

Lyon REC News



March 2018

Phone : 712-472-2506 or 1-800-658-3976 ~ Website : www.lyonrec.coop

Office Hours : Monday thru Friday 7:30 a.m. to 4:30 p.m.

MAKING "CENTS" OUT OF TAX REFORM POLICIES

Tax policy can be complicated. If you've ever done your own federal and state income taxes or if you own a business, you understand firsthand how every detail matters in compliance, especially when it comes to profits.

Because Lyon Rural Electric Cooperative is a not-for-profit business entity there is sometimes confusion about whether we pay taxes. The answer is: yes, we pay taxes. We pay property taxes, employee taxes, replacement taxes, and taxes on materials and supplies to name a few. However, we don't pay taxes on business profits, because we are not a profit-based organization.

Because electric cooperatives are not-for-profit organizations - operating at cost to deliver affordable and reliable power across all of Iowa's 99 counties - we don't have operating profits. Since our rates are based on the cost of acquiring and delivering electricity, we don't make money on the services we provide. If we receive a cost reduction from our suppliers, those savings are passed along to our member-owners. If we have excess funds - commonly called margins - from providing our member-owners with safe, reliable, affordable and environmentally responsible electricity, we return those funds to you in the form of patronage dividends. Since our inception, operating at cost has been a cornerstone of the cooperative business model.

Taxes on profits are in the news. You may have heard or read that the tax reform bill is now law, meaning that as of January 1 the corporate tax rate dropped to 21 percent. This is good news for many businesses. Lawmakers suggested the extra profits - once paid to the federal government in the form of taxes - could now be used for improving products, lowering prices and generally boosting the economy. However, some critics of the new law believe and argue the extra money will line the pockets of shareholders.

Commissions across the country are looking at what this means for various types of profit-making corporations, some of which are utilities. Like other regulatory bodies across the country, the Iowa Utilities Board has opened an investigation into how the new federal tax reform bill might impact Iowa's customers, and if the result would change Iowans' energy rates.

Because electric cooperatives aren't profit-making corporations, the new tax bill does not change our tax status. We won't pay any more or any less in taxes based on the electricity we are distributing to our members.

Taxes come in many forms and are an important part of a thriving economy. Each year, Iowa's electric cooperatives pay \$14 million in property taxes. Since the late 1980s, the Iowa Area Development Group has assisted 2,000 companies in investing more than \$10 billion in new business locations and expansions. Those efforts have led to Iowa's electric cooperatives creating or retaining more than 50,000 tax-paying jobs in rural Iowa.

REMINDER

Lyon Rural Electric Cooperative
Annual Meeting is March 12, 2018

The 79th Annual Meeting of the members of Lyon Rural Electric Cooperative will be held at the Central Lyon High School, located on Greene Street in Rock Rapids at 7:15 p.m. on March 12, 2018. A meal will be served from 5 to 7 p.m. in the commons of the high school. Registration will begin at 5 p.m.

Attention Students:

*2018 Youth Tour to Washington
D.C. is coming soon. Contact
your high school guidance
counselor for more information.*

Green isn't just for St. Patrick's Day

You can do more than wear green to celebrate St. Patrick's Day this year. You can "go" green-all through your home.

The best way to start is simply to waste less. Here are four ways to do that:

Save energy. Use the energy you need-wisely, so you don't waste any. It's simple to conserve energy at home. Some examples: Turn off lights and electronics when they're not in use; lower the heat at night during the winter or raise it during the summer. Replace old, incandescent light bulbs with high-efficiency LEDs.

Conserve water. A few conservation strategies: Take shorter showers. Run the dishwasher and washing machine only when they are full. Invest in water-efficient toilets and low-flow faucets and showerheads. Fix leaks immediately.

Recycle electronics. When you replace your computer, printer or other electronics, don't throw the old ones in the trash; they'll wind up in a landfill. Instead, donate or recycle them. Manufacturers and retailers often have recycling programs, and some charities accept used electronics. The U.S. Environmental Protection Agency estimates that recycling 1 million laptops saves enough energy to power 3,500 U.S. homes for a year.

Shop locally. Like your electric cooperative, many nearby markets and shops are locally owned and operated. Local merchants often rely on local farmers, craftspeople and labor to supply them with what they sell to you. That means their goods require less long-distance transportation, which has a positive impact on the environment. A tip: You already buy your electricity from a cooperative; look for a local food cooperative, credit union and other kinds of cooperatives to do business with.

