

ELECTRICITY PRICES ARE RISING



Tim Stewart
CEO / General Manager

On November 1, 2007, Clark Electric Cooperative will implement our first price adjustment affecting base rates since November 1, 2003. We value you as our customer and place a strong emphasis on providing you with exceptional service at a reasonable price. To maintain the quality, integrity, and stability of the services

we provide, it is necessary for us to adjust our pricing structure.

While virtually all aspects of today's cost of living continue to rise, we pride ourselves on avoiding routine price adjustments to our base rates. These adjustments are something we consider only during times when factors necessitate them. We believe that reliable electric service at a reasonable price is something that you can count on and that we deliver on a daily basis.

The 5.50 percent price adjustment to annual revenues is based on numerous factors. Wholesale power cost has increased dramatically in recent years. These increases have been largely recovered in the power cost adjustment charge on your bill. These historical adjustments will now be rolled into the new pricing structure. For example, instead of having a charge of 1.5 cents per kwh charge on your bill, the power cost adjustment will now be closer to zero.

Please note that as future wholesale power costs increase, this adjustment will increase incrementally. Even though purchased power accounts for roughly 67.30 percent of our total costs of providing electric service, we have experienced increases in our internal costs as well. Our fixed costs — items such as depreciation, tax expense, and interest expense — have increased 21 percent since 2003. Operating and maintenance costs have increased 34 percent. In addition to these expense items, capital costs have increased as well. For example, ACSR conductor increased 111 percent since 2003. Another example: a 35-foot Class 5 pole increased 43 percent in

that same timeframe. These costs affect our investment into the electric system. These are just some examples that illustrate some of the cost pressures we are experiencing.

Maintaining dependable service at the most affordable price possible remains the cornerstone of our business. To accomplish the goal, we must also protect the integrity and financial stability of your organization.

We want to reassure you that Clark Electric Cooperative will remain proactive in planning for your future energy needs. We work hard to anticipate any potential issues that could escalate the costs of energy. When and wherever possible, we work to minimize the impact those issues could have on your energy bill. Although we must raise our price to cover the cost of doing business, we are committed to ensuring this occurrence has the smallest possible impact on you.

We are committed to providing you with reliable, affordable, and environmentally responsible electric service. If you have any questions or concerns regarding the implementation of this price adjustment, we encourage you to call our office at 715-267-6188 or 800-272-6188. We will do our best to answer your questions, and we look forward to working with you on ways that you may be able to reduce your monthly bill. Some strategies may be to explore rate options such as our time-of-use rates, load management programs, and budget billing offerings that may help manage your cost.

We're here to help and to deliver the reliable power you've come to know and expect. ■

Cooperatively yours,

Tim Stewart
CEO / General Manager



Wilmer Griepentrog
Board President

Wilmer
Griepentrog
Board President

Answers to Some Commonly Asked Questions Regarding a Price Adjustment

No one likes a price increase. Yet, sometimes cost increases can't be avoided. That is the situation your cooperative finds itself in at this time. We've held off on a price adjustment for as long as we can while still providing you with the reliable, quality service you expect and deserve. However, we must now ask for a 5.50 percent increase to help fund the operations, maintenance, and construction programs that go into providing you electric service. Here are some answers to some commonly asked questions regarding a price adjustment. If you have additional questions, please don't hesitate to contact us. This is your cooperative. We are here to serve you now and into the future. We thank you for your loyalty and commitment and pledge to continue giving you the service you expect.

Question 1: How much does the cooperative plan to increase prices?

Clark Electric Cooperative will implement a 5.50 percent overall price adjustment to annual revenues effective November 1, 2007 (December 2007 billing statement). The effects of the price adjustment on your bill may vary depending upon the type of service you require and the extent of your usage.

Question 2: How does Clark Electric Cooperative's prices compare with those of other utilities?

