



Your Touchstone Energy® Cooperative

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TELL CITY, IN 47586

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Call Before You Dig 811
Office hours: 7 a.m.-4 p.m.
Monday-Friday

BOARD OF DIRECTORS

Chairman, Gary Waninger — District 4
Carter and Harrison twps. (Spencer Co.) ... 357-2264
Vice Chairman, Leon Meyer — District 2
Grass, Clay and Jackson twps. (Spencer Co.)
and cooperative territory in Warrick Co. 359-4632
Secretary/Treasurer, J. B. Etienne — District 8
Leopold, Tobin and Union twps. (Perry Co.) 843-5631
Jeff Vogel — District 1
Luce and Ohio twps. (Spencer Co.) 649-4275
Don Braun — District 5
Hammond and Huff twps. (Spencer Co.) ... 529-8155
Randy Kleaving — District 6
Anderson and Troy twps. (Perry Co.) 836-2536
Michelle Lynch — District 9
Clark and Oil twps. (Perry Co.)
and cooperative territory in Dubois Co. 843-5214

CUSTOMER CONTACTS

Michael E. Hammack
President/Chief Executive Officer

Steve Seibert
Line Superintendent

Gary Palmer
Manager of Office Services

Don Etienne
Manager of Member
and Corporate Services

CREDIT CARD PAYMENT



Southern Indiana Power offers our customers the option of paying their electric bills with a Visa or MasterCard debit or credit card by phone, in person, or on our Web site www.sinpwr.com.



www.sinpwr.com

CO-opNews

Information from your electric cooperative

CEO COMMENTS

The cost of climate change legislation

Between now and 2030, U.S. consumer demand for electricity is expected to increase by 30 percent. To meet that, our nation must add about 264,000 megawatts in power plant capacity. However, many factors are delaying this required boom in generation construction.

One important factor is the need to develop climate change policy. The cost impact of current legislative proposals to deal with climate change could be overwhelming. A number of groups and agencies have looked at the future of U.S. electricity prices and the consensus is that they are going up dramatically.

The government's Congressional Budget Office estimates the annual cost of climate change legislation at \$50 billion to \$300 billion annually by the year 2020. The costs will be felt especially in Indiana and other states that rely largely on coal for power.

A respected independent utility analysis firm, Charles Rivers Associates, predicts a 25 percent to 40 percent increase in U.S. retail electric rates by 2020.

The government's Energy Information Administration predicts an increase in electric rates of 64 percent by 2030 and that losses to Gross Domestic Product (GDP) could range from \$27 billion to \$163 billion.

A study by the National Association of Manufacturers puts electric rates rising 28 percent to 33 percent by 2020 and by more than 100 percent by 2030. The study predicts the result will be the loss of millions of jobs.

The Environmental Protection Agency predicts a proposal for "cap and trade" emissions reductions could increase electric rates by 44 percent.

In Indiana, the Purdue Forecasting Group predicts residential electric rates in Indiana will increase by 13 percent by 2012 and 28 percent by 2020. Industrial rates are projected to increase even more, 25 percent by 2012 and 38 percent by 2020. These increases for Indiana are in addition to a projected 22 percent increase the Purdue group has forecasted by 2012 due to higher fuel costs, power plant construction costs, and new environmental regulations.

Nationally about 50 percent of electric power is generated from coal while in Indiana, 94 percent of our power is generated from coal. As a result, legislation limiting coal generation will have a much greater impact on our electric rates than on those in other parts of the country.

Electric cooperatives have a long history of working to protect our environment and that commitment has not changed. But America needs a plan to meet climate change goals while



Michael Hammack
CEO

also protecting the interests of consumers. Co-ops support an approach with options such as:

- energy efficiency programs to reduce the rate of growth in the demand for electricity.
- adding renewable energy sources to our power supply.
- more nuclear fueled power plants.
- installation of new clean coal technology at existing and new power plants.
- development of electric vehicles.
- installation of consumer-owned solar and wind generating equipment when it is cost effective.

By concentrating on each of these areas, cooperatives believe our country can have the power to support our economy, keep electric rates affordable, and address environmental concerns.

As your provider of safe, affordable, and reliable electric service, Southern Indiana Power is a champion of a public policy that meets climate change goals while keeping bills affordable. What has been described as a perfect storm — the clash of growing demand, skyrocketing power plant construct and fuel costs, and climate change policy constraints — has hit home. It is no longer a faraway problem reserved for backroom discussions in Washington, D.C., or state capitals.

