

MEMBER SERVICES

AUTOMATIC MONTHLY PAYMENT PLAN

Allows your monthly electric bill payment to be automatically deducted from your bank account on the due date. Sign up online (clayelectric.com) or call your local district office.

ONLINE ACCOUNT INFORMATION

Visit the Clay Electric web site (clayelectric.com) and access your account information:

- View your bill statement
- Make a one-time payment online
- View current charges
- View account balance
- View billing history
- View estimated meter reading dates
- Request emailed bill statements (Clay eBill).

PROJECT SHARE - Help others by designating a tax-deductible amount to be added to your electric bill or make a one-time donation.

REMOTE METER READING (RMR) - Enables a co-op meter reader to obtain the meter reading without entering the homeowner's property. The monthly charge is \$3.95.

ENERGY SMART REBATE PROGRAM - Offers rebates for members who install additional insulation in their homes, or who install a high efficiency heat pump or solar water heating system.

ENERGY EFFICIENCY LOANS - Available for the purpose of installing certain energy efficiency measures, including metal roofing and solar water heaters.

SURGEBLASTER - High quality surge protection equipment at a low monthly lease.

MARATHON WATER HEATERS - Marathon water heaters are the most energy efficient electric resistance water heater on the market and are offered in an array of sizes (15 to 105 gallons).

LONG DISTANCE PHONE SERVICE - Clay has contracted with TransWorld Network Corp. (TWN) to offer members competitively priced long distance phone service. Call (877) 877-CLAY (2529) for more information.

PAYMENT STATIONS - Clay has contracted with Fidelity Express to offer payment stations for paying your electric bill at various businesses in the co-op's service area. Fidelity Express charges \$1 for each transaction. A list of payment locations is available online (clayelectric.com) and at your local district office.

Small net increase in base rate

From the cover panel

adds to the cost of operations, plus inflation has continued through the years. And the last time the co-op increased its energy charge was in 1992! A recent comprehensive rate study by an outside firm indicated that a small rate increase was prudent.

Has the co-op tried to hold down costs?

Yes, absolutely! Clay Electric has been very successful in this endeavor for a number of years. One of the co-op's continuing goals is to look for ways to reduce costs. Clay has been very successful and that's why the co-op is able to keep the increase in the base rate to a minimum.

What is the Florida Public Service Commission's role in the approval process?

The co-op's board of trustees reviewed the rates and subsequently approved the new rates. The role of the Florida Public Service Commission is to review the rate structure – to make sure that all rate classes are treated fairly.

Some members may wonder why electric rates haven't dropped like gasoline prices.

Fuels used to generate electricity aren't the same as those used for automobiles. Utilities use a variety of fuels to generate electricity in their base-load plants. Seminole uses coal for 60 percent of its generation, along with natural gas, and smaller amounts of electricity come from fuel oil, nuclear and renewable energy sources. These fuels (coal and natural gas for example) are purchased in advance with long-term contracts to ensure price stability. Coal has seen considerable price increases in the past year due to increased demands from foreign countries. Gasoline is refined from crude oil and crude oil's price per barrel is established daily on world markets. Currently crude oil hovers around \$50 a barrel, due mostly to a decline in worldwide demand for gasoline. Demand for gasoline in the United States is down 5 percent over this time last year due to motorists cutting back on their driving. When worldwide demand for gasoline was much higher, and supplies tighter, such as this past summer, a barrel of crude oil cost \$147 and gas prices hit \$4 a gallon.

The Clay Electric Cooperative, Inc. _____

Power Line

December 2008

Some answers to your questions about Clay's small rate increase

As announced in the enclosed flyer, a small base rate increase was approved by Clay Electric's board of trustees at its monthly meeting on Nov. 25.

The net increase in the cost for 1,000 kilowatt hours (kWh) of electricity for a residential member is only \$2.05 (1.94 percent). The new base rate will apply to all kilowatt hours billed on January electric bill statements. An increase in various service charges was also approved by the board. Please see the special flyer which announces in more detail the increase in the base rate and various service charges. The flyer also provides a detailed comparison of 1,000 kWh under the current rate and the new rate. A summary of the rate schedules and the service charges are printed in this issue of Power Line.

A couple of questions may come to mind, like "why the increase?" and "has my co-op tried to hold down costs?"

Why the increase?

