, resulting in increased costs for materials and equipment, was another major factor in this decision.

The new rates will take effect with energy used starting April 1, 2025, and will be reflected in bills received in May

2025. The change involves a rate increase of 11.89% across all rate classes.

As discussed during the 2024 District and Annual Meetings, this change is driven by inflation and rising costs of vehicles, materials, and hardware. In recent years, equipment and material costs have increased by 50% or more, necessitating this adjustment to maintain the Cooperative's financial health and continue delivering safe, reliable electric

service. This rate change is designed to sustain the Cooperative through 2027.

The Cooperative will continue to use a Time-of-Use rate structure. The On-Peak period will stay from 4-9 p.m. seven days per week, when energy will be billed at 23.8¢ per kilowatt hour, and an Off-Peak period for the remaining 19 hours of a day, when energy will be billed at 7.9¢ per kilowatt hour. The

More BUDGET see page 3.

Director nomination process starts with application

Potential candidates for the Eastern Iowa REC Board of Directors should start the nomination process by submitting an address verification form. This will enable the Cooperative to ensure the potential candidate is eligible to run within the district they indicate on the form.

Nomination packets, along with information regarding the district boundary map, qualifications to seek election, director compensation, director duties and responsibilities, Standards of Conduct and characteristics of a director can be found on the Cooperative's website, www.easterniowa.com/my-coop/ or call 1-855-938-3616 to request the information.

The next step is for the candidate to complete a petition signed by at least 15

memberships of their district by April 1.

All candidates who submit qualifying petitions will then be asked to fill out a brief biographical form and return it to

the Cooperative by May 15. The elections will be held during the 2025 district meetings.

The nomination process puts no limit on the number of candidates in a given district and in no way screens or filters potential candidates.

Candidates should note that the time requirements of a director extend beyond the 12 monthly meetings and include an average of 30 days per year for Cooperative business-related activities.

The incumbent directors whose terms expire in 2025 are: Kurt Olson, Grand Mound, district 1; Allan Duffe, Wilton, district 2; Henry Bentley, Durant, district 3; Tom Hotz, Lone Tree, district 4; and Kathy Wunderlich, Danville, district 5.



Cooperative scholarship applications available online

Eastern Iowa REC will be awarding 26 \$2,500 college scholarships. This is the 39th year for the Cooperative scholarship program.

The deadline for applying for the scholarship program is March 12, 2025.

The "Bob Wiemerslage Memorial Scholarship" is awarded to a student whose parents or guardian is a member of the Cooperative and who plans to major in accounting. Wiemerslage was the Cooperative's Division Manager of Accounting until his passing in 2019.

Twenty scholarship winners will receive a \$2,500 award that can be used to help defray the costs of attending any accredited college or university.

Five \$2,500 scholarships will be awarded to students planning to pursue a trade-related degree at a community college, technical school or power line school.

The scholarship money comes from unclaimed patronage funds and does not affect the Cooperative's rates.

The Cooperative's scholarship program is open to 2025 high school seniors, whose parents or guardians are members of the Cooperative. This includes children of Cooperative directors and employees.

Scholarship program details and application materials are available on the Cooperative's website, www.easterniowa.com/community/scholarships/.

**EASTERN IOWA REC
SCHOLARSHIP
PROGRAM**

2025

- ✓ 26 \$2,500 scholarships awarded
- ✓ Student's parent/guardian must be an Eastern Iowa REC member
- ✓ Scholarship program open to all 2025 High School graduates

Apply Now

Visit Our Website
www.easterniowa.com/community/scholarships/

Apply today for the Youth Tour 2025 trip

A group of high school students sponsored by Iowa's locally owned electric cooperatives, including one from Eastern Iowa REC, will be traveling to Washington, D.C., June 15-21 for the 2025 Electric Cooperative Youth Tour. The Iowa students will join other student leaders from across the nation to learn more about cooperatives, U.S. history and government.



Eastern Iowa REC is sponsoring an opportunity for a high school sophomore or junior attending school within the Cooperative's service territory to be part of Youth Tour 2025.

Applications and more information about the 2025 Youth Tour can be downloaded from the Cooperative's website, www.easterniowa.com/community/youth-tour/.

Students will be asked to complete an application, have a consent form signed by their parents or legal guardian and answer a series of essay questions.

Winners will be selected based on their answers to the essay questions, participation in extra curricular activities and community service.