As you may know, electric cooperatives across the country have launched a grassroots campaign called "Our Energy, Our Future: A Dialogue With America" to ensure that your voice gets heard. This campaign seeks to engage elected officials on critical energy questions, such as how to balance growing electricity needs and environmental goals, and how much of all this will affect electric bills.

Please visit www.ourenergy.coop to join this important conversation. Let lawmakers know that what actions they take regarding our energy challenges will carry enormous consequences for the folks back home.



CO-OP NOTES

Rate schedule

Shown below is the rate schedule information needed to figure your bill for electric use in March.

Wholesale power cost tracker \$0.01067
Indiana sales tax \$0.07

Rate 101 — Residential and Farm Service

Facility charge \$18.50 per month
First 400 kwh \$.0940 per kwh
Next 400 kwh \$.0820 per kwh
Over 800 kwh \$.0720 per kwh

Rate 102 — Residential Total Electric

Facility charge \$18.50 per month
First 300 kwh \$.1000 per kwh
Next 700 kwh \$.0780 per kwh
Next 1,000 kwh \$.0720 per kwh
Next 2,000 kwh \$.0670 per kwh

Rate 103 — Off Peak Heating Systems

Facility charge \$22.65 per month
First 400 kwh \$.0890 per kwh
Next 400 kwh \$.0790 per kwh
Over 800 kwh \$.0670 per kwh
Energy used for off-peak heating systems between 11 p.m.-7 a.m. (EST)
All kwh \$.0490

Rate 501 — Monthly Security Light Billing

175-watt mercury vapor \$7.50 per month
100-watt H.P. sodium \$7.50 per month
400-watt mercury vapor \$11.50 per month

Electric bills due by the 27th of each month.

\$50 monthly drawing

Would you like to win a \$50 credit on your electric bill? You could if you follow these simple rules:

1. Clip out the coupon below.
2. Fill out and return to our office along with your monthly payment before the 20th of the month. (Delinquent payments are not eligible.)
3. **Coupons are dated monthly and are not available at the office.**

You are automatically entered in the drawing if you have your bill withdrawn from your bank's checking or savings account (ACH).

The winner will be notified and the name published in the following monthly publication of *Electric Consumer*.

February's winner was Ron Beier.

\$50 monthly drawing

**FOR BILLS DATED
April 10, 2009
Paid by April 20, 2009**

NAME _____

ADDRESS _____

PHONE _____

ACCOUNT # _____

Regional member meetings continue

In February, meetings continued for members who receive service from the Bandon and Tell City substations. Members served by the Bandon substation attended the Feb. 9 meeting at Marcy's Restaurant. Each member in attendance received free CFL bulbs and had a chance to win a \$50 bill credit in a drawing. The winner of the bill credit was Mark Schaeffer.

Members served by the Tell City substation attended the Feb. 24 meeting at Bill and Dave's Smokin' Pit. Each member in attendance received free CFL bulbs and had a chance to win a \$50 bill credit in a drawing. The winner of the bill credit was Ron Lautner. Various other prizes were also given away at both meetings.

Southern Indiana Power will continue reaching out to members served by all eight substations during the coming months. Don Etienne, manager of member and corporate services, educates consumers during the meetings with an informative PowerPoint presentation. The presentation shares information about the history of the electric co-op, current issues for Southern Indiana Power and anticipated issues for the future. One topic of focus is the "Our Energy, Our Future" campaign, which is an ongoing effort to get members to communicate with elected officials about the future of energy prices and availability.

Members are chosen at random by computer to receive an invitation to the meetings. If you receive an invitation, please take advantage of the opportunity to see what your electric co-op can do for you.



It was a full house at the member meeting held at Marcy's Restaurant. Above, Southern Indiana Power's Don Etienne presents information about the co-op's service territory.



Southern Indiana Power members John and Sheryl Peter receive their free CFL bulbs from Journeyman Lineman Nick Schutzius at the conclusion of the member meeting held at Bill and Dave's Smokin' pit. This meeting included members served by the Tell City substation.

