Every October cooperatives are recognized for the qualities that make the business model unique. Seven cooperative principles set us apart from other businesses.

This October we’re focusing on “The Co-op Connection: Discover the meaning of membership.” We’re recognizing the most important part of our co-op – you, our members. As a member of Jo-Carroll Energy you have the power, a voice and control in how your co-op is run; in what’s best for the community; in the decisions that allow us to provide affordable services for your home. The co-op is locally-owned and governed by a board which is elected by members, and all members can share in operating margins. Co-ops exist to serve their members. Jo-Carroll Energy was formed 75 years ago when the rural areas needed electricity. It was a major challenge big utilities weren’t interested in tackling, so the men and women of these areas banded together to make it happen.

It’s hard for us to imagine life without the conveniences electricity, natural gas and Internet bring. The days when lights, refrigerators and other appliances were luxuries are fading into memory. A new generation of members is coming onto cooperative lines and new challenges are facing rural America.

As a country, we are in the process of moving away from coal-fired generation. However, that is going to take many, many years, and for the foreseeable future it will take coal-fired generation to keep the lights on and to heat our homes during the very cold winters like we had last year.

The cost of energy and how new EPA regulations will impact costs is a big concern. The number of folks living in our area is on a decline, and that has an impact on our fixed costs. Many of our members are concerned about greener energy solutions.

As a co-op, we are committed to providing our members with safe, reliable and affordable energy and services. We currently are working on a number of projects to better serve you.

Inside this issue, you can read about a change in our method of retiring capital credits (which represent your ownership in the cooperative) that will return those dollars to more members. You’ll also find information about new home insulation and air-sealing incentives.

We are excited to offer a community solar project, South View Solar Farm, that allows members to buy into solar energy through the co-op rather than putting an array on their roof or at their home.

We plan to unbundle our rates and redesign the bills so costs, whether they are transmission costs, distribution costs or energy costs, are more transparent to member-owners.

We’re working to engage our members in all the issues surrounding the co-op, because it will take all of us working together to face the challenges of today and the future. And that’s why we celebrate in October – we celebrate the power of working together for the common good and bettering the quality of life for our friends and neighbors.
The board met on Wednesday, July 30, 2014, in Springfield, IL while attending the AIEC Annual meeting. The following is a summary of the meeting activities. The Agenda as modified and the Consent Agenda were approved.

Chairman’s Report – Chairman Senn thanked everyone for supporting the Statewide resolutions process and the proposed resolutions.

Dairyland Report – Director Stadel reported on the Strategic Planning Advisory Committee Meeting and the Board Meeting that he and the CEO attended. Director Stadel reported that there is still a coal shortage, due to inadequate deliveries from BNSF.

APGA Report – Director Carroll reported that he attended the Operations and Safety Committee Meeting. He stated that the Strategic Plan will be released at the November APGA Meeting. Mattingley attended the Legislative Committee meeting and he reported that many public gas systems are being sold to investor-owned utilities.

PPI Report – CEO Hastings reported on the PPI Board Meeting. The board considered alternative ways to get more power, including buying energy on the open market.

Monthly Committee Review
a. Annual Meeting Planning Committee Report – The 2015 Annual Meeting date was set for April 18, 2015 at the location of St. Malachy’s School in Geneseo.

b. Audit Committee Report – The Audit Committee recommended BKD Auditors of Decatur, IL to do the audit for 2014. The Board approved BKD Auditors.

c. Policy Committee Report – The Policy Committee approved Board Policy 131-Distributed Generation as revised. The Committee approved the new Enterprise Risk Management Policy. The Board approved both policies as presented.

CEO’s Report - The CEO reported on the following in addition to his written report:

a. Financial Operating Report – Hastings reported that the Cooperative had an unaudited margin of $330,674 in June, with year-to-date margins of $2,454,345 compared to a budgeted margin of $1,117,287. The Board accepted the June Financial Operating Report for filing by general consent.

b. Power Supply Report – CEO Hastings reported that we are waiting on the Dairyland agreements.

c. St. Vice-President and Assistant General Manager Report – St. Vice President and Assistant General Manager Buros gave an update on the Natural Gas peaking unit, the community solar farm, and operations at Rentech.

d. Culture of Excellence and Communications – Merri Sevey, Vice-President of Human Resources reported on the 75th Anniversary Celebration and that our Cooperative will have a radio program on WCCI in the future.

e. External Affairs Update – Chris Allendorf, Corporate Counsel, reported on TCEDA; Lisa is continuing to work with businesses to relocate to our area. Chris reported that Congress is recessing without action on many large issues and that the Illinois General Assembly is not in session.

