Clinton County Connection

Your Touchstone Energy® Cooperative

Published by Clinton County Electric Cooperative, Inc. • cceci@cceci.com • www.cceci.com

Capital credit retirement

At the Dec. 17, 2024, Regular Meeting of the Clinton County Electric Cooperative Board of Trustees, a resolution to retire an estimated $534,000 in capital credits was approved. Checks were mailed on Feb. 28, 2025. If you were a member and purchased electricity from CCEC in 2004 and 2005, you will likely receive a check. However, if your retired capital credits are under $10, they will be held until the accumulated amount is over $10.

What are capital credits?

Capital credits are a unique feature of the cooperative business model. CCEC is a not-for-profit electric cooperative, and the people we serve are its member-owners. Notice I used the word member and not customer. There is a difference. Most months the revenue we collect from our members exceeds our expenses. These profits are referred to as margins. When you become a member of the cooperative, you are assigned a member number that ties you to your capital credit account. At the end of every year, these margins are allocated back to each member's capital credit account. The dollar amount allocated to your account will vary depending on the electricity you consumed and purchased throughout the year.

Assuming the cooperative is financially stable, capital credits are retired or paid back, in the form of a check, to the membership approximately 20 years after they were earned and allocated. We wait 20 years to retire capital credits because as a not-for-profit organization, CCEC does not generate capital or money from any outside sources. During this time, margins are used to finance a portion of long-term capital improvements, such as line construction, pole replacements, substations and system improvements. The portion not funded by margins is funded through long-term borrowing or debt. CCEC could borrow 100% of the funds needed for capital improvements but that would result in increased interest expenses and would need to be recovered through higher rates. We could also fund 100% of our capital needs through margins, but that too would result in higher rates. CCEC strives to maintain a healthy balance between using member capital and long-term borrowing to finance capital improvements.

Capital contributed through margins by the membership also builds equity or ownership in the cooperative. CCEC's financial policy states that we will attempt to maintain an equity ratio between 40 and 50 percent. This means the CCEC membership owns 40 to 50 percent of the cooperative, and the remaining 50 to 60 percent is financed by long-term borrowing. Equity ratios in this range are typical for electric cooperatives. A strong equity ratio is a key financial metric lenders look at when we need to borrow money. It also allows CCEC to continue to retire capital credits to the membership.

Earlier, I said there is a difference between a member and a customer. Under the cooperative business model, margins are used to make system improvements and over time are returned to the members who initially contributed. This sets us apart from investor-owned utilities, such as Ameren, that pay their dividends or profits to their shareholders, who may or may not be customers.

Since being organized in 1939, CCEC has retired over $11.2 million in capital credits back to the CCEC membership. Member Economic Participation, one of the seven cooperative principles we are guided by, is demonstrated through the cooperative membership providing a portion of the capital required to build and maintain the facilities needed to serve the CCEC membership. The capital credit process is one of the many ways cooperatives differ from other business models. Thank you for making this investment in your cooperative. If you have any questions regarding the capital credit process, please contact the cooperative office Monday-Friday, 7 a.m. to 4 p.m., at 800-526-7282.

Clinton County Electric Cooperative expands annual scholarship program

For many years Clinton County Electric Cooperative has awarded scholarships to students who live on CCEC's electric lines. We are proud to announce that we will expand on the tradition by proudly sponsoring **26 $500 scholarships totaling $13,000** this spring to benefit students whose primary residence is served by CCEC. Two $500 scholarships will be awarded to two seniors at each of these **eleven** area high schools: Carlyle High School, Central High School, Centralia High School, Christ Our Rock Lutheran High School, Highland High School, Lebanon High School, Mascoutah High School, Mater Dei Catholic High School, Patoka High School, Sandoval High School, and Wesclin High School. Four $500 scholarships will also be awarded to four students attending Kaskaskia College. The scholarships are awarded based upon criteria set forth by the school they are attending. Please contact the guidance department at the schools mentioned above for an application and more details.

Considering Solar?
Call us first

As interest in "green" energy and ways to save money on utility bills continue to grow, some cooperative members may be considering the installation of a solar array.

Since these types of systems have the capability of returning electricity back to the electric grid, there are some major safety considerations to sort through before a system is installed.

Before deciding to buy a solar array, examine the economics to determine if such a system will lower your monthly electricity costs. If you do decide to install a solar array, contact our office as early as possible in the process.

