

When we save, YOU SAVE

LCEC has been working hard to maintain electric rates. Although the economy may be improving, we understand that some customers continue to struggle and we want to help. We improved our budget process for 2015 to identify the minimum amount of funding needed to conduct business as usual while maintaining service and reliability.

LCEC hasn't raised rates in seven years, while expenses such as materials, labor and technology continue to rise.

"We know it is critical to evaluate processes and systems to determine the best way to achieve operational efficiency and identify savings opportunities that impact the bottom line," said Chief Financial Officer Denise Vidal. *"Employees are continually looking for ways to pass savings on to our customers."*

These are just a few of the tactics LCEC has used over the past few years to ensure customers are receiving the best value for their dollars while enjoying stable rates.



Automated switching increases reliability

Over the years, LCEC has been diligent in adopting automated technology solutions. The use of distribution automation switches has resulted in reliability improvements throughout the five-county LCEC service territory. Automated switches help to reduce the total amount of time that customers are without power.

HOW AUTOMATED SWITCHES WORK

Switching is accomplished through automatic isolation of segments of the distribution system using sensors, controls, switches and communications systems. The automated switches can open or close in response to a fault condition or through a control signal sent from another location. Power can be rerouted to and from other parts of the system.

RESULTS

The duration of outages is reduced because the automated switching eliminates the time required to dispatch a crew to manually operate switches. In addition, isolating the part of the system that is not damaged helps to reduce the number of customers impacted. Restoration time is also enhanced because it is easier to locate and repair the fault.

Utilizing this type of technology has not only improved reliability, but cost reductions are also derived from the reduced number of trips to the field and time saved in locating outages. Productivity is also increased during maintenance activities because much of the de-energization and re-energization of the system can be completed through automation.



CORPORATE GOVERNANCE best practices

LCEC is committed to strong corporate governance. Protecting the interests of customers, building trust, and leadership accountability are the cornerstones of LCEC's approach to corporate governance.

The LCEC Board of Trustees is elected by all customers to have oversight of the financial strength and long-term health and success of the business. Although Trustees typically are not involved in day-to-day activities, they do exercise business judgment to act in the best interests of LCEC and its customers. They direct the leadership team and employees by setting policy and strategic direction and ensuring goals and objectives are met.

Board members are nominated by a nominating committee of ten LCEC customers. The credentials of the application process include business and community experience. The election is implemented through an independent election vendor, and customers are entitled to vote for all district seats. In accordance with the bylaws, Trustees are elected for a term of three years. Terms are staggered so that experience and expertise are available on the Board at all times.

The LCEC governance structure has evolved to help create value and provide accountability and control systems for the organization.

LCEC'S HOLIDAY HOURS

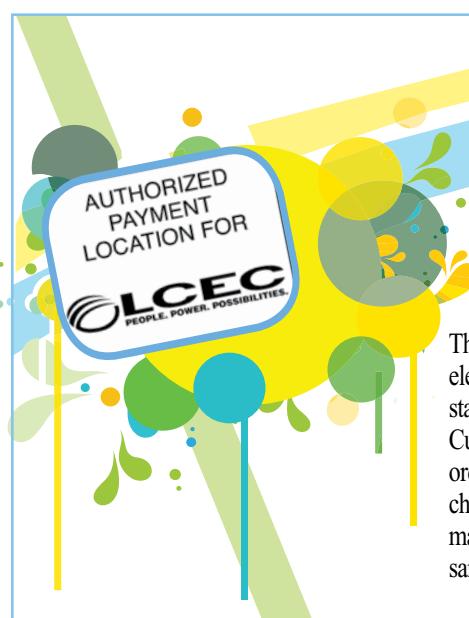


For the fastest service, the best days to phone the LCEC Customer Care Center are Tuesday, Wednesday and Thursday between 7 a.m. and 6:30 p.m.

During the holidays, LCEC offices will be closed Wednesday, December 24, and Thursday, December 25.

Nearly 40 AUTHORIZED PAY STATIONS to meet your needs!

There are several options for making your electric bill payment. LCEC partners with 37 pay stations located throughout the service territory. Customers can pay with cash, check, money order, cashier's check or traveler's check. Vendors charge a \$1.50 service fee, and payments must be made before 8 p.m. to post to your account on the same day.



Have you ever driven by a house that looked like the owner spared no expense when putting up holiday lights and decorations? Did you wonder how much their electric bill must be?

