

THE CANEY VALLEY ELECTRIC
COOPERATIVE ASSOCIATION, INC.

TheVoice

Caney Valley Electric
Cooperative Assn., Inc.

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Office Hours

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

Power Cost Adjustment

The Power Cost Adjustment (PCA) for May is \$0.02760/kilowatt-hour. This calculates to an additional \$27.60 per 1,000 kWh used.

The PCA was implemented in 2002 to cover only the increase in power costs (over five cents/kWh) charged to us by our wholesale power supplier, Kansas Electric Power Cooperative (KEPCo) in Topeka. The PCA varies each month depending on the wholesale charges from KEPCo, and is a flow-through on your bill.

FROM THE MANAGER

Cost Increases Since 1993



Allen Zadorozny

Over the past few years, we have included several articles in *The Voice* describing how the cooperative's operating expenses continue to rise in spite of

the ongoing efforts to control costs without degrading the quality of electric service. Fortunately, the yearly modest growth in electricity usage and sales has enabled the cooperative to accommodate the increasing expenses.

The financial integrity of the cooperative has been adequately achieved even though the basic electric rates have not increased since they were established in 1993. However, the time has come that, in order to meet future financial requirements, the basic electric rates need to be updated to avoid unsatisfactory consequences.

The accompanying table shows the various operational costs comparing 1993 to 2013. The overall annual costs have increased 78.55%, while the costs without purchased power have increased 31.48%, or an average of 1.58% per year.

The board of trustees and management are considering an increase in the basic rates to be implemented in the near future. The cooperative members will be notified about the meeting at which the rate increase will be considered.

The board recognizes the rate increase is very important to the members. Any proposed increase will be designed to provide the revenue needed, and not in excess.

I will be glad to visit with you about your questions or concerns on this important issue.

Allen Zadorozny

	1993	1999*	2013	\$ Increase Since 1999	% Increase Since 1999
Purchased Power ***	\$2,849,058	\$2,442,822	\$5,523,653	\$3,080,831	126.12%
Transmission	\$974	\$43,518	\$49,729	\$6,211	14.27%
Operations	\$192,025	\$374,922	\$498,243	\$123,321	32.89%
Maintenance	\$180,651	\$486,659	\$734,304	\$247,645	50.89%
Customer Accounts	\$134,571	\$226,615	\$398,034	\$171,419	75.64%
Customer Service	\$21,755	\$26,099	\$27,439	\$1,340	5.13%
Sales	\$5,570	\$14,492	\$4,430	(\$10,062)	-69.43%
Admn & Gen	\$435,698	\$402,164	\$556,306	\$154,142	38.33%
Depreciation	\$443,486	\$448,193	\$619,925	\$171,732	38.32%
Interest LT Debt	\$475,223	\$417,492	\$324,035	(\$93,457)	-22.39%
Other Interest	\$2,822	\$2,853	\$27,033	\$24,180	847.53%
Misc	\$30,941	\$25,555	\$6,123	(\$19,432)	-76.04%
Tax Expense **	\$422,048	\$ -	\$ -		
Total Annual Expenses	\$4,772,774	\$4,911,384	\$8,769,254	\$3,857,870	78.55%
Total Without Purchased Power		\$2,468,562	\$3,245,601	\$777,039	31.48%

* Rates dropped in 1999 from 1993 rates.

** Jan 1998 RUS went to functional accounting, and tax expenses were spread monthly to all other expense accounts.

***Increases are covered through the PCA each month.

Vegetation Control Crews may be in Your Area



Craig Lampson

As part of Caney Valley Electric's ongoing program to control harmful vegetation near our power lines, we have contracted with Northeast Rural Services (NRS) of Vinita, OK, to apply herbicide along our rights-of-way this coming summer. The lines serving members in the Howard, Moline and Grenola areas are scheduled to be covered over the next few months.

NRS's two-man crew will apply high-volume foliar spray herbicide directly to small trees, saplings, and harmful re-growth that has occurred since the lines were cleared by tree cutting. They will use the minimum amount of herbicide judged to be effective and will target specific plants that pose a hazard to the electric system.

You should expect to see their pickup and/or ATV with spray equipment working along the rights-of-way under Caney Valley's electric lines.

Trees continue to pose the greatest physical obstacle to providing economical and reliable electric power to the consumers on Caney Valley's system. The problems caused by trees and the costs of controlling them are born by all of our members collectively.

We appreciate your support of the cooperative's efforts to reduce tree-related problems in a fair and cost-effective manner.

If you have any questions about our spraying or line clearing activities, please call us at 800-310-8911 or 620-758-2262.

