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# *NineStar* CONNECTION

VOLUME 4  
ISSUE 1

## ANNUAL MEETING

NineStar's 62nd annual event will include dinner, entertainment and the chance to vote for directors

PAGES 8-9

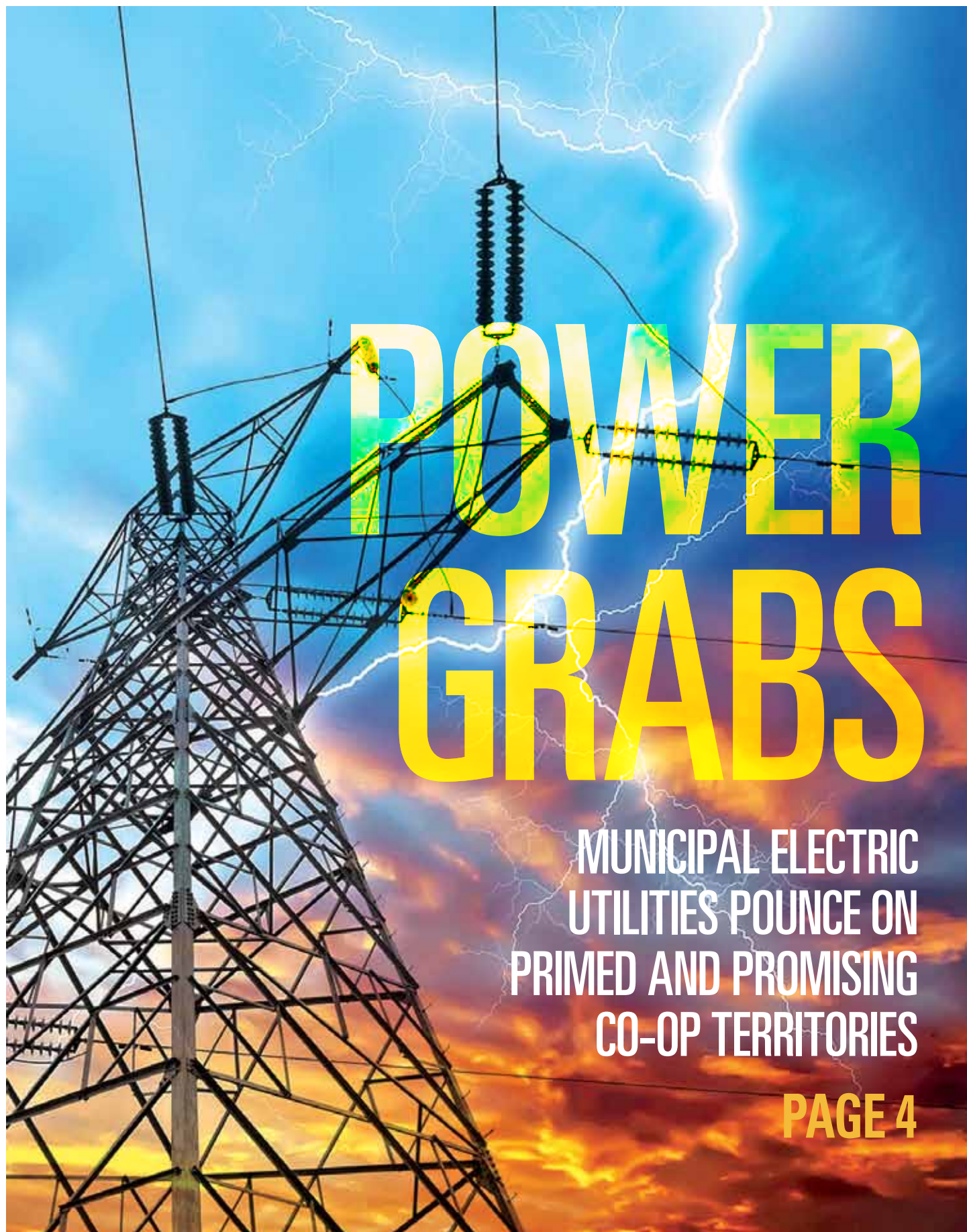
## SCHOLARSHIP OPPORTUNITY

NineStar Connect is looking for 15 talented students

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OUR EMPLOYEES MAKE THE DIFFERENCE. HERE'S A CUSTOMER REVIEW FOR KEITH WEST.

“KEITH WAS VERY NICE AND POLITE. HE DID NOT TRACK IN DIRT IN MY HOME AND HE WORKED WITH MY SON TO GET ME UP AND RUNNING. HE REPRESENTS NINESTAR IN THE BEST WAY!!”

- BILL H.

STORY IDEA?

Contact David Spencer at dspencer@ninestarconnect.com

**POWER GRABS** PAGES 4-7  
Learn more about legislation currently pending before the Indiana State Legislature that would eliminate a municipal power company's authority to simply take the service territory.

**ANNUAL MEETING** PAGES 8-9  
NineStar Connect's 62nd annual meeting is coming up, offering members a chance for a fun evening and to vote for directors.

**INDIANA ELECTRIC CO-OP YOUTH TOUR** PAGE 10  
Young Hoosiers get the opportunity to visit the nation's capital, experience American history and gain a better understanding about their electric cooperative and government.

**TOUCHSTONE ENERGY CAMP** PAGE 11  
NineStar hopes to sponsor two students at the annual camp coming up this June at Camp Tecumseh in Brookston, Indiana.



The *NineStar Connection* is a publication of NineStar Connect servicing retail and residential customers. Nearly 15,000 families and businesses receive this newspaper as part of their membership. *NineStar Connection* provides news, information and features about people, places and issues related to readers.

