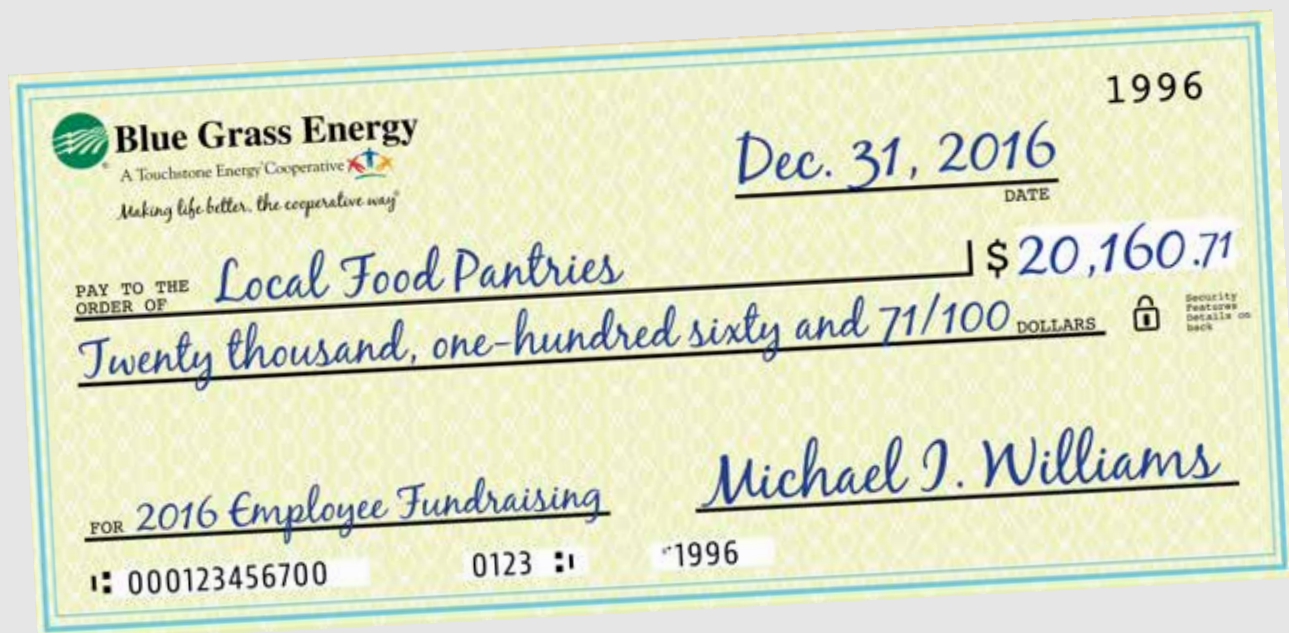


Employee fundraising reaches new heights



More details on page 30B.

Message from the President

We are here to help you manage your energy

Many things are beyond our control these days, but your energy usage shouldn't be one of them. At your cooperative, we offer a variety of programs, tools, and rebates to help you manage your energy.

One of our more recent offerings is mobile alerts and reminders. We know members are busy, and reminders of due dates, high usage, and other things can be helpful. Knowing that you will receive an email or text on your phone—no matter where you are—can relieve the worry of keeping up with the details of your account.

Levelized billing is another way to help manage your energy. This program averages the previous 12 months usage with the current month. It prevents drastic changes in your bill—even in the

coldest or hottest months of the year. There is no “settle-up” month because the amount is recalculated each month based on a rolling average.

Other members may be wondering where the energy is going in their home. With our *Billing Insights* program, members can track electricity use in their home and learn exactly where their energy and dollars are going. Members will receive a custom plan for lowering energy costs, including suggesting rebates and services we offer that may help.



Michael J. Williams
President & CEO

Continued on 30D

BGEnergy employees raise over \$20,000

Our seven cooperative principles play a part in our daily decisions. This ties directly to our principle of commitment to community. We know hunger affects many people in our communities. According to the Kentucky Association of Food Banks, 1 in 6 Kentuckians does not always know where their next meal will come from. More than 1 in 5 of Kentucky's children lack consistent access to enough food for a healthy, active lifestyle.

Our members are included in these staggering statistics so it was our pleasure to support God's Pantry Food Bank and Harrison County Food Pantry as our 2016 charities.

Through many employee-led efforts and the help of our members, we raised \$20,160.71 to help feed our communities.

A variety of fundraising events were held throughout the year. Coin jars, food drives, and silent auctions were just a few.

The buying power of God's Pantry Food Bank is much greater than what an individual can purchase themselves. For every \$1 donated, they can purchase eight (8) meals.

That means our donation purchased 161,285 meals for members who are food insecure.

"Hunger affects many of our members, right in our own communities. It is a blessing that we can help people have a meal and give back," says Mike Williams, president & CEO of Blue Grass Energy. "It is what our purpose is all about—making life better, the cooperative way."

2016 Partnership Charity



& Harrison Co. Food Pantry



Lisa Peavler and Kinsey Rohrback volunteered at the local Food Pantry in Jessamine County.

In 2016, our employees worked hard to raise
\$20,160.71
 to help feed our communities.

“Partnerships are at the core of our mission at God's Pantry Food Bank. We are able to touch the lives of more than 200,000 Kentuckians each year because of our partnerships with so many in the communities we serve. Working together in 2016 with Blue Grass Energy has been a great way for us to not only share the opportunity to join in as a partner in the fight against hunger, but also to continue to impact the lives of those living in the communities where you live and work.**”**

Rebecca R. Wallace
 Development Director, God's Pantry Food Bank

“The Harrison County Food Pantry located in Cynthiana has been a recipient of monetary and food donations, and we so appreciate both. It is people like your business and other businesses and individuals that keep our doors opened, our shelves stocked, and perishables in our refrigerators and freezers.

