Issue No. 117 November 2009

Energy Partners

A monthly look at the happenings of and related to:



Co-op marks anniversary of '70 years strong'

New-Mac pays capital credits, rate adjustments back to members

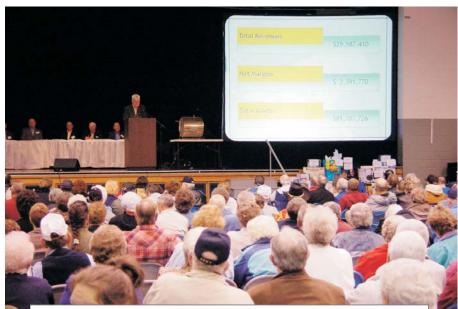
New-Mac Electric Cooperative announced, at its 2009 Annual Meeting, that for the twelfth consecutive year the co-op would be returning funds to member-customers in the form of capital credits and rate adjustments.

At the co-op's annual meeting, held Oct. 31 at Crowder College, Mitch McCumber, New-Mac chief executive officer, made the announcement, while also praising the co-op's founders for their vision and perseverance in starting the co-op seventy years ago.

"In 1939, a country store-keeper named J.B. Sims got together 505 friends and neighbors, formed this cooperative, got an REA loan, and started putting up poles and wires," McCumber told the gathering. "It wasn't easy. Some people made fun of them. But they were true visionaries who were not afraid to dream and then work hard to make those dreams come true."



Alexus Brock and Johnathan Brinkhoff, pictured with Buddy Bear, were two of the eight bike winners at the annual meeting.



"Just think about the difference those people made in rural living,"

said New-Mac CEO/General Manager Mitch McCumber, as he addressed the attendees of the 2009 Annual Meeting.

"Now here we are 70 strong years later. Just think about the difference those people made in rural living," he said.

McCumber told members that despite a down national economy, 2008 was another solid financial year for the co-op. In its annual report released at the meeting, New-Mac Electric revenues grew to nearly \$30 million in 2008, and the co-op now has over \$82 million in total assets.

McCumber announced that approximately \$620,000 in capital credit refund checks are being distributed to member-customers this year. The capital credit refunds go to people who were New-Mac member-customers during portions of 1993, and are

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Energy Partners is a monthly publication of New-Mac Electric for the purpose of informing members of the programs, services and happenings of, and related to, the cooperative.

Unclaimed capital credits list

Next month, New-Mac will publish a list of unclaimed capital-credit checks. If you know any of these former members, please notify them so they can claim their check.

Offices closed holidays in November

New-Mac's offices will be closed Nov. 11 in observance of Veterans' Day and Nov. 26-28 for the Thanksgiving holiday.

Assistance is available

If you are having a problem paying your New-Mac account, please call us to make arrangements. Please don't disregard paying your bill. There are programs and options (such as budget billing) designed to assist you. So, please give us a call at 451-1515 or (800) 322-3849.

Also, Economic Security Corp. of S.W. Area has funds available, if you qualify. To inquire, call the numbers listed below.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM & EMERGENCY ASSISTANCE

Jasper County417/781-0352 McDonald County ..417/845-6011 Newton County417/451-2206

Outage reporting

To report an outage, have your location number (found at the top of your bill) ready and call 451-1515 or (800) 322-3849.

Delivering on a promise

A few weeks ago, I took part in an activity that lifted my faith in the American democratic process. The

event was the Climate Change Rally Day sponsored by the National Rural Electric Cooperative Association.

I joined my colleagues from other states in delivering on a promise



By Barry Hart

Executive Vice President
of the Association of
Missouri Electric
Cooperatives

made at countless annual meetings, community festivals, fairs, church suppers, sporting events and the "Tour of Missouri" bike race.

At those events and through the pages of this publication, thousands of you signed cards to Missouri's senators urging them to protect electric rates as they deal with climate change legislation. I was proud to deliver those letters to Sen. Kit Bond and Sen. Claire

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Senators are considering Cap and Trade Legislation soon

This legislation could dramatically increase your electric bill

Tell them now that <u>affordable</u>, <u>reliable</u> electricity is important to you

There's been a lot of talk recently about climate change legislation. What most consumers want to know is: How much is all of this going to cost me?

Numbers have been thrown around ranging from a postage stamp a day to the \$1,700 per family that the U.S. Treasury Department believes is correct.



The truth is, no one knows how much this legislation will add to your electric bill. There are no quarantees.

But there should be. Otherwise, electric rates could skyrocket.

Your electric cooperative needs your help. We are working for limits on how much climate change legislation can increase your electric bill. Contact Senators Bond and McCaskill today and ask them to work with your electric cooperative on this issue.

Tell them that whatever they do must be fair and affordable for all Americans.

Your electric cooperative has started a dialogue with Congress on this issue. To join the campaign, log on to www.ourenergy.coop or contact your local electric cooperative for help.

