



POWERLINES

KEC NOW OFFERING WINDOW REBATES

Windows provide our homes with light, warmth and ventilation. But in our climate when winter sets in windows can have a downside. Placing your hand against a window pane on a chilly fall morning proves the point: if the pane feels cold, it's a good bet you can reduce energy costs by installing new, energy efficient upgrades and this is the best time of year to complete such a project. That's why KEC is now offering members a rebate for upgrading your windows to energy efficient models.

Homes must be electrically heated to qualify and the pre-existing windows must be single pane (or single pane with storms) or double pane with metal frames. KEC will reimburse qualified members \$3 per square foot for windows that are replaced. Window replacements must meet specific NFRC guidelines. Replacement installation that results in increased window area is not allowed in this program. Self-installed windows must be pre- and post-inspected by a KEC representative to qualify.

If you decide you're in the market for new windows, Energy Star® has established a set of energy performance ratings, tailored to our climate zone, to guide you in selecting windows perfect for your home. These performance ratings are broken into several categories, although the two most basic are U-Factor and Solar Heat Gain Coefficient, which can be found on window stickers or packaging. Visit www.energystar.gov to learn more about your options and savings. For more information call Chris Aiken, KEC Energy Services Coordinator, at 208.292.3213 or visit www.kec.com.



Your Capital Credit Allocation—Another Benefit of Being a KEC Member

When you signed up to receive electric service from KEC, you became a member—and an owner—of an electric cooperative. While investor-owned utilities return a portion of their profits back to investors, electric cooperatives “allocate” capital credits to its members.

Capital credits represent your share of the Cooperative’s operating margins (operating revenue remaining after operating expenses). The amount earmarked in your name depends on your energy purchases. To calculate this, we divide your annual energy purchases by the Cooperative’s operating margins for the year. The more electricity you buy, the more capital credits you earn.

The amount of the 2009 capital credit allocation for your account is printed on your July 2010 billing statement

enclosed with this newsletter. Your 2009 capital credit allocation was added to your total capital credit balance. The balance in your capital credit account is the sum of your allocations earned to date, minus your annual refunds issued to date.

Capital credits are not dollars in a bank somewhere. Capital credits represent funds that have been invested in the Cooperative’s utility plant. Overtime, they are refunded (or “retired”) to members. Last year, over \$400,000 in capital credit allocations were retired. All capital credits allocated prior to 1979 have already been retired.

Sharing the profits of our business is the benefit of cooperative ownership.

Co-op Connections® Card Puts Value in Your Wallet



Kootenai Electric Cooperative's commitment to you goes beyond providing safe, reliable, and affordable electricity.

We're always looking for ways to provide value to our members and the communities we serve, especially during tough economic times. KEC's Co-op Connections® Card program connects you with discounts on

everything from hotel stays to prescription drugs.

A wide variety of merchants throughout our community accept Co-op Connections® cards. Be sure to present the card at the register to receive your discount! For a complete list of all participating businesses in our area, simply visit www.kec.com and follow the Co-op Connections® link.

We hope local businesses participating in our Co-op Connections® Program benefit from increased traffic from KEC members. Businesses can sign up for the program at no cost.

The card also gives you access to online savings at more than 90 national retailers like Barnes&Noble.com, Hertz Rental Cars, Best Western hotels, and ProFlowers.com.

One of the most valuable features of the Co-op Connections® Card is the pharmacy discount. While not insurance, the discount can deliver savings of 10-60% on prescription drugs. The logo and information on the back of your card is recognized at more than 60,000 national, regional, and local pharmacies.

The pharmacy discount has been widely used by cooperative members across the nation, resulting in combined savings of nearly \$20 million on prescriptions. Want to find out more? Log on to www.locateproviders.com to search for pharmacies in our area honoring the card. Use code 22203 as the group number under the "Groups" login section. Next, enter your zip code.

