

MICHIGAN

Cross Village Lines

Hooked

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To report an outage, call:
1-800-678-0411

How Are We Doing?

We like to think we're doing a great job, but what do Great Lakes Energy members think?

Gathering accurate feedback from our members can be difficult, so we leave it to the professional surveying team at Northwestern Michigan College in Traverse City.

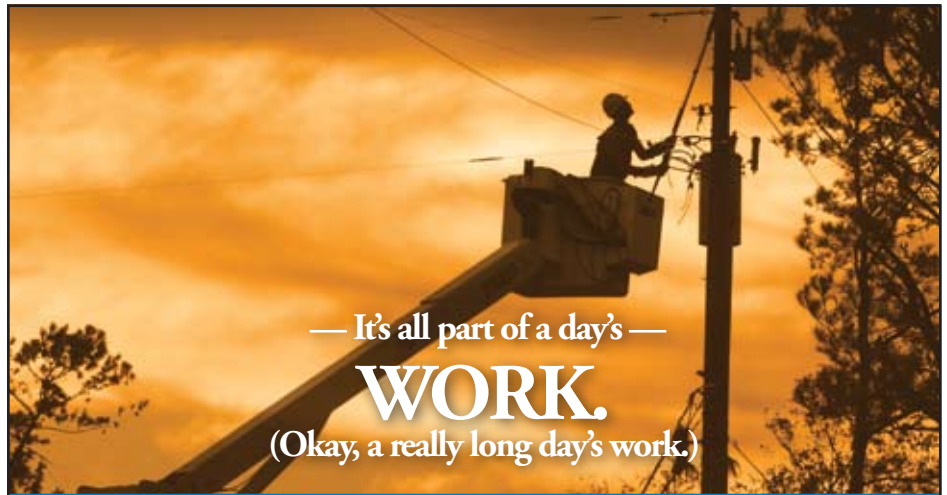
Each year, the college's research services division conducts a member satisfaction survey for Great Lakes Energy. The 2009 member survey results showed that 97 percent of the cooperative's members are satisfied or more than satisfied with the overall level of service they receive. Members rated reliability, courteous employees and cost-of-service as the three most important service character-

istics that GLE provides.

The survey results helped us achieve an 80 on the American Customer Satisfaction Index (ACSI), which is a full six points above the industry average (see related ad below).

Great Lakes Energy uses the survey results to develop our corporate goals for 2010. They are also used to make service improvements as your cooperative strives to provide reliable service at the best possible value for you, the member.

Thanks to the members who took the time to participate in the survey. If you have a comment about our service, we'd love to hear from you, too. Write to us or email us at glenergy@glenergy.com.



We'd like to thank our members for helping us score an 80 in the recent American Customer Satisfaction* Index (ACSI). Their feedback puts Great Lakes Energy a full 6 points above the utility industry average.

Even though ACSI recognizes "customer" satisfaction, GLE members are in fact "owners." That's an important distinction. And it's why we strive to provide a level of service that's second to none.

Naturally, we're honored. But we can't let it go to our heads. We must remain the dependable source of electricity our members never have to think twice about. Unless, of course, they're being surveyed by the ACSI.



Looking out for you

* Touchstone Energy ACSI member ratings using the ACSI customer satisfaction survey questions are compared to the ACSI ratings of residential customers of the largest investor-owned U.S. energy utilities.

Investing Your Co-op Dollar Wisely

A key example of how Great Lakes Energy looks out for you is our commitment to using your money wisely so that it provides you with the best service and value possible. Below, I've provided a breakdown of each dollar you invest in us that helps explain why your electric cooperative is a well-run business.

Power Supply Costs

The largest part of your electric dollar—65 cents—covers power supply costs. It includes both purchased power generation costs and high-voltage statewide delivery of power through transmission lines and electric substations.

Labor and Benefits

About 10 cents of your dollar is used for labor and benefit costs for the GLE workforce. Specifically, the largest portion of these costs is for line operations and maintenance personnel. Other workforce costs include the administrative, member services, accounting, data processing and other support personnel to staff the nine service centers throughout our 14,000-mile service territory. Great Lakes Energy serves more members per employee than 98 percent of the electric cooperatives in the nation.

Interest and Taxes

Another 10 cents of your dollar is used for interest and taxes. A good part of our \$262 million utility asset base was funded through low-cost loans. In addition, your co-op pays significant property, state income, and sales taxes totaling over \$4 million in 2009. The property tax is paid to every township, city and other taxing authority that has GLE utility poles and equipment within its boundaries.

Materials and Supplies

About 8 cents of your dollar is used for materials and supplies. The majority of this category is related to annual depreciation for the installed cost of our electric distribution lines and equipment. Vehicles, metering supplies and network and computer equipment are also included in this category.



