



1-800-762-0997

www.pioneerec.com

Pioneer changing rates October 1 Giving most members reduction in cost **SAVING** residential members over **\$134,000**



Ron Salyer
President & CEO

Last month I wrote you about the significant fixed costs Pioneer incurs for all of our members' services. I explained that, on average, each of our members is responsible for the cost of three poles. Other fixed costs necessary to provide high-quality service to your home include a transformer on the pole, electric lines overhead or underground to your home, metering equipment

and an allocated portion of the wires back to the neighborhood substation and the substation itself. As I said last month, instead of charging one large "upfront" fee for obtaining service, Pioneer spreads the charges out over time in the form of a "member service fee."

The following chart shows the practical effect of changing our rate structure to reduce the variable cost of kilowatt-hours (kWh) used from \$.02840 to \$.02335, while increasing the member service fee from \$33.50 to \$39.50 per month. **Most of our residential members will experience a cost decrease due to the changes!**

Average kWh Use	Change in Monthly Bill	% Change in Monthly Bill
600	\$2.97	3%
700	\$2.47	2%
800	\$1.96	2%
900	\$1.46	1%
1,000	\$0.95	1%
1,100	\$0.44	0%
1,200	\$(0.06)	0%
1,300	\$(0.56)	0%
1,400	\$(1.07)	-1%
1,500	\$(1.57)	-1%
2,000	\$(4.10)	-2%
2,500	\$(6.63)	-2%
3,000	\$(9.15)	-3%

While giving most of our residential members the benefits associated with a cost decrease, this method is also the fairest and most appropriate method to share the "fixed costs" Pioneer incurs for the entire membership. In addition, this positions Pioneer to offer programs that save electricity to the entire membership with the confidence that these programs will not unfairly shift costs among Pioneer's members or damage the financial viability of the Cooperative.

For planning purposes, this change in the member service fee puts our member service fee cost at the level it should be according to an analysis by an independent electric utility rate consultant. Rate adjustments in the future for Pioneer's electric distribution service are expected to be modest for the foreseeable future,

"I'm very pleased to report this change to Pioneer's rates saves most of our residential member's money on their electric bill."

— Ron Salyer,
President/CEO

including cost increases associated with the member service fee. With these changes, Pioneer plans no immediate rate structure changes in 2012. We will confirm this forecast as we complete our budgeting process this fall.

With Pioneer's rates established fairly for the entire membership, we will now be placing an ever-increasing focus on providing our members the information and tools necessary to manage the amount of electricity they use. I believe the most cost-effective, cleanest kWh is the kWh that is never used at all. One of Pioneer's goals is to use the technology we have in place to provide you the latest tools to make changes to reduce electricity use and save money.

Shopping for light bulbs?

Learning about **lumens** is a bright idea

Light bulbs are getting better! Newer bulbs — like halogen incandescents, CFLs and LEDs — last longer and use less energy than traditional incandescent bulbs, saving you money on your energy bills. In fact, beginning in 2012, everyday light bulbs have to meet new Department of Energy standards for how much energy they use. Bulbs that don't will be phased out over the next couple of years.

Along with this move to more efficient bulbs comes a new way to shop for them.

What are lumens?

For years, people have chosen light bulbs by the watt, learning over time about how bright a typical 40-watt or 60-watt bulb is. But wattage tells you only how much energy a bulb uses — not how bright it is.

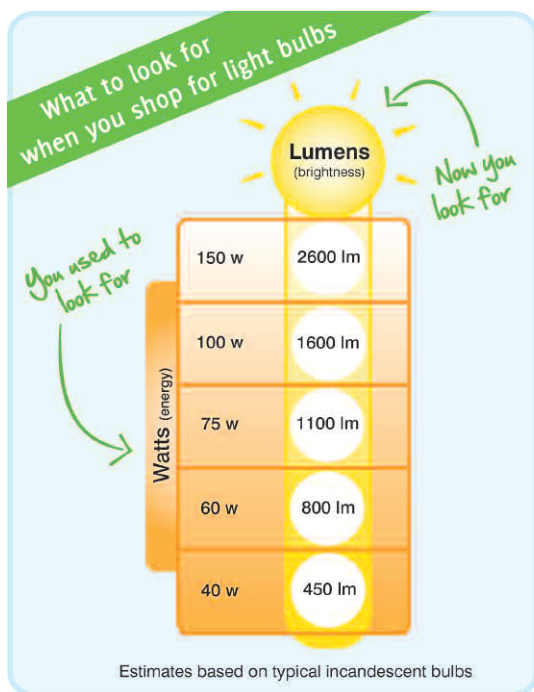
With newer light bulbs designed to use less energy, wattage is no longer a reliable way to gauge a light bulb's brightness. That takes lumens.

lumens = brightness
watts = energy

Lumens measure brightness. A standard 60-watt incandescent bulb, for example, produces about 800 lumens of light. By comparison, a CFL bulb produces that same 800 lumens using less than 15 watts.

