

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 June is \$.01257/kilowatt hour. This amounts to an additional \$12.57 per 1,000 kilowatt hours

The PCA was implemented in 2002 to cover only the increase (or decrease) in power costs (over and above 7¢/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.

FROM THE MANAGER

Peak Control Program Keeps Your Costs Down



Allen Zadorozny

For the next four months, we are asking you to participate in the “Peak Control” program. This voluntary program can help hold down the wholesale power

costs incurred by the cooperative.

The peak demand for electricity recorded in July and August drives a major part of the wholesale power

billing process for the eight off-peak months that follow, October through May. The lower the peak demand registered, the lower demand charges will be. Keeping the peak demand low in June and September is also important.

Please take time to review the key parts of Peak Control below. Contact me at 758-2261 or 800-310-8911 if you have any questions. Thank you for participating in this program.

Allen A. Zadorozny, Manager

What is Peak Control & How Can You Help?

What is peak control?

Peak control is a voluntary program in which our cooperative members can participate to hold down electricity costs.

What can members do to participate in peak control?

You can participate by voluntarily monitoring when you use electric equipment and appliances which require larger amounts of electricity.

When do members need to participate in peak control?

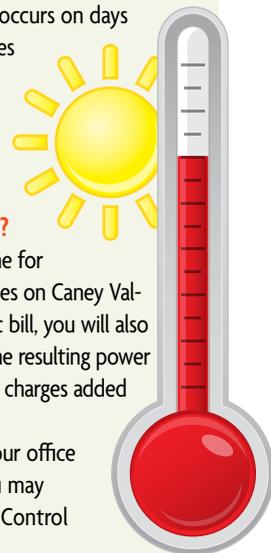
Caney Valley encourages members to participate in peak control between 4 and 8 p.m. Monday through Friday from June 1 through September 30. The actual peak demand for June, July, August and September is the billing demand for each respective month. Special emphasis is placed during

July and August because the peak electricity demand during those months drives the electricity billings for the rest of the year. Peak demand usually occurs on days that have temperatures forecasted above 90 degrees.

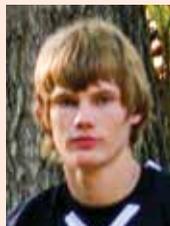
What are the benefits of taking part in peak control?

By helping hold the line for the kW demand charges on Caney Valley's wholesale electric bill, you will also limit the amount of the resulting power cost adjustment (PCA) charges added to your electric bill.

Please contact our office for any questions you may have about the Peak Control program.



2016 Scholarship Winners



Benjamin Call



Adam Clark



Bailee Ellis



Faith Ferguson



Saydi Loewer



Leah Steward



Braylee Unruh

Youth Tour Winners



Dawson Cox



Wade Hand

Caney Valley Contributes to Community

One of the seven cooperative principles is concern for community. Your cooperative, through the policies approved by your board of trustees, works for the sustainable development of our communities. One way we do this is to support our youth through our programs and sponsorship of their activities, some of which are listed below.

Caney Valley donates annually to 4-H clubs and after-prom parties in our service territory, as well as sponsors various school or community activities or projects that our students may be involved in from time-to-time.

Your cooperative sponsors two high school juniors to the annual Kansas Electric Cooperative Youth Leadership Camp in Steamboat Springs, CO, held in July. Local youth will join approximately 100 high school students from Kansas, Colorado, Oklahoma and Wyoming for a week in the beautiful Rocky Mountains to participate in the leadership camp sponsored by electric cooperatives in those states.

“The Cooperative Youth Leadership Camp is specifically designed to empower student leaders and help them better understand the cooperative business model,” said Caney

Valley manager Allen Zadorozny. “This camp not only highlights the co-op’s commitment to our communities, but it also helps teach the students to become community leaders.”

Students form a candy cooperative, witness a high-voltage safety demonstration and build a transmission line from craft supplies. They also go on a river rafting excursion and tour local sites like Steamboat Springs, Fish Creek Falls, Trapper Mine and Craig Power Plant. This year’s winners of the all-expenses-paid trip are **WADE HAND**, Cedar Vale High School, and **DAWSON COX**, Sedan High School.

Caney Valley also provides seven \$600 scholarships to high school students going on to college or a vocational-technical school. Selection is based on grade point average, ACT scores, leadership activities and involvement in other organizations. Scholarship winners for the 2016-2017 school year were announced at our annual meeting on April 1 as follows: **BENJAMIN CALL**, Cedar Vale High School; **BAILEE ELLIS** and **SAYDI LOEWER**, both of Central of Burden; **FAITH FERGUSON**, Dexter High School; and **ADAM CLARK**, **LEAH STEWARD**, and **BRAYLEE UNRUH**, all of Sedan High School.

