

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 website (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.

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 \$1.50 for each transaction. A list of payment locations is available online (clayelectric.com) and at your local district office.

Your co-op is on Facebook

Social media continues to grow in popularity and many businesses and organizations are using it to reach out to their customers.

Clay Electric joined the social networking site, Facebook, two years ago. The Member & Public Relations Department has been actively connecting with members and others who 'like' us.

Wayne Mattox, manager of communications, says the communication staff's ability to make use of multiple mediums is important.

"We generate a considerable amount of information about our programs and services, and having a presence on Facebook helps us share this information with folks we aren't reaching through our traditional communication channels, like our printed newsletters or bill inserts," Mattox said.

While we all hope the hurricane season doesn't send a storm our way, if a prolonged outage event does occur, Clay can use Facebook as a tool to get restoration updates out to its members.

You can visit Clay's page at www.facebook.com/ClayElectric



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 Kathy Richardson at P. O. Box 308, Keystone Heights, FL 32656; e-mail: KRichardson@clayelectric.com.

Clay Electric also publishes the Kilowatt six times a year (January, March, May, July, September and November). 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 website (<http://www.clayelectric.com>) offers online services such as payments, and information about the co-op's programs and services.

Clay Electric's Board of Trustees will meet on August 22 beginning at 12:30 p.m. in Keystone Heights.

3040-22513

The Clay Electric Cooperative, Inc. _____

Power Line

August 2013

Surge protection available through your co-op

Inside today's electronic equipment are powerful, sensitive microprocessors. A split-second change in voltage outside the normal range can scramble data saved in tiny, delicate silicon chips and circuit boards.

High quality surge protection equipment is available for purchase or lease through the co-op's surge protection program. This equipment will help protect sensitive electronic equipment from power surges caused by events triggered from both outside and inside the home.

The SurgeBlaster program provides the highest quality surge protection equipment, is UL-listed and meets the IEEE 587 standard for surge suppression equipment.

The basic SurgeBlaster package includes one meter base suppressor and one all-in-one (satellite/tv/dvd/computer/phone) suppression module. Hard-wired suppressors for equipment like pool and well pumps are available at an additional cost. Call your local district office for more information.



 Clay Electric Cooperative, Inc. _____

A Touchstone Energy Cooperative 

Report from the manager

Ricky Davis

General Manager/CEO



Increases for rates, customer charge set for October

As I announced in the July Kilowatt, we will implement a rate increase for our residential and commercial accounts beginning on October 1 of this year. We are also increasing our customer charge by \$3, which is currently at \$14.

Residential members who use 1,000 kilowatt hours of electricity will see a 4.13 percent increase in their power costs (\$1.50 more due to the rate increase plus the \$3 hike in the customer charge). Our rate for 1,000 kilowatt hours (kWh) is currently \$109. It will increase to \$113.50 on October 1.

Our members, on average, use 1,171 kWh monthly. These members will pay \$4.50 more per month (an increase of 3.5 percent).

Despite these increases, our rates and customer charge will still be among the lowest when compared to other electric utilities in the state.

As I explained in my Kilowatt message, a recent study of our financial conditions showed that our power sales have been on a downward slide which has caused our revenue to also decline. If these trends continue, they could hurt the financial strength of this cooperative.

Although we have been offering some of the lowest electric rates in the state the past few years, we must address the changing

economic and financial conditions facing us.

For example, our membership growth has basically “flatlined” in the past few years. Economists report this nation’s growth has been dismal, unemployment has hovered at 7.5 percent or above since 2009, and job growth has been painfully slow. The University of Florida reports this state can expect a 1 percent growth rate in population into 2014. Incomes have suffered as folks have been laid off. Foreclosures in Florida that result in vacant homes have gone way up. These factors have had a lot to do with our lack of member growth the past few years.

The drop-off in power usage isn’t all due to the economy. We’ve experienced several unusual weather periods (mild winters, cool springs and mild summers) that have meant members have used less electricity to heat or cool their homes.

Last year, our members’ average monthly electricity usage dipped to 1,171 kWh. The last time we experienced kWh usage at last year’s level was before 1998. We’ve seen a nearly 15 percent decline in the average monthly household usage in just the past two years.

We have also seen sizable increases in our cost of equipment, poles and wire.

We don’t know which direction power consumption will go in the near term. If the economy improves, our power sales may begin climbing. If the economy continues to stumble, kilowatt hour sales may continue to slide.

As I mentioned last month, I have set a course of action that I believe will maintain our financial strength while enabling us to continue to provide you with competitively priced power.

Here’s what we plan to do:

1) As I mentioned, we will implement a rate increase beginning on October 1 of this year and increase our customer charge by \$3.

2) In order to decrease our expenses, I have authorized the layoff of a contract painting

crew assigned to painting padmounted transformers and a contract crew handling ground-line pole treating. We’re also evaluating our Vegetation Management program for possible savings. We will also do a top-to-bottom review of our construction and maintenance programs to ensure proper focus.

3) Our 2014 budget will be “bare bones.” We’re entering the budget and planning time of year, and all our major expense proposals will be closely scrutinized.

4) A five-year building program that addressed a need to replace our aging buildings has been put on hold. Many of you know we opened a new district office in Lake City and our Orange Park district office was renovated to bring it up to code. Plans to build a new central office facility and two new district offices have been put on hold. These types of capital expenditures don’t affect our expenses all that much because the money is borrowed and paid back over a long period. But I think it’s wise to put these projects on hold.

5) We will continue to evaluate how our resources are used, to maximize effectiveness and productivity. But I can assure you we’re doing more work today using fewer employees than we had 25 years ago.

The changes and actions I have outlined are in response to a difficult set of circumstances we face. I believe these actions will help preserve the cooperative’s financial strength and enable us to avoid reducing the level of service we provide.

For the past few years, we’ve been able to offer you some of the lowest rates in the state. Even with the rate increase in October, we will still offer some of the lowest rates in the state.

We know many of you are hurting financially. It’s always difficult to announce a rate increase, but we believe you want us to take steps to ensure that Clay Electric remains financially healthy. As always, we appreciate your support.