All 2025 Youth Tour applications are due by March 14, 2025.

Cooperative unveils a new educational grant program

Eastern Iowa REC values and supports education and training of the students within our service territory. The Cooperative understands that classrooms may have limited funding to pursue the projects needed to educate the young minds in our local communities. By embracing Cooperative Principle #5: Education, Training, and Information, we have established our STEAM (Science, Technology, Engineering, Art, and Math) Grant program to provide funding for projects and initiatives at our local schools.

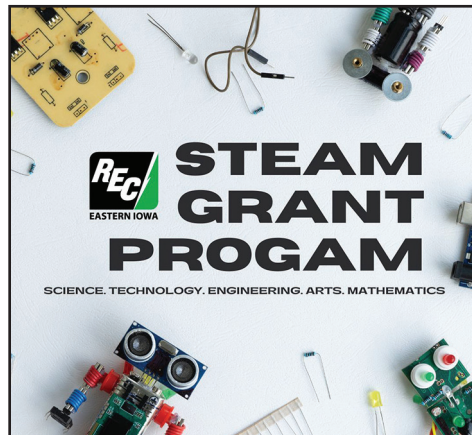
Funding is available for public, public charter, private, and home schools in our service area for classrooms with students K-12. The classroom project must be academically focused in the areas of science, technology, engineering, art, or math.

The grant may be used to purchase equipment or curriculum materials and should be part of a well-planned and integrated project or activity. Instructors may apply for a STEAM grant up to \$500 per school district, per academic year. Home schools are allowed to receive up to \$100 per home school, per academic year.

Funds for the STEAM grants come from unclaimed patronage funds and does not affect the Cooperative's rates.

Eastern Iowa REC STEAM Grants are available for schools serving students who live within the Cooperative's service territory. A map of the Eastern Iowa REC service territory can be found at www.easterniowa.com/my-coop/about-us/service-territory/.

Applications will be reviewed by the Cooperative to ensure they meet the quality standards. Applications are due by March 14, 2025.



Applications are due before grants are distributed.

Please ensure that all forms are filled out completely before forwarding to us. Incomplete applications will not be submitted for consideration. Applications should be submitted 4-6 weeks prior to the date of anticipated need. Applicants agree that their name, photo, and the project may be used for any marketing purposes by Eastern Iowa REC.

Examples of projects that would NOT be considered for funding: travel expenses, field trips, guest speakers, entry fees, t-shirts or other promotional items/prizes, and meals.

Applications are available online at www.easterniowa.com/community/scholarships/. If you prefer to submit a paper copy send the completed application and any other pertinent materials by mail to: Eastern Iowa REC, Attention: STEAM Grant, P.O. Box 3003, Wilton, IA 52778.

For more information, please contact Jim Williams, communications director, jim.williams@easterniowa.com.

How to become a director

Elections for positions on our Board of Directors will be held this summer at the District Meetings. Directors whose terms expire are: Kurt Olson, District 1; Allan Duffe, District 2; Henry Bentley, District 3; Tom Hotz, District 4; and Kathy Wunderlich, District 5. Details on Director qualifications, duties and responsibilities can be found at www.easterniowa.com/my-coop/ under the Directors Elections section.

Meeting Attendance Requirements: Monthly Board Meetings--held 12 times per year, usually on the third Thursday of the month at 9 a.m.

Other Meetings/Trainings--state and national meetings/trainings to learn policies and procedures of the electric industry. Expect to spend on average up to 30 days per year on Cooperative-related business.

Fiduciary Duty: The Board of Directors have a fiduciary duty to the cooperative and its members. This duty is described as follows: A director shall discharge their duties as a director, including their duties as a member of a committee:

1. in good faith;
2. with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
3. in a manner the director reasonably believes to be in the best interests of the corporation.

Key Responsibilities and Functions of the board:

1. Set the mission, purpose(s), and engage, on a regular basis, in strategic planning;
2. Select, regularly evaluate the performance of, and fix the compensation of the CEO;
3. Review, monitor and report to the membership regarding the critical operating and financial performance of the cooperative;
4. Ensure effective planning and adequacy of resources;
5. Contract for and approve an annual independent financial audit;
6. Provide program oversight and support, including the adoption of Board Policy and monitoring for compliance with legal and regulatory requirements, as well as the adequacy of internal controls.
7. Select, regularly evaluate the performance of, and fix the compensation of the Cooperative Attorney;
8. Approve new memberships.

