

Southwest lines

A monthly publication for members of Southwest Iowa Rural Electric Cooperative

July 2021

Southwest Iowa REC, CIPCO and CoBank Donate to Stanton Child Resource Center



Pictured, from left: Kerry Koonce, CIPCO; Kevin Cabbage, manager of Farmer's Mutual Telephone Co.; Britany Schoning; Maurine Allen, SCRC Board Member; Fred Hossle, SWIAREC Board; Sheila Mainquist, president, SCRC Board and Stanton Community Foundation Board; Stacy Kutzli, SCRC Board Member; Jenna Ramsey, director, Stanton Community Foundation and Phil Kinser.

Southwest Iowa REC, CoBank and Central Iowa Power Cooperative (CIPCO) presented a check June 3 to the Stanton Community Foundation for \$10,000 as part of a capital campaign for a new building for the Stanton Child Resource Center (SCRC).

"We have outgrown our center," said Britany Schoning, SCRC director. "We have things that need to be fixed, and it would be better to have it as a whole. It doesn't function as well for a daycare since it was a steakhouse before."

"Daycare is important for business and industry in our area. It's a vital community resource that builds capacity," said Phil Kinser, Manager/CEO. "Southwest Iowa REC is always interested in our communities' growth and seeing them thrive. Donations like this allow those entities to prosper. We enjoy being a part of that."

Congratulations to our two \$100 survey winners, Timothy Buckingham and Tom & Charlene Greene. Thank you to all members that filled out a survey. Your \$10 credits have been posted on the May bill.

Stop by and see us at the Iowa State Fair!

Visit our booth in the newly renovated Rastetter 4-H Exhibits Building on the southwest end of the fairgrounds. We'll have plastic hard hats for kids (*while supplies last*) and a fun co-op safety selfie station.



Touchstone Energy®
Cooperatives of Iowa

Nominating Committee Meets



Left to right – Carolyn Burroughs, Charles Abarr, John A. Overholtzer

The Board appointed Nominating Committee of John A. Overholtzer, Carolyn Burroughs, and Charles Abarr met on Tuesday, June 22nd and nominated the following members of the Cooperative for the office of Director for the ensuing term of three (3) years each, all to be elected at the Annual Meeting to be held September 9, 2021:

Region 1 - District No. 1: Alan Gates; Jason Smith (i)

Region 1 - District No. 3: Bryan M. Comer; Marty Schnoor; Dale Walkup (i)

Region 2 - District No. 5: Roger Breach; Karen Carlson; Deena Moore (i)

Region 2 - District No. 7: Dana Morgan (i); David Mullen

(i)incumbent director

John A. Overholtzer

Chairman – Nominating Committee



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CEO's COMMENTS:

Affordable Electricity Powers Quality of Life

Most of us use electricity, either directly or indirectly, at almost all times. Because electricity is so abundant and available with the simple flip of a switch, it's easy to take it for granted.

According to the Energy Information Agency (EIA), the typical U.S. household now uses more air conditioning, appliances and consumer electronics than ever before. The average home also contains 10 or more internet-connected devices. Considering everything that is powered by electricity, it's no wonder we occasionally might wince at our monthly bill. But keep in mind, it's no longer just the "light bill."

Electricity powers quality of life

Electricity powers our quality of life. From the infrastructure of your home (appliances, water heater and HVAC system) to charging your smartphones, computers, TV and Wi-Fi router, your

energy bill covers so much more than lighting.

Today, there is more demand for electricity than ever before. At home, in schools and business, and in commercial sectors such as transportation, the need for electricity is increasing.

Typically when demand goes up, so too does the price, as is the case with most goods or services, like cable or even your favorite specialty coffee. However, that's not true with electricity. Let's take a look at how the value of electricity compares to other common expenses.

Over the last five years, the cost of rent increased 3.4%; medical care increased 2.8%; and education increased 2.2%.

But the cost of electricity nationally only increased 1%. **By comparison, at Southwest Iowa REC, the cost of electricity charged to our members has actually decreased during 2015-2020 by 1.65% per year on average!**

Considering all the ways we depend on electricity, it still remains a great value.

So, the next time you're enjoying your favorite podcast, TV series or movie, consider the value of electricity and how it enhances your quality of life.