For a number of years, the co-op's board, management and employees have been able to hold down expenses through efficient operations. However, various operational expenses (such as transportation, wire, poles, transformers and labor) have continued to go up. Compliance with new regulations also

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 **Clay Electric Cooperative, Inc.** _____

A Touchstone Energy Cooperative

Summary of Rate Schedules

Residential Service – Rate Schedule R

Billing Codes: R, RS, RSS, RTS, S & T

Effective January 1, 2009

Monthly Customer Charge-	
Rates R & RS without subdivision outdoor lighting	\$11.00
Rates S & RSS with subdivision outdoor lighting (+\$1.20*)	\$12.20
Rates T & RTS with subdivision outdoor lighting (+\$2.30*)	\$13.30
Energy Charge per kWh (for first 1,000 kWh).....	\$0.0741*
Energy Charge per kWh (over 1,000 kWh)	\$0.0841*

*Plus current month's Power Cost Adjustment and applicable taxes.

General Service Non-Demand – Rate Schedule GS

Billing Codes: D & DS (Small Commercial) & I (Irrigation Service)

Effective January 1, 2009

Monthly Customer Charge.....	\$11.00
Energy Charge per kWh	\$0.0787*

*Plus current month's Power Cost Adjustment and applicable taxes.

General Service Demand – Rate Schedule GSD

Billing Code: PG (General Service Demand)

Effective January 1, 2009

Monthly Customer Charge.....	\$55.00
Demand Charge per kW	\$4.00
Energy Charge per kWh	\$0.055*

*Plus current month's Power Cost Adjustment, applicable taxes and Power Factor Clause.

Outdoor Lights – Rate Schedule L (monthly)

Effective January 1, 2009

Small Light (7,000 Lumens).....	\$7.10*
Large Light (20,000 Lumens)	\$10.25*
Small Flood Light (27,500 Lumens).....	\$12.35*
Large Flood Light (50,000 Lumens)	\$16.35*
Pole Rental, if necessary.....	\$3.50

*Plus current month's Power Cost Adjustment and applicable taxes.

Contact your district office for current month's power cost adjustment.

Service Charges

Service	During Work Hours	After Hours	Weekend/Holiday
Cut-on, Transfer, Trip charge	25.00	50.00	75.00
New Service Fee	125.00		
Reconnect Outdoor light	25.00		
Relocate Outdoor light	25.00		
Temporary Service Connect Fee	40.00		
Trouble Call (member's problem)	25.00	50.00	75.00
Collection Charge in Field:			
Regular Trip	20.00		
Special Trip	25.00		
Each Add'l Delinquent Acct.	2.00		
Non-pay Reconnect	40.00	65.00	90.00
Return Check Charge	25.00	or 5% (\$50 max.)	
Return Check Worked in Field	25.00		
Cut-off on Pole	50.00	80.00	
Meter Test	10.00		
Special Handling (inaccessible meter)	25.00		

Power Line is an informational publication of Clay Electric Cooperative, Inc. It is distributed monthly with members' billing statements. If you have questions or comments about the Power Line publication, contact Editor Wayne Mattox at P. O. Box 308, Keystone Heights, FL 32656; e-mail: WMattox@clayelectric.com.

Clay Electric also publishes the Kilowatt four times a year (January, March, July and October). The Kilowatt is the official voice of Clay Electric and has been published continuously since 1948 as an informational and educational service for co-op members.

Clay Electric's web site (<http://www.clayelectric.com>) offers lots of online services such as payments, and information about the co-op's programs and services. Members can also write their own ads online to be published on the web site's Trading Post. To enter your ad on the Trading Post, you must use your Clay Electric customer number which is printed on your electric bill statement.

Clay Electric's Board of Trustees will meet on Dec. 18 and Jan. 29 beginning at 12:30 p.m. in Keystone Heights.

Message from the Manager

Bill Phillips



Economic downturn has also had an impact on Clay Electric

We're preparing to wrap up another year here at Clay Electric. As many of you know, the economy took a turn for the worst this fall and it looks like it will take a while for things to mend. We certainly haven't been immune to the economic downturn. For awhile we've been seeing a decline in the number of new members joining our lines. We've seen an increase in the number of members experiencing financial difficulties due to job losses, store closings and layoffs. We've seen many of our expenses rise, like the cost of metals, materials for construction and the price of fuels to power our vehicles.

Some of you may wonder why we're announcing a small rate increase January 1st. We haven't had an increase in our residential rates since 1992, and since that time many of our expenses to provide service have increased significantly. We had an outside firm study our rates and they suggested that a small rate hike was prudent. Despite this small rate hike, our residential rate for 1,000 kilowatt hours of electricity remains among the lowest rates offered in the state.

One of our ongoing goals has been to offer our members competitive rates, and I'm glad to say we've been very successful in this regard. We have cut our expenses, enacted fiscally conservative budgets and emphasized efficiency and productivity improvements whenever possible.

We pledge to do our best to provide you with competitive rates and excellent service.