THESE POLES HAVE ROOTS

THE STORY OF IOWA’S ELECTRIC COOPERATIVES
POWER TO THE PEOPLE

Owned by the members they serve, Iowa’s not-for-profit electric cooperatives power the lives of 650,000 Iowans throughout all 99 counties and are committed to delivering power that is safe, reliable, affordable and environmentally responsible. Serving primarily rural areas of the state, Iowa’s co-ops own and maintain enough power lines to wrap around the equator two and a half times!

Electric cooperatives aren’t like other types of utilities; we’re locally owned by the members we serve and governed by an elected board of directors who are member-owners of the cooperative. Committed to powering lives and empowering communities, electric co-ops have been guided by seven core principles since the beginning:

- Voluntary and Open Membership
- Democratic Member Control
- Members’ Economic Participation
- Autonomy and Independence
- Education, Training, and Information
- Cooperation Among Cooperatives
- Concern for Community

Iowa’s electric co-ops maintain enough power lines to wrap around the equator

2.5 TIMES!

We serve

80%

of Iowa’s land mass

Electric co-ops power the lives of

650,000 IOWANS

throughout all 99 counties
Most electric co-ops in Iowa formed in the late 1930s and in the 1940s. Farmers banded together to gain access to safe, reliable, affordable power when no one else would provide it for them. Electric cooperatives have been owned by the members they serve since the beginning, making co-ops truly democratic organizations with local ownership and governance.

By the 1930s, there was an “electric divide” in America. Nine out of 10 urban dwellers enjoyed the benefits of electricity while 9 out of 10 rural dwellers were left in the dark. And life on the farm was difficult without electricity. There was no indoor plumbing or reliable refrigeration. Kerosene lanterns provided dangerous lighting. Household chores and farm work were full of drudgery and hard labor.

The investor-owned utilities just didn’t see the return on investment to build miles of power lines to electrify only a few farms, nor did they think farmers could afford the monthly electric bill if infrastructure was put in place. Franklin D. Roosevelt believed that if private enterprise could not supply electricity to the people, then it was the duty of the government to do so. The Rural Electrification Administration (REA) was created in 1935, and the Rural Electrification Act of 1936 provided official status to the REA as a lending agency to serve isolated, rural areas. With federal financing ready to go, REA representatives traveled across the country to help rural citizens band together to form not-for-profit electric distribution cooperatives in order to bring electricity to their homesteads.

Truth be told, nothing has improved the lives of rural folks like rural electrification.
ENDURING AFFORDABILITY

While the cost of most things (such as cars, houses, eggs, milk, stamps and gasoline) has increased twenty-fold or more during the past 75 years, electricity has remained very affordable. The average cost per kilowatt-hour has only doubled since the 1930s.

In fact, the average American household is steadily spending less on electricity as a percentage of its income. Today, the average electric cooperative household in Iowa spends about $5 a day on electricity. So for the cost of a typical specialty drink at your favorite coffee shop, you can get 24 hours of safe, reliable power. Now that’s a great value.

Iowa’s not-for-profit electric cooperatives aren’t in business to make profits for out-of-state shareholders; locally owned and governed, we exist to improve the quality of life for our member-owners.

We help our member-owners use energy wisely through energy efficiency programs, rebates and incentives so they can spend their hard-earned money on other things. We work hard to control local costs to keep rates and fees as low as possible. We invest in technology and innovation to improve service, reliability, and efficiency.
DOING MORE WITH LESS

Electric co-ops serve primarily rural areas with sparse populations, meaning we literally cover more ground than other types of utilities. While investor-owned electric utilities in Iowa serve 27 meters and generate $72,600 of revenue per mile of line on average, electric co-ops serve 4 meters and generate $10,700 of revenue per mile of line on average. Iowa municipalities average 54 meters per mile and generate $129,000 of revenue per mile of line.

These realities mean that Iowa’s electric cooperatives must maintain more infrastructure with less revenue per mile compared to other electric utilities in the state. To accomplish this task, co-ops structure rates and fees to recover costs and partner with other cooperatives and organizations to create efficiencies of scale for supplies, insurance, financing, technology solutions and more.

For example, most of Iowa’s electric co-ops are part of the Touchstone Energy national brand alliance, which means they have access to a vast network of resources and services that they couldn’t create on their own.
During the past five years, Iowa’s electric co-ops have kept the lights on 99.97% of the time, despite blizzards, ice storms, tornadoes or other extreme weather events. The average Iowa co-op member-owner experiences one outage per year lasting 112 minutes.

Reliability is our daily priority, and maintaining a reliable electric distribution system requires hundreds of hours of careful planning, maintenance, inspections and system upgrades. Iowa’s electric co-ops proactively test poles for possible deterioration and also adhere to vegetation management plans to minimize damage to infrastructure.

We constantly prepare for variables outside of our control that could cause outages. If an electric co-op does experience extended outages, they work with neighboring co-ops for aid and assistance in order to restore power as quickly and as safely as possible.

We like to think that Mother Nature’s worst brings out our best. We don’t rest until power is restored to all of our member-owners.
Iowa’s electric cooperatives are committed to sustainability through energy efficiency efforts and investments in renewable energy. We like to think the greenest kilowatt-hour is the one you never use, which is why we’ve been promoting energy efficiency for decades. During the past 10 years, Iowa’s electric co-ops have invested more than $120 million in energy efficiency measures, saving at least 6 billion kilowatt-hours. That’s enough kilowatt-hours to power more than 600,000 homes for a full year!

Iowa’s electric cooperatives are also leading the way on solar energy. Electric generation co-ops serving Iowans are investing in renewables, including solar, on an unprecedented scale. By incorporating utility-scale solar generation into the energy mix, all member-owners on the lines can benefit from solar power regardless of income or home ownership status.

Several electric distribution cooperatives also offer community solar subscriptions to their member-owners who wish to avoid the hassle of solar installation or maintenance. Community solar is also a great option for those who can’t install solar because of property or financial limitations but who would like to support renewable energy.

As more co-op member-owners consider investing in their own on-site solar generation, we’re committed to helping them make informed decisions based on their energy needs and goals. In Iowa, more than 850 co-op member-owners have interconnected their wind and solar generation to the grid.
Iowa’s electric cooperatives are committed to growing economic development in the rural areas we serve, which improves quality of life through local jobs and added tax revenues.

Through our collaboration with Iowa Area Development Group, we’ve helped create and retain more than 50,000 jobs in the past 30 years. IADG has assisted 2,000 companies in investing more than $10 billion in new locations and expansion through rural economic development projects.

We also support economic development through partnerships with USDA Rural Development and USDA’s Rural Utilities Service (RUS). USDA’s Rural Economic Development Loan and Grant programs provide funding to rural projects through local utility organizations, which often includes not-for-profit electric co-ops. RUS’s Electric Program provides capital and leadership to maintain, expand, upgrade and modernize America’s vast rural electric infrastructure.

We invest in the next generation through our involvement with the national Youth Tour program, where we send deserving student leaders to Washington, D.C., every summer to learn more about their nation and electric cooperatives. Iowa’s electric cooperatives also support local students through college scholarships.
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