



SPECIAL NOTICE TO MEMBERS

Has Your Status Changed?

Please let Kay Electric know if you've changed your name, address or telephone number.

Have you recently tied the knot, gotten divorced or become widowed? If your name, address or telephone number has changed for any reason, Kay Electric needs to know.

Up-to-date, accurate information makes it easier for you to conduct business with your co-op when you call. It also helps Kay Electric keep you informed about important co-op business and ensures your capital credits are properly applied.

When updating your records, please make sure you include the names of any individuals who are approved to discuss your account with us. Federal laws prevent us from discussing account details with anyone not listed on your account.



You can easily update your records by filling out the change of address stub that accompanies your electric bill and returning it to us or simply log on to SmartHub and click on My Profile, or call Kay Electric at **800-535-1079**. Thank you for helping us serve you better!

HIDDEN ACCT. #324006

Kay Electric Cooperative
300 W Doolin Ave • PO Box 607
Blackwell, OK 74631

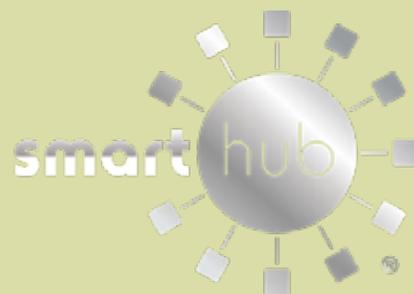
Tele: (580) 363-1260
Toll Free: **(800) 535-1079**

www.kayelectric.coop



Convenient Bill Paying Options

-  Pay online using our secure site at www.kayelectric.coop
-  Pay via telephone during office hours by using a major credit card at **800-535-1079**
-  Pay in person at KEC or use our 24-hour payment drop box in Blackwell



BOARD OF DIRECTORS

- District 1.....Jake Olsen
- District 2.....Chad Otto
- District 3.....Ron Shoffner
- District 4.....Max Hohmann
- District 5.....Mike Lebeda
- District 6.....Brady Hostetler
- District 7.....Kent McAninch
- District 8.....Dr. Tim Blanton
- District 9.....Verl Brorsen

General Manager/CEO
Tim Rodriguez

Season's Greetings

PLEASE NOTE OUR HOLIDAY HOURS

Kay Electric Cooperative will close December 25-26 for Christmas and January 1 for New Year. To report a service problem during this time, please call **800-535-1079** or use SmartHub.

From all of us at Kay Electric Cooperative,
please have a safe, happy holiday!





The Best Christmas Gift is Your Time

Chilly temperatures and wintery weather can make it difficult for some senior citizens to travel to the doctor, pharmacy, and even the grocery store. They may neglect routine maintenance chores around the house such as fixing leaky faucets or replacing light bulbs. Those on a tight budget may skimp on basics such as food and heat, just to get by.

This holiday season, consider giving those in need the most valuable gift of all—your time. Check on your aging friends and neighbors regularly. Offer to drive them to the grocery store or help them with tasks around the house.

Be sure to take action if you haven't seen them in awhile, or if you notice mail or newspapers piling up. Your thoughtfulness will be appreciated more than any store-bought gift.

HIDDEN ACCT#1396201

\$25 is hiding in this issue!

Please read your newsletter carefully. If you spot your account number hidden in these pages, please contact Kay Electric immediately to claim a \$25 credit on your electric bill. If no account numbers are claimed, the prize money will carry over to the next month for a maximum bill credit of \$50.

800-535-1079
contact@kayelectric.coop

How Future Rates Benefit You

It's not how much you use, it's when you use it.

Advanced technology is changing the way we in the electricity business price our service—and consumers stand to benefit. Today, utilities can monitor electricity demand hour-by-hour and even minute-by-minute. When demand for electricity is at its highest, we refer to this as “peak demand” or “peak usage.” As demand climbs, power plants work harder, and the price of wholesale electricity generated during that time goes up.



By Tim Rodriguez, CEO
KAY ELECTRIC COOPERATIVE

Every month, Kay Electric receives a power bill from our power supplier. A big part of this cost is our peak demand, which is billed at the higher rate. As a co-op member, you receive a monthly electric bill, too, but unlike Kay Electric's wholesale power bill, you pay the same price for your electricity, no matter when you use it. This disparity between what you pay for electricity and the actual cost of power isn't good for you or your cooperative.

When we measure electricity consumption, we look at kilowatt demand (kW) and kilowatt-hours (kWh). The kW is the measurement of the highest volume of electricity needed at one particular instant. This factor helps us determine how large a transformer we need to service a load. The kWh sim-

ply measures the total number of kilowatts used over a given period, typically 30 days.

For example, my home typically demands 10 kW during expensive peak hours on a hot summer day. During the same period of time, my neighbor's home only demands 5 kW. Because I'm using more expensive “on peak” electricity than my neighbor, it would make sense that I would pay more, but I don't.

Kay Electric currently relies on the traditional utility billing method that recognizes the total kWh used in a 30-day period multiplied by the monthly kWh rate. If my monthly kWh usage is the same as my neighbor, we pay the same amount although my home places more of a cost burden on Kay Electric. Under this rate structure, my neighbor is shouldering the burden of my additional on-peak usage cost.

It sounds complicated, but once you understand it makes good sense. For years, electric utilities billed consumers using this simple structure because we lacked the technology to monitor usage in minute-by-minute intervals. Now that we have this technology, we must change our rate structure accordingly to ensure fair and equi-

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Energy Efficiency

TIP OF THE MONTH

Purchasing electronic gifts this holiday season? Remember to purchase Energy Star-certified electronics and give the gift of energy efficiency. Visit www.energystar.gov/productfinder for a full list of efficient products.

