



Your Touchstone Energy® Cooperative

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Web Site.....www.sinpwr.com
Call Before You Dig.....811
**Office hours: 7 a.m.-4 p.m.
Monday-Friday**

BOARD OF DIRECTORS

Chairman, Gary Waninger — District 3
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, Jeff Vogel — District 1
Luce and Ohio twps. (Spencer Co.)..... 649-4275
Don Braun — District 4
Hammond and Huff twps. (Spencer Co.)..... 529-8155
Randy Kleaving — District 5
Anderson and Troy twps. (Perry Co.) 836-2536
Kevin Waninger — District 6
Leopold, Tobin and Union twps. (Perry Co.).. 836-4646
Michelle Lynch — District 7
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
Manager of Operations
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.



Touchstone Energy®

CO-opNews

Information from your electric cooperative

CEO COMMENTS

Weathering the perfect storm

Our nation's electric utility industry is heading into a "perfect storm." While the amount of electricity we use everyday steadily increases, the capacity to generate and transmit that power is running short. In the past fossil fuel-fired power plants were the go-to option to meet growing new demand with proven technology, but looming federal regulations on carbon dioxide emissions is changing that. The cost of complying with new regulations could make electricity less affordable for everyone — a concern Southern Indiana Power is fighting to voice.



Michael Hammack
CEO

In December, the U.S. Environmental Protection Agency (EPA), a part of the executive branch, declared that six key greenhouse gases from auto emissions, including carbon dioxide, are "endangering public health and welfare" of current and future generations. Emissions from motor vehicles of four of those greenhouse gases, including carbon dioxide, were also said to contribute to dangerous air pollution.

The endangerment finding puts a foot in the door for EPA to issue sweeping new rules that could impose strict limits on carbon emissions, including those from power plants. The cost of generating electricity would go up, and in the end those costs would hit consumer pocketbooks.

Congress is mulling over its own set of carbon dioxide regulations, and we must continue to ask that any resulting legislation be fair, affordable, and technologically achievable. If passed, Congressional legislation should also preempt use of any other existing laws, fixing a regulatory disaster that would only add to costs for consumers with a mess of overlapping regulatory red tape.

Whatever the political outcome, the honest truth is the change won't come overnight. Fossil fuels currently account for more than 70 percent of all electricity generated in the United States

and 95 percent of electricity produced in Indiana. New technology will be key to both keeping these traditional options up-to-date and refining new ways to affordably keep the lights on. Cleaner use of fossil fuels, an increased use of renewable energy, and a big commitment to energy efficiency will all be necessary.

Electric co-ops have a long history of providing safe, reliable, and affordable electricity to their members, and no "perfect storm" is going to keep us from continuing to do our job. Co-op research projects are already underway to expand the current limits of renewable energy, make coal- and natural gas-fired power plants cleaner

and more efficient, and possibly even capture carbon dioxide from plant emissions before they go up a smokestack and store them deep underground to keep them out of the atmosphere.

The Arlington, Va.-based Cooperative Research Network, of which our co-op is a member, was recently awarded a \$33.9 million grant from the U.S. Department of Energy, which will support a wide-ranging "smart grid" research project. The effort brings together 27 electric co-ops in 10 states, which will match the grant money awarded to create a pool of nearly \$68 million for ground-breaking technology development. With a smarter electric grid, we'll be able to deliver electricity to our consumers more efficiently — cutting the amount of emissions we'll need to generate as a result.

Co-ops have stepped up to challenges in the past, and I have no doubt our response to this challenge will be any different in the end. But we need your help in relaying to Congress just how important it is to keep climate change legislation fair, affordable, and technologically achievable. To make your voice heard, join the "Our Energy, Our Future®" grassroots awareness campaign at www.ourenergy.coop. You can also learn more at www.fairpowernow.org.

USDA Rural Development accepting applications

The Renewable Energy and Energy Efficiency Loan and Grant program (REAP) is part of the 2008 Farm Bill established Rural Energy for America Program under Title IX, Section 9007. It provides loan guarantees and/or grants to agricultural producers and rural small businesses for the purchase and installation of renewable energy systems or for energy efficiency improvements.

