

Annual Meeting Coming 2018 APRIL

FreeState Electric Co-op will hold its first annual meeting in 2018. Details have not been set, but CEO Steve Foss said the Board of Trustees is considering many options as the board begins to discuss how the newly consolidated FreeState Electric will conduct its annual meeting moving forward.

"One thing we want to point out to members is that there is no business to discuss in 2017," said Foss. "FreeState has not had a full year of business so that meeting will be pushed out to 2018."

As for the past year's business of LJEC and Kaw Valley Electric co-ops, it is in the books. Both co-ops ceased to exist on Jan. 1, 2017, and the entities became FreeState Electric.

Foss explained that the board is looking at all options moving forward. "We are a year out, but we want to get a date set and a plan put in place in the coming months."

Board President Jeanine Murphy said the goal of the annual meeting is to inform and educate members on the business of the previous year.

"Next April, we'll have an entire year of business to discuss with our members," Murphy said. "We'll be laying out strategy, goals, and financials for our members to be a part of in April 2018."

Foss reminds members that their capital credits will remain with each account and will be unchanged.

"The one thing that stays with the member is their capital credits. Those allocations of years past with LJEC and Kaw Valley are still there, and they will be retired over time," Foss said. "We will be mailing checks or adding those to accounts as we move forward."

More information on capital credits can be found at www.freestate.coop or by calling the cooperative at 800-794-1989.

Reporting Co-op Business Continued from page 16-A

Nothing of this magnitude ever goes that smoothly.

We have provided updates to our members as we've gone along. We have addressed the transition in this publication, we've sent bill inserts, and we've added information to our social media channels and www.freestate.coop. In March, we also launched an e-newsletter to help get news to our members.

We've done our best to keep our members updated as we've gone through the transition, rather than all at once. We wanted everyone to feel like they were part of the change.

Our goal going into the consolidation was a transition that most members would not even notice. I can tell you that some members have called and wondered who the new bill came from because they hadn't seen any change other than the name and logo on the bill. We can attribute the smooth transition to our outstanding staff and leadership. The only glitch we have had to date that has impacted our members was changing the account numbers of five members out of 20,000 due to an overlap in district data.

What about these big savings you promised?

We have achieved those savings, and we're doing better than expected. We released information on the consolidation savings. You can read it here: <https://www.freestate.coop/content/cooperative-consolidation-savings-increases-25-million>. This story was published in our e-newsletter and in an issue of *Kansas Country Living*.

What about my capital credits?

Individual capital credits will not change with the new co-op. Your capital credits will stay with your account moving forward. They will

View Our 2016 Annual Reports

We'll be providing 2016 annual reports for LJEC and Kaw Valley Electric. They can be viewed on our website at www.freestate.coop, or you can call the office at 800-794-1989 and we will email or send you a copy of the reports.

be retired when the board elects to retire them, and you'll not see a change in those allocated amounts.

How is the new board doing?

The new board is working well. As a member-owner, you should be proud of those you have elected to represent you. The board members discuss co-op business and make decisions based on the knowledge and commitment they have to the co-op. The board recently selected their leadership, and Jeanine Murphy is the first president of the FreeState board. Don Montgomery is the secretary, Larry Butel is the treasurer, and Mark Wulfkuhle is the vice-president. They continually strive to make decisions that positively impact our member-owners.

I want to assure you that everything is going as planned. The consolidation has been a change of great magnitude, but the employees and boards have been working for the past two years to make this happen. The staff's diligence and commitment have made this a positive transition. The staff and board are committed to our member-owners and are working hard for each of them.

If you would like to speak to someone directly, I encourage you to call the office, and we'd be happy to discuss any of your concerns further.

As always, if you have questions regarding these centerspreads or the information presented, please call us at 800-794-1989 or email marketing@freestate.coop.