Web sites offer tips on saving money, staying comfortable

For some time, Touchstone Energy cooperatives have been offering access to a Web site with information on how to take control of energy costs and become more efficient. The electric cooperative sponsored site, found at www.touchstoneenergysavers.com, offers useful tools, valuable tips and resources designed to create greater home comfort and promote energy efficiency.

Now, the U.S. Department of Energy (DOE) is offering an additional efficiency tool, an interactive Web site at www.energysavers.gov to help consumers save on energy bills. Visitors to the DOE site can get additional free advice for inexpensive, easy-to-do fixes, as well as learn long-term strategies for improving energy efficiency and lowering energy costs. The site includes financial information links, downloadable resources for consumers and an energy savers blog to share ideas.

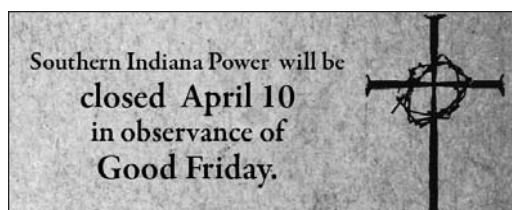
The energysavers.gov site provides a toolbox of informational resources that encourage a whole-building design approach, where all the

parts work together to optimize efficiency and save money.

Some suggested home efficiency tips from the DOE site include:

1. Turn down the thermostat by just one degree to reduce home heating costs by four percent, which typically saves between \$30 and \$60 a year, depending on the fuel being used to heat the home.
2. Wash clothes in cold water to save your household up to \$83 per year.
3. Set the water heater to 120 F.
4. Plug leaks or gaps around windows and doors with materials such as caulking, weatherstripping or foam sealants.
5. Install proper insulation, especially in the attic and crawl spaces, to reduce household energy costs from \$70 to \$460 per year.
6. Replace the four most used bulbs in your home with Energy Star-qualified compact fluorescent bulbs to save about \$195 over the lifetime of the bulbs.

Southern Indiana Power is proud of our linemen Steve Schroeder and Dale Kaufman, who traveled to Meade County RECC in Kentucky to help in the power restoration effort after spending many hours to restore power to our own system after the Jan. 27 ice storm.



ANNUAL MEETING ELECTION UPDATE

Board of directors — nominations and voting process

The Southern Indiana Power 2009 annual meeting is scheduled for June 12.

Southern Indiana Power members residing in Districts Six and Eight who are interested in running for a position on the board of directors for these districts should contact our office at 1776 10th St. in Tell City for a petition.

The nomination process requires the director candidate to live in the district and to submit a petition with the signatures of 30 members who reside in his/her district.

Interested persons should stop by the office or call the office at 812-547-2316 or 800-323-2316 to request a petition. Signed petitions must be returned to Southern Indiana Power by 4 p.m. April 27, in order to be eligible for election at the 2009 annual meeting.

The districts and areas with elections in 2009 are:

District Six: Anderson and Troy townships in Perry County

District Eight: Leopold, Tobin and Union townships in Perry County

If you have any questions or concerns regarding the election process or need clarification on determining the district in which you reside, please contact the office at your earliest convenience.

Director candidate qualifications

According to the policies and bylaws of Southern Indiana Power, a board member:

1. Must be a member of the cooperative.
2. Must be 21 years of age or older.
3. Must be a bona fide resident in the area served.
4. Should be willing to promote and safeguard the interest of the cooperative among the members and the general public.
5. Must not in any way be employed by or financially interested in a business selling supplies to the cooperative.
6. Must not be a husband, wife, mother, father, brother, sister, child, or in-law of a current employee or director of the cooperative.
7. Must be willing to attend regularly scheduled and special meetings of the board of directors and also attend national, state, and local organization meetings with associated interests.
8. Must be willing to attain NRECA director certification within six years after being elected.

Any member of the cooperative who meets the qualifications listed above and wants to be considered as a candidate for election at this year's annual meeting should contact the cooperative and obtain a petition form.

RECIPE OF THE MONTH

Rice Krispies Peanut Butter Squares

1 cup firmly packed brown sugar
1 cup corn syrup (or liquid honey)
1 cup smooth peanut butter
1/2 t. vanilla extract (optional)
7 cups crispy rice cereal

In large saucepan, combine sugar and corn syrup. Cook over medium heat, stirring frequently, until sugar dissolves and mixture just begins to boil (or microwave at high 3 minutes in large microwaveable bowl, stirring twice). Remove from heat. Stir in vanilla. Stir in peanut butter; mix well. Stir in cereal, mixing until well coated. Press evenly and firmly into buttered 9-by-13-inch pan. Cut into bars. Ready In: 10 minutes. Servings: 24.



