



Powerline Press

NEWSLETTER

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

May 2019

Vol. 10

No. 5

2019 YOUTH TOUR DELEGATES

LREC Awards Teens a Trip to Washington D.C. Youth Tour

Lake Region Electric Cooperative is happy to announce the selection of three local youth delegates to participate in the 2019 Electric Cooperative Youth Tour trip to Washington, D.C. The choices were made based on essays written about Oklahoma electric cooperatives. From the essays entered, the local schools selected their finalists to compete in the final question and answer session held at the LREC office. 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. Juanita Keener, Youth Tour Coordinator, visited local schools in the service area with a presentation about the electric cooperative history and the Annual Youth Tour trip.

LREC is pleased to have these three students



Photo by: Larry Mattes

Hadley Keith, Calvin White and Claire Levesque are heading to Washington, D.C.



representing the cooperative for the 2019 Youth Tour: Claire Levesque of Wagoner High School, daughter of Gina and Lawrence Levesque; Calvin White, a homeschool student from the Tahlequah area, son of Karen and Johnny White; and Hadley Keith of Okay High School, daughter of Tillie Keith.

The trip will begin June 8th, when they join other winners from across Oklahoma in Oklahoma City. The delegates will board a plane the following morning and fly to Washington, D.C.

If you are interested in more details regarding the LREC Annual Youth Tour contest and trip, call Juanita Keener at 918-772-6940.

ELECTRIC COOPERATIVE'S INVESTING TODAY IN THE LEADERS OF TOMORROW! www.lrecok.coop/youth-tour   @okyouthtour

MESSAGE FROM THE CEO & BOARD PRESIDENT

To our Members,

Thank you to all the members who attended our annual meeting last month. LREC wrapped up the fiscal year 2018 (FY 2018) maintaining a healthy financial position. We had higher energy sales due to cold winter and hot summer temperatures. Total kWh sales were 11% higher than projections and 20% higher than in 2018.

Higher sales generated adequate revenues to cover all the operating expenses of the cooperative. LREC ended the year with an operating margin of \$1,115,972. However, the addition of the non-operating revenues enabled us to finish the year with \$3,187,893 in total margins.

Our members' equity increased to \$52,286,028 and long-term debts increased to \$60,659,573. The equity as a percent to total assets remains very strong at 40%. Total utility plant was increased by \$4 million to \$111,527,935, and the non-utility plant was increased by \$9.1 million to \$31,023,603 mainly due to the Fiber-to-the-Home project construction.

Other highlights from the Fiscal Year include:

- LREC's modified debt service coverage for the FY 2018 was 2.21, and the total consolidated debt to asset ratio was 46%.
- The average residential kWh usage per month increased to 1,217 kWhs from 1,075 kWhs in 2017.
- Total miles of line were 3,081 which served an average of 24,702 meters.
- Total purchased power cost as a percent of revenue was 63% of total revenue for FY 2018. This ratio for FY 2008 was 56.5%.

We strive to maintain the lowest possible rates and yet provide a reliable service to our members. Lake Region Electric Cooperative's mission, adopted by the board of directors, charges the cooperative to promote and sustain the self-reliance of members by providing the most reliable utility service at competitive rates.

LREC remains committed to providing the best quality of service to our members by maintaining and upgrading the utility plant. Vegetation control continues to be a top priority for LREC.



LREC's Fiber-To-The-Home project continues to be a successful project. The Board has decided to pursue the endeavor to provide high-quality state of the art broadband service to its members. The phase one construction project which included construction of over 800 miles of fiber optics to bring high-speed internet to over 9,000 homes was 80% completed in 2018. This is the first phase of a three-phase project that started in August of 2016. During 2018, LREC nearly doubled its broadband customers moving from 1,900 connected customers to 3,300 connected customers in December of 2018. The Phase One project is expected to be completed in the second quarter of 2019.