Board Issues
a. Board Computers – Merri Sevey, Vice-President of Human Resources, presented Board tablet choices for consideration. The Board approved the purchase of new tablets with additional software and hardware that may be required.

b. MAC Participants – Chris Allendorf, Corporal Counsel, reported that the MAC Participants are reaching the end of their first term. We need suggestions of members that would like to serve, while keeping the group small.

Reports – Reports were heard on the following meetings/events: CFC IL Statewide Financial Workshop, NRECA Course 929-1 Current Issues in Policy Development, and the Rep. Don Moffitt Fundraiser.

Upcoming Meetings – The following upcoming meetings were discussed: Badger Group Annual Meeting.

Adjournment – The meeting was adjourned at 5:41 P.M.
Petitions now available for 2014 board elections

Nomination petitions are now available for the 2014 Jo-Carroll Energy Board of Director elections. Four positions will be filled during the election. Districts included are: District 5, now represented by Pat Smith; District 7, now represented by Dave Senn; District 8, now represented by Russell Holesinger; and District 10, now represented by Doug Darby, Ron Hallendorff and Bob Kuhns. Elections will determine one board representative in each of Districts 5, 7 and 8 and two representatives in District 10.

Any Jo-Carroll Energy member residing in the district of a director whose term is expiring, including the incumbent director or directors, may petition for nomination. Members interested in seeking election to the board may pick up a nomination petition at one of Jo-Carroll Energy’s offices or download a petition from the cooperative’s website at www.jocarroll.com.

Petitions must be signed by at least 25 Jo-Carroll Energy members residing in the district for which the director is to be elected. Petitions must be filed at Jo-Carroll Energy’s headquarters no earlier than Nov. 19, 2014 and no later than Feb. 17, 2015.

In order to qualify to have their names placed on the ballot, all nominees must participate in an orientation process provided by the attorney for the cooperative assuring that all nominees fully understand the expectations and responsibilities of directors, including but not limited to: time demands, educational expectations and fiduciary duties.

All eligible candidates will be announced in the 2015 Annual Meeting Book, on the cooperative’s website and in Hi-Lines, the cooperative’s newsletter found inside Illinois Country Living magazine.

Complete details on director qualifications and the nomination procedure can be found in Jo-Carroll Energy’s bylaws. The bylaws are posted on the cooperative’s website at www.jocarroll.com. Anyone without Internet access may request a copy by calling 800-858-5522.

Autumn safety awareness

As we enter into harvest season, Jo-Carroll Energy reminds everyone to be aware of the potential dangers while working outdoors this fall.

Farmers should be especially careful when moving farming equipment. Long shifts with little sleep may result in negligence and cause accidents. Always look up and lower all equipment when moving it.

Autumn may also be a time for home improvements indoors and outdoors. Accidents can occur when someone doesn’t take time to know where their utility lines are located.

Avoid accidents inside and out

- Check electrical outlets to make sure they aren’t being overloaded with extension cords or lights.
- Be sure to keep cords out of walkways and the porch where trick-or-treaters may cross over or trip on.
- Look around and always be cautious of the location of power lines. Whether you’re on the ladder cleaning gutters or trimming trees, remember to lower all long metal equipment before moving it.

Know what’s below

Whether you’re a business owner or a home owner it’s important to know what’s underground on your property before you start planting or digging. Being aware can prevent damaging utility lines which may be hazardous and costly to repair. In order to preserve electrical lines, water lines, gas lines or anything that may be damaged when digging it’s important to make sure you are in a cleared area.

By using the “Call before you dig” service, your property will be examined and flagged in the areas you should avoid digging up. In Illinois, call JULIE or dial 811 before you dig in order to prevent an accident.

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OPEN AND VOLUNTARY MEMBERSHIP
Membership in a cooperative is open to all persons who can reasonably use its services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender, or economic circumstances.

DEMOCRATIC MEMBER CONTROL
Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Elected representatives (directors/trustees) are elected from among the membership and are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote); cooperatives at other levels are organized in a democratic manner.

MEMBERS’ ECONOMIC PARTICIPATION
Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

AUTONOMY AND INDEPENDENCE
Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.

EDUCATION, TRAINING, AND INFORMATION
Education and training for members, elected representatives (directors/trustees), CEOs, and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, helps boost cooperative understanding.

COOPERATION AMONG COOPERATIVES
By working together through local, national, regional, and international structures, cooperatives improve services, bolster local economies, and deal more effectively with social and community needs.

CONCERN FOR COMMUNITY
Cooperatives work for the sustainable development of their communities through policies supported by the membership.

Seven Cooperative Principles
Join us in celebrating October Co-op Month!

