



# the COOPERATOR

**AUGUST 2022** | For the members of Kay Electric Cooperative  
A supplement to Oklahoma Living

## Supporting local schools

Co-op tax dollars contribute more than \$1 million to local education

**T**hough electric cooperatives are not-for-profit businesses, it does not mean they are tax exempt. In fact, in 2021, electric cooperative gross receipts tax provided \$1,005,403.96 to 16 area school districts.

The way co-ops are taxed is different than for-profit businesses. According to Oklahoma statutes, in lieu of ad valorem tax, electric cooperatives in Oklahoma pay a 2% gross receipts tax on revenue at both the wholesale and retail levels. 95% percent of the money collected from co-op members goes directly to local schools. The remaining 5% is retained by the Oklahoma Tax Commission to cover administrative costs associated with collecting and distributing the money.

On a percentage basis, electric cooperatives and their members contribute more tax dollars to local school districts than other utilities. Gross receipts tax disbursements are determined by the number of miles of co-op power line within a school district. More than 2,200 miles of Kay Electric power lines are located within 16 local school districts. The chart to the right shows tax disbursements to local schools in 2021 from Kay Electric and our power supplier, Western Farmers Electric Cooperative (WFEC). 

### 2021 TAXES PAID TO LOCAL SCHOOLS

School District	KEC Tax	WFEC Tax	Total
Billings	\$63,281.63	18,077.50	\$81,359.13
Blackwell	\$45,289.80	\$24,904.24	\$70,194.04
Covington-Douglas	\$7,444.90	\$152.55	\$7,597.45
Deer Creek-Lamont	\$78,791.84	\$9,534.56	\$88,326.40
Frontier	\$33,812.25	\$0	\$33,812.25
Garber	\$18,612.25	\$0	\$18,612.25
Kildare	\$46,840.82	\$7,627.63	\$54,468.45
Medford	\$61,110.21	\$0	\$61,110.21
Newkirk	\$110,742.86	\$60,715.98	\$171,458.84
Peckham	\$35,673.47	\$35,773.61	\$71,447.08
Perry	\$25,126.53	\$43,973.33	\$69,099.86
Ponca City	\$32,571.43	\$15,331.56	\$47,902.99
Pond Creek-Hunter	\$32,261.23	\$13,348.37	\$45,609.60
Shidler	\$51,804.08	\$55,605.48	\$107,409.56
Tonkawa	\$57,697.96	\$16,323.12	\$74,021.08
Woodland	\$0	\$2,974.79	\$2,974.79
<b>TOTALS</b>	<b>\$701,061.24</b>	<b>\$304,342.72</b>	<b>\$1,005,403.96</b>





## OUR MISSION

Founded in 1937, Kay Electric Cooperative remains focused on our primary mission: to provide safe, affordable and reliable power for our member-owners. Today, our service territory includes 2,400 miles of line and more than 5,800 meters located in Kay, Grant, Noble, Osage and Garfield counties.

## CONTACT US

Monday to Friday, 8 a.m. to 5 p.m.  
580-363-1260 | 800-535-1079  
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## REPORT AN OUTAGE

Call 800-535-1079 or use Kay Electric's SmartHub at [www.kayelectric.coop](http://www.kayelectric.coop) or download the SmartHub app for smartphone or tablet.

## BOARD OF DIRECTORS

Max Hohmann, President | Dist. 4  
Verl Brorsen, Vice President | Dist. 9  
Ron Shoffner, Secretary/Treasurer | Dist. 3  
Jake Olsen | Dist. 1  
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Brady Hostetler | Dist. 6  
Bart Cardwell | Dist. 7  
Dr. Tim Blanton | Dist. 8

Jason Boesch | General Manager/CEO

## EASY WAYS TO PAY YOUR BILL

- Pay online using SmartHub at [www.kayelectric.coop](http://www.kayelectric.coop) or download the SmartHub app for smartphone or tablet.
- Pay over the phone: 800-535-1079.
- Pay in person at Kay Electric or use our 24-hour payment drop box located at 300 W. Doolin Ave. in Blackwell.
- Pay via automatic draft of your checking or savings account or major credit card. Sign up for auto-pay online at [www.kayelectric.coop](http://www.kayelectric.coop).

# MANAGER'S MESSAGE

## Return to Resiliency

By Jason Boesch, CEO

**K**ay Electric knows resiliency. The 2002 ice storm recovery was as resilient an effort as they come. Energy resiliency is becoming an increasingly important issue for electric cooperatives as extreme weather events across the country—like winter storms and wildfires—threaten the stability of critical infrastructure and pose a risk to safety and well-being.

The alarming rise in extreme weather event losses underscores an urgency for our rural communities. In 2021, there were 20 separate billion-dollar weather-related disasters, costing a cumulative \$145 billion and 688 deaths, according to a report from the National Oceanic and Atmospheric Administration (NOAA). Winter Storm Uri, which brought record cold temperatures across the lower 48, was a major driver behind these costs. The storm caused power grids to fail across the U.S., most notably in Texas, where 5.2 million homes and businesses lost power. Uri highlighted the challenges of operating energy infrastructure and maintaining reliability amid increasingly intense weather.

Kay Electric felt the effects of Winter Storm Uri in February 2021, as did the other utilities in our 14-state region of the Southwest Power Pool (SPP). The entire region saw curtailments of power for the first time in SPP grid history, going back to 1941. The supply of power could not keep up with demand. Very little wind that week left renewable wind turbines at a standstill. Snow in the region covered solar panels. Insult to injury came when the weeklong event of extreme cold temperatures froze up many natural gas pipelines needed to fuel gas-fired generation power plants. It seemed the “perfect storm.” Maybe more of a nightmare.



