

THE CANEY VALLEY ELECTRIC
 COOPERATIVE ASSOCIATION, INC.

The Voice

**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 June is 3.727¢/kilowatt-hour. This calculates to an additional \$37.27 per 1,000 kWh used.

The PCA was implemented in 2002 to cover only the increase in power costs (over and above 5¢/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 electric bill.

FROM THE MANAGER

Understanding the Power Cost Adjustment



Allen Zadorozny

The power cost adjustment (PCA) is a large part of the electric bill you receive from your cooperative. The number of kilowatt-hours

(kWh) consumed is multiplied by the PCA, and that amount is added to the basic electric rate charges to make up your electric bill each month. Of course, some bills may have additional charges due to taxes, security lights, etc.

Over the past seven years, the PCA has more than doubled. The average monthly PCA during 2006 was 1.531¢ per kWh. For 2012, the average monthly PCA was 3.534¢ per kWh.

The good news is that, to date in 2013, the increase in the PCA has leveled off compared to the pattern set since 2006. As mentioned previously, the average PCA for 2012 was 3.534¢ per kWh. So far in 2013, the average is 3.218¢ per kWh. Indications are that the PCA will remain about this amount for the next two years.

The bad news is that the PCA is not expected to decrease

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significantly, if at all, in the future.

We are displaying the monthly PCA factors because you, the cooperative members, need to be aware of how the PCA has affected your electric bills in the past, and to know what to expect on future bills.

Please feel free to contact me to discuss the PCA charges any time.

Allen A. Zadorozny, Manager

Power Cost Adjustment (PCA) Comparison (Cents per kWh)

Month	2013	2012	2011	2010	2009	2008	2007	2006
January	3.361	3.473	2.328	2.123	1.161	0.876	1.377	0.904
February	2.770	(0.225)	1.863	1.153	1.118	0.327	0.422	0.675
March	2.693	3.201	2.038	1.088	0.914	0.966	0.491	0.802
April	3.533	3.906	2.800	1.447	1.580	0.944	0.514	1.021
May	3.221	4.015	2.734	1.566	1.316	1.000	1.080	1.680
June	3.727	4.419	3.285	2.284	1.300	1.921	1.208	1.680
July		3.797	3.339	2.361	1.596	1.907	1.175	1.082
August		4.092	3.660	2.273	2.063	2.566	0.918	2.119
September		3.492	3.395	2.328	2.031	2.559	1.696	2.543
October		4.223	4.028	2.545	2.468	2.762	2.312	2.473
November		4.572	5.027	2.785	2.068	2.072	1.687	0.727
December		3.251	3.749	2.915	1.958	1.180	1.476	1.779
Annual Average		3.534	3.205	2.127	1.674	1.628	1.306	1.531

Vegetation Control Crews may be in Your Area



Craig Lampson

As part of the cooperative'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 around the Grenola, Moline and Howard areas are scheduled to be covered over the next few months.

NRS's two-man crew will be applying 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.

*Craig Lampson,
Line Superintendent*

Annual Meeting



Caney Valley's meeting drew 342 registered members, the highest attendance since 2001.

Caney Valley's 65th Annual Meeting was held May 7, 2013, at 7 p.m. at the Cedar Vale School Gymnasium with more than 500 members, guests and employees present. There were 342 members registered, the highest since 2001.

Kenneth Bates, Board President, welcomed everyone present and introduced other Board members, Counsel Marla Ware and Manager Allen Zadorozny.

Special guests present included Bruce Graham, CEO, Kansas Electric Cooperatives (KEC) in Topeka, Phil Wages, Director of Member Services, Government Affairs, and Business Development, and Bill Riggins, Senior Vice President, Chief Administrative Officer and General Counsel, both with Kansas Electric Power Cooperative (KEPCo), Topeka, and Pam Henderson, District Representative for Senator Jerry Moran from Pittsburg.

The following incumbents were

re-elected for Position 1 on the Board of Trustees: Kenneth Bates, District I; Carl Johnson, Jr., District II; and James Clark, Jr., District III.

In his manager's report, Zadorozny stated that the cooperative had a satisfactory year financially. All expenses with the exception of wholesale power rose only about one percent over 2011 expenses. He noted that the basic electric rates set in 1993 are still in effect, but at some point in the future the board would need to consider a rate increase as all expenses have increased considerably since that time. Any rate increases will be considered seriously and be kept as reasonable as possible. He added that the board and staff have been considering the installation of various automated metering systems and their related costs. Members will be informed on any decisions made to move forward with automated metering.



Guests were entertained with the musical talents of the Sedan High School choir.

Highlights



Board President, Kenny Bates, addresses the membership.



Bill Riggins, KEPCo CAO, discusses power supply.

Zadorozny thanked the Cedar Vale Board of Education, Superintendent Lance Rhodd, Principal Jackie Burdette, and staff for allowing Caney Valley to use the facilities for the annual meeting, the Sedan Lions Club for providing and serving the meal, the Sedan Music Department for providing the entertainment, the Cedar Vale Music Department for help with serving supper and child care, as well as the Board of Trustees and employees of Caney Valley Electric.

Seven scholarship winners for the 2013-2014 school year were recognized at the meeting. They are Taylor Rae Crain, Caney Valley High School; Stephanie Cox, Cedar Vale High School; Michael Meloy, Cedar Vale High School; Cole Loewer, Central of Burden; Garrett Jones, Elk Valley High School; Austin Filtingberger, Sedan High School; and Sterling Pray, Sedan

High School.

