



How do LCEC electric rates COMPARE?

One of the LCEC strategic priorities is to provide competitive rates for our members while ensuring financial strength. According to the U.S. Energy Information Administration, the average monthly residential electric bill in Florida is \$123, which ranks 9th in the United States. The average rate for electricity in Florida is 11.42 cents per kWh, and the national average is 11.88 cents. After the most recent rate decrease in January, LCEC rates are 10.35 cents per kWh—which is well below both the Florida and the national average. Even so, LCEC’s long-range plan is to become one of the five lowest-cost residential providers in Florida. Currently holding the spot for the lowest rates among Florida cooperatives, LCEC is gaining ground when compared against investor-owned and municipal electric utilities.

LCEC purchases power from FPL, who recently announced potential residential rate increases in the coming years. These retail rate increases have very little relation to the cost of purchased power, and there is no anticipated impact on LCEC residential electric rates. We are proud of the cost management, process improvements, and system maintenance that have allowed us to reduce rates four times in the last two years, and we will continue to strive to keep rates competitive.

FLORIDA COOPERATIVE RESIDENTIAL RATES PER 1,000 KWH

LCEC	\$108.45
Gulf Coast Electric Cooperative	\$117.10
Clay	\$117.90
Florida Keys	\$119.67
Sumter	\$120.70
Withlacoochee	\$123.68
Choctawhatchee	\$127.08
Talquin	\$129.10
Suwannee Valley	\$129.30
Central Florida	\$135.00
Tri-County	\$137.00
West Florida	\$137.14
Okefenokee	\$137.60
Peace River	\$139.39
Glades	\$142.00
Escambia River	\$147.00

Maintaining the electric system through thick and thin



The LCEC power grid is the highway that delivers electricity to homes and businesses throughout five counties. Most utilities maintain their system to address threats from local weather patterns. In Southwest Florida, each geographic area also presents unique scenarios that have the potential to cause power outages. Last year, LCEC reliability was within our top five best. Following are just a few factors that influence power reliability and how LCEC employees prepare, adapt, and respond to keep the lights on in the most cost-efficient and effective manner possible.

Extreme lightning vs. technology – Protective devices help to avoid extended outages and prevent damage to the system caused by lightning.

Vegetation vs. vegetation management – LCEC utilizes tree-trimming specialists and low-volume herbicides to routinely manage vegetation to reduce outages. Work is performed on a cycle basis.

Wildlife vs. facilities – Deterrents and alternate habitats are employed to discourage wildlife from impacting power-line functionality.

Vehicle vs. power poles – Design engineers work closely with government officials and law enforcement to ensure facilities are designed within required land and water transportation standards.

Time/environment vs. equipment – Visual and infrared inspections identify potential issues so equipment can be repaired or replaced before power is interrupted.

Preservation counts



The Cape Coral Friends of Wildlife received an LCEC Environmental Award. The funding they receive helps to seed other fundraising initiatives such as their annual local wildlife calendar.

To apply for an LCEC environmental grant, contact pr@lcec.net.

ANNUAL MEETING NOTICE

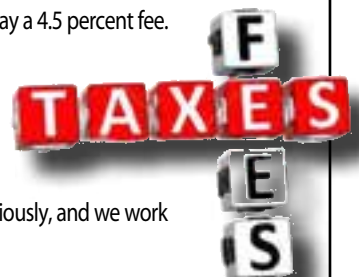
You are invited to attend the Annual Meeting on Thursday, April 21, 2016, at 8:30 a.m., at the LCEC corporate office. Board President Larry Turbeville and Chief Executive Officer Dennie Hamilton will review 2015 accomplishments, and the Trustee election results will be announced.

Extra fees and taxes THAT MAY BE INCLUDED ON YOUR BILL

In Florida, governments have the authority to levy a tax on the purchase of electricity. A public service tax (PST) of up to 10 percent can be imposed to generate revenue for municipalities. LCEC is obligated to collect the tax and remit ongoing payments to the governmental body. Typically the PST applies to residential and commercial customers, but federal, state, and local governmental bodies and churches are exempt from the tax. Cape Coral City Council levied a PST of 7 percent in 2013, and Everglades City levied an 8 percent PST in 1983.