The program is designed to assist farmers and rural small businesses that are able to demonstrate financial need. Small businesses, as defined by SBA, and all agricultural producers, including

farmers and ranchers, who receive 50 percent or more of their gross income from farming are eligible. In particular it can be used for energy-efficiency improvements to existing energy systems or to replace and update systems such as grain dryers, electric motors, heating and cooling. Grants are awarded on a competitive basis and can be up to 25 percent of total eligible project costs. Grant requests as low as \$1,500 for energy efficiency improvements will be considered. If you have questions please contact Wayne Dubble at wayne.dubble@in.usda.gov or call 812-897-2840, ext 4.

CO-OP NOTES

Rate schedule

Shown below is the rate schedule information needed to figure your bill for electric use in February. Wholesale power cost tracker \$0.01761
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) or if you pay your bill on-line by the 20th.

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

January's winner was James Ebert.

\$50 monthly drawing

**FOR BILLS DATED
March 10, 2010
Paid by March 20, 2010**

NAME _____
ADDRESS _____
PHONE _____
ACCOUNT # _____

Refrigerator recycling program offers cash incentive, convenient pickup

That old inefficient refrigerator in your garage may be cooling a case of drinks, or keeping popsicles frozen for your kids to eat on a hot summer day, but it's also costing you money. Older appliances can use three to four times more electricity than new models, eating up hundreds of dollars a year in utility bills.

Maybe it's time to retire that energy hog fridge and cut your electric bill. You can even make a little cash in the process.

Southern Indiana Power is offering members a \$30 incentive to recycle their secondary refrigerator or freezer units that are fully functional and in use. Starting in March, members will be able to schedule pick ups of these secondary units at no charge.

"In addition to the convenience of having his/her refrigerator hauled off and collecting a \$30 incentive, the member could potentially save up to \$150 per year on his or her electric bills," says Don Etienne of Southern Indiana Power.

"The program has many benefits," he added, "some of which go beyond the participant. For instance, recycling refrigerators keeps caustic pollutants from entering our environment."

Program partner JACO Environmental will pick up the refrigerator from the owner's home, cut the power cord and mark the unit so that it does not reenter the market, and make sure that it is properly recycled.

The refrigerator recycling incentive is part of a pilot program Southern Indiana Power and its power supplier Hoosier Energy are launching. The yearlong program aims to help member cooperatives control energy demand by collecting up to 425 secondary refrigerator and freezer units. The program will run for one year starting in March. If all goes well, the program will be expanded to include all 18 of Hoosier Energy's member cooperatives in central and southern Indiana and southeastern Illinois. Call 877-395-5535 for more information about this program.

Regional member consumer meetings continue

Members served by the Tell City substation attended a regional meeting at Bill and Dave's Smokin' Pit on Jan. 26. Southern Indiana Power CEO Mike Hammack welcomed the crowd, who enjoyed a meal and presentation from Southern Indiana Power's Don Etienne.

Members invited to attend member meetings are selected at random by computer and those who attended had a chance to win \$50 off their electric bill. David K. Hinton was the winner of the \$50 bill credit at the Jan. 26 meeting. Various other prizes were also given away at each meeting, including CFL bulbs to each membership in attendance.

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. Recent meetings have focused on 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

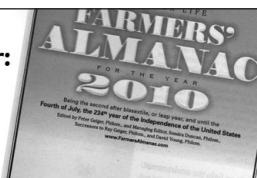


Southern Indiana Power CEO Mike Hammack greets members served by the Tell City substation prior to the meeting at Bill and Dave's Smokin' Pit.

availability as cap-and-trade legislation looms on the horizon. Other topics included energy efficiency and demand side energy management.

If you receive an invitation, please take advantage of the opportunity to see what your electric co-op can do for you. This is also the ideal time to ask questions.

Now available at Southern Indiana Power:
Farmers' Almanacs
Festival Guides
Energy-Saving Tips



101 Low-Cost / No-Cost Home Energy-Saving Measures



Stop by to pick up these FREE publications

Quantities are limited.



Energy Efficiency

Tip of the Month

Check around the house to see if devices are unnecessarily plugged in. Cell phones, iPod chargers and appliances are still drawing power when not in use. Be aware that plasma TVs and entertainment systems are drawing power even when they are off. Also, switch computers off or use the computer's power management settings to allow standby mode when it's not needed. A computer can use as much electricity as a new refrigerator.