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**ADDRESS:**  
NineStar North Campus  
2331 E. CR 600N  
Greenfield, IN 46140

NineStar South Campus  
2243 E. Main St.  
Greenfield, IN 46140

**PHONE:**  
(317) 326-3131  
(765) 533-4303

**EMAIL:**  
dspencer@ninestarconnect.com  
www.ninestarconnect.com

NineStar Connection

**EDITOR**  
David Spencer

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Phone: 800-382-9467 or 317-232-9400

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Speaker of the House – District 88  
Email: h88@in.gov  
Phone: 800-382-9841, 317-232-9677

**Rep. Bob Cherry**  
Representative, District 53  
Email: h53@in.gov  
Phone: 800-362-9841, 317-232-9651

**Rep. Sean Eberhart**  
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Email: h57@in.gov  
Phone: 800-382-9841, 317-232-9793  
Press Contact: Courtney Scott,  
317-234-9006 (Courtney.scott@iga.in.gov)

**Rep. Tom Saunders**  
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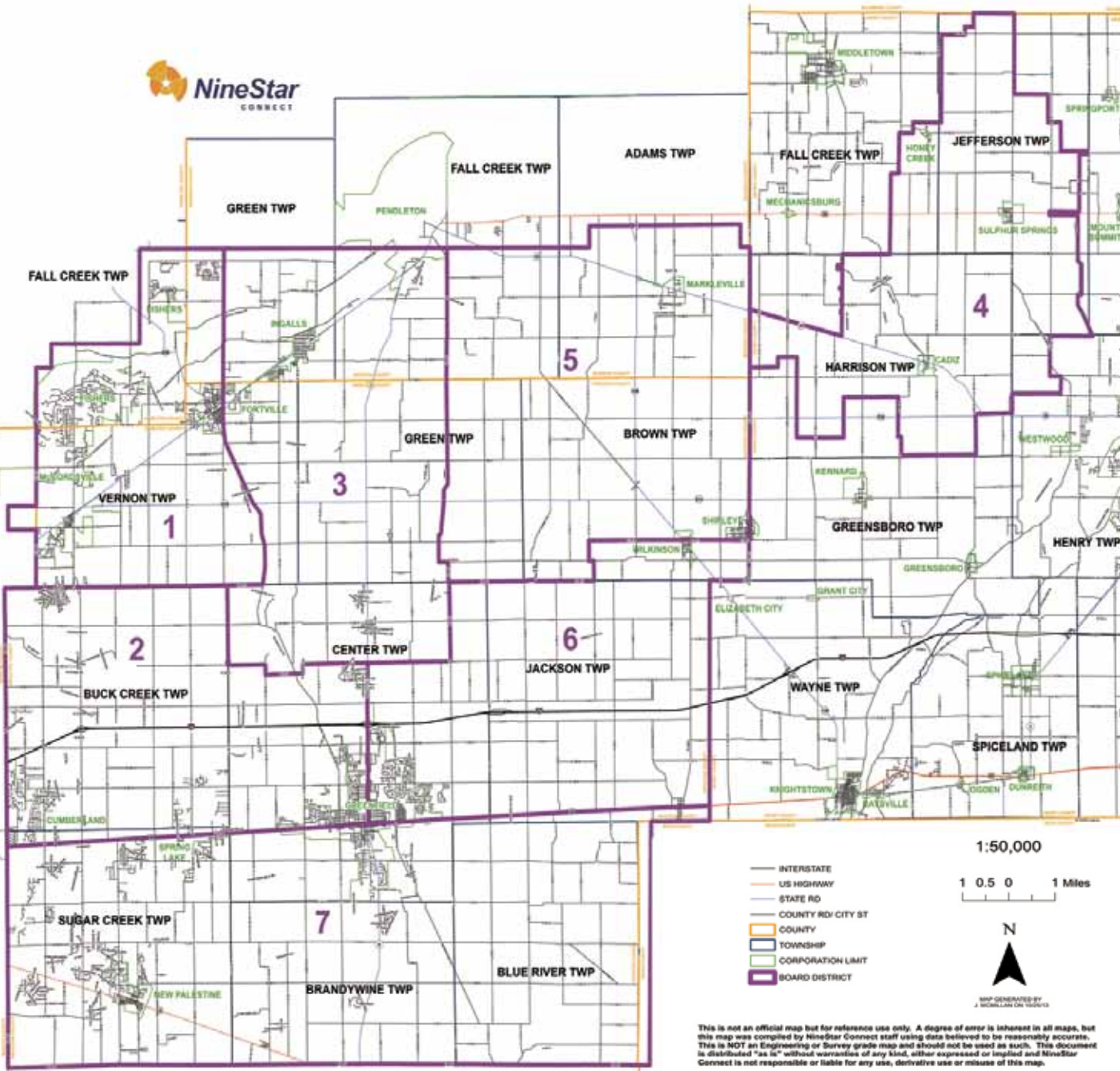
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DIRECTOR DISTRICT 7

