

What can I do?

Because Consolidated is a cooperative and owned by those we serve, we want to help you reduce the impact of rising energy costs. Below are simple steps you can take to lower the impact increasing prices have on your bill and help minimize future increases.

Use less energy

Using less energy reduces your bill and your impact on the environment. By using our Residential Energy Calculator you can start an energy plan. You can find it at www.CONSolidATEDelectric.coop.

Use your voice

Have a conversation with your legislators. Future federal and state legislative decisions on energy policy may increase your bills even more. Let your elected officials know how proposed legislation will impact you. Visit www.ourenergy.coop.

Help us reduce costs

When you help Consolidated Electric reduce our expenses, we are able to minimize future increases. Sign up for Between the Lines electronically, eBill online billing or the budget payment plan. Visit our Web site www.CONSolidATEDelectric.coop.

Lower wholesale power costs

Help reduce Consolidated Electric's wholesale energy bill by taking advantage of our rebates and load control programs such as Cool Returns. Call us at 800-421-5863 to find out more.

The Cooperative Difference

You are a member of your Cooperative!

Consolidated Electric serves the energy needs of nearly 16,000 homes and businesses in eight counties of north central Ohio. The Co-op is committed to providing quality products and services to members and the community.

The Co-op offers not only electric, but also natural gas, propane, Internet services, and health monitoring services through three wholly-owned subsidiary companies.

Two locations to serve you:

Consolidated Electric
Cooperative, Inc.

5255 State Route 95
P.O. Box 111
Mount Gilead, Ohio 43338

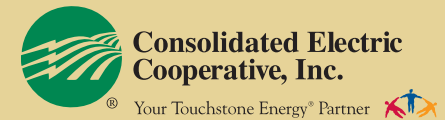
4993 St. Rte. 521
Delaware, Ohio 43015

800-421-5863
www.consolidatedelectric.coop



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Understanding wholesale power increases



Where is it going? *Wholesale power increases*

For every \$1 you send to Consolidated Electric, approximately 62 cents is paid directly to Buckeye Power, Inc., our wholesale power supplier. What this means is that we purchase our electricity from Buckeye Power and deliver it to your homes and businesses. Since the generation costs make up 62% of your bill, the increase will be approximately 10% for your total bill or about \$10 per month for our average residential member. Consolidated wants to educate members on the leading cost drivers for Buckeye Power.

Factoring in. *The reasons.*

- **Increased generating costs** - Buckeye Power has experienced higher fuel (coal) and transportation (railroad) costs. Additionally, they have seen higher production and maintenance expenses, especially on environmental control equipment. Added to the cost of fuel for conventional steam-turbine power plants are the technological additions needed to scrub, filter, and neutralize byproducts of the coal combustion process: sulfur dioxide, nitrogen oxide, mercury and particulate matter.
- **Legislative and environmental initiatives** - Americans have asked for more renewable energy and a cleaner environment. Utilities are working hard to reach these goals. However, building renewable energy sources and implementing other environmental controls requires a significant investment. Buckeye Power's Cardinal Station units and the Ohio Valley Electric Corporation capacity soon will be equipped with the latest environmental controls.
- **Reduced revenue** - While Buckeye Power primarily builds power plants to serve its members, including Consolidated, it sells excess energy to other utilities when possible to offset the expense of owning and maintaining power generation plants. The economy has had a direct affect on the amount of power and the price at which that excess power can be sold. Because of the reduced energy used by large industrial customers and other commercial power customers, Buckeye Power was not able to sell the excess energy for as much revenue to offset expenses.

What is being done?



Roger Keller, CEC Energy Advisor

What Buckeye Power is doing about increasing costs

Buckeye Power, Consolidated Electric's wholesale power provider, is managing costs that it can control, such as reducing capital expenditures and operation and maintenance costs. In spite of the increases, Buckeye Power provides reliable power and a good value for the members.

What Consolidated Electric is doing about increasing costs

Consolidated Electric offers many products and services that help members use less energy.

Consolidated can help you stick to your budget by offering rebate and load control programs such as Cool Returns and providing education on energy efficient and energy conservation practices.

We also have an Energy Advisor, **Roger Keller**, available to help you with your questions and appropriate solutions. Call 419-949-2929.