SOURCE: ENERGESTAR.GOV



“Kay Electric’s new rate structure will allow you to shift some of your electric usage away from the expensive peak hours and save on your overall electric bill.”

Rates

Cont’d

table pricing among ratepayers. Members who are willing to shift some of their usage to off-peak hours will lower their peak demand while saving themselves and their cooperative money. Those who choose to run “full bore” during peak periods will pay more for their power because it costs more to generate it during that time. That’s fair to everyone.

In the new world of electricity prices, it’s not how much you use, but when you use it. In the near future, your Kay Electric bill will include the total kWh of energy used in a 30-day billing period, plus your kW demand during peak periods. This rate structure will allow you to shift some of your electric usage away from the expensive peak hours and save on your overall electric bill.

A Closer Look At Changing Rates



The samples below show how future electric bills might look for Member A and Member B. Notice that the kWh usage is the same for each member, but the peak usage differs. Member B used less electricity during the peak hours of 6 am to 9 am (peak hours for cooler months) so their bill is considerably less. NOTE: The kWh rate shown below is not Kay’s Electric’s current kWh rate.

Member A:	Member B:
Service Access Fee.....\$30.00	Service Access Fee.....\$30.00
kWh Charge 1,500 @ .089.....\$133.50	kWh Charge 1,500 @ .089\$133.50
Peak Hrly Usage 10 kW @ \$2.50..\$25.00	Peak Hrly Usage 5 kW @ \$2.50.....\$12.50
Total.....\$188.50	Total.....\$176.00

When we make the switch to the new rate design, Kay Electric’s kWh rate will go down. As you become more aware of your usage patterns and more familiar with our peak periods, the kWh charge will continue to drop; meanwhile, the kW peak usage charge will go up to bring your billing structure more in line with Kay Electric’s bill from our power supplier. With more “real time” pricing available in the future,

you’ll be able to develop usage patterns that save you and your co-op money.

Kay Electric will notify members 60 days prior to any change in rates. If you have questions or concerns about the new rate structure, please call us at **800-535-1079**. We believe the new structure is better for our members and we look forward to visiting with you about it.

Kay Electric Peak Periods

When Kay Electric adopts its new rate structure, members who use less electricity during the peak periods shown below will save more money. Lowering peak use is easy by shifting tasks such as running the dishwasher or washing clothes to less expensive off-peak hours.

Peak Period	Months	Hours
Warmer Months	May 1 - October 31	4:00 pm - 7:00 pm
Cooler Months	November 1 - April 30	6:00 am - 9:00 am

Game Console for Xmas?

Newer models use less energy

If a video-game fanatic is on your holiday shopping list, consider updating his or her video game console to a newer model.

Newer consoles use a lot less energy than older ones. Still, gaming consoles are so energy inefficient that the National Resources Defense Council a couple of years ago estimated they consume enough electricity nationwide each year to power every house in Houston, Texas.

Game consoles cost a collective \$1 billion in energy costs each year. And \$400 million of that power is used while the gamers are sound asleep. The NRDC found that while the consoles are in standby mode—when nobody is using them—they still “listen” for voice commands, like “turn on,” which takes a lot of energy.

In fact, the report said, some consoles consume more energy each year while they are in standby mode or playing videos than they do for playing games. Video streaming on a console is especially energy-intensive, said the report, which noted that watching high-definition movies on a video player or TV uses far less electricity.

Find more energy saving tips at www.kayelectric.coop, or call 800-535-1079 to learn about our energy-saving services.

Recipes

Breakfast Casserole

Contributed by Christi Olsen, Newkirk.

INGREDIENTS

10 eggs
½ cup flour
1 pint cottage cheese
1 lb. shredded Monterey Jack cheese
¼ cup butter, melted
1 can diced green chilies
1 lb. cooked sausage

DIRECTIONS

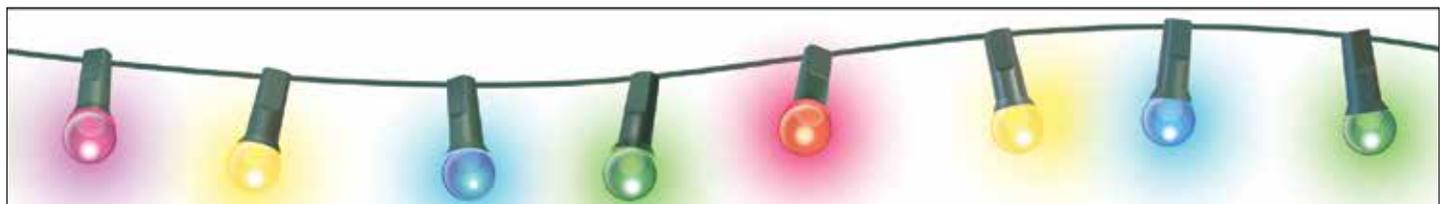
Beat eggs until foamy. Add butter and mix until smooth.

Stir in remaining ingredients.

Bake in 9x13 dish at 350°F. for 35 minutes. If refrigerated overnight, add 10-15 minutes.

Place cheese on top and microwave 3 minutes.

HIDDEN ACCT #269201



MERRY, BRIGHT AND EFFICIENT HOLIDAY LIGHTING

Decking the halls doesn't have to take a toll on your energy bill! Keep your holiday lighting merry, bright and energy efficient with LED light strands.

- Consider replacing older light strands with new ENERGY STAR LED® lights. LED strands are 70 percent more efficient and last 10 times longer than the age-old standard bulbs.
- You can get the look of cozy lighting with LEDs. Just look for “warm white” on the label.
- Unlike older light strands, LED lights give off virtually no heat, making them safer for kids and pets (and reindeer).
- Save energy by setting a timer for outdoor lighting and decorations. Program the timer so the lights turn on in the evening and turn off later at night when you typically go to sleep.