

THE CANEY VALLEY ELECTRIC COOPERATIVE ASSOCIATION, INC.

TheVoice

Caney Valley Electric Cooperative Assn., Inc.

Allen Zadorozny—General Manager

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President

Jim Clark
Vice President

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Dale Steward
Trustee

Contact Us

401 Lawrence, P.O. Box 308
Cedar Vale, KS 67024
620-758-2262, Fax: 620-758-2926
cve@caneyvalley.com.

Office Hours

Monday - Friday, 8 a.m. to 4:30 p.m.

Power Cost Adjustment

The Power Cost Adjustment (PCA) for February is a credit of \$.024/kilowatt hour. This calculates to a reduction of \$24.01 per 1,000 kWh used.

Due to an adjustment by our wholesale power supplier, Kansas Electric Power Cooperative (KEPCo) in Topeka, the February PCA will cause a reduction per kilowatt hour rather than an addition. The PCA varies each month depending on the wholesale charges from KEPCo, and is flow-through on your bill.

From the Manager's Desk...

Your Cooperative's board and management are continually reviewing the cost of electricity the members have to pay. It is disconcerting to us that your electric bills are as high as they are, even though the basic electric rates have not increased since 1993. In fact, those rates decreased in 1999 and have since been the same.

The increased cost to the members above the basic rates is all due to the increases in the costs of wholesale power which have been experienced since 2002.

The current basic electric rates used to calculate your bills were established in 1993, and, in fact, reduced in 1999 by 3.5 percent. The basic rates were set at a level that would cover the wholesale power cost of five cents per kilowatt hour. The rates were also set to cover the necessary operating expenses needed to maintain the electric line infrastructure, business administration, and to meet the financial stability requirements.

The rates satisfactorily met the financial requirements of the cooperative until 2002. That year, our wholesale electric supplier, Kansas Electric Power Cooperative (KEPCo), needed to increase its rates due to significant cost increases incurred from their power generation and transmission sources. This was when many years of predictable, relatively stable electricity generation and transmission costs ended.

In order to maintain the financial integrity of Caney Valley Electric,

it was determined that a power cost adjustment (PCA) method be implemented to accommodate the increasing, unpredictable wholesale power increases, which were much above five cents per kWh. This option was chosen over the need to continually change the basic rate schedules, which would require guessing future wholesale power costs.

Due to modest increases in the kilowatt hours sold over the past several years, in addition to cost-controlling efforts, the basic electric rates have satisfactorily provided the necessary revenue to meet the cooperative's general operating expenses other than the wholesale power costs.

As you can understand from your personal cost of living experience over the past 20 years, there have been ongoing increases. The same trend of increases is affecting the cooperative's basic rates. Logically, at some point, it will become necessary to increase the cooperative's rates.

The board and management are sensitive and concerned about increasing your electric rates, and about the best way to do so. As we consider the rate increase issue, we will keep you informed about the process and steps the cooperative must take before implementing any rate increases.

Please contact me to discuss the rates, or any other questions, suggestions, or concerns you may have.



Allen Zadorozny

Allen A. Zadorozny,
Manager

Nominating Committee Members Needed

Members are needed to serve on the nominating committee to provide candidates for the board of trustees. Nominees for the board are considered for election by the members at the annual meeting May 6.

The nominating committee is appointed by the board of trustees in February. Members are encouraged to participate in the nominating process by contacting your district's board trustee and letting them know that you are willing to serve on the nominating committee.

Please contact Allen Zadorozny or your district's trustee if you can serve on the nominating committee, or would be willing to be nominated to run for election to the board of trustees.

Efficiency Tip of the Month

Fighting winter chills? A crackling fire in the hearth warms the house, but don't let it heat up your electric bill. To cool energy costs, keep the fireplace damper closed when not in use. Caulk around the fireplace hearth. Double up on wood-earned warmth by lowering the thermostat setting to between 50 degrees and 55 degrees Fahrenheit. Learn more at www.energysaver.gov.