We care about you, the members we serve, and understand that electricity is more than a commodity—it's a necessity. That's why Southwest Iowa REC will continue working hard to power your life, reliably and affordably.



Phil Kinser

GOOD TO KNOW!

Southwest Iowa REC has only increased its base electric rates once in the last 20 years – a 5.64% overall revenue adjustment was implemented in 2011. The last adjustment prior to that occurred in 2001.

ECONOMIC DEVELOPMENT LOANS AVAILABLE

Southwest Iowa REC has a Revolving Loan Fund (RLF) available and we are accepting applications. We will accept and consider applications for loans from the RLF for projects that will significantly benefit rural areas. The RLF is not intended to compete with other public and private lenders but to collaborate with them to provide the financial package necessary to make the project happen. The RLF seeks to improve the quality of life in rural areas by contributing to the long-term improvement in the economy, including job creation and retention, diversification, improving skills of the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

A Loan Review Committee (LRC) appointed by the REC Board of Directors and consisting of both Cooperative and community leaders reviews all RLF loan applications. The LRC performs necessary credit analysis and due diligence in order to make a written recommendation to the REC Board of Directors which has final authority regarding all actions of the RLF. The LRC will make a recommendation concerning the term of the loan depending upon project need, the expected life of the security, and the applicant's ability to pay. RLF loans will be collateralized as determined necessary by the REC Board of Directors to secure its participation in the project, and can include, but, is not limited to mortgages, liens, letters of credit, and/or personal guarantees.

Uses of RLF loan proceeds may be for buildings, real estate, equipment or computer needs. Ineligible uses of RLF funds include pre-development costs, refinancing of existing debts, illegal activities, general improvement loans related to normal replacement needs of a business and unrelated to business expansion/job creation, and loans to projects which have alternative sources of financing at reasonable interest rates.

The minimum RLF loan will be \$25,000 and the maximum will be the amount of funds available and must include a minimum of 20% funding from other sources. If you believe you have a project that qualifies for the RLF, contact one of our offices for an application or download one from our website at <http://www.swiarec.coop/content/loans>.

Southwest Iowa Rural Electric Cooperative is an equal opportunity provider and employer.

2020 Central Iowa Power Cooperative Power Supply Report

By: Dale Walkup

Representative on the CIPCO Board of Directors

2020 will long be remembered as the year of the coronavirus – a pandemic that became the center of our world. We watched the effects unfold country by country, then coast to coast in the U.S. We wondered when and how it would affect our members, employees, family, and friends. After battling fear and a lack of information initially, it didn't take long to feel the impact in our communities.

Despite the pandemic, CIPCO had planned an ambitious year including the continued repowering of the Summit Lake plant, CIPCO's largest construction project in the history of the cooperative. Wapello Solar, LLC was under construction by Clēnera with an anticipated early 2021 completion date. With the planned closure of the Duane Arnold Energy Center (DAEC), CIPCO worked to identify the right, cost-effective generation resources through power purchase agreements and market buys to fill anticipated gaps in the resource plan.

While the pandemic tested our strength in 2020 as a whole, the massive derecho that swept across the state in August with hurricane force winds tested our systems, but it also demonstrated the power of cooperation. CIPCO received overwhelming support from Dairyland Power Cooperative, Northwest Iowa Power Cooperative, Northeast Missouri Electric Power Cooperative and Corn Belt Power Cooperative with exhaustive restoration activities for critical transmission lines. Unfortunately, the derecho brought an additional casualty; the early loss of DAEC due to catastrophic storm damage.

Despite the unexpected challenges during 2020, such as derecho costs

topping \$5 million, and lower energy sales, CIPCO's financial results reflect another year of stability and competitive rates. The year represents the fifth consecutive year of declining rates and is the lowest rate in more than 10 years. Even with the challenges of 2020, we successfully executed on the long-term strategy of re-investing in the system to maintain and improve reliability. Capital expenditures for the year were more than \$93 million, one of the largest capital additions in CIPCO's history. This included significant work on Summit Lake.