5 WARNING SIGNS THAT SIGNAL AN ELECTRICAL MALFUNCTION

1. **Flickering lights.** If an electrical circuit in your house is overloaded, it could cause the lights to dim or flicker. This usually happens when you have too many energy-intensive appliances or fixtures wired to the same circuit. For example, your lights might flicker when your washing machine is running-if the two are on the same circuit. The solution: Ask a licensed electrician to move the lights to a different circuit or install a dedicated line for the washing machine.
2. **Bad smells.** It's not unusual for a new appliance to smell a little bit bad the first time or two you use it. But if outlets, your breaker box or other appliances emit a foul odor, that could signal a problem with the wiring. Unplug anything that doesn't smell right, and call an electrician.
3. **Sparks.** An appliance that sends off a spark could be damaged. Sparks from a breaker panel or fuse box could signal something more serious. Get a qualified electrician to your house as soon as possible.
4. **Tripped breakers.** More than the occasional tripped breaker isn't normal, and it's probably not safe. Circuit breakers that trip signal you that you've got a circuit overloaded. If the same appliances-like a hair dryer or a vacuum cleaner-trips the circuit every time, chances are that the appliance is the culprit. But if the same outlet trips the circuit no matter what you plug into it, it's likely an overload. This is a job for a professional.
5. **A buzz.** Electric appliances should not buzz. They shouldn't make any sounds. When they do, you might have a problem with an outlet or some wiring. An electrician can solve the problem.

CALL MID-SIOUX TO SCHEDULE LIHEAP APPOINTMENT

The Low-income Home Energy Assistance Program (LIHEAP) offered through **Mid-Sioux Opportunity, Inc.** may be able to help you pay your winter heating bill. This program is funded through the Iowa Department of Human Rights and has been established to help qualified low-income Iowa homeowners and renters pay for a portion of their primary heating costs.

Your local Mid-Sioux office will be taking applications from Nov. 1, 2017 through April 30, 2018. Each applicant will need to furnish a copy of their most recent heating and electric bill; original Social Security or I-94 card for each household member; and proof of the household's income for the past 30 days, the past twelve (12) months, or 2016 or 2017 tax return. Eligibility for participation is established according to the federal income guidelines listed at the right. Applicants eligible for an award will be paid on a first come, first served basis, and all payments are subject to availability of funds.

MAXIMUM GROSS INCOME

Household Size	Annual Income
1	\$21,105
2	\$28,420
3	\$35,735
4	\$43,050
5	\$50,365

For families with more than five members, add \$7,315 for each additional member.

For more information or to apply contact your local Mid-Sioux Outreach office or call 800-859-2025

Email: jcolling@midsioux.org | Hearing Impaired Call 711



CFL or LED?



Incandescent light bulbs-the ones that we screwed into table lamps and overhead fixtures since the beginning of electricity-have become relics since the U.S. government ordered that manufacturers stop making most of them in 2014. Is the compact fluorescent light bulb next?

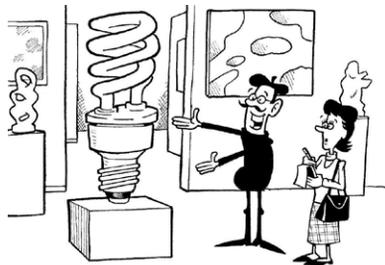
The twisty CFL bulbs, which can last up to five years and are much more energy efficient than the old incandescents, were once hailed as the latest and greatest energy- and money-saver for household lighting. But LEDs-which come in light bulb form and also are built into many light fixtures, so you'll never have to change a light bulb again-have proven to be a better energy value.

Both CFLs and LEDs use up to 75 percent less energy than incandescents. But LEDs last much longer than CFLs-up to 25,000 hours compared with 10,000 or so.

Here's why LEDs are quickly becoming America's favorite light bulb:

- * LEDs don't get hot to the touch while they burn. Incandescents release about 90 percent of their energy as heat, while LEDs waste little heat and CFLs release about 80 percent of their energy as heat, according to the U.S. Department of Energy.
- * Unlike CFLs, LEDs contain no mercury, so their environmental impact is minimal.
- * The Department of Energy has said LED lighting "has the potential to fundamentally change the future of lighting in the United States."
- * You can buy LED bulbs, but an LED fixture has the light built right into it, so no bulb is visible and no bulb will ever need changing.
- * The price of LED bulbs has dropped from about \$100 a bulb five years ago to around \$5 today.

As the popularity of LEDs grows, could the CFL-like the incandescent-become a museum piece-a relic of a less energy-efficient, era?



Spring is in the air

It seems like it was just Christmas, but spring is right around the corner.

As the weather warms up and the days get longer, it's a good time for a few chores that could save energy-and money-throughout the spring and summer.