Clark Electric Cooperative's rates are very competitive with those of other utilities and, on an average basis, are generally lower than those of many other utilities serving Wisconsin residents.

Question 3: Are other electric utilities seeking rate increases?

Yes, generally speaking rising costs have affected utilities and many are seeking increases. Recent newspaper articles have highlighted utilities throughout the region and across the nation that have announced increases; some expect double-digit rate increases.

Question 4: Why does the cooperative need to increase prices?

Purchased power costs have increased dramatically in recent years. The majority of these escalating wholesale power costs have been recovered in the power cost adjustment portion of your electric bill. Even though purchased power accounts for roughly 67.30 percent of our total costs of providing electric service, Clark Electric Cooperative has experienced increases in our internal costs as well. For example, fixed costs — items such as depreciation, tax expense, and interest expense — have increased 21 percent since 2003. Operating and maintenance costs have increased 34 percent in that same timeframe. Material prices have also escalated. It's interesting to see, for example, that ACSR conductor increased 111 percent since 2003, while the price of a 35-foot Class 5 pole has increased 43 percent. These types of costs affect our investment into the electric system. Historically, the cooperative has invested in excess of \$1 million annually in distribution plant. Unfortunately, the cooperative is not immune from inflationary pressures.

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Question 5: Is the cooperative doing anything to hold down rates?

Clark Electric Cooperative strives to operate efficiently while sticking to our mission of providing affordable, reliable electric service. We're always looking for ways to manage and mitigate costs where feasible. The cooperative offers load management strategies, time-of-use rate options, and budget billing as ways to help manage costs. The load management strategy helps conserve energy when power demand is at its peak. It helps delay needed construction of power plants, which ultimately keeps capital needs and costs down. The time-of-use rate option helps to shift consumption to non-peak hours.

Question 6: When can member-consumers expect the next increase?

Clark Electric Cooperative has not had a price adjustment to base rates in four years. Lots of things can come into play that can affect rates. Many of these are unplanned and can be tied to rising costs for coal, natural gas, etc., and storm damage. We are committed to doing our best to minimize the impacts of these issues by being proactive in our planning, offering education and training on energy-efficiency programs, and focusing on maintaining the reliability, quality, and integrity of our system.

Question 7: What is the cooperative doing to help member-consumers manage their bills?

Clark Electric Cooperative offers a number of options to help member-consumers manage their power bills. Some of those services that our member-consumers find valuable are automatic payment options, budget billing, load management programs, time-of-use offerings, and rebates. We also offer online energy audits and guides for conserving energy.

Question 8: Why is my increase different from the notice amount?

The official notice (*see table below*) is gross revenue divided by the number of customers served by Clark Electric Cooperative, a simple average. If your usage is more or less than the average, your price adjustment may vary.

Table 1

Rate Class

Rate Class	Current Monthly Rate	Monthly Increase	New Monthly Rate	Percent Increase
Single-Phase A - (78,80,88)	\$ 127.52	\$ 7.79	\$ 135.31	6.11%
Single-Phase Time of Day A-TD - (71,72,91,92)	\$ 110.50	\$ 1.72	\$ 112.22	1.56%
Single-Phase Village A-V - (58)	\$ 74.67	\$ 4.93	\$ 79.60	6.60%
Large Power Service Three Phase Primary (63)	\$ 4,876.13	\$ 162.97	\$ 5,039.10	3.34%
Large Power Service Three Phase (83)	\$ 1,445.02	\$ 78.43	\$ 1,523.45	5.43%
Large Power Service Non-Firm LP-5 (84)	\$ 3,344.14	\$ 30.10	\$ 3,374.24	0.90%
Rural Three Phase B - (79)	\$ 295.75	\$ 18.70	\$ 314.45	6.32%
Grain Drying GD - (86)	\$ 170.77	\$ 14.13	\$ 184.90	8.27%
Controlled Electric Heat A-C (70,90)	\$ 34.23	\$ 2.65	\$ 36.88	7.74%
Controlled Air Conditioning A-IAC (74,94)	\$ 60.98	\$ 5.41	\$ 66.39	8.87%
Controlled Heat Storage A-HS (73)	\$ 33.58	\$ 2.59	\$ 36.17	7.71%
Electric Heat EH (77,81,82) (Closed)	\$ 59.15	\$ 2.21	\$ 61.36	3.74%
Security Lighting	\$ 6.78	\$ 0.51	\$ 7.29	7.52%