Southern Indiana Power is offering the following vehicle for sale, for \$12,000.

1989 F800 Diesel bucket truck, with 121,755 miles, 12,246 total hours and 28,000 GWR. It has a five-speed transmission, two-speed axle and hydraulic brakes. It has a new Jasper rebuilt engine with only 1,200 miles and 100 hours. Vin#: 1FDPK84A7JVA56298

This truck has a 1974 Hi-Ranger bucket, rebuilt in 1998. 5F — 48 PBI and 48 foot working height. It has received annual DOT inspections and electric and structural tests. Serial #: 10736232

Contact Southern Indiana Power for more information.

SOUTHERN INDIANA POWER SYSTEM UPDATE

Department heads at Southern Indiana Power recently reported the following projects under way to upgrade various aspects of the cooperative's system.

1. Three miles of single phase reconductoring is underway along Silverdale Road in Spencer County.

2. ElectriCom has finished reconductoring four miles of 8A conductor starting at the intersection of County Road 500 N and County Road 750 W, heading north in Spencer County.
3. Relocation of a line for the U.S. 231 Phase II is under way between County Road 900 N and County Road 1000 N.



Hop into savings!

with long distance service from Southern Indiana Power

Plans	State-to-State price per minute	In-State price per minute
Long Distance (with E-bill paperless)	4.9¢*	4.9¢*
Long Distance (1 year term)	4.9¢*	5.9¢*
Standard Long Distance with E-bill paperless (no term)	4.9¢*	5.9¢*
Standard Long Distance (no term)	5.9¢*	5.9¢*

Call 1-888-302-3003 to sign up today!

*Taxes and other regulatory charges not included. Certain restrictions may apply. Please call for details. Service provided by TransWorld Network.

April Sudoku Puzzle — Easy

			3	6		4		2
3		4	7			8		1
		9			4	7	6	3
			9	2				
1	3	7	4		6	5	2	9
				3	7			
9	1	3	6			2		
7		5			1	3		6
4		6		7	3			

Supplied by Sudoku-Printable.com

Highlights of Feb. 25 board meeting

In an effort to keep you informed of your Cooperative's operations and activities, the following are highlights of the February board meeting.

1. All directors were present along with President/CEO Michael Hammack and Administrative Assistant Lisa Hinton.
 2. The Dec. 17 board meeting minutes were reviewed and approved.
 3. The January and February membership certificates and vouchers were reviewed and approved.
 4. Hammack updated the board on WildBlue/Cooperatives ONE. WildBlue is currently unavailable for new members; beam capacity is full.
 5. The CEO report was the first item of new business with Hammack reporting the following items:
 - a. Hammack reviewed the following from the Jan. 27 ice storm:
 - Approximately 8,000 meters were out of service.
 - Substations were not out.
 - Northeastern REMC, Hendricks Power Cooperative, United REMC, Rush-Shelby Energy, Fulton County REMC, Whitewater Valley REMC, Parke County REMC, Tipmont REMC, Johnson County REMC, Hoosier Energy, Electricom and Townsend all assisted with power restoration. Assisting crews were very good.
 - Employees did an excellent job.
 - The cooperative emergency response plan was followed.
 - Worst storm damage since 1996.
 - Damages are estimated between \$550,000 and \$650,000.
- Plan changes include review of the following:
- Expediting process of requesting additional crew assistance with Indiana Statewide.
 - Maximum number of crews to request.
 - Economic call center upgrades to increase capacity.
 - Communication process with directors.
- b. Hammack reported FEMA reimbursement for damages as a result of Hurricane was approximately 75 percent of qualified costs.
 - c. Hammack informed directors Monroe Shine will prepare 2008 IRS Form 990 for the cooperative.
 - d. Hammack reported two claims are pending against Southern Indiana Power in Spencer County small claims court.
 - e. Hammack informed the board the Spencer County Synthetic Natural Gas bill passed the Senate with a vote of 48-8.
 - f. A new four-wheel drive bucket truck arrived Feb. 20. The truck was a budget item.
 - g. Hammack reported the cooperative received a 35-year recognition award from NISC at its 2009 annual meeting.
 - h. Hammack informed the board of the

following meeting dates and changes: Employee/Director Health Screening – March 4; Employee/Director Recognition Banquet – March 10; Operation Round Up Trustees meeting – March 11; member regional meetings: Grandview Civic Association – March 9 and The Chateau – March 18.