SOURCE: U.S. DEPARTMENT OF ENERGY

Caney Valley's Operating Statistics

For Month Ending	Nov. 2013	Nov. 2012
Meters Billed	5,578	5,584
kWh's Purchased	5,938,666	5,222,327
Cost per kWh	\$ 0.07501	\$ 0.08082
kWh Sold	5,205,771	4,730,389
Total Revenue	\$ 772,325	\$ 714,054
Purchased Power	\$ 445,479	\$ 422,049
Operating Expenses	\$ 143,271	\$ 162,827
Depreciation Expenses	\$ 52,282	\$ 50,743
Interest Expenses	\$ 27,402	\$ 26,686
Other Expenses	\$ 500	\$ -
Operating Margins	\$ 103,391	\$ 51,749
Non-operating Margins	\$ 1,789	\$ 9,181
Total Margins	\$ 105,180	\$ 60,929
Margins Year-to-Date	\$ 306,980	\$ 386,096

2014 Annual Meeting Trustee Election

Caney Valley Electric is required to give a summary of the bylaws section on the election process prior to the nominating committee meeting selecting individuals for Board of Trustee position. The following is taken from Article III (Trustees), Section 3 (Nominations) of Caney Valley's current bylaws:

"It shall be the duty of the Board of Trustees to appoint, not less than 30 days nor more than 90 days before the date of a meeting at which Trustees are to be elected, a committee on nominations consisting of not less than five nor more than 11 members, who shall be selected so as to give equitable representation to the area served or to be served by the cooperative.

No officer or member of the Board of Trustees shall be appointed a member of such committee. Said committee shall nominate at least two members as candidates for each Trustee position to be elected at any annual meeting. The committee shall

prepare and post at the principal office of the cooperative, at least 25 days before the meeting, a list of nominations for Trustees; but any 15 or more members may make other nominations in writing over their signatures not less than 20 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... Nothing contained herein shall, however, prevent additional nominations be made from the floor at the meeting of the members."

The Caney Valley Board of Trustees will be selecting a nominating committee at their February 11, 2014, Board meeting. In the past, it has been difficult to find members able to participate on this committee, and to serve on the board if nominated. It would be very helpful to have any member contact a trustee or the cooperative office to let us know you would like to be considered to serve on the committee and/or agree to serve as a board member if nominated.

The Annual Meeting will be held Tuesday, May 6, 2014, at Cedar Vale.

Trustee Terms Expiring in 2014

- ▶ District 1
CORAL ANN MAGNUS
- ▶ District 2
DAVID EVANS
- ▶ District 3
DAN HUBERT

Shipley Completes Lineman Training

Danny Shipley, Sedan, an employee of Caney Valley, has successfully completed one of the world's most comprehensive training programs for power line personnel.

The Merchant Job Training and Safety Program is administered to line personnel in 40 states throughout the United States. MJTS is also under contract with NRECA International, LTD, supplying a Spanish program for use around the world. The academic program is administered through computers and fax machines for immediate response including assistance through a web site.

Shipley and the support staff with Caney Valley can be proud of their accomplishment.

John McMillan, Operations Agent, is the acting training coordinator and administers "closed book" testing for the cooperative. The coordinators manage their own people throughout the training process from rules set by the MJTS and the statewide association staff.



Danny Shipley

Scholarships Available for High School Seniors

Caney Valley Electric Cooperative has scholarships available for high school seniors going on to college or a vocational-technical school.

Application deadline for August enrollment is March 31, 2014.

Please contact Caney Valley Electric or your high school counselor for further information.

Award recipients will be announced at our Annual Meeting on May 6, 2014.

Outages for December 2013

Occasionally, a part or parts of the delivery system fail and an outage occurs. Following are the larger outages that occurred in December.

Date	Area	Members Affected	Duration	Cause
12/22	North of Havana	30	7 hrs	Trees in line/ice & snow
12/25	East of Cedar Vale	45	1 hr	Trees in line/ice & snow
12/27	North Elgin	50	1 hr	Trees in line/ice & snow

Caney Valley Electric Offers Scholarships to High School Seniors



**Application
Deadline
March 31**

Area Fifth Graders Participate Poster Contest

In honor of National Cooperative Month, Caney Valley Electric again invited area fifth graders to participate in an electrical safety poster contest.