Board election petitions available

Nomination process for June 18 annual meeting

Being a member of an electric co-op is a unique opportunity to be part of the decision-making process in a business. Because Southern Indiana Power is a cooperative, it is owned by its members. That means members are responsible for voting for other members to take the leadership positions on the board of directors. Directors help make business decisions for the company.

Each year Southern Indiana Power holds an annual meeting and encourages members to attend and vote for the director of their choice. But before elections are held, a nomination process must occur.

Who can be a director?

Any member of the cooperative who is 21 years of age or older, resides in the district served and meets the following criteria can be a director:

1. Should be willing to promote and safeguard the interest of the cooperative among the members and the general public.
2. Must not in any way be employed by or financially interested in a business selling supplies to the cooperative.
3. Must not be a husband, wife, mother, father, brother, sister, child, or in-law of a current employee or director of the cooperative.
4. 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.
5. Must be willing to attain NRECA director certification within six years after being elected.

What does a director do?

The board of directors is the legal body which both the Southern Indiana Power members and the government hold accountable for the actions of the cooperative. As a Southern Indiana Power member, the director serves on a part-time basis, attending board and committee meetings locally, as well as state and national seminars in order to keep informed, and to improve skills necessary to carry out the responsibilities of a co-op director.

Specifically, the board of directors:

1. Determines policy guidelines for the daily operation of the cooperative.
2. Employs a CEO to direct operations.
3. Determines a work plan and budget.
4. Sets rate and fee schedules for service.
5. Enters into contracts for power supply, services and loans for capital improvements.

6. Evaluates the performance of the cooperative and the CEO.

7. Reports to the member-owners on the financial condition of the cooperative.

Any member who meets the qualifications listed and wants to be considered as a candidate should contact the cooperative to obtain a petition form.

How is a director nominated and elected?

In accordance with the bylaws of the cooperative, all director nominees for election at the annual meeting must be nominated by a certified petition signed by 30 or more members of the cooperative who reside in the district from which the nominee is being selected to run.

(For purposes of this petition, a husband and wife constitute only one signature.)

Each petition must contain a certification by a member of the district that he or she personally witnessed each signature included with the petition.

The petition must be filed at the office of the cooperative not less than 45 nor more than 100 days prior to the annual meeting. The assistant secretary-treasurer of the cooperative shall certify to the board of directors within 15 days after receipt of a petition whether or not the petition contains the necessary 30 member signatures. No nominations may be made at the annual meeting or during the 45-day period preceding the meeting.

Forms for petition may be obtained at the office of the cooperative during regular business hours.

The districts up for election are:

District 1: Luce and Ohio townships in Spencer County

District 2: Grass, Clay and Jackson townships in Spencer County and cooperative territory in Warrick

District 7: Clark and Oil townships in Perry County and cooperative territory in Dubois County

In the event that no qualifying petitions are received, the board of directors shall declare a vacancy in the position of director for that district at its first meeting after the annual meeting. During such meeting, the board of directors shall elect a director to fill that vacancy for the unexpired three-year term. The director so elected must reside in the district from which he/she is being elected to represent.

Southern Indiana Power in your community



Food donations for CFLS

Southern Indiana Power would like to thank all our members who brought food and non-perishable items to exchange for CFL bulbs. Approximately 3,479 bulbs were given out during the month of December which means 3,479 items were collected to be given back to food pantries in our service territory. United Way collected half of the items for distribution in Perry County. Christian Resource Center arranged pick up for the other half of the items for disbursement in Spencer County. The photos above show the quantity of food items before they were distributed to the respective agencies.



Operation Round Up grant awarded

The Spencer County EMA received a \$1,000 Operation Round Up grant to purchase six new Rino Radios complete with GPS system, rechargeable battery kits and cases. Above, Donna Harpenau, Operation Round Up board member, presents the grant to Al Perdue, Bobbie Hedinger and Kellie Singleton of Spencer County EMA. To learn more about Operation Round Up, visit www.sinpwr.com.



