## Powerline Press NEWSLETTER



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

August 2025

## Learn About the Upcoming Rate Adjustment

At LREC, we know rate changes are never easy. Starting September 1, 2025, members will see a rate adjustment on their electric bill. We first shared this news in our July newsletter. If you missed the July issue, you can find it online at www.lrecok.coop/powerline-press.

#### Why This Adjustment Is Needed

Every few years, we conduct a detailed rate study using an independent consultant to ensure our rates are fair, accurate, and aligned with the true cost of delivering electricity and operating your co-op.

After a review by C.H. Guernsey & Company, our Board of Trustees approved the upcoming changes. This decision followed months of discussion, operations forecasting, as well as looking for areas we can cut costs, and planning to ensure we can continue to deliver reliable service while maintaining the cooperative's financial health to meet our loans as well as operating expenses.

The primary factor driving this rate adjustment is the rising cost of wholesale power, which is beyond our control. Power supply from our generation and transmission provider, KAMO Power, makes up about 67% of LREC's total operating expenses. The cost has increased over the last five years, along with the prices of materials such as poles, wire, and transformers used to maintain our system. We are seeing some slight material price drops, but not substantial enough to hold off on a rate adjustment.

#### **What Residential Members Will See**

Here's how the change will affect residential members starting September 1:

Monthly Service Availability Fee: Increasing from \$43.50 to \$45.00, this fee helps cover the cost of keeping power available to your home. It supports system upkeep, right-of-way maintenance, and infrastructure like poles, wire, transformers and meters.

**Energy Usage Rate:** Increasing from \$0.0792 to \$0.0981 per kWh, this covers the cost of power we buy and deliver to your home.

**Power Cost Adjustment (PCA):** Decreasing from \$0.0077 to \$0.00 per kWh. The PCA is calculated annually and is used to reflect short-term changes in the costs from our power provider.

For the average household using **1,180 kWh** per month, the increase is roughly 10%. Actual increases will vary depending on your energy usage.

Current	Breakdown of Charges	
	vailability narge 1,180 kWh @ 0.07920 0 kWh @ .0077061	\$43.50 \$93.47 \$9.09
Total		\$146.06

New Rates Breakdown of Charges	
Service Availability Energy Charge 1,180 kWh @ 0.0981 PCA 1,180 kWh @ 0.000	\$45.00 \$115.76 \$0.00
Total	\$160.76

## **All LREC Electric Rate Class Adjustments**

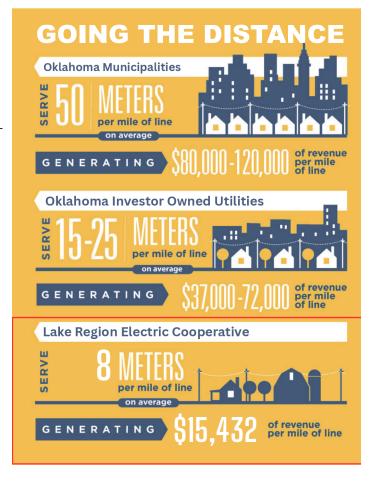
Rate Class	Charges on the Bill	Current Rate	New Rate
Residential	Service Availability Energy Charge PCA	\$43.50 \$0.0792 / kWh \$0.0077061/kWh	\$45.00 \$0.098100 / kWh \$0.0000 / kWh
General Service Single-Phase	Service Availability under 200 Amp Service Availability over 200 Amp	\$43.50 \$53.50	\$45.00 \$55.00
Three-Phase	Service Availability	\$73.50	\$75.00
Large General Service	Service Availability Demand Charge Energy Charge	\$150.00 \$11.25 / kW \$0.05130 / kWh	\$150.00 \$12.50 / kW \$0.061400 / kWh
Large General Service (Time-of-Use)	Service Availability Base Demand On Peak Demand Energy Change	\$150.00 \$3.55 / kW \$12.50 / kW \$0.04620 / kWh	\$150.00 \$3.75 / kW \$15.60 / kW \$0.056800 / kWh
Outdoor Lighting	Security Light 7,000 lumens Security Light 20,000 lumens	\$10.60 \$31.35	\$11.60 \$35.30

### Fewer Meters, More Miles: The Cooperative Difference

Unlike city-owned utilities or large investor-run power companies that serve dense urban areas, LREC serves rural communities with far fewer customers per mile of electric line. That means we literally cover more ground—maintaining more poles, wire, and equipment across our territory—with significantly less revenue per mile. Where a municipal or investor-owned utility may have 15-50 customers along a single mile of line, LREC averages 8 meters per mile of line.

Despite this, our commitment to reliable power doesn't change, and we were formed to provide service to these rural areas where others would not build lines.

