

# Powerline Press

## NEWSLETTER



A Supplement of Oklahoma Living Published by Lake Region Electric Cooperative for its members. **July 2025**

## A Message from the New CEO

Hello, my name is Glen Clark. I've been with Lake Region Electric Cooperative for over 26 years, and it has truly been one of the greatest pleasures of my life to be part of the Lake Region family. Over the years, I've had the opportunity to speak with many of you about a variety of issues and concerns.

As of June 1st, I have been appointed CEO and General Manager by the Board of Directors—an incredible honor for which I am deeply grateful.

I want to take this opportunity to address an important topic: our electric rates. Please don't assume that with a new CEO comes new rate increases. That is not the case. The need for a rate adjustment has been building over time due to rising costs—something that has been well understood by the board, management, and staff for several years.

Over the past four years, we've experienced unprecedented increases in the cost of essential materials required to operate and maintain our electric system. Items like transformers, wire, and utility poles have gone up by more than 120%. This is the third rate adjustment in four years, with changes of 13%, then 2%, and now an 10% increase set to go into effect in September. Even with these adjustments, our rates have not kept pace with the rising cost of delivering reliable electric service.

As a not-for-profit cooperative, we are committed to operating efficiently, but our rates must still cover the actual cost of providing power to our members. The good news is that in 2025, we've begun to see a slight relief in material costs. I remain hopeful that this trend will continue, although ongoing global trade uncertainties make the future hard to predict.

What I can promise you is this: our Board of Directors and every member of our team takes the financial impact on our members very seriously. We remain committed to balancing affordability with the safety of our employees and the reliability of our service.

*Glen Clark*

► **READ MORE ABOUT LREC RATE ADJUSTMENT ON PAGE 2**

# Important Notice: Upcoming Electric Rate Adjustment

At Lake Region Electric Cooperative (LREC), we operate as a not-for-profit, member-owned cooperative. Our mission is simple: to provide you with safe, reliable, and affordable electric service. Every few years, we partner with an independent expert to thoroughly review our electric rates. This ensures they are fair and continue to cover the real costs of building, maintaining, and operating our electric system.

Providing power to thousands of homes and businesses requires thoughtful planning and responsible financial management. Each year, we forecast the power we'll need to purchase, plan for system upgrades and future growth, and build a budget that reflects all operating costs. These plans help guide our decisions and keep the cooperative financially healthy while doing our best to minimize the cost to members.

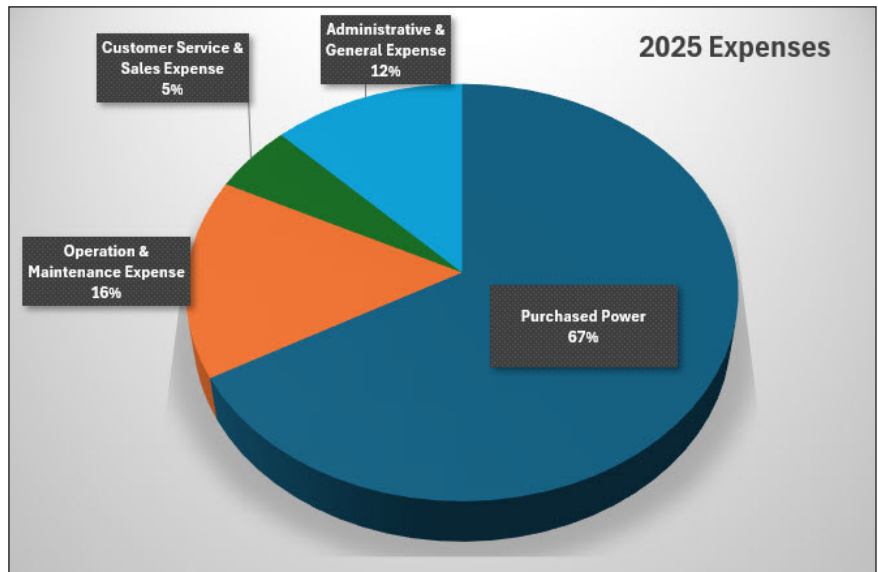
## Why a Rate Adjustment Is Needed

After a detailed review by C.H. Guernsey Inc., our Board of Trustees has approved a rate adjustment that will go into effect in **September 1, 2025**. This decision was made with great care, involving many discussions, detailed financial analysis, and a focus on both our long-term system needs and the potential impact on you, our members.

## Here's what's driving the change:

While the costs of some materials—such as poles, wires, and transformers—have come down slightly since pandemic highs, they still remain much higher than normal. The long-term impact of those increases continue to affect our bottom line.

Power supply costs, which make up about **67%** of our total budget, have increased due to a rate hike from our wholesale provider, KAMO. When your biggest expense rises, it becomes increasingly difficult to avoid passing along some of that cost.