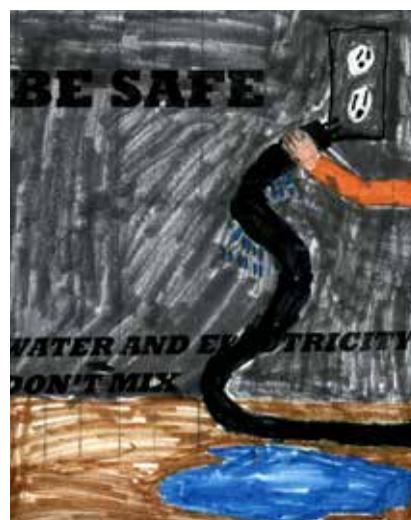
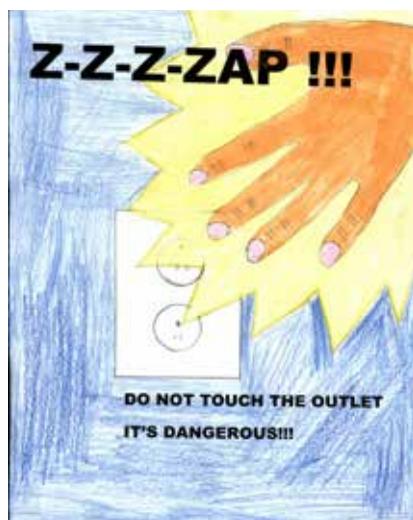
Students were asked to submit original drawings or posters that depicted some area of electrical safety. The posters were judged by a three-person committee, and one winner

Emma Kill, Morgan Lange, Adam Anglin, and Trenton McCollam (counter-clockwise) all submitted original drawings depicting an area of electrical safety. All four students attend Elk Valley Elementary in Longton.

from each school won \$25.

Included are posters submitted by students from Elk Valley Elementary in Longton.

Thank you to those who participated and submitted posters for the contest this year.



Attention High School Juniors Win a FREE Trip!

The Caney Valley Electric Cooperative is sponsoring two students to an all-expenses-paid trip to Steamboat Springs, Colorado, July 12-18, 2014.

This trip is part of a four-state Cooperative Youth Leadership Camp sponsored by rural electric cooperatives in Colorado, Kansas, Oklahoma and Wyoming.

"I will always remember all the fun times I had with my new friends from the other states," said Jonathan Howard.

Contest winners will learn about electrification, cooperatives, energy problems, safety, and interpersonal communications.

Sarah Bellar said, "The thing that has impacted me the most would be everybody because I've learned so much from everybody,

it's amazing," after the trip.

The contest is open to all current high school juniors in Caney Valley's service area, whose residence is served by Caney Valley.

If you are a high school junior and are interested in this trip, please complete the application form below and send **by February 14** to:

**CANEY VALLEY ELECTRIC COOPERATIVE
PO BOX 308
CEDAR VALE, KS 67024**



2013 Camp Winners, Sarah Bellar (left) and Jonathan Howard enjoy the view on top of Lookout Mountain.

5 Reasons You Should Apply

- 1 Make new friends from across Kansas, Colorado, Oklahoma and Wyoming.
- 2 Experience the beautiful Rocky Mountains.
- 3 Attended Cooperative Youth Leadership Camp" will look great on your resume.
- 4 Whitewater rafting, dancing, shopping and volleyball—all in one camp.
- 5 It's all FREE!

Apply for Your FREE Trip Today

Complete and return this application to Caney Valley Electric Cooperative (P.O. Box 308 Cedar Vale, KS 67024)

Name of Applicant _____

Address _____

City _____ State _____ Zip _____

Birth Date _____ School _____ Year in School _____

Name of Parents/Guardians _____ Phone Number _____

I agree that all information supplied in this application is accurate and true.

Signature of Applicant _____

I hereby grant permission for _____ to enter the 2014 Youth Tour competition sponsored by Caney Valley Electric Cooperative, Inc.

Signature of Parent or Legal Guardian _____