




A Touchstone Energy® Cooperative 



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TWO OFFICES

Monday-Friday
8 a.m.-5 p.m.

Piqua

344 West U.S. Route 36
Piqua, Ohio 45356

937-773-2523 or
1-800-762-0997

Urbana

767 Three Mile Road
Urbana, Ohio 43078

937-653-7202 or
1-800-762-0997

Visit our Web site

www.pioneerec.com

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Ronald P. Salyer

Cooperative Spirit Day 2009

"Bee an Energy Star"

Pioneer Electric Cooperative held its 73rd Annual Meeting of Members and Cooperative Spirit Day festivities on Saturday, April 4. Members were treated to the "Bee an Energy Star" themed open house at Pioneer's headquarters in Piqua. This year's event attracted approximately 800 people throughout the morning, including 82 attending their first such meeting. Members enjoyed a light breakfast, viewed informative displays related to our theme and talked with employees from all areas of the Cooperative. The business session included the announcement of the election results for three trustees to the Pioneer Board and four to each of the Cooperative's three county boards.



An overview of powerful accomplishments from 2008, as well as strategies for a plugged-in approach in 2009, was presented prior to the business session by Ron Salyer, Pioneer president/CEO. Salyer discussed the March and September 2008 storms which each caused extensive damage and inconvenience to members. He thanked the crews, expressed

appreciation for the patience of members and reported Pioneer technology helped save money and reduce outage restoration time. In addition, the opening of the new Urbana facility was addressed as Pioneer has experienced increased operational efficiency. He also discussed the Pioneer Board of Trustees'

approval of changes to the Cooperative's capital credit retirement method. The change permitted many more current cooperative members to receive part of the \$1.6 million retired in 2008. Salyer spoke of Pioneer's legislative efforts during 2008, highlighting the increase in membership in Cooperative Owners for Political Action®. A national campaign called *Our Energy, Our Future* was launched last year and a legislative blitz was initiated through various letters and e-mails sent to members of Congress and Senators.

Salyer highlighted Pioneer Electric's 2009 key priorities. As costs continue to rise, the Cooperative remains committed to high-quality service and participation in political action. Salyer talked about the increase in Pioneer power supply and local distribution costs, as well as

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Cooperative Spirit Day

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global climate change issues. He also spoke about the potential financial effects of carbon dioxide legislation and encouraged members to become engaged in the political action campaign.

The business session included remarks by Board Chair Ron Clark. He focused on 2008 being a year of challenges and celebrated successes. He mentioned how the Cooperative felt financial pressures just as most individuals and companies did during the year. In the area of wholesale power supply, Pioneer's generation cooperative, Buckeye Power, saw its coal prices rise significantly. He also mentioned how Pioneer strengthened its political voice with a 72 percent increase in membership in Cooperative Owners for Political Action and he urged members to participate, since the Cooperatives need many, many more engaged in the battle.

Elected by the members to three-year terms on the Pioneer Board of Trustees were: Douglas A. Hurst of Champaign County, Donald D.

DeWeese of Miami County, and Paul R. Workman of Shelby County. In addition, positions were filled on the county boards of the Champaign, Miami and Shelby districts. Those elected to the Champaign County board are: Brent Crumley, Urbana; Paul Errett, Saint Paris; Larry Bullard, Cable; and Ted Black, Mechanicsburg. Elected to the Miami County board are: Wayne Mullenix, Piqua; William Platfoot, Tipp City; Randy Mott, Casstown; and David Dalton, Tipp City. Those to serve on the Shelby County board are: Roger Bertke, Ft. Loramie; John Geise, Sidney; Thomas Kremer, Anna; and James Boyd, Sidney.

During their reorganizational meeting, the Pioneer Board elected the following officers for the year: Ron Clark, chair; Ed Sanders, first vice chair; Paul R. Workman, second vice chair; Douglas A.

Hurst, secretary; and Orville J. Bensman, treasurer.

The door prize winners were Dennis Barbee, \$500 Energy Star appliance/electronics credit and energy efficiency kit; Jim Heffner, air purifier and energy efficiency kit; and Ashley Hurst, Lowe's \$100 gift card and energy efficiency kit.