MORE LOCAL NEWS

Comparison of Rates Present and Proposed Rate Schedules

Present Rates

Single-Phase A - (78,80,88)

Facility Charge	
1.5 - 10 kVa	@ \$16.00/mo
15 & 25 kVa	@ \$20.00/mo
37.5+	@ \$25.00/mo
Energy Charge	@ \$0.0750/kWh
Power Cost Adjustment ¹	@ \$0.0144/kWh

Present Rates

Single-Phase Time of Day A-TD (71,72,91,92)

Facility Charge	
1.5 - 10 kVa	@ \$16.00/mo
15 & 25 kVa	@ \$20.00/mo
37.5+	@ \$25.00/mo
Energy Charge	
On-Peak	@ \$0.1300/kWh
Off-Peak	@ \$0.0400/kWh
Power Cost Adjustment ¹	@ \$0.0144/kWh

Present Rates

Single-Phase Village A -V - (58)

Facility Charge	
1.5 - 10 kVa	@ \$10.50/mo
15 & 25 kVa	@ \$20.00/mo
37.5+	@ \$25.00/mo
Energy Charge	@ \$0.0750/kWh
Power Cost Adjustment ¹	@ \$0.0144/kWh

Present Rates

Large Power Three Phase Primary (63)

Facility Charge	@ \$65.00/mo
Demand Charge	
On-Peak Billing	@ \$7.00/KW-mo.
Off-Peak Billing	@ \$1.10/KW-mo.
Energy Charge	@ \$0.0390/kWh
Power Cost Adjustment ¹	@ \$0.0144/kWh

Proposed Rates

Single-Phase A - (78,80,88)

Facility Charge	
1.5 - 10 kVa	@ \$20.00/mo
15 & 25 kVa	@ \$24.00/mo
37.5+	@ \$29.00/mo
Energy Charge	@ \$0.0925/kWh
Power Cost Adjustment ¹	@ \$0.0000/kWh

Proposed Rates

Single-Phase Time of Day A-TD (71,72,91,92)

Facility Charge	
1.5 - 10 kVa	@ \$20.00/mo
15 & 25 kVa	@ \$24.00/mo
37.5+	@ \$29.00/mo
Energy Charge	
On-Peak	@ \$0.1425/kWh
Off-Peak	@ \$0.0525/kWh
Power Cost Adjustment ¹	@ \$0.0000/kWh

Proposed Rates

Single-Phase Village A -V - (58)

Facility Charge	
1.5 - 10 kVa	@ \$13.20/mo
15 & 25 kVa	@ \$24.00/mo
37.5+	@ \$29.00/mo
Energy Charge	@ \$0.0925/kWh
Power Cost Adjustment ¹	@ \$0.0000/kWh

Proposed Rates

Large Power Three Phase Primary (63)

Facility Charge	@ \$70.00/mo
Demand Charge	
On-Peak Billing	@ \$8.50/KW-mo.
Off-Peak Billing	@ \$1.30/KW-mo.
Energy Charge	@ \$0.0535/kWh
Power Cost Adjustment ¹	@ \$0.0000/kWh

Present Rates**Large Power Service - Three Phase (83)**

Facility Charge	@	\$65.00/mo
Demand Charge		
On-Peak Billing	@	\$7.00/KW-mo.
Off-Peak Billing	@	\$1.10/KW-mo.
Energy Charge	@	\$0.0390/kWh
Power Cost Adjustment ¹	@	\$0.0144/kWh