To make this work, LREC takes a different approach. Our rates and fees are carefully structured to reflect the actual cost to provide service to rural areas. We're not in business to make a profit; we return margins as capital credits when there are margins—we're here to cover our operating costs and serve our members. We also collaborate with other electric cooperatives and organizations to create economies of scale. This cooperative model may look different, but it works, and it ensures rural folks get the same electric service that city customers receive.



# LREC Contributes \$1 Million to Local Schools through Gross Receipts Tax

## CONCERN PY COMMUNITY

As summer comes to a close and the anticipation of a new school year grows, the significance of quality education comes into sharper focus. LREC has long been a champion supporter of local school districts, reinforcing our dedication as a committed community partner. While electric cooperatives are not-for-profit businesses, it's important to note that LREC is not tax-exempt. Each year, LREC pays gross receipts tax to the Oklahoma Tax Commission, with a remarkable 95 percent of these funds distributed to schools based on the miles of electric lines in each school district.

In the fiscal year 2024, LREC made an impressive contribution of \$1,054,706 in gross receipts taxes, benefiting 33 local schools within our service area. Each dollar plays a vital role in enhancing educational success, as illustrated in the chart shown on this page.

When it comes to tax contributions that enhance education, electric cooperatives and their members distinguish themselves against other utilities. This dedication not only reflects our commitment to educational advancement but also embodies the cooperative spirit that strengthens our communities. Together, we are not just providing power to homes; we are helping local schools. *2500201* 

School	Miles of Line	Amount
Wagoner	382.91	\$126,958.36
Tahlequah	360.89	\$119,656.71
Hulbert	272.51	\$90,355.17
Coweta	258.64	\$85,755.64
Keys	224.50	\$74,435.86
Porter	195.64	\$64,867.47
Locust Grove	160.37	\$53,174.41
Peggs	155.81	\$51,659.60
Grandview	138.18	\$45,815.87
Lowery	131.80	\$43,701.68
Fort Gibson	126.16	\$41,829.29
Norwood	97.93	\$32,469.43
Oaks Mission	88.25	\$29,260.24
Braggs	76.99	\$25,527.26
Briggs	76.34	\$23,310.44
Inola/Gregory	69.79	\$23,138.67
Shady Grove	69.95	\$23,191.42
Okay	66.34	\$21,996.65
Woodall	66.80	\$22,147.95
Kansas	49.84	\$16,525.44
Haskell	19.97	\$6,621.44
Broken Arrow	20.20	\$6,700.09
Catoosa	18.80	\$6,232.52
Chouteau/Mazie	17.17	\$5,695.57
Westville	14.44	\$4,786.24
Webber Falls	12.74	\$4,224.04
Muskogee	3.18	\$1,053.37
Wickliffe	1.61	\$535.34
Leach	1.26	\$419.16
Gore	0.90	\$299.50
Tenkiller	0.79	\$262.56
Jay	0.16	\$53.81
Moseley	0.14	\$45.56
33 Schools	3,181	\$1,054,706





## **Summer Break Deserves Gig-Speed Fun!**

School's out, and the games are ON! Make the most of your kid's summer break with blazing-fast internet from Lake Region Fiber! Whether you're gaming, streaming, or surfing, we've got the speed to keep your whole family entertained this summer. Sign up today because summer waits for no one at www.LakeRegionFiber.com or call 918-772-2526!

With a Lake Region Gig or Multi-Gig, your family has internet fast enough to do it all at the same time without buffering: stream HD TV and movies on multiple TVs at once, play online video games, upload high-resolution photos, HD video chat with family and friends, listen to music and so much more. Only the Gig connections let you do it ALL. And it just so happens that a fiber network like Lake Region's has the technology to provide actual gigabit speeds.

#### **Your Board of Trustees**

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Gien Clark	CEO/ General Manager
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Jerry Latty	Director of Operations
Jarrod Welch	Director of Fiber & IT
Larry Mattes	Director of Marketing

## Office Hours

Monday-Friday 8:00 a.m. - 4:30 p.m. Telephone 800-364-LREC or 918-772-2526 Website:

www.lrecok.coop www.lakeregionfiber.com

#### Locations

Hulbert, Wagoner & Tahlequah, OK. **Main Office Address** P.O. Box 127 Hulbert, OK 74441

#### **Fast internet**

100 Mbps | unlimited data \$58.94 500 Mbps | unlimited data \$108.94 1,000 Mbps | unlimited data \$118.94

#### **Crazy fast internet**

2,500 Mbps | unlimited data \$148.94

#### Managed wireless

LRTC Provided Wifi Router \$10.00

#### Reliable home phone

Unlimited long distance \$29.95

#### **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.