Outages for April 2016

Occasionally, a part or parts of the delivery system fail and an outage occurs. Listed below are the larger outages that occurred in April 2016.

Date	Area	Members Affected	Duration	Cause
4/5	North and east of Grenola	40	1 hr	Reset breaker - high winds
4/5	South of Longton	172	40 min	Pasture fire - burned pole
4/6	Grenola & Longton substations	832	2 hr 15 min	Poles down on Westar's 69KV line
4/6	Sedan substation	1513	30 min	Poles down on Westar's 69KV line
4/11	Elgin	38	40 min	Reset breaker
4/19	Sedan loop feed	750	30 min	Reset FMS control
4/22	Southeast of Cedar Vale	46	25 min	Floater on tap
4/24	Peru area	75	1 hr 15 min	Reset breaker - high winds
4/26	Part of Sedan loop feed	500	2 hr 30 min	Storm - lost two 3-phase poles
4/27	Havana area	40	6 hr 30 min	Storm - trees in line
4/27	North of Havana	100	15 min	Scheduled - to make repairs
4/29	Cedar Vale substation	789	1 hr 45 min	Storm - 15 transmission structures broken
4/29	West side of Phillips substation	85	3 hr 20 min	Storm - 15 transmission structures broken
4/29	East side of Phillips substation	75	4 hr 40 min	Storm - 15 transmission structures broken

Driving Blindfolded on the Highway

The dangers of texting and driving

Would you drive on a highway blindfolded? Of course not. However, if you text while driving 55 miles per hour on a highway, you are essentially doing just that.

Five seconds is the average time your eyes are off the road while texting. When traveling at 55 mph, that's like driving the length of a football field while blindfolded. Talking on a cell phone also carries significant risks. According to the National Safety Council, drivers can miss seeing up to half of what's around them—including traffic lights, stop signs, and pedestrians—when talking on a cell phone.

In our digital world, people feel pressure to remain in constant contact, even when behind the wheel. As mobile technology use increases, distracted driving—talking, texting, sending emails—is a growing threat to community safety. We have all seen distracted drivers, and most likely, we ourselves have used a phone while driving. Drivers don't realize the dangers posed when they take their eyes off the road and their hands off the wheel and focus on activities other than driving.

According to the Centers for Disease Control, each day in the U.S., more than nine people are killed and more than 1,153 people are injured in

crashes that are reported to involve a distracted driver. The National Highway Administration notes that 3,154 people were killed and an estimated 424,000 were injured in motor vehicle crashes involving a distracted driver in 2013.

Texting and cell phone use behind the wheel takes your eyes off the road, your hands off the wheel and your focus off driving, putting the driver and others in danger, including passengers, pedestrians, other drivers and bystanders.

At Caney Valley Electric, safety is a core value. At this time of year in particular, when more people are on the roads and kids are out of school, our goal is to raise awareness and spur conversation about the dangers of distracted driving. Talking on a cell phone quadruples your risk of an accident, about the same as if you were driving drunk. Risk doubles again if you are texting while driving. We are committed to eliminating this unnecessary risk and believe that no conversation or text is worth the potential danger.

Help promote a culture of safety. We encourage our members at Caney Valley to join us and help keep our families, friends and neighbors safer by putting our phones down and focusing on the road when we drive. Together, we can put the brakes on distracted driving.

Drivers can miss seeing up to half of what's around them when talking on a cell phone.

Right-of-Way Maintenance

As part of the cooperative's ongoing program to control harmful vegetation near our power lines, we have contracted with Northeast Rural Services (NRS)



Craig Lampson

of Vinita, OK, to apply herbicide along our rights-of-way in 2016.

The lines serving members north and east of Sedan in Chautauqua and Montgomery counties, plus the areas east of Chautauqua and north of Elgin 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 be using the minimum amount of herbicide judged to be effective and will be targeting 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 members 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.

We are Prepared for Summer Storms

Summer is here, school is out and families are gearing up for a few months of fun and relaxation. While summer brings much fun in the sun, it can also bring the occasional severe storm. In the event of a power outage, you can trust Caney Valley Electric is ready to respond.

The major cause of most power outages comes from damage to power lines due to falling trees and branches. We work year round—through right-of-way clearing—to ensure power lines in our service territory stand little risk of being damaged by trees, branches or other types of vegetation.