In December of 2018, the board was pleased to approve a patronage capital retirement/refund of \$1,219,414 to the members, bringing the total funds refunded to the members to \$22,016,507.

Excellent customer service, stable financial condition, and rate stability have been among the top drivers directing Lake Region Electric Cooperative's long-range planning and day-to-day operations. We are pleased to announce that we have met or exceeded those goals for 2018.

Chief Executive Officer

Hamid Vahdatipour

Board President

Scott Manes

Lake Region
Electric Cooperative's
2018 Annual Report is
available online at
www.lrecok.coop/annual-reports



You Save. We Pay.

In 2018, LREC paid back almost **\$37,059** to members in energy efficiency rebates. GREAT NEWS—funding is up for grabs again this year! LREC's rebate program "**Take Control & Save**" puts money back into members' hands for purchasing and installing energy-saving equipment.

LREC has seven rebates available:

- ▶ **Programmable Thermostat**
- ▶ **Window Unit Air Conditioner**
- ▶ **Mini-Split**
- ▶ **Air Source Heat Pump**
- ▶ **Ground Source Heat Pump**
- ▶ **Electric Water Heater**
- ▶ **Heat Pump Water Heater**



*Saving energy
is a
beautiful thing.*

A full listing of LREC's rebates and forms are available online at www.lrecok.coop/rebates. Members are encouraged to review the applications and guidelines for each rebate. While rules can vary for each rebate, all rebates require that the applicant must be a LREC member in good standing, provide proof of purchase and submit a copy of receipt within 90 days of purchase 1988404.

Businesses Can Save Too

LREC also offers a commercial Business Lighting Rebate available for schools, commercial, industrial and agricultural cooperative business members. Contact Juanita Keener, 918-772-6940, for questions or to discuss rebates.



Three Easy DIY Projects to Save Energy

Winter weather can have a significant impact on your electric bills. Now that spring is here, it is a perfect time to tackle a few DIY efficiency projects for your home. The good news: You don't have to be an energy expert to do this! There are hundreds of easy ways to save energy, but if you are willing to take a hands-on approach, here are three projects you can do now to start saving.

1 Make the most out of your water heater. Insulating a water heater can save 7 to 16% annually on your water heating bill. Purchase a pre-cut jacket or blanket for about \$20. Do not set the thermostat above 120.

2 Seal Air Leaks with Caulk. Apply caulk around windows, doors, electrical outlets and plumbing to prevent air from leaking in and out of your home. Silicone caulk is waterproof, flexible and won't shrink or crack.

3 Weather Strip Exterior Doors. Seal air leaks with weather stripping on exterior doors. This will keep out drafts and help you control energy costs. When choosing weather stripping materials, make sure it can withstand temperature changes, friction and the general "wear and tear" for the location of the door.

By completing these three simple efficiency projects, you can save energy and money while increasing the comfort level of your home.

Local Students Attend Oklahoma Electric Cooperatives Leadership Summit

Thirty students representing Oklahoma's Electric Cooperatives attended the 2019 Oklahoma's Electric Cooperatives Leadership Summit in March, at the Oklahoma State Fair Grounds. This annual event is designed to excite and motivate high school students to become leaders of their communities. Almost 500 Oklahoma high school students have been recognized for their leadership abilities by having the opportunity to attend one of the previous leadership summits.

Representing LREC for the 2019 Leadership Summit was Hulbert senior, Channon Rankin and Fort Gibson senior, Samantha Fugate. "My experience was great. The speakers were engaging and knowledgeable. We did a lot of great activities, and I made a lot of new friends," Rankin stated.



Channon Rankin and Samantha Fugate

Photo courtesy of OAECC

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Starting at \$39.95 + taxes

* Live service not available in all areas. Must pre-register for service online, new construction can take several weeks.

"I am so pleased that I can finally get internet from Lake Region. Very pleased with installation tech. Friendly, clean and quick. The service is fast! I thank you and appreciate what you are doing for our area."

Satisfied fiber customer



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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.