Governments also have the authority to negotiate a franchise fee as a means to collect additional revenue. A franchise agreement grants a utility the right to use rights-of-way for facilities such as poles and wires, and a fee is sometimes assessed by the government. Utilities collect the fee and pass it along to the government. Cape Coral, Everglades City, and Sanibel customers pay a 3 percent fee. Customers in unincorporated Lee County pay a 4.5 percent fee. Marco Island City Council eliminated its fee in 2009.

LCEC identifies all taxes and governmental fees separately on the electric bill. LCEC is grateful for the opportunity to provide electric service to the residents and businesses throughout our service territory. It is a responsibility we take seriously, and we work hard to manage the costs that are under our control.



Electrical SAFETY for seniors



Electrical safety is essential for people of all ages, but is especially important for children and seniors. According to the National Fire Protection Association, adults aged 65 and older have the greatest risk of death from fire and electrical accidents. There are many dangers in and outside of our homes that can cause serious injuries and even death. It is essential to follow these tips in order to protect yourself or your aging loved one:

- ♦ Keep a close eye on cords, outlets, and appliances for signs of damage. Never use an electrical item that has exposed wiring, signs of burns, or any indications of a problem.
- ♦ Look and listen for cautionary signs of electrical issues. If an electrical receptacle feels warm or makes crackling or buzzing noises, contact a licensed electrician immediately.
- ♦ Never run electrical cords under rugs or carpets, as that is a tripping hazard.
- ♦ Only use extension cords on a temporary basis and never with major appliances like a washing machine.
- ♦ In areas near water sources (e.g., bathrooms), it is essential to install ground fault circuit interrupters (GFCIs). GFCIs are electrical safety devices that prevent deadly shocks by quickly shutting off power in the event that an issue is detected.
- ♦ Consider replacing circuit breakers with arc fault circuit interrupters (AFCIs). AFCIs provide greater electrical fire protection by detecting hazardous arcing conditions that can be caused by issues such as damaged electrical wiring.
- ♦ Test home-safety devices on a monthly basis. Use the "test" buttons to check that GFCIs, AFCIs, and smoke alarms are working correctly.

Visit www.lcec.net for more information on electrical safety.



TO REGISTER,
CONTACT
fish@lcec.net
or visit
www.uw.lcec.net/fish.html

SETTING YOUR THERMOSTAT it affects the cost of air conditioning

The thermostat setting is a critical factor when determining how much it will cost to maintain a comfortable temperature inside your home. The thermostat chart shown here gives the estimated difference in operating costs from one degree setting to another. As the chart shows, lowering the thermostat setting will increase the operating cost. A difference of only one degree (from 78 to 77) will increase the operating cost approximately 8 percent. The difference between a setting of 78 and 73 degrees is about 50 percent. In dollar terms, if the air conditioning portion of your electric bill normally costs you \$30 a month with a thermostat setting of 78 degrees, lowering that setting to 73 degrees would cost \$15 more.



Taking it to the streets



Employees and family members also gathered for their bimonthly trip along a well-traveled road to help keep Lee County beautiful. Early on a Saturday morning, the team made their way along the LCEC-adopted road, picking up anything that didn't belong.



LCEC crews worked around the clock to restore power after weather wreaked havoc throughout Southwest Florida. After the storms passed, members of Team LCEC were able to put their work on hold for half a day to help residents clean up tornado-stricken neighborhoods in Cape Coral. Employees and retirees cleared debris, distributed cleaning supplies, and loaded trucks with yard waste. It was one more way of energizing our communities.



LCEC, It is quite amazing to have another rate decrease, and to have rates lower than in 2008! Thank you for running a streamline operation to make this possible, and for working to save customers money on their bills.

Cape Coral customer, Van

LCEC is a nonprofit corporation. Established in 1940, LCEC delivers power to more than 207,523 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



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CUSTOMER SURVEY WINNER

If you receive an LCEC customer survey in the mail, return it for a chance to win \$50. Last month's winner was Jackie Sweiden of Marco Island.