You can contact Missouri's senators at:

Senator Kit Bond, 274 Russell Senate Office Building, Washington, D.C. 20510; (202) 224-5721

Senator Claire McCaskill, 717 Hart Senate Office Building, Washington, D.C. 20510; (202) 224-6154





○ Hart

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McCaskill during the rally.

And what a sight that was, seeing the thousands of postcards hauled into those Capitol Hill offices! It took 14 boxes to deliver the nearly 60,000 postcards, 30,000 to each senator. We wheeled them in, and at the senators' request, dumped them in a huge pile on their tables

Sen. Bond thanked us for emphasizing what he has been telling his Senate counterparts during debate on this bill — that his constituents are against climate change provisions passed this summer by the House, and that they like the Senate's version even less.

Sen. McCaskill, who immediately spotted a letter from someone she knew in the pile of cards, told us she is not convinced that capand-trade legislation is the right way to deal with climate change issues. She is concerned with creating another market that could cause as many problems as the recent financial meltdown the country has experienced.

And she firmly believes Congress needs to put pressure on China and India to do their part in reducing emissions. "I want us to lead the world in climate change, but I don't want us to be suckers."

Besides the mountain of postcards, we also delivered to the senators a study done by those who supply the electricity Missouri consumers use in their homes and businesses. This study shows electric rates could rise as much as 77 percent under the Waxman-Markey bill passed by the House this summer.

Thanks to all of you who signed those cards and went online to send messages to Congress through the "Our Energy, Our Future" campaign (www.ourenergy.coop). Because of your willingness to get involved, electric cooperatives have a seat at the table in this debate and the attention of the entire Missouri congres-

sional delegation. In fact, Sen. Bond has asked me to testify before the Senate committee that is debating this legislation.

Because we are part of the dialogue, we can speak to our elected officials on the need to ensure any legislation passed will be fair, affordable and still let us supply reliable electricity to consumers. During our visit, we left them with another promise: If the Senate bill does not protect our members and keep electricity affordable and reliable, we will be asking you to contact them to vote against it.

Together, electric co-op members number more than 40 million. That's a powerful and loud grassroots voice when it gets mobilized. Please keep yourself educated on this issue and if the need arises, make that call. As Glenn English, CEO of our national association puts it, this is just the beginning of the campaign to protect your interest in affordable electricity.

There's got to be a better way, and there is



Many people think that I am against renewable energy systems, such as solar and wind. I can assure you that I am not. I admire those who live off the land and use our natural resources wisely.

There are, however, only a few in this country who are living "off the grid." There are a goodly number of others that are generating part of their energy needs from solar, wind or water. In my dreams, I could do that. I could just live at the

deer camp and use my little 6-inch, 12-volt television while cooking my dinner on a wood or propane stove. I could get my light from a battery—or propane-powered lantern and my water from a well with a hand pump.

Actually, I have done that and totally enjoyed it for about . . . five days. After that, I wondered how the pioneers made it.

Well, in real life, I think one of the most important discoveries ever is electricity. I consider it an absolute blessing. For the cost of a hamburger, fries and a small drink per day, I can do many wonderful things in our house, such as heat, cool, cook, refrigerate, light and watch football.

Make your list and you will agree. With that said, I do not believe in wasting any of our energy resources. I think that producing some of our energy from solar or wind is a noble thought but I have a better way.

In the early 1980s, I was working for the federal government to provide low-income housing. In that role, I was responsible for the installation of about 1,000 solar systems. The U.S. government wanted it done and I did it. It was an exciting time. Two of the systems had 220-volt solar panels each. Everyone was impressed. Folks would say, "Oh boy, Doug has got it going."

An engineer from Huntsville, Ala., had a different view, however. He told me I would see the day when I would not want my name associated with these projects. I thought he was crazy. But unfortunately, he was right. Both systems were total failures in less than 10 years. In fact, nearly all of the systems failed in less than 15 years. I thought, there must be a better way.

Just over a year ago, I had the opportunity to work with a company that was willing to purchase, install and monitor a quality solar voltaic system and a quality wind generating system. The solar system cost more than \$50,000 installed. The system is monitored daily and has produced an average of 409 kilowatt-hours of electricity per month. This would save about \$50 per month on an electric bill. A simple payback would be \$50,000 divided by \$50 per month equals 1,000 divided by 12 equals 84 years. I think there is a better way.

The wind turbine cost \$15,000 installed and has produced about 58 kilowatt-hours a month. This would save about \$7 per month on an electric bill. That would calculate into a simple payback of 180 years. Now I know I have a better way.

And being the nice guy that I am, I plan to tell you about it next time. See you then.

Energy Partners'
Recipe of the Month:

BLACK BEAN & CORN SALSA

Submitted by New-Mac member: Lisa Degraffenreid

1 (15 oz.) can black beans
1 (12 oz.) can whole kernel corn
1 medium tomato, finely diced
1 small red onion, finely diced
1/4 cup lime juice
1 tsp. cumin powder

Drain and rinse beans and corn. Combine in a medium bowl with diced tomato and onion. Mix and add lime juice and cumin. Serve with tortilla chips. Refrigerate any leftovers.