Jo-Carroll Energy’s October Co-op Month events will focus on co-ops in the community. The theme will be discover the meaning of membership. Several events have been planned and will take place throughout the month, and include:

- Employee “Happy” video
- Kiss the Pig Fund-raiser
- Member Appreciation Days
- Girl Scout Co-op Badge
- Blood Drive

Co-op month will kick off with a fun employee video to the song “Happy” by Pharell. A “Kiss the Pig” fund-raiser will take place all month long. Employees will vote with a silver drop throughout the month to see who will kiss the pig. Each employee in the voting will be “playing” for a charity of their choice. All donations will go to the local charity.

Appreciation Days

Jo-Carroll Energy will be serving four different locations this year for member appreciation days. These events are taking place Oct. 14-17.

- **Tuesday, Oct 14** outside the Galena Walmart.
- **Wednesday, Oct 15** outside Shaw’s Market in Mt. Carroll.
- **Thursday, Oct 16** at the Jo-Carroll Energy office in Geneseo.
- **Friday, Oct. 17**, at the Robert Fulton Senior Center in Fulton.

During the week you will find food, activities, and educational information anytime between 11 a.m. and 2 p.m. at these events. Member appreciation days function to serve as an annual event in recognition of our loyal members. All members of Jo-Carroll Energy are welcome to join us in celebration.

Co-ops in the community

This co-op month we’d like to work with community organizations in order to connect with the youth in our local communities. Girl Scout troops can earn a co-op badge through a program sponsored by Cabot Creamery and the National Cooperative Business Association.

The program inspires girls to learn more about the value of cooperatives as a better business model.

Blood drive

Co-op month will come to a close with a spooky blood drive Oct. 31.

The event will take place from 11 a.m. to 4 p.m. at the Elizabeth headquarters. Employees of the co-op will participate in this Red Cross blood drive. Walk-ins are welcome.

Jo-Carroll Energy is very excited to host events for this year’s co-op month for the community and employees. For further information on events please check our Facebook page at Facebook.com/JoCarrollEnergy.
Not all can say, “Every day, I get the chance to touch someone’s life, improve their overall health and make them feel better.”

Dr. Ken Womboldt, DC, is a graduate of Palmer College of Chiropractic. He earned his undergraduate degree from the University of Nebraska. After working several years at a practice in Omaha, Womboldt purchased Cadogan Chiropractic in Clinton, Iowa, and announced the new name, Alternative Wellness and Chiropractic Center, in January, 2013. Womboldt and his wife live in DeWitt, Iowa.

“I grew up in a blue collar family,” stated Wombolt, whose father was a welder and mother served as a paramedic. The excitement she experienced as a paramedic sparked a desire in Wombolt to help others.

Alternative Wellness and Chiropractic Center is more than just a simple chiropractic office. Not only does Wombolt provide traditional chiropractic care, he is also a Certified Chiropractic Acupuncturist through the International Academy of Chiropractic Acupuncture.

“There are many misconceptions about acupuncture,” Wombolt stated, “but education gives you information and information is powerful.”

“My dad always told me, ‘Work with your head, not your back’,” Womboldt recalled.

According to Wombolt, there is a reason for every symptom of pain. He looks for the “why” and helps his patients find the answer, even if the answer is not in his office.

“I do believe there is a time and a place for medicine,” stated Wombolt. However, he has seen a shift in the health industry. More patients are equating health with happiness and are looking for alternative healthcare.

Acupuncture as well as herbal therapies, nutrition, and other lifestyle changes can be an alternative to traditional medicine.

People also desire excellent customer service, a number one priority at Alternative Wellness and Chiropractic Center. According to Wombolt, customer service is the difference between a good doctor and a great doctor.

He stated, “I have an education and a skill, but I am still a human. At the first appointment, I am ‘Dr. Ken’. By the second, my patients call me ‘Ken’.”

Alternative Wellness and Chiropractic Center is staffed by a team of qualified, patient-oriented professionals, where the patient comes first. The office is open six days a week.

Jo-Carroll Energy members may receive a complimentary consultation and thermoscan when they show their Co-op Connections card. Appointments can be made by calling 563-242-5515 or anytime at www.clintoniowachiropactor.com.
Money now available for members’ new insulation and air-sealing projects

Jo-Carroll Energy members who have an electric or natural gas account are now eligible to receive up to $700 in incentives for insulation and air-sealing projects on an existing home completed between Oct. 1 and Dec. 31.

In order to receive the incentive, a whole-house, paid energy audit is required prior to completing the insulation and air-sealing project.

Members may receive 50 percent of insulation project costs up to $200 and 50 percent of air sealing project costs also up to $200, plus a full $300 rebate for the required energy audit with this new incentive. Projects completed before Oct. 1, 2014 are not eligible.

“Air leakage around windows and doors and lack of insulation are the largest energy hogs in a home,” said John Scott, energy advisor at Jo-Carroll Energy. “Correcting these two areas can significantly impact your yearly energy consumption.”