Present Rates**Large Power Service -Non-Firm LP-5 (84)**

Facility Charge	@	\$65.00/mo
Maximum Demand Charge	@	\$1.10/kW-mo.
Peak Demand Charge		
Summer	@	\$33.00/KW-Seas.
Winter	@	\$24.00/KW-Seas.
Energy Charge	@	\$0.0390/kWh
Power Cost Adjustment ¹	@	\$0.0144/kWh

Present Rates**Rural Three Phase B - (79)**

Facility Charge	@	\$35.00/mo
Energy Charge	@	\$0.0750/kWh
Power Cost Adjustment ¹	@	\$0.0144/kWh

Present Rates**Security Lighting**

SL-MV		
175 W MV	@	\$7.25/mo
SL-HPS		
100 W HPS	@	\$6.75/mo
250 W HPS	@	\$8.75/mo
400 W HPS	@	\$12.00/mo

Present Rates**Grain Drying GD - (86)**

Facility Charge		
1.5 - 10 kVa	@	\$16.00/mo
15 & 25 kVa	@	\$20.00/mo
37.5+	@	\$25.00/mo
Energy Charge	@	\$0.0450/kWh
Power Cost Adjustment ¹	@	\$0.0144/kWh

Proposed Rates**Large Power Service - Three Phase (83)**

Facility Charge	@	\$70.00/mo
Demand Charge		
On-Peak Billing	@	\$8.50/KW-mo.
Off-Peak Billing	@	\$1.30/KW-mo.
Energy Charge	@	\$0.0535/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates**Large Power Service -Non-Firm LP-5 (84)**

Facility Charge	@	\$70.00/mo
Maximum Demand Charge	@	\$1.30/kW-mo.
Peak Demand Charge		
Summer	@	\$52.20/KW-Seas.
Winter	@	\$25.50/KW-Seas.
Energy Charge	@	\$0.0535/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates**Rural Three Phase B - (79)**

Facility Charge	@	\$45.00/mo
Energy Charge	@	\$0.0925/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates**Security Lighting**

SL-MV		
175 W MV	@	\$8.00/mo
SL-HPS		
100 W HPS	@	\$7.25/mo
250 W HPS	@	\$10.00/mo
400 W HPS	@	\$13.50/mo

Proposed Rates**Grain Drying GD - (86)**

Facility Charge		
1.5 - 10 kVa	@	\$20.00/mo
15 & 25 kVa	@	\$24.00/mo
37.5+	@	\$29.00/mo
Energy Charge	@	\$0.0635/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Present Rates

Controlled Electric Heat A-C (70,90)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0400/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Present Rates

Controlled Air Conditioning A-IAC (74,94)

Facility Charge	@	\$4.00/mo
Energy Charge		
Summer (May-Sept)	@	\$0.0520/kWh
Other	@	\$0.0400/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Present Rates

Controlled Heat Storage A-HS (73)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0400/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Present Rates

Electric Heat EH (77,81,82) (Closed)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0750/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates

Controlled Electric Heat A-C (70,90)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0435/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates

Controlled Air Conditioning A-IAC (74,94)

Facility Charge	@	\$4.00/mo
Energy Charge		
Summer (May-Sept)	@	\$0.0595/kWh
Other	@	\$0.0435/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates

Controlled Heat Storage A-HS (73)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0435/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

Proposed Rates

Electric Heat EH (77,81,82) (Closed)

Facility Charge	@	\$4.00/mo
Energy Charge	@	\$0.0780/kWh
Power Cost Adjustment ¹	@	\$0.0000/kWh

¹ **Power Cost Adjustment- (PCA Charge):** Reflects energy charges the cooperative is charged for its energy purchases; this amount can vary and is adjusted accordingly each month.

Electricity...A Real Value!



For the cost of one tank of gas, electricity can keep your life powered for two weeks.

