

Powerline Press

NEWSLETTER



A Supplement of Oklahoma Living Published by Lake Region Electric Cooperative for its members. **January 2025**

What is the Power Cost Adjustment (PCA)?

Lake Region Electric Cooperative (LREC) will display and include a line item on the electric bills to consumers each month; this is called the Power Cost Adjustment (PCA).

The PCA reflects the changes in the cost of producing electric power from our wholesale power suppliers, which is primarily caused by changes in the price of fuel for the generation of electricity. LREC's wholesale power suppliers obtain their electricity from many sources. Some of the power is produced at hydroelectric dams, and power purchased at this source fluctuates with the amount of rainfall. Most electric power comes from steam generation plants that use coal and natural gas as fuels to produce steam. The steam drives generators that create electricity. Pricing is challenging because the costs of coal and natural gas often fluctuate.

Many rural electric cooperatives and power utilities use a Power Cost Adjustment (PCA) formula to help address fluctuations in the cost of power generation. This formula allows these utilities to adjust rates to better reflect the actual costs of delivering power to their members.

The adjustment passes on the difference between the actual cost of wholesale power and the base cost used in determining rate schedules.

Breakdown of Current Charges

Service Availability	\$43.50
Energy Charge 1,180 kWh @ 0.07920	\$93.46
PCA 1,180 kWh @ 0.0077061	\$9.09
Total	\$146.05

The formula charges all consumers equally for either increases or decreases in the cost of producing electric power. It is essential to realize that it is not due to an increase in your electric rates but due to the changing fuel costs used to generate the electricity that you use daily. Remember, LREC is a member-owned electric co-op and not-for-profit entity. LREC has to cover its operating costs. Wholesale power is LREC's largest operating expense.

Members can calculate their own Power Cost Adjustment each month by multiplying the "factor" (indicated as Power Cost Adjustment on the electric bill) by the kWh used for the billing period. This "PCA factor" changes as needed (yearly), depending on the average price paid to wholesale power suppliers.

To Summarize the PCA:

- ▶ **Is not a change in rates.**
- ▶ **Does not make extra revenues for your co-op.**
- ▶ **Covers the annual change in the cost of fuel that is used to generate your electricity.**

What Does It Mean to Be a Member?

You're a Part of Something Bigger



LRTC employee Nathan Elkins and LREC employee Daniel Malon helped members cast votes for the board of trustees during last year's drive-thru annual meeting.

When you are a member-owner of an electric cooperative, you are more than a utility customer; you are part of a family (team) that works together to improve your community. To work efficiently and effectively, cooperatives rely on guidance from the Board of Trustees, **which is made up of members like you**. They also depend on the hard work of co-op employees and active participation from members through surveys, co-op calls, emails, and occasional focus groups.

⚡ We Are Member-Led

Co-ops are owned by and led by member-owners, so we need you to be an active part of our co-op family. That may mean serving in a leadership role, attending our Annual Meeting to vote on leadership, providing feedback, or learning about political issues affecting cooperative members.

⚡ Our Doors Are Always Open

Throughout the year, there will be opportunities for you to interact with our leadership and employees. We will keep you updated on our social media channels, newsletter, on our website about events like our Annual Meeting and member appreciation days.

Of course, our doors are always open, and we are here to listen. When you let us know what you need, we can work to meet those needs and be a better co-op for you.

Our Mission

At LREC, our purpose is providing our members safe, reliable, and competitive services for today and tomorrow.

Our Vision

LREC is viewed by its members as their trusted, preferred energy and internet provider and impactful community partner.

Our Financials

As a member-owned, not-for-profit electric cooperative, we pride ourselves on transparency. We publish an annual report every year and hold an annual meeting of the membership.

Capital Credits

Unlike other companies, we give our profits back to our members. Learn more about capital credits here: www.lrecok.coop/capital-credits

Board of Trustees

Our seven member Board of Trustees are a highly certified and educated group of leaders. These trustees meet monthly to set guidelines for the co-op's management and to direct your voice in the cooperative's operations.