“There will always be a need for food in our community. The Bible tells us this and it is our mission to try our best to eliminate this problem as much as possible. This past year (2016), we served almost 2,500 families and when broken down, that amounts to almost 7,000 people. God bless each of you and this whole community for helping in this endeavor. Thanks again for everything you do for us.**”**

Margaret Watson
 Director, Harrison Co. Food Pantry

0 for local food pantries



Several BGEnergy employees and family members spent time volunteering at God's Pantry Food Bank in Lexington.

From BGEnergy's Bylaws

Members will elect one director from District 4. Each director serves a four-year term. The following, from Article IV, Section 5, of Blue Grass Energy's bylaws, outlines the nomination process.

Article IV, Section 5 – Nominations. It shall be the duty of the Board of Directors to appoint, not less than fifty (50) days and not more than one hundred, twenty (120) days before the date of a meeting the members at which a report of the election of directors is to be made a committee on nominations consisting of not less than five (5) nor more than ten (10) members who shall be selected so as to give equitable representation on the committee to the geographical areas served or to be served by the Cooperative. No officer or member of the Board of Directors shall be appointed a member of such committee. The committee shall prepare and post at the principal office of the Cooperative at least forty-five (45) days before the meeting, a list of nominations for Board of Directors.

One-half percent (1/2%) or more of the total number of consumers shown on the

Financial and Statistical Report of RUS Form 7 as of December 31 of the calendar year preceding the election may make other nominations in writing over their original dated signatures, signed within 120 days prior to the annual meeting, together with printed names, telephone numbers, and addresses by filing such nominations not more than ninety (90) days and not less than fifty (50) days prior to the meeting and the Secretary shall post the same at the same place where the list of nominations made by the committee is posted, if, after examination of the Provost, it is determined by said Provost that said petitions meet the requirements of the Bylaws, Articles of Consolidation, and the laws of the Commonwealth of Kentucky. In no event shall a member sign more than one petition for the nomination of a director from a district.

All nominating petitions shall be submitted on the form of "Nomination Petition" provided by the cooperative. All nominees shall certify their qualifications by signing a "Certification of Candidate for Director" and completing the

"Application for Candidate for Director" form provided by cooperative and file same with the cooperative not less than 50 days before the date of the meeting of the members.

The date of the first working day not less than forty-five (45) days prior to the Annual Meeting shall be established as the certificate date which determines whether a member is in good standing and qualified for the purpose of signing a nominating petition and/or voting.

A member in good standing is any active member who is in compliance with the Bylaws, Rules and Regulations of the Cooperative, and Rules and Regulations of the Public Service Commission as of forty-five (45) days prior to the Annual Membership Meeting. The Secretary shall deliver a list of members in good standing on the certification date to the Provost.

Any member, whose service is disconnected for any reason, will automatically become a nonvoting member until said member is reconnected and receiving electrical current.

How to reach us

24-Hour Service: (888) 546-4243

Automated payment: (877) 934-9491

Report an outage: (888) 655-4243

www.bgenergy.com

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Lawrenceburg, KY 40342-0150

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2099 Berea Road
Richmond, KY 40476-0276

Board of Directors

Dennis Moneyhon, Foster
Chairman

Gary Keller, Harrodsburg
Vice Chairman

Jane Smith, Waddy
Secretary-Treasurer

Danny G. Britt, Richmond

Doug Fritz, Paint Lick

Jody Hughes, Lawrenceburg

Brad Marshall, Cynthiana

Paul Tucker, Sadieville

Published monthly by Blue Grass Energy
as a service to our members.

Rachel Settles, Editor



Know what's below.
Call before you dig.



This institution is an equal
opportunity provider and employer.

ATTENTION HIGH SCHOOL JUNIORS AND SENIORS

Apply now for the Washington Youth Tour and Scholarships.
Applications are available under the Community tab at bgenergy.com.

DEADLINE for both is March 8, 2017.

President's message (continued)

Another option is our prepay program. Prepay gives members the opportunity to purchase electricity before they use it. This eliminates the need for deposits and other fees associated with a traditional account.

These are just a few of the many ways we can help you manage your energy. A full listing is available on our website at bgenergy.com.

As your trusted energy experts, we want to help find a solution that is right for you. Because you are an owner, we have your best interests in mind. These benefits are just part of the value of your cooperative membership.

Each year, Blue Grass Energy chooses a charity to work with for the year. We partner with a local nonprofit organization that benefits the communities in which we live and serve. Our fundraising efforts for the entire year go to that cause. This year, we are partnering with Make-A-Wish. We are excited about the opportunity of making wishes come true for some of our youngest members.



IMPACT: CHANGING LIVES



KIDS

A wish come true helps children feel stronger and more energetic, and empowers them to take back control of their lives. For many, it marks a turning point in their fight against their illnesses. In fact, most adult former Wish kids say they felt stronger because of their wish.



FAMILIES

Through the Wish process, families feel "normal" again by focusing on something other than treatments. The child, along with parents and siblings, experiences the joy a wish brings, replacing fear with lasting hope, optimism, and a lifetime of memories.



COMMUNITIES

A wish unites communities. Hundreds of local supporters come together lending their time, talent, and resources to help grant life-changing wishes. Those involved in a wish say they feel a renewed "faith in humanity" and a deeper commitment to philanthropy.

Make-A-Wish is unlike any other organization,
impacting kids, families, and communities.