A Clark Electric member consuming 1,450 kWhs of electricity a month is powering his or her home for only \$4.91 a day. That's less than the average meal at your favorite fastfood restaurant. Many factors contribute to higher energy costs, but your local electric cooperatives work to offer affordable, reliable service. Our goal is to keep your rates as low as possible while delivering energy that you can count on to be good for all aspects of your life — including your budget.

MORE LOCAL NEWS

2007 Incentives

**New
for
2007**

Energy Efficiency Programs Designed To
Save Energy For Our Members

Compact Fluorescent Lights ~ CFL

\$2/CFL with a limit of 5 per year

Credit will be applied to your electric account

Effective November 1, 2007

* Proof of purchase will be needed to receive \$2 credit on your electric bill.



Other Lighting Rebates

Only on refitting of lights, no new construction.

- | | |
|--|-----------------|
| 1. Electronic Ballasted Fluorescent Fixtures | \$ 6.50/ballast |
| 2. Metal Halide Fixtures | \$10.00/fixture |
| 3. Sodium Vapor Fixtures | \$10.00/fixture |

Water Heaters

Must be controlled with LM Device if on T.O.D. LM Device with electric timer.

	CEC Total
50 gal	\$50
80 to 99 gals	\$200
100 gals and larger	\$3.00/gal



Efficient Central Air & Heat Pump Program

To reduce summer peak controls – controlled

- | | |
|---|--------------|
| 1. Seer 14 or higher | Total |
| 2. Commercial A/C EER 11.0 or higher | \$60/ton |
| 3. All Earth Coupled Heat Pumps | \$40/ton |
| 4. Heat Pumps Installed w/backup or T.O.D. controlled | \$160/ton |
| | \$60/ton |



Electric Thermal Storage

To replace uncontrolled electric heat with ETS.

ETS replacing uncontrolled electric heat or other installations of ETS units.	CEC \$25/kw
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Dehumidifiers

Incentive for members only sold to members at cost



Clark Electric Cooperative

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Your Touchstone Energy® Partner 

Clark Electric Cooperative Recognized for Safety

Clark Electric once again earned the distinction of receiving the Rural Electric Safety Accreditation Certification Award. The Rural Electric Safety Accreditation Program's mission is to prevent injury and establish a high quality of safety and loss control standards. Tim Stewart, CEO/general manager of Clark Electric Cooperative, said, "The Safety Accreditation Program helps to cultivate a culture of safety in the workplace. The standards, benchmarks, and concepts that the program promotes help the cooperative meet our safety goals."

The accreditation program consists primarily of four components. The first of these is the review of activity and a review of safety training documentation. The second component consists of an on-site inspection of all facilities, work procedures, vehicles, equipment, and tools, as well as an overall audit of employee safety awareness.

The third component is the documentation audit. This is a national assessment according to electric utility standards and requirements. The three-year review is filed and scored electronically, with a follow-up verification process. The final component is a review of the application, with recommendations and feedback from the inspections team.

Mike Ruff, director of operations, said, "Being safety accredited is a tremendous accomplishment that takes hard work and dedication by cooperative employees on a daily basis. While this does not guarantee that injuries do not occur, the program helps us be proactive in working safely."

Clark Electric Cooperative has been safety accredited since 1989. ■



Accepting the Safety Accreditation Award for Clark Electric are Director of Operations Mike Ruff (center), and Safety Coordinators Mike Stamper (left) and Doug Lewis (right), from Dairyland Power Cooperative.

Something to Think About...

Winter is almost here. Now is the time to start preparing your home for winter energy savings.


Have your furnace checked out by a professional. If you burn wood, have your chimney checked out also. Get the storm windows out, and get them cleaned and ready to be put on. Storm windows can save energy dollars and help keep you comfortable.

Check out our web site to find other information on energy savings.

<https://touchstoneenergy.cooperative.com/public/programs/EnergyEfficiency.htm>



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