Bill Scott
Great Lakes Energy
Vice-President/
CFO & IT

Contractor and Other Services

About 5 cents is used for contractor and other services. The majority of these costs are for contractor outage restoration and vegetation management work that helps us to continually improve our service reliability. Lesser amounts include legal, auditing, engineering and other consultant fees.

Margins and Other

The final 2 cents is for other expenses, including industry dues, utilities, training costs and other miscellaneous expenses. In addition, Great Lakes Energy margins (excess of revenues over expenses) make up slightly less than 1 cent. In 2009, these margins were used to partially fund our annual capital credit retirement. Since 2003, we have issued over \$17.7 million in capital credit refunds to our members. It's the way a financially healthy electric cooperative shares its profits with its members.

How We Spend Your Co-op Dollar At GLE



* Portions of the margins are used for capital improvements to the system and to return capital credits to Great Lakes Energy members.



SAIDI Says

GLE Meets 2009 Reliability Goal

SAIDI (pronounced SAY-DEE) says Great Lakes Energy significantly surpassed its 2009 reliability goal. We experienced 169 average outage minutes for 2009,

which is 35 percent below our goal not to exceed 262 SAIDI minutes for the year.

SAIDI stands for System Average Interruption Duration Index, and is a good indicator of a co-op's reliability because it reflects the average amount of time you can expect to be without power in a given year. Of course, in reality some members experience no outage time, while others experience more than the SAIDI number.

Although we're pleased by last year's progress, this achievement is still only one small step toward our ultimate goal of reducing average outage minutes to 90 or less. This will take some time given our large 26-county service area and the financial resources required.

The total average outage minutes for 2009 have an impact on GLE's 2010 goal. The co-op uses data from the previous five years to establish the goal for the new year. Watch for SAIDI's 2010 goal in the March issue of *Michigan Country Lines*.

Visit Storm Central For Outage Information

Visit our website, gtlakes.com, and click on the Storm Central "Quick Link" on the right-hand side of the home page to view any current power outages in each county and township across our service area.

For more specific information, you can log-in to your electric account online to view the power outage status of your account(s). Information available includes the time the power outage was reported, if a crew is aware of the outage, the estimated restoration time and the number of other members without power related to your outage.

If you have not created a log-in, you will need to enroll your account(s). To log-in or register, click on the "Access My Account" box on our website and follow the instructions.

To report a power outage, please continue to use our automated outage reporting line, 1-800-678-0411.

Centennial Farm Honors

We would like to honor Great Lakes Energy members Kent and Linda Sieting of Kalkaska whose property was recently designated as a centennial farm.

The Centennial Farm program recognizes residents throughout the state whose farms have been owned and operated by the same family for 100 years.

Great Lakes Energy members can request an application or receive more information about the program by contacting The Historical Society of Michigan, 517-324-1828, or visiting centennialfarms.org.

Visit Us This Spring At The Home Shows

Area home shows are coming soon. Mark your calendar and plan to visit the Great Lakes Energy booth at the home show nearest you.

Stop by to see our Marathon® electric water heater, Convectair® electric space heaters that can be used as a whole-house heating option, and our Energy Bike. Our representatives will be available to answer questions about new Energy Optimization programs that can save you money, and all our other products and services!

Little Traverse Home Show

March 13-14
North Central Michigan College, Petoskey

West Michigan Home & Garden Show

May 2010 dates will appear in a later issue
West Shore Community College Rec Center, Scottville

Receive Country Lines While You're Away

Continue to receive your *Michigan Country Lines* magazine even if you're away from home.

Simply contact us if you plan to be away for more than a month and give us the address where you would like the magazine sent. Contact us again when you return.

Dial 888-485-2537 or visit the member service section of our website at gtlakes.com, found under "your Home" and then clicking on "Change of Address Request."

Visit gtlakes.com for more information about co-op services.



Enjoying the new skating rink and warming house in Newaygo are, from left, Kaleb Ferguson, Nicholas Simington and Hunter Lay.

You Can Save Money On Prescriptions

Great Lakes Energy members saved an average of 38 percent on their prescription drugs during 2009 by using their Co-op Connections® card.

A total of 2,775 prescriptions were filled by participating pharmacies last year. The usual cost for those drugs is \$171,557; however, using the Co-op Connections pharmacy discount, Great Lakes Energy members saved \$65,833, a 38 percent savings.

The pharmacy prescription drug benefit is not insurance; rather, it provides immediate discounts at participating pharmacies. When GLE members present the Co-op Connections card to purchase their prescriptions, they pay the discounted price, the insurance provider's price or the pharmacy's regular retail price, whichever is lower.

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A list of participating pharmacies is available at locateproviders.com or by calling 1-800-800-7616. For details on the Co-op Connections program visit gtlakes.com or call 1-888-485-2537, ext. 8957.



Warming Hands and Hearts

Newaygo ice skaters now have an opportunity to “thaw out” between skating sessions this winter, thanks to a \$2,000 People Fund grant that helped renovate a dilapidated home.

The building, which borders Newaygo’s public ice-skating rink and skateboarding park, is now a “warming house” where skaters can warm themselves, grab a snack or drink, and socialize.

The lighted and groomed rink is open from 3 to 8 p.m., Monday through Friday, and 10 a.m. to 8 p.m. on weekends. Volunteers staff the house and rink.

The People Fund and other grants helped purchase the run-down home and spruce it up into a warming house. Workers remodeled a bedroom into a bathroom, combined the kitchen and living room into one main room, and installed vending machines and a water fountain. The addition of benches and a sturdy new floor allows skaters to come inside without removing their skates.

While Newaygo’s main police department is located downtown, the warming

A People Fund grant helps ice skaters in Newaygo stay warm.

house also has enough extra space to become a “second home” for police. Eventually, the city will establish a small police

office in the home year-round.

The Newaygo Community Recreation Authority worked with the City of Newaygo to seek grants from the People Fund, the Fremont Area Community Foundation, and the city’s TIFA (Tax Increment Financing Authority).

Newaygo City Manager Rich Blachford says that obtaining grants is often the only way small communities can fund recreational projects.

“In our community, thanks to the generosity of local companies and residents, it’s sometimes possible to get three dollars of grant funds for every dollar spent on a recreational project,” he adds. “That often means the difference between a project getting done or not.

“We thank Great Lakes Energy and its members who contribute to the People Fund for stepping up and putting money back into their communities,” Blachford says.

– Linda Kotzian

Power In Numbers

If every Great Lakes Energy member who participates in the People Fund got just one other person to join, it would easily double the amount of money available to help local food pantries, senior citizen centers, youth programs, and more.

The People Fund program works because there is power in numbers. A Great Lakes Energy member’s average contribution of 50 cents a month or \$6 per year isn’t much, but it adds up fast when thousands of members participate.

Get involved and help the People Fund expand to meet the growing needs of Michigan residents, young and old. It all starts with asking just one person to contact us and we’ll do the rest. Members can also enroll online by visiting the “yourCommunity” section on our website, gtlakes.com.



Saving Energy Is Important, But ...

Some ideas for helping your co-op save energy with outdoor security lights have limitations.

One easy way to save energy is to switch to more efficient lighting inside your home. But what about the outside lights?

We asked Brian Sloboda of the Cooperative Research Network (CRN) to share his insight on outdoor lighting after Great Lakes Energy received suggestions from interested members. His energy-efficiency articles appear regularly in *Michigan Country Lines*. CRN

is a service of the National Rural Electric Cooperative Association.

Member suggestions on how their co-op can save energy with outdoor security lights included limiting daylight operation problems and switching to fixtures with motion-sensing devices that only come on when movement is detected in the yard.

We provide high pressure sodium (HPS) security lights to Great Lakes Energy mem-

bers who pay an outdoor lighting rate that covers its energy use and maintenance costs. Normally, the lights only shine at night.

Photocell Failure

Although its operating life is about 10-15 years, the photocell that controls our security light's dawn-to-dusk operation can sometimes fail prematurely, Sloboda says. For safety reasons, the sensor is designed so the light will go on or remain on when it fails, but premature failure may occur under certain conditions that include, for example, being located in an area subject to frequent lightning strikes.

With nearly 7,700 GLE security lights scattered throughout our 26-county service area, it would be very time-consuming to check for "day-burning" lights on a regular basis. It would take away from the time our crews devote to working on the power lines and improving your reliability.

So, we rely on you to contact us when your GLE security light needs repair. If there's a day-burning light in your neighborhood, please check with your neighbors first to make sure it's a GLE light and not theirs. If it's our light, we'll fix it.

Use of Motion Sensors

Motion-sensing devices don't work well with an HPS lamp. Frequent on-and-off cycles could shorten its life and affect illumination quality, Sloboda says. It takes a few minutes for the HPS lamp to warm up to full brightness each time it's turned back on.

A better choice is the LED (light-emitting diode) light, which can be dimmed. Several electric co-ops in the United States are testing outdoor security lights with LED lamps, and the results look promising. An electric co-op in New York state found that their LED lamps use about one-fifth as much electricity as comparably-sized mercury vapor lamps.

At a cost of about \$300 per lamp, LED lights would be an expensive investment with all the security lights we have on our system. We feel at this time that the money can be better invested in continuing to fund the major reliability improvements that have helped reduce outage times. Our annual goal is to continue reducing outage minutes, and we met that goal again last year (see page 8 for more details).

Marathon... Saving is easy as 1-2-3




When you purchase and install a new Marathon® electric water heater through Great Lakes Energy, you can save three ways:

- 1. Unit rebates from \$250-\$500*
- 2. \$50 rebate for a model rated with a .93 EF or higher*
- 3. \$4 for every 5 feet of pipe wrap used to insulate the water outlet*

Members may also qualify for our Controlled Water Heating program and save up to \$90/yr.

Pipe wrap must be installed by a contractor. Restrictions may apply. Call for details.



A Touchstone Energy® Cooperative 

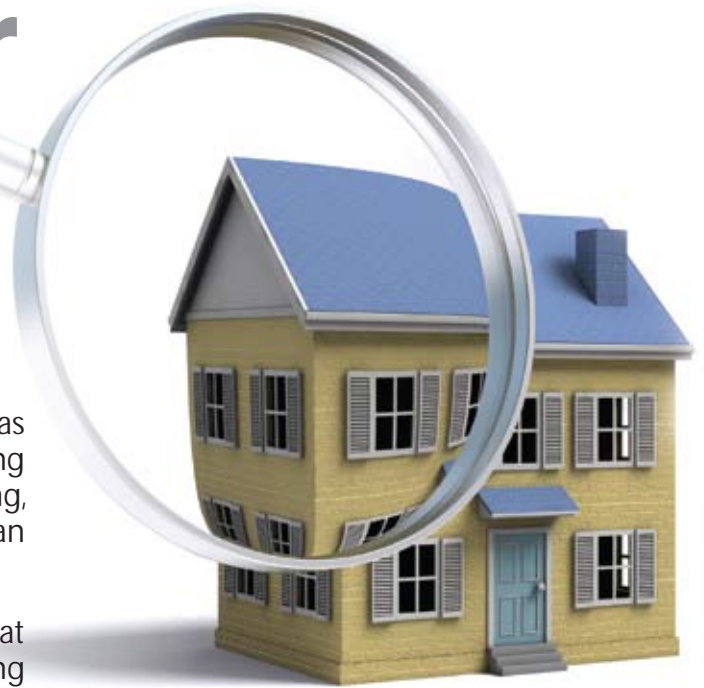
Call Today!

1-888-GT-LAKES ext. 8957

www.gtlakes.com

Looking for savings?

Heating & cooling rebates now available



According to the Department of Energy, as much as one-half the energy used in your home goes to heating and cooling. So, upgrading your home's heating, ventilating and air conditioning (HVAC) system can make a big difference in your utility bills.

The Energy Optimization program sponsored by Great Lakes Energy offers great rebates on select heating and cooling equipment, as follows:

- ▶ Upgrade the blower motor on your existing furnace and receive a \$300 rebate.
- ▶ Replace your electric water heater with a model rated with a .93 efficiency factor (EF) or higher and receive a \$50 rebate.
- ▶ Install 5 feet of pipe wrap to your electric water heater outlet pipe and receive a \$4 rebate.
- ▶ Replace your standard thermostat with a programmable thermostat and receive a \$20 rebate.

Contact us today for more details. Restrictions may apply. Offers expire March 31, 2010.

SUBMITTING A REBATE

Download the rebate application form at gtlakes.com or call us at **1-888-485-2537, ext. 8957** to request your form. You can also email us at glenergy@glenergy.com.

Send your completed form, with all required documentation, to:

Great Lakes Energy
P.O. Box 70
Boyne City, MI 49712
Attn: Marketing

1-888-485-2537, ext. 8957
glenergy@glenergy.com
gtlakes.com



ELIGIBILITY* The Energy Optimization HVAC and water heater rebate program serves residential customers, in Michigan only, in single family dwellings who purchase and install new water heaters, replacement furnace blower motors, and programmable thermostats. See the terms and conditions on the application form for complete eligibility information and restrictions.

To participate in the program, you must meet these eligibility requirements in *addition* to the terms and conditions on the rebate application:

- ▶ You must be an electric cooperative member or a customer of an Upper Peninsula municipal utility.
- ▶ The equipment or energy-saving measure you install must meet the efficiency requirements set forth by the program guidelines.
- ▶ All measures must have been installed by a State of Michigan licensed contractor (except water heaters), who must be identified on the incentive claim form.
- ▶ The incentive claim form must be completed in its entirety and submitted with all required documentation within 30 days of installation.
- ▶ Your application must be for equipment purchased on or after Nov. 20, 2009. Installation in new homes does not qualify – you must be replacing old equipment.

* Incentives (rebates) are subject to change and availability.