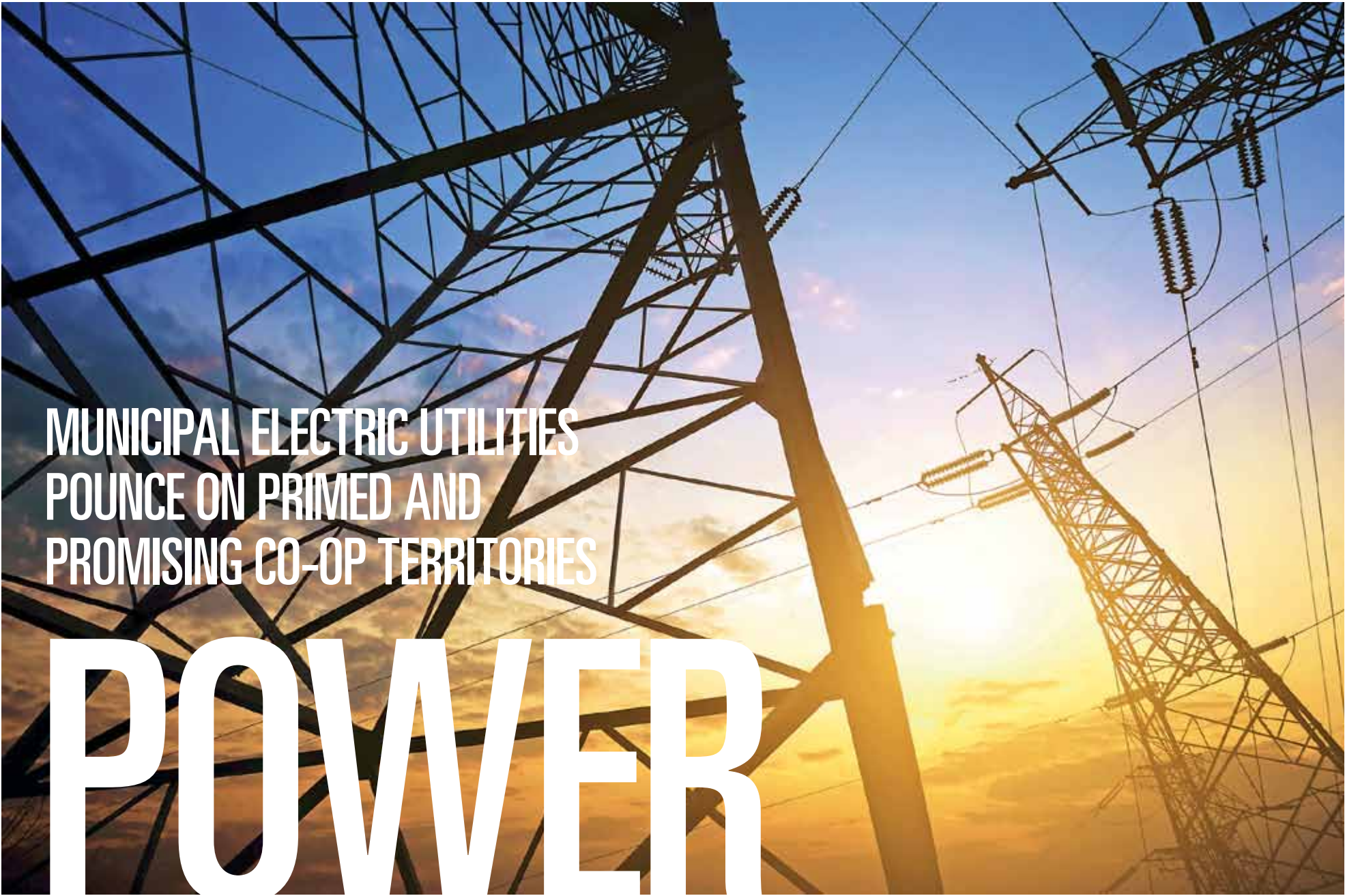


JAMES E. CHERRY (A)



JAMES GILLETT (B)





MUNICIPAL ELECTRIC UTILITIES  
POUNCE ON PRIMED AND  
PROMISING CO-OP TERRITORIES

# POWER GRABS

Dubois Rural Electric Cooperative General Manager Don Book need drive only minutes in any direction from his office to see what he calls the “could’ve beens” and “should’ve beens” for the 11,000-member co-op.

A Walmart, a Home Depot, fast-food franchises, retail centers and condominiums line U.S. 231 to the north of Jasper; Jasper High School, upscale homes, more businesses are to the west; to the south and east, along the fringes of Jasper, Huntingburg and Ferdinand, industry, more retail and housing divisions flourish.

All are on territory once served electrically by the REC, back when the land was mostly cornfields. But as the three communities grew, they annexed the land. And, taking advantage of a provision in state law, their municipal electric utilities grabbed the service territory away from the consumer-owned co-op.

WRITTEN BY  
**RICHARD  
G. BIEVER**

“We would look a lot different,” Book said of the REC, “if we could have kept it all. We’d have density that we don’t have now. We’d have revenues we can only imagine. We’d be one of the bigger co-ops in Indiana. That’s the part that is kind of depressing ...,” he lamented, “the members they’ve taken. Some of our best loads are gone.”

## GONE, BUT NOT FORGOTTEN

It’s a familiar tale told around Indiana wherever a city or town owns and operates its own electric utility — and is predatory about territory.

From the city of Jasper in the south to Jasper County in the north; from Hancock County east of Indianapolis and back south to Perry County on the banks of the Ohio River — municipal electric utilities (munis) can and do seize desirable new territory and customers from the incumbent utility, either a consumer-owned co-op or an investor-owned utility (IOU).

Only munis are allowed to take territory from another utility without a mutual agreement. While munis are required to compensate co-ops and IOUs for the lost territory, co-ops say they are receiving far less than fair market value and any compensation goes away after five years.

Book estimates his co-op loses \$11 million a year in electricity sales from the territories the co-op has lost to the three neighborhood munis. At NineStar Connect, the Greenfield-based electric co-op serving almost 13,000 consumers in Hancock and three other counties directly east of Indianapolis, lost gross revenue is approaching \$17 million annually.

This month, Indiana’s electric cooperatives, working with the five large investor-owned utilities serving Hoosiers, are asking the General Assembly to strike the provision in the territory law that gives munis this advantage. State Sen. Michael Crider of Greenfield, a NineStar Connect member, has agreed to take up the red pen as author of the bill that deletes the unfair provision and would allow the incumbent utility to keep its service territory whole.

While municipal electric companies have argued such legislation would



place severe restrictions on their growth and on serving customers in annexed areas, electric co-ops say preserving established territories and creating fairness for all utilities better serves all of Indiana’s electric consumers.

“It is our contention that affordability is better achieved by honoring utility boundaries and preserving the right of the incumbent provider,” said Brian Christenberry, state government relations manager with Indiana Electric Cooperatives. “Preserving service boundaries allows and encourages local units of government, IOUs and cooperatives to work together to achieve the best results for communities across Indiana.”

Electric cooperatives emphatically note they are not opposed to annexation and growth of cities and towns. “Our issue is with the current territory law, which negatively impacts our members,” Book said.

When a municipality takes a large industrial user from a co-op after an annexation, it not only is a loss in revenue, but it leaves pockets of stranded

members who still must be served by the co-op. In those cases, the co-op must still maintain its power lines and rights-of-way running through the taken territory. On the fringes of Jasper and Huntingburg, for example, Dubois REC power lines that have stood for decades now go untapped for long stretches. On the other side of the road stand newer muni poles and lines which sometimes have to cross under the co-op’s lines to serve their new customers.

And, a loss for one cooperative is a loss for all cooperatives and all consumers because their power generation is jointly owned by member cooperatives, and, by extension, the members of the distribution co-ops. Co-op power suppliers work on forecasts, sometimes 30 to 40 years ahead, and make capital investments, such as power plants, transmission lines and substations, based on who they serve now and project to serve into the future. When load is lost or assumed growth does not occur, these fixed costs must be recovered from a smaller base.

In effect, the 7 percent of Hoosiers who receive electricity from a muni are getting a state-sanctioned break in their electric rates to the detriment of the 93 percent of Hoosiers who receive electricity from co-ops and IOUs.

