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The Three-Tier Cooperative System

CHEC is a distribution cooperative and is part of an extended system organized into three levels, or "tiers," each with its own set of responsibilities.

CHEC is at the top tier of this system. CHEC provides electric service directly to 17,789 meters, including businesses, farms and households.

At the second tier of the system is KAMO Electric Cooperative, Inc. (KAMO Power), in Vinita, Oklahoma. KAMO is a Generation and Transmission (G&T) cooperative serving 17 member distribution cooperatives in northeast Oklahoma and southwest Missouri.

At the third tier of the system is Associated Electric Cooperative, Inc. (AECI), in Springfield, Missouri. AECI is the source of wholesale electric power. AECI provides the capacity and energy needs for KAMO and five other G&T's in northeast Oklahoma, Missouri, and southwest Iowa, serving 51 distribution cooperatives. Continued on page 4 >> **Cookson Hills Electric Cooperative, Inc.**

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Cookson Hills Electric Cooperative, Inc. is an equal opportunity provider and employer.

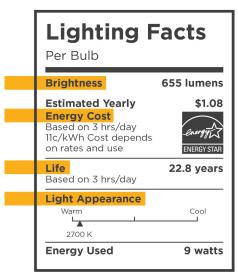


If you find your account number hidden in this issue of the *Hot Watts*, you'll receive a \$25 credit on your electric bill.



Lighting Labels and Lingo

These days, consumers have endless options when it comes to purchasing light bulbs, but the labels can be confusing! Use the information below as a helpful guide for browsing bulbs.



Source: U.S. Department of Energy

Buy Lumens, not Watts Lumens measure the amount of light

produced by the bulb. Watts measure

bulb, look for a bulb that produces

energy consumption.

about 1,600 lumens.

Read the Label Under the Energy Labeling Rule, all

light bulb manufacturers are required to give consumers key, easy-to-understand information on bulb efficiency. Take advantage of the Lighting Facts label, which gives you the information you need to buy the most energy-efficient bulb to meet your lighting needs. The label includes information on the bulb's brightness, energy cost, life, light appearance and energy used (wattage).

Save Energy

Bulbs are available in **many shapes** and sizes to fit your home's needs. Choosing more efficient bulbs can help reduce energy consumption and save you money!

- LEDs use 25%-30% of the energy and last eight to 25 times longer than halogen incandescent bulbs.
- Purchase ENERGY STAR-rated bulbs to maximize energy efficiency.



Operation Round Up

Each month, members of CHEC join together to help meet the charitable needs for their neighbors by participating in the Operation Round Up program. Operation Round Up is a community outreach program that is funded by CHEC members who round up their electric bills each month. The small change that results from "rounding up" monthly electric bills has made a big impact in the cooperative's seven-county service area.



The CHEC Foundation Board met on September 4. At the meeting, the board awarded grants to assist Brent Rural Fire District Inc., Southside Volunteer Fire Department, and Sallisaw Fire Department. The board also approved grants for Hillside Pentecostal Church of God's meals for kids program and The American Red Cross home fire campaign for our local areas.

The CHEC Foundation Board meets every quarter to review applications. Individuals and community organizations throughout CHEC's service area are eligible to apply for an Operation Round Up grant. The board will meet again on December 4, with applications due

by November 2. For more information about Operation Round Up or to obtain an application, visit CHEC's website at www.cooksonhills.com or contact Donna Rhodes at 918-775-2211.





Energy Efficiency Tip of the Month

Cooler temps are just around the corner! Is vour home's heating system ready? Remember to replace furnace filters once a month or as recommended. If you heat your home with warmair registers, baseboard heaters or radiators. remember to clean them regularly to increase efficiency.