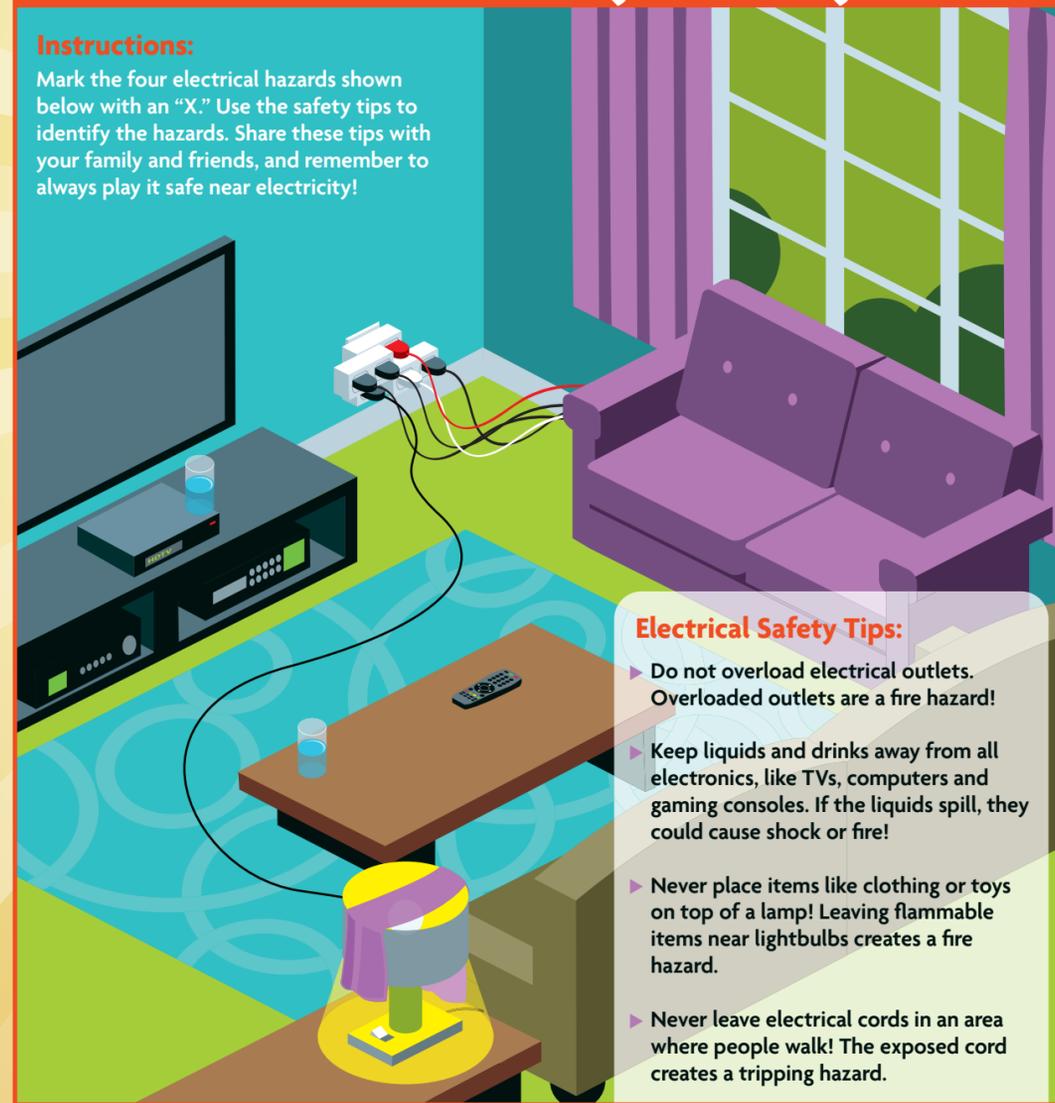


FreeState ENERGY EXPLORERS

Electrical Safety Activity

Instructions:

Mark the four electrical hazards shown below with an "X." Use the safety tips to identify the hazards. Share these tips with your family and friends, and remember to always play it safe near electricity!