Co-ops, which serve some of the most economically depressed and geographically challenging areas of the state, are also at the added disadvantage of serving only an average of eight consumers per mile of line. Contrast this to the 48 consumers per mile the munis serve. It’s easy to see why munis, on a national average, generate \$113,000 of revenue per mile of line to the co-ops’ \$15,000.

## THE DENSITY DILEMMA

Co-ops are asking consumers to let their state legislators know this issue affects all of Indiana’s cooperatives. And it isn’t just about fairness. Because co-ops are not-for-profit and are owned and controlled by their consumers, it’s a pocket-book issue that affects the bottom line of co-op consumers statewide.

It’s all about density — how many consumers a utility serves per mile of line — said Bryan Washburn, CEO at Jasper County REMC which has had existing consumers and promising territory plundered by Rensselaer’s electric utility.

“Density has a direct impact to rates. The more consumers we lose, the more it hurts us,” Washburn said. “Every time a big business comes along that is directly adjacent to them, they annex the land.”

Farmers and rural residents formed electric co-ops in the 1930s and ’40s to bring electricity out beyond the edges of towns because the existing utilities deemed such low-density areas too expensive to serve. Co-ops have worked hard ever since to bring in loads and spread costs to benefit all their consumers — which also benefit the entire area with jobs and tax dollars.

“Co-ops don’t have the luxury of looking outside their territory for growth and economic development,” noted Christenberry. “The fact we are growing at such a rate is a testament to the development professionals within our cooperatives that attract business and



industry as well as invest in current customers. Unfortunately, this type of desired growth is exactly what makes us attractive to municipal electricity providers.”

Washburn said the loss of territory from a 2012 annexation took almost 1.5 percent of the REMC’s total annual revenue away. That territory grab took a corridor along Indiana 114 — from Rensselaer’s west side out to an interchange with Interstate 65. Lost to the REMC were 65 different accounts — 46 homes, 19 businesses, restaurants and a hotel. For a typical co-op like Jasper County REMC, with only 7,500 consumers and a density of less than seven consumers per mile of line, that’s a loss that stings and takes years to recover.

Since 1983, NineStar has lost over 5,800 acres of service territory to Greenfield Power & Light, notes Michael Burrow, NineStar’s president and CEO. Those takeovers have denied the co-op growth of over 4,200 meters. “We would be over 30 percent larger than we are today,” he said.

Instead of taking already robust areas that require larger reparations to the incumbent utility, Greenfield, literally has been annexing green fields. Then, the city’s electric utility comes right in behind to take over the electric service.

“For a long time, Greenfield has been ground-zero for very aggressive annexation,” Burrow said. “Greenfield goes after largely undeveloped property — property that might have a farmhouse or two that we’ve served since the 1930s. They’ll go after that 80 acres because they know a development is coming: a big factory or a big housing project.”

When there’s no development on a piece of annexed land, the city can avoid paying even small damages to NineStar. “This arguably is NineStar’s biggest issue,” Burrow noted.

Burrow said the rationale municipalities and their statewide power agency offer for the takeovers — saying they want all city residents to have city services — is disingenuous at best. “Why didn’t they annex the land 40-60 years ago? Because they didn’t want it when the electric load density was low, and the cost to serve it was high. They wait until they know the load density will soon be high, and the cost to serve is low.”

He said the municipalities are strictly making pragmatic business deci-

sions based on cost over which piece of land to annex, and which piece of land to serve or not serve even within an annexed area. “It’s tantamount to cherry picking,” Burrow said. “The state statute, as it is, gives them a competitive advantage over co-ops and IOUs. The state government is picking winners and losers. We need a level playing field.”

At Dubois REC, Book says the “hole” in the territory law is leaving holes: in the co-op’s service area and its books. The revenues lost to the three neighborhood munis means the remaining co-op consumers must pay for the fixed costs of operating the co-op — the poles, transformers, wire, line crews and equipment.

“We’re primarily residential,” Book said. “Residential loads will peak late in the evening when everybody gets home from work. Commercial accounts don’t follow that same pattern. So, they help fill in the valleys and help us be more efficient.”

A cooperative runs more efficiently if it can use a steady stream of electricity throughout the day to help soften the peaks. Commercial and industrial consumers help do this. That’s why municipal electrics cross the line — gerrymandering territory to best suit their bottom line.

The municipal electrics defend the state statute by pointing out the rapid growth of electric cooperatives in comparison to the munis statewide. But not every cooperative is seeing expansive growth. Dubois is one of those. Most of its growth is from camp areas around Patoka Lake on its east side and out in the rolling rural countryside where poultry farms help maintain a stable load. “We’re fortunate the turkey and chicken houses are doing well,” Book added. “The reason I guess the cities haven’t taken them is they don’t want a turkey or a chicken house inside city limits.”

Book noted that co-ops like Dubois REC, which extends east into the hills of Crawford County, cover some of the hardest-to-serve areas of Indiana. “We have electric lines extending into the Hoosier National Forest, where right-of-way maintenance is expensive and outage restoration can be slowed by the terrain. On the other hand, the easiest areas to serve are the urban areas in or near the towns and cities. To lose these best loads to the munis only

increases the cost to our members,” Book said. “It’s starting to add up after they do it year after year after year,” he said.

## MOUNTING LOSSES

Since 2002, munis have filed over 80 petitions to change service territory resulting in loss of territory to co-ops and the state’s IOUs. Indiana’s electric cooperatives figure this adds up to some \$44.2 million in lost annual revenues just for the four most affected co-ops — Dubois, Jasper, NineStar and Boone REMC.

The Indiana Municipal Power Agency, a wholesale power provider to the state’s municipal electrics, likes to note that only 28 of the state’s 72 municipal electric communities have taken advantage of the law in the past 25 years.

And true, only a handful of Indiana’s 38 electric co-ops have had territory taken by munis since a hard-fought 1980 territory protection law was passed. That’s when the Indiana General Assembly set utility territories to avoid duplication of services and maintain affordability for all of Indiana’s electric consumers. But munis were allowed to be exempt from these rules.

In 2002, an attempt to adjust the 1980 law came to a compromise that gave co-ops and IOUs some compensation for the loss of territory. Co-ops insist the reparations are far from fair market value. What’s more: the rate of takeovers actually has only accelerated since then.