How bright a light?

The chart below shows the number of lumens produced by common incandescent bulbs.



If you're looking to buy a bulb that will give you the amount of light you used to get from a 60-watt bulb, you'll now look for 800 lumens.

You can use lumens to compare the brightness of any bulb, regardless of the technology behind it, and regardless of whether it's a halogen incandescent, CFL or LED. Using lumens helps you compare "apples to apples" when you shop for light bulbs. Once you know how bright a bulb you want, you can compare other factors, like the yearly energy cost.

A label to help you shop

When you shop for light bulbs, you'll also want to think about light appearance, or color temperature. Light appearance ranges from warm to cool. Warmer light looks more yellow, like the light from a traditional incandescent bulb, while cooler light appears more blue.

To find out the light appearance of a light bulb, look at the Lighting Facts label on the package. The Lighting Facts label gives you information you need to compare different bulbs. It tells you:

- Brightness (in lumens)
- Yearly estimated energy cost
- Expected bulb life (in years)
- Light appearance (how warm or cool the light will look)
- Wattage (the energy used)
- If the bulb contains mercury

The label may include the ENERGY STAR logo if the bulb meets the energy efficiency and performance standards of the Environmental Protection Agency and the Department of Energy's ENERGY STAR program. For more on ENERGY STAR standards, visit energystar.gov.

Lighting Facts labels will be on most everyday household light bulbs starting in 2012.

On the bulb

The number of lumens will be printed on the bulb. If the bulb is a CFL, it may be on the bulb's base. CFLs also will include a Web address, epa.gov/cfl, for information on safe recycling and disposal. CFLs contain a small amount of mercury, so cleanup and disposal require some care and attention.

For more information

Learn more about shopping for light bulbs at energysavers.gov/lighting.

To get free information on consumer issues, visit ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261.

Nominations to be made based upon these provisions

On November 1, 2011, the County Boards of Pioneer Electric Cooperative will nominate candidates for the Pioneer Board of Trustees, and for four positions on each of the individual county boards. The elections will then be conducted in the spring, and the election results announced at Cooperative Spirit Day on March 24, 2012.

The following sections of ARTICLE IV, BOARD OF TRUSTEES, of the Code of Regulations of Pioneer Rural Electric Cooperative, Inc., are being published as they appear in the complete Code. The nomination process and subsequent elections will follow the procedures established in these sections. The official notice of the nominating meeting will be published in the October issue of *Country Living* magazine.

SECTION 2. Election and Tenure of Office. The Board shall divide the service area of the Cooperative into three (3) districts, designated as the Miami Rural Electric Cooperative, Shelby Rural Electric Cooperative and the Champaign Rural Electric Cooperative, so that equitable representation may be given to the geographic areas served by the Cooperative. The Board shall have the power to change the boundaries of such districts whenever in their opinion the purpose of this Section requires such a change. Each district shall be represented by three Board members. One Board member from each district shall be elected each year by secret ballot at the annual meeting of the members, or at any meeting held in lieu thereof as hereinbefore provided, by and from the members to serve for a term of three (3) years or until their successors shall have been elected and shall have qualified, subject to the provisions of this Code of Regulations with respect to the removal of Board members. Board members may be elected by a plurality vote of the members voting thereon pursuant to such rules and procedures as established by the Board of Trustees. No more than one Board member from the same geographical area, as provided in Section 4, shall serve at the same time, unless said Board members were serving as such on April 25, 1987.

SECTION 3. Qualifications. No person shall be eligible to become or remain a member of the Board who:

- (a) is not a member and bona fide resident in the particular district and geographical area of the Cooperative which such person is to represent; or
- (b) is in any way employed by or financially interested in a competing enterprise or a business selling electric power and/or energy, or supplies to the Cooperative, or who otherwise is engaged in an activity posing a conflict of interest with the governance of the Cooperative;
- (c) is a current employee of the Cooperative, or is a former employee of the Cooperative with less than five (5) year separation from the Cooperative; or
- (d) is a close relative of a current employee; or
- (e) has served seven (7) full consecutive terms the first of which commenced subsequent to April 25, 1987, until three (3) years has expired from the end of the person's last term.

Upon establishment of the fact that a trustee is holding the office in violation of any of the foregoing provisions, the Board shall remove such trustee from office. Nothing contained in this Section shall affect in any manner whatsoever the validity of any action taken by the Board.

SECTION 4. Nominations. The Board of Trustees of each of the Miami Rural Electric Cooperative, Shelby Rural Electric Cooperative and Champaign Rural Electric Cooperative shall constitute a committee of nominations for each respective district. At least thirty (30) days before the annual meeting of the members of the Cooperative, each committee shall nominate from the membership of this corporation residing in their respective districts, as hereinbefore set forth, two (2) candidates for the office of trustee from their respective districts. No candidate shall be nominated who shall reside in one of the geographical areas provided for in the second paragraph of this Section 4 in which resides a Board member whose term is not expiring, unless said candidate was serving as a Board member on and continuously since April 25, 1987, and has not moved from the geographical area in which he or she resided at the time of his or her election.

