



Peak switch program ends after 25 years

The peak switch was introduced in 1993 as a tool to reduce RECC's spiraling demand charges. At that time, a large portion of our wholesale power cost was attributed to the annual peak. Charging for demand was a popular method of recouping a portion of the fixed costs associated with generating power.

Our previous power suppliers, Soyland Power and Illinois Municipal Electric Agency (IMEA), levied various forms of demand charges. Soyland had a yearly peak that usually occurred on a hot summer day around 4 p.m. IMEA structured its rates around a monthly charge and load factor. RECC has adapted to various

demand strategies and altered the peak switch program accordingly.

The program has always been about reducing power cost and passing along the savings. While under contract with Soyland Power, controlling the air conditioner was the main concern, and we credited members \$25 a month for their participation; water heater credits were only \$3.50. With IMEA, the monthly load factor method made the water heater peak switches more valuable. We responded by increasing that credit to \$7 while reducing the A/C credit to \$10. In both cases, it was possible to reduce power cost by cycling off air conditioners and water heaters.

Our NextEra contract brought stable wholesale power costs and allowed RECC to eliminate the .0085 Power Cost Adjustment (PCA) that was added to each kilowatt. In addition, the PCA was replaced with a credit of .006, effectively reducing the cost of each KWH by a penny and half (1.45 cents).

The new contract did not provide a provision that would allow RECC to reduce residential power cost by controlling air conditioners and water heaters. Therefore, there are no additional savings to be passed on to our members. Consequently, the peak switch program will officially end on March 31, 2018.

Old switches will become inactive

The peak switch devices have seen little action in the past few years. They have been in the stand-by mode and waiting to be activated by RECC. The switches are designed for uninterrupted service without a command signal from our office. They will remain in the On Position indefinitely.

It is not cost effective to remove hundreds of peak switches at this time. The devices have no value and the technology used is obsolete. Members have the option of leaving the switch installed until their air conditioner or water heater is replaced. They may have their HVAC contractor remove or disconnect them next time their equipment is serviced. Another option is to call our office



Samples of peak switches installed by RECC (1993 – 2017)

and request to be put on our peak switch removal list. A letter has been sent to the effected members explaining the status of their switch and their option of having it removed or left in place.

As a way of saying thanks for participating in this program, we are offering an additional rebate for those members who were receiving a peak switch credit on

their monthly bill. If any of these members purchase a new heat pump or geothermal system before Dec. 31, 2019, RECC will double their standard rebate. That would make an add-on heat pump rebate worth \$200 and the geothermal and all-electric heat pump rebate \$500.

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Remember that the 30 percent tax credit is also available for any geothermal installed in 2018 and 2019. We encourage our members to check-out these special rebates and

generous tax credits. There has never been a better time to get a dual meter installed and take advantage of the reduced rate for heating, cooling and water heating. Minimum qualification

for a dual meter is primary electric heat and a 40-gallon electric water heater. Please call our office at 217-438-6197 for program details or view our website at recc.coop.

Members on the dual meter rate will see lower cost

The dual meter program will not change. Members who heat their homes with electricity and have a 40-gallon or larger electric water heater will remain on RECC's low rate of 7.5 cents per KWH (6.9 cents with PCA credit). The air conditioning is also on the dual meter, but not needed to qualify for the program. The 5,000 KWH minimum for October through May is also unchanged. The only difference is that the peak switch that once controlled the air conditioner and water heater will no longer be used. There will be no load control that interrupts power to geothermals,



heat pumps, air conditioners or water heaters. Our members will be getting the benefit of the reduced rate without any inconvenience.

The peak switches will remain in their current location. They will stay

in the On Position indefinitely and will not cycle off at any time. RECC has approximately 1,400 dual meter systems with peak switches installed. Future dual meter installations will not include a peak switch.

Otter Lake continues electrical upgrades

RECC has finished another installation at Otter Lake Park. The work was part of the campground's five-year plan to modernize their electrical system and increase service capacity. As part of the process, RECC line crews have been installing several 800-amp service cabinets throughout the campgrounds. There's only two service upgrades remaining, and they should be complete next year. Once the co-op's work is done, the park will oversee additional upgrades of secondary wiring and campsite metering equipment.

Otter Lake campground has over 250 seasonal campsites and 12 overnight sites. It is located on the shores of Otter Lake, west of Girard. There is also a bait shop filled with camping and fishing supplies. Camping is popular at the 760-acre lake, and there is usually a waiting

list for seasonal campers. Anyone interested in camping locally is encouraged to stop by or call them

at 217-627-2416. We are fortunate to have such a great recreational area in our community.



Journeyman Lineman Travis Boylen feeds cable back to the transformer.



Intern Matt Evans removes cover panel from an 800-amp cabinet.

Help celebrate Lou DeLaby's retirement

A Reception will be held on Friday, April 13 from 2 to 4 p.m. at the RECC office in Auburn, Ill.

Lou DeLaby is the longest-serving employee at RECC, officially over 45 years. He worked two summers while in high school as a temporary groundman and was hired full-time on Oct. 2, 1972 as a groundman. He's worked his entire career in the line department and now heads that department as manager of operations and maintenance.