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- ▶ Learn energy-saving tips

Highlights of the Jan. 27 board meeting

In an effort to keep you informed of your cooperative's operations and activities, the following are highlights of the Jan. 27 board meeting.

1. All directors were present along with President/CEO Michael Hammack and Administrative Assistant Lisa Hinton. Also present were Attorney Chris Goffinet and Steve Smith, president/CEO, and Randy Haymaker, director of public affairs, both of Hoosier Energy.
2. The Dec. 15, 2009 board meeting minutes were reviewed and approved.
3. The December 2009 membership certificates and vouchers were reviewed and approved.
4. The November 2009 director's report was reviewed and approved.
5. Hammack reported the 2010 strategic planning retreat will be held March 17-18. Hammack encouraged directors to submit strategic planning issues to him, Scott Luecal or Chairman Waninger.
6. The CEO report was the first item of new business with Hammack reporting the following items:
 - a. Hammack reported on regional member information meetings. A meeting was held at the Grandview Civic Association on Dec. 15 for randomly selected members who receive their power from the Newtonville substation with 53 members in attendance. A meeting was held Jan. 26 at Bill and Dave's Smokin' Pit for randomly selected members who receive their power from the Tell City substation with 27 members in attendance.
 - b. Member regional meetings are being scheduled for Feb. 9 at The Chateau for randomly selected members who receive their power from the Chrisney substation and Feb. 25 at Luce Township Fire Department for randomly selected members who receive their power from the Rose Hill substation.
 - c. Hammack discussed the possibility of a day meeting with Wes McFarland of Hoosier Energy and Southern Indiana Power directors and staff to discuss the demand response/load control program. Directors approved a day meeting for Feb. 22.
 - d. Hammack reported he is reviewing future 220 radio communications options with PSC and NRTC.
 - e. Hammack informed directors of a Hoosier Energy unrecovered power cost balance and recovery options.
 - f. A board of zoning appeals hearing for a proposed Waupaca monofill site was held Jan. 12; a second meeting is scheduled for Jan. 28.
7. The board adopted a resolution pertaining to the approval of RUS loan funding.
8. 2010 committee assignments were distributed per Chairman Waninger.
9. Roger Wenning, senior loss control risk

management specialist with Indiana Statewide, conducted basic life support training on Jan. 21. Hammack advised there were no lost time accidents and no public liability claims to report.

10. The board approved the inventory adjustment for the year ending Dec. 31, 2009.
11. Director Braun reported on a Hoosier Energy board meeting held Jan. 11.
12. Director Lynch reported on the Indiana Statewide annual meeting held Dec. 17-18.
13. An annual meeting committee meeting is being targeted for the end of March.
14. Steve Smith, CEO of Hoosier Energy, presented a patronage capital credit check to Chairman Waninger. Smith gave a brief update focusing on Hoosier Energy's 2009 results and key issues facing Hoosier Energy and the industry.
15. The next regularly scheduled board of directors meetings will be held Wednesday, Feb. 24, and Wednesday, March 31.



Southern Indiana Power
will be closed April 2
to observe Good Friday

March Sudoku Puzzle — Hard

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

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*Taxes and other regulatory charges not included. Certain restrictions or early termination fees may apply. Please call for details. In partnership with TransWorld Network, Corp.

RECIPE OF THE MONTH

Mandarin Orange Cake

1 pkg. (18.5 oz.) yellow or butter cake mix
1 can (11 oz.) mandarin oranges, undrained
4 eggs
½ cup vegetable oil

1 can (15.25 oz.) crushed pineapple, undrained
1 carton (9 oz.) whipped topping
1 pkg. (3.75 oz.) vanilla instant pudding mix

Combine cake mix, mandarin oranges, eggs and oil. Beat 2 minutes at highest speed of your electric mixer. Reduce speed to low; beat 1 minute. Pour batter into a greased and floured 9- by- 13-inch pan or 3 round cake pans. Bake at 350 F for 20 to 25 minutes or until toothpick inserted in center comes out clean. Cool in pan completely. Combine remaining 3 ingredients. Beat 2 minutes at medium speed. Let stand 5 minutes or until mixture is of spreading consistency. Spread pineapple topping on cake. Chill at least 2 hours before serving. Store in refrigerator.