“During an energy audit, I take a look at the home’s overall energy use,” Scott said. “I do this by conducting a blower-door test to look for hidden leaks. I also utilize an infrared camera to show the home-owner exactly where they may need additional insulation and air-sealing.”

After the audit, which may take two to four hours, Scott completes a written report that includes infrared photos, identifies areas of concern and lists energy-saving recommendations specific to the member’s home.

The paid amount of the audit, $300, along with the incentive amount up to $400 will be credited to the member’s electric or natural gas account after proof of insulation or air-sealing projects are submitted.

This new incentive is only available from Oct. 1 through Dec. 31, 2014, and the audit must be completed prior to beginning the insulation or air-sealing project. Energy audits will be scheduled on a first-call-first-served basis.

All 2014 electric and natural gas incentive forms are available at www.jocarroll.com and are due to the Cooperative before January 2, 2015. Click the “rebates and incentives” quick-link in the upper right hand corner of the homepage.

Call to take advantage of this new insulation and air-sealing incentive and schedule your energy audit with The Energy Detective, John Scott, at 800-858-5522 ext. 1339 or email jscott@jocarroll.com.

Home weatherization assistance available

Northwestern Illinois Community Action Agency (NICAA) has funding available for residents of Jo Daviess County through the Department of Commerce and Economic Opportunity to weatherize homes for low-income renters and homeowners.

Weatherization work and materials are provided at no cost for households that are eligible. To qualify, households must have one of the following conditions:

- Have applied for and been approved for LIHEAP or PIPP
- Have income at or below the annual income guidelines

<table>
<thead>
<tr>
<th>Number of people in household</th>
<th>30-day gross income</th>
<th>Annual income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$1,436</td>
<td>$17,235</td>
</tr>
<tr>
<td>2</td>
<td>$1,939</td>
<td>$23,265</td>
</tr>
<tr>
<td>3</td>
<td>$2,441</td>
<td>$29,295</td>
</tr>
<tr>
<td>4</td>
<td>$2,944</td>
<td>$35,325</td>
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Add $502.50 for 30 days or $6,030 annually for each additional member.

For assistance, please contact the Freeport NICAA office at 815-232-3141 or 800-883-1111 between 8 a.m. and 3:30 p.m. Monday through Friday. For information on assistance available in Carroll and Whiteside counties, contact the Tri-County Opportunities Council at 800-323-5434 and in Henry County contact Project Now at 309-852-4565.
Capital credit retirements take new form in December

Jo-Carroll Energy’s board of directors has approved a new method of retiring capital credits that will return capital credits to members sooner and result in savings for the cooperative.

Since Jo-Carroll Energy first retired capital credits in 1983, capital credits have been returned to members using the “first in, first out” or FIFO method on a delayed schedule of about 25 years. Members who were first to purchase energy were the first to be paid back. A change in how capital credits are retired was made possible by approval of a bylaw amendment at the 2014 Annual Meeting.

In August, the board approved a new hybrid method of retiring capital credits proposed by Tracy Heidenreich, Jo-Carroll Energy vice president and CFO. Over the past few months, Heidenreich and a team of co-op employees developed the proposal for a combination of FIFO and percentage of total allocated capital credits.

The revised method keeps the 25 year rotation: All 1989 margins will be retired in 2014 in addition to 5 percent of all remaining margins to be retired at a discounted rate.

Noting that capital credits represent the members’ economic participation in the co-op, Heidenreich said the new method reinforces and helps members better understand the value of co-op membership. The old method meant members often waited decades for a return on their investment in the cooperative.

The new hybrid method will return capital credits to more active Jo-Carroll Energy members. The combination returns money to current active members while not neglecting the cooperative’s commitment to return capital credits to its long-time and former members.

Under the new method, capital credits will be returned to active members as a bill credit up to $599.99. Active members with retirements of $600 or more and all inactive members will receive a check.

As in previous years, capital credits will have a minimum check amount of $10. Any credit less than $10 will be carried over until the next year or until the minimum is reached.

Heidenreich also expects the new method to save the cooperative in check printing and mailing costs.

Jo-Carroll Energy’s Member Advisory Council heard a presentation about the new method during its August meeting. The MAC also recommended the board adopt the new method.

Look for more information about capital credits on our website, in future issues and other co-op communications.

Jo-Carroll Energy board plans open meeting

The Jo-Carroll Energy Board of Directors will hold an open board meeting at 9 a.m. on Wednesday, Oct. 29 in the Multi-Purpose Room at the cooperative’s Elizabeth headquarters. This is the regular October meeting of the board.

Members present may speak only during the “Member Comment” period or if requested by the chair. The member comment period will be limited to a total of 30 minutes; each member may speak for a period of time not to exceed three minutes. Members are encouraged to speak on issues raised by the agenda, however they are free to comment on any subject.