Pioneer sponsors Piqua Community Farmers Market

Downtown Piqua will have a fresh feeling this summer when Mainstreet Piqua debuts the Piqua Community Farmers Market. Pioneer has decided to join in on the fun by sponsoring and participating once a month. The market will be held in Canal Place Parking between the *Piqua Daily Call* building and the east side of the 300 block of N. Main Street. The Piqua Community Farmers Market will run each Thursday from 3–7 p.m. until Oct. 1.



Mainstreet Piqua is actively looking for a variety of vendors for the Piqua Community Farmers Market, including fresh fruit and vegetable vendors, cut flowers and plants, as well as homemade baked goods. Area farmers interested in being a vendor are asked to contact Mainstreet Piqua at 937-773-9355. Vendor applications and the market rules also can be downloaded from the Piqua Community Farmers Market Web site at www.piquafarmersmarket.com.

kWh Tax disclosure statement

Under state law, the amount you are being billed includes kilowatt-hour taxes that have been in effect since May 2001 and currently are: \$.00465 per kWh for the first 2,000 kWh, \$.00419 per kWh for the next 2,001 to 15,000 kWh, \$.00363 per kWh for 15,001 kWh and above.

New rates effective June 2009

We've been your electric provider for 74 years. As your friends and neighbors, we want you to continue to receive the best, most reliable electric service anyone can provide.

During the last several years, we've been working hard to keep the costs to provide your electric service low. We have been and will continue to manage our costs to minimize rate increases to you. However, it is time to raise rates, and in the following paragraphs we've highlighted ways Pioneer has remained committed to reducing expenses without compromising service quality.

Since 2001, Pioneer has experienced growth of more than 1,300 new members, while reducing the number of employees in that same period. Thus, Pioneer's member-to-employee efficiency ratio has increased 15 percent over the last nine years. We accomplished this by restructuring job responsibilities among employees and deploying new technology, so we could avoid hiring new employees to replace departing ones. **The cost reduction to you, our members, is estimated to be \$780,450 each year.** In addition, Pioneer has modified employee benefits over that same time to produce an **additional savings of \$270,199 each year.** These cost avoidance measures total **\$1,050,649 annually.**



We have reduced our line clearance expenditures by \$100,000 this year, and are minimizing the use of outside construction contractors for line replacements. We also have cut our member communication expenses in external media, such as radio and billboards, by about **\$60,000 for 2009.** By focusing on more Web-based training, we have cut our training and meeting budget by 20 percent.

More and more of our members are looking for ways to reduce their electric bills through conservation or improving energy efficiency. We're doing the same thing at our offices by installing more efficient lighting and motion sensors to ensure lights are kept off in unoccupied spaces. We've also put programmable thermostats in the garages of both offices to reduce our energy use automatically, and we are studying ways we can improve further.

The cost to provide electric service to our membership continues to increase. Pioneer works to contain costs and operates on a narrow margin each year. The 2008 margin was too narrow though, at only 1 percent, to provide for contingencies such as storm recovery, cost volatility and pressures brought on by the overall condition of the economy. As illustrated above, we have been managing our costs, and we even delayed a planned higher increase to our monthly service fee last fall because we knew members were being hit from many fronts by rising prices and the failing economy. We cannot delay again.

New underground service installation method

Pioneer Electric recently made a change to the process of installing underground service. Members now are required to provide all trenching, backfilling and location of underground facilities before digging, as well as the installation of an approved conduit system according to Pioneer's guidelines and specifications. The new method was designed to increase member service and cable reliability, with cable being installed in conduit instead of being directly buried. Some of the benefits of the conduit protection include reduced number of cable failures, dig-ins and potential faults. Also, the faulted cable can be replaced without destruction to existing yards and landscaping. The Pioneer Operations Department researched and visited other cooperatives currently having much success using this method. Ultimately, through this method, Pioneer's goal is to have all processes become more efficient with decreased equipment and labor costs.



All members preparing to install new underground service should contact Pioneer for installation guidelines and specifications. Pioneer will provide box pads, switch cabinets, secondary pedestals and slip meter risers. Pioneer also will install and terminate all wire necessary to complete the service installations. Members are required to call Pioneer for a ditch inspection at least two business days prior to the inspection being needed and prior to backfilling.

If you would like additional information, visit our Web site or call the office. We appreciate your patience and cooperation.

Make your home more efficient with stimulus savings

It's all over the news; with the passage of the American Recovery and Reinvestment Act of 2009, commonly known as the federal stimulus bill, there's money available to help many Americans weatherize homes and make energy efficiency improvements. Pioneer can help connect you with these resources!