Fiber Optic Subsidiary

It was members who came to LREC asking for help with reliable internet service in 2012. LREC listened and launched a multi-year construction project expanding our fiber-optic network on our electric system to provide high-speed internet to homes and businesses in our communities.

Continuous Learning in Action

LREC's Latest Graduates

Last month was full of accomplishments and recognition for our Operations and Engineering team.

"These recent graduates are highly motivated, and it shows with their pride in their jobs every day at the co-op," said Jerry Latty, Engineering and Staking Supervisor. "I cannot say enough about the quality of this group of men, and congrats on their recent diplomas."

Three of our Meter Technicians—Leonard Loveall, Mike Sellers, and Walter Pigeon—were honored earlier this year for completing the Meter Technician Certificate Program with Northwest Lineman College. This program is no small feat, demanding hours of study and three modules consisting of 30 books to ensure the highest standards of excellence in the field.

In addition, Taber Hoffman and Michael Snyman, two of our Staking Engineers, earned certification in Distribution Line Design and Staking through Utility Training Services Inc. This achievement highlights their commitment to mastering the complexities of electrical



Left to right: Taber Hoffman, Leonard Loveall, Mike Sellers, Walter Pigeon, and Michael Snyman.

distribution systems and elevating the quality of service in building new electric and fiber lines the cooperative provides.

At LREC, we take pride in fostering a culture of continuous learning. The employees' dedication to professional growth is a testament to their commitment to excellence and reflects one of the core cooperative principles: providing education and training to empower employees and support the development of the cooperative as a whole.

Shining Star Award

A special honor was presented to Amanda Merz, Engineer and Operations Administrative Assistant at LREC. Amanda received the Shining Star Award for going above and beyond the call of duty for the co-op.

One morning, while on her way to work, Amanda noticed a car driving erratically before it quickly darted into the parking lot of the Subway restaurant in Hulbert. Trusting her instincts that something was wrong, Amanda pulled into the lot to check on the situation. To her surprise, she discovered a woman in labor.

The woman's companion had already called paramedics, but Amanda sprang into action. Following instructions provided by emergency responders over the phone, she assisted in the delivery. After the baby was born, Amanda quickly retrieved her LREC sweater from her vehicle to wrap the newborn, ensuring the baby was kept warm until EMS crews arrived on the scene.

Amanda's presence of mind and willingness to help in a critical situation demonstrated her character and commitment to others. We are proud to recognize Amanda for her actions and her dedication to serving others. She truly embodies the electric cooperative spirit.



Amanda Merz

CONCERN *for* COMMUNITY

COOPERATIVE PRINCIPLE #7

LREC Helps Spread Holiday Cheer in Hulbert

At LREC, our commitment to the communities we serve is at the heart of everything we do. This spirit was on display during the Hulbert Christmas festivities last month, where several LREC employees pitched in to support the day's activities.

The day started out with a cookie stroll, a Christmas Tree decorating contest, and a chili cookoff before the evening finale with the downtown Hulbert Christmas Parade. The LREC 2024 float brought the magic of a "LREC Christmas Tree Farm" to life, complete with a snowy winter wonderland theme. The day of events showcased the creativity and teamwork that define our family-like atmosphere—qualities that shine even brighter during the holiday season.

LREC thrives because our employees are local and deeply invested in the well-being of the communities they call home. Guided by our cooperative principle of Concern for the Community, we are proud to contribute to making our area a wonderful place to live, work, and celebrate the holidays. 2616807



Left to right: Larry Mattes and family, Youth Tour 2024 delegate Haley Fort, Juanita Keener and family, Gloria Shankle, Aubrey Soban, Tracie Stafford and Youth Tour 2024 delegate Adam Luna.



Left to right: Phylis Johnson, Hamid Vahdatipour, Juanita Keener at Hulbert chili contest.

Your Board of Trustees

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Glen ClarkDirector of Marketing

Office Hours

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www.lakeregionfiber.com

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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.