

Powerline Press

NEWSLETTER



A Supplement of Oklahoma Living Published by Lake Region Electric Cooperative for its members. **December 2020**

1.2 Million in Capital Credits Returned to Members

As a not-for-profit business, we exist to provide you with reliable, safe electricity – not to make a profit. When we have a good year and earn profits or margins, we can give cashback as a (bill credit) to our past and present members. It's one of the things that makes an electric co-op unique, and it's one of the many benefits of being a co-op member.

LREC's Board of Trustees has approved the retirement of \$1,257,973 in capital credits to its member-owners on the December electric bills.

"Capital credits are each member-owner's share of LREC's margins earned during the year. Being able to return capital credits represents LREC's commitment to operating a financially solid cooperative," said Ben McCollum, Director of Finance and Admin. If you received electric service from LREC during the years of 1989 and 2019 you will



receive money back from your co-op. A 100% of the margins from 1989 will be refunded and 14% of the margins will be refunded for 2019. The amount you receive is based on how much you paid for electricity during the years listed. The average refund for the 1989 year is around \$41.90 and for 2019 is \$18.05.

What Are Capital Credits?

Capital credits reflect each member's ownership in the cooperative. Any margins or revenues related to the sale of electric service remaining after all expenses have been paid are returned to the cooperative's members in proportion to their electrical use. Retiring or paying back capital credits is a two-step process:

Step 1: Allocation - An allocation determines your share of the cooperative's margin in a particular year. Allocations are based on the member's proportion of electric use for that year. This is referred to as your capital credit allocation.

Step 2: Retirement - Once capital credits are allocated, they are retained by the co-op for several years. They are retained because capital credits are the most significant source of equity for the cooperative. Equity is used to help meet the expenses of the co-op, such as paying for new equipment. Capital credits help keep rates at an affordable level by reducing the amount of funds that must be borrowed to grow and maintain LREC's existing electric system.

Upon completion of the year, the Board of Trustees reviews the cooperative's financial health and can declare a retirement (your cashback payment), whereby a portion of your capital credits are returned to you as a bill credit if the amount is under \$75 and if the amount is higher than \$75, members will receive a check.

Busy Year for Linemen Mutual Assistance

It has been a busy end of the year for LREC Linemen with our mutual assistance program, which sends help to other electric cooperatives that find themselves in the path of a severe storm. August 27th, hurricane Laura hit Beauregard Electric Cooperative in Louisiana and left all 43,000 cooperative members without power. LREC sent two construction crews, trucks, and equipment, with each crew working 16 hour days on location for ten days.

On October 25th, Oklahoma's central and western part of the state was hit with a devastating ice storm causing damage to several Oklahoma Co-ops such as Cimarron Electric Cooperative, Central Electric Cooperative, CKenergy Electric Cooperative, Oklahoma Electric Cooperative, and Canadian Valley Electric Cooperative.

On October 27th, LREC sent a 4-man Right-of-Way crew (tree trimming) to Canadian Valley

Electric Cooperative and another five-person construction crew to CKenergy Electric Cooperative. CKenergy was in the crosshairs of the October ice storm. This is one of the worst storms their co-op has seen in years. This ice storm destroyed a lot of their infrastructure that has taken years to build.

Early Wednesday, October 28th, mutual assistance crews from at least 13 electric cooperatives arrived – including sister cooperatives from Missouri and Arkansas and contractor crews. At the peak of the ice storm, Oklahoma cooperatives were experiencing 74,439 members without power.

“We would feel like we were making progress. We would rebuild a couple miles of single-phase line and only get a few houses back on. This area outside of Chickasha, where we worked, is rural open farmland,” said Jason Youngblood, LREC Journeymen Lineman.



Photo above: Jason Steeley, Randall Scott, Nocona Ingram, Kane Teague and Jason Youngblood.

Photo on right: Jordan Lechner, Ron Daniels, Brent Lamons, and Steve Lewallen



CKenergy averages 3.26 meters per mile of line. Many of the rural areas are sparsely populated.

“The locals were undoubtedly welcoming as they saw us working to restore power. In the evening, we would be at a drive-thru restaurant, and the car in front would pick up the bill,” mentioned Randall Scott, LREC Journeyman Lineman.

“No one likes being without power for several days to weeks, but I was impressed with how patient the victims of the ice storm were and appreciative of the 100’s of linemen helping to restore power,” said Jason Steeley, LREC Journeyman Lineman.

One of the seven cooperative principals is cooperation among cooperatives. Through the mutual assistance program, we know if LREC members are ever in need, we can count on our fellow Oklahoma Cooperatives to send crews to our area.



Milestone Reached



Photo left to right: Larry Mattes, Communication Specialist and BJ Whitekiller.

6,000 Subscribers

November 5, 2020, we celebrated our 6,000th customer installation - Congratulations BJ Whitekiller. Thank you to everyone who has supported and continues to back our project to take our area forward with high-speed fiber-optic internet.

As more members come online every day, we are committed to building our fiber network and offering more members the ability to connect to high-speed internet at an affordable cost. Lake Region is still in the building stage, with many miles of line to construct. If you are still waiting for Lake Region fiber services, thank you for your patience with us as we build our network, and thank you for being loyal members and fiber subscribers.

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PREPARING FOR POWER OUTAGES FROM WINTER STORMS

Winter can be a beautiful time of the year with white snow and sparkling ice, but that same winter weather can also wreak havoc on communities. It can cause roads to be treacherous, schools to be closed, and even power outages. Making plans now for potential power outage can make riding out the prolonged outage safer and more comfortable. A good way to help keep your family safe and comfortable during a winter storm is to put an emergency kit together.



LREC offers the following recommendation for your kit:

- Water - stock up on bottled water for consumption
- Food - have at least enough for 3 - 7 days
- Utensils - include a non-electric can opener, cooking tools, paper plates, and plastic utensils
- Blankets, pillows, and warm clothing items
- First aid kit, medicine, and prescription drugs
- Toiletries, hygiene items
- Flashlight and extra batteries
- Battery-operated radios and clocks
- Telephone - keep cell phone chargers (wall, car and or solar) on hand
- Emergency numbers - keep a list of telephone numbers, including LREC
- Cash and credit cards
- Tools - keep a set in your kit that includes duct tape, screw drivers, pliers, wrench, work gloves, safety goggles
- Toys, books and games for kids
- Pet-care items
- Supplies for alternate heating methods your home may have, such as a fire-place or wood-burning stove

For more information on how to prepare for winter storm and how to keep your family safe during and after a winter storm, visit SafeElectricity.org.



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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.