For developed territory it takes, a muni must pay a co-op or IOU two and a half times the annual gross revenue from the area. It also must pay the incumbent utility for all the poles, line, transformers, etc., it takes in the area, less depreciation. Book noted that cost is enough to prevent some munis from taking over annexed areas — unless the area is still ripe for heavier development.

For cornfields and bare land that later develop, the muni has to pay the losing utility only a dollar per megawatt-hour the new consumers buy from the muni each month, capped at \$170 per month, for the first five years after annexation. Book notes that last year, Dubois

received a payment of just \$228.97 from the city of Jasper for 31 new accounts in an area the city took away from the co-op in 2007. That’s hardly the monthly bill for a single residential consumer.

Total payments the REC received for the loss of Home Depot was a little less than \$7,300. “Although better than nothing,” Book said, “it isn’t a lot of money when you consider this account could have reasonably brought in \$4.5 million in revenue to the co-op over its life, revenue that is now going to the city of Jasper.”

For the five co-ops most affected — Boone REMC, Dubois REC, Jasper County REMC, NineStar Connect and Southern Indiana Power — the losses do count. But 33 of the state’s 38 co-ops have municipals operating beside them. While many co-ops enjoy good working relations with munis in their area, the state statute keeps the specter of territory takeover like the proverbial “sword of Damocles” hanging by a slender thread over the heads of all co-ops. And the loss for one co-op ripples out to all.

## PREDATORY ANNEXATION

Washburn may not agree with, but said he can understand, Rensselaer’s electric utility taking the land on U.S. 231 north of town years ago when the new county jail was going to be built. Same with the taking of land on the eastern edge of town when plans for the new high school were announced. But the 2012 taking of the corridor out to I-65? ... He’s still shaking his head incredulously.

“This up here made no economic sense to me whatsoever,” he said.

With the severance formula required by state law, the muni paid the REMC almost \$850,000 for that stretch. Washburn said when you figure in the return, Rensselaer won’t see a payback on that takeover for 50 years. What’s more, those businesses in the annexed area are still waiting for the promised city water lines.

“The people out there had a real need for sewer,” Washburn said. He met with city officials with a plan he thought was a win-win-win for all involved: the consumers there would get city water and sewer, Rensselaer would have a



new customer base for those services, and the REMC would get to keep its consumers.

Washburn said as part of his solution, the REMC would seek a \$740,000 Rural Economic Development Loan and Grant (REDLG) the U.S. Department of Agriculture makes available through rural utilities. The REMC, which would have to repay the loan to the USDA, was going to offer Rensselaer the money on a 10-year loan at no interest to extend the city water lines. Washburn said the city rejected the plan. It wanted all the services. “Today, they’ve got the sewer, but we’re three years past, and they still don’t have water out there because the city can’t afford it,” he said.

“By working together, we could’ve solved those problems out there. But this predatory annexation, and ‘we want the whole thing’ ... it’s just the wrong way to work. As a cooperative, I thought we were better off to work in concert with them for the better-

ment of the community. But they thumbed their nose at us.”

## A LEVEL PLAYING FIELD

On the other end of the state, relations between Southern Indiana Power (SIP) and Tell City’s electric utility is less testy perhaps than Jasper County REMC and Rensselaer’s, but that doesn’t mean SIP should assume cooperation since the city electric utility always holds the upper hand.

Tell City is attempting an annexation to its north and east of some 1,700 acres. It has met opposition from many of those living in the proposed area. A court will decide the proposal this spring. The city’s original annexation plan had the city electric utility taking 200 of the co-op’s members and the land where a new hospital for Perry County is being constructed.

The co-op was able to negotiate the loss of consumers down to just 36, but that includes the new hospital which is expected to open later this year.

Part of the deal SIP used to keep most of its consumers within the annexation was an offer to tap REDLG funds to help build a new water tower for the city to develop the annexed area. “The Tell City electric department’s focus was the new hospital,” said Steve Seibert, president and CEO of SIP which is based in Tell City. “In our negotiations, their argument for serving the new hospital was that they serve the present one now, and they’d lose load and revenue.”

Seibert noted that’s when a red flag went up in his mind. “So, I told them: ‘I want you to stop for just a minute and understand what you just said. Because when you’re potentially losing something, then you can relate to what the gentleman on the other side of the table — which is me — is feeling during this process.’”

Seibert said, “I could see our agreement with the city of Tell City being an example of how a municipal and a co-op could work together vs. working against each other.”

Even with an agreement now, things could change if the annexation plan is defeated and another annexation is attempted, or if and when a new administration takes office. “There’s never any certainty with the way the current territory law is written,” Seibert said.

“For service territory to change,” Seibert said, echoing the sentiment of electric cooperatives around the state, “there should be a two-party agreement that benefits both sides. The basis of our proposed legislation is just to create fairness in the process. It’s a fairness issue.” ...

**Richard G. Biever is senior editor of Electric Consumer. This article was reprinted with permission from Electric Consumer.**



# MEET AND GREET

## NINESTAR PLAYS HOST TO 62ND ANNUAL MEETING

On April 17, 2015, at Greenfield-Central High School, NineStar Connect will be celebrating its 62nd annual meeting and celebration. We hope you can join us that night and partake in the festivities. Once again, a delicious meal will be served and entertainment will be provided. Doors will open at 5 p.m. The meeting will include the business meeting along with director elections. Profiles and candidate statements are included in this newsletter. In the following weeks please be on the lookout for the official notice in the mail.

### DIRECTOR CANDIDATES

#### DISTRICT 1B CANDIDATE

### STEVE VAIL

**BACKGROUND:**

Steve Vail has been a cooperative member since 1983. He earned his Bachelor's Degree from Purdue University in May 1981 with a focus on finance and economics and earned his Master's from Ball State University in May 2009 with a focus on adult education and organizational development. Steve most recently served as the Executive Director of the Hancock Hope House. Prior to that, he spent 19 years at Hancock Regional Hospital. Steve currently provides business management consulting services through his company, THE ETL Group. He



also helps to manage the family farm operation. Steve is a member of the Rotary Club of Greenfield, member of Mohawk United Methodist Church, and presently serves as a committee member of the Hancock County Redevelopment Commission. He also serves on the Board of Directors of the Indiana Electric Cooperatives and a member of the Executive Committee of that organization. He is a director on the National Rural Utilities Cooperative Finance Corporation. This cooperative organization provides financing to rural electric and telephone cooperatives throughout the United States. He is also a Credentialed Cooperative Director through the National Rural Electric Cooperative Association. Steve and his wife Shelley have three children (Kyle, Alyse and Keegan) and live in Greenfield.