Electrical Safety Tips:

- ▶ Do not overload electrical outlets. Overloaded outlets are a fire hazard!
- ▶ Keep liquids and drinks away from all electronics, like TVs, computers and gaming consoles. If the liquids spill, they could cause shock or fire!
- ▶ Never place items like clothing or toys on top of a lamp! Leaving flammable items near lightbulbs creates a fire hazard.
- ▶ Never leave electrical cords in an area where people walk! The exposed cord creates a tripping hazard.



TheOutlet

FREESTATE ELECTRIC COOPERATIVE, INC.
800-794-1989
www.freestate.coop

FreeState Electric Cooperative, Inc.

Board of Trustees

Larry Butel Overbrook	Larry Meadows Tonganoxie
Dallas Caster Auburn	Don Montgomery Burlingame
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Mark Gratzny Leavenworth	Mark Wulfkuhle Berryton
Harlan Hunt Meriden	John Wine Legal Counsel

Staff

Steve Foss
Chief Executive Officer

Christopher Parr Assistant General Manager	Randy Richards Assistant General Manager
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District Offices

East District P.O. Box 70 McLouth, KS 66054-0070	West District 1100 SW Auburn Rd Topeka, KS 66615
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East & West District Office Hours:
Monday-Friday, 7:30 a.m.-4 p.m.

Tip of the Month

Air dry clean dishes to save energy. If your dishwasher does not have an automatic air-dry switch, turn off the dishwasher after the final rinse and prop the door open slightly so the dishes will dry faster.

FROM THE CEO

Reporting Co-op Business Now & Beyond



Steve Foss

We have heard from a lot of our members lately, and the No. 1 question asked is, "Did I miss the annual meeting?" I wanted to let everyone

know that no, you did not miss the annual meeting. We've pushed it back to April 2018.

I want to thank each member who has reached out to us directly via phone, email or just stopping us on the street. We appreciate members giving us their opinions, and as a member-owner of FreeState Electric Cooperative, we invite you to do so. After all, we work for our members. That's what drives us every day.

I wanted to address some of the concerns that have been brought up.

Why aren't you reporting about my co-op? I know they cease to exist, but isn't there still closing business to report?

The two co-ops have ceased to exist, and therefore have no business to conduct as we would at an annual meeting.

The decision to hold off on

an annual meeting until 2018 took into consideration that the co-ops ceased to exist, and no business meeting was necessary. Pair the lack of business with the cost of an annual meeting, and the board of trustees believe that holding off until 2018 would be the right decision.

In April 2018, we will be able to report on the first year of FreeState's business, elect the board of trustee positions, and carry out regular co-op business. This decision was not made without discussion and careful thought.

We will be publishing annual reports for both Kaw Valley Electric and LJEC, as an end to the co-ops and they will be available to our members on our website. There is more information in these pages about how you can view those reports.

We will not have a regular business meeting this year, but there will be information published for our member-owners to review. We want to be as transparent with our members as possible.

How can you not have business to report? Becoming FreeState has been a big transition, and I doubt it went as smoothly as possible.

Continued on page 16-E

Opt-Out Options for Operation Round-Up

FreeState Electric Cooperative members are automatically enrolled in the Operation Round-Up program. However, you have the option to opt out of this charitable giving program. No members will be forced to contribute.

FreeState Electric launched this program to assist local communities, organizations and projects across our service territories.