Investing in a few basic measures to secure a home from outside elements could provide major benefits. The U.S. Department of Energy (DOE) says weatherization—the process of sealing air leaks and properly insulating a home—can reduce heating bills by up to 32 percent, resulting in an average energy savings of \$358 per year.

"You can be more comfortable, and save on your energy bill while improving the environment," adds Meghan McGuire, Energy Advisor. "Making our nation more energy efficient takes all of us doing our part, and the stimulus bill provides new ways for you to save money while you're doing it."

As a result of the stimulus package, DOE's Weatherization Assistance Program is expanding with a goal of weatherizing one million homes per year. In the past, only households that earned up to 150 percent of the national poverty level were eligible to participate. The stimulus bill extends eligibility to those with incomes below 200 percent of the national poverty level. For a family of four, that's an income limit of \$44,100.

Program participants receive a professional energy consultation with an analysis of energy bills, a blower-door test to locate air leaks and advice on how to be more efficient. Workers then arrive to make energy upgrades like insulating walls and roofs, sealing air leaks and installing more efficient heating and cooling systems. The process to weatherize a home through the program usually takes two days with an average cost of \$2,500. Since some homes have different needs, the stimulus bill allows up to \$6,500 to be spent on each home.

For members not eligible for federally funded programs, the stimulus plan provides a homeowner efficiency tax credit of up to \$1,500, or 30 percent, of the cost for new energy upgrades, including weatherization activities as well as installation of efficient heating, ventilation and air conditioning systems. Efficiency tax credits were already available for 2009, but carried a \$500 limit (with additional caps for certain types of upgrades) and covered only up to 10 percent of a member's

investment. You may have looked at the tax credit in the past and thought it wasn't worth it, but the change effectively triples the amount of financial investment you get credit for, and, coupled with how much you can save on energy costs each year, it makes these efficiency measures much more affordable.

Tax credits directly lower a member's federal income taxes, and are generally more valuable than tax deductions because they reduce taxes owed

dollar-for-dollar. In contrast, a tax deduction, like a home mortgage or charitable gift, lowers taxable income and may only offer small savings. For example, a \$1,500 tax deduction for someone in the 25 percent tax bracket would lower taxes owed by \$350; a \$1,500 tax credit for energy efficiency efforts will lower taxes owed by \$1,500!

Weatherization programs will be handled differently in each state. In Pioneer's service territory, eligible members

should contact the following agencies to apply for weatherization services:

Miami County Community Action Council

1695 Troy-Sidney Rd
Troy OH 45373-9743
937-335-7921
cac@miamicac.org

Tri-County Community Action Agency of Champaign-Logan-Shelby Counties

315 W Auburn
Bellefontaine OH 43311
1-866-256-4497
mhyder@tricityclcs.org

To find out more about energy efficiency measures supported through the stimulus bill, visit www.dsireusa.org or www.energysavers.gov/seasonal.

The Switch is Still ON!

If you haven't already participated in our program, we have three FREE, energy-efficient compact fluorescent bulbs waiting for you in one of our offices. Your power supplier, Buckeye Power, sponsored an energy efficiency campaign called "The Switch Is ON!" You would have received a coupon for the bulbs last July, but if you didn't receive one or misplaced it, just bring three of your old incandescent bulbs into one of our offices, and then we have three new energy-efficient CFL bulbs for you to take home. This is just one of the many ways that your cooperative is looking out for you and helping you to manage your energy costs!

2009 Weatherization Program Eligibility

The federal Weatherization Assistance Program began in 1976, and in 2009 the stimulus package expanded eligibility for the program to households whose income falls below 200 percent of the national poverty level. Each state has unique eligibility guidelines. To learn about your state's guidelines, visit www.eere.energy.gov/weatherization.

Persons in family	Poverty Income Level	x 200 percent
1	\$10,830	\$21,660
2	\$14,570	\$29,140
3	\$18,310	\$36,620
4	\$22,050	\$44,100
5	\$25,790	\$51,580
6	\$29,530	\$59,060
7	\$33,270	\$66,540
8	\$37,010	\$74,020

For families with more than 8 persons, add \$7,480 for each additional person.

Source: 2009 Poverty Levels for the 48 contiguous states and the District of Columbia, U.S. Department of Health and Human Services, U.S. Department of Energy