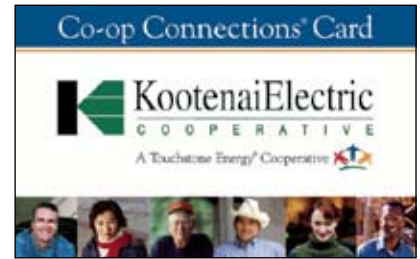
As a Touchstone Energy Cooperatives member, KEC strives to serve you according to four core values:

integrity, accountability, innovation, and commitment to community. Our Co-op Connections® Card program is one of the ways we live up to those values. [1298859]

We're eager to answer any questions you have about the card and how to take advantage of the discounts it provides. Call us at 208.765.1200 to find out more, or visit www.kec.com.



Doug Elliott
KEC General Manager



CO-OP CONNECTIONS® CARD FAVORITE DISCOUNT OF THE MONTH



"My story about the use of the Co-op Connections® Card is one of pure enjoyment. I have a passion for ice cream. With my card, I can frequent Baskin Robbins twice as often to satisfy my ice cream craving. Winter, spring, summer or fall... love that ice cream. Thank you KEC!"



Submitted By: Jeanie Pemberton, KEC Member

Discount Offer: Buy one regular 4 oz. scoop and get one regular scoop free. Limit one free scoop per visit. Not valid with any other offer. Valid at the Coeur d'Alene store.

Photo: Jeanie and Coeur d'Alene Baskin Robbins owner Shawn Aldrich stand in the Coeur d'Alene store.

OPERATION ROUND UP® GRANTS AWARDED



Note: Operation Round Up® is a voluntary program with grant requests approved by an independent board comprised of KEC members.

The Kootenai Electric Trust Board has granted their second quarter disbursement of 2010 Operation Round Up® funds. Twelve grant requests were received and more than \$17,000 was awarded to 10 of the applicants. The following received funding:

- \$1,320 to the Boy Scouts of America Inland Northwest Council for two log picnic tables.
- \$1,170.69 to the Boys & Girls Club of Kootenai County for their “Triple Play” program. [1304976]
- \$1,200 to John Brown Elementary for a projector and document camera.
- \$2,500 to the Dirne Community Health Center to assist in women’s cancer screening.
- \$2,500 to Hospice of North Idaho for scholarships to a summer “grief camp.”
- \$2,500 to Kootenai Jr./Sr. High for computer monitors.
- \$2,500 to Lake City Playhouse for a

new lighting console.

- \$1,000 to Ponderosa Elementary for new playground equipment.
- \$2,500 to St. Vincent de Paul’s Art on the Edge Program for their summer youth camps.
- \$500 to the Sam Rodius Memorial Park Association for roofing repairs at their community hall.

The next grant applications are due at the KEC office by August 2, 2010. Applications are available in the office or at www.kec.com. Members who choose not to contribute to Operation Round Up® or who would like to begin contributing may simply “opt-out” or “opt-in” on their bill or contact KEC by phone, letter or email.

Operation Round Up® PLUS

Requests for grants continue to be made in record numbers. If you would like to help even more, consider participating in the PLUS program. This program allows you to add an additional \$1, \$2 or \$3 (or more) a month to your Operation Round Up® donation. Every little bit helps! Call 208.765.1200 to sign up.

PEAK PROJECT HELPS PLANNING FOR THE FUTURE

In the Pacific Northwest we have been lucky to have an abundance of electrical energy, but the time has come for us to plan for the future. We want to ensure there is enough electricity to meet the growing needs of our members.

We’ve launched the Peak Project to help us understand new technology that may help us manage demand for electricity when it is at its highest. This could help us provide reliable and cost effective solutions to meet the needs of our growing region for years to come. It’s all about planning ahead.

Members who enroll in this program will receive a free programmable thermostat. On the hottest and coldest days of the year, KEC may cycle off water heaters and adjust the thermostat slightly to reduce electricity demand. This small change in usage, multiplied across hundreds of homes, could help prevent peak energy shortages in the future.