Surprisingly, lighting alone doesn't use a large amount of energy. But you could see a significant increase in your bill by using many strands of lights during the holiday season.

For example, one string of 50 large, non-flashing, outdoor bulbs will cost about \$4.30 to run for five hours a night for 31 days in December. If you decorate with 10 strands, you'll pay an extra \$43 in electricity costs.

The miniature lights don't use as much electricity. It would cost just over \$3 for one strand or \$30 for 10 strands.

The cost for icicle lights might be lower than you think. They fall in between the large lights and miniature lights at about \$3.70 per strand, or \$37 for 10 strands.

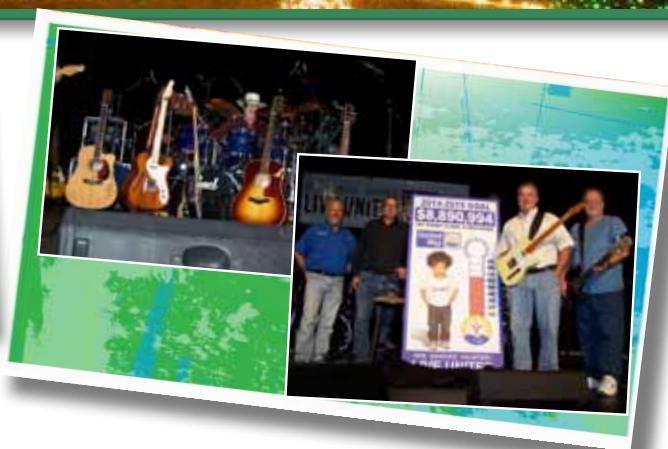
Just how much does it cost to decorate for the holidays?

If you would like more information, visit www.lcec.net.



Taking it to the streets FOR GOOD CAUSES

Team LCEC put their running/walking shoes on to help those in need. Raising funds for the American Cancer Society's Making Strides event is always important to employees, friends and family because the disease hits so close to home. Within weeks, the team was pounding the pavement again to raise funds for the United Way at the LCEC Goblin Gallup. The feedback was great with comments such as, "Loved this event! I'll certainly run in this again."



A SONG IN OUR HEARTS

The LCEC Killa-Watts helped raise funds for local veterans when they opened at a Lee Greenwood concert in October. The band didn't miss a beat when they played in front of more than 800 local business people at the United Way Pacesetters breakfast three days later.

Stay in hot water and save

Water heating can account for 14 to 25 percent of the energy consumed in your home, second to cooling and heating. Understanding your habits and learning how to conserve will help manage your water heating costs.

Daily baths and showers are the primary use of hot water. Family size drastically affects the annual energy use for heating water. A 40-gallon water heater consumes approximately 150 to 200 kWh per month for a two-member household when set at 120 degrees Fahrenheit. This temperature is effective for most uses.

Checking or changing the temperature

1. Turn off the power breaker to the water heater
2. Open the thermostat panel with screwdriver
3. Move insulation to access thermostat
4. Use screwdriver to adjust

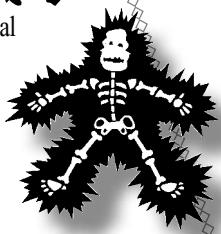


CUSTOMER SURVEY WINNER

If you receive an LCEC customer survey in the mail, return it for a chance to win \$50. October's winner was Mary Richardson of St. James City.

Your body is a conductor of ELECTRICITY

We all handle electricity daily; it is essential to our lives. We charge our cell phones, turn on lights and the television and use office equipment and appliances. Handling electricity carelessly can be dangerous.



Electricity can flow through water. The human body is made mostly of water, which means your body can be a conductor of electricity. When this happens, an electrical shock occurs. You wouldn't believe how just a little electric current can be fatal. A hair dryer, electric shaver or holiday lights can injure or kill if not handled safely. To prevent electrical accidents, check the insulation of wires, stay away from electrical equipment that has warning signs, and never touch downed power lines or electric appliances contacting water. If you see someone who is being shocked, call 911 immediately, and do not try to touch them.



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LCEC is a nonprofit corporation. Established in 1940, LCEC delivers power to more than 204,000 customers. LCEC News is published monthly for customers by the Public Relations Department, P.O. Box 3455, N. Ft. Myers, FL 33918-3455 (800) 599-2356 or 239-656-2300 • www.lcec.net