Students selected to attend the Cooperative Youth Leadership Camp in Steamboat Springs, CO, in July were also announced: Sarah Bellar, West Elk High School, and Jonathan Howard, Sedan High School.

Manager Zadorozny presented service awards to several employees throughout the evening including 25-year awards to John McMillan and Dave Kelly, a 30-year award to Kitty Champlin, and 35-year awards to Oscar Mattocks and Craig Lampson.

Drawings were held throughout the meeting for numerous attendance prizes. Van Shaff won the grand prize of a 32" flat screen HDTV, Elmo

and Faye Goates won a Nook, Mark Spire won a Garmin GPS provided by KEPCo, Margaret Hogan won a \$50 bill credit also provided by KEPCo, Don Waldschmidt won a Garmin provided by ElectriComm, Barbara Durbin won a chain saw provided by Northeast Rural Services, and Robert Rinck won a blender provided by MidWest Electric Transformers. Several other prizes provided by Caney Valley Electric were also given away.



Six of the seven scholarship winners were present at the annual meeting. From left: Stephanie Cox, Taylor Crain, Michael Meloy, Austin Filtingberger, Cole Loewer and Sterling Pray. Not pictured: Garrett Jones.



Bruce Graham, KEC CEO, discusses the value of the statewide association with Caney Valley members.



John McMillan (left), operations agent, and Allen Zadorozny, general manager, draw names for prizes.



Caney Valley employees deliver prizes to members.

ENERGY EFFICIENCY TIPS

A Different Kind of Envelope BY DOUG RYE



Doug Rye

Oftentimes I refer to the term “building envelope” or “thermal envelope.” Both are interchangeable and synonymous.

So, just what is a building envelope? Well, in simple terms, it is the building components that separate the building interior from the exterior environment. And since this column is about energy efficiency, let’s call it the “thermal envelope.” On the simplest of buildings, the thermal envelope consists of the floor, the four walls and the ceiling or roof.

There are two things that can affect the energy efficiency of the envelope. One is the insulation value of the components and the other relates to the amount of air that can transfer to and from the envelope. For the sake of teaching, picture a normal ice chest. It’s a miniature ultra-efficient structure where the floor, walls and the roof are super-insulated, and there is only one doorway leading in and out. Some have a capped plumbing penetration—the drain plug. This structure requires very little energy to fulfill its job of keeping its contents chilled.

However, lifting the lid introduces air infiltration and will affect the energy consumption (melting ice), energy cost (buying more ice) and comfort (warm soft drinks). Keep the lid closed, and the content stays cold, and the ice lasts much longer. You may not be aware that many

of today’s new homes are insulated with similar foam used in ice chests. Plus, existing homes can be retrofitted.

So, how does an ice chest relate to a dwelling?

After all, nobody wants to live in a big insulated box. Most people prefer to live in a building that contains amenities, comfort and improves our quality of life. Of course, we also want affordable utility bills. Well, the good news is building an efficient new home or retrofitting an existing home is doable. However, the bad news is many desired amenities can adversely affect the energy efficiency of the thermal envelope.

For example, the installation of windows into a well-insulated wall will almost always decrease the energy efficiency of the thermal envelope. This is because the windows may have some air leakage, and the insulation value of the window is less than the well insulated wall. Also, the glass will allow more heat rays from the sun to enter the house.

We all want windows in our house, so what can we do to enjoy the benefits of windows without dramatically affecting the envelope? The answer is that we must analyze the efficiency of each component and it’s direct impact on the envelope. In this particular case, we could install the fewest number of windows necessary to make us happy, and choose the most feasible energy-efficient windows. Keep this in mind as a general rule of thumb; if the energy efficiency of the thermal envelope goes down, then the energy bill usually increases.

We will continue this subject in next month’s column. Until then, let me remind you it’s that time again!

DOUG RYE is a licensed architect and the popular host of the “Home Remedies” radio show. You can contact Doug at 501-653-7931. Source: Arkansas Electric Cooperatives Corporation.



Caney Valley’s Operating Statistics		
For Month Ending	March 2013	March 2012
Meters Billed	5,570	5,560
kWh’s Purchased	5,780,732	4,910,772
Cost per kWh	\$ 0.07990	\$ 0.08680
kWh Sold	5,620,225	5,798,988
Total Revenue	\$ 749,523	\$ 676,122
Purchased Power	\$ 461,868	\$ 426,269
Operating Expenses	\$ 191,210	\$ 166,578
Depreciation Expenses	\$ 50,980	\$ 48,982
Interest Expenses	\$ 28,026	\$ 43,932
Other Expenses	\$ 300	\$ 1,600
Operating Margins	\$ 17,138	\$ (11,239)
Non-operating Margins	\$ 23,159	\$ 19,944
Total Working Margins	\$ 40,297	\$ 8,705
Margins Year-to-Date	\$ 44,248	\$ (42,885)

Outages for April 2013				
Occasionally, a part or parts of the delivery system fail and an outage occurs. Listed below are the larger outages that occurred during April.				
Date	Area	Members Affected	Duration	Cause
4/13	Grenola substation	148	2 hrs	Westar off-vehicle accident
4/23	Grenola, Moline	65	2 hrs 30 min	Reset OCR in substation-hail
4/23	Longton area	100	2 hrs 30 min	Lightning-lost top out of pole