## What Residential Members Can Expect

Starting on **September 1, 2025**, residential members will see the following changes on their bill:

- **Monthly Service Availability Fee:** Increasing from **\$43.50** to **\$45.00**
- **Energy Usage Rate:** Increasing from **\$0.0792** to **\$0.0981** per kWh
- **Power Cost Adjustment (PCA):** Decreasing from **\$0.0077061** to **\$0.00** per kWh (The PCA is only used when there are price adjustments to the cost of generating power.)

Your exact bill change will depend on how much electricity you use. Most homes use more energy in the summer and winter due to heating and cooling, so seasonal usage has the biggest impact.

The average residential member, using **1,162 kWh per month**, will see a monthly increase of about **\$14.51**, or roughly **10%**.

We encourage you to visit our website for tools, tips, and programs that can help reduce your energy use, especially during peak seasons. Every little bit helps.

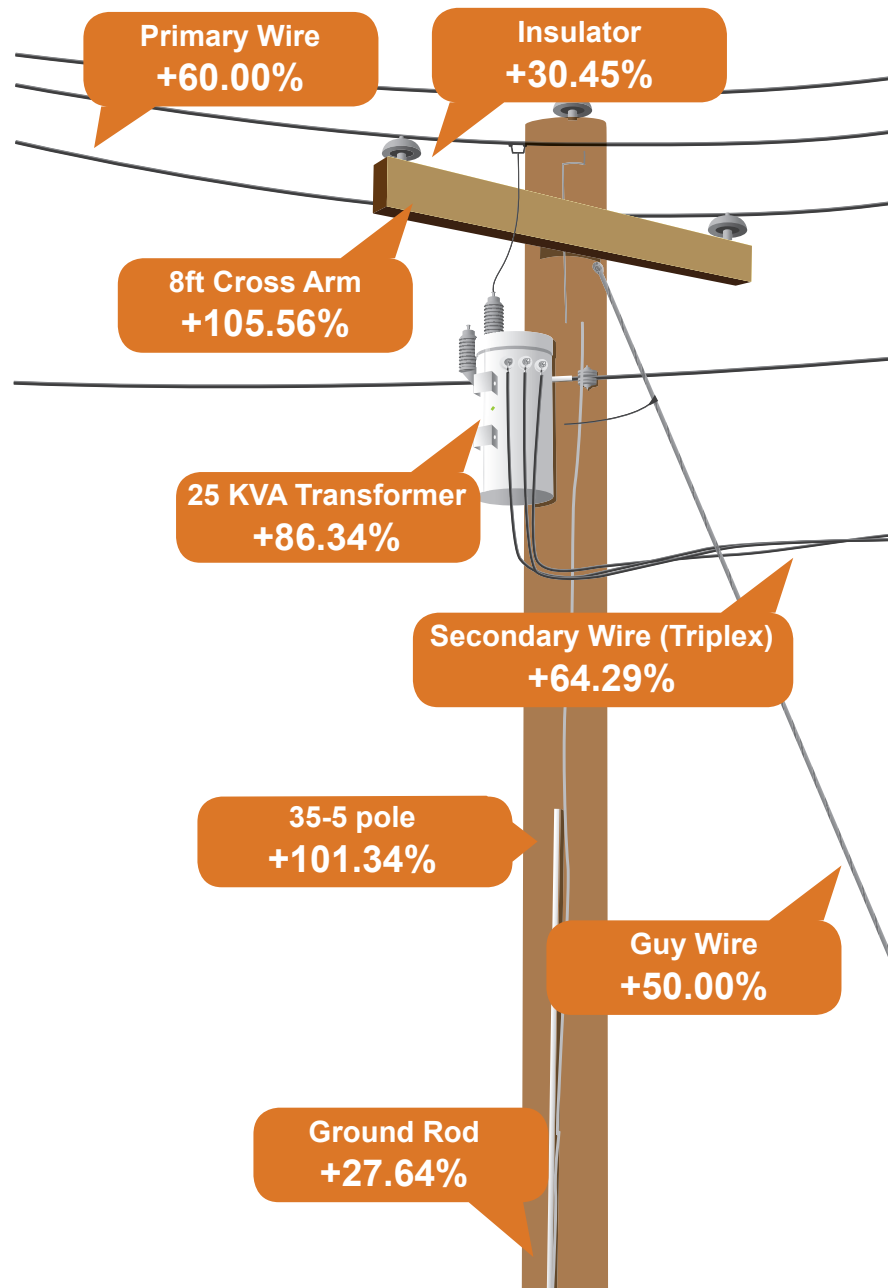
## Our Commitment to You

We know rate changes are never easy. That's why the LREC board and leadership team give these decisions the time and attention they deserve. We value our members and strive to make thoughtful, responsible choices that balance affordability with reliability.

