Why Cooperatives are COOL!

Bob Hunzinger
President/CEO, Eastern Illini Electric Cooperative
What’s a CO-OP?
“A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.”
Serving NEEDS Cooperatively.
USA Cooperatives

30,000+
co-ops serving

100+ MILLION MEMBERS.
How Did Co-ops Start?
Humble Beginnings

Philadelphia Contributionship for Insurance of Houses from Loss by Fire 1752

Founded by Ben Franklin and fellow firefighters. Mutual risk (policyholders share risk).

First known American cooperative; still in operation.
Rochdale Society of Equitable Pioneers 1844

**Members:** Weavers, bakers, wood and metal workers

**Bulk purchases** for better quality flour, other products.

Designed **seven principles** to govern the co-op.
Why a Co-op?

Common PRINCIPLES:

1. Voluntary and Open Membership
2. Democratic Member Control
3. Members’ Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community
Members’ Economic Participation:
Co-ops provide services “at cost” and remain not-for-profit. Money left over after expenses (margins) belongs to members.
Cooperation Among Cooperatives: Mutual support helps cooperatives improve services, bolster local economies, and deal more effectively with community needs.
Eastern Illini
Fast Facts

- Member/owner accounts: 13,545
- Miles of line in service: 4,520
- Number of employees: 56
- Number of counties served: 10
Eastern Illini
Fast Facts

- Accounts/mile of line (density): 3
- Total plant value: $94 million
- Total kWh sold in 2014: 247,462,085

<table>
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<th>CONSUMERS PER MILE OF LINE</th>
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<tr>
<td><strong>Municipal Utilities</strong></td>
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<td><strong>Electric Cooperatives</strong></td>
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Figures based on NRECA Co-op Facts & Figures
A Typical Substation
• 62% – Prairie State Generating Campus: featuring the latest in clean coal technology
• 22% – Long and short term contracts: various fuel types from Midwest providers
• 12% – Purchased on the spot market: through the Midwest System Operators (MISO)
• 4% – Wind power: purchased from the Pioneer Trial Wind Farm in Paxton

Eastern Illini’s Generation Mix
Eastern Illini’s Operations
Eastern Illini’s Employees
1930s: Less than 10 percent of farms had central station electric service, and at double the cost.


1953: 90 percent of farms have power.
900+ electric co-ops across America serve 42 MILLION consumers across 75 percent of America’s landmass.
Pioneer Trail Wind Farm
Bob Hunzinger
Bob.hunzinger@eiec.coop
800-824-5102