

THE CANEY VALLEY ELECTRIC COOPERATIVE ASSOCIATION, INC.

TheVoice

Caney Valley Electric Cooperative Assn., Inc.

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Contact Us

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620-758-2262, Fax: 620-758-2926
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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 July is \$0.03221/kilo-watt hour. This calculates to an additional \$32.21 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

Rate Increase to be Considered July 8

This month, we are reminding you about the Board of Trustees meeting on Tuesday, July 8, at 6:30 p.m., at which the proposed rate increases will be considered. The meeting will be held at the cooperative's office located at 401 Lawrence Street in Cedar Vale.

As we have mentioned in previous newsletters and at recent annual meetings, the Board of Trustees has been monitoring the cooperative's financial condition to determine the need to increase the retail rates.

Currently, the cooperative is meeting all of its financial obligations as required. In order to avoid reaching an undesirable circumstance, it has been determined that, after 20 years, the basic electric rates should be increased.

The Board of Trustees took formal action at the March 11, 2014, board meeting to begin the rate adjustment process. Raising rates is never a popular decision, as no one wants higher

“Without some increase, your co-op cannot continue to provide the level of reliable service that you, our members, expect and deserve.”



Allen Zadorozny

electric bills. However, without some increase, your cooperative cannot continue to provide the level of reliable service that you, our members, expect and deserve.

The rate adjustments, which mainly are increases in customer charges (facility charges), will also allow the cooperative to continue to meet the future financial obligations that are required within the terms of our mortgage with the Rural Utilities Service (RUS) and other lenders.

For any questions or concerns about the rate increase or any of the cooperative's programs and operations, please contact me to discuss them in greater detail.



Holiday Office Closing

In observance of Independence Day, the Caney Valley office will be closed on Friday, July 4.

Have a Safe Holiday!

Notice to Members: Board to Consider Rate Increase

The Board of Trustees of The Caney Valley Electric Cooperative Association, Inc., will meet on Tuesday, July 8, 2014, at 6:30 p.m. to discuss proposed rate changes. This meeting will be held at the Caney Valley offices located at 401 Lawrence Street in Cedar Vale.

Action on the rates may be taken at that time, and become effective with billings calculated on or after October 1, 2014.

This meeting is open to all members. Members have the right to request that the Kansas Corporation Commission review any rate change by the Cooperative as provided by K.S.A. 66-104d(g).

If you are unable to attend or have any questions, call the office at 620-758-2261, or send written comments to PO Box 308, Cedar Vale, KS 67024-0308.

Members are encouraged to attend the meeting on July 8 to discuss the rate increase.

Monthly Customer Charge

In order to have the best projection of the amount a rate increase will create, most of the rate increase is derived from the customer charge. The Monthly Customer Charge is designed to recover the cost of providing the equipment, materials, labor and business overheads to serve each meter regardless of the amount of electricity used. These costs are the same for an electric service using 50 kilowatt-hours (kWh) or 2,000 kWh per month.

The increase in the customer charges will come closer to covering the actual cost of serving each meter. Studies have shown customer charges should be in the \$25 to \$45 range, depending on the number of meters served by the utility.

Energy (kWh) Charge

The Energy Charge for all rate schedules will be increased equally, except for the General Service Small.

The Energy Charge will increase by 2.0¢, which is the increase in the Power Cost Adjustment (PCA) base. The increase in the PCA base is "rolled-in" or now embedded in the Energy Charge.

In addition to increasing for the PCA base, the Energy Charge for General Service Small will be increased to make it the same as the Rural Residential Service and Town Residential Service rates.

Summer Rates Example

Following is an example of how the rate increase affects Rural and Town Residential Service Rates, when the wholesale power cost is 7.5¢/kWh

	Current	Proposed	% Increase
Customer Charge	\$ 7.00	\$ 17.00	
PCA Base	\$0.05	\$0.07	
Energy Charge	\$0.1066	\$0.1266	
1,000 kWh	\$138.60	\$148.60	7.2%
2,000 kWh	\$270.20	\$280.20	3.7%
3,000 kWh	\$401.80	\$411.80	2.5%

	Existing	Proposed
PCA Base	\$0.05	\$0.07
Rural & Town Residential Service		
Customer Charge	\$7.00	\$17.00
Energy Charge: Summer	10.66¢	12.66¢
Energy Charge: Winter	10.06¢	12.06¢
General Service Small		
Customer Charge:		
Single Phase	\$8.00	\$20.00
Three Phase	\$11.00	\$23.00
Energy Charge: Summer	10.12¢	12.66¢
Energy Charge: Winter	9.52¢	12.06¢
Large Commercial and Industrial Service		
Demand Charge	\$7.75	\$8.25
Energy Charge	8.41¢	10.41¢
Large Power Load Control Rate		
<i>Usage for the months of June, July, August & September:</i>		
Coincident Peak Demand	\$16.25	\$16.25
Non-Coincident Peak Demand	\$1.00	\$1.50
<i>Usage for the months of October through May:</i>		
Non-Coincident Peak Demand	\$1.00	\$1.50
Energy Charge	7.65¢	9.65¢
Municipal Rates		
Energy Charge	9.41¢	11.41¢

Demand (kW) Charge

The Large Commercial and Industrial Service rate and the Large Power Load Control rate have a Demand Charge (kW).