**CANDIDATE STATEMENT:**

NineStar Connect is a leader locally and regionally in the electric and telecommunication industry. We have become leaders in these industries through a strong and clear vision that has been developed through the hard work and passion of both the Board of Directors and the entire staff of NineStar Connect. We are a community partner that is making a difference in the daily lives of the people and communities we serve. I have been blessed to be a part of this journey for the past few years and am confident in the skill sets I possess and the abilities I have to contribute to the continued future successes of the organization through my role as a director. Our potential is only limited by our imagination and we can arrive successfully at that future through a continued focus on the members we serve and the quality of life that is possible through the services we provide.

#### DISTRICT 1A CANDIDATE

### DARRELL H. THOMAS

**BACKGROUND:**

Darrell Thomas has been a cooperative member since 1963. Darrell attended McCordsville High School graduating in 1959. He then attended Ball State University; earning his Bachelor's Degree in 1963 and Master's Degree in 1966. Darrell is retired; however, he worked 36 years with the Mt.Vernon Schools as a teacher, coach, vice principal and principal. He served 4 years as the Executive Director of Hancock County Economic Development and 10 years supervising student teachers from Ball State. Some



of the duties he has previously held or currently holds include Emeritus member of the Hancock Community Foundation, member of Sigma Chi fraternity, member of the Indiana Retired Teachers/Principals Association and a member of the McCordsville United Methodist Church. Darrell has also served as Chairman of the Board of Hancock Telecom for ten years; Vice Chairman of TECO (a national PAC for the telecom industry), a committee member on various committees for the national telecommunication association, a member of standing committees for our local cooperative

and a member of the Central Indiana Power membership committee for a number of years. He specializes in being able to clearly dissect a problem before reacting and has an extensive personal knowledge of the geographic area served by the cooperative. Darrell and his wife Nancy have three children (Darren, Shannon and Erin) and eight grandchildren.

**CANDIDATE STATEMENT:**

In 1865 my ancestors settled on a 120 acre farm southeast of McCordsville. Presently, we live on that land where a portion of the original farmhouse (a log cabin) has been restored. Sometime before the turn of the century the cabin portion housed the McCordsville Telephone Company exchange. Yes, that was the same exchange which eventually became part of our present day telecom/power cooperative, NineStar Connect. As you can see because of this historical/family connection, I am very passionate about the future of NineStar Connect and the area it serves. I would like to continue nurturing this passion as a board member by using my expertise from the past coupled with my knowledge of the industry to see that this new cooperative is recognized by its peers and members as one of "best in the business." The future of this company is bright, however, it will depend upon the leadership of those selected to govern. I would welcome the opportunity to continue representing the members of NineStar Connect.



#### DISTRICT 4A CANDIDATE

### DONALD L. SHAW

**BACKGROUND:**

Don Shaw has been a cooperative member since 1970. Don is a current NineStar Director. He resides in Sulphur Springs, with his wife Judy. They are proud parents and grandparents. Don has owned and operated his own business for 40 plus years. He has been on the Jefferson Township Fire Department for 47 years; 25 years



as Chief. Don is in the Masonic, Scottish Rite and Murat Shrine Lodges. He was a County Commissioner for 8 years and President of the East Central Association of County Commissioners. Don was President of Three Rivers Solid Waste Board. As a fireman, he attended two Homeland Security training (FEMA) schools in Maryland. Don was Vice President on the Hancock Telecom board, and President of Central Indiana Communications Board. He has attended numerous director's seminars. Don spent 6 years in the National Guard. He is very active in community affairs.

**CANDIDATE STATEMENT:**

I feel proud to be a member of the NineStar Connect Board of Directors. When I was first elected, the company wasn't near the size that it is today. Its growth has been substantial over the years. I hope my tenure has added to the rise of the company. It's a co-op, and owned by the members. The merger has been a very positive effect on the growth and services we provide. The world of technology changes daily and we have to grow with it. I am a board member who wants to forward the advances of communication and electric services. I have owned and operated my own business for 40 plus years. My experience with financial and managerial matters has been a real plus. With your vote, I hope to go forward with the NineStar company.

#### DISTRICT 7A CANDIDATE

### JAMES E. CHERRY

**BACKGROUND:**

Jim Cherry has been a cooperative member since 1964. He has had Cooperative training and education through Co-Bank and Louisville Bank of Co-ops. Jim currently farms southeast of Greenfield and partners with his two sons, Jeff and Chris. He has served many years on the board of NineStar Connect and previously Central Indiana Power. Jim is part of the Kiwanis Club, is on the County RDC Committee and attends Willow Branch Methodist Church. He has served on numerous cooperative boards for the past 35 years. Jim and his wife Susan live in Greenfield.



**CANDIDATE STATEMENT:**

As Directors of NineStar Cooperative, we need to work with management and employees to bring value to our members/owners every day. NineStar has unlimited opportunities to add growth and services to what we currently offer to members. In other words, NineStar has the opportunity to be a greater company for our communities and members than we are now. I have had the privilege to serve as a Director of the NineStar board since the consolidation. I think there are some ideas we have not been able to explore in the past that now we will be able to look at. I feel like I can still add value to the board and for that reason, I would appreciate your support for another term.

## JOIN US!

NineStar was created to serve the needs of its members. It takes everyone working together to make the co-op thrive and by attending that annual meeting you can do your part. We will be hosting our annual meeting April 17 at Greenfield-Central High School. Your official invitation will be sent at a later date but we hope that you will save the date. It will be an evening of excitement and an opportunity to visit with friends and neighbors. In case you need more motivation than that, there are ten reasons why you should attend on Page 11.



## ELECTRIC CO-OP YOUTH TO VISIT WASHINGTON, DC

Indiana's Electric Cooperative Youth Tour provides young Hoosiers the opportunity to visit the nation's capital, experience American history and gain a better understanding about their electric cooperative and government. The 2015 Indiana Youth Tour is June 11-18.

