

KEC Annual Meeting Reports on the ‘State of the Cooperative’

Kootenai Electric Cooperative (KEC) held its 73rd Annual Meeting of the membership at Lake City Community Church on Saturday, April 9, 2011. The annual meeting reported on the “State of the Cooperative” and elected members to the KEC Board of Directors.

Board Treasurer David Pratt retained his board position for District 3. Board President Ed Gossett retained his board position for District 5. Board Member Terry LaLiberte retained his board position for District At-Large. For the first time the election was conducted both by mail ballot and at the Annual Meeting. More than 3,700 ballots were received. [1736314]

At the meeting, both President Ed Gossett and General Manager Doug Elliott updated the membership on Co-operative and industry happenings, including:

- Our rates have remained stable—with no rate increase since 2009 and our rates have been, and remain, among the lowest in the nation.
- To minimize future increases in power rates, we partnered with Kootenai County in the development of the Fighting Creek Landfill Gas Project. This facility will allow the Cooperative to produce power from waste landfill gas at costs that are comparable to current market prices and considerably less than the forecasted cost of power over the life of this facility.
- We invested \$5,681,000 in system improvements and member extensions. These investments improved our overall system reliability plus provided service to new members.
- KEC was able to close the year with margins of \$3,533,858. These margins allowed us to maintain equity even after issuing \$7 million in Clean Renewable Energy Bonds (CREBs) to finance the Fighting Creek Landfill Gas Project.
- We retired \$417,890 in patronage capital allocated to members in 1980 through 1981.

KEC has many plans for 2011 including completing

the Fighting Creek Landfill Gas Project; implementing new services for members including: online daily and hourly consumption reports, optional pre-paid metering and smart phone applications and preparing for BPA’s wholesale power cost increase of approximately 10 percent, effective October 1, 2011. This increase will be passed through to members as a Wholesale Power Cost Adjustment on their power bill.

Looking Out
for You

Grand Prize Winners

KEC member Norma Jean Shaw of Hauser was the lucky winner of a new energy efficient LED TV sponsored by KEC and Best Buy. Teresa Lake of Post Falls won the Acer Netbook sponsored by SCS Energy. Robert Rohde of Hayden and Kenneth Saunders of Bayview were the winners of \$250 energy credits for participating in the election by voting by mail ballot.



Left: From left, KEC Board President Ed Gossett stands with Grand Prize TV winner Norma Jean Shaw and Teresa Lake, who won the Acer Netbook.



Right: From left, Earl Applegate and Bill Hickman were awarded \$50 Fred Meyer gift cards for being the longest tenured members to attend the meeting.

General Manager's Message: Power Costs and Energy Efficiency



For the past 73 years, KEC has purchased most of its power from the Bonneville Power Administration (BPA). The rates we pay them, and consequently the rates we charge our members, are among the lowest in the nation and we work hard to keep it that way.

In fact, KEC members haven't seen a rate increase since 2009. These low rates are possible because of the low-cost hydro facilities BPA operates. However, they are running out of capacity. In October 2011 BPA plans to offer a two-tier rate structure to its wholesale customers like KEC. The first tier of power would be supplied by the existing federal system, based on our current needs. The second tier of power would be sold at a higher cost.

So what are we doing to control these costs on your behalf? First, we are actively engaged in BPA's rate making process to ensure that their business is managed as effectively and prudently as possible. Secondly, we are looking to other forms and sources of power. The most recent is the investment KEC is

making in the Fighting Creek Landfill Gas Project in partnership with Kootenai County. This facility will produce renewable power for our members at competitive rates for the next 20 years and will allow the county to sell methane gas that would otherwise be destroyed.

We are also focused on conservation. Our energy efficiency programs help you manage your energy use. Through the combined programs of BPA and KEC, more than \$700,000 was paid to more than 2,000 members in energy efficiency rebates in 2010. This accounts for 2.4 million kilowatt hours in member energy savings. We continue to offer rebates on heat pumps, water heaters and appliances. [1329362]

Did you take advantage of our recent Buy One Get One Free promotion on compact fluorescent light bulbs (CFL)? Many members did and we sold nearly 1,200 bulbs during the special. If each one of those bulbs replaces an incandescent light bulb, that's a total savings of \$3,600 combined over the course of a year.

As a Touchstone Energy® Cooperative, our members have access to a valuable resource that not only identifies simple energy-saving tasks but also illustrates the real-dollar savings they produce, specific to your home. **TogetherWeSave.com** uses real savings calculations—based on KEC's rates and climate—to motivate and inspire small changes in behavior. Check it out at www.TogetherWeSave.com.

No matter what the future brings, one thing is certain—we're working hard to keep your electric bills affordable. *We're Looking Out for You.*

Doug Elliott
General Manager



LOOKING FOR WAYS TO CUT YOUR ELECTRIC BILL?
Visit www.TogetherWeSave.com

PLUG INTO SAFETY WITH PRACTICAL POINTERS



May is National Electrical Safety Month, and KEC is working to raise awareness about potential home electrical hazards and the importance of electrical safety.