Meters served under this rate require much more investment and maintenance costs to serve.

The Demand Charge is designed for this. The Demand Charge is increased \$0.50 on both rate schedules, except for the Large Power Load Control rate's Coincident Peak Demand Charge, which remains unchanged.

What is Peak Control & How Can You Help?

This month, we are asking members 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.

Members who voluntarily participated in "Peak Control" helped save on the wholesale power costs in the last eight-months during our off-peak period.

What is Peak Control?

Peak control is a voluntary program in which our members can participate to hold down electricity costs to both Caney Valley and themselves.

What Can You do to Participate in Peak Control?

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

Summer Energy Efficiency: *Myth vs. Fact*

Myth: When I'm not home, keeping my air conditioner at a lower temperature throughout the day means it doesn't have to run harder to cool my home when I return.

Fact: To save energy, set your thermostat to a higher temperature during the day, and lower it when you return home.

Myth: Closing vents on my central air conditioning system will boost efficiency.

Fact: Closing vents can cause the compressor to cycle too frequently and the heat pump to overload. You'll also use more energy.

Myth: Bigger is always bet-

When do You Need to Participate in Peak Control?

During the hours of 4 p.m. to 8 p.m. every weekday 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, as the peak electricity demand registered by Caney Valley during those two months drives the electricity billings for the following "off-peak" eight months. Be aware of days that have high temperatures forecasted above 90 degrees Fahrenheit. These are the type of days when peak demand can occur.

What are the Benefits of Taking Part in Peak Control?

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

If you have any questions call 758-2261 or 800-310-8911. Thank you for your participation in this program.

ter when it comes to cooling equipment.

Fact: Too often, cooling equipment isn't sized properly and leads to higher electric bills. A unit that's too large for your home will not cool evenly and might produce higher humidity indoors.

Myth: Time of day doesn't matter when it comes to running my appliances.

Fact: Time of day does matter when running electrical loads. For example, take advantage of the delay setting and run your dishwasher at night to avoid peak times of use and save energy.

Right-of-Way Spraying in Grenola, Howard & Moline

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. The lines serving members in the **GRENOLA**, **HOWARD**, and **MOLINE** 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.



Craig Lampson

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

Replacing your conventional power strips with advanced power strips (APS) can help reduce the electricity wasted when electronic devices are idle. These power strips are a convenient and low-cost way to save.

Caney Valley's Operating Statistics

For Month Ending	Mar 2014	Mar 2013
Meters Billed	5,557	5,570
kWh's Purchased	6,451,946	5,780,732
Cost per kWh	\$ 0.07511	\$ 0.07989
kWh Sold	6,337,317	5,620,225
Total Revenue	\$ 776,128	\$ 749,523
Purchased Power	\$ 484,663	\$ 461,868
Operating Expenses	\$ 168,742	\$ 191,210
Depreciation Expenses	\$ 52,856	\$ 50,980
Interest Expenses	\$ 31,536	\$ 28,026
Other Expenses	\$ 100	\$ 300
Operating Margins	\$ 38,230	\$ 17,138
Non-operating Margins	\$ 26,925	\$ 23,159
Total Margins	\$ 65,155	\$ 40,297
Margins Year-to-Date	\$ (87,069)	\$ 44,248

Rebates Available for Dryers, Heat Pumps, Ranges & Water Heaters

Caney Valley Electric has rebates available for new electric water heaters, ranges, dryers, and ground-source or air-source heat pumps.

New Electric Dryer

For installation in new construction or to replace a non-electric dryer, we will give a \$100 rebate. Dryers must be at least 4,000 watts, installation must be verified by cooperative personnel, and the member must provide proof of purchase.

New Electric Range

For installation in new construction or to replace a non-electric unit, we will give a \$100 rebate. Unit must be at least 10,000 watts, installation must be verified by cooperative personnel, and the member must provide proof of purchase.

New Electric Water Heater

For installation in new construction or to replace a non-electric unit, Caney Valley will provide a rebate of \$150 for the purchase of a standard (non-lifetime) water heater or \$200 for the purchase of a lifetime water heater.

If you are replacing an electric unit, the rebates will be \$100 for a new standard unit or \$150 for a lifetime unit. Below are the necessary qualifications:

- ▶ Must be 40-gallon minimum.
- ▶ Less than 60 gallons, must have minimum Energy Factor of .93.
- ▶ 60 gallons or greater, must have minimum Energy Factor of .91.
- ▶ Installation must be verified by cooperative personnel, and member must provide proof of purchase.

New Electric Heat Pump

For installation in new construction or to replace an electric or non-electric unit, we will provide a \$200 rebate **in addition** to the rebate Kansas Electric Power Cooperative (KEPCo) provides.

Rebates vary depending on size, type of unit, and SEER rating. Call 620-758-2262 for further information.



Outages for May 2014

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

Date	Area	Members Affected	Duration	Cause
5/16	NE of Grenola	30	15 min	Scheduled-Switched line to balance load
5/19	East of Grenola	40	1 hr 10 min	Broken jumper on transformer
5/26	Caney sub - west circuit	150	1 hr 30 min	Raccoon on breaker