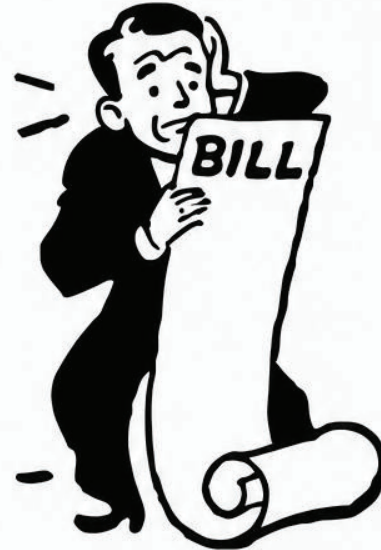


ENERGY COST ADJUSTMENT EXPLAINED



LOCALLY OWNED COOPERATIVE UTILITIES ARE NONPROFIT ORGANIZATIONS.

When our utility charges members for power, there is no profit collected. The cost of power is passed through from our wholesale power supplier (Corn Belt) to our members.

HOW IT WORKS

1

THE COST TO GENERATE OR BUY ELECTRICITY FLUCTUATES.

This is due to the changing fuel costs, weather, equipment outages, and the demand for electricity.



2

ADJUSTMENTS REFLECT THE TRUE COST OF POWER EACH MONTH.

Base rates are collected from members each month, representing our projected revenue requirements. An Energy Cost Adjustment charge accommodates monthly fluctuations in power costs.



3

MEMBERS' BILLS SHOW THE ADJUSTMENT UP OR DOWN.

This adjustment is made on the member's bill to reflect any changes for that month. This can be a charge some months and a credit other months.



OUR COMMITMENT

We are committed to transparency and providing reliable energy to our members.