Our power provider, Western Farmers Electric, will spread the extra fuel costs from the Storm Uri event across the next five years. This will ensure no Kay Electric member receives an overly large monthly power bill. Kay Electric will also be shouldering half of the excess amount this year out of budgeted margins. You won't see something like that from investor-owned utilities where short-term quarterly shareholder value rules. To illustrate the point, the large Oklahoma electric and gas utilities are spreading the same event over 25 and 28 years. It's hard to imagine that's a responsible approach.

As the nation's power production shifts ever more to renewable energy, due to national regulatory pressures and a green climate culture lacking a sense of proportion and reasonableness, our power grid may well become stressed again during intense weather. Now would be a good time for a return to resiliency. Kay Electric itself, the co-op you own, is as well positioned for future challenges as it has ever been: a strong financial position; a robust, well designed and maintained system; and leadership and board of directors focused on the fundamentals.

We share a commitment to protecting our member-owners and communities while ensuring reliability of uninterrupted service—the ultimate measure of resiliency. 



## Summer's peak

Hotter-than-normal temperatures necessitate conservation measures for co-op members across the state

**W**ith above-normal temperatures projected for the rest of summer, Kay Electric needs your help to conserve energy. When KEC's power provider, Western Farmers Electric Cooperative, calls a "peak day" we ask our members to voluntarily conserve energy, especially from 3 p.m. to 7 p.m. We will inform our members of peak days via our website, Facebook page, text message, email and local radio stations. The summer peak period will continue through September 9, though not every day will be a peak day.

Another type of warning could come from the Southwest Power Pool (SPP), a non-

profit corporation that monitors the grid for a 14-state region. The SPP is charged with balancing supply and demand across the region in order to maintain reliable grid operations.

In the case that the regional power supply might not meet demand, the SPP will issue a "warning" for members to conserve energy from 10 a.m. to 10 p.m. If voluntary conservation measures are not enough, service interruptions could take place.

Kay Electric is grateful to members who help us keep usage down by voluntarily conserving power on peak days! 

## 8 EASY WAYS TO CONSERVE

- ✓ Close blinds and drapes.
- ✓ Limit use of large appliances: dishwashers, washers, dryers.
- ✓ Turn the thermostat up 2 to 3 degrees; instead use a fan to feel 4 to 6 degrees cooler.
- ✓ Grill out instead of turning on the stove or oven.
- ✓ Use a microwave or slow cooker if cooking indoors.
- ✓ Turn off pool pumps.
- ✓ Avoid using welders.
- ✓ Turn off unnecessary lights.



## Team KEC crowned fish fry champions

**A**n estimated 500 people attended this year's Fish Fry for the Small Fry fundraiser in Ponca City. Kay Electric was one of the sponsors of the June 17 event, which raised more than \$10,000 for the Dearing House Child Advocacy Center. For the fourth year in a row, team took first place in the People's Choice Fish Award!

Pictured is team KEC (from left to right): Kris Spencer, James Burnett, Susan Dewitt, Sherry Lessert, Heath Lambert and Grace Vargas. Not pictured: Cyndi Mitchell. 

# GOOD COOKIN'



## Taco Casserole

### Ingredients:

1½ pounds ground beef  
1 teaspoon salt  
1 teaspoon pepper  
1 cup heavy cream 402301  
3 tablespoons butter  
2 cups shredded cheddar cheese  
Cajun seasoning  
1 medium onion, finely diced  
2 sliced tomatoes  
2 tablespoons cilantro  
6 flour tortillas  
Sour cream  
2 diced scallions

### Instructions:

In a large skillet, brown the beef. Season with salt and pepper. Bring heavy cream and butter to a boil, then add cheese slowly until thickened. To the sauce, add Cajun seasoning to taste, onion, tomatoes and cilantro; mix well. In a 9-by-13-inch baking dish, create three layers each of tortillas, meat, and cheese sauce. Bake for 20 minutes in a 400°F oven. Top with sour cream and scallions.



## EMPLOYEE SPOTLIGHT

# KRIS SPENCER

APPRENTICE LINEMAN

Kris Spencer began his career at Kay Electric in 2014 as a member of the tree crew. He worked his way up to apprentice lineman, a position he has held since 2020. Kris says he enjoys working outdoors and learning something new every day about line life. Born in Wellington, Kansas, Kris now lives in Braman where he serves as volunteer fire chief. Kris has two children, Wyatt, 12, and Adyson, 10. In his spare time, Kris enjoys hunting, fishing, OU sports, and spending time with his kids. He is thankful for the influence of his father, Jeff Spencer: "He showed me how to be a man and how to work for what I want in life." Thank you, Kris, for your service to Kay Electric!



ENJOYS  
FISHING



VOLUNTEER  
FIRE CHIEF



ENJOYS  
HUNTING

*Images: courtesy flaticon*

# \$25

 is hiding in this issue!

If you spot your account number hidden in these pages, please contact Kay Electric to claim a \$25 credit on your electric bill. If no account numbers are claimed, the prize money will carry over to the next month for a maximum bill credit of \$50. Call 800-535-1079 or email [contact@kayelectric.coop](mailto:contact@kayelectric.coop) to claim your prize.

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