The Board of Trustees of each district shall consist of twelve (12) members residing within said district who shall serve a term of three (3) years. Four Board members from each district shall be elected each year. The Board of Trustees of the Cooperative shall divide each district in four (4) geographical areas. Each committee shall, at least thirty (30) days before the annual meeting of the members of the Cooperative, nominate from the membership of the Cooperative residing in such respective areas two (2) candidates for the office of district trustee. Thereafter, at the annual meeting of members of the Cooperative the members residing within each district shall elect one of said candidates as district trustee by secret ballot. Trustees may be elected by plurality vote of the members. Except for district trustees serving as such on and continuously since April 25, 1987, who have not moved from the geographical area in which they resided at the time of their election, no more than three district trustees shall reside within the same geographical area. No person shall be eligible to become or remain a district trustee who (a) is not a member and bona fide resident in the particular geographical area which he or she is to represent, (b) is a current employee, or is a former employee with less than five (5) years separation from the Cooperative, (c) is a close relative of a current employee, or (d) who has served seven (7) full consecutive terms the first of which commenced subsequent to April 25, 1987, until three (3) years has expired from the end of the person's last term. As used in the Section, "close relative" means a spouse, parent, child, sibling and a spouse of a parent, child or sibling.

Pioneer Electric Cooperative

937-773-2523
1-800-762-0997
www.pioneerec.com

QUICK PAY
1-888-836-1422

PIQUA

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

URBANA

767 Three Mile Road
Urbana, Ohio 43078

BOARD OF TRUSTEES

Ronald P. Clark
Chair

Edward P. Sanders
First Vice Chair

Paul R. Workman
Second Vice Chair

Douglas A. Hurst
Secretary

Ron L. Bair
Treasurer

Orville J. Bensman
Donald D. DeWeese
Colleen R. Eidemiller
Dwain Hollingsworth
Trustees

Harold T. Covault
S. Joe Eidemiller
Raymond F. Wenrick
Donald K. Zerkle
Trustees Emeritus

PRESIDENT/CEO

Ronald P. Salyer

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

Take the MYSTERY OUT of your electric bill today!

Is my refrigerator an energy hog? How much does it cost to leave my computer on all day? How much energy do “vampire electronics” really use?

It can be difficult to manage the electricity use in your home when your bill comes after the consumption has occurred. A solution to understanding electricity consumption in real time can be found with tools called energy use monitors (EUMs).

One such device is called the Kill A Watt™ EZ. Using this device you can easily determine how much electricity typical home appliances consume. Simply plug the Kill A Watt EZ into a 120-volt outlet, plug in the appliance you want to monitor, turn on the appliance and walk away. Come back in a few hours, and the monitor will calculate costs and forecasts for a week, a month and a year. For items that cycle on and off (a refrigerator or a freezer), we recommend you leave it plugged in for a week.

You may now request to borrow these devices from either of our offices or the following local libraries so YOU can find energy savings in your own home:

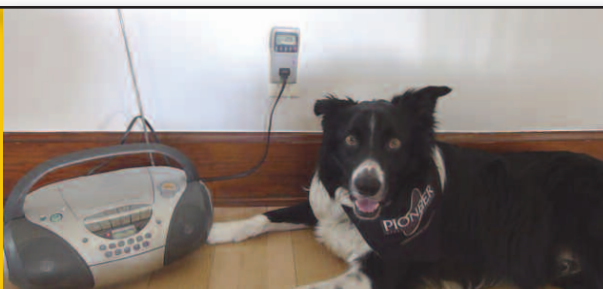
Anna Community Branch Library
Botkins Branch Library
JR Clark Public Library — Covington
DeGraff Branch Library
Ft. Loramie Branch Library
Huber Heights Library
Jackson Center Branch Library
Lakeview Branch Library
Mechanicsburg Public Library
Francis Joseph Stallo Library — Minster
New Bremen Public Library
New Carlisle Public Library

North Lewisburg Branch Library
Piqua Public Library
Russia Branch Library
Amos Memorial Public Library — Sidney
St. Paris Public Library
Tipp City Public Library
Troy/Miami County Library
Champaign County Library — Urbana
Vandalia Branch Library
Worch Memorial Public Library — Versailles
West Liberty Branch Library



Buddy says:

“Go to www.pioneerec.com to see me in a video with tips for using the Kill A Watt™ EZ to sniff out energy savings in your home.”



HELP US IMPROVE

In September and October, your electric cooperative will be working with Strategic Marketing and Research (an Indianapolis-based research firm) to implement a phone and Internet member satisfaction survey. This research will allow us to learn more about how to serve you better.

Should you be contacted, we hope you will take a few minutes to share your thoughts with us.

Thank you!

We appreciate your help.

NOTE: INFORMATION WILL BE CONFIDENTIAL AND NO PERSONAL INFORMATION IS SHARED.