Mark Your Calendars for May 6

Make plans to attend your cooperative's annual meeting, Tuesday, May 6, at the Cedar Vale School gymnasium. A free hamburger supper will be served from 5:30 p.m. to 7 p.m. for members and their families. Musical entertainment will be provided during the supper and member registration process.

Registration favors, including an electric bill discount certificate, will be given along with chances to win one of many attendance drawing prizes.

The meeting will include business reports about your cooperative's operations and financial condition, as

May 2014						
S	M	T	W	U	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

well as electing members to the board of trustees.

We hope to see you at the meeting!

When Thunderstorms, Tornadoes Strike

Beware. Spring can usher in more than April showers. Now through the summer months, thunderstorms can quickly roll in and tornadoes can touch down, often during the afternoon and evening hours, according to researchers at the National Oceanic and Atmospheric Administration's (NOAA) National Severe Storms Laboratory.

Follow these tips from NOAA and the American Red Cross to keep you and your home safe when tornadoes and severe thunderstorms come your way:

- ▶ Prepare for high winds by removing diseased and damaged tree limbs.
- ▶ Listen to local news or National Weather Service broadcasts to stay informed about tornado watches and warnings.
- ▶ If in a mobile home, immediately head to a sturdy shelter or vehicle. Mobile homes, especially hallways and bathrooms, are not safe places to take shelter during tornadoes or other severe winds.
- ▶ Designate a family meeting place for shelter during and after a storm. If possible, go to your home's basement, a small interior room, or under stairs on the lowest level. Also,

have a battery-operated weather radio handy along with emergency supplies.

- ▶ Unplug your electronics. Avoid using electrical equipment and corded telephones.
- ▶ Remember that there is no safe place outside during a severe storm. If you are caught in a storm while on the road, the American Red Cross urges drivers to turn their headlights on, try to safely exit the roadway, and park. Stay in the vehicle with your seat belt on and turn on the emergency flashers until the heavy rain ends. If thunder and lightning is occurring, avoid touching metal or other surfaces that conduct electricity in and outside the vehicle.
- ▶ Move or secure lawn furniture, trash cans, hanging plants or anything else that can be picked up by the wind and become a projectile.
- ▶ Stay safe after a storm. Remain indoors at least 30 minutes after the last clap of thunder. Also, stay away from downed power lines and avoid flooded areas, power lines could be submerged and still live with electricity. Report them to Caney Valley immediately.

Notice Regarding Water Heaters

The cooperative is no longer able to provide a warranty on Marathon water heaters that members purchased through the cooperative from 2004-2012.

We will continue with our current rebate program for water heaters purchased elsewhere. To obtain a rebate, the water heaters must meet the following qualifications:

- ▶ The unit must be installed on Caney Valley's lines and inspected by Caney Valley Electric personnel.
- ▶ Minimum size must be 40 gallons.
- ▶ If less than 60 gallons, it must have a minimum Energy Factor (EF) of .93.
- ▶ If 60 gallons or greater, it must have a minimum EF of .91.
- ▶ A copy of the sales receipt must be provided.
- ▶ Needs to be installed with #10 wire and 30-amp breaker.

Water Heater Rebate Amounts

For members replacing a non-electric unit or installing one in new construction:

- ▶ For the purchase of a standard (non-lifetime) unit \$150
- ▶ For the purchase of a lifetime unit \$200

For members replacing an electric unit:

- ▶ For the purchase of a standard (non-lifetime) unit \$100
- ▶ For the purchase of a lifetime unit \$150

If you have any questions feel free to contact our office at 620-758-2262 or 800-310-8911. Thank you!

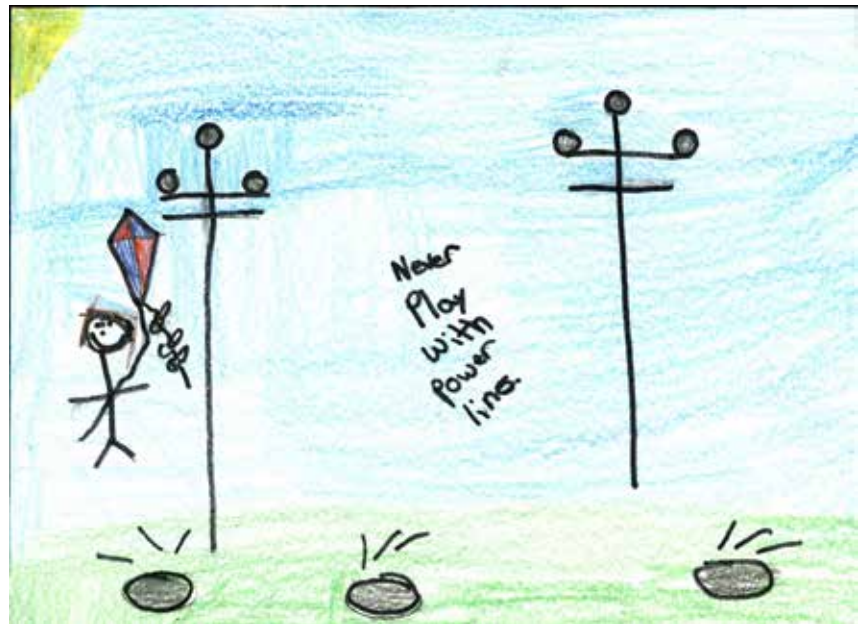
Area Fifth Graders Participate in Poster Contest