According to the Consumer Electronics Association, the average home today has three televisions, two DVD players, at least one digital camera, one desktop computer and two cell phones.

Many homes and their electrical systems were built before most modern-day home electronics and appliances were even invented. Today's increased demand for energy can overburden an older home's electrical system.

KEC offers the following tips to help identify and eliminate electrical hazards to protect yourself, your family and your home:

- Make sure entertainment centers and computer equipment have plenty of space around them for ventilation.
- Use extension cords as a temporary solution, and never as a permanent power supply.
- Do not place extension cords in high traffic areas, under carpets, or across walkways where they pose a potential tripping hazard.
- Use a surge protector to protect your computer and other electronic equipment from damage caused by voltage changes.
- Heavy reliance on power strips is an indication that you have too few outlets to address your needs. [1744172]
- Have additional outlets installed by a qualified, licensed electrician.
- Keep liquids, including drinks, away from electrical items such as televisions and computers.

Electrical safety awareness and education among consumers, families, employees and communities will prevent electrical fires, injuries and fatalities. Visit www.kec.com or <http://virtualhome.esfi.org> to learn more about home electrical safety.

DIAL 811

Call Before You Dig

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

COMING SOON: eBILL AND PAY BY PHONE!

In the coming months we will offer eBill to our members. eBill allows you to receive your KEC bill electronically, saving paper and postage.

Next month we will launch a new system which will allow members to pay their bill 24 hours a day by phone. Watch for more details next month!

JOIN US FOR THE 12TH ANNUAL KEC GOLF CLASSIC

Our annual golf tournament is set for Friday, July 15, 2011, at Twin Lakes Village Golf Course.

The tournament benefits the Kootenai Electric Trust's Operation Round Up[®] Scholarship Program. Teams, sponsorships and donations needed. Call 208.292.3270 for details.

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

Members are welcome to attend KEC's monthly Board of Directors meetings. Meeting dates vary each month. Call Terry Brown at 208.292.3211 to learn more.

KEC OFFERS \$1,500 REBATE ON DUCTLESS HEAT PUMPS FOR QUALIFIED MEMBERS

Looking for an efficient option to heat and cool your home? With summer and the air conditioning season nearly here consider a ductless heat pump. A ductless heat pump is an efficient heating and cooling system that is easily installed as a new primary heat source for electrically heated homes. Ductless systems heat and cool homes at a fraction of the cost of baseboards and wall heaters. Ductless systems efficiently distribute warm or cool air around a home, making your living areas more comfortable. They are especially well suited to homes with open floor plans, as one indoor unit can heat/cool a large living space quite well.



KEC recently had a ductless heat pump installed in our office entry which did not have a heating/cooling source. The unit (see photo above right) was provided by Mitsubishi and installed by JB Heating. Since its installation our building entry has been nicely heated this chilly spring and will be air conditioned this summer. Stop by and check it out.

The ductless system design also allows you to retain the original aesthetics of a room. They do not require expensive and invasive ductwork, and they require only a three-inch opening in the wall or ceiling. Installation is as simple as mounting the indoor and outdoor units, connecting the refrigerant lines and making a few electrical connections. Most installations can be done in a day or two. [1333082]

KEC is currently offering members a \$1,500 rebate on ductless heat pumps. To qualify, members must have zonal electric heat (no natural gas) and be a single-family residence. Other conditions apply. To learn more visit www.kec.com or www.goingductless.com. Or call Chris Aiken, Energy Services Coordinator, at 208.292.3213.



Save Using Your Co-op Connections® Card!

Don't forget to use your KEC Co-op Connections® Card. This card is free and another benefit of being a member of KEC. It gives KEC members discounts at area businesses and helps promote local business. To find the full list of businesses offering discounts visit our web site at www.kec.com. It's a good idea to know the discount of the business you are visiting. If you don't have Internet access, call us at 208.292.3203 and we will send you a listing of all discounts.

Squeaky's Car Wash

5475 N. Government Way in Coeur d'Alene. 208.664.9247

Discount: \$1 off regular prices.

Quiznos

3904 E. Mullan Avenue in Post Falls. 208.773.0864

Discount: Buy one sub sandwich get one of equal or lesser value free. Good on all subs.

TAKE THE GUESSWORK OUT OF YOUR ELECTRIC BILL WITH BUDGET BILLING

Budget Billing is a billing program that averages your annual electric bill into equal monthly payments. Your meter is still read each month so you will see the actual readings and charges on your bill. Your account is reviewed regularly and, if necessary, adjusted due to changes in usage or costs, so there may be minor fluctuations in your averaged amount.

Twelve months' service location billing history and a zero balance are required to begin Budget Billing. Program participation is subject to credit approval. Call KEC at 208.765.1200 to sign up.