Thank you for your continued trust in LREC. We remain committed to serving you with dependable electricity, strong financial stewardship, and ongoing efforts to find savings where we can—without sacrificing the service you rely on. 1641000

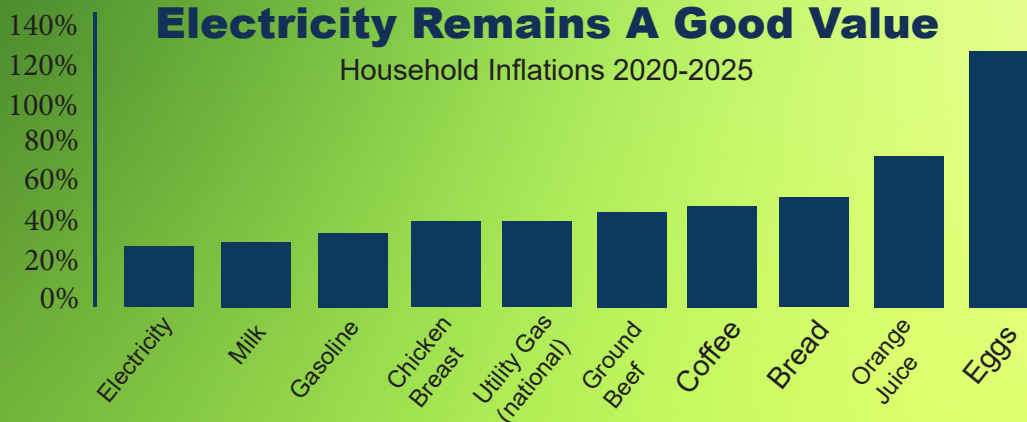
## THE RISING COST FOR LREC MATERIALS

Price changes from 2020 to 2025



## Electricity Remains A Good Value

Household Inflations 2020-2025



■ Source: CBS News, excluding electricity from our cooperative

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

# Thank you, Hamid Vahdatipour

The Board, management and employees extend a heartfelt thank you to Hamid Vahdatipour, who stepped out of retirement to serve as Interim CEO over the past eight months. During this time, Vahdatipour provided vital leadership, particularly in the areas of budget planning and financial forecasting, as his financial knowledge is a tremendous asset as rate changes were inevitable.

Recognizing the ongoing importance of Vahdatipour's insight and expertise, the Board has asked him to continue in a cooperative role in a part-time position as Financial Consultant. In this capacity, he will get to enjoy his retirement and will support the Board by

offering expert evaluations and cost reporting on operating budgets.

"Hamid's financial expertise and 30+ years of understanding of LREC's operations and financials has been invaluable," said Scott Manes, Board President. "We are very fortunate to retain his guidance as a consultant and continue striving toward a financially strong cooperative for future generations; Hamid wants nothing better than to see our co-op succeed."



## Local Students Experience Energy Camp



Left to right: Willie Wiredhand, mascot, Jozlen Bell, of Ft Gibson, Grace Mitchell, of Lowery, and Kyler Slaton of Wagoner.

This past May, approximately 75 eighth-grade students from across the state gathered for

the 2025 Youth Power Energy Camp, an unforgettable experience sponsored by Oklahoma's electric cooperatives. Held May 27–30, the camp provided a hands-on look at the cooperative business model while helping young leaders develop valuable life skills.

Throughout the week, campers explored how electricity is generated and delivered, and learned the vital role electric cooperatives play in their communities. But the lessons didn't stop there. Campers participated

in engaging workshops and activities that encouraged growth in communication, collaboration, problem-solving, and decision-making.

One of the highlights of the week was the Energy Camp Board of Directors—a group made up of elected representatives from each small group at camp. These student leaders got a firsthand look at what it means to serve in a leadership role and help guide the group as a team. Harper McElroy, representing Choctaw Electric, was elected as the camp's General Manager and did an outstanding job leading her peers.

### Your Board of Trustees

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Jack Teague.....Asst. Secretary-Treasurer  
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Gary Cooper ..... Trustee  
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Tina Glory-Jordan .....Attorney

### Staff

Glen Clark .....CEO/ General Manager  
Leisa Walker.....Director of Finance & Admin  
Jerry Latty.....Director of Operations  
Jarrod Welch.....Director of Fiber & IT  
Larry Mattes .....Director of Marketing

### Office Hours

Monday-Friday  
8:00 a.m. - 4:30 p.m.

### Telephone

800-364-LREC or  
918-772-2526

### Website:

[www.lrecok.coop](http://www.lrecok.coop)  
[www.lakeregionfiber.com](http://www.lakeregionfiber.com)

### Locations

Hulbert, Wagoner &  
Tahlequah, OK.

### Main Office Address

P.O. Box 127  
Hulbert, OK 74441

### Hidden Account Number

Look for your account number hidden in this issue of the *Powerline Press*. If you find your number, Lake Region Electric will credit your next bill. To claim your credit, notify LREC's Hulbert office by phone during the month of publication.

The amount increases by \$10 with each issue your prize goes unclaimed to a maximum of \$50.

**Cooperative bylaws** are available upon request at Lake Region Electric Cooperative's office in Hulbert.