



## \$1.39M in capital credits to be returned to members this year

Egyptian Electric Cooperative (EECA) will retire (or pay) \$1,392,045 to our consumer-members who were served by our cooperative in 1989 and 1990. This means if you had service in either, or both, of these years, you will receive a portion of margins allocated in the year(s) you had service, proportional to the amount you contributed to each year's revenue. For 1989 there is a remaining amount of \$597,127 to be retired, and \$794,918 for the entire year of 1990. A portion of 1989 was retired last year.

When you sign up to receive electric service from EECA, you become a member, as well as a consumer. While investor-owned utilities return excess revenue or profits back to shareholders, electric co-ops operate at-cost, and periodically retires capital credits to its consumer-members. Over our 83-year history, excess margins have helped keep rates affordable, reduced the amount of money needed to borrow to build, maintain, and expand a reliable electric distribution system, and covered emergency expenses.

Traditionally, EECA capital credit returns have been distributed yearly, by check, to those who had service with us approximately 30 years prior. In 2019, the board authorized a retirement in the amount of \$529,084, last year \$914,530 and this year even more at \$1,392,045! Although last year our board made provisions to retire a portion of 2019 margins, they elected this year to finish the year of 1989 and all of 1990 allocations to catch up to a more targeted 30-year cycle.

### *Where does the money come from?*

Electric co-ops set rates to generate enough money to pay operating costs, make payments on loans and provide an emergency reserve. At the end of each year, we subtract operating expenses from the operating revenue collected during the year. The balance is called an operating margin. Margins are allocated as capital credits. **56-29-1023**

### *What are capital credits?*

A primary difference between an investor-owned company and a cooperative, such as EECA, is that we operate with a not-for-profit business model, owned by the member-consumers we serve. When you pay your monthly EECA bill, you accumulate equity in EECA through capital credit allocation. Margins, more than the cost to serve members, are utilized as operating capital. When the co-op has a positive margin (excess of income over expenses), the margin is allocated through a capital credits system according to each member's usage. These account allocations are communicated each year on your June bill, from the prior year. We also publish yearly, usually in May, the methods on how to calculate your allocations from year to year.

### *How are capital credits allocated and retired?*

Each year, members are allocated the previous year's margins, based on the amount of electricity purchased by each member in relation to the amount of electricity purchased from all members. An allocation represents the member's share of ownership in our cooperative.

The previous year's allocation will be noted on the member's bill; however, the member does not receive the money or bill credit until the retirement is completed. The margin allocations accumulate over time in the member's name. They are periodically retired (refunded) when directed by the board based on the financial condition of EECA in accordance with EECA bylaws. When capital credit checks are issued, checks are mailed to the address we have on file so it is important to keep your address up to date even if you move off our lines so we can find you when a retirement is made.

### *What do co-ops do with capital credits?*

Every business needs to maintain a suitable balance between debt and equity to ensure financial health. Capital credits are the most significant source of equity for electric co-ops. Equity is used to help meet expenses, such as paying for new equipment and repaying debt. Capital credits help keep rates at a competitive level by reducing the amount of borrowed funds.

*For more information about capital credits, please visit our website, [eeca.coop](http://eeca.coop), email [capcredit@eeca.coop](mailto:capcredit@eeca.coop) or call us at 800-606-1505.*

*Egyptian Electric is returning more than \$1.39M in capital credits to members who had service in 1989 & 1990!*



1732 Finney Road  
Murphysboro, IL 62966

Business hours/After hours  
800-606-1505

24/7 Automated Pay-by-Phone  
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Office hours 8 a.m. – 4:00 p.m. M-F  
[www.eeca.coop](http://www.eeca.coop)

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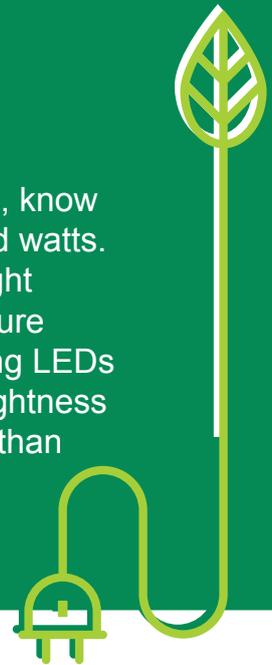
**Operation Round Up, where together we make the difference!**

[www.eeca.coop/roundup](http://www.eeca.coop/roundup)

## Energy Efficiency Tip of the Month

When shopping for new light bulbs, know the difference between lumens and watts. Lumens measure the amount of light produced by the bulb. Watts measure energy consumption. Energy-saving LEDs come in a variety of colors and brightness levels and last 15-25 times longer than incandescent bulbs.

Source: [energy.gov](http://energy.gov)



## MEMBER PRIZES

Every month we will have three map location numbers hidden throughout our Egyptian Electric News section. If you find your location number, that corresponds to the one on your bill, call our office and identify yourself and the page that it is on and you will win a \$10 credit on your next electric bill.