In honor of National Cooperative Month, Caney Valley Electric invited area fifth graders to participate in the annual 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 from each school won \$25. Included this month are posters submitted by students from Sedan Elementary.

Thank you to this year's participants.

Rylee Shipley (right), Abby Myers (bottom left) and Danny Osburn, all students from Sedan Elementary, submitted posters depicting an area of electrical safety.



Statement of Nondiscrimination

This institution is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call 866-632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax 202-690-7442 or email at program.intake@usda.gov.

Tip of the Month

A well-designed landscape provides both energy efficiency and curb appeal for your home. The type of vegetation you choose is as important as where they are planted. Sunlight streaming through windows and bearing down on the roof can drive up air conditioner use. Using shade trees and shrubs in your landscaping plan can help reduce cooling costs. In the winter, deciduous trees lose their leaves and let in warmth.

Caney Valley's Operating Statistics

For Month Ending	Feb. 2014	Feb. 2013
Meters Billed	5,573	5,555
kWh's Purchased	6,344,551	5,480,746
Cost per kWh	\$ 0.07342	\$ 0.08278
kWh Sold	6,614,930	5,512,471
Total Revenue	\$ 534,972	\$ 743,572
Purchased Power	\$ 465,832	\$ 453,695
Operating Expenses	\$ 189,506	\$ 197,116
Depreciation Expenses	\$ 52,795	\$ 51,129
Interest Expenses	\$ 33,157	\$ 28,659
Other Expenses	\$ 300	\$ 740
Operating Margins	\$ (206,620)	\$ 12,234
Non-operating Margins	\$ 1,700	\$ 1,668
Total Margins	\$ (204,920)	\$ 13,902
Margins Year-to-Date	\$ (152,224)	\$ 3,951

Practical Pointers for National Electrical Safety Month

May is National Electrical Safety Month, and Caney Valley is joining with the Electrical Safety Foundation International to raise awareness about potential home electrical hazards and the importance of electrical safety. This year's campaign, "Back to the Basics," challenges consumers to make home electrical safety assessments a priority.

According to the Consumer Electronics Association, the average home today has a minimum of three televisions, two DVD players, at least one digital camera, one desktop computer, and two cell phones.

Many homes and their electrical systems were built before most modern-day home electronics and appliances were even invented. Today's increased demand for energy can overburden an older home's electrical system.

Caney Valley offers the following tips to help identify and eliminate electrical hazards to protect yourself, your family, and your home:

- ▶ Make sure entertainment centers and computer equipment have plenty of space around them for ventilation.
- ▶ Use extension cords as a temporary solution, and never as a permanent power supply.
- ▶ Do not place extension cords in high traffic areas, under carpets, or across walkways, where they pose a potential tripping hazard.
- ▶ Use a surge protector to protect



Today's increased demand for energy can overburden an older home's electrical system, like this one.

your computer and other electronic equipment from damage caused by voltage changes.

- ▶ Heavy reliance on power strips is an indication that you have too few outlets to address your needs. Have additional outlets installed by a qualified, licensed electrician.
- ▶ Keep liquids, including drinks, away from electrical items such as televisions and computers.

Electrical safety awareness and education among consumers, families, employees, and communities will prevent electrical fires, injuries, and fatalities.

The Electrical Safety Foundation International (ESFI) sponsors National Electrical Safety Month each May to increase public awareness of the electrical hazards around us at home, work, school, and play. ESFI is a 501(c)3 non-profit organization dedicated exclusively to promoting electrical safety. For more information about ESFI and electrical safety, visit www.electrical-safety.org.

Outages for March 2014

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

Date	Area	Members Affected	Duration	Cause
3/1	North of Dexter	45	2 hrs	Floater hitting phase
3/24	North of Cedar Vale	35	1 hr 40 min	Jumper on breaker burned off
3/27	North of Sedan	60	15 min	Tree fell through line
3/27	Hewins and Northwest	40	45 min	Broken jumper