OCTOBER IS NATIONAL CO-OP MONTH

Source: energy.gov

Gross Receipts Tax to Local Schools

For many years, CHEC has paid, in accordance with Oklahoma Statutes, two percent of the gross receipts derived by the sale and distribution of electric energy each month. Ninetyfive percent of the gross receipts taxes paid by CHEC to the Oklahoma Tax Commission is then distributed to the schools within CHEC's service territory, and is distributed based upon CHEC's miles of powerlines within each school district. For the 2017-2018 fiscal year for Oklahoma, CHEC paid \$582,420.84 on 2,938 miles of line for 24 schools in the seven-county service territory.

Belfonte	\$11,255.37	Moffett	\$468.35
Bokoshe	\$147.75	Muldrow	\$44,308.01
Brushy	\$13,373.42	Porum	\$27,728.18
Canadian	\$20.07	Quinton	\$12,249.69
Central	\$25,434.03	Roland	\$16,224.34
Gans	\$23,654.82	Sallisaw	\$58,375.84
Gore	\$46,906.68	Stigler	\$79,872.67
Keota	\$45,255.23	Vian	\$57,928.81
Kinta	\$33,924.75	Warner	\$12,166.77
Liberty	\$9,072.43	Webbers Falls	\$17,246.71
Marble City	\$12,464.73	Whitefield	\$10,341.86
McCurtain	\$23,777.70	Wilburton	\$222.53

<< Continued from page 1

CHEC's largest operational cost is our wholesale power bill. Our electricity is generated by AECI, and it is transmitted to us on KAMO transmission lines to their substations. We build and maintain the distribution power lines from the substation to your business or home.

Why we need a diverse power supply

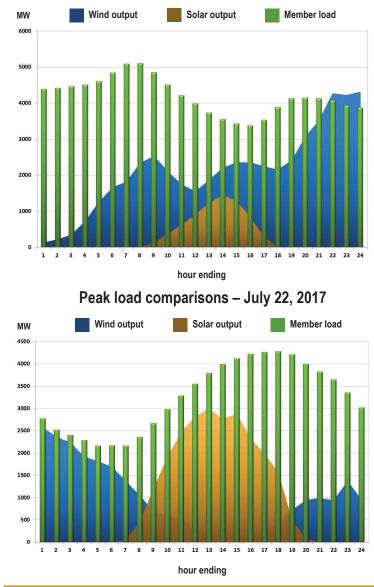
Your electricity is produced using a mix of fuels and technologies: coal, natural gas, hydropower, and wind generation. AECI uses the lowest-cost resources and power plants whenever they are available to supply members. AECI also looks for opportunities to purchase power from other utilities at a cost that is lower than it can generate.

We need a diverse power supply to ensure reliable, affordable electricity. There are some that would have you believe the solution to climate change is as simple as building more wind and solar generation. [104701]

The simple truth is generation output from a solar array or wind turbine does not typically coincide with when we need resources to meet our member peak load - early in the morning on a cold winter's day or late in the day on a hot summer day.

That is why having a diverse power supply that includes baseload resources like coal and gas is so important. The charts show that replacing our existing 5,000 megawatts of coal and gas with 5,000 megawatts of wind or solar wouldn't meet our members' need for power.

CHEC, along with KAMO and AECI, are committed to finding solutions to reliable and affordable electricity. Please continue to read your future Hot Watts for news impacting your cooperative.

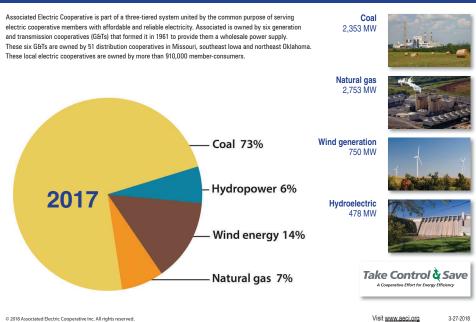


Visit www.aeci.org 1-29-2018

Associated Electric Cooperative uses a mix of resources

... to supply clean, affordable, reliable electricity





Peak load comparisons – Jan. 17, 2018