



Powerline Press

NEWSLETTER

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

May 2013

Vol. 3

No. 5



Energy Efficiency

Tip of the Month

Properly installed shades can be one of the most effective ways to improve windows' energy efficiency. Lower them during summer; in winter, raise during the day and lower at night on south-facing windows. Dual shades, with reflective white coating on one side and a heat-absorbing dark color on the other, can be reversed with the seasons and save even more energy.

Source: U.S. Department of Energy

Annual Meeting

Look for our Annual Meeting election results, prize winners, and photos in our June issue of the Powerline Press.

LREC Announces Winners For Youth Tour Trip

Lake Region Electric Cooperative is pleased to announce the selection of three delegates to participate in the 2013 Electric Cooperative Youth Tour trip to Washington, D.C. The selections were made based on essays written on a topic chosen by the cooperative. From the essays entered, the local schools chose their finalists to compete in the final question and answer session held at the LREC office in Hulbert. A panel of three judges interviewed the students based on their subject knowledge, personality, speaking ability, and presentation. All of the participating students who qualified for the final judging received a \$50 cash prize.

The Youth Tour competition is available to all students in LREC's service territory, who are completing their junior year in high school. Glen Clark, Youth Tour Coordinator, visited local schools in the service territory and give a presentation about the electric cooperative history and the annual Youth Tour trip.

LREC is pleased to have these three students representing the cooperative for the 2013 Youth Tour: Autumn Craig of Keys High School, daughter of Will Craig; Alexis Morrison of Hulbert High School, daughter of Jennie and Johnny Morrison; and Cortnie Cox of Hulbert High School, daughter of Jamie Wilder and Brad Cox.

The trip will begin when they join other winners from across Oklahoma for a "Get Acquainted Banquet" in Oklahoma City. The delegates will board a plane the following morning and fly to Washington, D.C.

Six eventful days at the nation's capital will include a tour of the Capitol, riverboat trip on the Potomac River and a tour of Mount Vernon. Students will also meet with Oklahoma's Congressional Delegation and visit many other points of interest.



Left to right: Autumn Craig, Alexis Morrison, and Cortnie Cox



Photo by: Larry Mattes

Courtesy Photo: NRECA

Annual Review and Update on Cooperative

Every year brings its own set of challenges and opportunities and 2012 was not any different. We were fortunate that 2012 did not bring any severe weather events such as ice storms and tornadoes. These sorts of weather events cause tremendous financial restraint and tax our resources. However, we gain new expertise in how to deal and respond to these challenges. LREC continues to pursue new technologies to assist in better serving our members in these difficult times. The break in severe weather in 2012 gave us an opportunity to recover yet explore other ways to serve our membership. On the other hand the mild temperatures during the summer and winter of 2012 meant fewer kilowatt hours of electricity sold and with that came less revenues available to cover the ever rising cost of materials and supplies.

On the financial front, the cost of materials and supplies continued to escalate in 2012 as it has been doing for the past several years. The largest single expense item for LREC is the cost of electricity that we purchase which is about 65% of our expenses. LREC's purchased power cost increased by 1.6% in 2012. There are additional forecasted increases in the cost of electricity we buy for the years 2013 and 2014 and beyond. The increases in the cost of electricity so far have been due to the increases in the costs of coal purchase, rail transportation, and environmental requirements on coal generation units.

Our power supplier, Associated Electric Cooperative, Inc., (AECI) is among the most competitive generators of electricity nationwide, even after the rate increases mentioned above they continue to be our best power supply option. AECI has projected member energy and demand growth of 2% a year for the next ten years – about 100 megawatts a year or equivalent of 30,000 homes a year. They are well situated to meet this growing member energy requirement by promoting the efficient use of energy and pursuing a balanced approach to the new sources of energy including renewable energy opportunities such as wind. AECI is currently operating wind farms as a part of their energy mix and is examining some wind options for the future. Associated will continue to look at gas, renewable and nuclear resources to address future generation needs.

The biggest challenge facing us in the future is the load growth, availability of credit and funding for new power plants

and the environmental constraints on the new and existing generation as it relates to the "Climate Change" legislation. This is a much bigger issue and requires a more informed and reasonable decision making process within the nation. It is important that our legislators are aware of the price tag on any "Climate Change" legislation and consider the affordability of electricity in the nation's rural areas. It is the matter of being able to keep the lights on.

Oklahoma, in general, and LREC members especially, have been enjoying low electric rates that are below the national average. Increases in the electric rates are unavoidable in 2013 and beyond due to increases in the cost of energy, such as coal and escalating costs of building new power plants. However, because all other co-ops in Oklahoma are facing the same issues in the rising cost of electricity, we believe that LREC will continue to be able to provide the most competitive rates in rural Oklahoma.

We cannot predict the future, but one thing is certain. The need to communicate and transmit data is becoming more important every year, whether it is the need for the smart grid for cooperatives or access to the internet by our members. Cooperatives brought electricity to the rural area in the 30s, they may have to step up and bring broadband access to its members in this age of technology. In the future we will continue to be vigilant in exploring other needs and opportunities that would make LREC stronger and our members more satisfied. LREC makes a difference because we are different. We are member-owned and locally operated. You have a voice in how the cooperative is run because you elect the board of directors. We are accountable to you and not to distant stockholders. Our rates cover the cost of doing business and are not marked up to generate profit. And finally, we give money back to you, our members, when revenues exceed costs.