A CCEC representative will provide information on our interconnection process and policies, as well as answer any questions you may have. That way, you and your installer will have the information needed as you progress with your system.

For more information on CCEC policies and requirements, please contact our office Monday through Friday between 7 a.m. and 4 p.m. at 800-526-7282.

Clinton County Electric Cooperative, Inc.
A Touchstone Energy® Cooperative

Grants awarded

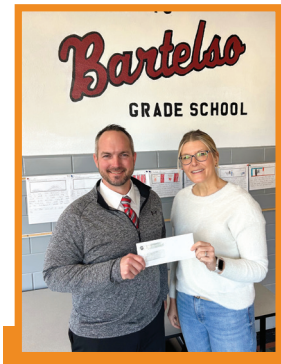
Grants totaling $4,000 were awarded to area teachers through the Touchstone Energy 2024/2025 Classroom Empowerment Grant Program. Clinton County Electric Cooperative awarded checks to the following participants:

Mater Dei Catholic High School

A check for $500 was presented to Mater Dei Catholic High School for a grant written by Helen Essenpreis. (From left to right) CNA instructors Sue Daar and Helen Essenpreis, CCEC representative Carrie Trame and Principal Dennis Litteken.

New Baden Elementary

A check for $500 was presented to New Baden Elementary on behalf of a grant written by teacher Meg Billhartz. Pictured is CCEC representative Carrie Trame and Billhartz.



Bartelso Elementary

A check for $500 was presented to Bartelso Elementary on behalf of a grant written by Superintendent Tom Siegler. Pictured are Siegler and CCEC representative Carrie Trame.

Wesclin Middle School

A check for $500 was presented to Wesclin Middle School for a grant written by teacher Angie Schlimme. (From left to right) Principal Zach Huels, Teacher Angie Schlimme, CCEC representative Carrie Trame and Superintendent Jennifer Filyaw.

Germantown Elementary

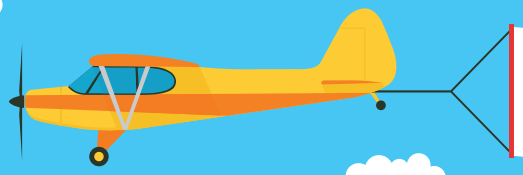
(From left to right) Teacher Rose Wilken and Superintendent Robin Becker accept a $1,000 check from CCEC representative Carrie Trame for grants written by Wilken and Becker.

Trenton Elementary

A check for $500 was presented to Trenton Elementary on behalf of a grant written by third-grade teacher Angela Wegman. Pictured is CCEC representative Carrie Trame and Wegman.

Breese District 12

A check for $500 was presented to Breese District 12 for a grant written by teacher Amy Niemeyer. (From left to right) Principal Amy Schilling, CCEC representative Carrie Trame, teacher Amy Niemeyer, and Superintendent Ryan Ketchum.



COMING SOON

Clinton County Electric Cooperative is excited to announce we will be hosting area meetings. Each member in attendance can enjoy refreshments and will receive a $20 bill credit. To hear details about your cooperative, reliability and the electric grid, please mark your calendars to join us at one of the following meetings:

- Monday, March 17 at 7 p.m. – Carlyle Knights of Columbus Hall
- Tuesday, March 18 at 1:30 p.m. – Breese Knights of Columbus Hall
- Tuesday, March 18 at 7 p.m. – Albers American Legion Hall

STAY IN THE KNOW

Stay connected by keeping your contact information up to date. Current contact information benefits you in multiple ways.

- ✓ Faster outage reporting and response
- ✓ Timely alerts about planned outages and other important updates
- ✓ Smoother customer service interactions
- ✓ Improved access to member benefits and programs

Ensure your phone number, email address and mailing address are up to date so you can enjoy the benefits of staying connected.

ENERGY EFFICIENCY
TIP OF THE MONTH

March is an ideal time to service your home cooling system, ensuring it runs efficiently when the heat of summer arrives. Routine maintenance, like cleaning or replacing filters, checking refrigerant levels and inspecting parts, can improve your system's energy efficiency and lower your energy bills. By addressing potential issues early, you can avoid costly emergency repairs and extend the lifespan of your unit. Scheduling service in the spring helps you beat the peak-season rush, giving you faster access to qualified technicians. A well-maintained cooling system can save energy and keep your home comfortable all summer long.