According to Michael Burrow, President/CEO of NineStar Connect, Indiana will send a delegation of approximately 75 students from throughout the state. The students are selected by the local electric cooperatives. More than 1,600 students from 47 states will travel to Washington for the week-long experience. "NineStar Connect is pleased to provide this opportunity for our local youth," Burrow said. "It's a great trip and a wonderful chance to see the sights, make new friends and learn how everyone, even young people, can make a difference in the political process."

Students participating in the trip will visit the Flight 93 and Pentagon 9/11 Memorials, the Gettysburg Battlefield, Arlington National Cemetery, the Smithsonian Institution, a night cruise on the Potomac River, the National Mall memorials, the National Museum of the Marine Corps and much more.

The Indiana Youth Tour students will also participate in a youth rally hosted by NRECA, during which they will share their thoughts and opinions on a variety of timely issues. The youth rally will prepare the students for a day on Capitol Hill, where they will have an opportunity to meet with Indiana's congressional delegation.

For more information about the 2015 Electric Cooperative Youth Tour to Washington, D.C., contact Christa Riggs, NineStar Marketing Coordinator at 317-323-2132 or criggs@ninestarconnect.com. Applications are also available online at [ninestarconnect.com](http://ninestarconnect.com) under 'Community.' The deadline to apply is February 23, 2015.



## OPERATION ROUND-UP

The last quarterly meeting of NineStar Connect's Operation Round Up was held on November 6, 2014 at the company's headquarters. Here are a couple more organizations that benefited from the ORU fund this past quarter that weren't mentioned in the last newsletter:

### HENRY COUNTY HOT SHOTS WHEELCHAIR SOCCER TEAM

The Henry County Hot Shots is part of the United States Power Soccer Association (USPSA). Power Soccer is the first competitive team sport designed and developed precisely for power wheelchair users. It combines the skill of the wheelchair user with the speed and control of the actual chair itself. The game is played in a gymnasium. Two teams of four players each use their wheelchair to defend, attack and spin-kick a soccer ball in an effort to score goals.



HENRY COUNTY HOT SHOTS WHEELCHAIR SOCCER TEAM

### NAMELESS CREEK YOUTH CAMP

Nameless Creek Youth Camp is unique and one of a kind in Hancock County. It is based on an all volunteer staff. The camp's mission is to "create outdoor recreational, educational, and camping opportunities to increase the appreciation of nature and the enjoyment of the outdoors for all of Greenfield, Hancock County, and the surrounding counties."



NAMELESS CREEK YOUTH CAMP

## NINESTAR SUPPORTS HANCOCK CHARACTER COUNCIL

NineStar Connect is giving new life to the Hancock County Character Council. Starting in 2015 the program aimed at promoting good character in Hancock County citizens will be funded by NineStar and space will be provided by the cooperative at its south campus.

The group works to promote good character in the lives of Hancock County residents by meeting monthly to discuss character traits. Each month a speaker discusses a specific character trait and what it means to live the trait and treat people on a day to day basis with good character.

Founded more than twenty years ago with Greenfield-Central Schools, the program was hosted by Hancock Regional Hospital. After the announcement of the retirement of hospital CEO Bobby Keen, the group started meeting at the Hancock County Jail. Recently the group started looking for new opportunities and a place where people would feel welcome and comfortable to attend. The move to NineStar was finalized at the end of 2014.

If you are interested in attending a Character Council meeting, they take place on the second Wednesday of each month at 7 a.m. in the NineStar south campus community room. Everyone is welcome and breakfast is provided.

## TOUCHSTONE ENERGY CAMP

NineStar Connect will hope to sponsor two students at the annual Touchstone Energy Camp. The camp will be held June 3-6, 2015, at Camp Tecumseh in Brookston, Indiana.

Students entering seventh grade in 2015 are eligible to attend and are selected by their local cooperative to participate in the three-day program. The students' agenda combines traditional outdoor camp activities with environmental education, electrical safety practices and cooperative business education. Some of the activities include: horseback riding, canoeing, zip lining, trying out archery, swimming, learning about electrical safety and even taking



bucket truck rides! "This is a great way for students to learn about the role of the electric cooperative in their community. On top of

that, they get to experience all the fun of camp," said Mike Burrow, CEO of NineStar Connect.

The Touchstone Energy Camp program was developed by a committee of electric cooperative employees from Indiana. The camp is funded in part by Indiana's electric cooperatives. Hoosier Energy, Wabash Valley Power, Indiana Electric Cooperatives and other industry partners.

If you have a current sixth grader (that would be in seventh grade next school year) that would be interested in attending, please contact Christa Riggs at (317) 323-2132 or criggs@ninestarconnect.com. Applications are also available online at [ninestarconnect.com](http://ninestarconnect.com) under "Community." The deadline to apply is February 27, 2015.

## 10 REASONS TO ATTEND THE ANNUAL MEETING

Spring is just around the corner and that means flowers, rain showers and the NineStar Connect annual meeting. Maybe your family makes a point to attend each year or maybe you've never attended. If the latter is the case, please consider changing that in 2015!

This year NineStar will be hosting our annual meeting on April 17 at Greenfield-Central High School. Your official invitation will be sent at a later date but we hope that

you will save the date. It will be an evening of excitement and an opportunity to visit with friends and neighbors.

In case you need more motivation than that, here are ten reasons why you should attend NineStar's member owned co-op annual meeting.

10. Show up for an incredible meal prepared by Jonathan Byrd's Cafeteria.
9. Receive a free gift!
8. Meet your legislators and local elected officials who often attend to visit with constituents.

This is an opportunity to talk to them directly about the issues that face your community.

7. Win prizes! Register and stay for the meeting and you may be eligible for a door prize.

6. Attend member workshops and learn more about power and communication offerings.

5. Learn how you can become more involved with the co-op and how you can become an advocate for NineStar and assist the company when needed.

4. Meet and mingle with the NineStar employees who make

the co-op run. Put a face with the President & CEO and meet the directors that represent the district you live in.

3. Find out where NineStar is heading in 2015 and beyond.

2. Ask questions.

1. Exercise your right to vote for the board of directors who will set policy for the co-op.

NineStar was created to serve the needs of its members. It takes everyone working together to make the co-op thrive and by attending that annual meeting you can do your part. Save the date for April 17 and we will plan on seeing you at the 2015 annual meeting.