## Bill cycle changes

Effective for September 2021 billing, Egyptian Electric Cooperative will be moving from two bill cycles to one. These changes will result in billing all member-consumers for the same usage period (a full calendar month) that also coincides with our wholesale power billing cycle. These adjustments will also help us more accurately implement our accounting practices and align future rate structures.

More than half our member-consumers, those who are on Cycle 1 billing, will see only one change – an extended due date. The other half of our member-consumers, on Cycle 2 billing, will see changes in their meter read dates, usage period, bill processing dates and due dates. All members will see an extended number of days to pay their bill; from 18-20 days to 22-24 days each month. **14-05-0012**

This billing conversion will begin in the month of September 2021. To make these changes happen, it is necessary for Cycle 2 billed members to have one split cycle. The current Cycle 2 billed members will have their August/September bill process and be due on October 4, as normal. Two weeks later, a partial bill for the remainder of usage in September through October 1, will be processed and mailed. This bill will include a partial service availability charge, prorated to the days of use, and will be due October 28. Egyptian Electric will provide an extended grace period and waive late fees during this transition for all accounts. For automated paying members, the bill due date shown on each bill will be the date automated payments will process. The table to the right shows what to expect moving forward for those on each billing cycle.

Changing sources of electric generation will bring about a new dynamic in both the cost of power and its availability at certain times. To that end, we must also update our billing processes that record revenue and usage so that we can manage these rate strategies and meet the future needs of our members. Should you have any questions, please contact us by email at [info@eeca.coop](mailto:info@eeca.coop) or by phone during business hours at 800-606-1505.

**KEEP SEND**



**Egyptian Electric Cooperative Association**  
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1084 1 AV 0.389  
JOHN H DOE  
JANE DOE  
123 ANYWHERE ST.  
SPARTA IL 12345-0000

1084  
c-5

Account #12345678      Billing date: 12/03/2021

Past Due (Amount Due Immediately)	\$371.37
Current Amount Due by 12/23/21	\$242.01
<b>Total Amount due</b>	<b>\$613.38</b>
Delinquent After 12/23/21	\$613.38

Sign me up for Operation RoundUp

Pay your bill 24/7 online, by IVR, or SmartHub.

Please write your account number(s) on your check, and payable to:  
**EGYPTIAN ELECTRIC COOPERATIVE ASSOCIATION**  
1732 FINNEY RD  
MURPHYSBORO, IL 62966-5252



Cycle: 1 → How to tell

	Current Cycle 1	Current Cycle 2
Usage Month	August 2021	August/September 2021 (1)
Meter Read Date	9/1/2021	9/12/2021
Usage Period	8/1/2021-09/1/2021	8/12/2021-09/12/2021
Bill Processing Date	9/3/2021	9/16/2021
Bill Due Date	9/23/2021	10/4/2021
Days in Cycle	31	31
Estimated Days to Pay	20	18
	Proposed Cycle 1	Proposed Cycle 1
Usage Month	September 2021	September 2021 (2)
Meter Read Date	10/1/2021	10/1/2021
Usage Period	09/01/2021-10/01/2021	09/12/2021-10/01/2021
Bill Processing Date	10/6/2021	10/6/2021
Bill Due Date	10/28/2021	10/28/2021
Days in Cycle	30	18*
Estimated Days to Pay	22	22
	Proposed Cycle 1 (Combined)	
Usage Month	October 2021	
Meter Read Date	11/1/2021	
Usage Period	10/01/2021-11/01/2021	
Bill Processing Date	11/4/2021	
Bill Due Date	11/28/2021	
Days in Cycle	31	
Estimated Days to Pay	24	

\* This will result in a partial bill with a prorated service availability charge and shortened usage period.

## Understanding power surges and blinks

Have you ever noticed your lights blink during a thunderstorm? Or perhaps you have noticed a blinking microwave clock when you arrive home. When this happens, you have most likely experienced a brief disruption to your electric service, which could be a result of a power surge or blink. While the symptoms of surges and blinks can appear similar, what is happening behind the scenes can be quite different.

### *What is a power surge?*

Power surges are brief overvoltage spikes or disturbances of a power waveform that can damage, degrade, or destroy electronic equipment within your home or business. Most electronics are designed to handle small variations in voltage; however, power surges can reach amplitudes of tens of thousands of volts—this can be extremely damaging to your electronic equipment. Surges can be caused by internal sources, like HVAC systems with variable frequency drives, or external sources, like lightning and damage to power lines and transformers.

EECA encourages all members to install surge protective devices (such as surge protector power strips or whole house surge protectors) to safeguard your electronics. If you feel you are experiencing power surges, contact a qualified electrician first to inspect your electrical system.

### *What is a power blink?*

Power blinks are also brief service interruptions, but they are typically caused by a fault (short circuit) on a power line or a protective device that is working in reaction to the fault. Faults can occur through a variety of instances, like squirrels, birds or other small animals contacting an energized power line; tree branches touching a power line; or lightning and other similar events. In fact, when it comes to power disruptions



caused by critters, squirrels reign supreme. In 2019 alone, squirrels were responsible for more than 1,200 outages nationwide. Years ago, we began installing squirrel guard protections on parts of our lines to protect small animals and reduce outages. **46-12-0001**

Sometimes the fault is from beginning signs of failure of equipment. This can cause repeated blinks that occur over a period of time. You may notice a blink one week, then another the next week, and so on. They sometimes even become closer in occurrences. The closer these blinks happen between occurrences, the fault becomes more pronounced and usually concludes with an outage if not found prior.