Despite our best efforts, during major storms damage can occur to transmission stations, substations and power lines. When this happens, our first priority is to safely restore power

to as many members as possible in the shortest amount of time.

We start by mobilizing our line crews and other critical staff. Every phone line available is utilized to take your outage report calls. The big problems are handled first—like damage to transmission lines, which serve thousands of people. These problems must be corrected before we can focus on other areas where more localized damage may have occurred.

Caney Valley's line crews inspect substations to determine if the problem starts there or if there could be an issue down the line. If the root of the problem is at the substation, power can be restored to thousands of members.

Next, line crews check the service lines that deliver power into neighborhoods and communities.

Line crews repair the damaged lines, restoring power to hundreds of people. If you continue to experience an outage, there may be damage to a tap line outside of your home or business. Make sure you notify Caney Valley so crews can inspect these lines.

We will do our best to avoid power outages, but sometimes Mother Nature has other plans. Be sure to check Caney Valley's Facebook page for updates during a large power outage.

Like Us on Facebook

Be sure to check out our new Facebook page under Caney Valley Electric. We will post current information, safety and energy tips, information on large or extended outages, etc.

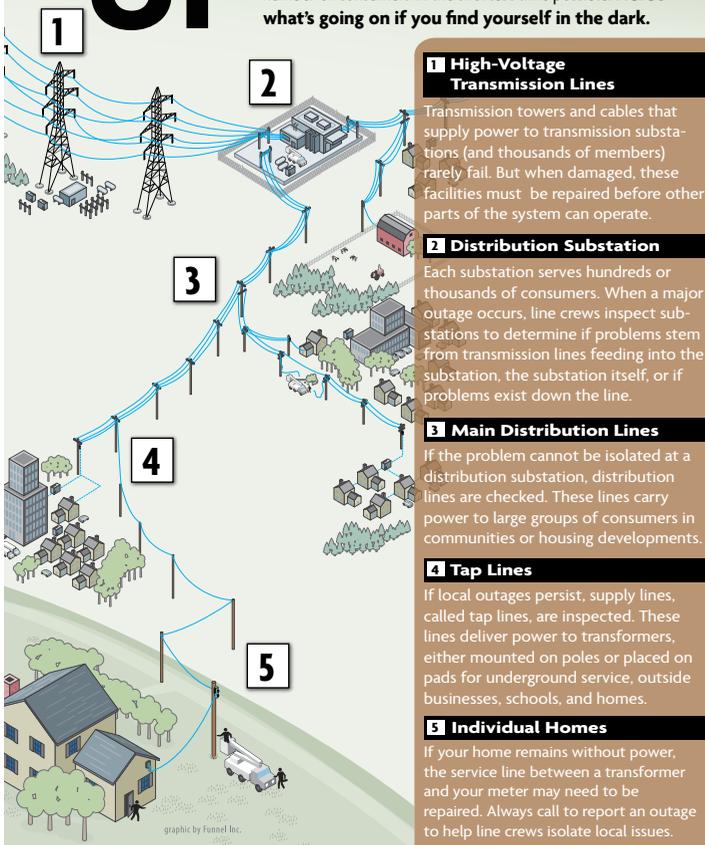
Our goal is to improve communication with our members in a timely manner. Please continue to call us at 800-310-8911 or 620-758-2262 to report trouble or outages. Our Facebook page is not monitored 24/7.

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 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.

Powering UP

When electricity goes out, most of us expect power will be restored within a few hours. But when a major storm causes widespread damage, longer outages may result. Co-op line crews work long, hard hours to restore service safely to the greatest number of consumers in the shortest time possible. **Here's what's going on if you find yourself in the dark.**



Caney Valley's Operating Statistics

For Month Ending	Mar. 2016	Mar. 2015
Meters Billed	5,383	5,512
kWh's Purchased	4,915,236	5,418,201
Cost per kWh	\$ 0.07620	\$ 0.07260
kWh Sold	4,644,400	5,807,914
Total Revenue	\$ 662,404	\$ 783,976
Purchased Power	\$ 374,564	\$ 393,794
Operating Expenses	\$ 190,942	\$ 114,784
Depreciation Expenses	\$ 63,789	\$ 58,088
Interest Expenses	\$ 38,573	\$ 36,918
Other Expenses	\$ 100	\$ 513
Operating Margins	\$ (5,565)	\$ 179,879
Non-operating Margins	\$ 56,923	\$ 34,969
Total Margins	\$ 51,358	\$ 214,848
Margins Year-to-Date	139,191	458,289