If you have an electric water heater and centrally controlled electric heating system, visit www.kec.com/peak_project.php or call 208.765.1200 to find out if you’re eligible to participate.

VISIT US ONLINE TO PAY YOUR BILL

Did you know you can pay your bill online? Use your Visa or MasterCard and your payment will be processed immediately. This will save you time and postage. You can also access power outage updates, view your electric usage and payment history and sign up for services all online. For your security and privacy, you’ll need a Personal Identification Number (PIN) to access your account online.

Just call us 208.765.1200 and ask for your PIN. Then visit us at www.kec.com, click on “Pay Your Bill Online” and follow the instructions on your screen. [1514274]

WIN A \$50 ENERGY CREDIT

Four KEC account numbers are hidden in this newsletter. If one of these numbers is yours, contact us at 208.765.1200 and receive a \$50 credit on your bill!

BOARD OF DIRECTORS MEETING

The next KEC Board of Directors meeting is scheduled for 9 a.m. Thursday, August 19. The meeting date is subject to change. Confirm with Terry Brown at 208.292.3211 if you’d like to attend.

DIAL 811 Call Before You Dig
Don't forget to call 811 at least two working days before starting any digging or excavation project.

KEC Members **Going Green** with Renewable Energy

With energy prices increasing and “green” living becoming more and more popular, KEC members are taking advantage of tax credits and investing in residential renewable energy resources like wind and solar.

KEC member Deborah Warner is a strong believer in renewables. In June 2006 she installed a grid-intertie photovoltaic (solar) system on her home in Athol. The five 200-watt panels have produced nearly 5,000 kilowatt hours of electricity since installation.

Warner decided to install her system with the money her Dad left her. “I wanted to be educational,” she said. “I wanted to walk my talk.”

The system produces approximately 12-15% of her electric load (she uses natural gas to heat her home using hydronic floor heat). The electricity produced first feeds to her home and then if there is any electricity left not used by her home it would go back to the KEC system, and she would receive credit for it. [1744470]

The total cost was approximately \$11,000 not including the tax credits she received. The system, installed by Eco Depot of Spokane, has a 25 year warranty.

Warner, an architect and owner of Sunrise Design Center, was not concerned about the payback of her system. She’s just happy to help conserve. Warner is also very involved in the Northwest Eco Building Guild (www.ecobuilding.org) and helps promote ecologically sustainable building.



Above: Warner's home with the panels installed. Left: Warner stands next to the controls in her garage.



Above: Mark Gibson, Project Manager for Wind2Energy.Net, left, and Steinbach, right, stand next to the wind generator and switch.

Dave Steinbach, of Post Falls, has installed a wind generator on his property on the Rathdrum Prairie. The system, installed by Wind2Energy.Net of Coeur d’Alene, works in tandem with KEC electricity to power his house.

The wind generator stands 45 feet tall and has produced approximately 650 kilowatt hours since it was installed in January of this year. He can monitor its production from his home computer.

Steinbach’s motivation to install the system is simple: “It was a little about green and some about the payback. It’s not a fortune-maker; it’s a supplement.”

The system cost approximately \$21,000 and tax credits brought the total down to about \$12,000. Steinbach believes the payback will be approximately 12 years.

Chris Aiken, KEC’s Energy Services Coordinator, said he’s seen an increase in renewable energy systems being installed in KEC’s service territory in the last year.

“The main thing for people to know is they need to do their homework,” Aiken said. “Understand your location, your

neighbors and give us a call before starting any project.”

KEC requires an Interconnection Agreement before any system can be hooked up to KEC’s system. This allows us to track additional generation in case you are entitled to a credit. It also protects our employees in the event of a backfeed by ensuring your system is properly installed. If you are interested in this kind of project call our office at 208.765.1200.



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