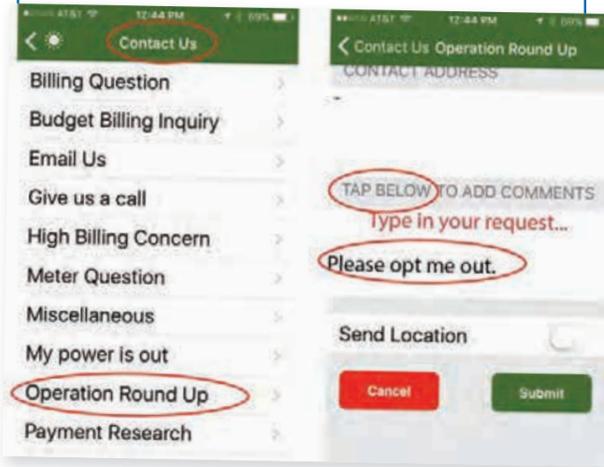
If you wish to opt out of the program, you can do so by calling 800-794-1989, visiting the Topeka or McLouth cooperative offices or logging on to your SmartHub account. Please indicate if you are opting out for multiple accounts. Upon opting out, we will withdraw you from the program and adjust the cents rounded up on your current month's bill. No questions asked. No sales pitch.

To opt out of Operation Round-Up on SmartHub, login to your SmartHub account on your desktop or mobile device and follow the steps at right and below.

If you have questions about the program, we'd be happy to talk to you about the positive impacts it will have on our communities.

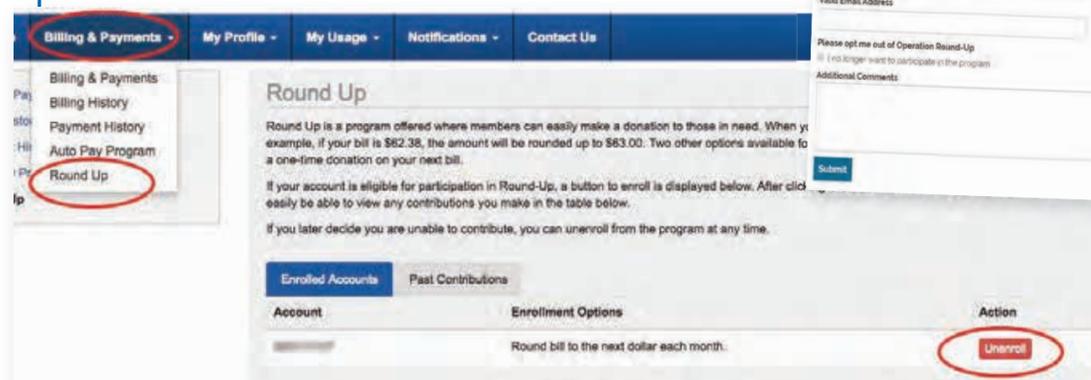
Opt Out Using the SmartHub Mobile App

- ▶ Open the SmartHub mobile app.
- ▶ Select "Operation Round-Up" under the "Contact Us" tab.
- ▶ Tap below and type your request to opt out of Operation Round-Up.
- ▶ Click "Submit."



Opt Out at www.freestate.coop

- ▶ Go to www.freestate.coop.
- ▶ Login to your SmartHub account.
- ▶ Select "Round-Up" under the "Billing & Payments" tab.
- ▶ Click "Unenroll."
- ▶ Fill out the Opt Out of Operation Round-Up Form.
- ▶ Click "Submit."



Consumer Interest Driving Co-op Solar

Driven by increased interest among consumers as well as declining costs, electric co-ops across the country are finding a multitude of ways to bring the benefits of solar to their members.

New data paints a striking picture: America's electric cooperatives expect to double their current solar capacity by the end of 2017, adding more than 480 MW of solar this year for a total capacity of 872 MW nationwide, according to figures from the National Rural Electric Cooperative Association (NRECA).

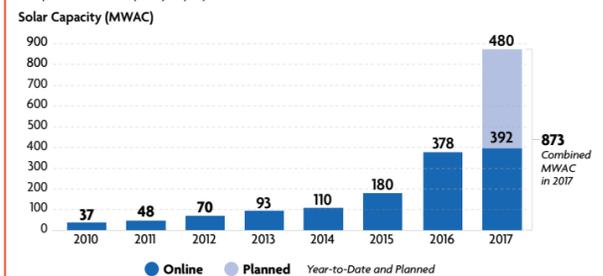
In a recent nationwide survey, electric co-ops were asked why they offer or support solar options. More than two-thirds of respondents said they were motivated by a desire to increase consumer-member satisfaction and a majority cited member demand. Increased affordability also played a role, with nearly half of respondents citing the decline in the cost of renewable energy as a factor in enhancing their solar energy program. The survey results clearly show co-ops are listening to their members and they care about costs.