Southwest Iowa REC and CIPCO strive to provide safe, affordable, and reliable power to our consumer-members across the system. Despite the attention given to high-profile issues and events in 2020, other projects are crucial to the successful operation of the CIPCO system. Throughout the year, a number of substation projects were completed. And despite the disruption of the derecho in the second half of the year, CIPCO finalized work on more than 32 miles of line. CIPCO's commitment to reliability led to a system-wide outage rate of 0.34 hours per consumer without the derecho and 23.19 with the derecho included. Without the derecho, this would be the ninth consecutive year in which CIPCO's average outage total was below the target of 1.00 hours per consumer. For 2020, Southwest Iowa REC's was 0.33 hours per customer, with and without the August derecho.

Returning patronage capital is a fundamental component of the cooperative business model. CIPCO remains dedicated to sound financial practices that allow margins to be returned to its members in the form



of patronage. During 2020, CIPCO returned patronage totaling \$404,105 to Southwest Iowa REC.

I'm proud of the actions taken in 2020 to sustain and grow our connections within the rural electric industry during a tumultuous year. Our actions have strengthened CIPCO's mission to provide Member-owners with wholesale power and services in a safe, reliable, and cost-effective manner. Thank you for the opportunity to serve as your representative on both the local board of directors and the CIPCO board of directors. I am proud to say, as a result of decisions made and actions taken in 2020, Southwest Iowa REC's consumer-members, as well as the entire CIPCO system, are well-served now and into the future.



Bravo!

REC,
Thank you so much for your donation to the After-Prom. The kids had a great time.
Sincerely, LHS After-Prom Committee

Dear REC,
Thank you for the scholarship. I am excited to start to start college, and these funds will help with the expense.
-Taylor Shields

Dear Southwest Iowa REC,
Thank you for selecting me for the scholarship. I will be using the scholarships to help pay for my education.
-Aubrey Boswell

Operation Round up,
Thank you for your donation to help us with our latest project.
-Corning Opera House

Thank you for choosing me for the Southwest Iowa REC Scholarship. It will help me further my education.
-Tonna Damewood

REC,
Thank you for the scholarship money. I'm excited to start college and further my education.
-Payton Weehler

REC,
Thank you so, so much for restoring our power so quickly. We are very grateful.
-Curtis & Audrey Dukes

BBQ Pineapple Chicken Foil Packet

Ingredients

- 4 boneless skinless chicken breasts
- 2 cups diced pineapple
- 1 sliced red onion
- 1 sliced green bell pepper
- 1 cup barbecue sauce
- ½ tsp salt
- ½ tsp black pepper



Instructions

Heat an outdoor grill to medium-high, direct heat. Prepare 4 (10-inch-long) sheets of aluminum foil. Place 2 cups diced pineapple, 1 sliced red onion, 1 sliced green bell pepper, 1 cup barbecue sauce, 1/2 teaspoon kosher salt, and 1/2 teaspoon black pepper in a large bowl and toss to combine. Divide mixture between the sheets of foil, leaving a 2-inch border on all sides. Season 4 boneless, skinless chicken breasts with 1/2 teaspoon kosher salt and 1/2 teaspoon black pepper, then place a breast on each vegetable pile. Pour 1 cup barbecue sauce over the chicken breasts. Fold the sides of the foil to meet over the center and crimp the edges together to create completely sealed packets. Place the packets directly onto the grill grates, cover, and grill until the chicken is cooked through and the vegetables are tender, 20 to 25 minutes. Let cool for 10 minutes before opening and serving. (Don't want to grill? Pop foil pack in the oven at 425 for 20 to 25 minutes!)



Thank you for awarding me the Southwest Iowa REC Scholarship. I appreciate the cooperative offering this scholarship to members because it gives young adults the opportunity to get an education.
Sincerely, Marie Mullin

REC,
Thank you so much for the scholarship. It will be very helpful when starting my journey at ISU.
-Hope Whittington

Correction: Misprint from scholarships, Haylee Fletchall's parents are Jeff and Becky Fletchall.

Energy Efficiency Tip of the Month

During summer months, run large appliances that emit heat (like clothes dryers and dishwashers) during the evening when it's cooler. This will minimize indoor heat during the day when outdoor temperatures are highest.



2021 Energy Efficiency & Beneficial Electrification Program Delivery Costs = \$.0030/kwh



Corning
1801 Grove Ave., Corning, IA 50841
Mount Ayr
1502 W. South St., Mount Ayr, IA 50854
Stanton
415 Broad Ave., Stanton, IA 51573
Phone Number: (888) 220-4869

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