### FROM THE PRESIDENT

## CURRENT UTILITY LAW PICKS WINNERS, LOSERS

I have had the opportunity to talk with a lot of people this past month – and I mean a lot of people – about legislation currently pending before the Indiana State Legislature that would eliminate a municipal power company's authority to simply take the service territory of an REMC like NineStar Connect. Our local state Senator Mike Crider has been courageous in bringing this issue to light with the public and we thank him for it.

A wise old man once told me that in politics, it's always important to pay attention to whose ox is being gored and it couldn't be a truer statement when it comes to this territory protection legislation (SB 309). The Indiana Municipal Power Agency (IMPA), who sells power to the state's city-owned power companies has been doing everything it can to protect this special and unique authority that only they have to take other companies' service territories. While I understand why cities want to keep this special exception under the law, that doesn't make it right or fair.

Sadly some want to make this disagreement as a "city verses

rural" argument but that is not the case. Politics is politics and sometime in the heat of debate, the facts get a little bit distorted. So allow me to set forth the simple facts about this legislation.

If this legislation passes, the customers of municipal electric companies like Greenfield Power & Light will NOT see their rates increase. Municipal electric companies enjoy some of the densest service areas in Indiana. Contrary to what IMPA is putting forth in the media, neither the size of the territory served nor the number of customers are as significant to developing affordable electric rates as much as density. There is a large amount of fixed costs associated with operating an electric utility – most notably the construction, operations and maintenance costs that have to be spread across all customers of the utility.

Municipals have many more customers per mile of line than REMC's like NineStar. This bill will NOT reduce any municipal

electric company's density. Of course, the best way to preserve the current law that allows cities to take service territory is to scare people into believing their electric rates will increase if cities lose that power.

The legislation will also NOT harm local economic development.

In fact, some of the fastest growing communities in Indiana are served by investor owned utilities (IOU's) like Duke Energy and IPL. The town of Greensburg has benefitted greatly when Honda chose to build a large assembly plant

served by an REMC.

All electric companies have a stake in economic development. It isn't exclusive to any specific territory. Of course, one way to preserve the current law that allows cities to take service territory is to scare people into believing economic development will be harmed if cities lose that power.

What this legislation does do, quite simply, is end the practice of city-owned utilities, like

Greenfield, from seizing the service territory of a neighboring electric utility like NineStar.

Taking the territory of a neighboring utility gives the city-owned utility an ability to cherry pick areas with the most promising growth potential while leaving smaller loads and less dense rural service (higher cost) areas to the REMC. This places a burden on the ratepayers who are left because they are forever denied the benefit of having more customers per mile of distribution line to spread those fixed costs. In NineStar's case, our electric members are paying more for their electricity today as a direct result of the territory seized by Greenfield over the last two decades. This is just plain wrong and needs to be fixed. SB 309 does just that.

In the end, NineStar is simply asking for a fair and equal system that treats all of Indiana's utilities the same and makes them abide by the same rules. We encourage all Hoosiers to contact their state legislators and tell them you want all Indiana electric companies and their ratepayers to be treated equally by supporting SB 309.

### PRESIDENT & CEO



MICHAEL BURROW



# 2015 Scholarship Program

## Providing Fifteen \$1,000 Scholarships



- As of February 1, 2015, the student's principle residence must be with said student's parent or legal guardian who is a member or customer in good standing with NineStar.
- The student must be a 2014/2015 graduating High School Student.
- The student must have a seven (7) semester minimum cumulative grade point average of 2.75 on a 4.00 scale or its equivalent, at the time of application.
- Application forms must be submitted to NineStar by 3:00pm on March 16, 2015.

Application forms are available at **ninestarconnect.com** under **Community** and at all local High School guidance offices or may be picked up at any NineStar business office.

**NineStar North Campus**  
2331 East 600 North  
Greenfield, IN 46140

**NineStar McCordsville Office**  
6045 West Broadway  
McCordsville, IN 46055

**NineStar South Campus**  
2243 East Main Street  
Greenfield, IN 46140

**NineStar Knightstown Office**  
37 East Main Street  
Knightstown, IN 46148

For more information call Kim Gerard at (317) 323-2105



## NINESTAR LOSES ONE OF OUR OWN

In December NineStar Connect lost a member of its family, Earl I. Shaw, Jr. Earl worked in the Network Operations Department as the Network Operations Manager. Earl had been employed at NineStar for almost 12 years.

Earl began his career at NineStar as an intern through the "High Tech Academy" program at Mt. Vernon Schools at 17 years old. Working in the IT department, Earl got to see the many different aspects of the group. After his internship completed and Earl graduated from Greenfield-Central High School, Earl took a full-time position in the Customer Service Department while attending Ivy Tech.

As the years passed, Earl worked in several departments and groups working his way up to Support Center Supervisor, Datacom Team Lead, Network Operations Supervisor and finally, Network Operations Manager.

Earl was always one to help out in any area and fully believed in the mantra of "whatever is best for the company and its members." Earl frequently assisted in taking calls, meeting with custom-

ers, working in the field to assist when needed and whatever it took to provide the best customer service that was possible.

Earl had a hand in developing, maintaining and supporting many of the products and services that our customers enjoy today. Earl worked diligently and earnestly to make our voice, video and data network as reliable and efficient as possible. Earl also helped develop the NineStar

Nerds and Business Network Management programs that so many of our customers enjoy today. Earl also presented the idea for each employee to be given hours of paid work time to volunteer in the community. One thing that was very important to Earl was that he give back to his community and he instilled that in his children as well.

Earl was a graduate of Ivy Tech College and Leadership Hancock County. Earl was also a board member of the Greenfield Area Soccer Club.

Earl is survived by his wife, Megan, and his children Alexis, Chase and Natalie. Earl will be missed greatly by NineStar Connect.



## SUDOKU

Sudoku puzzles are formatted as a 9x9 grid, broken down into nine 3x3 boxes. To solve a sudoku, the numbers 1 through 9 must fill each row, column and box. Each number can appear only once in each row, column and box. You can figure out the order in which the numbers will appear by using the numeric clues already provided in the boxes.

See [ninestarconnect.com](http://ninestarconnect.com) Facebook page for last edition's solution.

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