As consumer-owned utilities, electric co-ops view solar as a consumer resource. That's why co-ops lead the utility sector in developing community solar or "shared solar," a program that enables co-op members to invest in solar farms built and operated by the co-op.

Cooperation among cooperatives is an

Cooperative Solar Set to Skyrocket

Cooperative solar capacity is projected to double in 2017.



Note: Co-op solar capacity owned or purchased under contract. Source: NRECA Business & Technology Strategies

other key co-op principle, and collaboration is critical to the growth in solar. In 2016, cooperatives announced nine joint projects involving more than 200 local co-ops. Cost savings from the economies of scale in large projects make these projects more affordable.

Cooperatives also collaborate by sharing information and knowledge with the nationwide network of cooperative peers. As the early solar adopters gained experience and know-how, they shared best practices with the co-op community.

Some co-ops are partnering with local rooftop solar installers or even doing rooftop installation for their members. Other co-ops are installing solar-powered water heaters and irrigation systems. There is no one-size-fits-all program for electric co-ops.

Cooperatives are developing a variety of solar options, from huge arrays covering hundreds of acres to residential solar installations.

In March 2017, Kansas Electric Power Cooperative, FreeState's power supplier, celebrated the opening of its 1 megawatt Prairie Sky Solar Farm. The solar farm, when generating electricity at full capacity, can supply the energy needs of about 164 homes.

No matter what their size, circumstances or geographic location, all electric co-ops have one thing in common when it comes to solar: they want to help their members make energy choices that are right for them.



In March 2017, Kansas Electric Power Cooperative, FreeState's power supplier, opened its 1 megawatt Prairie Sky Solar Farm.

BUYER BEWARE: of Products That Promise Savings

BY MATT LAMBERT, ENERGY USE COORDINATOR



Matt Lambert

A FreeState Electric Co-operative Trustee recently received a postcard inviting him to attend a free dinner and hear about ways to lower

- ▶ Make sure you keep the lint screen clean in your dryer.
- ▶ Beef up your home's fiberglass or foam insulation.
- ▶ Install vehicle plug-in timers.
- ▶ Install programmable thermostats and keep your house at lower temperatures at night and when you are away.
- ▶ Anytime electricity is involved, hire a licensed electrical contractor to make sure the equipment is installed safely.

his utility bills.

We want to alert our members to be on the lookout for energy saving products that sound too good to be true. These pitches often happen over a free dinner at a local restaurant. One group of people may sell "special" insulation, and some may sell "air ventilation systems" that claim to lower your monthly bill significantly.

Remember that energy savings products or programs work that sell themselves.

Instead of purchasing products with "promises" try doing a few less expensive, proven tactics to save energy in your home:

- ▶ Replace your incandescent bulbs with compact fluorescent lamps or LEDs.
- ▶ Plug all electronics into Smart Strip power strips.

Before you decide to attend one of these "free dinner" seminars and potentially purchase expensive gadgets that offer little return, please be aware of the product claims and what you're really purchasing.



If you haven't already, check out Attic Report Card. We can help you sign up or find more information for you. Before you decide to attend

one of these "free dinner" seminars and potentially purchase expensive gadgets that offer little return, please be aware of the product claims and what you're really purchasing.

FreeState Electric Cooperative is here to help with all of your home energy questions. Please contact me at matthew.lambert@freestate.coop to schedule a consultation on audit options, or to get more information on how you can save energy in your home.

I look forward to meeting members and discussing how we can help!

Statement of Non-Discrimination

FreeState Electric Cooperative, Inc., is not subject to the jurisdiction, regulation, supervision and control of the Kansas Corporation Commission, except as specified in K.S.A. 66-104d(f).

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

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