1. Tune-up your air conditioner. Air-conditioning weather is still a couple of months away, but if you put off having your equipment serviced until it's hot outside, you run the risk of an a/c breakdown on a sweltering summer day. A qualified HVAC tech can replace your central air conditioning system's filters, make sure it has enough refrigerant and clean its evaporator coils. A pro also can spot problems-in-the-making and recommend repairs so they don't put your unit out of commission.
2. Open the windows. Natural ventilation costs nothing. On warm spring days, invite spring breezes and sunshine in. It's a great way to air out the house as you begin your annual spring cleaning.
3. Turn off the heat. And delay your use of the air conditioner. Unless March and April are especially warm this year, enjoy the open windows for as long as you can.
4. Seal cracks in the drywall on the indoor side of your exterior walls. You'll find them around electrical outlets, cable lines, windows and doors. The U.S. Department of Energy estimates that you can save up to 30 percent on your energy bills by sealing air leaks around your house.
5. Service your large appliances. The refrigerator is one of your home's biggest users of energy. Keep it clean on the inside and out-including the back of it, where coils collect dust and zap the unit's efficiency. Clean the lint out of your dryer's vent.

Consumer Authorization Form

Yes, I want to be a part of members helping members and contribute to RECare.

_____ I will make a one-time contribution to RECare. My Check is enclosed.

Name _____

Address _____

City _____ State _____ Zip _____

Please mail to: RECare | Lyon Rural Electric Cooperative
P.O. Box 629 | Rock Rapids, IA 51246

RECare Consumer Contribution Plan

Your Rural Electric Cooperative has always extended a helping hand to those needing it. Now, in response to actions by the Iowa General Assembly, your REC has established RECare, a program of members helping members. RECare will provide funds to be distributed by local community action agencies to help pay winter heating bills and assist in weatherization of homes of low income consumers of this Cooperative. You may make a one-time contribution, or you may make a monthly contribution. Even one dollar a month contribution will help others.

DOUG RYE HOME REMEDIES RADIO SHOW

Can be heard every Saturday at 9:00 a.m. on KIWA 1550 AM
Sponsored by Lyon Rural Electric Cooperative, North West Rural Electric Cooperative, Osceola Electric Cooperative and Iowa Lakes Electric Cooperative

Include electrical safety in spring cleaning

As you give your house a good cleaning this spring, don't overlook your appliances and electrical fixtures.

Here are 5 items you might not have thought to clean:

1. The stove's exhaust hood. A year's worth of home cooking-especially after the holidays, when your home has been full of company-can leave grime and grease build-up on the hood. That build-up, which also includes food particles and dust, can catch on fire. Remove the hood and clean the filter and all surfaces.
2. The back of the refrigerator. When is the last time you pulled it away from the wall and vacuumed the coils? A rule of thumb: Do that every two or three months. Dust on the coils prevents the appliance from operating efficiently. Once they're clean, push the fridge back toward the wall, but don't let it touch. Air needs to circulate around those coils.
3. The dryer vent. The lint that collects in the dryer duct presents a fire hazard. Snake it out at least twice a year.
4. Ceiling fans. It's easy to overlook dirt and dust that you can't see. Drag a small ladder into the house so you can climb high enough to wipe down the tops of the blade. If your fan has a built-in light, remove the decorative cover and rinse out the dust and dead bugs. Let it dry completely before replacing it.
5. Baseboard heaters. They're a catch-all for dust, pet hair and whatever falls off of a nightstand or end table that's pushed against the wall. If they get dirty enough, they can prevent the heat from operating efficiently and can even leave black stains on the nearby walls. To clean them, shut the power off to the heater, remove the cover, lift out debris (and retrieve any lost items you find in there), and vacuum inside with a soft brush attachment.

JANUARY OPERATING STATISTICS

	2017	2018
KWH Purchased		
KWH Sold	11,454,566	12,071,020
Percentage of Line Loss (Year to Date)	10,995,567 4.01%	11,583,785 4.04%
Total Demand	20,371 KW	21,362 KW
Average Farm Consumption	3,102 KWH	3,316 KWH
Average Farm Bill	\$292.09	\$302.70
Income Per Mile	\$1,135.88	\$1,157.26
Expenses Per Mile	\$1,106.55	\$1,082.89
Miles Energized	872.86	872.86
Cost of Wholesale (For the Month) . . .	5.96¢	5.73¢

Prices Effective March 1, 2018 for Marathon Water Heaters

			Rebate	Final Cost
50 Gallon	\$750.00	plus tax \$52.50 = \$802.50	\$0.00	\$802.50
85 Gallon	\$1100.00	plus tax \$77.00 = \$1177.00	\$200.00	\$977.00
105 Gallon	\$1140.00	plus tax \$79.80 = \$1219.80	\$200.00	\$1019.80

To receive the rebate, you must agree to have a load control installed, which allows you to receive \$3.00 monthly credit on your bill.

Non-Discrimination Statement

"This institution is an equal opportunity provider and employer."

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov."