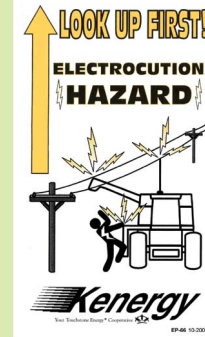


Smart Savings Rebate Program

LIMITED TIME
May 1 to June 30, 2011

Receive a \$25 gift card for residential or \$50 for commercial customers who have their heating and cooling systems professionally cleaned and serviced. Visit www.kenergycorp.com or call 1-800-844-4832, ext. 6157 for the details.



Kenergy has "look up" stickers for farmers to post in the windshields of their tractors and combines.

Stop by your Kenergy office to pick up one today.

Kenergy Corp.'s Annual Meeting

- June 7 at Henderson County High School
- A free meal will be served from 3-6:30 p.m.
- Twenty-four college scholarships of \$500 each will be drawn.
- Energy Expo
- Health Fair

For more information, go online to www.kenergycorp.com or call (800) 844-4832, ext. 6103.

Laundry

- Wash clothes in cold water. Use hot water only for very dirty loads.
- Do only full laundry loads.
- If you must do smaller loads, adjust the water level in the washing machine to match the load size, especially when using hot water.
- Always use cold-water rinse.
- Use bath towels at least twice before washing them.
- Clean your dryer's lint trap before each load.
- Make sure that the outdoor dryer exhaust door closes when dryer is off.
- Verify dryer vent hose is tightly connected to inside wall fitting.

- Check that the dryer vent hose is tightly connected to dryer.
- Make sure dryer vent hose is not kinked or clogged.
- Minimize clothes drying time; use moisture sensor on dryer if available.
- Dry consecutive loads to harvest heat remaining in dryer from last load.
- Consider using a "solar-powered" clothes dryer, an old-fashioned clothes line.



mark YOUR calendar

- | | |
|-----------------|-------------------------------------|
| May 30 | Offices Closed - Memorial Day |
| June 7 | Kenergy Annual Meeting in Henderson |
| Sept. 16 | Member Appreciation Day |

Heart-healthy Lentil Stew – Italian Style

- 1 ½ c. dried lentils (red or brown)
- 1 ¼ lb. butternut squash, cut into 1-inch chunks (about 3 cups)
- 2 cups marinara sauce (bottled or homemade)
- 8 oz. green beans, ends trimmed, and cut
- 1 medium red bell pepper, seeded, cut into one-inch pieces (or other color of choice except green)
- 1 large potato peeled and cut into one-inch chunks
- ¾ c. chopped onion
- 1 tsp. minced garlic
- 1 tbsp. olive oil

Mix lentils and three cups water in three-quart crock pot. In a large bowl, combine remaining ingredients except olive oil. Place this liquid – minus the olive oil -- on top of lentils.

Cover and cook on low for eight to 10 hours. Check that veggies and lentils are tender. Stir in the oil.

Serve with parmesan cheese.



Patty Bertke
Hancock County

The FOCUS

April 2011



Monthly Newsletter for Kenergy Members

Kenergy, Big Rivers file for rate increases

HENDERSON, Ky. – On March 1, Kenergy Corp. filed an application with the Kentucky Public Service Commission (PSC), requesting a 2.87 percent rate increase for the co-op's residential class.

The proposed increase would raise residential bills an average of \$2.83 a month – about the price of a Big Mac at McDonald's.

On the same day, however, Kenergy's wholesale power supplier, Big Rivers Electric Corp., filed an application with the PSC for a rate increase – adding another 7.10 percent to Kenergy's proposed residential rates. Kenergy must pass through any wholesale increases granted by the PSC.

Therefore, the total proposed increase – Kenergy's and Big Rivers'

-- adds up to 9.97 percent, or an average of \$9.84 a month at the retail level.

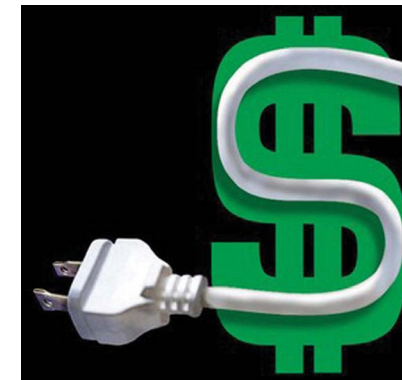
"It's never easy to ask members to pay more, but it is especially difficult during a down economy," said Kenergy CEO Sandy Novick. "At Kenergy, we have tightened our belt by reducing staff, withholding pay increases and refinancing loans, to name a few cost-cutting measures. However, like all businesses, our costs continue to climb."

Additionally, Big Rivers' wholesale power costs are beyond the co-op's control, Novick said.

As part of Kenergy's long-term strategic plan, it anticipated filing for a rate increase with the PSC during 2011.

Two major factors are driving the co-op's request for a 2.87 percent residential rate hike.

Continued on page 2... **Rate Increases**

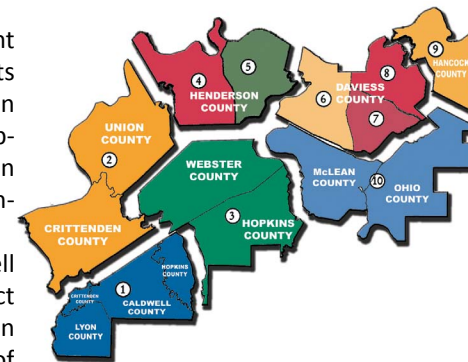


Five Board Incumbents Face No Opposition in 2011 Board Election

The five incumbent directors whose seats are up for election in 2011 will face no opposition and will retain their board seats without an election.

They are Randy Powell of Corydon in District 4-Western Henderson County, Larry Elder of Owensboro in District 6-Western Daviess County, Billy Reid of Owensboro in District 8-Eastern Daviess County, Brent Wigginton of Hawesville in District 9-Hancock County, and Allan Eyre of Henderson who serves as the Industrial Director. Each was the only individual nominated by the Nominating Committee of their respective district Member Resource Committee/Industrial Resource Committee in December. There were no candidates nominated by petition.

The bylaws state that any uncontested candidate will be declared the winner of the board seat without an election.

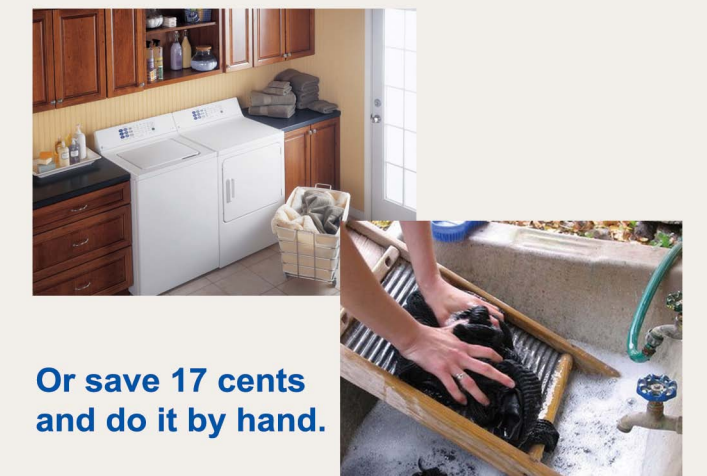


ENERGY Tips

For energy saving tips visit www.kenergycorp.com

Electricity is a good value!

You can wash a load of clothes for 17 cents.



Or save 17 cents and do it by hand.



Madisonville Mayor David Jackson recalls 'life-changing trip'

See story inside...

Attend Kenergy's Annual Meeting, Tuesday, June 7, Henderson County High School.

Madisonville Mayor David Jackson recalls 'life-changing trip'

Co-op's Washington Youth Tour memories linger

MADISONVILLE, Ky. — Politics became very real for newly elected Madisonville Mayor David Jackson at an early age.

In 1982, when Jackson was a teen, he entered his co-op's Washington Youth Tour contest by writing an essay titled "Our Power Is Our People," a familiar co-op slogan at the time.

Little did he know that essay would change his view of the world.

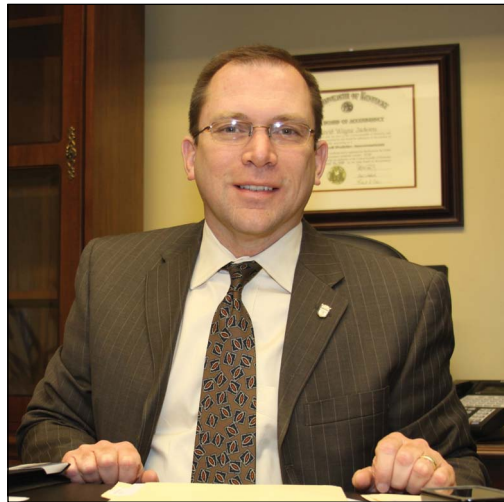
Jackson won the essay contest. Thanks to Henderson Union Electric Cooperative, which later merged with Green River Electric Corp. to form Kenergy Corp., Jackson traveled first to Frankfort and then on to Washington, D.C.

"It was a life-changing trip for me," he says of seeing the U.S. Capitol.

He remembers his tour of Frankfort well. "We met the governor and had lunch with state representatives at the lieutenant governor's house. It was a great day."

The late President Ronald Reagan was in office when Jackson visited the White House. Prior to the 9/11 terrorist attacks, groups could tour the president's home. Better yet, White House staff invited the co-op group on the lawn to watch Reagan's helicopter land.

The Secret Service briefed the crowd on how to behave, Jackson recalls. "Don't make any sudden moves."



Newly elected Madisonville Mayor David Jackson, 45, took office on Jan. 1. His real introduction to government came as a teen, when he earned a trip to Frankfort and Washington, D.C., through his local co-op. In 1982, Jackson won a coveted spot on the Washington Youth Tour.

He remembers wind from the helicopter blades causing Secret Service agents' suit coats to flop, exposing holsters and handguns under each arm. At that point, Jackson knew they meant business.

Co-op students attended *Room Service*, featuring Hal Linden of "Barney Miller" fame. Students toured the FBI building and Ford's Theatre.

"We had lunch in the cafeteria with our senators and congressmen," Jackson says.

Standing outside Senate Chambers, the teen from Sebree met a member of the President's Cabinet, who inquired whether students were enjoying their trip to the nation's capitol. And through the years, Jackson kept his Senate pass -- signed by the late Massachusetts Sen. Ted Kennedy.

Without the co-op's involvement in the Washington Youth Tour, Jackson could never have experienced Washington, D.C., as a teen. He learned about the opportunity from a high-school English teacher, who prompted students to enter the contest.

During the Washington Youth Tour, public service took on a new meaning for Jackson, who is a certified public accountant and owns a firm in Madisonville. The mayor's job is a full-time endeavor; however, Jackson is fortunate to have family holding down the fort for him at David W. Jackson, CPA.

Jackson has returned to Washington, D.C., several times as an adult. Each time, he remembers his first trip there with the Washington Youth Tour.

"I continue to be appreciative to Henderson RECC for affording me the opportunity," Jackson says.

2011 Washington Youth Tour winners

HENDERSON, Ky. — Six high school juniors from Kenergy's service territory will represent the co-op on the 2011 Washington Youth Tour.

When students applied, they were told to write an essay on any subject about which they were passionate. Judges considered the topic as part of the judging criteria.

Fifteen students turned in essays by Feb. 15. Kenergy judges met on March 5 to select the winners.



Kristin Nannie of Marion, Crittenden County High School. Nannie wrote an essay titled "Sacrifice and Respect," which is about the price of freedom.



Kaitlin Wells of Daviess County, Daviess County High School. Wells wrote an essay about the importance of community service.



Stephanie Dooper of Owensboro, Owensboro Catholic High School. Dooper wrote an essay titled "A Breath of Fresh Air," which is about her volunteer efforts with Habitat for Humanity.



Lauren Settles of Owensboro, Owensboro Catholic High School. Settles wrote an essay titled "The Love of the Land," which is about growing up on a generational farm in Kentucky.



Allie Payne of Owensboro, Owensboro Catholic High School. Payne wrote an essay titled "My Youth Group," which is about summer camp at Mount St. Joseph.



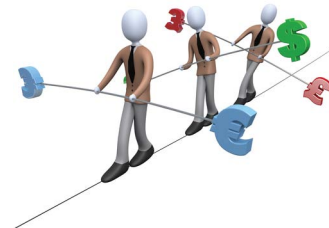
Nathan Payne of Daviess County, Apollo High School. Nathan Payne wrote an essay titled "Apathy: The Downfall of Teens," which is about teen pregnancy and its impact on society.

The Washington Youth Tour serves as one more reminder that membership matters.

Rate Increases... continued from page 1

The primary driver is depreciation. Kenergy's depreciation expense has skyrocketed nearly \$1.3 million, or 17 percent, in recent years.

Also, like most companies nationwide, health insurance and other payroll expenses have increased.



To cut costs in recent years, Kenergy has reduced its number of full-time employees by eight, from 155 to 147. That saved the co-op \$572,000 a year. In addition, Kenergy converted some jobs to a lower-paying status to shave another \$50,000 annually.

Kenergy employees received no general wage increase in 2010.

The co-op received PSC approval to start statistical sampling for its meter-test program, saving \$91,000 per year.

Kenergy has refinanced loans to take advantage of lower interest rates, which resulted in annual savings of \$113,000.

"We understand any rate increase is a hardship on our members," Novick said. "But even with these proposed rate increases, electricity remains an extremely good value. For example, the price of a gallon of gasoline has jumped more than 100 percent in the past 10 years. Kenergy's residential rates have gone up 16 percent during that time."

If the PSC grants the combined 9.97 percent rate increase for Kenergy and Big Rivers, the residential average per kilowatt hour will be 7.9 cents for Kenergy's members, compared to 11.7 cents per kilowatt hour nationwide.

The co-op's last rate increase of 4 percent took place on Feb. 1, 2009.

Has your phone number changed?

Your correct phone number will assure you faster, easier service.

Kenergy

PLEASE UPDATE YOUR PHONE NUMBER
1-800-844-4832
www.kenergycorp.com

For many years, Kenergy Corp. has promoted energy conservation through a variety of methods. The co-op offers extensive energy-efficiency data and a Home Energy Suite on its Web site at www.kenergycorp.com.

Also, Kenergy hosts an Energy Expo at its Annual Meeting. The co-op performs energy audits for commercial and industrial customers.

In recent months, the co-op started pilot rebate programs for refrigerator replacements and Energy STAR new-home construction. And, to date, Kenergy has distributed more than 45,000 energy-efficient light bulbs to its members, as well as assisted through discounts and technical advice on the installation of numerous geothermal heating and cooling systems.

To help its members cope with the increasing cost of electricity, Kenergy Corp. offers these ways to shave about \$10 a month off average electric bills:

- By raising a home's thermostat from 75 degrees to 78 degrees in summer, homeowners can save as much as \$111 annually.
- By turning water-heater settings to "low," homeowners can save up to \$39 a year.
- By lowering thermostats from 70 to 68 in winter, homeowners can save as much as \$35 a year.
- By replacing 50 percent of the incandescent light bulbs that are used most often with compact fluorescent light bulbs, homeowners can save up to \$35 a year.
- Caulk around windows and doors. Make sure weather stripping around doors and windows is tight. Take every option to seal homes, and save up to \$10 per year.