Comments from the CEO

End of rate cycle and inflation lead to rate adjustment

As with every year, your Cooperative closed 2024 by finalizing plans for the new year. A major part of those plans is the organization's budget. Cooperative staff members presented the 2025 capital and operating budgets to the Board of Directors late in November and both were approved during the board meeting Nov. 15.

The 2025 budget includes provisions for a rate adjustment of 11.89% on average across all rate classes. The Cooperative last adjusted rates in 2022 and, at that time, it was expected that adjustment would last two years. As was discussed at this year's District and Annual Meetings, inflationary pres-

ures and rising costs have also had a major impact on the need for the upcoming adjustment. In recent years, the Cooperative has seen the cost of vehicles, materials and equipment increase by 50% or more.

Eastern Iowa REC's mission is to deliver safe, reliable, and affordable electricity to members. This adjustment will ensure that the Cooperative will fulfill that mission.

The Time-Of-Use (TOU) rate structure reflects the daily fluctuations in electricity costs based on supply and demand. The highest costs occur during peak demand hours (4 p.m. to 9 p.m.), when electricity usage across the system is greatest. Reducing consumption during this time lowers costs for the Cooperative and on your power bill.

Shifting the time for household chores, like running the dishwasher or doing laundry, out of the On-Peak period is a good place to start. For appliances with programmable timers, like many dishwashers and clothes washers, set them to run after 9 p.m. You can also add timers to water heat-

ers, engine heaters or livestock feeders to operate outside the On-Peak period.

The price of electricity goes up and down during the day depending on supply and demand. For the Cooperative, the high-cost period during the day is when the demand for electricity within our system is the highest. The peak demand period is each day between 4 p.m. and 9 p.m.

We also realize that while the "average" member uses 20-30% of their energy during the On-Peak period, every member does not. Those members who use more on-peak energy will see a larger increase in their bill, while those using less will see much less of a change in their bill. The result is that each individual member will be paying based on the cost they create to their member-owned electric Cooperative.

Any energy saved during that peak period will translate into lower power costs for the Cooperative and lower monthly costs for Cooperative members.

Eastern Iowa REC operates for the benefit of the members we serve and the TOU rate is designed to be fair to all Cooperative members. This rate can help Cooperative members manage their energy costs and help the Cooperative lower its costs as well.



Kirk Trede
CEO

From the Boardroom, November, 2024

- The 2025 Capital and Operating budgets were approved.
- Approved resolution establishing the regular monthly meeting dates for year 2025.
- Authorized the collective bargaining agreement for 2025-2027.
- Iowa Association of Electric Cooperatives EVP/GM Leslie Kaufman spoke to the Board.
- Brian Schoer, Cooperative senior project consultant, delivered an engineering technology presentation.

The next board meeting will be held on January 30, 2025.

Inflationary pressures, higher costs affect 2025 budget

BUDGET from page 1.

Cooperative also has an optional Super Off-Peak period daily from midnight to 6 a.m. billed at 4.4¢ per kilowatt hour. This optional rate can help members save by shifting usage to these hours. Contact us for more details.

This Time-of-Use structure gives Cooperative members an additional tool to control their monthly bills. By making changes to when you consume energy, you can potentially save money. The more energy you can shift outside the Peak Period, daily from 4-9 p.m., the more you can save on your energy bill. Many tools are also available through the SmartHub app to manage and track your energy usage. If interested in learning more, please call 1-855-938-3616 for further details.

Cooperative staff members end each year by planning for the upcoming 12 months. The Eastern Iowa REC budget was developed, refined, trimmed and presented to the Board of Directors for their consideration and approved at the November board meeting.

A major item in the Cooperative's

operating budget is the proposed return of \$2.2 million in patronage representing the remainder of the 2009 patronage, along with a portion of the 2010 and 2024 patronage. Current members taking service during those years will receive a credit applied to their electric bill.

Returning a portion of the deferred year's patronage and a portion of the current year's patronage allocation allows both long-time and new Cooperative members to receive the benefits of Cooperative patronage.

For 2025, operating revenues are expected to total \$72,814,398. This represents an increase of 13.7% over the 2024 budget and is mostly attributed to the rate adjustment. Operating expenses are expected to be \$70,135,091. This leaves an operating margin of \$2,679,307. Interest and non-operating margins of \$3,207,540 will increase total margins to \$5,886,847.