We understand these types of blinks are very irritating. Sometimes these failures are easily detected but many times they are not due to the smallness of the fault, such as a hairline crack in a switching device or insulator. It is important to report these issues to us as they occur, so that we can track them in our system and gradually isolate the section of line that is being affected. In turn, our efforts can be concentrated to a condensed section of line, to find

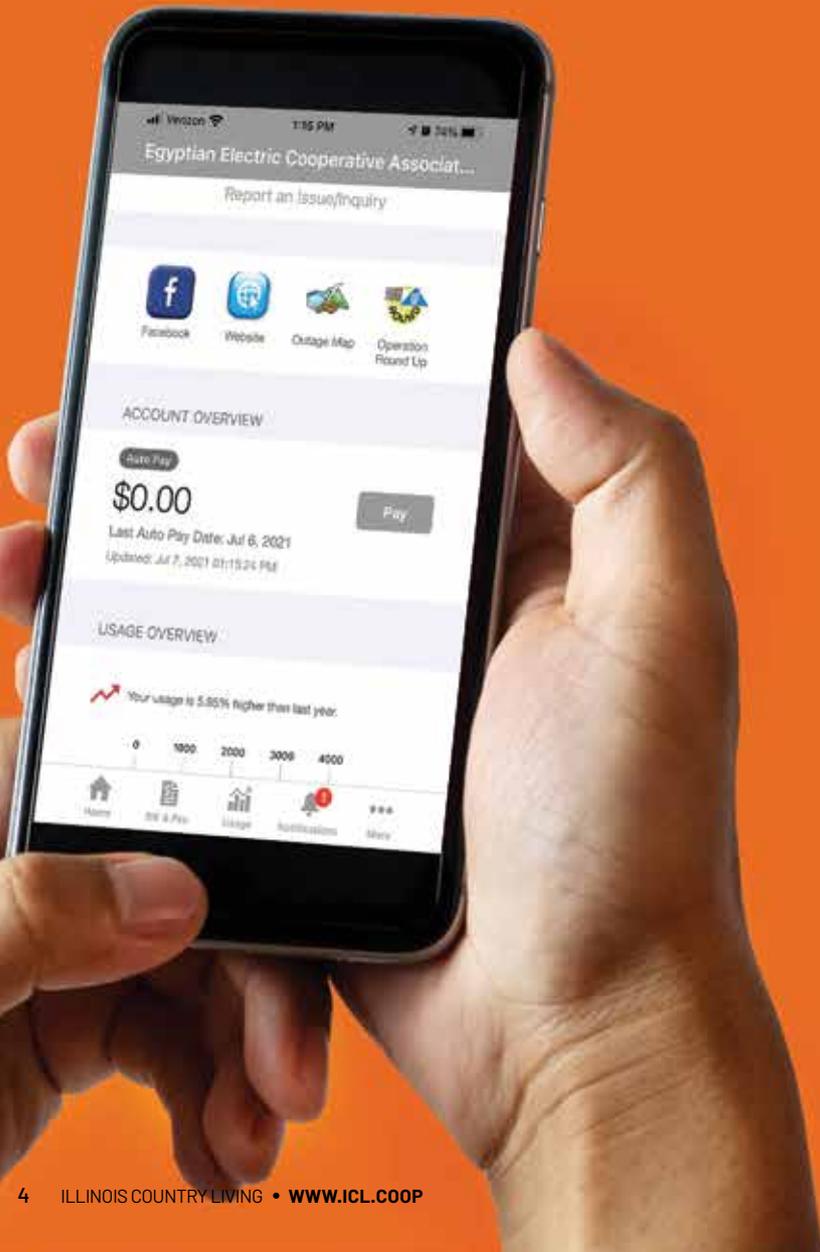
the fault through the process of elimination.

Any of the events noted above can cause your power to blink, but you may also experience a brief interruption when protective devices that act like circuit breakers are working to detect the fault. Believe it or not, these brief power blinks caused by protective devices are good because that means the equipment is working as it should to prevent a prolonged outage.

Our new metering system that is currently being deployed is helping us find potential issues before they become outages. The new system records blinks and reports outages to us in near real time. The system is planned to be completely installed by the end of 2021.

Regardless of the cause, Egyptian Electric crews will be dispatched to inspect the damage and make necessary repairs after a power outage. We continue to strive to have the most reliable energy source possible. Any time you experience disruptions to your electric service, please let us know by contacting us at 800-606-1505, emailing [info@eecca.coop](mailto:info@eecca.coop) or reporting an issue through the SmartHub app or our website.

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Enroll in AutoPay or make one-time payments with credit/debit cards or checking/savings account.

## Report an outage or issue

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## Shortcuts

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