- i. The April board of directors meeting has been moved from April 29 to April 30. And the December board of directors meeting has been moved from Dec. 16 to Dec. 15.
6. Committee assignments were distributed per Chairman Waninger. An annual meeting committee has been added.
7. Hammack and Committee Chairman Eitenne reported on the policies and bylaw committee meeting held Jan. 21. The board adopted three new polices and approved changes to three policies as well as the bylaws. Committee members included: Hammack and directors Etienne, Braun, Meyer, Vogel and Waninger.
8. Hammack reported on a marketing committee meeting held Feb. 10. Wes McFarland, marketing services coordinator of Hoosier Energy, attended the meeting to discuss upcoming rebates for members. Committee members included: Hammack, Etienne, Palmer (staff) and directors Kleaving and Lynch.
9. Hammack reported on an annual meeting committee meeting held Feb. 10. The 2009 annual meeting will be held June 12, at the Perry County 4-H Fairgrounds. Registration will begin at 5 p.m. and will follow the same format as last year. Committee members included: Hammack, Etienne, Hilgenhold, Harpenau and Hinton (staff) and directors Kleaving, Lynch and Waninger.
10. A motion was made, seconded and carried by the board to approve participation in the National Rural Utilities CFC Capital Securities purchase.
11. The board approved a request from Indiana Statewide for a corporate donation for 2009 FORE and ACRE participation.
12. Roger Wenning, senior loss control/risk management specialist with Indiana Statewide, provided CPR and AED training Feb. 27. Chuck Tiemann, senior risk management/regulatory compliance specialist with Indiana Statewide provided discussion relating to accident investigation and accidents throughout the state their causes and prevention on Feb. 13. Hammack advised there were no lost time accidents and no public liability claims to report.
13. A motion was made, seconded and carried

by the board to approve capital credit (margins) allocations for the years of 2006 and 2007.

14. A motion was made, seconded and carried by the board to approve inventory adjustments for the year ending Dec. 31, 2008.
15. Director Kleaving was selected delegate to the 2008 Hoosier Energy annual meeting.
16. Director Braun was elected to serve as Southern Indiana Power's 2009 Hoosier Energy director.
17. Director Braun reported the following items from the Hoosier Energy meeting held Feb. 9: The Hoosier Energy board of directors observed a moment of silence in memory of former UDWI and Hoosier Energy board director Hobert Thompson. Dr. Marty Blake of The Prime Group reviewed costs of new generation and the value of demand side management. The Hoosier Energy board approved reallocating available RUS loan funds to new projects and extension of the line of credit with Bank of America. Hoosier Energy set an all time peak of 1,525 mw on Jan. 16. Hoosier Energy personnel assisted Clark, Harrison, Southern and Dubois in restoring distribution services following the recent ice storm. Nitrogen oxide ((NOx) emissions at Merom Unit #1 were down 50 percent, and Ratts Unit #2 NOx emissions declined by 40 percent following upgrades.
18. Director Kleaving reported the following items from the Indiana Statewide meeting held Feb. 11: Thirty-eight cooperatives were represented. Director Kleaving has been placed on the budget and finance committee. Maureen Ferguson updated directors on the Stimulus Bill. Indiana Statewide CEO Bruce Graham announced improvements to the Statewide office are complete. The Indiana Statewide annual meeting was discussed. Roy Friedersdorf is up for re-election to the NRECA board of directors. The "Our Energy, Our Future" campaign will continue in 2009. A meeting to review IRS Form 990 will be held March 20 at Indiana Statewide. Gayvin Strantz discussed safety issues. Lynn Moore reported \$8,535 dollars was raised for Ronald McDonald House through the Blue Ribbon Basket campaign. Indiana Statewide will introduce its new Web site later this month.
19. Directors Kleaving and Vogel are scheduled to attend CCD Fast Track course # 2600 – "Director Duties and Liabilities" March 9 at Indiana Statewide.
20. The next regularly scheduled board of directors meeting will be held Wednesday, March 25.

A Touchstone Energy® Cooperative

