

SEASONS GREETINGS

44 Consecutive Years of Capital Credit Retirements



Tim Stewart
CEO / General Manager

It is my privilege, on behalf of the board of directors, to announce that the Clark Electric Cooperative's Board of Directors approved a \$670,804.09 capital credit retirement to be made this year. This marks the 44th consecutive year that a capital credit retirement has been made, totaling in excess of \$14,800,000 being returned to the membership since inception.

As a rural electric cooperative member, you are part owner of Clark Electric Cooperative. Basically, you've pooled your money with thousands of other members and created equity for your rural electric cooperative to buy electricity and provide services at an affordable cost.

As a locally owned business, Clark Electric Cooperative is committed to the people, businesses, and communities we serve. Because we are member owned and operated, one of the fundamental principles we follow is a commitment to returning your investment. This is done in the form of capital credits. Since Clark Electric Cooperative operates on a not-for-profit basis, we return margins to members and former members through the capital credit allocation and retirement process. The amount returned is in relation to the individual member's transactions with the cooperative. Capital Credits are returned to cooperative members on a rotating schedule. Currently the cooperative is retiring 4 percent of our allocated capital and applying that amount against the oldest capital credits assigned to the members. This retirement will affect the cooperatives capital credits assigned in 1986 and the Dairyland Power Cooperative capital credits assigned for 1984.

MORE GOOD NEWS

In addition, during the last quarter of 2006, Dairyland Power Cooperative (Dairyland), our power supplier, has issued a temporary rate credit to Clark Electric Cooperative in the approximate amount of \$ 250,000 on our power bill. This will help offset increased power costs that have been experienced throughout 2006.

Several positive factors have contributed to this good news. Dairyland cites lower than expected power market prices, mild weather, a high level of reliability at Dairyland's generating facilities, and the delay of some large consumers coming on-line in the system were key factors in reducing costs.

Effective load management by our members participating in off-peak heating and water heating programs is another large factor. Members who participate in load management energy conservation programs help reduce costs for everyone by decreasing the demand on Dairyland's generation and transmission facilities.

This return of margins highlights the "cooperative difference" in doing business. Our electric rates are based on the needs of the cooperative to provide our members reliable, affordable electricity. Since we are fortunate this year to have this credit from Dairyland, we are pleased to be in the position to pass it on to our members.

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**Clark Electric Board of Directors
approve \$670,804
in Capital Credit Retirements.**



**Clark Electric Cooperative
&
Clark Electric Appliance & Satellite
offices will be closed on
Christmas Day and New Year's Day.**

HONORING OUR EMPLOYEES

Clark Electric Marks YEARS of Dedication to Members

Clark Electric Cooperative recently honored a director and seven employees who have reached certain milestones in service to the cooperative.

“The commitment and dedication that our directors and employees put forward in providing service to our members and the cooperative is impressive,” said Clark Electric

CEO/General Manager Tim Stewart. “We are indeed fortunate to have such dedicated professionals serving our organization.” ■



Director Ron Schmidt
recognized for 10 years of service

Rick Suda
recognized for 25 years of service

Jeff Block
recognized for 20 years of service

Amber Kelz
recognized for 10 years of service

Sarah Shaw
recognized for 10 years of service

Pat Krause
recognized for 15 years of service

Donna Abel
recognized for 45 years of service

Tracy Nelson
recognized for 20 years of service

MORE LOCAL NEWS

IMPROVING RELIABILITY

Annual Tree Trimming Work Underway

Every year Clark Electric Cooperative undertakes a tree-trimming project. This type of project is vital to maintaining a sound and reliable electric distribution system.

This year, New Age Tree Service was awarded the bid to perform this maintenance work. New Age will be working on the Sherwood and Willard substations this winter.

When crews clear brush and trees from the right-of-way, they keep a 15-foot clearance on both sides of the line structure. Keeping proper clearance helps to prevent unnecessary blinks or outages. To help prevent future trimming and cutting, be careful when planting trees or large shrubs. Do not plant them under power lines, and be sure they will stay clear of power lines as they grow. If you have any questions about tree trimming, please call the Operations Department at 800-272-6188. ■



Keeping power lines clear of trees and brush helps to prevent unwanted nuisance outages, which cost the cooperative time, materials, and headaches.

SAFETY FIRST

Grant & Loan Program Available for Farmers

Proper wiring is important to farmers across the state. Clark Electric Cooperative was one of the first electric cooperatives to develop a farm wiring program for its member farmers.

The program offers a grant/loan combination to qualifying farms. The grant is for 20 percent or up to \$4,000 of the maximum loan amount of \$16,000, for a total of \$20,000. The interest rate on the loan is 5 percent, and you can take up to five years to pay it off.

The cooperative will pay for the initial electrical inspection by a certified electrical inspector. The

inspector will provide both the member and the cooperative with a detailed report of what must be done to bring the farm's wiring up to code. The owner then must get bids from a master electrician to perform the work. The owner then applies for the grant and loan from the cooperative.

This is a great program for farmers. Even if you don't want the grant or the loan, you can still get your farm wiring checked for safety. Please contact the Operations Department for more information on the Safety First Farm Rewiring Grant & Loan Program. ■

Wisconsin electric cooperatives have developed a uniform statewide farm wiring program entitled "Safety First!" The purpose of this program is to assist dairy farmers with the cost of rewiring projects and to promote safety.



Loans and Grants

- A grant/loan combination is available up to \$20,000
- Grants are available for 20 percent or up to \$4,000 from the Wisconsin Electric Cooperative Association
- Loans are available for 80 percent or up to \$16,000 from your electric cooperative
- Take up to five years to repay the loan
- 5-percent interest applies

Requirements

- Dairy farms only
- Existing farmstead
- Pre-program inspection
- Electrician's estimate
- Service agreement for length of loan
- Credit eligibility requirements

The Cooperative Difference

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The unexpected margins are not resulting in a boon to corporate stockholders, as could be the case in for-profit businesses. Instead, they are being passed through to the members. Just as the power cost adjustment was used to recover escalating costs due to the doubling of rail transportation rates, purchased power costs, and the increasing cost of coal, Clark Electric members will see a reduction in the wholesale power cost adjustment rate that is assessed each month. The typical member consuming 1,000 kwh during the billing period can expect a reduction of approximately \$5.00/per month from what the power cost adjustment have been.

Price volatility in the energy market will be an ongoing challenge. Clark Electric Cooperative and Dairyland will continue to strive to stabilize costs and provide our members with a reliable, competitively priced energy supply.

Both Dairyland and Clark Electric Cooperative work hard to contain costs while ensuring members receive reliable service. By working together, we've made a significant difference from which everyone in our cooperative benefits.

Tim Stewart
CEO/General Manager

Attention Graduating Seniors



Clark Electric Cooperative
Greenwood, Wisconsin

Your Touchstone Energy® Partner



Federated Youth Foundation Scholarship Award

Application Deadline:

An application form must be completed and returned to Clark Electric Cooperative on or before **March 9, 2007**.

Applications are available at your high school; on our web site, www.cecoop.com; and at our office.