These margins will maintain an acceptable equity position and retain a favorable credit rating for the Cooperative.

Wholesale power cost is the largest budget item, accounting for 56% of the total operating budget. Wholesale power is expected to cost the Cooperative \$42,743,530 this year. This is an increase of \$3,956,215 or 10.2% to the 2024 budget.

This increase is due to anticipated higher power costs for both commercial and industrial loads. Sales to residential accounts is expected to remain flat.

The total 2025 capital budget is \$17,395,026 reflecting an increase of approximately \$2 million from the 2024 capital budget. The increase can be attributed to the rising costs of equipment and materials.

Included in this amount are the funds for the construction of a new DeWitt substation in Clinton County and improvements to the Northland and Salisbury Substations in Muscatine County, and the Andover Substation in Jackson County, as well as new line replacement and line construction totaling more than 30 miles at a cost of nearly \$4 million.

2025 brings changes to rebate program

At Eastern Iowa REC, we want to provide you affordable, reliable, and safe electrical service. Part of the way we carry out that mission is offering you rebates! Some of the equipment rebates we offer are:

- Heat Pump Equipment
- Outdoor Battery-Operated Equipment
- E.V. Chargers
- Water Heating

The Cooperative is introducing new rebates for 2025. Discover all the details below and explore our wide range of available rebates at www.easterniowa.com/energy-center/rebates/.

New Rebates for 2025

- Smart Plugs/Timers--Rebate \$10 each, not exceeding more than 50% of the total cost.
- Programmable Thermostats—Rebate \$50/thermostat

Members must apply for rebates within six months of the purchase date (as shown on the member's invoice) and are subject to the current year program offer if received after January 31st. Past eligibility, however, does not guarantee

that equipment will meet criteria for current programs in effect.

Please contact Cooperative Energy Advisor Max Holtz, max.holtz@easterniowa.com or 855-938-3616, if you have questions about our rebate program.



You can track energy use with SmartHub

Did you know your energy usage could be available from your desktop or mobile device? Through the SmartHub



app, you can monitor your daily consumption 24/7 and see how it is trending over time. You can even download your data by clicking on the "View Usage" link in the Quick Links list.

Download the SmartHub app for free! It's available in the Apple App Store or Google Play Marketplace. Visit the Eastern Iowa REC website, www.easterniowa.com for more information.

Current News Monthly Quiz

Quiz Winners:

Verlin & Lisa Martin
Wellman

Vicky Looney
Grand Mound

Patsy Kordick
West Liberty

Nathan Sawvell
Wilton

Mail your answers to Current News, P.O. Box 3003, Wilton, IA 52778 or email answers to info@easterniowa.com. Be sure to include your name, address and Eastern Iowa REC account number on all quiz answer entries.

Four winners will be drawn from all submissions with the correct answers. The winners will receive a \$25 bill credit.

Question 1

How many Cooperative scholarships are available in 2025?

Question 2

What is the deadline for director nomination petitions?

Question 3

How much is the new rebate for programmable thermostats?

Name

Address

REC Account

Current News



BOARD OF DIRECTORS: Kathrine Wunderlich, president; Ken Purdy, vice president; Kurt Olson, secretary; Michael Bixler, treasurer; Henry Bentley, assistant secretary; Gary Bruns, Joel Carstensen, Aubrey "Lee" Cartwright, Allan Duffe, Tom Hotz, Gary Kester, Robert Schnieder Jr., Mike Shuger, Denise Timmerman, Bradley Weiss.

Kirk Trede
CEO

Jim Williams
Communications Director

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Call toll free, 1-855-938-3616.

General Information.....info@easterniowa.com

Billing Questions.....billing@easterniowa.com

Service Questions.....member.service@easterniowa.com

This institution is an equal opportunity provider and employer.



Meet Max Efficiency—aka Max Holtz, our Energy Advisor! Max is here to share energy-saving tips, safety advice, and monthly challenges to help you save money and energy.

Take on this month's challenge and email any questions to Max at max.holtz@easterniowa.com to start your journey to smarter energy solutions!

MONTHLY CHALLENGE

Start the year right by tackling one easy energy-saving action at home! Seal up drafty windows or doors to keep the heat in and save on your energy bill. It's a quick fix with a big payoff—and a great way to jumpstart your efficiency journey!

-Max