In 1976, Lou became a journeyman lineman. He was one of the many linemen who worked tirelessly after the April 1978 ice storm to rebuild the system. When Delbert Boston retired from RECC in March 1997, Lou was named as department manager.

Since 2005, Lou has been heavily involved in the National Utility Training & Safety Education Association (NUTSEA). As a member of NUTSEA, Lou served on the board of directors and as chairman of the distribution section. In 2017, he was presented with the Herman C. Potthast Award by NUTSEA.

Lou is also a member of the job training and safety committee for the Association of Illinois Electric Cooperatives and has completed the NRECA management internship program. He is a certified loss control professional.



In 1972, I was fortunate enough to begin my career with an experienced line department. They had a lasting impact that developed my progression all the way through retirement. During my time, the cooperative has seen many changes. As an example, meter reading methods have evolved from member self-read, to RECC meter readers, into today's automated meter reading. The line department has also seen major changes.

Increased line capacity was achieved by upgrading primary underground cable and replacing several hundred miles of distribution lines. Improvements have reduced storm repairs and alleviated long outages times. The cooperative has advanced and developed into a very good electrical system. We have one of the best fleets and the most advanced tools. We provide everything needed for the men to do their job safely and correctly. I was proud to be part of this.

I would like to thank former and present CEOs Roy Goode, Del England and David Stuva along with all the employees who have made my 45 years at the cooperative a success. Thanks to the distributors that I have met over the years; many have become friends. Finally, I am thankful for the many relationships that were formed with our members. They are special and will be missed. I truly value my experience at the cooperative.

- Lou DeLaby



Congratulations to Lou on reaching this significant milestone at RECC!



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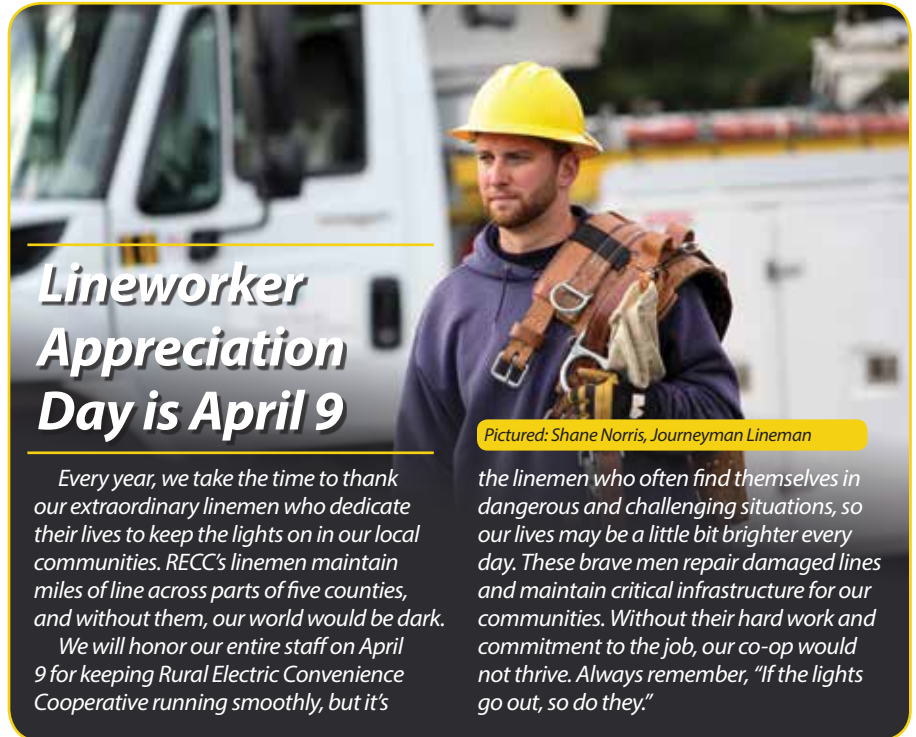
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2018 Contractor Dinner

We would like to thank all our builders, electricians and HVAC allies for attending our annual Contractor Dinner. We look forward to working with everyone this

year. We appreciate all you do for our members. This includes taking time out of your busy schedule to learn about the cooperative's programs.



Lineworker Appreciation Day is April 9

Pictured: Shane Norris, Journeyman Lineman

Every year, we take the time to thank our extraordinary linemen who dedicate their lives to keep the lights on in our local communities. RECC's linemen maintain miles of line across parts of five counties, and without them, our world would be dark.

We will honor our entire staff on April 9 for keeping Rural Electric Convenience Cooperative running smoothly, but it's

the linemen who often find themselves in dangerous and challenging situations, so our lives may be a little bit brighter every day. These brave men repair damaged lines and maintain critical infrastructure for our communities. Without their hard work and commitment to the job, our co-op would not thrive. Always remember, "If the lights go out, so do they."

Call JULIE before digging

It's the law! You must notify JULIE before you dig. The depth of utility lines can vary for many reasons – that's why digging even just a few inches can cause problems. Striking a line can cause injury, repair costs, fines and outages.

Plan ahead and call 8-1-1 or visit www.illinois1call.com.