Hamid Vahdatipour
CEO/General Manager

Chief Executive Officer

Hamid Vahdatipour



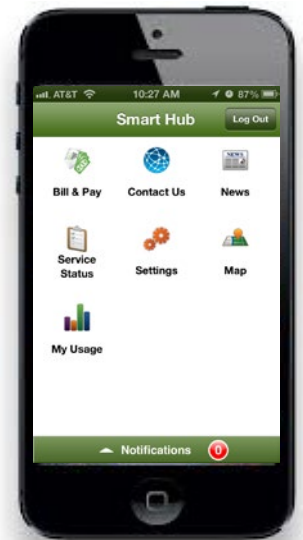
Lake Region Electric Cooperative's Annual Report is Now Available Online

The online version of LREC's fiscal year 2012 Annual Report is available to download as a PDF on our website (www.lrecok.coop) under company information. The Hulbert office has a few extra copies which were printed for our Annual Meeting. You can stop by our Hulbert Office and request a printed version of the 2012 Annual Report if you would prefer a printed booklet.

“SmartHub” Makes it easy to access your Lake Region account on the go!

Lake Region Electric Cooperative Smartphone App is now available to download for FREE. SmartHub will be available in both mobile apps and a web version to give members secure access to maintain their account information, view bills, see payment history, make payments, and set up recurring payments. SmartHub will allow you to monitor and manage your electricity usage by use of bar graphics and usage markers.

SmartHub will also be accessible through our website (www.lrecok.coop). The web version allows you to register your accounts to receive notifications for account milestones, such as an approaching or a missed due date. It also allows you to set usage markers to monitor the changes in electricity usage based on events. The web version has a profile page available for members to maintain their personal information, password, security pass phrase and stored payment methods.



The SmartHub mobile app can be downloaded and installed on your compatible mobile phone or tablet device. The web version is internet accessible from any web-enabled device. To get the app for your phone or tablet, simply look for “SmartHub” in the Apple Store or in the Android Market. Search: SmartHub. If the duplicates appear, the correct app is provided by our partner, National Information Solutions Cooperative (NISC). The app will be free to download and install.

All critical information 1539300 is encrypted in every transaction and no personal information is stored on your mobile device. However, mobile devices do offer you the ability to store your login name and password. For questions on SmartHub, please contact LREC at 918-772-2526 or toll-free at 800-364-LREC.

smart LREC account management!



Manage your **LREC** account right from your smart phone with SmartHub. *This free app is available to LREC members. This app can help you:*

- make payments
- check your usage
- many more features
- notify member service of account issues
- communicate directly with the cooperative

... all at the touch of a button! It's quick and easy!

Download the FREE mobile or tablet app in the Apple App Store or Android Marketplace. If duplicates appear, the correct app is provided by our partner, National Information Solutions Cooperative (NISC).



www.smarthubapp.com

Download today and manage your account anywhere!

LREC Linemen Complete Journeyman Certification

LREC employees were recognized during the Oklahoma Association of Electric Cooperatives (OAEC) Annual Meeting for earning their Journeyman Lineman certification. Tony Davis (left) Danny Darrow (center) and Kevin Botts (right) have completed the OAEC Journeyman Lineman training program. The individuals must complete four years of classroom training and book work plus a set number of hours of technical on-the-job training to receive the Journeyman Lineman certification. The program provides instructions on all aspects of working in the co-op's operations department. The program meets both national and state certification requirements. We would like to congratulate them on their dedication and hard work as well as completing their Journeyman Lineman program.



Photo by: Larry Mattes

Left to right: Tony Davis, Danny Darrow, and Kevin Botts

Tired of Waiting in Line to Pay Your Electric Bill

Electronic payment options like Automatic Bank-Draft can save members time and money by avoiding long lines, checks, stamps, and driving expenses.



We offer Automatic Bank-Draft four times a month for members to have their electric bill drafted from their checking or savings account. Automatic Bank-Draft payments are transferred directly from your account to LREC. Automatic draft dates are the 1st, 5th, 12th, or 19th of each month. Members will have the option to choose the date they want

their monthly bill drafted. If a member is already participating in the Automatic Bank-Draft program, you can ask to be switched to your preferred draft date.

Automatic Bank-Draft can be set-up by visiting one of our offices or calling our office to request a form. Members can also apply online at (www.lrecok.coop). Members will need to continue paying their electric bill as normal until "BANK DRAFT" is printed on the bill.

Members who sign up in the month of May for the Automatic Bank-Draft program will be put into a drawing for one of four \$25.00 Wal-Mart gift cards. The prize drawing will be held on May 31st.

If you have any questions about the Automatic Bank-Draft program, contact us at 918-772-2526 or toll-free at 800-364-5732.

Board of Trustees

- Gary CooperPres.
- Bobby MayfieldVice Pres.
- Jim LoftinSecr.-Treas.
- Jack TeagueAsst Secr.-Treas.
- Randall Shankle Member
- Lynn Lamons Member
- Scott Manes Member

Staff

- Hamid VahdatipourCEO
- Ben McCollumDir. of Finance
- Martin WallsDir. of Operations
- Stanley YoungDir. of Marketing
- Larry MattesEditor
- Tina Glory-JordanAttorney

Office Hours

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

Telephone

800-364-LREC or
918-772-2526

Website:

www.lrecok.coop

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 or mail during the month of publication.

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

For more information, call [800-364-LREC](tel:800-364-LREC) or [918-772-2526](tel:918-772-2526)

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