Send your recipe, along with your name and customer number, to: Recipes, c/o New-Mac Electric Cooperative, P.O. Box 310, Neosho, MO 64850; or recipes @new-mac.com. If your recipe is selected, New-Mac will apply a \$15 credit to your bill.

• Annual meeting

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based on their patronage for that year. Members who didn't attend the meeting will receive their checks in the mail.

McCumber also announced that New-Mac members will be receiving a one-time, year-end power cost adjustment of approximately \$268,000, which will be shown as a credit on bills received in December. During the past twelve years, New-Mac has refunded capital credits and rate adjustments to members totaling more than \$14,000,000.

However, McCumber said the co-op has been forced to reduce capital credit refunds, and that trend will likely continue as wholesale power costs continue to increase from New-Mac's power suppliers, Associated Electric Cooperative in Springfield and KAMO Power in Vinita, Oklahoma.

McCumber said future rate increases are likely, however the co-op won't know about 2010 electric rates until budgeting is completed at the end of the year. He said the co-op will inform members immediately in the January co-op newsletter.

"The easy way out would be to just raise rates," McCumber told the meeting. "We don't look for the easy way out. We have to pay bills every month just like you, and we



Above, the award-winning bluegrass group, the Martins, provided entertainment, and below, hundreds of New-Mac customers signed postcards expressing their concerns about energy legislation to their Senators.



2009 Annual Meeting

at a glance

Thanks again to everyone who participated in the 2009 Annual Meeting and made it a success!

Attendance: approximately 1,350 New-Mac members and family.

Board Member Election Results:
District 4Beryl Kennedy
District 5Billy P. White
District 9Dewey Allgood

Newly Chosen 2010 Nominating Committee:

District 2	Bill Whitson
District 7	Mary Rogers
Alternate	Frank Boyer
District 8	Pauline Briscoe
Alternate	Pauline Whitehill
Newton Co. at large	Jim Standlee
McDonald Co. at larg	geMax Lankford

know all too well, sometimes that's really hard to do."

McCumber also urged members to join in a nationwide co-op campaign called "Our Energy, Our Future," to send messages calling on members of Congress to act immediately to find long-term affordable energy solutions for the country. The campaign has already generated some 2.6 million letters and messages – 18,000 of them through New-Mac alone.

McCumber also reminded members about the co-op's "Take Control and Save" program to help consumers become more energy efficient and save on utility bills. At the meeting, New-Mac distributed free energy efficient compact fluorescent light bulbs to attendees.

New-Mac offers various efficiency programs to help reduce electric usage, including online energy audits and home efficiency tips, available through the co-op's website – www.newmac.com. In addition, New-Mac currently pays rebates to members who install high efficiency washing machines, dishwashers, room air conditioners, electric water heaters and heat pumps.

McCumber reported that the past



P.O. Box 310 — 12105 East Highway 86 Neosho, Missouri 64850 **Telephone:** 417/451-1515 800/322-3849 **Fax:** 417/451-9042

Office Hours: Neosho — 8 a.m. to 5 p.m. Anderson — 8 a.m. to 4:30 p.m.

> Or visit us on the Web at WWW.newmac.com.

Management

CEO/General Manager	Mitch McCumber
Controller	David Childers
Manager of Administration	Mary Hatfield
System Engineer	Stan Irsik
Manager of Operations	Alan Loehr
Manager of Marketing	Mark K. Rakes
Billing Supervisor	Vickie Stuart

Board of Directors

District 1	Martin Youngblood
District 2	Kenneth Daniels
District 3	Bobby Fields
District 4	Beryl Kennedy
District 5	Billy P. White
District 6	Paul Sprenkle
District 7	Maurice Mailes
District 8	Virgil Winchester
District 9	Dewey Allgood

Services Provided to Members

Call our consumer services department for information on the following services:
 Autowithdrawal Payment
 Levelized Billing
 Rental Light
Meeting rooms available at both locations
 Credit Card Acceptance
Safety Programs (upon request)
 Surge Protection

Green Power Questions? Comments?

Contact: Mark K. Rakes P.O. Box 310, Neosho, MO mrakes@newmac.com

year was relatively mild for storm-related damage and outages. However, during last January's ice storm, New-Mac sent 18 personnel to southeast Missouri for three weeks to assist co-ops with outage repairs.

McCumber also reported that the co-op continues to make progress in completing construction projects, including substation upgrades, pole change-outs, and line relocation. In addition, New-Mac will spend approximately \$1.6 million this year on right-of-way brush clearing in order to improve electric service reliability.

New-Mac Electric, headquartered in Neosho, Mo., serves some 17,000 member accounts, primarily in Newton, McDonald and Jasper Counties.